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The Federal Supreme Court (F S C) has been convened on 7/8/2023 headed by Judge Jassim Mohammed Abood and membership of Judges Sameer Abbas Mohammed, Ghaleb Amir Shunain, Khalef Ahmed Rajab, Hayder Ali Noori, Hayder Jaber Abid, Ayoob Abbas Salih, Abdul Rahman Suleiman, and Dyar Mohammed Ali who are authorized in the name of the people to judge and they made the following decision:

The Plaintiff: President of Kurdistan Region Government/ being in this capacity – his agents, the barristers Ayad Ismail Mohammed and Shawkat Sami Fadhil.

The Defendant: Speaker of the ICR/ being in this capacity – his agents, the Director-General Asst. Prof. Dr. Sabah Jumaa Al-Bawi, the legal counselor Haytham Majid Salim, and the official jurist Saman Muhsin Ibrahim.

The Claim

The plaintiff, through his agent, claimed that the defendant, the Speaker of the Council of Representatives, in addition to his job, had legislated the Federal Budget Law of the Republic of Iraq No. (13) of 2023 for the years (2023, 2024, and 2025) and published in the Iraqi Gazette No. (4726 on 26/6/2023), and it included many articles that were not included in the government project, and constituted formal and substantive constitutional violations according to the following: First: Article 47 of the Constitution of the Republic of Iraq of 2005 enshrines the principle of separation of powers, each authority has its functions and competence precisely, and the legislative authority is delineated to exercise the functions and competencies in Articles (60, 61, 62 and 64/1st), foremost of which is the legislation of federal laws required by the public interest and in accordance with constitutional contexts, taking into account without prejudice to the principle of separation of powers, including laws that impose financial obligations on the executive authority, and were not included in its plans or affect the general policy

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of the state or its financial budgets without consulting it, as well as laws that conflict with the ministerial curriculum on which the Ministry won the confidence of the Council of Representatives, and this is what the judgment of the Federal Supreme Court has settled on in many of its decisions, including (21/Federal/2015 and its unified 29/Federal/2015), (17/Federal/2017) and (35/Federal/2021), and violating these constitutional principles makes them contrary to the provisions of the Constitution. Second: After reviewing the Federal Budget Law of the Republic of Iraq No. (13) of 2023 and the Federal Financial Management Law No. (6) of 2019, it is found that many of its provisions violate the provisions of the Constitution and the aforementioned constitutional principles, which are the following articles: 1. Article (2/1st/5/Beh) of the law – subject to the challenge – which stipulates that when the selling price of one barrel of crude oil exceeds the price fixed in the budget law, (30%) (thirty percent) of the price difference increase shall be allocated to pay the dues. The arrears of the governorates and (70%) (seventy percent) to pay the budget deficit are calculated and financed every quarter, provided that they are spent on strategic and service projects within the most affected areas)), this text is considered to be in force on all Iraqi governorates except the Kurdistan region, and that the allocation of the (30%) of the price difference increase did not include the Kurdistan region like the rest of the Iraqi provinces, which constituted a clear violation of the provisions of the Constitution in Articles (121 / 3rd - The regions shall be allocated a fair share of the revenues collected federally, sufficient to carry out their burdens and responsibilities, taking into account their resources and needs, and the percentage of the population in them), and (112 / First: The federal government shall manage the oil and gas extracted from the existing fields with the governments of the producing regions and provinces, provided that their imports are distributed equitably in proportion to the population distribution throughout the country, ... etc), it also violates the principle of separation of powers contained in Article 47 of the Constitution because the government draft of the text - the subject of the challenge - was not received from the government in that wording. 2. Article (11/1st) of the law - subject to challenge - stipulates that, ((The share of the Kurdistan Region of the total actual expenditures set forth in Table/ Dal (Governing Expenditures) attached to this Law, shall be determined and paid by the Federal Ministry of Finance and

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with the approval of the Federal Prime Minister)), and the requirement of the approval of the Federal Prime Minister to pay the share of the Kurdistan Region contrary to what is prescribed for governorates that are not organized in the Kurdistan Region, federal ministries and their powers to disburse with the approval of the Minister of Finance is a restriction contrary to the principles of the federal system, the provisions of the Constitution and the constitutional powers of the Region when the governorates and ministries under Article (4) of the General Budget Law have the power to disburse and spend as soon as the approval of the Minister of Finance is issued, while the financing of the Region in addition to the approval of the Minister of Finance requires the approval of the Federal Prime Minister, this constitutes a constitutional violation of the provisions of Article 14 of the Constitution. 3. Article (11/2nd) of the law - subject to appeal - which stipulates that: ((The share of the Kurdistan Region of the total actual expenditure (current expenditures and expenditures of investment projects) shall be determined after excluding sovereign expenditures... etc.)), and the inclusion of the phrase (of the total actual expenditure) and the phrase (after excluding sovereign expenditures) affects the interests of the plaintiff when an unfair and unbalanced share is allocated and inconsistent with the constitutional principles that the Kurdistan region is singled out and addressed in the spirit and content of the Constitution in force, the aforementioned constitutional texts dealing with the rights of the Kurdistan Region, as well as the provisions of Article (121/3rd) of the Constitution, which stipulates that (the regions and governorates shall be allocated a fair share of the federally collected revenues, sufficient to carry out their burdens and responsibilities, taking into account their resources and needs, and the percentage of the population in them), which contained unambiguous phrases regarding the allocation of a fair share of the federally collected revenues, as the phrase (allocated to the regions) was mentioned in item (third) of Article (121) of the Constitution, also, the phrase (federally collected revenues) came in the constitution absolute, and therefore the share of the Kurdistan region must be determined from the total revenues collected federally, and not from the total actual expenditure and after excluding sovereign expenditures, because the absolute is being launched unless restricted, and there is no basis from the constitution that gives the right to the defendant to restrict the plaintiff's share,

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which makes it contrary to the provisions of the constitution, it is worth mentioning that the phrase (actual spending) was introduced into the Federal Budget Law for the first time in 2015, where the region's share was calculated in previous years on the basis of (17%) of expenditures in its absolute form without being restricted to actual expenditures, and this is a fundamental violation of the provisions of item (3rd) of Article (121) of the Constitution, as mentioned above, and also violates item (1st) of Article (112) of the Constitution, which provides for the distribution of oil and gas imports: ((in an equitable manner commensurate with the population distribution throughout the country, with a quota for a specific period for the affected provinces, which were unfairly deprived of them by the former regime, and which were subsequently damaged, in order to ensure the balanced development of the different regions of the country... etc)), from the above, dealing with the Kurdistan Region was unfair and unfair in the federal budget laws of previous years, which caused great damage to the interests of the region and its constitutional rights, which necessarily requires compensation for the region for the injustice suffered during those years for the reasons mentioned above. 4. Article (12/2nd/Heh) of the law - subject to appeal - stipulates: (The Federal Ministry of Finance shall finance the region's dues under the provisions of this law every month after the region implements paragraphs a, b, c, and d of this item, ... etc.), and that this article sets several conditions under which the sending of the constitutional share of the budget was restricted, which is a violation of Article (121/3rd) of the aforementioned Constitution, and that its inclusion in that manner and wording would violate the provisions of the Constitution in articles (46 - The restriction or limitation of the exercise of any of the rights and freedoms contained in this Constitution shall not be except by law or based on it, provided that such limitation or restriction does not affect the essence of the right or freedom), and (47), which affirmed the principle of separation of powers, and violates Article (14), which states: (Iraqis are equal before the law, ...) , since the government draft text - the subject of the challenge - was not received from the government in that wording. 5. Paragraphs (Alif), (Beh), (Jim), (Dal) and (Heh) of item (2nd) of Article (12) of the law - subject of the challenge - violate the provisions of Article (115) of the Constitution, considering that the oil management in the fields of the Kurdistan Region is supposed to belong to the

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region, as it is not covered by the scope of item (1st) of Article (112) of the Constitution. The Iraqi Constitution of 2005 took the approach of defining the competencies of the federal authorities in article 110 and considered them exclusive competencies between them in nine paragraphs, and considered all that was not stipulated in the exclusive competencies of the federal authorities from the competence and powers of regions and governorates that are not organized in a region, as stated at the beginning of article 115, in addition to the joint powers between the federal government and the regions in Articles (111), (112), (113) and (114), and then between how to deal with their subjects in terms of drawing up their policy, how to dispose of them, and manage them, it was clearly stipulated in the deficit of Article (115), where it stated that the other powers shared between the federal government and the regions shall be jointly and consensually in the management or formulation of policy according to each case under the said article, and in the event of disagreement, priority shall be given to the law of region and governorates not incorporated into a region. It should be noted that the text of this article, with its promulgation and incapacity, indicates that what is outside the exclusive competence specified for the federal authorities in Article 110 of the Constitution shall be the competence of the government of regions and governorates that are not organized in a region. When comparing what is stated in Article (110) of the Constitution, and what is stated in it of the exclusive competencies of the federal government and comparing it with Article (25) of the Law of Administration of the Iraqi State for the Transitional Period, which is considered the Constitution of the said stage, it is clear that Article (25) of it has been reproduced to be Article (110) of the Constitution, and paragraph (Heh) of Article (25) of the said law has considered the management of Iraq's natural resources within the competences of the Transitional Iraqi Government, considering that oil and gas are among the natural resources, but the said paragraph has been excluded when drafting Article (110) and transferring the content of Article (25) to that article of the Constitution, so Article (110) of the Constitution was devoid of stipulating natural resources, this was confirmed in items (fifth) and (sixth) of Article II of Law No. (19) of 2013 - Law of the Second Amendment to the Law of Governorates Not Organized in a Region No. (21) of 2008, when the federal legislative authority approved the Council of Representatives in the two

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aforementioned items, confirming that the issue of oil and gas is one of the common competencies and that priority is given to provincial laws over federal laws in case of disagreement and contradiction. Contained and correct for the federal regions a fortiori. 6. Article (13/7th) of the law - subject to challenge - which stipulates (when there is any difference in views between the federal government and the Kurdistan Regional Government concerning the rights, obligations, and mechanisms contained in the provisions of this law... If the solution is not possible, the Council of Representatives may take the necessary decision), and the phrase (if the solution is not possible, the Council of Representatives may take the necessary decision) has granted the Council of Representatives the necessary decision, and this necessarily means granting the Council of Representatives executive powers in a matter related to the Ministries of Oil and Finance, which constitutes a violation of the provisions of Article (61/ 1st, 2nd, 3rd and 4th) of the Constitution, which defined the exclusive competence of the Council of Representatives (legislation of federal laws and oversight of the performance of the executive authority), electing the President of the Republic, and organizing the process of ratifying international treaties and conventions. etc.), as well as a violation of the provisions of Article (80) of the Constitution, which defined the exclusive powers of the Council of Ministers, and thus granted the Council of Representatives a competence that does not fall within its exclusive functions stipulated in the Constitution, which constituted a violation of the provisions of the Constitution. 7. Articles (12 and 13) above were recorded sequentially (13) and (14) in the draft government project submitted by the Ministry of Finance, and they were amended, redrafted, and added new items that did not take the advice or opinion of the government, which constitutes a violation of the provisions of Article (62/2nd) of the Constitution, which stipulates that: (The Council of Representatives, to make transfers between the chapters and chapters of the general budget and reduce its total amounts, and may, if necessary, propose to the Council of Ministers to increase the total amounts of expenditures). This power has been confirmed to the Council of Representatives under Article (12/1st, 2nd, and 3rd) of the Federal Financial Management Law No. (6) of 2019. 8. Article (13/8th/Beh) of the law - subject to challenge - which stipulates: ((Otherwise, the Federal Prime Minister shall take the necessary measures to implement paragraph

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(Alif) above, including funding)). It is noticeable from the wording of the text in question that it granted the Prime Minister, in addition to his job, a power outside the scope of the Constitution stipulated in Articles (110) and (78), and the text required this by using the term (on the Federal Prime Minister) stipulated in Article (13/8th/Beh), this would violate the federal system stipulated in Article 1 of the Constitution, which stipulates that: ((The Republic of Iraq is a single independent federal state with full sovereignty, the system of government is republican, representative (parliamentary) democratic, and this Constitution guarantees the unity of Iraq)), and it also violates Articles (116- The federal system in the Republic of Iraq consists of a capital, regions, decentralized governorates and local administrations), and (117/ First: This Constitution, upon its entry into force, recognizes the Kurdistan Region and its existing authorities as a federal region) and (121/1st) The authorities of the regions shall have the right to exercise legislative, executive and judicial powers in accordance with the provisions of this Constitution, except for the exclusive competences of the federal authorities), the provisions of paragraph (Beh) of the item (8th) of Article (13) of the law - the subject of the challenge - do not fall within the exclusive competences of the federal authorities stipulated in Article (110) of the Constitution and confirmed by Article (121/1st) of the Constitution, this is what was settled by the judgment of the Federal Supreme Court by decision (59/Federal/2012 and its unified 110/federal/2019), which constituted a clear violation of the provisions of these two articles, and Article (47) of the Constitution, and because there is a current, direct and influential interest in the legal and financial position of the plaintiff in submitting this appeal, he requested a ruling on the unconstitutionality of the following articles: Article (2/1st/5/Beh), Article (11/1st), Article (11/2nd), Article (12/2nd/Heh), Article (12/2nd/Alif, Beh, Jim, Dal, Heh) and the recent inability of the text Article (13/7th), which stipulates the following: (In the event that dissolution is not possible, the Council of Representatives may take the necessary decision) and Article (13/8th/Beh) of the Federal Budget Law of the Republic of Iraq No. (13) of 2023 for the years (2023, 2024, and 2025) with the defendant bearing fees, expenses, and advocacy fees. The defendant's agent replied with the answering draft dated 27/7/2023, which concluded as follows: When the plaintiff's agent referred in paragraphs (1st and 2nd/7) of the statement of claim that the laws

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should not include financial obligations without consulting it, the federal government is the body concerned with indicating its disagreement with the texts that include financial burdens on it, and that the plaintiff has no interest in this appeal because he does not represent the federal government, which did not object to the general provisions of the budget law, so not objecting to it is considered its satisfaction with those texts even if they were added by the Council of Representatives without consulting them on the assumption of the validity of not consulting the government in the first place, as for paragraph (2nd/1, 2 and 8) of the lawsuit list, dealing with the Kurdistan Region has a peculiarity in terms of dealing with the public expenses of the state as a whole, as the independence of the region's revenues, legislation and financial and economic systems is not hidden, this necessitates the imposition of specificity on the ways in which the Federal Government deals with the territorial Government with regard to the determination of federal revenue shares; as for paragraph (2nd/3) of the statement of claim, Article (11/2nd) of the law - the subject of the challenge - does not conflict with Article (121/3rd) of the Constitution, since the latter has required the allocation of a fair share of the federally collected revenues to the regions, taking into account their resources, needs and the percentage of the population in them, and the Iraqi legislator has taken these criteria when determining the region's share of the total actual expenditure, as for paragraph (2nd/4) of the statement of lawsuit, Article (12/2nd/Heh) of the Budget Law does not conflict with Article (46) of the Constitution nor Articles (14) and (47) thereof, because it is a regulatory text that shows the requirements for financing the region's dues, after fulfilling the financial obligations of the region towards the federal government, while paragraph (2nd/5) paragraphs (Alif, Beh, Jim, Dal, Heh) of item (second) of Article (12) of the Budget Law do not conflict with Article (115) of the Constitution, but are an application of the text of Article (111), which states (oil). Gas belongs to all the Iraqi people in all regions and governorates), and as for paragraph (2nd/6) of the statement of claim, Article (13/7th) of the Budget Law does not grant the Council of Representatives executive powers, but rather refers to the Council to resolve the problems that occur between the federal government and the Kurdistan Regional Government, with the importance of resolving the differences that occur between the two sides, and that the first institution that can put an end to the problems that

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tend to be political with economic and financial dimensions is the Council of Representatives, the representative of the people, which has dozens of members of the Council of Representatives representing the governorates of the Kurdistan Region, which contributes to the spread of dialogue and understanding. To resolve the disputes that may occur between the two parties, request the dismissal of the lawsuit and charge the plaintiff expenses, fees, and advocacy fees. After completing the procedures required by the court's rules of procedure, a date was set for the pleading in accordance with Article (21/3rd) thereof and notified to the parties, and on the specified day, the court was formed, so the plaintiff's attorney and the defendant's agent, the human rights employee, Saman Mohsen Ibrahim, attended and began to conduct the public presence pleading, the plaintiff's attorneys repeated what was stated in the lawsuit petition and requested a ruling accordingly and submitted a response and clarification list dated 6/8/2023, adding that they are requesting a ruling on the unconstitutionality of articles (2/1st/5/Beh) and (11/1st), the last part of them. Which includes the phrase (and with the approval of the Federal Prime Minister), Article (11/2nd), Article (12/2nd/Alif/Beh/Jim/Heh), the last part of Article (13/7th), which includes (and in the event that it is not possible to dissolve the Council of Representatives, take the necessary decision) and Article (13/2nd/Beh), and added with regard to the appeal to Article (13/7th), the last part of it, this is considered one of the competences of the Federal Supreme Court according to Article (93) of the Constitution, which is competent to adjudicate when a dispute occurs between the federal government and the regional government, the defendant's agent answered and requested the dismissal of the lawsuit for the reasons stated in the regulation dated 27/7/2023, and concerning the question of the plaintiff's agents regarding what was stated in Article (11/1st) of Law No. (13) of 2023 determining the share of the Kurdistan Region from the total actual expenses shown in Table (Dal) (expenses), this came as a legislative option for the Council of Representatives, the agents of the parties repeated their previous requests and statements, and where there is nothing left to say, the end of the argument has been made clear, and the court issued the following decision:

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The decision:

Upon scrutiny and deliberation by the Federal Supreme Court, it was noted that the summary of the lawsuit of the plaintiff, the President of the Kurdistan Regional Government, in addition to his job, and through his representative, he requests a ruling on the unconstitutionality of Articles (2/1st/5/Beh), (11/1st, 2nd), (12/2nd/Alif, Beh, Jim, Dal, Heh) and the phrase (In the event that it is not possible to dissolve the Council of Representatives, take the necessary decision contained in Article 13/7th) and Article (13/8th/Beh), for the reasons detailed in the petition, which summarizes it: Many of the provisions of the law – the subject of challenge – violate and contradict the provisions of the Constitution and the principles contained therein, after the public presence pleading and the court's hearing of the statements of the parties' agents recorded in seizure, as well as its review of the defendant's list dated 27/7/2023, in which he requested the dismissal of the lawsuit, which concluded: that the plaintiff's claim and in paragraph (1st and 2nd/7) thereof that the federal government is the only party concerned with indicating its disagreement with the texts that include financial burdens on it, and that the plaintiff's agent has no interest in this appeal because he does not represent the federal government and since the federal government did not object to All budget texts, therefore, this is considered a consent from her even if it is added by the Council of Representatives without consulting her, as for paragraph (2nd/1, 2 and 8) of the regulation, dealing with the Kurdistan region has a specificity in the matter of public expenditures of the state as a whole in terms of the independence of the region's revenues, legislation and financial and economic systems, which imposes on the federal government privacy on the ways of dealing with the regional government with regard to determining the shares of federal revenues, and Article (11/2nd) of the law does not conflict with the provisions of Article (121/3rd) of the Constitution, as well as Article (12/2nd/Heh), which does not conflict with Articles (14, 46 and 47) of the Constitution, because it is a regulatory text that shows the requirements for financing the region's dues, this is after the region fulfills its financial obligations towards the federal government, and regarding Article (12), it does not conflict with Article (115) of the Constitution, but rather is an honest application of the text of Article (111) thereof, and Article (13/7th) of the Budget Law does not grant the Council of Representatives executive powers to the

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last of what is stated in the regulation, and the court also reviewed the response list submitted by the plaintiff's agent/ being in this capacity on 6/8/2023, which concluded: That his client has a current, direct and influential interest in his legal and financial position even if he does not represent the federal government, and that the contested articles have a direct impact on the interests of the region, also, the defendant's attorney did not support his proposal with any constitutional or legal basis, especially when he mentioned the phrase "which requires specificity in the ways the federal government deals with the regional government with regard to determining the shares of federal revenues..." Also, the correct one in accordance with the Constitution requires that the region's share be determined from the allocation, and not from the expenditure according to the summary of what is stated in the answering draft, from all of the foregoing, this court finds that the challenged texts in this lawsuit affect the interests of the region, so the head of the territorial government has a direct interest in filing the lawsuit regarding the determination of its constitutionality or not, so the lawsuit is admissible from the point of view, as for the lawsuit substantively, the court found the following:

1. Concerning the appeal against Article (2/1st/5/Beh), which stipulates that ((When the selling price of one barrel of crude oil exceeds the price fixed in the Budget Law, (30%) (thirty percent) of the price difference increase shall be allocated to pay the overdue dues to the governorates and (70%) (seventy percent) to pay the budget deficit, calculated and financed on a quarterly basis, provided that it is spent in strategic and service projects within the most affected areas)), this court finds that this article came Properly apply Article (121/3rd) of the Constitution, and does not violate Articles (14 and 112/I) thereof, because the concept of fair share and equitable distribution of revenues, the principle of equal rights and duties for Iraqis also requires. These texts give the federal executive and legislative authority the wide area to achieve a fair distribution of revenues according to what this authority deems the size of the revenues and the population ratios of each governorate, bearing in mind that some of the revenues resulting from the exploitation of natural resources in the region are expropriated by local authorities to be added hypothetically to the region's other resources derived from its share in the federal general budget, and whereas the original presumption of the constitutionality of legislation

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unless proven With conclusive evidence to the contrary to assume that the legislation was issued following the constitutional frameworks, and this is what the plaintiff was unable to refute with his arguments presented, so his claim in this regard deserves to be answered because there is no constitutional violation.

2. About the challenge to the constitutionality of Article (11/1st) of the Federal Budget Law, which stipulates (that the share of the Kurdistan Region of the total actual expenditures outlined in Table D (Governing Expenses) attached to this Law shall be determined and paid by the Federal Ministry of Finance and with the approval of the Prime Minister), the Court finds, after examining the defenses of the agents of the parties to the lawsuit, that the legislative treatment contained in this article, which required the approval of the Prime Minister, had retracted the principle contained in Article (4). Concerning the authority of disbursement, which required the approval of the Minister of Finance following the details contained in the article that gave ministries and entities not associated with the Ministry and the governorates the disbursement with the approval of the Ministry of Finance, this regression in treatment constitutes a violation of the principle of equality contained in Article (14) of the Constitution, and thus the phrase (with the approval of the Federal Prime Minister) deserves to be ruled unconstitutional.
3. Concerning paragraph (second) of Article (11), which stipulates ((The share of the Kurdistan Region of the total actual expenditure (current expenditures and expenditures of investment projects) shall be determined after excluding sovereign expenditures... etc.)), and this court finds that the contents of this paragraph do not conflict with the provisions of Article (121/3rd) of the Constitution, because the principle is that the legislator took the criteria of the number of resources, need and percentage of the population in the region to determine the fair share and that the plaintiff did not provide evidence that refutes the presumption of the appropriateness of this text to the provisions of the Constitution, so his claim in the foregoing is worthy to be ejected.
4. Concerning the challenges attributed by the plaintiff to paragraphs (Alif, Beh, Jim, Dal, and Heh) of item (2nd) of article 12 of the Federal Budget Law of the Republic of Iraq on the basis of their violation of articles 14, 46, 47, 115 and 121 of the Constitution as detailed in paragraphs 4 and 5 of the petition,

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considering - and according to the plaintiff's claim - that the management of oil in the region belongs to the authorities of the region, and that the joint powers are stipulated in articles 111, 112, 113 and 114 of the Constitution, This Court finds that all the contested paragraphs of Article 12 have created a formula for the distribution of oil imports and the contribution that the region is obligated to finance the general budget from oil imports, therefore, this court will refrain from delving into the implications of the constitutional articles that relate to the determination of the constitutionally competent authorities for the production and management of oil and gas, as this is not effective or required in this case. It is related to the ownership of oil and gas and what is related to the distribution of the proceeds of this wealth, as it is stipulated in an explicit and clear text and Article (111) that the oil wealth belongs to all the Iraqi people in all regions and governorates, and this discount does not accept interpretation or interpretation in other than the meaning of the people's full ownership of this wealth, then it has been resolved, with categorical texts, the fate of the imports resulting from this wealth, so it was necessary to distribute them equitably throughout Iraq in proportion to the population distribution, with a quota and for a specific period only for the affected regions that were unfairly deprived of them by the former regime, as well as those affected after that, that is, the compensation of the affected regions came in the text of Article (112 / 1st) for a specific period and the Constitution did not allow any region or governorate to monopolize part of the revenues of oil or gas wealth and with regard to paragraphs (Alif, Beh, Jim, Dal, Heh) of Article (12/2nd) of the budget law, it came together with provisions that require the region to deliver what is produced from crude oil from the fields located in the region at least (four hundred) thousand barrels per day, as well as the provisions of Detailed in the case of the inability to export from the Turkish port of Ceyhan or any other port and the body responsible for compensating the Kurdistan Regional Government for the cost of producing and transporting oil, as well as the issue of handing over non-oil revenues by the regional government to the federal government, as well as the condition of the commitment of the Federal Ministry of Finance to finance the region's dues after the region implements paragraphs (Alif, Beh, Jim, Dal), and all the provisions contained in the above paragraphs contested do

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not conflict or intersect with any constitutional text contained in the Constitution of the Republic of Iraq for the year 2005, but are a sound application of the general principle contained in Article (111) of the Constitution, which stipulates the ownership of the people of their oil and gas wealth, therefore, the plaintiff's appeals in respect of the aforementioned paragraphs deserve to be rejected.

5. As for the appeal contained in Article (13/7th) of the law, which stipulates ((In the event of any difference in views between the federal government and the Kurdistan Regional Government regarding the rights, obligations, and mechanisms contained in the provisions of this law, a committee shall be formed from both parties to consider the outstanding problems to submit recommendations and solve them within (30) days from the date of their formation, and if the solution is not possible for the Council of Representatives, take the necessary decision)), this court finds that the Constitution of the Republic of Iraq of 2005 defined the types of authorities to be formed and defined their functions by firm constitutional texts and then ruled in Article 47. However, these authorities exercise their powers and functions based on the principle of separation of powers, after which no authority can add to itself another competence that is not defined by the Constitution for it, and since the competencies of the Council of Representatives were determined exclusively by the Constitution in Article (61) and other articles contained in the Constitution, and did not include the competence to resolve the dispute between the federal government and the regional government, but this competence was assigned under Article (93/4th) of the Constitution to the Federal Supreme Court, so The phrase (the Council of Representatives may take the necessary decision) in which the legislator has deviated from the constitutional determinants and violated explicit constitutional provisions, which requires ruling on their unconstitutionality and answering the lawsuit thereon.
6. As for the appeal regarding Articles (12 and 13) of the law that they were registered sequentially (13 and 14) in the draft government project submitted by the Ministry of Finance, they were amended, redrafted, and added new items that did not take the advice or opinion of the government contrary to the text of Article (62/2nd) of the Constitution, this court finds that the reformulation of

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these two articles, the re-sequencing of them and the addition of new clauses all fall within the scope of the competence of the Council of Representatives stipulated in Article (61) of the Constitution and does not require the approval of the government if the Council of Representatives aims to properly draft the articles and clauses of the law unless it entails an increase in the total expenditures, and this is what the plaintiff has not proved, so his appeal with the above deserves to be rejected.

7. Concerning Article (13/8th/Beh) of the law, which stipulates: ((Otherwise, the Federal Prime Minister shall take the necessary measures to implement paragraph (a) above, including funding)), and the appeals attributed by the plaintiff in detail in his lawsuit, this court finds that this paragraph came to ensure the commitment of the regional government to pay the salaries of the region's retirees and employees and to pay the investment dues to the governorates of the region following the criteria established in this law. This court that one of the exclusive powers of the federal authorities mentioned in Article (110 /1st and 3rd) is to formulate the economic and financial policy of the state, Moreover, Article (80 / first) stipulated that the Council of Ministers has the authority to plan and implement the general policy of the state, and then before it was Article (78) of the Constitution decides that the Prime Minister is directly responsible for the general policy of the state and that the general policy of the state is a set of approaches, strategies, and theories reinforced by a system of laws, legislation, regulations, instructions, procedures and means to achieve the goals and objectives that the state aspires to achieve in general to find a complete or at least relative correspondence between The real life of the people and the constitutionally envisioned life, the success and failure of the state system is measured by its ability to achieve the constitutional objectives set out in the constitutional texts, perhaps one of the most important public policies is the economic and financial policy, of which federal financial legislation is an integral part, and it is the most important part as it is a legislative embodiment of the economic and financial policy adopted by the state, which is one of the exclusive powers of the federal authority, and perhaps one of the most important economic and financial laws is the budget law, which draws an accurate description of state revenues and expenditures in general,

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and if the region has the right to exercise legislative, executive and judicial powers in accordance with the provisions of this constitution based on Article (121/1st) However, this practice must not intersect with the public policy adopted by the state, otherwise the exercise of these powers would be illegitimate and outside the constitutional framework, therefore, the meaning of Article (13/8th/Beh) and its provisions is an honest implementation, and the provisions of Articles (78, 80, 110 and 115) of the Constitution, and that the appeals filed by the plaintiff in respect thereof are out of the question, which requires their dismissal, and for all the above reasons and merits, the Federal Supreme Court decided the following:

First: Ruling on the unconstitutionality of the phrase (and with the approval of the Federal Prime Minister) contained in Article (11/1st) and the phrase (If it is not possible to dissolve the Council of Representatives, take the necessary decision) contained in Article (13/7th) of Law No. (13) of the 2023 Federal Budget of the Republic of Iraq for the fiscal years (2023 - 2024 - 2025).

Second: Ruling to dismiss the lawsuit of the plaintiff President of the Kurdistan Regional Government / being in this capacity regarding the challenge to the constitutionality of Articles (2/1st/5/Beh), (11/2nd), (12/2nd/Alif, Beh, Jim, Dal, Heh) and (13/8th/Beh) of Law No. (13) of the 2023 Federal Budget of the Republic of Iraq for the fiscal years (2023 - 2024 - 2025).

Third: The parties shall burden the fees and relative expenses and each party shall charge the attorney's fees of the other party's attorney of one hundred thousand dinars, which shall be distributed in accordance with the law, as a final and binding decision to all authorities.

The decision has been issued with the majority, according to the provisions of articles (93/1st) and (94) of the Constitution of the Republic of Iraq for 2005 and articles (4 and 5) of the FSC's law No. (30) for 2005 which was amended by law No. (25) for 2021. The decision has been made clear on 19/Muharram Al-Haram/1445 Hijri coinciding with 7/August/2023 AD.

Judge

Jassim Mohammed Abbood

President of the Federal Supreme Court

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