


**THE EFFECTIVENESS OF THE LETTERS OF GUARANTEE PLATFORM WITHIN BANKING LEGISLATION AND ITS REFLECTION IN REDUCING THE RISKS OF LETTERS OF GUARANTEE THROUGH/APPLIED RESEARCH**

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ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 22 May 2023</p> <p><b>Accepted</b> 17 August 2023</p>	<p><b>Purpose:</b> Of the research is to show the importance of the letter of guarantee platform as an electronic supervisory control for managing the process of issue isng letters of guarantee and limiting fraud and forgery operations, and to determine the impact between the independent variable of the letter of guarantee platform in light of banking legislation with its dimensions of (traditional issuance procedures before the platform and issuance procedures after the platform, and the position beneficiaries), and the dependent variable reducing the risks of letters of guarantwith in idimensions of (centralization of the decision), identifying the reasons for resorting to the use of the letter Andand the research problem has been identifi is the adequacy of the electronic platform in reducithe riskssks of letters of guarantee?</p>
<p><b>Keywords:</b></p> <p>Letter of Guarantee Platform; Letter of Guarantee Risk; Electronic Supervisory Control.</p>	<p><b>Theoretical framework:</b> In solving its problems, the research was based on a hypothesis: correlation and influence, where the first main impact hypothesis was: "There is no statistically significant effect of the issuance of traditional letters of guarantee (X) in reducing the risks of letters of guarantee (Y)", and the second hypothesis was: "There is no effect of statistically significant significance of the issuance of letters of guarantee after the electronic platform (Z) in reducing the risks of letters of guarantee (Y)", and the research adopted the method of the inductive approach: in the theoretical side to review the research problems and prove its hypotheses to achieve the objectives of the research.</p>
	<p><b>Design:</b> The relationship supported by the quantitative aspect of analyzing the annual financial statements of private commercial banks, the research sample before and after the platform (2017-2021), which represented the first community of the research sample and numbered six commercial banks, field visits and personal interviews with the Central Bank of Iraq As the entity responsible only for managing the platform, as well as the statistical tests of the second community of the research sample to measure the attitude of the beneficiaries towards the letters of guarantee platform, the questionnaire was adopted as a research tool for the purpose of With the data from the sample of 50 individuals, i.e., 87% of the total study population, in the administrative levels (senior management, middle management, and executive) in a number of beneficiaries, the questionnaire was used as a means to obtain data from the sample of 50 people"by the beneficiaries represented by the ministries and their departments, and the paragraphs of the questionnaire were analyzed based on the statistical programs:SPSS,version 26; (Exce;) and(Amo) Security in the Iraqi banking environment and a step towardr applying electronic governance.</p> <p><b>Results:</b> The research reached a set of results, the most prominent of which were: The weakness of the centralization of the decision and the procedures followed for the issuance process for letters of guarantee before the platform contributed to the expansion of risks for letters of guarantee, and in addition, the "Letters of Guarantee platform" contributed more broadly In ensuring the rights of the beneficiaries due to electronic supervisory oversight, and recommendation, it is necessary: to develop the</p>

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platform's work and work to create an additional field in the platform and develop it in broader areas by making the customer's account linked to the platform to support customer operation.

**Originality/Value:** The value of the study was finance, as well as "documents related to in-kind guarantees, especially real estate that is mortgaged, y" are provided with the validity of electronic issuance with the availability of advanced means to detect them if theyd are forged to encourage the use of technology more widely in state departments andf electronic control and to achieved electronic governance, and accordingly the research structure consisted of four chapters: the first axis is the research methodology, the second axis is the theoretical aspect, the third axis is the practical aspect of the research, and the fourth axis is the conclusions and recommendations.

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## A EFICÁCIA DA PLATAFORMA DE CARTAS DE FIANÇA NA LEGISLAÇÃO BANCÁRIA E SEU REFLEXO NA REDUÇÃO DOS RISCOS DE CARTAS DE FIANÇA POR MEIO/PESQUISA APLICADA

### RESUMO

**Objetivo:** Da pesquisa é mostrar a importância da plataforma de carta de garantia como um controle de supervisão eletrônico para gerenciar o processo de emissão de cartas de garantia e limitar operações de fraude e falsificação, e determinar o impacto entre a variável independente da plataforma de carta de garantia à luz da legislação bancária com suas dimensões de (procedimentos de emissão tradicionais antes da plataforma e procedimentos de emissão depois da plataforma e os beneficiários de posição), e a variável dependente reduzindo os riscos de cartas de garantia em dimensões de (centralização da decisão), identificando os motivos para o recurso ao uso da carta Ee o problema da pesquisa tem sido identificado a adequação da plataforma eletrônica para reduzir os riscos das cartas de garantia?

**Estrutura teórica:** Na resolução de seus problemas, a pesquisa foi baseada em uma hipótese: correlação e influência, onde a primeira hipótese de impacto principal foi: "Não há efeito estatisticamente significativo da emissão de cartas de garantia tradicionais (X) na redução dos riscos das cartas de garantia (Y)", e a segunda hipótese foi: "Não há efeito de significância estatisticamente significativa da emissão de cartas de garantia após a plataforma eletrônica (Z) na redução dos riscos das cartas de garantia (Y)", e a pesquisa adotou o método da abordagem indutiva: no lado teórico para rever os problemas de pesquisa e provar sua hipótese de atingir objetivos da investigação.

**Projeto:** Relação apoiada pelo aspecto quantitativo da análise das demonstrações financeiras anuais de bancos comerciais privados, a amostra de pesquisa antes e depois da plataforma (2017-2021), que representou a primeira comunidade da amostra de pesquisa e numerou seis bancos comerciais, visitas de campo e entrevistas pessoais com o Banco Central do Iraque Como entidade responsável apenas pela gestão da plataforma, bem como os testes estatísticos da segunda comunidade da amostra de pesquisa para medir a atitude dos beneficiários em relação à plataforma de cartas de garantia, o questionário foi adotado como uma ferramenta de pesquisa para o propósito de Com os dados da amostra de 50 indivíduos, ou seja, 8, 7% da população total do estudo, nos níveis administrativos (gerência sênior, gerência média e executivo) em vários beneficiários, o questionário foi usado como meio para obter dados da amostra de 50 pessoas"pelos beneficiários representados pelos ministérios e seus departamentos, e os parágrafos do questionário foram analisados com base nos programas estatísticos:SPSS, versão 26; (Exce;) e(Amo) Segurança no ambiente bancário iraquiano e um passo para aplicar a governança eletrônica.

**Resultados:** A pesquisa atingiu um conjunto de resultados, os mais proeminentes dos quais foram: A fraqueza da centralização da decisão e os procedimentos seguidos para o processo de emissão de cartas de garantia antes da plataforma contribuíram para a expansão dos riscos para cartas de garantia, e, além disso, a "plataforma Cartas de Garantia" contribuiu de forma mais ampla Ao garantir os direitos dos beneficiários devido à supervisão eletrônica e à recomendação, é necessário: desenvolver o trabalho e o trabalho da plataforma para criar um campo adicional na plataforma e desenvolvê-lo em áreas mais amplas, tornando a conta do cliente ligada à plataforma para apoiar a operação do cliente.

**Originalidade/Valor:** O valor do estudo foi financeiro, bem como "documentos relacionados com garantias em espécie, especialmente imóveis hipotecados, y" são fornecidos com a validade da emissão eletrônica com a disponibilidade de meios avançados para detectá-los se eles são forjados para incentivar o uso da tecnologia mais amplamente em departamentos estaduais e controle eletrônico e para alcançar a governança eletrônica, e, portanto, a estrutura de pesquisa consistiu em quatro capítulos: o primeiro eixo é a metodologia de pesquisa, o segundo

eixo é o aspecto teórico;, o terceiro eixo é o aspecto práctico da pesquisa;, e o cuarto eixo é as conclusións e o cuarto eixo é as conclusións recomendacións.

**Palabras-chave:** Plataforma de Carta de Garantía, Risco da Carta de Garantía, Controlo Eletrónico de Supervisión.

## LA EFICACIA DE LA PLATAFORMA DE CARTAS DE GARANTÍA DENTRO DE LA LEGISLACIÓN BANCARIA Y SU REFLEJO EN LA REDUCCIÓN DE LOS RIESGOS DE LAS CARTAS DE GARANTÍA A TRAVÉS/ INVESTIGACIÓN APLICADA

### RESUMEN

**Objetivo:** El objetivo de la investigación es mostrar la importancia de la plataforma de cartas de garantía como control electrónico de supervisión para la gestión del proceso de emisión, utilización de cartas de garantía y limitación de operaciones de fraude y falsificación, y determinar el impacto entre la variable independiente de la plataforma de cartas de garantía a la luz de la legislación bancaria con sus dimensiones de (procedimientos tradicionales de emisión antes de la plataforma y procedimientos de emisión después de la plataforma, y la posición de los beneficiarios), y la variable dependiente que reduce los riesgos de las cartas de garantía con dimensiones de (centralización de la decisión), identificando las razones para recurrir a la utilización de la carta y el problema de investigación ha sido identificar la adecuación de la plataforma electrónica en la reducción de los riesgos de las cartas de garantía?

**Marco teórico:** En la solución de sus problemas, la investigación se basó en una hipótesis: correlación e influencia, donde la primera hipótesis de impacto principal fue: "No hay efecto estadísticamente significativo de la emisión de cartas de garantía tradicionales (X) en la reducción de los riesgos de las cartas de garantía (Y)", y la segunda hipótesis fue: "No hay efecto de significación estadísticamente significativa de la emisión de cartas de garantía después de la plataforma electrónica (Z) en la reducción de los riesgos de las cartas de garantía (Y)", y la investigación adoptó el método del enfoque inductivo: en el lado teórico para revisar los problemas de investigación y probar sus hipótesis para alcanzar los objetivos de la investigación.

**Diseño:** La relación apoyada por el aspecto cuantitativo de analizar los estados financieros anuales de los bancos comerciales privados, la muestra de investigación antes y después de la plataforma (2017-2021), que representaba la primera comunidad de la muestra de investigación y contaba con seis bancos comerciales, visitas de campo y entrevistas personales con el Banco Central de Irak Como la entidad responsable solo de la gestión de la plataforma, así como las pruebas estadísticas de la segunda comunidad de la muestra de investigación para medir la actitud de los beneficiarios hacia la plataforma de cartas de garantía, el cuestionario se adoptó como una herramienta de investigación a los efectos de los datos de la muestra de 50 individuos, es decir, el 87% de la población total del estudio, en los niveles administrativos. , y ejecutivo) en varios beneficiarios, el cuestionario fue utilizado como medio para obtener datos de la muestra de 50 personas" por los beneficiarios representados por los ministerios y sus departamentos, y los párrafos del cuestionario fueron analizados sobre la base de los programas estadísticos: SPSS, versión 26; (Exce;) y (Amo) Seguridad en el entorno bancario iraquí y un paso hacia la aplicación de la gobernanza electrónica.

**Resultados:** La investigación alcanzó una serie de resultados, los más destacados de los cuales fueron: La debilidad de la centralización de la decisión y los procedimientos seguidos para el proceso de emisión de cartas de garantía antes de la plataforma contribuyeron a la expansión de los riesgos para las cartas de garantía, y además, la "plataforma de cartas de garantía" contribuyó de manera más amplia Al garantizar los derechos de los beneficiarios debido a la supervisión electrónica, y la recomendación, es necesario: desarrollar el trabajo y el trabajo de la plataforma para crear un campo adicional en la plataforma y desarrollarlo en áreas más amplias haciendo que la cuenta del cliente esté vinculada a la plataforma para apoyar la operación del cliente.

**Originalidad/Valor:** El valor del estudio fue financiero, así como "documentos relacionados con garantías en especie, especialmente inmuebles que están hipotecados, y" se proporcionan con la validez de la emisión electrónica con la disponibilidad de medios avanzados para detectarlos si se falsifican para fomentar el uso de la tecnología más ampliamente en los departamentos estatales y el control electrónico y para lograr la gobernanza electrónica, y en consecuencia la estructura de investigación constó de cuatro capítulos: el primer eje es la metodología de investigación; el segundo eje es el aspecto teórico; el tercer eje es el aspecto práctico de la investigación; y el cuarto eje son las conclusiones y recomendaciones.

**Palabras clave:** Plataforma de Cartas de Garantía, Riesgo de Carta de Garantía, Control Electrónico de Supervisión.

## INTRODUCTION

Letters of guarantee are one of the most important credit banking operations that are widely practiced, and due to the multiplicity of problems with letters of guarantee in the Iraqi banking environment and the increasing number of complaints submitted by the beneficiaries to the Central Bank of Iraq about the guarantor's non-implementation of the terms of the contract, the Central Bank of Iraq decided to establish an issuance platform. An electronic letter of guarantee is intended to reduce disputes between the contracting parties and is considered a step in implementing electronic supervisory control and the beginning of electronic governance. the nature of the relationship and the effect, and for this purpose, a hypothetical scheme was developed for the research that explains the main and subsidiary hypotheses and verifies their validity. These hypotheses were subjected to the financial analysis of the annual statements of private commercial banks.

## RESEARCH METHODOLOGY

### First, the Research Problem

The expansion of the country's economic activity and the expansion of the processes of issuing letters of guarantee from banks, led to an increase in the chances of errors and fraud in the processes of issuing letters of guarantee, and a weak commitment to applying the special legal rules in the creation of the banking letter in accordance with the Iraqi Trade Law No. )30( for the year 1984, It seems that the traditional office and field supervision has not succeeded in limiting these violations, due to its lack of a sophisticated and direct supervisory system to keep pace with the developments in the banking industry regarding the issuance of letters of guarantee . On the other hand , the bank , which led the Central Bank of Iraq to take a decision Establishing a platform for letters of guarantee, and from the above, the research problem can :be formulated according to the questions with the following main question

What is the adequacy of the electronic platform in reducing the risk of letter of guarantee? The search will answer the following questions:

1. Are there letters of guarantee issued outside the electronic platform
2. Does the electronic platform include monitoring ? Direct supervisory in the face ?of violations by banks issuing letters of guarantee
3. ?Has the platform achieved the protection of the rights of the beneficiaries

## Second: The Importance of Research

- A - The specificity of the research is the novelty of its variables. The issue of the platform's decision to issue letters of guarantee is one of the new administrative and supervisory topics in the Iraqi banking environment, and this will motivate researchers and specialists in the future for more research and study in order to enrich the subject.
- b- Explanation of the role of the Ashrafieh electronic supervision in reducing the effort, time and speed in the completion of banking operations and their positive effects on the banking work.

## Third: Research objectives

1. Clarify the importance of the letter of guarantee platform as a supervisory control Direct and reduce the forgery of the bond issuance process, and the extent of its .impact on the risks of letters of guarantee
2. Strengthening the role of internal control in the process of issuing the letter of guarantee to the banking system , and identifying the extent to which banks respond to .these changes to the platform project
3. To identify the reasons for using the electronic platform for letters of guarantee which is equipped with a registration number and feature ( barcode ) from the Central , .Bank of Iraq and to get rid of the traditional version
4. Identifying the position of the beneficiaries towards the electronic bond and the .measures required to be taken, compared to traditional versions

## Fourth: Research hypotheses

- A- The first main effect hypothesis: There is no statistically significant effect of the issuance of traditional letters of guarantee X with its dimensions, in reducing the risk of letters of guarantee Y, and the following sub-hypotheses emanate from it:
- 1- There is no statistically significant effect of "after regulating the traditional issuance procedures 1X", in reducing the risks of letters of guarantee Y.
  - 2- There is no statistically significant effect of the position of the beneficiaries in the traditional issuance procedures 2X in reducing the risks of letters of guarantee Y.
- B- The second main effect hypothesis: There is no statistically significant effect of the issuance of letters of guarantee after the electronic platform Z in reducing the risks of letters of guarantee Y, and the following sub-hypotheses emerge from it:

1- There is no statistically significant effect of regulating the issuance of letters of guarantee procedures after the Z1 electronic platform in reducing the risks of letters of guarantee Y.

2- There is no statistically significant effect of the position of the beneficiaries in the procedures for issuing letters of guarantee after the electronic platform 2Z in reducing the risks of letters of guarantee Y.

## METHODOLOGY

The programs used in data processing were relied upon, and a number of tools were used for statistical methods used in data processing: (Rasheed et al., 2016: 23-217)

### Software

1. ) Ready-made statistical program package Spss - Ver - 25 . (
2. ) Program Amos 25 . (
3. Microsoft Excel 2010) . (

### Statistical Tools and Methods Used in Data Processing and Analysis

#### Descriptive statistics

A- Distribution Frequency and Percentages: used for the purpose of describing the data for the research sample test.

B- Mean Arithmetic: It is used to calculate the average of the answers of the sample members, and to know the level of variables for the purposes of analysis.

$$\bar{X} = \frac{\sum_{i=1}^n x_i}{n}$$

C- Standard Deviation: It is used to find out the homogeneity, or the dispersion in the answers of the sample members about the arithmetic mean of the variable.

$$S = \frac{\sum_{i=1}^n (x_i - \bar{x})^2}{n-1}$$

D- (C.V) (Coefficient of Variation)

$$CV = \frac{S}{\bar{X}} \times 100$$

Relative importance = arithmetic mean / maximum value of the scale  $\times 100$

### 1- Inferential Statistics

**A- Stability coefficient (Cronbacg Alpha): It is used to test the validity of the resolution items.**

b- Pearson Correlation Coefficient: It is used to test the correlation between the research variables in terms of their strength and direction.

$$r = \frac{\sum_{i=1}^n (x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum_{i=1}^n (x_i - \bar{x})^2 \sum_{i=1}^n (y_i - \bar{y})^2}} \quad -1 \leq r \leq +1$$

**c- Simple linear regression: It is used to determine the effect of the independent variable on the dependent variable.**

$$Y = a + BX$$

## THEORETICAL ASPECT: THE EFFECTIVENESS OF THE LETTER OF GUARANTEE PLATFORM

### First: the concept

What the world derives from vast technological developments that have had a significant impact in one way or another in all aspects of life, where the platform for letters of guarantee was a means of technological development that was used by the Central Bank of Iraq in the environment of Iraqi banks in which information and data regarding letters of guarantee are recorded. (electronic) to regulate contracting and import business, and issued by authorized banks with different and specific powers, and directly under the supervision of the Central Bank of Iraq, as important steps and the beginning of the implementation of electronic governance projects and the fight against corruption in the various sectors of economic activity including the banking sector, and represented as direct electronic control, and its money , Impact on the economic life cycle due to the multiple advantages it offers, simulation is a main motive to benefit from the Internet in many fields, especially in the field of information and communication technology (Abu Farwa, 2012: 13) , where ( Fattah, 22:2021 ) sees the necessity of employing Technology and technology in improving and developing banking operations. In addition, institutions and central banks are obligated to employ modern means in banking operations, as It is through the experience of the Central Bank of Iraq by creating a

,platform for letters of guarantee, which helps users in processing data and completing work . . and it has to do with data processing with high flexibility and accuracy( <https://cbi.news>

## Second: The advantages of the electronic platform

)Roma, et al, 2018:2 ),Steven, 2020:4 identified a set of advantages of the modern (( electronic platform that relies on information technologies, and what it provides of innovative and useful capabilities for developing and facilitating the business environment and in light of these advantages, the bank decided The Iraqi Central Bank took that experience by establishing -:an electronic platform, as follows, (according to Table (1(

Table (1): advantages of the electronic platformTable (1):advantages of the electronic platform

T	Feature	the details
1	the speed	Accelerate the various processes in the economy as a whole, because the manual or traditional audit process does not allow for a quick response .compared to the work of the electronic platform
2	Flexibility	The flexible capabilities provided by the platform with regard to adapting and reorganizing the traditional rigid relationships and plans, in an electronic form that is more coordinated and responds to the environmental changes facing organizations today. ( Al-Azzawi, Al-(Khafaji, 54: 2015
3	Transparency	The possibility of removing ambiguity and confusion, and being simple ) .to understand and applyStephen,2020:1 (
4	the time	.Actual response in a timely manner and immediate treatment if required )www.oxera.com (
5	the growth	In the volume of electronic control via the Internet for various business .organizations in various fields
6	The competition	Reducing information asymmetries and the possibility of determining the best offers available to customers while creating appropriate .environmental conditions in various economic organizations
7	balance	The possibility of balancing supply and demand to ensure the availability .of a variety of related commodity operations and better access to banks
8	Cut costs	Parties access a profitable process with low risks, and traffic optimization .without costs
9	Safety	The possibility of enhancing access to the electronic platform according to secret digital encryptions, which enhances the weakness of physical .barriers and avoids financial risks

Source: Prepared by the researcher based on the mentioned sources

The researcher concludes that the advantages of the letters of guarantee platform are not different from the rest of the platforms, which are:-

- 1- The possibility of recording and storing data and not changing it after uploading it to the platform without the direct approval of the Central Bank.
- 2- It can be used frequently, but according to the time specified and official by the Central Bank of Iraq.



- 3- The platform is entered according to a secret number defined by the Central Bank of Iraq and authorized by the bank.
- 2- Getting rid of forged letters of guarantee immediately "before they happen as much as possible, due to the electronic supervision of the Central Bank of Iraq , and we explain in Figure (2-8) below the most important features of the electronic letters of guarantee platform and my agencies: -

Figure (1) Features of the electronic platform for letters of guarantee



Source: Prepared by the researcher based on: Central Bank of Iraq ( <https://www.cbi.iq>)

Third: The objectives of the electronic platform for letters of guarantee

The researcher points out that after mentioning the most important features of electronic platforms and the benefits and positive returns they achieve in various fields and economic activities in general and banking activity in particular, it is necessary to know the goals that the Central Bank of Iraq seeks from the application of the platform of letters of guarantee in banking activity, and as following:-

- 1- The platform aims to significantly accelerate operations and economic activities and can ensure a high centralization of decision-making .
- 2- Processing large amounts of government data and accounts.
- 3- Aiming for immediate treatment in case of recording time abnormal conditions.

- 4- Standardization of service operation times on entry and processing operations across platforms in all banks.
- 5- Activating the role of electronic oversight through the platform, in addition to (office and field oversight).
- 6- Reducing the risks of cash and pledge credit and imposing precise control of the limits available to banks according to the rating levels, their capital and sound precautions. ( <https://www.cbi.iq> \_
- 7- Provide the beneficiary with an electronic form to ensure the issuance of the letter of guarantee in accordance with the instructions of the Central Bank and banking legislation. (According to uncles No. 9/3/311 on 3/11/2020).

### **Second: Reasons for using the electronic platform for letters of guarantee**

The fundamental reasons for using the electronic platform for the letter of guarantee in the reality of the Iraqi environment for banks can be identified as follows:-

- 1- Legal reasons: - Based on the Law of the Central Bank of Iraq No. (56) for the year 2004, Article (40 ): “The Central Bank of Iraq shall have a unit without other authority to take all necessary measures to license and regulate the work of banks and to supervise them and their branches, in order for all of them to comply with the provisions of this Law and Banking Law.
- 2- Diversity of cases of corruption: The lack of transparency in the institutions of the public and private sectors is one of the reasons for the spread of corruption in Iraq ( Al -Ugaili , 2010: 6) , and the role of the oversight bodies must be strengthened by relying on modern technologies (Saadoun, 1099: 2015) , and adding To that, the Central Bank of Iraq indicated, “The establishment of a platform for letters of guarantee is considered a severe blow to the spoilers,” because “the corrupt during the last period took advantage of the lack of an electronic system to manage letters of guarantee, which made the country own hundreds of lagging projects” ( [www.cbi.iq](http://www.cbi.iq) ) , And that there are a lot of fraud and fraud that government projects have been subjected to from the years (2003-2010) in the speech document, which led to the disruption and suspension of many projects, and caused damage to the public interest. (Al-Saadi, 2014: 79)
- 3- Expansion of financial risks: - For the purpose of confirming that all letters of guarantee have been correctly entered in the bank's off-balance sheet records, and that

legal cash and in-kind guarantees have been obtained (according to Circular No. 9/2/391 on 10/31/2018).

3- Successful past experiences: - The success of the Central Bank of Iraq in developing payment systems and settling electronic exchanges in line with global developments and upgrading the economic and financial reality, which prompted it to progress and provide new banking services to create competitions between financial institutions ( Central Bank of Iraq, Financial Stability Report (2017:91), and the researcher (Al-Bayati, 102:2020) indicated that the use of electronic means reduces and limits cases of forgery and fraud.

### **The third axis**

The practical aspect of research: the reality of the platform's work and its reflection in reducing the risks of letters of guarantee

First: The reality of the work of the electronic platform for letters of guarantee for commercial banks, the sample of the research and the authority responsible for the platform: -

The platform is an internal local network that operates through (the intranet) according to specific protocols and standards, and it uses and needs a link) to reach the ( server ) that performs specific tasks to serve the devices connected to the same network, and according to the tasks that the server specializes in and does not work with The rest of the programs work according to specific criteria, by linking them to highly protected networks to prevent intrusion to enhance network security, namely:-

A- Main Network : The first internal main network (optical banking network) is secured and encrypted with high codes.

b- Back kup network): An internal local network that connects banks operating in Iraq with the Central Bank of Iraq via the Internet using (VPN) ( and it is considered a backup network) in the event of risks or malfunctions in banks, it is used, and the goal is to continue working on the platform without stopping the issuance process through the electronic platform, which provides the Internet to the local network while enhancing network security from information theft or penetration.

And addressing electronic attacks, which managed to create a secure tunnel that encapsulates and encrypts the passing data as an example. The electronic platform for letters of guarantee is managed under the supervision and control of the Central Bank of Iraq only, which is the party responsible for the platform only. All commercial banks (governmental and private)

have been linked to the electronic platform and can be accessed To it by banks through Tow Connection ) mentioned above.

Connecting commercial banks to the platform for letters of guarantee is mandatory “not optional ” (computers for those who are authorized to access the electronic platform), through the “Register” feature for subscribers for the first time, who have been identified by the bank (the director of internal control, director of letters department, letters staff). The guarantee) with providing them with a passcode and a secret number to enter the interface of the platform and it is only ( admin ) and exclusively” from the bank.

And the challenge that the bank has taken to engage in the digital movement of the process of issuing letters of guarantee is not decided by a decision taken by the bank’s management through which it expresses its desire, especially “that the bank faced many previous challenges, whether challenges in technology, legal challenges or security challenges, as this decision requires “Strategic thinking” leads to the formulation of a strategy, and the transition to banks that produce most of their operations electronically and achieving electronic governance to get rid of administrative and financial corruption, get rid of illegal banking business and strictly comply with “banking legislation, as the management provided the bank to establish the platform:-

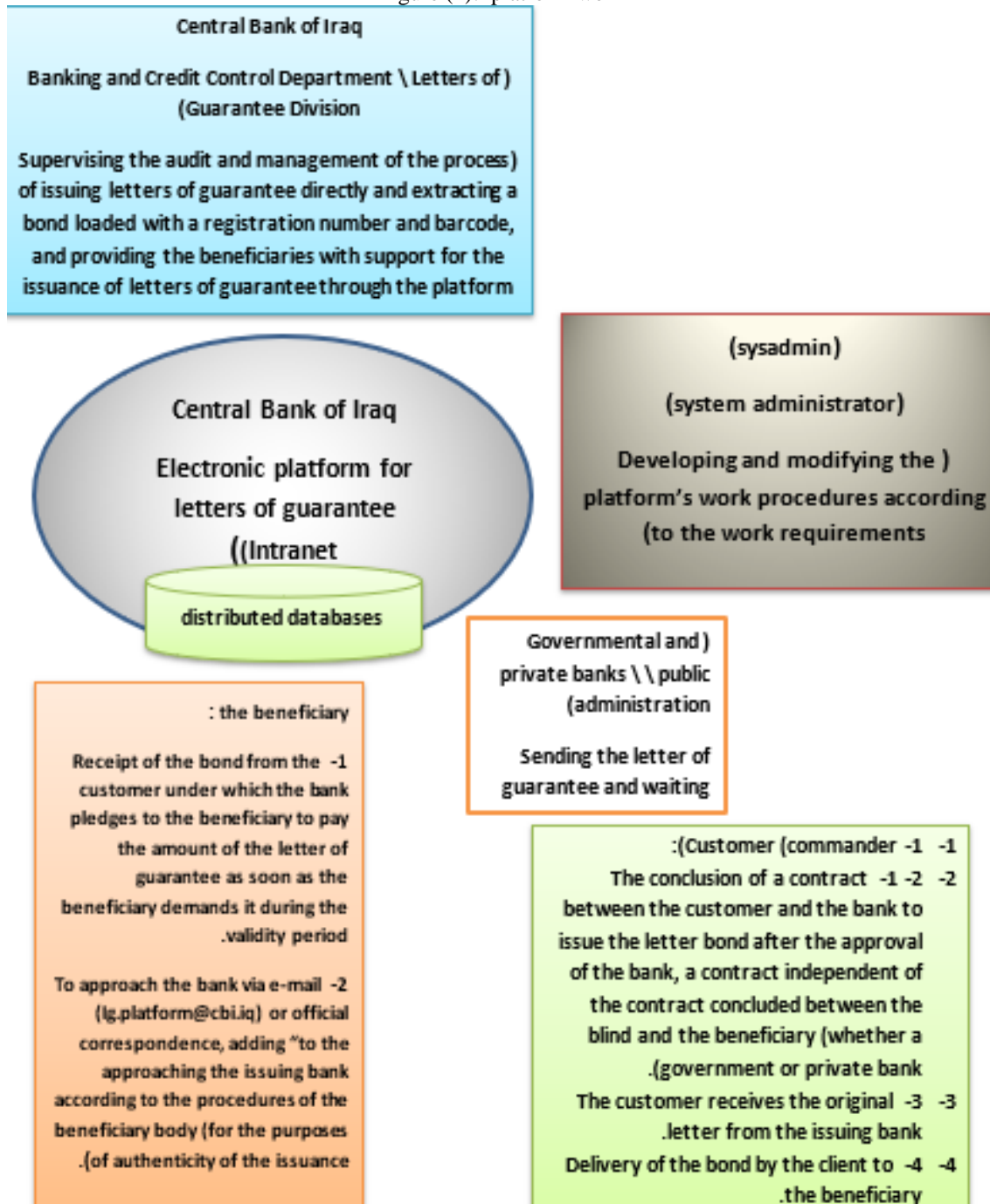
- 1- A digital vision and an "accurate" and comprehensive" assessment of the reality of the working environment in the banking system in Iraq.
- 2- Providing financial and administrative support and qualifying the operating systems and workers for electronic dealing.
- 3- Configure the emergency department and undertakes the implementation of the stages of its strategy, relying on the adoption of Internet standards and protocols that must be unified, while relying on software packages and applications used, tested and proven credible.
- 4- Taking into account and applying all the paragraphs of the Iraqi Trade Law No. (30) for the year 1984, the Banking Law (94) for the year 2004, the decisions of the Central Bank and the Central Bank Law (56) for the year 2004 in the process of issuing the letter bond, as will be clear to us in the next paragraphs.

The project of establishing the electronic platform and the dimensions it achieved is considered one of the initiatives of the Central Bank of Iraq achieved for the year 2021, and through the figure below (3-1) we explain the context of the electronic platform’s work system after completing the knowledge of its work steps in a simplified manner during the researcher’s

review of the process steps for issuing and submitting letters of guarantee To the electronic platform in the field of work for the research sample and personal interviews with the employees of the information center in the bank, my agencies:

(The work of the electronic platform for letters of guarantee in the environment of Iraqi banks)

Figure (2): platform work



Source: Prepared by the researcher based on personal interviews and field visit to the Central Bank of Iraq.

## RESULTS

### Research Community

In order to test the hypotheses of the study and achieve its goals, the researcher selected the sample (probabilistic stratification) from the study community in the organization. And represented by the following job sites (department manager - assistant director - division manager - official - employee), considering that these job sites are closer to the subject of the study, and the size of the community, according to the statistics of the organization in question, reached (60) individuals, and the size of the sample from this community was determined according to De Morcan's model, D.Morgan) global; To determine the sample size at a level of significance (0.05), up to (0.01), the sample size according to this model was (52) individuals, i.e. (87%) of the total study population, as shown in Table (1-1).

### Determine the Study Sample

Table (2): Table for Determining Sample Size from a Given Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	370
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

" N " is population size Note

" s " is sample size

Source: Krejcie, Robert V., Morgan, Daryle W. Determining Sample Size for Research Activities, Educational and Psychological Measurement, 1970.

(52) questionnaire forms were distributed to the sample, and in return the number of forms received from the sample, which were answered, amounted to (50) questionnaires. Table (1-2) shows the research sample, the number of forms distributed and received, and the percentage of their recovery.

Table ( 3 ): Description of the research sample, the number of forms distributed and received, and the recovery rate

the sample	The number of forms distributed	Number of forms received	recovery rate %
researched organization	52	50	%96

Source: Prepared by the researcher

The questionnaire was formulated according to the five -point Likert scale in the answers of the sample members, and the response level will be limited to (1-5), and at five levels according to the categories to measure the degree of response, as shown in Table ( 1-3 ).

Table ( 4 ): The order of the answers in the form, as shown in Table ( 1-4 ), was as follows

Category	the answer
1.79 – 1	Strongly disagree
2.59 – 1.8	I do not agree
3.39 – 2.6	neutral
4.19 – 3.4	I agree
5 – 4.2	Strongly agree

Source: Prepared by the researcher

Table ( 5 ): Arrange the answers to the form

Strongly agree	I agree	neutral	I do not agree	Strongly disagree
5	4	3	2	1

Source: (Melhem , 2010: 61)

### Third: Testing the Hypotheses of the Effect Between the Variables of the Study

This part of the analysis will deal with testing the impact hypotheses that were previously identified, as it will be based on the regression analysis equation to estimate the parameters of the model. It shows the causal relationship between the variables. When the relationship in the statistical model is between one independent variable and one dependent variable, then this model is the simplest regression model and is called the simple liner regression model, and when several independent variables are more than one variable, the model is called multiple linear regression ( multiple regression ). (Jawdah, 2008: 253-292) The effect value will be shown by relying on the calculated value ( F ), coefficient of determination (  $R^2$  ), marginal slope coefficient (  $\beta$  ), and the value of the constant ( a ), as shown in the table below:

Table ( 6 ): simple liner regression

T	indicator or test	the description	Standard
1	F	Model morale test in general	f value is compared with the ( total significant effect value that ranges from (0.01 - 0.05) to .accept or reject the hypothesis
2	a	The parameter significance test (constant slope) or (marginal (slope	Compare the significant value of )t with the total significant ( value of the effect ranging from (0.05 - 0.01)
3	$\beta$	The influence power of the independent variable or the independent dimension on the dependent variable	The effective strength of the dimension or variable depends ) on thet test, comparing the ( ) significant value oft ). with ( the total significant value of the effect ranging from )0.01 - 0.05(
4	$R^2$	The ability of the independent variable to explain the dependent variable	from 0-1 The closer to 1, the better the explanatory power

Source: Prepared by the researcher

A - The first main effect hypothesis: There is no statistically significant effect for the issuance of traditional letters of guarantee X In reducing the risk of letters of guarantee Y The following sub - hypotheses emanate from it:

1 - There is no statistically significant effect of after regulating traditional issuance procedures A X1 in reducing the risks of letters of guarantee Y.

Table (3-50 ) shows the results of simple linear regression analysis of the effect of after organizing the procedures The traditional issuance reduces the risk of letters of guarantee , It is noted that after organizing the procedures The traditional issuance had a significant effect in reducing the risks of letters of guarantee The calculated value of ( F ) was ( 9.952 ), with a significance of (0.003), and below the degrees of freedom ( 1 ) and (48), which is less than the level of significance (0.01), and this means that the effect is the independent dimension ( organizing procedures The traditional version ) in the dependent variable (reducing the risk of letters of guarantee) is statistically significant, and the coefficient of determination (R2) explained the rate of ( 17.2%) of the contributions made in reducing the risks of letters of guarantee , and that the percentage (82.8%) is due to other factors that were not included In the regression model , and through Table (3-48), we note that the value of the fixed term ( a = 2.755 ) is statistically significant, as the t -value calculated for it is ( 5.877 ), with significance (0.000), and with a degree of freedom ( 48 ), which is less than the level of significance (0.01) This means that the fixed term is statistically significant , and the value of the marginal slope ( b ) reached ( 0.431 ), which is statistically significant because the calculated t -value of ( 3.155 ), with a significance ( 0.003 ), and with a degree of freedom ( 48 ), which is less than the level



of significance (0.01), and this means that the marginal slope (  $b$  ) is statistically significant . These results indicate the rejection of the first sub-null hypothesis and acceptance of the alternative hypothesis, which states: “ There is a significant, statistically significant effect of Organizing procedures The traditional version X1 reduces the risks of letters of guarantee Y.

2 - There is no statistically significant effect of the position of the beneficiaries in the procedures of the traditional issuance X2 in reducing the risks of letters of guarantee Y.

Table (3-50 ) shows the results of simple linear regression analysis of the effect of the dimension of the beneficiaries' position in Traditional issuance procedures, in reducing the risk of letters of guarantee It is noted that the position of the beneficiaries in the traditional issuance procedures has had a significant effect in reducing the risks of letters of guarantee , as the calculated value of (  $F$  ) was ( 5.527 ), with significance ( 0.023 ), and below the degrees of freedom ( 1 ) and (48), which is less than the level of significance ( 0.05 ), and this means that the effect of the independent dimension ( organizing traditional issuance procedures ) on the dependent variable ( Reducing the risks of letters of guarantee) is statistically significant, and the coefficient of determination ( $R^2$ ) explained ( 10.3 % ) of the contributions that took place in reducing the risks of letters of guarantee , and that the percentage ( 89.7 % ) was due to other factors that were not included in the regression model. And through the table ( 3-50 ) We note that the value of the fixed term (  $a = 3.075$  ) is statistically significant, as the  $t$ -value calculated for it is ( 6.256 ), with significance (0.000), and with a degree of freedom ( 48 ), which is less than the level of significance (0.01). This means that the limit The constant is statistically significant , and the value of the marginal slope (  $b$  ) reached ( 0.346 ), which is statistically significant, because the calculated  $t$ -value of ( 2.351 ), with significance ( 0.023 ), and with a degree of freedom ( 48 ), which is less than the level of significance ( 0.05 ), and this means that the marginal slope (  $b$  ) is statistically significant . These results indicate the rejection of the second sub-null hypothesis and acceptance of the alternative hypothesis, which states: “ There is a significant, statistically significant effect of The position of the beneficiaries in the procedures of the traditional issuance X2 in reducing the risks of letters of guarantee Y.

3 - Proving the hypothesis, the first main effect: There is no statistically significant effect for the issuance of traditional letters of guarantee X in reducing the risk of letters of guarantee Y.

Table (3-50 ) shows the results of simple linear regression analysis of the effect of the issuance of letters of guarantee before the platform, in reducing the risks of letters of guarantee It is noted that the issuance of letters of guarantee before the platform had a significant effect

in reducing the risks of letters of guarantee , as the calculated value of ( F ) reached ( 10,655 ) with a significance of ( 0.002 ), and below the degrees of freedom ( 1 ) and (48), which is less than the level of significance ( 0.01 ), and this means that the independent variable effect ( issues of traditional letters of guarantee ) on the dependent variable ( Reducing the risks of letters of guarantee (statistically significant, and the coefficient of determination (R<sup>2</sup>) explained the rate of ( 18.2%) of the contributions made in reducing the risks of letters of guarantee , and that the percentage (81.8%) is due to other factors that were not included in the regression model. And through the table ( 3-50 ) We note that the value of the fixed term ( a = 2.473 ) is statistically significant, as the calculated t value reached ( 4.586 ), with a significance (0.000), and with a degree of freedom ( 48 ), which is less than the level of significance (0.01). This means that the limit is The constant is statistically significant , and the value of the marginal slope ( b ) reached ( 0.522 ), which is statistically significant, because the calculated t value of ( 3.264 ), with a significance ( 0.002 ), and a degree of freedom ( 48 ), which is less than the level of significance ( 0.01 ), and this means that the marginal slope ( b ) is statistically significant . These results indicate the rejection of the first main null hypothesis and acceptance of the alternative hypothesis, which states: “ There is a significant, statistically significant effect of Issuance of traditional letters of guarantee X in reducing the risk of letters of guarantee Y ”.

Table ( 7 ): Explains the effect of issuing letters of guarantee before platform X In reducing the risk of letters of guarantee Y

Reduce the risk of letters of guarantee Y								
The independent / variable Issuance of letters of guarantee before the platformX	fixed limit a	t calculated	marginal slope b	t calculated	The value of the coefficient of determination R <sup>2</sup>	morale	the decision	
Organizing actions traditional version X1	2.755	5.877	0.431	3.155	0.172	0.003	moral	
The position of the beneficiaries in the traditional issuance procedures X2	3.075	6.256	0.346	2.351	0.103	0.023	moral	
Letters Publications	2.473	4.586	0.522	3.264	0.182	0.002	moral	

traditional warranty X								
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Note: The value of (F) calculated at a significant level of 0.05 and two degrees of freedom ( 1.48 )

value (F) Calculated at a significant level of 0.01 and two degrees of freedom ( 1.48 )

The value of (t) calculated at a significant level of 0.05 and a degree of freedom ( 48 )

Value (t) computed at 0.01 . significance level degree of freedom ( 48 ).

Source: Prepared by the researcher

B - The second main effect hypothesis: There is no statistically significant effect of issuing letters of guarantee

After the electronic platform Z In reducing the risks of letters of guarantee Y , the following sub-hypotheses emerge:

- There is no statistically significant effect of after organizing the procedures for issuing letters of guarantee after the electronic platform Z1 in reducing the risks of letters of guarantee Y.

Table 3 shows - 51 ) Results of simple linear regression analysis of the effect of after organizing procedures Issuing letters of guarantee after the electronic platform , in reducing the risks of letters of guarantee , It is noted that after the procedures are organized Issuing letters of guarantee after the electronic platform has had a significant effect in reducing the risks of letters of guarantee , as the calculated value of ( F ) was ( 33.659 ), with a significance of ( 0.000 ), and below the degrees of freedom ( 1 ) and (48), which is less than the level of morality (0.01), and this means that the effect is the independent dimension ( organizing procedures Issuance of letters of guarantee after the electronic platform ) in the dependent variable (reducing the risks of letters of guarantee) is statistically significant, and the coefficient of determination (R<sup>2</sup>) explained ( 41.2 % ) of the contributions made in reducing the risks of letters of guarantee , and that the percentage (58.8%) belongs to Other factors were not included in the regression model.Through table (3-49) we note that the value of the fixed term is ( a = 1.542 ) , which is statistically significant, as the calculated t -value for it reached ( 3.317 ) with a significant ( 0.002 ), and with a degree of freedom ( 48 ), which is Less than the level of significance (0.01), which means that the fixed term is statistically significant , and the value of the marginal slope ( b ) reached ( 0.706 ), which is statistically significant because the calculated t value of ( 5.802 ), with a significant ( 0.000 ), and with a degree of freedom ( 48 ), which is less than the level of significance (0.01), and this means that the marginal slope ( b ) is statistically significant . These results indicate the rejection of the first sub-null hypothesis of the second main effect hypothesis and the acceptance of the alternative hypothesis, which states: “ There is a significant, statistically significant effect of Organizing actions Issuing

letters of guarantee after the electronic platform Z1 in reducing the risks of letters of guarantee Y.

- There is no statistically significant effect of the position of the beneficiaries in the procedures for issuing letters of guarantee after the electronic platform Z2 in reducing the risks of letters of guarantee Y.

Table (3-51 ) shows the results of simple linear regression analysis of the effect of the position of the beneficiaries in the procedures for issuing letters of guarantee after the electronic platform, in reducing the risks of letters of guarantee , it is noted that after the position of the beneficiaries in the procedures for issuing letters of guarantee after the electronic platform, it achieved a significant effect in reducing the risks of letters of guarantee, as the calculated value of ( F ) reached ( 39,797 ) and with a significance of ( 0.000 ), and under the degrees of freedom ( 1 ) and (48), which is Less than the level of significance ( 0.01 ), which means that the effect of the independent dimension ( the position of the beneficiaries in the procedures for issuing letters of guarantee after the electronic platform ) on the dependent variable (reducing the risks of letters of guarantee) is statistically significant, and the coefficient of determination (R<sup>2</sup>) was explained by ( 45.3 %). ) of the contributions made to reduce the risks of letters of guarantee , and that the percentage (54.7%) is due to other factors that were not included in the regression model. Through Table (3-49) we note that the value of the fixed limit (  $a=1.140$  ) is statistically significant, as The calculated t - value was ( 2.321 ), with significance ( 0.025 ), and with a degree of freedom ( 48 ), which is less than the level of significance ( 0.05 ), which means that the fixed term is statistically significant , and the value of the marginal slope ( b ) reached ( 0.782 ), which is statistically significant, because the t -value calculated for it is ( 6.308 ), with a significance ( 0.000 ), and with a degree of freedom ( 48 ), which is less than the level of significance ( 0.01 ), and this means that the marginal slope ( b ) is statistically significant . These results indicate the rejection of the second sub-null hypothesis of the second main hypothesis and the acceptance of the alternative hypothesis, which states: “ There is a significant, statistically significant effect of The position of the beneficiaries In the procedures for issuing letters of guarantee after the electronic platform Z2 in reducing the risks of letters of guarantee Y.

- Proving the first main hypothesis, which indicates: There is no statistically significant effect of issuing letters of guarantee after the electronic platform Z in reducing the risks of letters of guarantee Y.

Table (3-51 ) shows the results of simple linear regression analysis of the effect of issuing letters of guarantee after the electronic platform, in reducing the risks of letters of guarantee . It is noted that the issuance of letters of guarantee after the electronic platform had a significant effect in reducing the risks of letters of guarantee. The calculated value of ( F ) amounted to ( 47.413 ), with significance ( 0.000 ), and below the degrees of freedom ( 1 ) and (48), which is less than the level of morality ( 0.01 ). This means that the independent variable effect ( issuing letters of guarantee after the electronic platform ) on the dependent variable (Reducing the risks of letters of guarantee) is statistically significant, and the coefficient of determination (R<sup>2</sup>) explained ( 49.7 percent ) of the contributions made in reducing the risks of letters of guarantee , and that (50.3 percent) is due to other factors that were not included in the regression model . Table ( 3-51 ) We note that the value of the fixed term ( a = 0.918 ) is not statistically significant, as the calculated t -value reached (1.904), with a significance (0.063), and with a degree of freedom ( 48 ), which is greater than the level of significance (0.05), which means That the fixed term is not statistically significant , and the value of the marginal slope ( b ) reached (0.854), which is statistically significant, because the calculated t value of (6.886), with a significance (0.000), and a degree of freedom ( 48 ), which is less than the level of significance ( 0.01 ), and this means that the marginal slope ( b ) is statistically significant . These results indicate the rejection of the second main null effect hypothesis and the acceptance of the alternative hypothesis, which states: “ There is a significant, statistically significant effect of Issuing letters of guarantee after the electronic platform Z in reducing the risks of letters of guarantee Y.

Table (8) Explains the effect of issuing letters of guarantee after the electronic platform Z In reducing the risk of letters of guarantee Y

Reduce the risk of letters of guarantee Y								
The independent / t variable Issuance of letters of guarantee after the electronic platform Z	fixed limit a	t calculate d	marginal slope b	t calculate d	The value of the coefficient of determination R <sup>2</sup>	F . value calculate d	moral e	the decision n
Organizing actions Issuance of letters of guarantee After the electronic platform	1.54 2	3.317	0.706	5.802	0.412	33.659	0.000	moral

Z1								
The position of the beneficiaries in the procedures for issuing letters of guarantee After the electronic platform Z2	1.140	2.321	0.782	6.308	0.453	39.797	0.000	moral
Issuing letters of guarantee after the electronic platformZ	0.918	1.904	0.854	6.886	0.479	47.413	0.000	moral

Note: The value of (F) calculated at a significant level of 0.05 and two degrees of freedom ( 1.48 )

value (F) Calculated at a significant level of 0.01 and two degrees of freedom ( 1.48 )

The value of (t) calculated at a significant level of 0.05 and a degree of freedom ( 48 )

Value (t) computed at 0.01 . significance level degree of freedom ( 48 ).

Source: Prepared by the researcher

We conclude from this that the research sample confirmed that whenever there are organized procedures and under the control and supervision of the bank, it will enhance the confidence of the contracting parties , reduce the risks of letters of guarantee and get rid of forged issues .

## CONCLUSIONS

### First: the conclusions

This topic reviews the most important conclusions that emerged from the results of the financial and statistical analysis of this topic, which were as follows:

1. The surveyed sample confirmed that issuing letters of guarantee in the traditional way does not enhance the trust of the beneficiaries in terms of reliability and credibility, and expose them to many frauds from customers through letters of guarantee that were issued in a traditional way, which caused them to waste and waste money.
- 2.The weak centralization of the decision and the procedures followed for the issuance of letters of guarantee before the platform contributed to the expansion of the risks of letters of guarantee.

3. The surveyed sample confirmed that fraud after the platform was reduced as much as possible due to the measures taken, the direct supervision of the bank and the remarkable cooperation between the two parties (the bank and the beneficiary).
4. The beneficiaries confirmed that the issuances outside the platform pose a danger to them, especially “the electronic platform achieved enhancing the confidence of the beneficiary about the process of issuing the bond, guaranteeing its rights and getting rid of the previous negatives before the platform about the bond issuance process.”
5. The beneficiaries prefer to receive an endorsement only from the bank, instead of resorting to the bank and asking it for a valid issuance, in order to shorten the time.
6. One of the continuous obstacles before and after the electronic platform is the link of extending the letters of guarantee to the beneficiaries to commissions, which results in the taking of time to reach the beneficiaries.
7. researched sample by developing its operations management and disbursing its dues using advanced technological systems and excluding traditional means.

### **RECOMMENDATIONS**

In this topic, the researcher completes the findings of the research with a set of recommendations that require research and scientific necessity, which are as follows:

- 1-Developing the work of the platform and everything related to it in an electronic way and under the supervision and control of the bank, to develop electronic supervision in a broader way, and to dispose of balances for many years without supervision, and to be held directly responsible for it.”
- 2-Creating an additional field in the platform and developing it in wider areas by making the client’s account linked to the platform to support financial inclusion operations by not disbursing the dues of the clients (the orderer) upon completion of their projects’ completion directly (cash) or by means of an instrument, but rather transferring the dues of the client (the orderer) Directly” through the customer’s account opened in the issuing bank for the letter of credit.
- 3-Addressing all previous issues, especially “bank branches of affected areas as a result of the poor security conditions of the country in that period and the need to settle those balances in a short period from the bank’s records, as well as” setting a specific and explicit position in terms of the commissions accumulated on the client.

4- We stress the development of updated legal formal conditions that are consistent with the developments in the banking environment in the terms of the contract for letters of guarantee and precisely defined for the issuance of letters of guarantee through the platform and are circulated to all contracting parties for mandatory approval by the contracting parties.

5-We recommend that the process of claiming the validity of the issuance and issuing it by the bank in an electronic way.

6-We recommend strengthening workshops and training courses, even if they are done electronically, in coordination with the Central Bank of Iraq, banks, and the beneficiaries who are specialized or directly related to the process of issuing or auditing the bond.

7-We recommend the beneficiaries to develop their programs and transfer their records related to the regulation of letters of guarantee issued in their favor from paper to electronic, while being careful about the maturity date of the bond, while granting the authority to the directors responsible in the ministries to extend contracts directly “in accordance with the authority granted by the concerned minister to each ministry to avoid the expiry of the contract’s validity period before Signed and the bank takes legal measures in light of it.

8-We recommend the Central Bank of Iraq to activate the feature of reminding or referring to the bank through the platform about the duration of the validity of the letter’s bond to take the special measures and inform the contracting authorities so that it can cancel it in the event that no answer is received from the beneficiary authorities after the expiry of the letter’s validity period.

9-We recommend the bank that documents related to in-kind guarantees, especially “real estate mortgaged”, be provided with the validity of electronic issuance, with the availability of advanced means to detect them if they are forged or illegal, in coordination with the concerned authorities to encourage the use of technology more widely in state departments and electronic control and to achieve electronic governance .

10-We recommend that the disputes between the contracting parties be presented to arbitration before they are referred to the court, so that the case can be settled amicably “ or to settle matters between the contracting parties before a judicial appeal.”

11-We recommend that all government agencies use electronic platforms to manage their operations in an electronic way, activate electronic supervision, and take the bank as a successful experiment.

12-Confirmation on the beneficiaries to receive the authenticity of the issues from the issuing bank without relying solely on the endorsement of the bank because the bank is not a guarantor



of the beneficiary, but only supports the lifting of the bond through the platform and under its supervision and is protected from forgery to enhance the confidence of the beneficiaries, although most of the beneficiaries prefer to receive the endorsement only from Bank without resorting to the bank.

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