

مركز المنصة للتنمية المستدامة  
Platform Center for Sustainable Development



2024

# Brief of the discussion session

## THE ECONOMIC REFORMS IN THE FEDERAL BUDGET 2023 – 2025

MARCH 2024

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## About Platform Center for Sustainable Development



## Strategic Goals

- Preparing a youth elite that rises to its social responsibilities through studying problems, proposing policy alternatives, and working towards their implementation.
- Utilizing knowledge outputs and encouraging youth to work towards achieving the Sustainable Development Goals
- Presenting statistics and issues that occupy the political arenas and societal circles to reflect a deeper understanding of the Iraqi reality.
- Creating a network of active, informed, and committed citizens dedicated to the project of building the Iraqi government.

The Platform for Sustainable Development is a registered center with the Non-Governmental Organizations Department at the General Secretariat of the Council of Ministers under the number (1S2106012). It serves as a space for thought, dialogue, and action towards positive change.

### Vision

We seek to establish a platform for dialogue and policies that contribute to achieving the Sustainable Development Goals in Iraq.

### Mission

Filling the gap between the state and society to ensure the essence of democracy by engaging citizens in the decision-making process through training, monitoring, analysis, research, awareness, and advocacy.





### **Brief of the discussion session**

On Saturday, March 2, 2024, the Platform Center for Sustainable Development held two discussion sessions titled "Economic Reforms in the Federal Budget 2023 – 2025" to conclude the economic reform program. These sessions involved the discussion of policy reports prepared by program graduates. These reports included an assessment of economic reform in 9 separate areas of the Federal Budget. The first session was with civil society, think tanks, and research centers, while the second session was with experts in public policy.

The session was inaugurated by Mr. Hashem Al-Husseini, Head of Research Department at the Platform Center, who welcomed the esteemed guests and briefly outlined the definition of the Platform Center, its activities, and achievements over the previous years. Additionally, he presented the center's vision for the future, aiming to become a significant and influential policymaking center in Iraq through its tools and mechanisms, with dialogue tables being among the most important of these mechanisms. He also reviewed the stages of the economic reform program in its first and second cycles.



## Civil society session



**Mustafa Al-Saray**  
Bayan Center for Studies and Planning

Mr. Saray believes that the Iraqi economy lacks clear identity, and this imbalance is a result of the legislation governing the economy. He also sees that the supported and regulated private sector by the government is effectively owned by it, and the private sector cannot grow unless it is liberated from government restrictions and regulations. Furthermore, he points out that the tripartite budget is like a law that expires after three years, leaving the formations included in it without legal cover, such as development funds that should be regulated by an independent law rather than within the budget law. Mr. Saray believes that the social nature and general culture shape the economy's sustainability and contribute to its viability.







## Hayder Al-Kafishi

### Smart Green Cities Sustainability Organization

Mr. Kafishi points out the impossibility of the continued existence of development funds because they rely on surplus revenues, which is impractical since oil revenues are tied to many external and geopolitical factors that contribute to their instability. This jeopardizes the future of these funds, which will disappear at the first oil crisis. He proposes a solution that could enhance the effectiveness of these funds by transferring Iraq's assets and properties abroad, such as farms and investment fleets outside Iraq, to provide resources for the fund to finance its operations until it reaches a profitable stage. Mr. Kafishi sees the necessity for the state to own and manage giant projects in a new manner and behavior that differs from the classic management that has led state-owned companies from being profitable and productive to becoming loss-making companies relying on subsidies from the general budget to cover their operational expenses.



**Dr. Saad Wahib**  
Nabu Center for Studies and Planning

Dr. Saad believes that market flooding policies are among the most important policies hindering the activation of productive sectors. He argues that the state adopts a misguided protectionist approach that protects individuals at the expense of productive sectors, failing to provide protection for local producers, especially in the agricultural sector. He also emphasizes the necessity of economic integration, meaning the establishment of factories and packaging plants near the source of raw materials and connecting provinces with railways, which will contribute to the development of provinces. Dr. Saad sees that supporting agricultural technologies and research in the agricultural sector could be the cornerstone of any reform in the productive sector.



**Yasser Al-Jubouri**  
Fawasil Center for Research  
and Studies

Mr. Al-Jubouri believes that think tanks and research centers are not fulfilling their role properly due to a lack of acceptance by decision-makers for the ideas presented by these centers. He also sees that economic reform is more comprehensive than being confined to the budget law; it should operate on multiple levels and involve all state institutions. Economic reform cannot be achieved unless these institutions recognize the necessity of keeping up with developments and operating with a new market mentality. Additionally, he believes that governmental measures often exacerbate the situation rather than contribute to its solution.





**Omar Al-Rifai**  
Academy of Political Development  
and Good Governance

Mr. Al-Rifai believes that the culture of disregarding previous efforts and starting from scratch is prevalent, and economic reform cannot be achieved unless we shift to a culture of building upon previous efforts from where others left off. He also sees that economic dialogue should be led by experts and only their opinions should be considered, as the economic process is very sensitive and cannot be approached by non-specialists, or else the results will be counterproductive.

## Governmental institutions and academia session



**Abeer Abdul Sattar**  
Department of Public Policies

Ms. Abeer believes that economic reform is a lengthy process, and its results cannot be expected overnight. She also sees that Iraq is going through difficult circumstances and complex crises that have led to the current situation. It is necessary to provide a suitable environment for reform that is continuous. She also mentioned the enactment of the Competition Support and Anti-Monopoly Law, which will represent a significant step towards empowering and developing the private sector.



**Dr. Hameed Rahim**  
Researcher in Public Policies

Dr. Hameed Rahim highlighted Iraq's potential for advancing to the next stage of reform contingent upon political determination. He believes that economic indicators show that the Iraqi economy is declining, with no growth indicators, other than expansion in spending and the dominance of oil revenues controlling other sectors, contributing to the state's paternalism, which supports society through subsidies. He also sees that increasing oversight of spending and automating control procedures may be the first steps towards reform.



**Dr. Mustafa Kamel**  
Academic

Dr. Mustafa believes that the most significant problem facing Iraq is the issue of population explosion. He believes that no reform can match the alarming increase in the population and the limited resources, putting the state in a real problem in securing the necessities of society. He also sees that the population concentration in urban centers is a major problem that can be addressed by encouraging moving to rural areas and promoting the agricultural sector, which would reduce the demand for services within cities and make it easier for the state to accommodate and meet the needs of the population.



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## Recommendations

1. Organizing the Development Fund through a separate law from the budget law.
2. Encouraging the agricultural sector by incentivizing farmers to adopt modern agricultural technologies.
3. Supporting productive sectors and rationalizing consumption by increasing taxes on luxury goods.
4. Connecting provinces to a railway network to facilitate the transportation of goods and distribute manufacturing centers.
5. Implementing population redistribution by establishing new cities and population centers outside of current urban areas.

**Your Journey  
in Policy  
Work Starts  
with Us**