



Legislation

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Official Gazette of Iraq

Iraq Money Recovery Fund Law

and Its Amendments

No. (9) Of 2012

قانون صندوق إسترداد أموال العراق وتعديلاته

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Laws

**In the name of the people
Presidency of the Republic**

Resolution No. (10)

Based on what was approved by the Parliament in accordance with the provisions of Item (First) of Article (61) and Item (Third) of Article (73) of the Constitution; The President of the Republic decided on 13/ 2/ 2012 to issue the following law:

No. (9) Of 2012

Iraq Money Recovery Fund Law

Article 1

A fund linked to the Council of Ministers called (Iraq Money Recovery Fund) shall be established with a legal personality and represented by the Chairman of the Board of Directors of the Fund or whomever he/ she authorizes.

Article 2

The fund aims to recover all financial rights of the Republic of Iraq that were obtained by others (from Iraqis and foreigners) illegally as a result of misuse of the oil-for-food program, siege, smuggling, economic sabotage or exploitation of the sanctions imposed on Iraq at the time to achieve financial gains at the expense of the Iraqi people and receiving any



Laws

compensation entails in favour of the Republic of Iraq as a result of any legitimate and recognized decision.

Article 3

The fund shall be managed by a board of directors consisting of the following:

First: An undersecretary of the Ministry of Finance named by the Minister of Finance.

Chairman

Second: A representative of the following ministries and agencies whose job is not less than a general manager named by the minister or head of the competent authority.

Members

- a. Ministry of Foreign Affairs.
- b. Ministry of Planning.
- c. Ministry of Oil.
- d. Ministry of Justice.
- e. Ministry of Health.
- f. Ministry of Commerce.
- g. Central Bank of Iraq.
- h. Financial Control Bureau as a control body.

Article 4

The Board shall undertake the following tasks:

First: Managing the Fund's business in accordance with the objectives set for it.

Second: Seeking the assistance of those it deems appropriate from among the specialists from inside and outside Iraq, contracting with them, and determining the rewards granted to them.

Third: Proposing the conclusion of international agreements with countries or regional and international organizations in the matter of achieving the objectives of the Fund.

Fourth: Using all means of communication to carry out the tasks assigned to it.



Laws

- Fifth: Initiating civil and criminal lawsuits inside or outside Iraq on natural and moral persons, and appointing lawyers from inside or outside Iraq.
- Sixth: Exempting violators collaborating with the fund from the amounts owed by them, at a percentage not exceeding (50%) fifty per cent, and up to (250,000) two hundred and fifty thousand dollars of the recovered money as a maximum, and the approval of the Council of Ministers shall be obtained for what exceeds that.
- Seventh: Paying the amounts agreed to be recovered in instalments, and not to exceed four instalments, within a period not exceeding (6) six months from the date of the agreement, in exchange for guarantees.
- Eighth: Carrying out a financial clearing with the dues of collaborators with the various Iraqi departments with the agreed amounts and not exceeding the percentage stipulated in Item (Sixth) of this article.
- Ninth: Opening one or more closed accounts in banks inside or outside Iraq in the name of the Ministry of Finance to deposit the revenues obtained by the Fund.
- Tenth: Establishing instructions, controls and a mechanism related to money recovery and settlement, including placing forms for announcing the establishment of the fund, the request submitted by collaborators, and the information, documents and data required regarding the violation and the amount of the amounts.
- Eleventh: Granting a reward to the informant of no more than (10%) ten per cent of the recovered money and no more than (250,000) two hundred and fifty thousand dollars.

Article 5

The fund shall be consisted of the following:

- First: The Audit and Investigation Committee, and it shall be formed under the chairmanship of an employee with the title of general manager from the Financial Control Bureau and the membership of two representatives from the Ministry of Foreign Affairs, the Ministry of Justice and the Central Bank of Iraq the job of any of them shall not be less than that of an expert or a manager who has specialty, and it shall perform the following tasks:



Laws

- a. Receiving applications from those wishing to cooperate with the fund from entities covered by its scope of work, violators and informants, studying them and requesting documents that support them.
 - b. Using the available information from different sources (internal and external) to identify the natural and legal persons suspected of carrying out illegal acts against Iraq and which fall within the scope of the Fund's work, and submitting a report thereon to the Settlement Committee.
 - c. Evaluating what the applicants and violators disclose, inventorying the Iraqi funds they obtained illegally, and determining the amounts that must be recovered for approval.
 - d. Submitting proposals to the settlement committee for each request separately, provided that the proposal includes a clear, frank and reasoned opinion on whether or not to settle.
 - e. Auditing the Iraq's indebtedness to third parties and the entities subject of the audit, and submitting proposals in this regard to the Settlement Committee.
 - f. Participating in the negotiations of debts for Iraq with the authorities and companies related to the Fund and working towards not repaying the debts except after the approval of the Fund.
 - g. Coordinating with Iraqi and non-Iraqi authorities regarding debt settlement requests submitted by collaborators or any fees required for the work of the Fund.
- Second: The Settlement Committee shall be formed under the chairmanship of an employee with the title of Director General from the Ministry of Finance and the membership of representatives from the Central Bank of Iraq and the Integrity Commission, who are at the rank of general manager, and shall carry out the following tasks:
- a. Studying the proposals submitted by the Audit and Investigation Committee and applying the requirements of refunding money to the requests of collaborators.
 - b. Issuing decisions about the amounts required to be recovered, suggesting the method of recovery and submitting recommendations to the Board of Directors.
 - c. Proposing to take the following measures against non-collaborators and presenting them to the Board of Directors:
 1. Instituting a civil or criminal lawsuit.
 2. Requesting to put the name on the blacklist.
 3. Requesting to seize movable and immovable funds in accordance with the law.
 4. Requesting to seizure or confiscation of dues and insurances with state departments in accordance with the law.



Laws

5. Publishing the names of the violators and the details of the violations on the international information network (Internet).
6. Suggesting the privileges to be granted to those who collaborate with the fund stipulated in Item (Sixth) of Article (4) of this law.
7. Reconsidering the proposals of the Audit and Investigation Committee and it may cancel or amend them. Upon objection, the proposals shall be submitted to the Board of Directors, and its decision shall be final.

Third: The Fund's secretariat shall be made up of a number of employees chosen by the chairman of the board and who devoted to work in it. It shall perform the following tasks:

- a. Receiving the applications submitted to the fund, reviewing them and referring them to the Board of Directors, keeping records and documentation.
- b. Carrying out administrative and financial work and coordinating between the Council and the two committees.
- c. Proposing the Fund's budget and matching bank accounts.
- d. Preparing the accounts of the Fund in accordance with the government accounting system and submitting them to the board on or before 31/1 of the following year and keeping the records prescribed for the mentioned system.

Article 6

It is not permissible to combine the membership of the Audit and Investigation Committee with the Settlement Committee.

Article 7

The Fund's board of directors shall submit a report every (6) six months to the Council of Ministers.

Article 8

By instructions issued by the Minister of Finance, the meetings of the Fund's board of directors, its quorum, how decisions and recommendations are taken and the course of work in it shall be determined.



Laws

Article 9

The Minister of Finance may issue instructions and bylaws to facilitate the implementation of the provisions of this law.

Article 10

The Iraq Money Recovery Fund and its compensations shall continue entrusted to it, enjoying a legal personality, until the completion of its work.

Article 11

Financial rewards shall not be disbursed until after the deposit of the recovered assets, as a result of the information available in the Development Fund of Iraq or in any other account duly established to receive the assets of the Iraqi state or the assets owned by the former regime.

Article 12

This law shall be effective from the date of its publication in the Official Gazette.

Jalal Talabani
President of the Republic



Laws

Annexe

Amendments of the Iraq Money Recovery Fund Law with Its



Laws

**In the name of people
The presidency of the Republic**

Resolution no.

Based on what was approved by the Parliament in accordance with the provisions of Item (First) of Article (61) and Item (Third) of Article (73) of the constitution; The President of the Republic decided on 18 \7 \ 2019 to issue the following law:

No. (7) Of 2019

**Law of the First Amendment to the
Law of Iraq Money Recovery Fund**

No. (9) Of 2012

Article 1

The text of Article (3) of Law of Iraq Money Recovery Fund no. (9) Of 2012 shall be repealed and replaced by the following:

Article – 3-

The fund shall be managed by a board of directors consisting of:
First: Head of the Integrity Commission

Chairman



Laws

Second: General Director of the Recovery Department at the Integrity Commission
Member and vice Chairman

Third: Reprehensive at the rank of general director for following ministries and the bodies
with specialization: **Members**

- a. The Ministry of Foreign Affairs.
- b. The Ministry of Oil.
- c. The Ministry of Finance.
- d. The Ministry of Justice.
- e. The Ministry of Commerce
- f. Central Iraqi Bank
- g. Federal Financial Control Bureau.
- h. Iraqi National Intelligence Service.
- i. Supreme National Board for Accountability and Justice.

Forth: An employee with a rank of no less than a director and with a specialty from the ministries and agencies mentioned above shall be assigned and devoted to work in the Fund

Article 2

First: The text of Item (Tenth) of the Article (4) of the law shall be repealed

Second: The texts of the Items (Sixth) and (Eleventh) of the Article (4) of the law shall be repealed and replace by the following:

Sixth: Exempting those who collaborate with the Fund from the amounts due at a percentage of (25%) up to 5 million dollars of the recovered money as a maximum, and the approval of the Council of Ministers for anything more than that shall be obtained.

Eleventh:

- a. Granting a reward to the informant at a rate of (10%), provided that it dose not exceed (5) million dollars of the recovered money.
- b. Distributing the rewards stipulated in Paragraph (a) of this Item to the informants in the event of they are several for the same informed money with specific percentages of those



Laws

rewards for each of them and in accordance with the role of each of them in recovering the money.

Article 3

Paragraph (First) of the Article (5) shall be repealed and replaced by:

First: Audit, Inquiry and Investigation Committee, and it shall be formed under the chairmanship of an employee with the title of Director General from the Integrity Commission, and the membership of representatives from the Ministry of the Foreign affairs, the Ministry of justice, Central Iraqi Bank, the Iraqi National Intelligence Service and the Financial Control Bureau, and the job of each shall not be less than an expert or manager, and it shall perform the following tasks:

Article 4

Article (7) shall be repelled and replaced by the following:

Article 7

Fund's board of directors shall submit report every three months to the Parliament and the Council of Ministers.

Article 5

Provision of Article (8) of the law shall be repelled and replaced by the following:

Article 8

The meetings of the Fund 's board of directors shall be monthly and held by the majority of its members, the Chairman of the Fund Board shall issue instructions stating how decisions are taken and the workflow of the Fund.



Laws

Article 6

The provision of article (9) of the law shall be repelled and replaced by the following:

Article 9

The Council of Ministers shall issue instructions to facilitate the provisions of this law within a period not exceeding (90) days from the date of its publication in the Official Gazette.

Article 7

The provision of Article (11) of the law shall be repelled and replaced by the following:

Article 11

Financial rewards shall not be disbursed only after the recovered funds are deposited in the account of the ministry of finance stipulated in the Item (Nine) of Article (4) of this law, and the recovered funds are registered in the name of Iraqi authorities.

Article 8

The following articles shall be added to the law, and the sequence of articles shall be as follows:

Article-12

The Judicial Council shall assign a judge of the first class to consider cases related to the functions of the Fund.



Laws

Article 13

The Fund's board of directors shall support the Integrity Commission with the information available to it in order to recover Iraqi funds that were smuggled due to the corruption operations after 2003.

Article 14

Obligating the government, when the government concludes investment or economic agreements with any country that owes funds for Iraq which covered by the provisions of this law, to conclude agreements with those countries to recover those funds.

Article 9

This law shall be effective once it is published in the official gazette.

It was published in the Official Gazette of Iraq (Al-Waqai' Al-Iraqiyya), issue no. (4550) on 5/ 8/ 2019

Dr. Barham Salih

President of Republic