How to obtain public benefits for investments

General Information

- The Kurdistan Region invites foreign and national investors to take part in its unprecedented development that is prevailing since the set-up as a federal region under a coalition of the major parties in the Kurdistan Regional Government (KRG) in 2005.
- A liberal investment law was ratified in 2006 providing incentives for foreign investors through investment licenses that grant public benefits. This Investment Licensing Process has been redesigned in order to increase the speed of implementation, the quality of investments, the transparency of government and the efficient use of public benefits.
- The General Directorate of Investment Erbil has been chosen as the first branch office of the Board of Investment (BOI) in Kurdistan to offer a newly designed licensing process as a pilot project, soon to be followed by Duhok and Slemani.

Public Benefits & Investment Conditions

- Provision of land plots as subsidized lease
- Provision of public infrastructure (e.g. water, electricity, sewerage) to the project fence
- Exemption from corporate taxes (10 years)
- Exemption from customs duties (5 years for raw materials, machinery, equipment and spare parts etc.)
- Foreign and national investors are treated equally
- Foreign investors may choose to invest with or without local partners and may employ foreign labor
- Full repatriation of profits is allowed
- Priority sectors are Agriculture, Industry and Tourism
- All economic sectors are covered except oil and gas

The Investment Licensing Process

1. Submission of Investment Application
2. Eligibility Assessment
3. Land Allocation & Detailed Planning
4. Licensing Assessment
5. Construction
6. Operation

The Submission of the Investment Application (1) is the first of six steps, in Erbil already in a standardized electronic form. The Eligibility Assessment (2) for public benefits on the basis of the investment application is the second step.

If eligibility is constituted, the project will be entering the third process step of Land Allocation and Detailed Planning (3). The fourth step includes Licensing Assessment (4) and the final decision on the issuance of the investment license.

If successful, the final two steps of Construction (5) and Operation (6) will follow after the licensing and will be monitored in order to secure fulfillment of conditions and realization of the economic impact of the investment project, e.g. capital invested and number of jobs created.

How to apply for an Investment License

In the Governorate of Erbil, investors need to:
- Briefly present their investment project to the Directorate General of Investment in Erbil to obtain a registration number.
- Electronically fill out a pdf application form in English, which clearly delineates what information need to be supplied with the application and what additional documents (e.g. feasibility study, site plan and schedule) are required to evaluate a project for eligibility for public benefits.
- Submit the completed application form in English either by bringing it along directly to the branch office in Erbil with all necessary attachments electronically on a USB stick or a CD-ROM. Alternatively, it can be sent as an email with attachments.

Applying for investment licenses in the Governorates of Slemani and Duhok is similar, but not standardized yet. For this purpose, please contact the respective General Directorates of Investment directly.

In the process of planning an investment, it is recommendable for investors to visit Kurdistan Region in order to initiate the application process and also register their company (with the Directorate General of Companies Registration of the Ministry of Trade and Industry). It is also a chance to get acquainted with local conditions, people and opportunities for investments.

Contact Details for Investment License Applications

Please contact the General Directorate of Investment in the respective Governorate you intend to invest in for more detailed information, consult the Investment Factsheet or the website of the BOI, available at: http://www.kurdistaninvestment.org

<table>
<thead>
<tr>
<th>General Directorate of Investment Erbil (Branch office)</th>
<th>General Directorate of Investment Slemani (Branch office)</th>
<th>General Directorate of Investment Duhok (Branch office)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Hospital Street, Bakhtiary, Erbil</td>
<td>Sarchnæ, next to Mashxalan Masjid, Slemani</td>
<td>1st Shubat Street, Duhok</td>
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*All information is treated with highest confidentiality and is reviewed by a team of investment experts at the respective General Directorate of Investment. Investors will be contacted in case of incompleteness, need for clarification and eventually be informed of the decision on the licensing of their projects.*

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