

Climate Change and State Fragility in Iraq

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Iraq is grappling with rapid population growth, environmental stress, and a heavy reliance on hydrocarbons, all within the context of limited institutional capacity and strained public spending. However, through targeted reform and stronger governance, opportunities lie in decentralizing resource management, modernizing agriculture, and investing in renewable energy.

Iraq's Challenges

- Rapid population growth with inadequate supporting infrastructure
- Reliant on hydrocarbons for revenue and energy
- Public spending remains strained by overspending on postwar reconstruction efforts
- Rising water scarcity and land desertification
- Lack of published public projects and spending reports due to institutional incapacities, resulting in poor transparency and incohesive climate policy
- Outdated and underfunded agricultural sector, minimizing potential for adaptability and self sufficiency
- Absence of laws specifically relating adaptation and resilience-building actions to climate risks and vulnerability
- Minimal role of civil society and NGOs in policymaking process
- Critical underfunding for the Ministry of Environment (<u>0.1 percent of total budget</u> allocation in 2024)

See full article and sources:

Joy Arkeh and Nourane Awadallah, "Climate Change and State Fragility in Iraq: Budgeting, Governance, and the Future of Sustainability," Carnegie Endowment for International Peace, May 15, 2025, https://carnegieendowment.org/research/2025/05/climate-change-and-state-fragility-in-iraq-budgeting-governance-and-the-future-of-sustainability?lang=en.

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Iraq's Opportunities

- Consolidating human capacity by integrating environmental awareness in schools and workshops
- Decentralized water management and agricultural models via localizing product use
- Boosting resilience of agricultural and energy sectors by increasing public funding for renewable energy, creating a robust green electrical ecosystem
- Capacity-building through the implementation of quality checks, R&D, training, and environmental education programs
- Modernization of agriculture through measures such as the Ministry of Agriculture's partnership with scientists from local and foreign universities, tasked with improving self-sufficiency and food security
- Subsidizing renewable energy and innovative technologies to mitigate methane emissions through the private sector

Policy Recommendations

- Diversification of the national economy through public investments in agriculture, tourism,
 higher education, and strengthening the private sector through tax and investment incentives
- Create the infrastructural framework and budgetary allocation necessary for implementing
 the National Strategy for the Protection and Improvement of the Environment's (NSPIE)
 proposal for standardized databases assessing impacts of air pollutants on national
 environmental hazards and long-term health concerns
- Increase budget allocation toward underfunded ministries such as the Ministry of Water Resources (0.75 percent of total budget allocation in 2024), and the Ministry of Environment (0.08 percent of total budget allocation in 2024)
- Foster technical knowledge as a pathway for improving oversight and enforcement in implementing policy
- Include clear timelines in climate laws as a method of oversight and accountability
- Strengthen and streamline the authority of the "environmental police" created under the Ministry of Environment in 2009, who are primarily tasked with monitoring environmental pollutants and with aiding in the implementation of judicial and administrative decisions reached by the ministry
- Promoting private sector engagement in green transition through financial incentives for cooperating on climate objectives (tax tariffs, subsidies, grants, and public investments), alleviating financial burden of public spending on renewable energy
- Introduce robust financial incentives such as tariffs, subsidies, grants, and investments, which, aside from the framework of loaning to farmers for agricultural development established under Law No. 28 of 2009, are notably absent from the current climate governance framework



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