

The Politics of Real Estate in the Kurdish Region of Iraq

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Brief Analysis

With ruling parties, companies, and mainstream media aligned against them, activists and environmentalists face a formidable challenge in curbing the exploitation of nature and corporate greed.

On a symbolic mountain overlooking the city of Sulaymaniyah in the Kurdistan Region of Iraq (KRI), a massive lucrative residential compound is currently under [construction \(https://en.964media.com/20098/\)](https://en.964media.com/20098/).

Despite the company's claims that it has obtained all necessary licenses and legal approvals, the project has sparked weeks of public outcry and grassroots organizing against the project. Opponents argue that the development threatens the city's biodiversity, harms the environment, and, most importantly, erases a historical landmark. They fear this could set a dangerous precedent for further environmental degradation by partisan companies.

The operating company behind the controversial project is [Qaiwan Group \(https://brandkri.com/qaiwan-group/\)](https://brandkri.com/qaiwan-group/), a conglomerate with diversified interests in construction and real estate, oil, hospitality, education, healthcare, retail, trading, and more. The company has strong ties with the [Patriotic Union of Kurdistan \(PUK\) \(https://www.washingtoninstitute.org/policy-analysis/puk-and-kdp-new-era-conflict\)](https://www.washingtoninstitute.org/policy-analysis/puk-and-kdp-new-era-conflict), which controls the Sulaymaniyah area. Consequently, criticisms are directed at the party's leaders for facilitating the project and prioritizing its financial interests over environmental concerns and public welfare. The reality is that without the blessing of one of the region's ruling parties, such a significant project would not be feasible.

This is not the first residential project by Qaiwan Group, but none of their previous endeavors have sparked such outrage. Qaiwan has been developing residential projects at the foothills of Goizha Mountain for several years, gradually expanding further up the mountain, especially with this recent project. Located to the north of Sulaymaniyah, Goizha Mountain, along with the adjacent Azmar Mountain, is a popular destination for the local residents seeking cooler air during the scorching summers and enjoying the snow in winter. Over the past two centuries, this mountain has become an important cultural landmark for the residents of Sulaymaniyah and a common reference point in the region's literature. However, there is growing concern that the increasing number of

residential projects and private zones will render these landmark mountains inaccessible to ordinary people. The headquarters of PUK President Bafel Talabani—which is under expansion at the moment—and the PUK-affiliated media network Kurdsat are also situated in this area. As such, access has already become increasingly restricted, further alienating the general public.

Environmental activists argue that while the project site is a rugged mountainside rather than an actual woodland, it should be protected as it serves as a significant natural reservoir for carbon dioxide absorption and harbors rich plant diversity and soil particles. They contend that replacing this natural area with buildings and concrete transforms it from a carbon and heat absorber into a heat generator. Additionally, such construction projects require vast amounts of energy and water, placing a burden on the local population and exacerbating social and environmental injustices. Similar projects have sparked protests in the capital city of Erbil, particularly the [Erbil Hills Golf Course \(https://www.washingtoninstitute.org/policy-analysis/audacity-erbil-hills-golf-course-amidst-iraqs-water-crisis\)](https://www.washingtoninstitute.org/policy-analysis/audacity-erbil-hills-golf-course-amidst-iraqs-water-crisis), which required a massive amount of water in a city that has struggled to access basic water sources for decades.

While mainstream and partisan media outlets, including the popular Rudaw Network, have chosen to remain silent about the project and its environmental consequences—likely due to the company's influence over these media networks and their owners—ordinary people have taken to social media to express their outcry and anger. This grassroots movement highlights the growing discontent among citizens who feel their concerns are being ignored by traditional media. This movement is notable in its focus on an environmental issue, which is an unusual topic of protest. Ultimately, an advocacy group comprising NGOs, intellectuals, and activists was formed in May to amplify these unheard voices and to put pressure on the government and the company to halt the project. This group aims to ensure that the environmental and social impacts of such developments are thoroughly scrutinized and that the interests of the broader community are prioritized over corporate profits.

Meanwhile, the local government, municipality, and Qaiwan Group have downplayed the criticism of the project, asserting that it benefits the city more than it harms it. During a joint press conference, the company stated that the project had passed all legal procedures and received approval from all relevant authorities, while promising that 30 percent of the residential project would be dedicated to greenery. Additionally, the company committed to undertaking several public service projects in exchange for developing the landmark site, including repairing a two kilometer road near the project.

However, not everyone agrees that the company has adhered to all necessary legal procedures, given the project's location on a mountain considered public property. Abdulstar Majid, the former Minister of Agriculture of the Kurdistan Regional Government, asserts that [Law No. 10 of 2012 \(https://www.fao.org/faolex/results/details/en/c/LEX-FAOC150031/\)](https://www.fao.org/faolex/results/details/en/c/LEX-FAOC150031/) states that mountains, forests, and rugged lands cannot be altered or transformed into projects. He emphasizes that if such changes are deemed in the public interest, the decision must be made by the Council of Ministers, not by local governments or ministries. "What is happening to Goizha is a crime and an environmental violation. It is against the law, and if a public prosecutor were present, the perpetrators would face legal prosecution," Majid declared.

While expanding cities into mountainous areas to accommodate growing populations is common worldwide, the controversial project in Sulaymaniyah sheds light on the complicated political realities of the KRI's real estate sector. The real estate boom in the Kurdistan Region over the past few years has led to unprecedented investment in this market. With \$20 billion invested—30 percent of all investments, second only to the oil sector—other sectors such as agriculture, health, banking, services, and education have received a combined total of only 6.22 percent of investments. This has resulted in the real estate sector far outpacing others, with minimal housing shortages in the region. Thousands of residential units from previous projects remain unsold, and an additional 47,000 units are

expected to be ready for sale next year. Consequently, this residential project is not driven by necessity but is perceived as an attempt to provide a luxurious compound for the wealthy elite, with villa prices ranging from half a million to \$2 million in an area where residents pay an average of around \$40,000-\$70,000 to purchase a home.

With ruling parties, companies, and mainstream media aligned against them, activists and environmentalists face a formidable challenge in curbing the exploitation of nature and corporate greed. For those speaking out against the project, the stakes are high; if the privatization of Goizha is not halted, it could set a dangerous precedent for the fate of other natural landmarks in the region. The ambiguous future of these hills and mountains underscores the urgent need for collective action to protect the environment. Ensuring that development projects respect ecological and cultural heritage is crucial for the sustainable growth and well-being of the community. The outcome of this struggle will not only impact the immediate area but also serve as a testament to the region's commitment to balancing progress with preservation. ❖

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