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Negotiations in the Oil Investment Contract

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Abstract

The conclusion of our research (negotiations in the oil investment contract) is that this is a type of contract that is often characterized by unequal contractual parties. The (foreign) investor is always in a position that allows him to impose his contractual conditions in the interests of the investing state. In view of the importance of these contracts, which have gained their luck in the field of legal studies, both the producing countries and the investing parties have tended to change these contracts in a manner that insures them continuing production with greater returns, so the producing countries are often the demanding party trying to extract their rights from the exploiting companies by various means. Chief among them is the possibility of giving interpretations of some contract texts in its favor or trying to replace some texts under the pretext that the conditions of their contract have changed, and other reasons that require these countries, which are mostly developing countries, an attempt to find the largest amount to achieve their economic interests, there are controls that determine the relations of countries with foreign companies Investing in oil, which is linked to the economic goals of countries, and that these goals may or may not coincide with the goals of these companies. From here came the importance of our discussion of negotiations as one of the means of oversight in the oil investment contract, as jurisprudence divides control into a precedent and subsequent, as well as internal and external, and also divides it into prohibitive and revealing, as for the Iraqi Companies Law, it shows through Chapter Five, the control tools and the requirements Necessary to exercise control, as well as administrative and financial control. Which raises the question about the main objectives of the existence of companies investing in oil? And is the presence of these companies in the host countries based on the balance between achieving profit and not harming the economic interests of the oil-producing countries, which necessitated that we divide the study into two topics, the first of which was devoted to us: to clarify the negotiating stage of the oil investment contract, and the second topic: it was devoted to a statement of responsibility and a penalty Breach of negotiations.

Keywords: *contracts, legal studies, Companies Law*

I. Introduction:

There is no longer any doubt about the increasing importance of oil in the economic life of countries in general. It is the lifeblood of advanced industrial countries and the main engine of their industrial operations, and it is also a major engine of economies. Of the developing countries that produce it, because its exploitation is related to the wealth that has the greatest impact by expanding all elements of development. In the interest of its continuity, there is no doubt that contracts for the exploitation of this wealth occupied the first area of

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important legal studies, and both countries chose the title and used those contacts to change the form of those contracts that believed in the continued production of greater returns. Therefore Van Aldo produced and often the claimant party tries to extract his rights from the exploiting companies by various means, chief among them the possibility of giving interpretations of some texts of the contracts in their favor or trying to replace some of the texts on the pretext that the terms of their contract have changed, and other reasons that require these countries, most of which are developing countries. Attempting to create greater economic interests in it, as it contains controls that determine the relations of foreign companies investing in oil. , Which are related to the economic goals of countries, and that these goals may or may not be consistent with the goals. These companies, and in this regard we refer to Egypt's experience in accepting foreign multinational companies and the role of negotiations in this experience.

The Egyptian Deputy Minister of Economy stated, in Egypt's experience with multinational companies, that the goals of these companies do not always conflict with the goals of the national economy, with regard to the following:

- Improving the balance of payments.

- Trying to give the Egyptian economy a certain technological boost.

Attempting to increase the accumulation of capital in the Egyptian economy, either through domestic savings or through attracting foreign capital, increasing employment, etc.

Then he indicated that multinational companies often try to obtain an exorbitant price as a result of transferring technology to Egypt, and this is a problem that can be overcome by using the negotiating power represented in two things:

First, a large part of the production of multinational companies could be distributed internally due to the expansion of the Egyptian market.

Second: The possibility of exporting products to neighboring countries, which greatly reduces transportation costs (1).

It is noted from the foregoing that the Egyptian experience, on the lips of a senior official in implementing its economic policy, does not fear the presence of multinational companies on its territory, as long as the investment projects offered by these companies are chosen. It takes into account the controls related to the objectives of the Egyptian economy, through a basic mechanism. Acceptance of these companies is a negotiation.

Research aims:

The study aims to discuss negotiations as one of the means of oversight in the oil investment contract, where jurisprudence divides control into a precedent and a subsequent one, as well as internal and external, as well as divides it into prohibitive and revealing (2). As for the Iraqi Companies Law, it clarifies through Chapter Five the control tools represented by the requirements for exercising control, as well as administrative control and financial control (3).

If the foregoing represents tools through which the state can exercise control over companies, then the matter requires the existence of the necessary means to achieve the desired objectives of the control process, and the most important of these means in our estimation is negotiations.

Hence the importance of the study is looking for a way to ensure the presence of companies investing in oil in the host (oil-producing) countries and the exploitation of their natural resources in a manner that does not harm the economic interests of the state. These states by choosing the right companies to work in and creating the most control over them.

Research problematic:

Often oil investment agreements are concluded between the state and the multinational oil-producing company as a donor or port party in the oil investment contract and in the absence of a legislative regulation governing the provisions. Who are these companies, especially with regard to the provisions of control, which raises the question of the main objectives of the existence of the invested oil companies? Is the presence of these companies in the host countries based on a balance between making a profit and not harming the economic interests of the oil-producing countries?

Research topic:

Hence, we chose the topic of research in (Negotiations in the Oil Investment Contract J), relying on the analytical study as a method of research, and dividing the study into two topics. The first was devoted to explaining the negotiation stage of the oil investment contract, and the second was devoted to explaining the liability and the penalty for breaching the negotiations.

The first topic: the stage of negotiating the oil investment contract.

Most of the legislations stipulate that the foreign investor must obtain the initial approval to exist and invest in the host countries (4).

It is clear that the choice of multinational companies to operate in the territory of the host countries depends on an international agreement or a contract concluded between countries and foreign companies, and international investment contracts often precede negotiations on the contract that will be concluded, through which the two parties deal with the discussion about everything related to the contract and conditions Which will be determined from each side, and if this method is best used, the negotiating party (the host country) will be able to choose the most appropriate multinational companies to invest in their territory, in a manner that suits the economic, political and social interests of the host country.As a result of the complete imbalance in power relations between the multinational giants and the developing countries, there is almost no equal bargaining between them. The multinational company outperforms developing countries in terms of financial capabilities, technological superiority, and available information, and as a result, developing countries are likely to ignore every contract they enter into. With one of these companies, this imbalance in the interests of developing countries increases because of the need for these countries to deal with these companies, which allows multinational companies to strike at the interests of developing countries and try to obtain the most benefits from them (5).

This requires the host countries to choose the right person to negotiate in order to achieve the desired goals of the contract by placing the contract in a special legal formula, achieving the greatest possible balance between mutual rights and obligations, and gaining insight into the methods of resolving disputes in an effective and fair manner.Negotiation in general is the stage that is based on dialogue, discussion, exchange of ideas and opinions, and bargaining, through interaction between the parties in order to reach a specific agreement on an interest or solution to an economic, legal, commercial, or political problem (6).Negotiation can be defined in our research as a means of monitoring that enables the host countries to examine the legal and technical aspects of the investing companies, through the exchange of views and bargaining before they choose to work and be present on their lands.The stage in which the oil investment contract was negotiated, pre-negotiation (request is not good), and the negotiation stage (second request) are divided:

Demand for the first stage: (the pre-negotiation stage) of choosing the type of investment activity.It should be noted that there is a stage before the negotiation stage represented in choosing the type of investment activity for the host country, and this choice will be based on its economic and technical needs through feasibility studies carried out by its specialists (7).

There are many considerations that govern choosing the type of investment activity in the host country, including the availability of those with national skills in management and marketing, the availability of skilled labor, and the strength or absence of capital. And the suitability of technology to the state, so the environment to be transferred must be that the technology is ready to receive it so that the basic goals of development can be achieved, and the issue of choosing the type of investment activity is not so. It was solved only through preliminary studies that examine the feasibility of the project in all its economic, technical, and social aspects (8).

To stop at this stage, we explain the stage of the feasibility study for the investment project (the first branch), and the different ways to conduct this initial study (the second branch):

The first branch: the technical and economic feasibility study of the investment project.

This type of study aims to research objectively the suitability of the project for the national economy. Investment operations, before embarking on them, require studying the conditions of the project and the possibility of its implementation, which prompts the concerned party to study investment problems. This study is the so-called (feasibility study), which is preliminary research and experiments revolving around the chances of success of the project in the field of the existing and expected economic, political and social conditions over a number of years and about the material, technical and human requirements of the project and the possibilities of obtaining them from inside or outside the country (9). The feasibility study includes dealing with the future, represented in estimates that have the ability to conform to reality or deviate from it, as the project is implemented with the aim of operating for future years, which imposes increased interest in observing the accuracy of the estimates, and the feasibility study includes a definition of the stages, their interconnectedness and their timing, which requires That the study comes in a very accurate, according to the stages and the successive steps, according to each of them. It is based on the positive results of previous results, as it represents a direct correlation between the sequences of stages.

The time component is also of great importance in this study, so if the project is completed within the specified period of time it gives positive results, but in the case of prolonging the time period between the completion of the feasibility study and the actual one, the start of its implementation may lead to negative repercussions represented in the expansion of The gap between the contents of the study and its results and what happens in the practical reality, especially if the project is affected by time and speed factor. Technology development as in the case of technology investment contracts (10)

This study focuses primarily on a group of elements, including:

Studying the current organization of the project to enable it to identify its actual problems and highlight its shortcomings (11).

Evaluating the suitability of the knowledge (technical) elements of the project in economic, technical, organizational, and social terms.Determining the project, its purpose, and the benefits resulting from its implementation, its impact on the region and future expansions, and choosing the technological knowledge appropriate to its nature.

Choose the appropriate site for the project.

Explain the various production factors and their availability in volume and in a timely manner, while determining the percentage of local manufacturing and local labor in the project.Study the initial costs of the project, including land, equipment, machinery, infrastructure, and the necessary investments. Determining government approvals and a statement of licenses, licenses and permits from the local authorities in which the project falls within the scope of their jurisdiction, and the role of the donor in the speedy obtaining of these documents.

All these factors and studies enable the host countries to choose the most appropriate type of investment activity and choose foreign companies to undertake their implementation.

The second branch: methods of conducting preliminary studies.

There are different methods of conducting technical and economic feasibility studies for an investment project:

- ✓ On the one hand, preliminary studies are carried out through the use of private means, and this happens especially through large companies, as the latter has a team of specialists with expertise in many fields, and they specialize in conducting a study of every project that the company intends to do and this method follows Also sector companies. These companies can benefit from previous studies on the occasion of implementing similar projects.
- ✓ On the other hand, the multinational company nominated to implement the investment project is used to conduct this study, and developing countries often adopt this solution, as these countries lack the capabilities and means to conduct this study (12).
- ✓ Finally, and on the third side, people with experience in this field are sought from others to conduct this study by contracting with it, and the contract, in this case, is called a technical consultancy contract or an engineering consultancy contract, and its purpose is to develop projects and designs that aim to complete and monitor work (13).

Often the host country is consulted for investment before entering into contractual relations with others with some competent authorities (14) in order to avoid some potential risks if these contracts are concluded without this consultation, and there is no doubt that these parties have a major role in providing advice on contracts Under conclusion, and at other times the national legislator is required to resort to these bodies to seek advice for technical, economic or social reasons, which makes this consultation mandatory (15).

The second requirement: the negotiation stage.

In the interest of the validity and integrity of the negotiations, it is required before they start to inquire about the other party, especially the obligor (the investing companies), his competence, his ability, and his reputation so that the negotiators enter the negotiation. Against a solid background that leads to good contracting and safety of implementation (16), it is also necessary to take into account the rules, laws, customs, and traditions followed in the host countries and to know their meaning and importance, and this knowledge is considered one of the criteria used in the interpretation of the contract, so the lesson in interpreting contracts is with intentions and meanings Not words and buildings (17), just as it is necessary to observe general rules and general rules. Law, complementary or interpreted legal rules, and are applicable to the contract even if they are not mentioned in it, and the exchange of information must be reliable and trustworthy between the two parties. Es and this is the main pillar of Hassan's rule. Intention to understand, interpret and enforce contracts (18), and to clarify this stage, we are looking at the scope of the negotiations set to oversee the oil investment contract (Section 1), and the obligations imposed during this phase (Section Two).

The first branch: the scope of negotiations specified for control in the oil investment contract.

The scope of negotiations in oil investment agreements must extend to include most forms of oversight imposed on oil investment companies, where there is control over the company's accounts for oil operations and government control over the company's business before the project management is received by a national party (19).

In production sharing contracts, there are two types of control, financial control, and other business control:

Financial control is the direct control over the accounts of the multinational contracting company, which must keep commercial records or books, in which everything related to the operations of the investment activity, including expenses and costs, is recorded, with a copy of the budget prepared for each year, and these books are subject to examination And scrutiny by specialized personnel (20) As for business control, most production-sharing contracts stipulate that during the contract period the contractor maintains accurate technical records of the ongoing operations in the contract area, and this information is subject to the control and inspection of the national party, and the company must Investing, allowing the authorized host country to enter the region, the contract to inspect and audit all assets and records kept by the company, taking into account the confidentiality of this information that may not be disclosed to the other contracting party (21).

Accordingly, the negotiator is required to put in place all forms of oversight and to include clauses in investment agreements or contracts concluded with the investing company, so that the other party (the host country) can implement them in a way that guarantees the implementation of the contracts according to what they contain, and in a manner consistent with what is required by good faith.

The second branch: the obligations imposed during the negotiation phase.

During the negotiation stage, obligations arise on the negotiating parties under various names, most of which revolve around a basic obligation (the obligation to negotiate in good faith), so that these obligations are in one way or another an application of that principle.A broad discussion arose about the extent of the parties 'commitment to negotiate in good faith, by agreement or not, at the level of domestic and international legislation. We present his statement.

First: The principle of good faith in the internal legislation of states.

The principle of good faith is not limited to the implementation of contractual obligations, but rather includes all obligations, regardless of their source, as it is an obligation imposed by law (22), and the principle of good faith is varied and broad. Applications that are reflected in the scope of contract theory and therefore Article (150/ Paragraph 1) of the Iraqi Civil Code indicated that (the contract must be executed in accordance with what it contains and in a manner consistent with what is required by the principle of good faith (and among the most important of these applications is the commitment to cooperation and commitment to seriousness) And a commitment to moderation and integrity and a commitment to disclosure before contracting (23).

The negotiation stage is the primary stage on which contractual justice is based in a way that achieves the interest of the host (oil-producing) country. Therefore, these negotiations must be characterized by the principle of good faith.

The French legislator has explicitly adopted this principle by amending Article (1104) of the French Civil Code, which stipulates the necessity of good faith in the stage of contract negotiations, and this is what the public order promised (24),

Under this commitment, the investing company must submit all its data and documents in a way that enables the host country to identify all aspects of the oil investment project to be established and to determine its importance to the national economy and its compatibility. With plans for the economic development of the host country, as well as a statement of the reality of the financial and technical situation of the investing company.

Second: The principle of good faith at the international level.

The draft code of conduct for multinational companies prepared by the committee concerned with these companies formed within the framework of the United Nations stipulated the need to review and negotiate contracts. The text stipulates that ((Contracts and agreements concluded between states and multinational companies must be negotiated and applied in light of considerations of good faith, and these contracts and agreements, especially those that must be implemented within a long-term technical framework, must include the terms of reviewing their terms or renegotiating them. In the event that these preconditions fail, and if the circumstances under which these contracts were concluded have changed drastically, then multinational companies must act in light of considerations of goodwill and must cooperate with the governments concerned in order to review or renegotiate these agreements (25).

Chapter Five of the International Code of Conduct deals with the rights and obligations of both parties to the negotiations. The chapter begins with general provisions on the role of negotiation, whereby the regulation requires the parties to respond to development goals, especially for the beneficiary country, as well as

the need to maintain honesty and goodwill in their actions (26). It also stipulated the need to adhere to disclosure before contracting, as information related to the project and confidential information that must be delivered to the other party, such as technology, must be disclosed. The supplier (the investing company) is also obligated to disclose at the negotiation stage.

The second topic: Responsibility and the penalty for breaching the negotiations.

Commitment is good faith in the negotiation phase consists of two components, the first is the commitment to start negotiations and the second is the continuation of the negotiation process (27) if one of the parties violates this principle during the negotiation phase, then this arrangement. Responsibility and the question that arises in this regard is about the type of responsibility that the breach of negotiations may raise.

The answer to this question lies in researching the responsibility arising from the breach of negotiations (the first requirement), and the effect of the punishment as a result of breaching this responsibility (the second requirement).

The first requirement: the responsibility arising from the breach of negotiations.

The principle of good faith, which is control over the negotiators, represents a breach of one of its applications the responsibility of the backward party, which will be either tort or ideological liability (the first section), and what applications can liability arise from (the second section).

The first branch: type of responsibility.

Merely ending negotiations does not constitute a mistake based on the responsibility of one of the parties, but since the introduction of the German jurist (Thering), the principle of responsibility for error has become through the concept of good faith, and most legislation has adopted it. The idea of error requiring responsibility was arrived at through the idea of defective behavior during the negotiation on the ground that the error is the opposite of compromise. (28), and this error can be determined either outside of the contractual framework. FICO n which organizes the negotiation process between them, through the use of tort liability rules as a penalty for violating the requirements of this principle ([29]) The debtor is responsible for damage caused to reproduction and unforeseen, and it is not permissible to exempt or reduce liability (30) or that there is an agreement. A contractual arrangement that organizes the negotiation stage, such as a confidentiality agreement, for example, and his breach of contractual liability represents the debtor bears only expected direct damage, and in all cases, whether the liability is contractual or default, only the direct fault of the debtor is required (31).

The second branch: Responsibility for breaching negotiation obligations.

Responsibility arises with every breach of an application of the principle of good faith, which is:

First: Responsibility for breaching the duty of confidentiality.

Disclosure of confidentiality at the stage of negotiations and before the conclusion of the oil investment contract is considered a breach of the committee approved by the company investing in the host country, and the matter is not difficult in the case of a written commitment, but there is difficulty in the absence of a commitment to confidentiality, as some French state legislation such as the law, A breach of that written undertaking during negotiations is sufficient disclosure to raise criminal liability, as disclosure of industrial secrets is counted

according to the French Criminal Law, as well as raising civil liability (32), but the situation differs in the absence of a written commitment.

However, we can say in general that the company has invested an obligation of confidentiality in the negotiation stage if there is no written commitment to do so, especially if the contract includes a scientific and technical oil investment and the economic value of the contract is such a pain. This responsibility can be reported on the basis of customs, customs, and considerations of justice. Evaluation in this scope) (33).

Second: Responsibility for breaching the duty of information.

Pal-Allam's commitment is defined as (a prior commitment to the contract with the commitment of one of the contractors, to present to the other contractor when composing the contract data necessary to find a sound and informed satisfaction with knowledge of the explanations throughout this contract, because the living situation and certain considerations may be due to the nature of this contract or the recipe of one of the parties, or The nature of the place, or any other consideration that makes it impossible for one of them to know certain data or makes it necessary for him to grant legitimate trust to the other party, who, based on all these considerations, is obligated to provide data (34).

This commitment is characterized by several characteristics, including that its natural area is the pre-contracting stage, i.e. the stage of negotiations, as it is a legal obligation aimed at enlightening the will of the other party, by providing it with information related to it. The project, and not through a contractual commitment, because before the contracting and it is not conceivable that the obligation arises at a stage before the existence of its source (35) since this commitment appeared at this stage of negotiations is justified, such as achieving equality of knowledge between the parties to the contract, and re The equilibrium of the contract, as well as the failure of the defects of the theory to achieve protection (36).

The basis of this commitment, as stipulated in the principle of good faith, and therefore Paris ruled, that the court (along with the legal texts imposes good faith in contracting with the night duty, and the truth is on the hands and hands of each party to the contract, and the other party is all matters of concern to him) (37).

Third: Responsibility for breaching the duty of moderation and seriousness.

The French and Egyptian judiciary decided that the negotiations that had reached an advanced stage without reasons for an arbitrary legal stage decided that they were wrongly responsible for tort on the basis of Article (1382) of the Civil Code. French, and Article 163 of the Egyptian Civil Code (38).

The investor's liability for the breach of this obligation or one of its applications can be fulfilled based on the provisions of Article (204) of the Iraqi Civil Code, provided that (every harm caused to others by any damage other than what was mentioned in the previous articles, shall be compensated).

Thus, the host country can view all the details of the investment project, as well as all the data and documents of the investing company during the negotiations phase, and this important role for the negotiations is to choose the most appropriate company to work on the territory. For the host country, we can call this process (selective control)

The second claim: a penalty for breaching negotiation obligations.

Negotiations play a major role in the field of contracting with multinational investment companies, as they are based on the full adoption of the idea of freedom of contract, which means that every matter is negotiable, and this has resulted in new legal mechanisms and enrichment. In contractual formulas ((39)), including obligations to ensure the conclusion of negotiations and the implementation of the contract for the benefit of both parties.

The breach of these obligations by grandparents by negotiating a specific penalty (Section One) results in the conclusion of negotiations having specific effects (Section Two):

The first section: the penalty for breaching negotiation obligations.

Some laws, including Iraqi law, take in-kind implementation as a general rule, whether the liability is contractual or negligent, for the longest possible period and not onerous, it was impossible to impose it in kind, and replace it with the obligation to compensate through execution.

The penalty for breaching one of the negotiating obligations (such as the investing company's commitment to flags) differs in US law from French law:

First: In American law: If the donor violates the obligation of the media that is in accordance with American law (40) and the Federal Committee may impose a fine on him, and it may also file a lawsuit for compensation in his favor. For the recipient who has suffered damage, and the approval of compensation, in this case, must be in accordance with the general rules, if the damage suffered by the recipient is not presumed, but the committee must prove his presence in the amount and therefore the penalty for the violation is limited, either in the individual fine or by combining it with that compensation.Noting that the investor's violation in accordance with the provisions of this law does not affect the existence or validity of the contract, but rather remains valid and produces a provocation (41).

Second: In French law: The penalty for the investor's breach of the aforementioned obligation is nullity and compensation.

1- Invalidity: The French judiciary tends to decide the invalidity of the penalty for violating the commitment to the flags contained in (the Duban Law) issued on December 31, 1989, and nullity of course is a relative matter decided by the authority. From the recipient (host country).

2- Compensation: Compensation does not exceed a general penalty that arises from every mistake that entails liability, whether contractual or damage and the recipient (host country) compensation is based on the loss that he incurred without losing income. (42)

As for the Iraqi legislator, it decides to pay compensation within the scope of tort liability for moral damage and the financial amount of the injured (43) on charges of financial hardship, fraud, or unfair competition (44). The investing company could be obligated to compensate for the breach of its reporting obligation.

In this regard, the matter is not limited to the effectiveness of the punishment imposed for breaching the obligation, or even the effectiveness of the obligation imposed on the investing company (especially the obligation to the media), but the matter is related to the extent of the ability of the law or the host country, or

both, to force the investing company to disclose all Information related to the essence of the investment project and data related to the company and its financial and administrative situation, and this is through negotiations, provided that the negotiation team is fully aware of the objectives of these companies, and the extent of the impact of the activity they undertake for each project separately. The national economy as a whole, and exploits.

Section Two: Effects of the End of Negotiations.

The host countries take the initiative to start negotiations that precisely define the subject of the project to be completed, and they may choose one of the candidate companies to enter into negotiations with them on the various elements of the project, which may lead to the conclusion of the contract according to the terms and results that may result from the negotiation or the termination of negotiations with no acceptance (45).And the test during negotiations between the state and the investing company, it may be long or short, depending on the circumstances and nature of the investment project, and ends with one of the two matters,

- Either the negotiations end with the success of the negotiations, acceptance of the investment project, and the presence of the company in the territory of the concerned state as a result of the compatibility of the economic objectives of the concerned state with the strategy of the concerned country. Companies executing work in that country.

Accordingly, the terms of the contract are drafted in light of the concepts, provisions, and legal texts, including the contract period, dates and stages of implementation, maintenance of equipment, machinery and tools, bank guarantees, sources of financing, financial fines, and other legal guarantees, and the determination of the competent court in the dispute. , And the applicable law, and other conditions (46).Or not accepting the end, when it appears that the pain companies will continue (multinational), they adhere to the conditions and regulations proposed by the host country and are not economically feasible in their existence, the state must refrain from accepting the company by not doing so. Agreeing on the goals of the two parties.The success of the negotiations has legal implications, as the conclusion of the oil investment contract does not mean that the negotiations lose their legal value, but rather they have special importance in this type of contracts compared to non-oil agreements, hence negotiations play an important role in the interpretation of the contract, and sometimes in its creation, and sometimes Be part of it (47).

II. Conclusion

In light of the previous study of negotiations and their role in the oil investment contract, we can draw a number of conclusions and proposals, the most important of which are:

Results:

1- We concluded that negotiations in our field of research can be defined as a means of monitoring that enables the host countries to study the legal and technical aspects of the investing companies, through the exchange of views and bargaining before they choose to work and attend. In their area.

2- The negotiation process in the oil investment contract can be divided into the pre-negotiation stage, which is the stage of choosing the type of investment activity and includes studying

the feasibility of the technical and economic investment project, and the methods of conducting it. Preliminary studies, and no flight II: it is the negotiation stage, and it includes statement forms to be controlled, and the negotiator must address them during the negotiation process and include them in the oil investment contract, as well as submit a written commitment regarding the obligations imposed on the investing company, the most important of which is the commitment to good faith in the negotiation process.

3- We concluded that the breach of negotiations raises the contractual liability in the event of a contractual agreement that governs the negotiation stage, and the tort liability is determined in the event of an error outside the contractual framework, where the negotiations are based on the principle of good faith, a legal obligation, arranging liability and punishment as a result of breaching this obligation.

4- We reached the possibility of realizing the investor's responsibility for violating a pledge of good faith, based on the provisions of Article (204) of the Iraqi Civil Code, provided that (every harm that inflicts others with any harm other than what was mentioned. In the previous articles, it requires compensation).

5- We have reached the accountability of the investing company for violating the principle of good faith in the oil investment contract or for one of its applications, as is the case when disclosing secrets related to the investment project or not disclosing it is likely. The information that will inform the host about all matters related to the investment project, as well as the seriousness, negotiations and termination are in the interest of both parties, thus enabling the host country to view all the details of the investment project, as well as all the data and documents of the investing company during the negotiations phase.

6- We concluded that the negotiation process in the field of the oil investment contract can be called (selective control) due to the important role that the negotiations play, which is choosing the most appropriate company to operate on the state's territory. Host country.

7- The penalty mentioned in the scope of damage, according to Iraqi law, stems from moral harm and a financial reward for the injured, such as accusations of financial hardship, fraud, or unfair competition, and thus the investing company can be obligated to pay compensation. For breaching its commitment to the media.

8- The negotiations end either with the success of the negotiations or acceptance of the investment project and the presence of the company in the territory of the concerned state, or it ends with non-acceptance. When it becomes evident that the investing companies (multinational companies) are not bound by the conditions and controls proposed by the host country, and there is no economic viability in their presence, the state may refrain from accepting the company because its objectives are not compatible.

9- Negotiation plays an important role in interpreting the contract, and sometimes it is proven, and sometimes it is part of it.

The proposals:

1- Investment agreements concluded between the host country and the investee company, which are often (the nationalities of multiple companies). Therefore, we propose Iraqi

legislation in more than one field that regulates the provisions of the multiplicity of multinational companies in the legislation and regulation of how to control activities within the state.

2- In view of the great importance enjoyed by the commissioners in the field of oil investment agreements, we suggest that the host country pay the necessary attention as a basis for the commissioners to complete the contractual process in a manner that does not harm the economic interests.

3- Choosing the right person to negotiate in order to achieve the desired goals of the contract by placing the contract in a special legal formula, achieving the greatest possible balance between mutual rights and obligations, and gaining insight on ways to settle disputes in an effective manner. And in a fairway.

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