

Investment Obstacles For Entrepreneurs

In Babil

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Conclusion:

The current research aims to studies the financial and legal obstacles to investment for entrepreneurs in the province of Babylon, the center of Hilla.

In the current research, the questionnaire was adopted as a means of collecting the data required to analyze the reasons for delaying the establishment of projects and what are the obstacles that stand in the way of any real investment process that can be carried out by any foreign or local investment entity, and the capital and lack of land specialization come at the forefront of these obstacles. suitable for projects.

Through the questionnaire table, which shows the number of investors, whether foreign or local, what are the most important projects built on the land of Babylon, the rate of completion of these projects, and what are the most important reasons that impede the revival of investment in the province.

Introduction:

Iraq as a whole has witnessed a significant deterioration in the development of investment, and the Iraqi economy has suffered over the past decades from several problems, and perhaps one of the most prominent of these problems is the dilemma of the absence or weakness of investment, and perhaps many opinions have emerged to explain the reasons for the failure of the investment process in the Iraqi economy, such as the problem of financing. In addition to the political conditions, and the absence of an incentive for investment, as well

as the regulatory and legislative regulations set by the state, which are a factor in discouraging investment, not to mention the huge problem related to the role of both the public and private sectors in the investment process.

The negative impact on Iraq's economy and lack of development is due to the reasons for the weakness of the political forces and the many wars that Iraq has experienced.

The beginnings of the features of the war economy in Iraq with the beginning of the year 8910 when the country entered into a pointless war with Iran that continued until the year 8911, to be followed in the early nineties by Iraq's occupation of Kuwait and its entry into internal and external military conflicts and struggles under various names "Desert Storm" America and even The American occupation of Iraq, which disrupted economic growth in all economic sectors, and deteriorated various indicators of economic and social development. And we do not forget that whenever governments change, other governments come to rob Iraq's bounties (corruption), which robbed the rights of the people. It was not the province of Babylon, which did not have ages, but rather the governorates of Iraq as a whole.

FIRST :The methodological and introductory framework

1-search problem

The problem of the current research is summed up in the investment obstacles that harm the pioneers of investment and hinder them from carrying out reconstruction in the province of Babylon Hilla Center)(

There is a lot of clear underdevelopment and a great deficiency in the basic elements that make up investment in Babylon, as it suffers from a lack of adequate requirements to activate local investments and attract foreign investments, due to the instability and volatility of political and security conditions and the spread of financial and administrative corruption, in addition to the deteriorating economic conditions. The high rates of inflation and the deterioration of exchange rates, the deterioration of infrastructure, which leads to the exit of those investments from Iraq.

2-The importance of research

The importance of the research appears in that it is a new research addition that solves one of the most important problems.

The Iraqi society suffers, as it is important to address the financial, investment and legal factors that hinder entrepreneurs from implementing their projects, whether they are local or foreign investors in the province of Babil.

3-Research objectives

-What are the most important reasons that hinder investment in Babil

Governorate Hilla Center.

-Studying the political, legal and economic reasons by analyzing the lack of flow of foreign and local investment.

-Coming up with a set of conclusions and proposals about future investment directions and ways to make that process successful in away that serves the objectives of socio-economic development.

SECOND :Defining Entrepreneurs or Entrepreneurs:

Who is the Entrepreneur “Entrepreneur: He is a person whose main capital is personal talent, abilities and skills through which he can discover the valid opportunity to be a profitable project and tries to find the necessary resources for it to turn this opportunity into a real practical reality. The origin of the word entrepreneur goes back to the French economist Jean Papeste in The nineteenth century means the person who initiates the establishment of a business, and other European terms revolve around the meaning of the establishment of businesses and projects.

2-2What are the forms of entrepreneurship?

1. Small Business Entrepreneurship

This type of entrepreneurship is hardly profitable, and its members make small profits that cover their expenses and ensure that they provide for their

families. Small projects lack the ability to attract investment capital, as they are often financed by friends and family or small business loans.

2. Scalable Startup Entrepreneurship

Entrepreneurs build their companies with the belief that their vision and ideas will change the world. They get financing from venture capitalists. They seek to find a business model that is scalable and replicable, and once they find it, they will need more funding to be able to develop their projects and take them to the next stage.

3. Large Company Entrepreneurship

This type of leadership is characterized by continuous innovation, constantly introducing new products that revolve around the original flagship product. These products are constantly being developed to keep pace with changing consumer needs and prevailing technological advances.

4. Social Entrepreneurship

Social entrepreneurship occurs when an entrepreneur attempts to create products or services that solve existing social problems. In this case, his goal is to make the world a better place, not profit and material wealth. They may come in the form of for-profit or non-profit corporations, or a combination of the two.

2-Investment Classification:

➤ Real Or Economic Investment

A real investment has three determinants that must be carefully studied before turning to it, and this falls even on real estate, which some consider an easy and easy investment.

➤ Financial Investment

It is a process by which money is invested to purchase financial instruments such as securities, real estate, bonds, and currencies. A term closely related to the economics and financial disciplines.

➤ Human Investments

Human capital is a term created by Gary Becker, an economist from the University of Chicago, and Jacob Mincer that refers to the stock of knowledge, habits, and social and personal traits, including creativity, represented by the ability to perform work to produce economic value.

Human capital is vital to the success of an organization (Croc et al., 2011) Increasing human capital through education and experience is also critical to the success of cities and regions.

In 2010, the OECD encouraged governments of advanced economies to adopt policies to increase innovation and knowledge in products and services as an economic path to continued prosperity. International policies also often address the issue of human capital flight, which is the loss of talented or trained

people from a country in which they have invested, to another country that benefits from their arrival without investing in them.

THIRD: What is foreign investment and what are the obstacles that affect investment.

1- foreign investment:

Foreign investment is defined as the investor performing an activity by himself or with his money in another country. Often the investor is a legal person established in the form of a branch in his name or for another legal person.

The form of participation is through a local or foreign public or private institution, or it is in the form of Participation with the same country in a joint project between them. It is also defined as the use of his efforts and funds by a natural or legal person in a country other than his home country to establish an economic project on its own or to participate in an existing local or foreign project, or in the form of participation with the state or its citizens.

Iraq set out to put in place the necessary mechanisms to encourage foreign investment in Iraq, and the starting point was to find the legal basis for the foreign investment process. Great efforts were made in this area by the Iraqi ministries, which culminated in the issuance of the Foreign Investment Law No. (13) of 2006, from which the Investment Commission emerged. Nationality,

however, there are obstacles facing foreign investment inside Iraq, which may be the reason for the defeat of investors and the factor of fear among investors from coming to Iraq and investing in it, and they are as follows:

➤ **security**

The loss of security is one of the factors that strongly deter foreign investment, as it is known that the capital is looking or heading towards safer areas, so there is a direct relationship between the availability of security and foreign investment, and this security stability is not available in Iraq for the foreign investor due to the existence of the war against terrorism

➤ **Infrastructure:**

There is no doubt that the infrastructure represented by (electricity, fuel, transportation and infrastructure such as seaports, airports, railways, roads, bridges, communications services, financial and banking services, insurance and water provision) all constitute a package of factors encouraging foreign investment, and it is noted that Iraq suffers from a lack of infrastructure. Infrastructure that encourages foreign investment, especially in the field of electric power, ease of access to fuel, and weak banking services and their lack of sufficient development to match the neighboring countries at least.

➤ **Administrative corruption:**

The process of foreign investment anywhere faces the problem of financial corruption and administrative, through bribery and illegal commissions.

➤ **Statistical data:**

Statistical data on the overall economy in any country is one of the very important matters for foreign investment to know the areas of investment and the economic feasibility of investment projects, and this can only be achieved by providing data from the components of GDP such as agriculture, industry, transportation, services ... etc., and the prevailing inflation rates and government financial statistics from In order to identify the state's financial policy and tax trends, as well as monetary survey statistics in order to identify the monetary policy and determine the interest rate, in addition to foreign trade statistics to know the imports and exports of goods and services in a way that reflects the country's consumption and production structure. It is necessary to provide an investment map for Iraq indicating the locations and types of available investment opportunities and promoting them, in addition to providing statistical data in accordance with international standards.

➤ **Legal framework:**

Despite the encouragement or enactment of Foreign Investment Law No. (13) of 2006, it needs to issue instructions to facilitate the implementation of

this law in a way that helps the flow of foreign investments towards investment opportunities easily.

➤ **The problem of owning real estate:**

Despite the approval of the Iraqi Presidency Council on Law No. (2) of 2010 amending the Investment Law No. (13) of 2006, the conditions stipulated in the law are still insufficient to attract investors because it limited ownership exclusively to the establishment of housing projects in addition to other conditions specified by Article 10)(

However, the existence of laws that protect foreign investors in accordance with the Investment Law No. (13) of 2006 is what the second paragraph of Article (2) referred to. It encourages the Iraqi and foreign private sectors to invest in Iraq by providing the necessary facilities for establishing investment projects and enhancing the competitiveness of projects covered by its provisions. In the local and foreign market, the law, according to what Article (3) mentioned, adopts the means specified by the aforementioned article by granting projects privileges, guarantees, additional facilities, and exemptions from taxes and fees.

FORTH : Field Work

From collecting information, some projects have been postponed and some canceled due to the lack of financial savings and administrative corruption. What is happening in the operational departments, which makes it difficult for the investor to work seriously and no longer obligate the law to implement the laws in the correct manner. That is why you see the province of Babylon today suffering from clear neglect in the infrastructure. The survey table shows this

رقم الاجازة	تاريخ المنح	اسم المشروع	اسم المستثمر	جن سية الشركة المستثمر ة	كلفة المشروع حسب الاجازة	موقع المشروع	مدة انجاز المشرو ع	مدة استثمار المشرو ع (سنة)	نس بة الانجاز	تاريخ التشغيل التجاري
87 / 77	٠/٢٠١٦ ٢٤/٢	مصنع تكرير وانتاج السكر الابيض	شركة الاتحاد للصناعات الغذائية المحدودة	عرا قي	219.000.00 0 دولار امريكي	ناحية المدحتية	منفذ	25 سنة	10 %	٠/٢٠١٦ ٢٤/٢
88 82/	٠/٢٠١٦ ١٤/٣	مصنع المباني الخضراء العالمية	احمد مهدي مطر	عرا قي	7.162.500.0 00 دينار	ناحية الامام	3 سنة	25 سنة	0 %	
9/127 8	٠/٢٠١٧ ٢٨/٣	مصنع تكرير الزيوت النباتية	شركة الاتحاد للصناعات الغذائية المحدودة	عرا قي	125.000.00 0 دولار امريكي	ناحية المدحتية		25 سنة	10 %	٠/٢٠١٧ ٢٨/٣
1/164 07	٠/٢٠١٨ ٠٨/١	معمل متكامل لانتاج الثرستون بالطرق الحديثة	Beijing Jinrun Taihe Traid CO. Ltd	صين ي	2,758,925,0 00 دينار عراقي	ناحية الكفل	12 شهر	20 سنة	0 %	
1/186 10	٠/٢٠١٨ ١٩/٣	مشروع تجميع سيارات الصالون (جي أم و رينوا)	شركة زرم موتور انترناشيونال	بريط اني	9,946,000,0 00 دينار عراقي	ناحية الاسكندر ية	منج ز	10 سنة	10 %	٠/٢٠١٨ ١٩/٣

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٠/٢٠١٨ ٠٤/٤	10 %	6 سنة	منج ز	ناحية الاسكندر ية	10,553,000, 000 دينار عراقي	بريط اني	شركة نوع زمزم الدولية المحدودة	مشروع تجميع سيارات الصالون (سايبا)	0/2018 عدلت 04/4 بتاريخ 0/04/2019 8	1/188 11	
٠/٢٠١٨ ٠٤/٤	10 %	6 سنة	منج ز	ناحية الاسكندر ية	10,553,000, 000 دينار عراقي	بريط اني	شركة نوع زمزم الدولية المحدودة	مشروع تجميع سيارات الصالون (ايكو)	0/2018 عدلت 04/4 بتاريخ 0/04/2019 8	1/189 12	
٠/٢٠١٨ ٠٤/٤	10 %	6 سنة	منج ز	ناحية الاسكندر ية	10,553,000, 000 دينار عراقي	بريط اني	شركة نوع زمزم الدولية المحدودة	مشروع تجميع سيارات الصالون (ليفان)	0/2018 عدلت 04/4 بتاريخ 0/04/2019 8	1/190 13	
٠/٢٠١٨ ٠٤/٤	10 %	6 سنة	منج ز	ناحية الاسكندر ية	10,553,000, 000 دينار عراقي	بريط اني	شركة نوع زمزم الدولية المحدودة	مشروع تجميع سيارات الصالون (BYD)	0/2018 عدلت 04/4 بتاريخ 0/04/2019 8	1/191 14	
٠/٢٠١٨ ٠٤/٤	10 %	4 سنة	منج ز	ناحية الاسكندر ية	15,443,000, 000 دينار عراقي	بريط اني	شركة نوع زمزم الدولية المحدودة	مشروع تجميع ابدان الشاحنات والعجلات التخصصية (ماموت, Eكترجي, P(مارال)	٠/٢٠١٨ ٠٤/٤	1/192 15	0
٠/٢٠١٨ ٠٤/٤	10 %	5 سنة	منج ز	ناحية الاسكندر ية	45,300,000, 000 دينار عراقي	بريط اني	شركة نوع زمزم الدولية المحدودة	مشروع تجميع شواصي سيارات (Volvo , Isuzu)	٠/٢٠١٨ ٠٤/٤	1/193 16	1
تشغيل جزئي 201/03/24 9	45 %	25 سنة	18 شهر	ناحية المشروع	28,546,500 دولار امريكي	عرا قي	الشركة المتحدة لصناعة مواد التعبئة والتغليف المحدودة	مشروع انشاء معمل لصناعة مواد التعبئة والتغليف 7	2/07/01 عدلت 018 بتاريخ 0/09/2020	1/211 19	2
	0 %	25 سنة	2 سنة	ناحية الامام	71,500,000 دولار امريكي	صين ية	Wang kang Holding Group Co.Ltd	انشاء معمل لانتاج السيراميك	٠/٢٠١٨ ٠٩/٧	1/213 20	3
	0 %	20 سنة	3 سنة	ناحية الامام	54,705,000 دولار امريكي	عرا قي	عدي عبد خلف واحمد علي مقنن	انشاء معمل لانتاج القناني الزجاجية	٠/٢٠١٨ ١٠/٧	1/215 21	4
	10 %	20 سنة	2 سنة	ناحية الكفل	18,856,498 دولار امريكي	عرا قي	ضياء قبيل كريم	معمل لانتاج المياه الصحية والمشروبات الغازية والعصائر	٠/٢٠١٩ ١٨/٢	1/268 29	5
	10 %	20 سنة	منج ز	ناحية السدة	5,312,000,0 00 دينار عراقي	عرا قي	رحيم زغير عبد	مجمع تصنيع التمور	٠/٢٠١٩ ٢٥/٢	1/269 30	6
	0 %	25 سنة	3 سنة	قضاء المحاويل	38,592,309 دولار	عرا قي	شركة القدرة للاستثمارات المحدودة	معمل تنقية وتعبئة غاز الكلوورين	١/٢٠١٩ ٢٥/٢	1/334 52	7

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10 %	20 سنة		ناحية المدحتية	1,360,950,0 00 دينار عراقي	عرا قي	ماجد مرهج رباط	معمل المدحتية لتعليب وتعليف التمور	٠/٢٠٢٠ ٢٣/١	1/340 54	8
10 %	20 سنة		ناحية النيل	4,821,950,0 00 دينار عراقي	عرا قي	لوي عدنان مهدي	انشاء معمل انتاج حصير البلاستيك	٠/٢٠٢٠ ٢٩/١	1/343 55	9
11, %5	25 سنة	18 شهر	ناحية ابي غرق	60,000,000 دولار امريكي	عرا قي	سلام علي شنان	معمل خلط وتعبئة الادوية البشرية والبيطرية	٠/٢٠٢٠ ٠١/٧	1/379 67	0
٠/٢٠٢١ ٠٦/٦	10 %	30 سنة	قائم	3,102,214,1 25 دينار عراقي	عرا قي	احسان كاظم عبد و علي عبد حلو	معمل الفرات لانتاج الانابيب المعدنية	٠/٢٠٢١ ٠٦/٦	172	1

FIFTH : Recommendations & Suggestions

- 1- Calling for foreign or local investment in industrial establishments to develop the reality of the private industrial sector in a manner that is appropriate.
- 2- Activating the role of the private sector to carry out its tasks in developing the industrial sector in the governorate.
- 3- Administrative and financial corruption is one of the factors that repel foreign and Arab investments in the governorate, so the regulatory bodies should be activated, and the honest and specialized cadres should be cherished.
- 4- The necessity of the participation of the local and foreign private sector in economic activity because the governorate needs to transfer advanced technology as well as develop the expertise of the local investor.

- 5- Activating the coordination in the future line between the Governorate Investment Authority and the relevant ministries around investment projects.

- 6- Protecting investors within the legal framework far from mandate and abuse in accordance with articles stipulated in the constitution.

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