

THE ROLE OF INVESTMENT PROJECTS IN REDUCING PUBLIC SPENDING OF THE GENERAL BUDGET

Azhar Hassan Kate¹, Dr. Sanaa Muhammad Sadkhan²

¹Assist. Lecturer, College of Law, Al-Nahrain University

²Professor, College of Law, Al-Nahrain University

lawlecbg22@alkadhumi-col.edu.iq

Abstract:

Recently, investment projects have main role in developing the economies of countries and diversifying their sources of income, but their role does not stop within the limits of that. Rather, they have a clear impact on the development of the society in which the money is invested. This impact was evident in clarifying their role in terms of two areas. The first was evident around the provision of services. We clearly sensed the importance of reducing public spending in the comparative law that regulated it and obligated local and foreign investment projects to be included in it, while Iraqi legislation was devoid of this regulation, which is a legislative vacuum that the Iraqi legislator must avoid. As for the other field, these projects had a role. Addressing poverty and unemployment, which have become among the most important problems threatening countries.

Keywords: investment projects, providing social services, reducing public spending.

Introduction: The role of investment projects is not limited to enhancing and maximizing public revenues, but rather they have begun to adopt roles with social dimensions and pay attention to issues that for long periods have been the responsibility of states alone, through their contribution to providing social services to the communities in which their money is invested. Therefore, we will show in this research the extent of the effectiveness of This is to reduce the host country's spending, through two demands. The first demand will examine its role in providing social services to reduce the general spending of the general budget, while the second requirement will examine its role in addressing issues of poverty and unemployment, as follows:

The importance: The importance entitled (The role of investment projects in reducing public spending of the general budget) stems from the statement of the responsibility of investment projects in reducing public spending, which has become an urgent necessity that supports the budget of countries hosting investment and addresses issues with a social dimension.

The problem: The problem of the study "research topic" revolves around the extent of the effectiveness and contribution of investment projects in providing social services to the communities in which their money is invested and the profits they achieve in the environment of these communities. Did these projects have a role in addressing poverty and unemployment?

The structure: In this research, we will show two requirements. In the first requirement, we will show the contribution of investment projects in providing social services to reduce the general spending of the general budget, while the second will examine the contribution of investment projects in addressing poverty and unemployment to reduce the general spending of the general budget, as follows:

First requirement

Contribution of investment projects to the provision of social services to reduce public spending on the general budget

The role of investment projects is no longer embodied in achieving and maximizing profits, but rather their role has emerged in adopting issues with social dimensions. The global trend is moving towards forcing the business environment to find a kind of harmony between the contradictory interests of profit on the one hand and the interests of society on the other hand. Accordingly, we will divide this requirement into Two branches: the first examines the concept of social responsibility for investment projects, then we move on to clarifying its status in comparative and Iraqi legislation.

First branch

Contribution of projects to the provision of social services to reduce public spending

The social services system is one of the modern concepts that emerged as a result of increasing pressure on investment companies that their role should not be limited to serving their own interests and making profits, but in addition to that, they must work to achieve the interests of the communities in which they operate. Jurisprudential opinions have conflicted regarding this concept. There are those who see it as (merely voluntary contributions made by investment companies for ethical considerations, based on self-conviction, without a legally binding responsibility) ⁽¹⁾. While others see it as (the continuous legal commitment by investment companies to act ethically to achieve their economic goals, and the commitment to contribute to achieving social goals) ⁽²⁾ and the previous trend is consistent with the trend of the World Bank when it defines this system ⁽³⁾. Therefore, we can define it as “a social contribution emanating from investment companies towards communities, under a binding legal framework.”

Second section

⁽¹⁾ See: Dr. Nizam Jabbar Talib, Taiba Habib, Social Responsibility of Foreign Companies Under the Umbrella of International Framework Agreements (An Analytical Study) Al-Mustansiriya Journal of Arab and International Studies, Issue (59), Volume (14) 2017, p. 173. In this sense, see: Howard Bowen, Social Responsibilities, of the Businessman, Ied, New York: Harper & Row, 1953, p. 8.

⁽²⁾ See: Dr. Hussein Abdel Muttalib Al-Asraj, Corporate Social Responsibility, Challenges and Prospects for Development in Arab Countries, June 2011, p. 5. The World Bank is also one of the most prominent international organizations calling for this trend. See:

⁽³⁾The word Bank Institute, (2007) Corporate Social Responsibility and Corporate Citizenship in the Arab World Working Paper based on a jointly organized conference on November -22-21 in Cairo, Egypt, (2711/2021/). <http://api.ning.com> Date of visit: (2/8/2022)

Contribution of investment projects to providing social services to reduce public spending in legislation

Recently, Countries have moved towards supporting and encouraging social service practices and initiatives for investment projects and in various dimensions, through their constitutions, laws, bylaws and regulations that confirm the state's encouragement of the role of investors and their projects in the field of their social responsibility and the importance of this in achieving the developmental achievements of society. To explain the details of this requires us to research these areas. Responsibility in the countries under comparison and Iraqi law and its role in reducing public spending are as follows:

First: The contribution of investment projects to providing social services in comparative legislation / The legal system in Egypt has been distinguished by its support for the system of services or social responsibility for a long time, as with reference to the Business Sector Law No. (203) of (1991), and its new amendments, we find that it obligates the business sector to Companies and projects operating under its umbrella to support social responsibility programs ⁽⁴⁾ Then the (amended) Constitution of 2014 came to confirm in some of its articles the state's orientation towards adopting social responsibility, and the necessity of the state adopting development and social justice programmes, raising the standard of living, increasing job opportunities, reducing unemployment rates and eliminating justice. On poverty ⁽⁵⁾, it is clear that the Egyptian Constitution recognized the importance of social services provided by investment projects and their positive impact on the state and its public spending, so we find that it expanded the areas of social responsibility to include various environmental, social and economic fields, which are the basic pillars of this system. In line with the effective constitution, the Egyptian Investment Law and its executive regulations did not ignore the social responsibility system for projects affiliated with the General Investment Authority ⁽⁶⁾, whereby all investment projects, regardless of their size, purpose, or legal form, were obligated to allocate a percentage of their annual profits to be used in establishing a social responsibility system outside the Investment project ⁽⁷⁾. In return, the financial incentives and benefits that the project will obtain when it adopts this system are specified, as the amounts spent by the investor in one of the areas stipulated by law, not exceeding a percentage (10%) of his annual profits net of costs and expenses, are considered to be deductible in accordance with the Income Tax Law No. 91) of 2005 ⁽⁸⁾. In our estimation, the tax incentive granted in accordance with the Egyptian Income Tax Law is one of the most important advantages that

⁽⁴⁾ An amendment was made to the texts of this law and published in the Official Gazette on (9/5/2020), in addition to amending some provisions of the law in accordance with Prime Minister's Resolution No. (948) of 2020, published in the Official Gazette on (5/10/2021).

⁽⁵⁾ See: Articles (27) and (36) of the Egyptian Constitution of 2014 (amended).

⁽⁶⁾ See: Chapter Three (Investor's Social Responsibility), Article (15) of Egyptian Investment Law No. (72) of 2017 (amended).

⁽⁷⁾ See: Article (15) Paragraph (A) of the Egyptian Investment Law No. (72) of 2017 (amended).

encourage investment projects to provide the best services to the local communities in which their money is invested, and this would achieve the goal of imposing social responsibility as a constitutional and legal obligation on the investment environment in Egypt. Reducing the state's public spending on social services adopted by these projects. As for the level of the Emirati legislator, we find that it followed the Egyptian legislator in requiring investment projects to provide social services, with the difference that the Egyptian regulated them according to the effective investment law, while the Emirati regulated them according to decisions issued by the Council of Ministers. The first of these was Resolution No. (2) for the year (2018), () and the second was Resolution No. (79) for the year (2022) ⁽⁹⁾, and whatever the case may be, the previous resolutions specified the standards under which this responsibility is exercised, as they were not satisfied with obligating projects Investing in the economic aspect as a sole goal, but the state must share its responsibilities in supporting and providing social services, and in accordance with the previous decisions, specifically the first of them, we find a keenness to establish a fund called the "National Fund for Social Responsibility" as it is a federal administrative body attached to the Minister of Economy, and enjoys legal personality and financial independence. The administrator has the necessary legal capacity to carry out the duties assigned to it. The aforementioned fund aims to achieve a set of goals, foremost of which is the need to establish a regulatory framework for corporate social responsibility contributions and a mechanism for documenting, managing and directing them in the Emirates. It appears that the purpose of this is to burden investment companies with the burden of spending on social issues in exchange for Obtaining tax benefits, incentives, and other financial concessions provided by the host country in the hope that this will have a positive impact on the state's finances and, more importantly, on its general budgets and public spending.

Second:- In Iraqi legislation, social services are considered a relatively modern concept, as they were not known in our Iraqi society. There is still ambiguity and insufficient knowledge on the part of the private sector and society as a whole about their concept and importance, and therefore the government sector took upon itself the responsibility of caring for social services for a long period of time. Time is still working according to its responsibilities and budgets. Returning to our legal system, we find that it did not undertake to regulate social responsibility. Iraqi legislation was devoid of legal texts, regulations or instructions obligating investors and their projects or any company, whether international, regional or national, operating in Iraq to adopt a social responsibility system. This is a legislative vacuum that must be filled. Our ordinary legislator avoids it ⁽¹⁰⁾ and from here we draw the attention of investment authorities to the necessity of imposing a percentage of the profits of these projects to support the general budget, not to remain devoid of any financial commitment, not to mention the social services that are completely absent

⁽⁹⁾ See: Article (12/First) of the Iraqi Investment Law No. (13) of 2006, as amended.

⁽¹⁶⁾ The matter does not stop at the Investment Law, but rather includes other complementary laws, such as the Commercial Companies Law and the Labor Law. It is worth mentioning that this responsibility was referred to in the National Oil Companies Law, as well as in the licensing contracts for a number of companies.

from the thinking of these projects because they often enjoy generous government support and tax exemptions. Banking facilities and other financial benefits provided by investment laws at the level of most legislations ⁽¹¹⁾. But the question remains: Is there any practical applications for this system in Iraq? In fact, after painstaking research into this system, we found some feasibility studies that are presented by the investor to investment bodies, rarely referring to societal value ⁽¹²⁾. Accordingly, we did not find applications for it except for some projects that provide, as a matter of charity and benevolence, sums of money that are almost symbolic to some charitable institutions and orphanages. ⁽¹³⁾ In this situation, we can say that the social responsibility system in accordance with Iraqi law is no more than an optional idea that does not impose any legal obligation on investors and their projects, but rather based on their voluntary desire. If they wish, they can work on it and leave it if they wish, at a time when we find the need urgent. To activate it and work on it, especially since Iraq has actually begun to attract investment projects to be of assistance to the state and relieve it of the pressure of public spending and its high annual rates. In this regard, it is possible to benefit from the experiences of the comparative countries (Egypt and the Emirates) that organized it and created administrative institutions to regulate it. Therefore, we propose to our legislator to adopt The same comparative path and enacting laws obligating investors and their projects to provide social services.

Second section

Contribution of investment projects to address issues of poverty and unemployment to reduce public budget spending

One of the most important contemporary social issues that have become a real and worrying challenge to the stability of countries and their public finances is the issue of poverty and unemployment. Therefore, it falls upon us in this section to explain the extent of the contribution and role of investment projects in addressing them, in the following detail:

First: Definition of poverty and unemployment/ Some jurists have defined poverty as “the amount of cash amounts accepted to obtain the minimum necessary for survival and continued physical efficiency” ⁽¹⁴⁾ and at the level of international law, the World Bank has defined it as (the inability

⁽¹¹⁾ See: Hussein Mustafa Hilali, Accounting Creativity in Disclosing Environmental Information in Financial Reports, Cairo. 2005, p. 55.

⁽¹²⁾ We found the banking sector most committed to this idea, and we can see this through the position of the Central Bank, which was announced under its Law No. (56) of 2004. See: Article Three of the Central Bank Law No. (56) of 2004, as amended.

⁽¹³⁾ Through our review of some charitable institutions (such as the Al Ain Foundation for Social Welfare) in Iraq, we found that some donations come from several sources, including donations to some investment projects. All donations made to that institution were considered a deduction from the tax base.

⁽¹⁴⁾ See: Dr. Salem Tawfiq Al-Najafi, Macroeconomic Policies, first edition, Beirut, Center for Arab Unity Studies, 2008, p. 39.

to achieve minimum standards of living ⁽¹⁵⁾ From what was explained previously, we see poverty as the inability to achieve a certain standard of living that represents the acceptable level in society. An individual is considered poor if his consumption or income falls below the minimum level of the basic needs necessary for the individual. As for unemployment, it is considered one of the contemporary problems facing countries of all levels and progress ⁽¹⁶⁾. It also represents an imbalance in the human security system, which is intended to protect people from chronic threats such as hunger, disease, persecution and poverty ⁽¹⁷⁾ It is also an important indicator of economic performance, as an economy that suffers from high and permanent unemployment loses its resources. Productive countries, and Third World countries, including Iraq, suffer from high rates of unemployment due to the faltering of their development efforts due to their increasing financial crises and foreign debts and their burdens, in addition to the application of unsound economic policies and programmes, which prompted the International Labor Organization to call on Third World countries to adopt the goal of full employment to combat poverty and unemployment. Some jurisprudence has gone to define unemployment as (the inability of the economic and social system to create opportunities, exploitation, investment and economic operation of the factors of production represented by work, capital, land and organization for many reasons and the resulting economic and social loss on multiple levels) ⁽¹⁸⁾ **and on this basis we can define Unemployment is the unemployment of people who want and are able to work.**

Second section

The role of investment projects in addressing issues of poverty and unemployment to reduce public budget spending

1- In comparative legislation, Egyptian law took many procedures to give investment policy towards combating (poverty and unemployment) and consistent with the standards stated in the effective constitution, which obligated the state to ensure social justice, raise the standard of living, increase job opportunities, reduce unemployment rates, and eliminate poverty () Returning to the effective investment law, we find that it sought to establish investment systems attractive to local and foreign capital by granting guarantees, public financial incentives, and special incentives, the most important of which is a deduction from net taxable profits at a rate of (50%) of investment costs, for projects that target (labor-intensive) sectors, and this is evidence. However, the Egyptian legislator intended this policy to direct projects to sectors that attract large numbers of the

⁽¹⁵⁾ See: The World Bank report on (eradicating poverty in all its forms) published on the website <https://data.albankaldawli.org>

⁽¹⁶⁾ See: Dr. Ahmed Tawfiq Al-Ansari, Investment Economics, Taiba Publishing and Distribution Foundation, Alexandria 2, 2020, p. 246.

⁽¹⁷⁾ See: Dr. Nadia Ismail Muhammad Al-Jabali, Legal Advantages and Guarantees for Foreign Investment, Dar Al-Kutub and Legal Studies, Egypt, 2018, p. 148. Also see Article (27) of the Egyptian Constitution of 2014 (amended).

⁽¹⁸⁾ See: Ahmed Omar Ahmed Al-Rawi, Studies in the Iraqi Economy after 2003, Dar Al-Doctor for Science, Baghdad, 2009, p. 23. See in the same sense: D. Ramzi Zaki, The Political Economy of Unemployment, Epistemology Series, Kuwait, 1997, pp. 13 et seq.

unemployed local workforce ⁽¹⁹⁾, and we agree with this approach, as it took the tax exemption policy as a means of directing investment towards the sectors that are most in need and attract workers, and this certainly reduces the pressure on public spending on the state. Its general budgets indicate that the legal measures necessary to combat poverty and unemployment in Egypt were not limited to the investment law. Rather, we find that the Egyptian Commercial Companies Law also supported this policy by imposing on companies established under it that the percentage of Egyptian workers employed in these companies should not be less than (90%) of The total number of workers in it ⁽²⁰⁾ with the aim of absorbing the unemployment rate and combating poverty issues, and in this way it agreed with the investment policy that was stated in the aforementioned investment law, which restricted investment projects from using a percentage of (90%) of the local workforce, and limiting the percentage of foreign workers to (10%)) of the total number of workers in the project, but at the same time the right was given to the investment project to increase it by no more than (20%) of the total number of workers in the event that there is no national workforce possessing these qualifications or experiences, but this is conditional on training the national workforce ⁽²¹⁾. It is clear that the legal system In Egypt, the business environment was directed towards achieving issues with a social dimension, so we must ask: Has this policy achieved its effectiveness in combating issues with a social dimension in Egypt? In fact, official statistics issued by the Egyptian Central Agency for Public Mobilization and Statistics indicated that the number of projects subject to the Egyptian Investment Law until the year (2023) amounted to about (159.2) thousand projects with about (4.8%) working people, with a capital amounting to about (882.6) billion pounds. While the number of investment projects in the free zones reached about (1116) projects with a total capital of (13.8) billion and the number of workers in them reached (190) thousand workers, while the number of projects established in the investment zones is estimated at about (1269) projects with an investment volume exceeding (32 billion and provides job opportunities estimated at (86) thousand workers. Recent statistics from the same agency also showed a decline in the percentage of the unemployed from (7.4%) to (5%) of the total labor force, and thus the percentage of workers in investment projects increased to (5.7%) for the year (2023) ⁽²²⁾ From the above, it is clear that investment policy in Egypt has contributed significantly to addressing issues with social dimensions such as poverty and unemployment, and this is inferred from the size of the workforce working in investment projects, and this certainly contributes to enhancing the efficiency of the Egyptian economy, which is Local labor is the president's arm, and

⁽¹⁹⁾ See: Mustafa Hamid Ahmed, Study of the State of Underdevelopment in Egypt, Journal of Legal and Economic Research, Mansoura University, 2010, p. 1017.

⁽²⁰⁾ See: Article (174) of the Egyptian Companies Law No. (195) of 1981 (amended).

⁽²¹⁾ See: Article (8/Fourth) of the Egyptian Investment Law No. (72) of 2017 (amended). This is a path also taken by the Labor Law, which restricted the entry of foreign workers with several restrictions. See: Article (27-28-30) of the Egyptian Labor Law No. (12) of 2003.

⁽²²⁾ See: Statistics of the Egyptian Central Agency for Public Mobilization and Statistics for the years 2021 and 2023 published on the official website <https://www.capmas.gov> Date of visit (8/7/2023).

it is undoubtedly in the interest of the general budget by pressuring its spending and enhancing its public revenues. The UAE has also sought to take measures to enhance investment towards social issues, especially with regard to poverty. According to the latest international statistics, the poverty rate does not exceed 1%, and the state is also seeking to eliminate this percentage. It is known that the state has opened the door to investment in most important sectors and has provided This means that the investment climate is attractive and suitable for the investment environment in the country ⁽²³⁾. The effect of this was that the proportion of workers to the number of population in the country reached (75%) and the total labor force reached (98.4%). This indicates that investment in the Emirates has created many job opportunities. For individuals and residents of the state as well ⁽²⁴⁾, but with this high percentage, some jurists criticized the way in which the new investment law dealt with the issue of the superiority of foreign workers over nationals, and according to his statement, every opportunity obtained by a foreign worker is a lost job opportunity for the citizens of the state, which leads to Creating a percentage of unemployment in the future Therefore ⁽²⁵⁾, the same jurisprudence adopted a proposal according to which the percentage of foreign workers is determined at a limit of (20%) and the rest is left to national labor if available. Accordingly, we go with the validity of the opinion adopted by the previous jurisprudence, and the Emirati legislator must adopt it and activate it because it works to Reducing public spending on the one hand and supporting the state's general budget on the other hand.

2- In Iraqi legislation turning to the case of Iraq, we find that it suffered from the spread of poverty and unemployment in all its forms and manifestations. Unemployment as a phenomenon has been rooted in it for decades due to the conditions that prevailed, such as wars and the subsequent complete destruction of the service and production sectors, which put them out of work a long time ago ⁽²⁶⁾. We can also say that one of the causes of poverty and unemployment in Iraq revolved around investment in the oil sector and neglecting the rest of the other sectors, as oil now provides more than (95%) of public revenues and more than (75%) of the gross domestic product, but in reality, it only occupies (1%) of the labor force. Therefore, the state had to think seriously about solutions through which it would try to address issues with a social dimension, especially after the poverty rate in Iraq reached (22%), which is equivalent to about (10 million people), while the unemployment rate reached (16.5%) ⁽²⁷⁾ Accordingly, it made room for investment projects to play their role in creating job opportunities to absorb unemployment and eliminate poverty in order

⁽²³⁾ See: Article (6) of the Foreign Direct Investment Law, No. (19) of 2018 (amended).

⁽²⁴⁾ See: The World Bank report entitled "Poverty and Shared Prosperity 2020: Reversals of Wealth" published on the website <https://data.albankaldawli.org> on the date of the visit (7/8/2023).

⁽²⁵⁾ See: Dr. Ahmed Abdel Sabour Al-Daljawi, a study on the incentives and guarantees of foreign direct investment in the United Arab Emirates (a comparative study), research published in the Sharjah Journal of Legal Sciences, Volume (16), Issue (2), 2019 AD., p. 754

⁽²⁶⁾ See: Khaled Hefzy Abdel Amir, Muayyad Jabbar Hassan, Study of the Investment Case in Iraq after 2003 (Problems and Solutions), Economic Studies, Bayt Al-Hekma Magazine, Baghdad, p. 126.

⁽²⁷⁾ See: Ministry of Planning, report of the Central Bureau of Statistics (National Labor Force Survey in Iraq), supported by the organization.

to mitigate the impact on the state's finances and public budgets. Therefore, we find that some of these projects actually reduced the volume of unemployment, especially the projects that were distributed in several fields, including the educational field and the health sector. Those who achieved satisfactory results resulted in the creation of many job opportunities for the unemployed, especially graduates, and this would reduce the pressure of public expenditures on the state's finances and public budgets. However, despite this importance, the applicable investment law did not specify the proportions of foreign labor for these projects in specific proportions as The Egyptian legislator went, but rather left the matter to controls issued by the General Investment Authority, which are still absent from the ground, despite their importance in providing job opportunities, absorbing unemployment, and improving the level of income and high poverty rates⁽²⁸⁾. Therefore, the legislator had to determine those rates from the beginning, and if the project violates that, it must do so. Imposing financial and administrative penalties stipulated in accordance with the Investment Law. We also criticize leaving the matter of hiring and using workers to controls issued by the National Authority, so the legislator would have been better off deciding the matter in accordance with the applicable law. The legislator is also criticized for not clarifying the manner in which Iraqi workers are trained by foreign workers, which necessitated filling this deficiency under the effective investment system, which obligated the investor to train Iraqi workers and develop their skills⁽²⁹⁾. We have witnessed in reality the desire of investment projects to employ, witnessing a greater preference for the workforce. Foreign, which has become an outlet for the exit of hard currency through the monthly transfer of all foreign workers abroad, which amounts to more than (200) dollars per worker, and accordingly, more than (2.4) billion dollars go out annually from Iraq to the countries of foreign workers, and we also noticed the weakness of the efforts made by The Ministry of Labor and Social Affairs imposed on investment projects that violate the Ministry's instructions to register foreign workers' data, while some laws, the most important of which are the Retirement and Social Security Law, indicated the imposition of deterrent penalties against investment companies that have foreign workers who are not officially registered. The same law also obligated employers to be compensated. Every foreign worker is an Iraqi worker, otherwise the violator will be subject to five times the imposition of financial fines or imprisonment. This is a correct position for which the Iraqi legislator should be praised, in accordance with this law to limit the influx of workers through the informal route. We hope that the effective investment law as well as its system will move in the same direction. Finally, we can say the phenomenon of poverty and unemployment in Iraq requires enhancing investment, increasing employment rates, and putting an end to the influx of foreign workers, especially since Iraq has actually begun to attract investment projects to various economic sectors, with the resulting increase in revenues and reduction in public spending.

⁽²⁸⁾ See: Ministry of Planning, report of the Central Bureau of Statistics (National Labor Force Survey in Iraq), with support from the International Labor Organization, published at the link <https://mop.gov.iq>, date of visit (7/8/2023).

⁽²⁹⁾ See: Article (12/First) of the Iraqi Investment Law No. (13) of 2006, as amended.

Conclusion

It is clear from our paper entitled (The role of investment projects in reducing public spending on the general budget) that we reached several results and proposals, as follows:

First: Results

- 1- Investment projects pay attention to social issues, especially comparative legislation, which outperforms Iraqi legislation in this aspect.
- 2- The diversity of the fields adopted by investment projects in relation to both Egyptian and Emirati legislation.
- 3- Iraqi legislation is still unaware of the importance of the social responsibility system, and this is evident from the legislative vacuum to regulate it.
- 4- Investment projects in comparative legislation pay attention to issues of poverty and unemployment, and this is evident from the high ratios of national workers over foreign workers in both Egyptian and Emirati legislation.
- 5- Iraqi legislation did not specify specific percentages for foreign workers, but rather left the matter to the discretion of investment and project bodies as well.

Second: Proposals

- 1- Activating the role of investment projects to adopt societal issues and serve the communities in which their money is invested, especially in Iraq.
- 2- Amending the Investment Law and including in its provisions a text requiring investment projects to pay attention to societal issues, especially the social responsibility system.
- 3- Legislating special controls to determine the proportions of foreign workers in Iraq in accordance with comparative law.

References Sources

First: References in Arabic

- 1- Dr. Ahmed Tawfiq Al-Ansari, Investment Economics, Taiba Publishing and Distribution Foundation, Alexandria, 2020..
- 2- Dr. Hussein Abdul Muttalib Al-Asraj, Corporate Social Responsibility, Challenges and Prospects for Development in Arab Countries, June 2011.
- 3- Hussein Mustafa Hilali, Accounting Creativity in Disclosing Environmental Information in Financial Reports, Cairo. 2005.
- 4- Dr. Nadia Ismail Muhammad Al-Jabali, Legal Advantages and Guarantees for Foreign Investment, Dar Al-Kutub and Legal Studies, Egypt, 2018.

Second: Research

- 1- Dr. Ahmed Abdel Sabour Al-Daljawi, a study on the incentives and guarantees of foreign direct investment in the United Arab Emirates (a comparative study), research published in the Sharjah Journal of Legal Sciences, Volume (16), Issue (2), 2019 AD.
- 2- Dr. Nizam Jabbar Talib, Taiba Habib, Social Responsibility of Foreign Companies Under the Umbrella of International Framework Agreements (An Analytical Study) Al-Mustansiriya Journal for Arab and International Studies. Issue (59) Volume (14) 2017.

Third: laws and legislation

- 1- The amended Egyptian Constitution of 2014.
- 2- Egyptian Investment Law No. (72) of 2017, amended.
- 3- Egyptian Income Tax Law No. (91) of 2005, as amended.
- 4- Egyptian Civil Associations Law No. (70) of 2017.
- 5- Egyptian Retirement and Social Security Law for Workers No. (18) of 2023.
- 6- The Iraqi Investment System for the year 2009.
- 7- Iraqi Investment Law No. (13) of 2006, amended.
- 8- Central Bank of Iraq Law No. (56) of 2004, as amended.
- 9- UAE Cabinet Resolution No. (2) of 2018, regarding corporate social responsibility.

Second: Foreign references

1. Howard Bowen, Social Responsibilities, of the Businessman, Ied ,New York:Harper & Row, 1953.
2. The word Bank Institute, (2007) Corporate Social Responsibility and Corporate Citizenship in the Arab World Working Paper based on a jointly organized conference on November -22-21 in Cairo, Egypt,