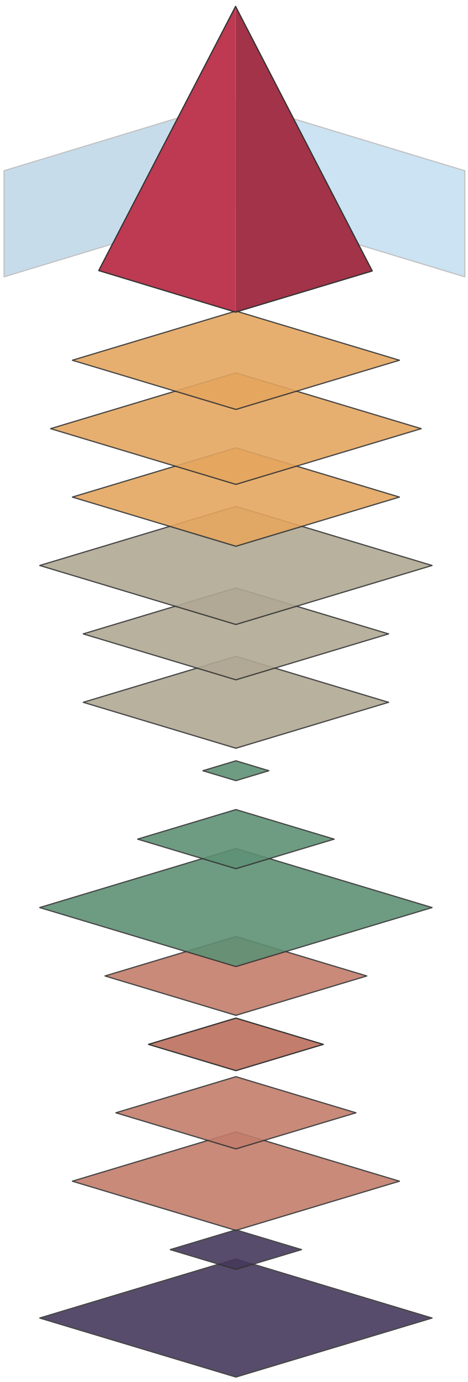
GLOBAL ORGANIZED CRIME INDEX

GLOBAL INITIATIVE AGAINST TRANSNATIONAL ORGANIZED CRIME

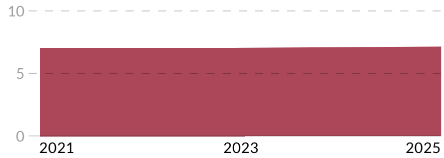
IRAQ



7.17 ↗0.03

CRIMINALITY SCORE

12th of 193 countries ↘4
4th of 46 Asian countries ↘2
3rd of 14 Western Asian countries ↘2



CRIMINAL MARKETS

CRIMINAL MARKETS	6.43	↗0.17
HUMAN TRAFFICKING	7.50	0.00
HUMAN SMUGGLING	8.50	0.00
EXTORTION & PROTECTION RACKETEERING	7.50	↗0.50
ARMS TRAFFICKING	9.00	0.00
TRADE IN COUNTERFEIT GOODS	7.00	↗0.50
ILLICIT TRADE IN EXCISABLE GOODS	7.00	↗0.50
FLORA CRIMES	1.50	0.00
FAUNA CRIMES	4.50	↗0.50
NON-RENEWABLE RESOURCE CRIMES	9.00	0.00
HEROIN TRADE	6.00	0.00
COCAINE TRADE	4.00	↘1.00
CANNABIS TRADE	5.50	0.00
SYNTHETIC DRUG TRADE	7.50	↗0.50
CYBER-DEPENDENT CRIMES	3.00	↗1.00
FINANCIAL CRIMES	9.00	0.00

CRIMINAL ACTORS

CRIMINAL ACTORS	7.90	↘0.10
MAFIA-STYLE GROUPS	6.50	0.00
CRIMINAL NETWORKS	8.00	↘0.50
STATE-EMBEDDED ACTORS	8.50	0.00
FOREIGN ACTORS	9.00	0.00
PRIVATE SECTOR ACTORS	7.50	0.00

This project was funded in part by a grant from the United States Department of State.

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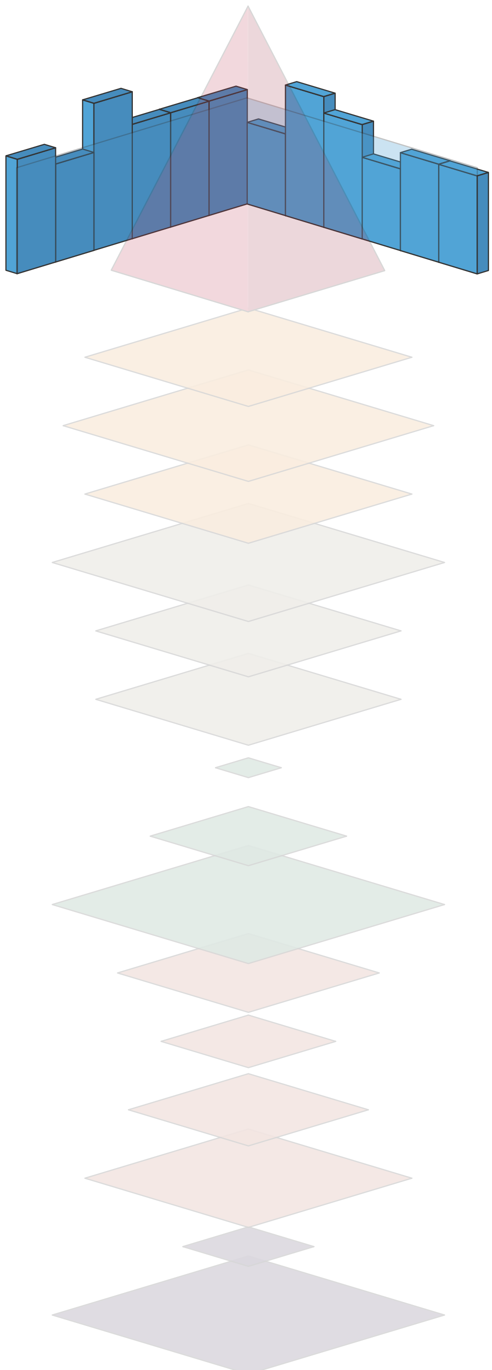
Funded by the European Union

ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

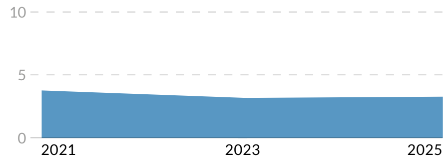
IRAQ



3.33 ↗0.13

RESILIENCE SCORE

153rd of 193 countries ↗10
37th of 46 Asian countries ↗1
10th of 14 Western Asian countries ↗1



POLITICAL LEADERSHIP AND GOVERNANCE	3.50	0.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	3.00	↗0.50
INTERNATIONAL COOPERATION	4.50	↗0.50
NATIONAL POLICIES AND LAWS	3.50	0.00
JUDICIAL SYSTEM AND DETENTION	3.50	0.00
LAW ENFORCEMENT	3.50	0.00
TERRITORIAL INTEGRITY	2.50	0.00
ANTI-MONEY LAUNDERING	4.00	0.00
ECONOMIC REGULATORY CAPACITY	3.50	↗0.50
VICTIM AND WITNESS SUPPORT	2.50	0.00
PREVENTION	3.00	0.00
NON-STATE ACTORS	3.00	0.00

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CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Human trafficking in Iraq remains a deeply entrenched issue, fuelled by socioeconomic vulnerabilities exacerbated by conflict, widespread poverty and displacement. The market spans multiple forms of exploitation, including forced labour, sexual exploitation, organ trafficking and the recruitment of children by militant groups. Vulnerable populations include internally displaced persons, Syrian refugees, orphaned children and marginalized communities, such as those linked to Islamic State fighters. Organized criminal networks are involved in prostitution rings, child exploitation and the organ trade, often operating across national borders. Mafia-style tribal groups and state-embedded actors such as militias, including elements of the Popular Mobilization Forces (PMF), are reported to facilitate trafficking with some degree of impunity. Additionally, private-sector actors such as recruitment agencies and tourist offices are allegedly complicit in these operations. The use of social media and fake online job offers to lure victims into trafficking scenarios is widespread. Despite increased law enforcement engagement and international cooperation, the market remains persistent and widespread, exploiting systemic socioeconomic and governance challenges.

Similarly, the human smuggling market in Iraq is driven by prolonged political instability and economic hardship, positioning the country as both a source and transit state. Smuggling operations are particularly concentrated in the semi-autonomous region of Iraqi Kurdistan and along Iraq's borders with Syria, Türkiye and Iran. Networks operate with a deep understanding of the terrain, and often overlap with other forms of trafficking, including arms and drugs. Kurdish smugglers, or Kolbars, are central to these operations, moving people and goods across mountainous terrain. Smuggled people include not only Iraqi nationals seeking entry into Europe but also Syrian migrants entering Iraq, adding a destination component to the market. Smuggling operations are highly organized, with substantial fees charged and routes adjusted to changing border conditions. Despite efforts by Iraqi and Kurdish authorities to tighten border control and shut down the businesses involved, smuggling remains prevalent due to corruption, political fragmentation, and the persistent economic push and pull factors.

Extortion and protection racketeering are also prevalent, particularly in regions with limited state control such as Diyala and Salah al-Din. Militia entities and other armed groups extract significant revenues by coercing local businesses and imposing fees at checkpoints and transportation hubs. In some cases, these criminal actors extract up to 60% of business profits or demand royalties from reconstruction projects in former IS-held areas. Checkpoints controlled by militias function as de facto tax collection points, especially in relation to the smuggling and movement of goods like alcohol. Extortion also extends to sectors such as logistics, hospitality and real estate, and is sometimes enforced with threats or violence.

TRADE

Arms trafficking in Iraq is entrenched, shaped by decades of conflict, porous borders and widespread civilian demand for weapons. The country functions both as a destination and transit point, with weapons entering through borders with Iran, Syria and Türkiye. Internal demand stems from insecurity, inter-clan conflicts and weak law enforcement, driving the circulation of illegal firearms and military-grade weaponry. Encrypted messaging platforms are commonly used for arms sales. Various actors – militias, criminal networks, tribes and corrupt state officials – facilitate the movement and sale of weapons, often through legitimate business fronts. Arms trafficking is further sustained by the flow of Iranian weapons transiting through Iraq to third countries involved in conflicts, alongside leakages from militia stockpiles into the illicit market. While government efforts have led to some crackdowns and rising weapon prices, an estimated 20 million weapons remain in civilian hands, reflecting the limited success of disarmament.

The trade in counterfeit goods in Iraq is prevalent with items such as fake electronics, pharmaceuticals, luxury goods and clothing widely sold across local markets and even on military bases. Criminal networks exploit porous borders, corruption and weak regulatory enforcement to distribute counterfeit products, many of which originate from China, Türkiye, Syria and Iran. The Iraqi Kurdistan region's less controlled borders are a major entry point. The market also includes the domestic production of counterfeit goods, with thousands of workshops and factories involved. Health risks are significant, particularly in the pharmaceutical sector, with fake medicines and medical supplies frequently intercepted.

Illicit trade in excise goods, particularly alcohol and tobacco, constitutes a substantial criminal economy in Iraq. Following the 2023 alcohol ban, the Iraqi Kurdistan region became the only region where alcohol remains legally sold, creating a dual system exploited by smugglers. Alcohol is transported from the Kurdistan region to Baghdad through a network of bribes at military and militia-controlled checkpoints, significantly raising transportation costs. Tobacco smuggling is also particularly active along the border between the Iraqi Kurdistan region and Iran, where large numbers of Kolbars – smugglers predominantly of Iranian Kurdish background – transport cigarettes into Iran for sale on the black market. This activity is widely perceived within participating communities as a legitimate means of survival rather than a criminal enterprise. While Kolbars are involved in moving a broad range of goods, tobacco products remain a key commodity, highlighting the socio-economic normalization of this smuggling practice in the region. In addition to these actors, mafia-style groups, criminal networks and even private sector actors such as markets and tobacco shops across Iraq are deeply involved in the smuggling and distribution of these goods.

ENVIRONMENT

Flora crime is minimal in Iraq, with only isolated incidents reported. Although forest loss has slightly increased, particularly due to fires, illegal logging is not a major market. Fauna crimes, on the other hand, are more prevalent, with Iraq acting as both a source and transit country for wildlife trafficking. High-value species such as falcons, flamingos and turtles are smuggled domestically and internationally, often through organized networks involving licensed zookeepers and corrupt officials. Falcon smuggling is common in the Kurdistan region, while southern provinces see widespread illegal hunting and trade of endangered animals. Foreign demand, particularly from Gulf countries, drives this market. Despite hunting bans in certain regions, enforcement remains weak. Local and international actors are involved, and the economic incentives and cultural status associated with exotic pets continue to sustain the market.

Crimes involving non-renewable resources, especially oil smuggling, form one of Iraq's most significant criminal markets. Smuggling occurs on a massive scale, particularly in the Kurdistan region and southern ports, with oil transported via land and sea to countries including Türkiye and Iran. Some operations are allegedly linked to militias and state-embedded actors, including government officials. Reports suggest billions of dollars in oil revenues are lost annually due to these operations. Recent efforts by Iraqi authorities – which include raids, seizing smuggled fuel and restructuring the energy police – have yielded some success, but entrenched corruption and the profitability of smuggling continue to impede progress. Smuggling is also exacerbated by pricing disparities between subsidized domestic oil and higher regional prices. Additional concerns include smuggling of other minerals, such as gold and mercury, further complicating efforts to protect Iraq's non-renewable resources.

DRUGS

The heroin market in Iraq, while less dominant than synthetic drugs, remains active. Iraq functions primarily as a transit and destination country, with heroin entering from Afghanistan through Iran and moving westward toward the Gulf and Europe. The Iraqi Kurdistan region is a strategic corridor due to its remote border routes. Seizure data and law enforcement reports suggest a recent decline in the heroin trade, attributed to improved enforcement and a shift in drug consumption patterns. Heroin use persists, particularly among young people and increasingly among women, although synthetic drugs are becoming more popular. Conversely, cocaine plays a marginal role in Iraq's drug economy. The country serves mainly as a transit point for cocaine en route to Gulf states, entering through maritime and land borders. The limited domestic market is attributed to the high cost of cocaine and the availability of cheaper alternatives like Captagon. Seizures are infrequent and consumption rates are low.

Cannabis remains widely used and locally produced, especially in central and southern provinces of Iraq. While the government has intensified efforts to dismantle trafficking networks and seize illicit drugs, cannabis continues to be cultivated by local farmers and trafficked across borders. The market is linked to various domestic and foreign actors, including Iranian pilgrims and armed groups. Iraq also serves as a transit hub for cannabis destined for neighbouring countries. Corruption at various levels enables the continued flow of cannabis despite regular law enforcement crackdowns.

Synthetic drugs, particularly crystal meth and Captagon, represent Iraq's most prominent and fast-growing drug market. Methamphetamine, primarily trafficked from Iran, constitutes a significant share of drug consumption in southern provinces. Captagon, produced mainly in Syria and Lebanon, enters Iraq through border regions, facilitated by militia groups and corrupt officials. Large-scale seizures indicate the scale of the problem. Despite significant law enforcement activity – including tens of thousands of arrests and the dismantling of hundreds of networks – the synthetic drug market continues to expand. Domestic consumption, particularly among youth, has increased, driven by affordability and availability. The market is highly transnational, involving actors from across the region and extensive smuggling networks.

CYBER-DEPENDENT CRIMES

Cyber-dependent crimes in Iraq are increasingly prevalent, although there is limited comprehensive data. The rapid expansion of internet and communication infrastructure has contributed to growing cyber threats. Common incidents include hacking, malware deployment, distributed denial-of-service attacks and ransomware schemes. Both domestic and foreign actors, including those reportedly linked to Iran, have been implicated in cyber operations targeting governmental and commercial sectors. These attacks often reflect broader geopolitical dynamics, with political and financial objectives frequently intertwined.

FINANCIAL CRIMES

Financial crimes are deeply entrenched in Iraq's economic and political systems, exerting a profound impact on governance and public finances. A wide range of private and public sector actors are implicated in illicit activities such as embezzlement and fraud. The embezzlement of state resources remains a major concern, with high-profile cases involving substantial sums misappropriated from government funds. Tax evasion and pension fraud are also prevalent, contributing to significant losses for the national treasury and undermining public trust in institutions.

CRIMINAL ACTORS

Mafia-style groups in Iraq include tribal militias and armed groups rooted in local allegiances, which engage in a wide range of criminal activities to finance their operations. These include the illicit trade in oil, weapons and drugs, along with kidnapping, human trafficking, extortion and protection racketeering. Such groups are present across much of the country and are frequently associated with violent practices, including allegations of secret detention sites and extrajudicial killings. In the northern regions, especially the Kurdistan region, mafia-style groups have been particularly active in oil smuggling, with much of the contraband reportedly destined for Türkiye. In addition, certain factions in the region have been accused of targeting critical media and journalists, using coercive tactics to stifle dissent. Despite the presence of state security forces, these groups continue to exert local control by filling governance gaps and offering employment in areas facing economic hardship.

Criminal networks in Iraq operate flexibly across various illicit markets, including drug and arms trafficking, oil smuggling, human trafficking and looting of cultural heritage. These groups range from long-standing criminal actors to tribal elements and newer entrants. Border areas with Syria, Iran and Türkiye are hotspots for network activity, but urban centres like Baghdad and Nineveh also host active operations. Tribal affiliations provide these networks with protection and operational continuity. Islamic State remnants remain embedded within the criminal economy, engaging in drug smuggling, kidnapping and cross-border trafficking. These networks often intersect with mafia-style groups and private-sector actors. There are also reports of attempts to influence political processes through voter coercion and bribery. The transnational nature of these networks is evident in their connections with clans and smuggling routes across Syria, Saudi Arabia and Jordan.

State-embedded actors also play a significant role in Iraq's criminal ecosystem. PMF-linked militias have established a foothold within state institutions, enabling access to public resources and political cover for illicit activities such as arms and oil smuggling. Despite constitutional restrictions, these groups have succeeded in participating in formal politics. Corruption is deeply rooted in the bureaucracy, with public officials facilitating the embezzlement of funds and manipulation of border revenues. Reports highlight systemic abuse at border crossings, including bribery, inflated tariffs and diverted goods. In the Kurdistan region, actors linked to state structures are implicated in the unregulated export of oil, bypassing central government oversight.

Foreign actors have a notable influence in Iraq's criminal landscape, especially in areas with limited state oversight. The Kurdistan region hosts non-Iraqi political-military groups such as the Kurdistan Workers' Party (PKK) and the Democratic Party of Iranian Kurdistan, some of which are engaged in smuggling operations. The presence of these groups, sometimes formalized through residency permissions, complicates law enforcement and governance. In Sinjar, the PKK's continued operations have led to tensions with local authorities and Turkish airstrikes. Iran-aligned militias are active in border provinces such as Maysan, exploiting proximity to crossings like Al-Sheeb to engage in trafficking. Iraq's borders remain porous, enabling foreign actors from Iran, Syria, Türkiye and Afghanistan to operate with relative ease. These groups often benefit from wartime alliances or political ties, allowing them to act with limited interference.

Private-sector actors in Iraq are involved in a range of criminally linked activities, particularly in financial crimes. With the country's banking system underdeveloped, the hawala system dominates, facilitating unregulated money transfers and tax evasion. Private businesses have been implicated in collusion with corrupt officials to manipulate tenders, launder money and move assets offshore. The use of shell companies and tax havens by business elites has been highlighted in global investigations. Money laundering is reportedly carried out through real estate, gold trading and currency exchange networks. One example of private-sector involvement with militia-linked actors highlights the convergence between business interests and armed groups, with companies reportedly benefiting from access to state-affiliated land and non-transparent financial arrangements. These dynamics underscore the entrenchment of private-sector complicity in organized crime.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Iraq continues to face significant governance challenges, which directly affect its capacity to combat organized crime. Political leadership remains fragmented, and although regular elections are held, political deadlock and corruption limit progress. Internal rivalries and pervasive identity-based politics, particularly between Shi'ite and Sunni actors, have contributed to institutional inefficiencies. These governance shortcomings are also evident in the Kurdistan region, where nepotism and corruption among ruling parties hinder efforts to counter organized crime. Nonetheless, Iraq has made strides on the international stage. Recently, the country assumed the presidency of the 11th session of the Conference of States Parties to the United Nations Convention against Transnational Organized Crime and initiated multiple bilateral security cooperation agreements. Domestically, the Ministry of Interior has affirmed its commitment to combating organized crime through the Directorate for Combating Organized Crime. The recent approval of Iraq's largest-ever federal budget also presents an opportunity to improve governance, infrastructure and public services. However, long-standing issues, including endemic corruption and the integration of criminal actors into political structures, continue to limit effective political leadership.

Corruption remains deeply embedded in both federal and regional institutions. Iraq's quota-based system, designed to ensure representation across ethnic and sectarian lines, has often been misused to cement patronage networks and facilitate corrupt practices. High-ranking officials have been implicated in a range of criminal activities, including resource smuggling, embezzlement and bribery. The country's persistent systemic weaknesses are reflected in continued reports of malfeasance. Although oversight mechanisms such as the Federal Integrity Commission and the Central Anti-Corruption Criminal Court have been established, their effectiveness is undermined by political interference and resource constraints. Despite these challenges, Iraq has launched several digitalization initiatives to improve transparency, such as e-payment mechanisms, as well as enhanced international cooperation indicating a renewed political will to strengthen anti-corruption measures. Nevertheless, major corruption scandals, such as those involving infrastructure tenders, continue to erode public trust.

International cooperation has expanded in recent years, with Iraq demonstrating an increased willingness to participate in regional and global efforts to counter organized crime. The country is party to major international treaties, including the United Nations Convention against Transnational Organized Crime and the United Nations Convention against Corruption. Bilateral agreements and collaborative arrangements with neighbouring countries have further enhanced Iraq's engagement on cross-border issues. Moreover, Iraq has issued thousands of international arrest warrants and processed multiple extraditions. While international partnerships and technical assistance from agencies such as the United Nations Office on Drugs and Crime have improved investigatory capabilities, turning international commitments into sustained domestic action remains an ongoing challenge.

Iraq possesses a comprehensive set of national laws addressing organized crime, trafficking, arms control and wildlife protection. However, enforcement remains inconsistent due to institutional fragmentation, under-resourcing and collusion between law enforcement and criminal actors. The Kurdistan region continues to implement its own legislation, particularly in sectors such as oil smuggling, which has contributed to disputes with the federal government over constitutional authority. Similarly, the implementation of anti-trafficking and fauna protection laws is undermined by lack of awareness among law enforcement and legal loopholes. Although some improvements have been made, such as the recent amendments to the Iraqi Penal Code, enforcement continues to lag due to corruption, limited judicial independence and competing political priorities.

CRIMINAL JUSTICE AND SECURITY

The judicial system in Iraq operates under multiple branches but remains heavily politicized. Judicial independence is compromised by interference from political elites, and the system is burdened by backlogs and outdated criminal procedures. Investigations into organized crime and financial corruption are often limited, with senior political figures implicated in unresolved cases involving international financial transactions and arms deals. Judges working on sensitive cases are frequently subject to intimidation, bribery, or violence. Efforts to enhance judicial capacity have included the establishment of specialized training programmes supported by international partners. These initiatives aim to improve skills related to investigating complex financial crimes and organized crime networks. While these programmes represent a positive step, they remain insufficient to offset deep-seated institutional weaknesses. Conditions in Iraq's penitentiary system fall short of international standards. Overcrowding, poor sanitation and inadequate healthcare contribute to deteriorating conditions. Corruption within the prison system enables the persistence of organized crime, as criminal actors continue to operate through illicit networks inside and outside prison walls. Despite these issues, state efforts to establish rehabilitation programmes for drug addiction and related support services have been minimal.

Law enforcement capabilities vary significantly across Iraq. While security improved following the defeat of the IS in 2017, enforcement remains inconsistent, especially in remote or contested areas. While main towns and cities, including the Kurdistan region, have seen improvements, remote areas continue to suffer from diminished law enforcement presence, often replaced by militias or tribal powers. The Ministry of Interior oversees several specialized units, including the Organized Crime Directorate within the Federal Intelligence and Investigation Agency. This agency coordinates with international partners and targets crimes such as human trafficking and money laundering. The Kurdistan Regional Government has also formed anti-trafficking units and energy police brigades to combat smuggling. Despite these efforts, law enforcement is weakened by resource limitations, corruption and lack of public trust. Units operating in high-risk areas are constrained by insufficient funding and limited national strategic coordination. In some cases, criminal actors have infiltrated law enforcement agencies, further undermining public confidence. Nevertheless, ongoing international assistance continues to play a critical role in bolstering Iraq's enforcement capabilities.

Iraq's territorial integrity remains vulnerable. With thousands of kilometres of land borders and complex regional dynamics, the country is exposed to various trafficking flows and security threats. The porous borders with Syria, Iran and Türkiye enable human, drugs and arms smuggling. Control of these borders is often divided among federal forces, regional actors and non-state armed groups. The PMF and Kurdish security forces maintain significant influence in disputed areas, while groups such as the PKK operate illicit checkpoints in the Kurdistan region. Despite the construction of security barriers, such as a concrete wall near the Al-Qaim border with Syria, border enforcement remains compromised by corruption, inefficiency and political fragmentation. Ongoing military operations by regional actors on Iraqi soil further complicate governance and enforcement. Nevertheless, efforts to improve border management and reassert state control continue, albeit with mixed results.

ECONOMIC AND FINANCIAL ENVIRONMENT

Iraq's anti-money laundering framework has undergone reform to improve financial oversight through the establishment of specialized bodies and increased international cooperation. Iraq's accession to the Egmont Group and partnerships with agencies signal its commitment to global anti-money laundering standards. Nevertheless, challenges persist. The continued reliance on cash transactions, the prevalence of informal financial systems such as hawala, and ongoing political interference undermine effective enforcement. Although institutions such as the Anti-Money Laundering and Terrorist Financing Office and the Central Bank of Iraq have tightened controls, the banking sector remains susceptible to misuse. Reports suggest that several financial institutions have been involved in cross-border illicit financial flows, indicating ongoing vulnerabilities in the system.

Iraq's broader economic regulatory environment remains fragile. Despite some reform efforts, issues such as inflation, high unemployment and overdependence on oil revenue persist. Corruption and weak oversight hinder the development of diversified industries, while political instability deters foreign investment. Sectors such as construction and energy are particularly prone to illicit activities, including fraud, bribery and smuggling. Capital flight remains a concern, with persistent insecurity and the threat of asset seizure discouraging domestic and foreign investment. Recent initiatives to streamline investment laws and reduce bureaucratic barriers represent progress, particularly efforts to empower the National Investment Authority and enable land ownership for foreign investors. However, challenges around enforcement, land titling and regulatory capacity continue to inhibit the growth of legitimate economic activities.

CIVIL SOCIETY AND SOCIAL PROTECTION

Support for victims and witnesses of organized crime in Iraq remains limited. Government shelters for victims are under-resourced and dependent on donor funding. Legal procedures often require victims to testify in front of perpetrators and lack translation and legal aid services, deterring participation and increasing vulnerability. The cultural stigma associated with admitting to being a victim of human trafficking, especially in cases involving prostitution, further complicates access to support. Government agencies have acknowledged the absence of adequate rehabilitation services for drug addiction, particularly within the prison system. Consequently, non-state actors, especially NGOs and international organizations play a central role in providing psychological and medical assistance. Efforts to prevent organized crime have also gained limited traction. Former efforts to investigate root causes of drug trafficking have been inconsistent, with successive governments prioritizing security over preventive strategies. Nevertheless, targeted awareness campaigns, such as those launched by academic institutions, reflect emerging attempts to address root causes.

Civil society in Iraq operates under a constrained but resilient framework. While numerous organizations exist, regulatory and operational challenges persist, particularly regarding registration and access to state-held information. Journalists and civil society activists face widespread threats, harassment and violence, including arbitrary arrests and targeted killings. These risks are especially pronounced in the Kurdistan region, where reports indicate increasing suppression of dissent and detention of critical media voices. Media independence is undermined by political affiliations and funding inequities. Investigative reporting is often curtailed through defamation lawsuits or direct intimidation. Although digital media has created alternative platforms for expression, social media activists also face threats. Despite these constraints, civil society actors continue to play a pivotal role in supporting victims, promoting transparency and advocating for reform across Iraq's security and governance landscape.

This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.