

## Key Iraq Events - Politics



### Iraq's 2022 Budget

The Ministry of Finance said it is working on preparing legislation for the 2022 budget, which was supposed to be approved on the 1st of October. The Parliamentary Finance Committee confirmed recently that Kadhim's outgoing government failed to prepare the budget for the next year; leaving that responsibility on

the next government, potentially delaying the approval of the budget till end-December. This remains to be seen as Iraq failed to pass a 2020 budget and only passed the US\$ 89 B 2021 budget by end-March.

Finance Minister Ali Allawi mentioned that 2022 will represent a model for economic change by means of budget reform. However, continuous subsidies and obligations, including public sector salaries, social security spending, pensions, and debt servicing, represent a major obstacle to the planned reform. Allawi aims to increase 2022's budgeted oil price to US\$ 50/bbl – still conservative given current market conditions.

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## Get in Touch

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