



Central Bank of Iraq

Strategic Plan (2021-2023)

Annual Report 2021

Mr. Governor Speech

The second strategic plan for the years (2021-2023) of the Central Bank of Iraq represents one of the most important achievements in the field of outstanding institutional performance through which the achievement of the bank's vision and objectives continues to maintain monetary and financial stability and support economic growth, employment and financial development, As the initiatives of the Central Bank of Iraq played an important role in providing the necessary funding for thousands of projects of all kinds in order to reduce unemployment.

The plan aims to strengthen the management of monetary policy and achieve its objectives in maintaining the general level of prices and the stability of exchange rates in the local markets in addition to maintaining banking and financial stability through partial and total precautionary control over the banking and financial sector in Iraq and the Central Bank of Iraq undertakes to maintain the safety and efficiency of the payments system and the security and safety of cash in Iraq. This strategy also frames the efforts of the Central Bank to increase financial inclusion and keep pace with major developments in the use of financial technology, and assumed the utmost importance to enhancing cybersecurity to provide the necessary protection for users of this technology and building confidence between users and providers of financial digital services.

The Central Bank of Iraq believes in the importance of institutional work through strategic planning as an approach that helps to sustain and ensure the achievement of strategic goals, and because this bank has sound governance, flexible organizational structures and efficient human resources that always qualify it to draw, achieve and monitor the achievement of its operational objectives, vision and mission in an optimal manner, and this is what calls us in conclusion, to thank all departments of this bank for their efforts to achieve the strategic objectives of the Central Bank of Iraq.

Mustafa Ghalib Mukhif
Governor

Introduction

The Central Bank of Iraq always looks towards development and improvement in accordance with the best international practices and activating its supervisory role and its desired goal in development, sustainability, planning and international cooperation in the interest of the country and the citizen and its keenness on the continuity of the strategic planning approach to keep pace with developments and face challenges by identifying strengths and weaknesses as well as opportunities and threats and facing challenges emerging from the political, economic and health conditions, especially the Corona pandemic, as the bank, with the efforts of its management was able to accomplish many objectives that serve to achieve the five strategic goals of its second plan for the years (2021-2023), represented by the following:

- **The first strategic objective: supporting and achieving monetary and financial stability.**
- **The second strategic objective: strengthening the banking sector and financial institutions.**
- **The third strategic objective: Enhancing digital transformation in the Central Bank of Iraq and the banking sector.**
- **The fourth Strategic Objective: develop the organizational structure and human resources of the Central Bank of Iraq.**
- **The fifth strategic objective: activating and integrating the internal and external relations of the Central Bank of Iraq.**

This report is the first of the second strategic plan (2021-2023), in which we review the most prominent achieved and ongoing objectives inside and outside the strategic plan during the year (2021).

The first strategic objective

Supporting and achieving monetary and financial stability

- Work has been done on the salary localization project, as all the procedures for settling salaries for the Ministry of Defense center have been completed, working to open bank accounts for the affiliates, and training the Ministry of Defense staff to prepare the salary file in March .The center of the Ministry of Defense and Interior was actually launched, and the project was completed at a rate of (100%).

- Regarding the national strategy for financial inclusion, work has been done with the German Agency for International Development to implement the financial inclusion project to start a new economic integration through sustainable improvement of financial inclusion and access to comprehensive financial services for vulnerable target groups such as internally displaced persons and host communities, especially women and youth of small and micro entrepreneurs. and a remote meeting was held with the Global Alliance for Financial Inclusion on the preparation of the national strategy for financial inclusion, in addition to a remote workshop on the implementation of this strategy from the Global Alliance for Financial Inclusion, as well as a remote workshop with the World Bank on developing a roadmap for preparing the National Financial Inclusion strategy in addition to holding workshops in cooperation with the Arab Monetary Fund to develop capabilities and skills on building this strategy in Iraq, presenting the experiences of Arab countries in this field, and holding a remote workshop from the International Finance Corporation, sponsored by the Central Bank of Iraq, on the current situation and opportunities for providing digital financial services in Iraq, the results of the study submitted by the International Finance Corporation were reviewed and a questionnaire on the reality of the review of the financial sector and the financing sector of small and medium-sized companies in Iraq.

- A meeting of the Supreme Committee for Financial Inclusion was held in the presence of each of the members of the Supreme Committee for Financial Inclusion and sub-committees to clarify the vision and directions of the Committee to achieve the objectives of financial inclusion, and a remote workshop was held on the policy of financial inclusion after the pandemic Corona in cooperation with the Global Alliance for Financial Inclusion and a remote workshop on (The Mashreq Initiative and Women's Empowerment) with the General Secretariat of the Council of Ministers / Department of Women Empowerment in cooperation with the World Bank to discuss financial inclusion to bridge the gap between males and females.

- The Bank worked on automating financial transactions for a specific number of spending units affiliated with ministries and entities not affiliated with a ministry, based on the letter of the General Secretariat of the Council of Ministers no. (3614) on (8/2/2021) by activating electronic payment tools.
- Workshops were held with the Ministry of Water Resources and the Ministry of Transport and the Ministry of Finance, where the (electronic clearing) system was installed in the treasury directorates in Baghdad and the governorates, automating their financial transfers and a number of spending units, such as the Journalists' Pension Fund and the Oil Projects Company. Work on the project was started by the formations of the Ministry of Oil and some formations of the Ministry of Transport.
- The bank signed a memorandum of understanding with Master Card Company to implement the payment digitization project in the Iraqi e-learning system, which comes within the directions of this bank to enhance financial inclusion and expansion of electronic payment tools, in addition to continuing to work with the Ministries of Higher Education and Scientific Research and the Ministry of Education regarding providing the education sector with a platform and a payment gateway to accept payments electronically.
- With regard to the Central Bank's initiative (A) one trillion dinars, the total amounts granted during the year (2021) to all sectors amounted to (578,988,660,000) dinars and the number of (408) advances distributed as follows: The total number of projects financed within the initiative of the Central Bank of more than (1) billion dinars, up to (25) advances, and with a total amount of (206,963,700,000) dinars.
- The total amounts of medium-sized projects that were financed within the initiative of the Central Bank does not exceed the (1) billion dinars, an amount of (58,086,736,800) dinars, up to (94) advances, distributed in different governorates and sectors.
- The total amounts of small projects that were financed within the initiative of the Central Bank of less than (1) billion dinars amounted to (79,640,263,200) dinars with up to (65) advances distributed in different governorates and sectors.
- The total amounts that were financed within the Central Bank's initiative of one trillion dinars in the residential sector amounted to (185,000,350,000) dinars with (122) advances.
- The total amounts that were funded within the Central Bank's initiative of (1) trillion dinars for ATM projects with an amount of (657,000,000) dinars, with one (1) advance.

- The total soft loans granted amounted to (45,640,610,000) dinars and a number of (101) advances.
- With regard to the Central Bank's initiative of the three trillion dinars sovereignly guaranteed by the competent banks, the Housing Fund has exhausted the amount allocated to it from the Central Bank's initiative, with an amount of (1,634,000,000,000) dinars (one trillion, six hundred and thirty-four billion) dinars, distributed over (24) payments.
- The installments of the previous payments (from 14 to 24) that this bank granted to the fund have been rescheduled on the basis of entitlement of (20) years, including the permission period of (18) months and for the payments from (1-13) they have been rescheduled after the decision of the board of directors of this bank regarding the imposition of the administrative commission on the remaining part of the same payments mentioned above after canceling the interest based on resolution (114) for the year (2021).
- Based on Resolution no. (85) of (2021) the pledge submitted by the Iraqi Housing Fund was accepted in case that the loan amount cannot be collected from the Fund directly for any reason, the Fund authorizes the Bank to implement the guarantees provided within the new extension of previous loans.
- A decision was issued to the Board of Directors of this bank (62) for the year (2021) regarding converting the interest on loans from the Central Bank of Iraq's initiative for Nineveh Governorate into an administrative commission.
- Feeding the accounts of sub-banks with (Morgan JP) for the purposes of electronic card settlements at an amount of (14,865,000.00 dollars) (fourteen million eight hundred and sixty-five thousand US dollars) with a growth rate of (248%) for the year (2020), reaching (4,267,000.00 dollars) (four million two hundred and sixty-seven thousand US dollars).
- The approval of the Presidency of the Council of Ministers / the National Investment Commission was obtained to allocate a land with an area of (3000 m²) within the security fence under the authority of aviation at Baghdad International Airport.
- The Central Bank collected, analyzed and audited data in coordination with the relevant authorities for the purpose of ensuring a macroeconomic environment conducive to sustainable growth.

- For the purpose of issuing an annual report on the activity of government and private insurance sector companies and branches of foreign companies operating in Iraq and to extract and analyze financial indicators, the Central Bank addressed the Insurance Bureau for the purpose of providing it with data within the agreed times and in coordination with the relevant authorities.

The second strategic objective

Strengthening the banking sector and financial institutions

- Starting the procedures for establishing the National Takaful Company with a capital of (15 billion dinars) (fifteen billion Iraqi dinars) and with the participation of Islamic banks.

- Classifying and arranging banks operating in the banking sector according to the application of the governance guide issued by the Central Bank through the scorecard for environmental, social and governance standards, with the opportunity to improve the classification according to the gradual adoption of best practices. ----Implementation of the pilot test for the process of preparing the supervisory controls for the two liquidity ratios of Islamic banks for the purpose of keeping pace with the developments of the Islamic banking system and what has been confirmed by the Basel Committee and the Islamic Financial Services Council equal to commercial banks.

- The Central Bank of Iraq prepared a guide for the objectives of social development and financial sustainability, reducing environmental risks and achieving sustainable financing to keep pace with practical developments in corporate governance systems and achieve social and environmental responsibility through preparing strategic plans in accordance with environmental and social principles and starting activities that achieve this purpose with preparing annual reports and quarterly performance monitoring.

The third strategic objective

Enhancing digital transformation in the Central Bank of Iraq and the banking sector

- The second stage has been completed to finish the project for establishing a banking network using optical cable technologies, and work is continuous on the third stage by obtaining official approvals and signing the contract to receive, check and operate the project. The infrastructure and information environment for the payment systems were developed through the receipt and completion of the examination and the final operation of the project and the application of unified control and monitoring.

-Work has been done to approve (Microsoft) licenses for software application operations by continuing the processes of implementation and application of licenses on the servers of the technical infrastructure of the Department of Information and Communication Technology and end-user devices and computers in Al-Rasheed and Al-Jadriya sites, and working on the project of a system for collecting salaries for state department employees from branches of government and private banks, through the initial delivery of the system, training on it, receiving the required notes and amendments, and the final delivery of the system.

- The transition to the advanced stage of securing the technical environment in the Central Bank for operational activities of the information security and cybersecurity for the project to develop the infrastructure for data and information security and cybersecurity, and work is underway to complete the second phase, and the project to develop the technical and information infrastructure for the data centers of the Central Bank of Iraq and its branches has been completed.

-Creating and implementing the technical infrastructure and data center of the new Central Bank of Iraq building in Jadriya by preparing the Bidding Requirements Document and annexes, obtaining fundamental approvals for the selected companies, then sending invitations to the selected companies, answering inquiries, receiving offers, starting the analysis stage and selecting the winning company.

- Adoption of electronic trading tools for transactions and correspondence, where a model of the business flowchart was reviewed for the first stage to obtain the system. Transition to the automation of the supervisory and regulatory work for institutions subject to the supervision of the Central Bank / Exchange Companies System. Work is underway in the analysis phase and the selection of the winning company.

- Gaps analysis and comprehensive evaluation of the infrastructure of the electronic payment service provider companies according to the scope of the payment service provider companies and the receipt ,analysis and selecting the company was done and contracting procedures implementation continued.
- Implementing governance controls and institutional management of information and communication technology within the Central Bank of Iraq, monitoring its implementation throughout the banking sector, and monitoring the implementation of governance controls and institutional management of information and communication technology throughout the banking sector.
- Develop a road map for the adoption of digital currencies for central banks, by forming a working team, attending workshops, preparing studies for the digital currency of central banks, contracting with a consulting company to study the market, collecting requirements, and preparing a request for information by the consulting company.
- Building an advanced and central electronic system to follow up the objectives of the Central Bank's strategic plan (2021-2023),which is an internal system that contains statistics that include all the objectives of the plan, allowing the coordinator of the concerned department to enter the percentages of his progress with indicators of his obstacles as well, which face the implementation of the goal, as work is underway to train users within this context.
- Adopting systems and applications related to work in the areas of governance and risk management (establishing the technical infrastructure of the system for the Anti-Money Laundering and Terrorist Financing Office, after contracting and implementing all the work of the project, and work is underway to prepare devices and equipment, install programs, and system requirements.
- Gaps analysis and comprehensive assessment of the infrastructure of banks and payment service providers and the compliance of institutions with frameworks, governance controls and standards related to information technology and security, as well as compliance with the Bank Payment Card Industry Data Security Standard .

The fourth Strategic Objective

Developing the organizational structure and human resources of the Central Bank

- Working on a project of adding value to the bank's business by focusing on the strategic objectives of the bank by achieving the audit objectives based on the internal audit methodology and based on international auditing standards and the definition of internal audit, which indicates "an independent and objective activity that provides assurance and advisory services with the aim of adding value to the institution and improving its business." This activity helps in achieving the objectives of the institution by following a systematic approach to assess and improve the effectiveness of risk management, control and governance processes." Based on the principle of adding value to the work of the Central Bank by following the risk-based audit method, the risk-based internal audit plan has been updated and issue final reports for high-risk and medium-risk operations (non-bank financial institutions section, open market section, occupational health and safety section, internal lending section, macroeconomic section) and follow-up reports for operations of (internal lending, non-bank financial institutions, services section, security control section, reserve compulsory section , audit and inspection of governmental, private and Islamic banks, Health and Safety Department).

In line with internal audit standards and to develop employees' capabilities and enhance knowledge and skills through continuous professional development in accordance with the International Auditing Standard (1230), a number of employees have been involved in training courses in various fields to develop their professional capabilities according to the international standard (1230), in addition to developing employees by obtaining the professional certificate

where changes in the programme were reviewed and (5) participants were registered to perform the final exam, in addition to evaluating the extent of compliance with international standards that govern the internal audit activity, and updating the policies and procedures manual according to best practices.

- Using modern techniques related to audit activity (electronic auditing) based on the objectives of the audit department, which include ensuring the presence, adequacy and effectiveness of controls over the executed operations using the electronic audit program .The operations were audited (cash withdrawal, 3% administrative deduction, JP-MORGAN bonds Euros, European

Trade Bonds, IMF deposit, IN-PRICE price bulletin, Federal bonds (premium discount), UCLEAR bonds (premium discount), incentive pool calculation, EBOOK-BOND.

- All the necessary tests to connect the Iraqi payment system with the basic systems operating in the bank have been completed by the Payments Department, and we will be provided with servers for the system by the Information and Communications Technology Department for the purpose of installation and completion of the tests, and then the actual launch.

- A specialized consulting firm was contracted to develop the payment strategy and the structure of the payment system where the volume of payments was determined, the infrastructure was assessed, technical plans and requirements were identified and the objectives were clarified and the strategy was received, which included a number of projects and initiatives to promote the acceptance of electronic payment tools and was presented to the bank's management and relevant departments for opinion.

- In order to develop the total real-time settlement system (RTGS) to operate within (24) hours and all days of the week, (Montran) the supplier with the current payment system has been contracted and the process of working according to the timings specified within the plan to develop the total settlement system to be (24) hours in (7) days and now in the processing phase of the servers so that the company can install the system and conduct testing processes by us then the actual launch.

- The bid file has been completed to establish the Fast Payment system and send it to electronic payment companies in addition to continuing to update the document in accordance with the requirements of the project.

- Start preparing a guide to anti-money laundering, terrorist financing and compliance policies and procedures and sending them to KPMG for observation.

- Preparing the draft audit programme for the purpose of transferring audit work in compliance with the risk-based approach and sending it to KPMG for feedback.

- Building the institutional performance evaluation model for the Bank's departments (issuance and vaults, banking control, external investments and transfers, financial operations and debt management) as measurement indicators and quantitative and quality measurement standards were built to determine the effectiveness of current performance and identify possible improvement opportunities for extracting results and conducting the necessary negotiations with the relevant authorities.

- Identifying and training a team for the purpose of preparing a career analysis manual by identifying and adjusting posts and job names and collecting and reviewing job data.
- Identify and train a team for the purpose of measuring the requirements of the International Specification (ISO45001:2018) for the health and safety of central bank employees.
- To increase the satisfaction of customers with the branches of the Bank, the customer hall has been remodeled and the electronic calling device installed in it for the Basra branch and work is underway to complete all the procedures that contribute to increase the level of customers with all branches.

The fifth strategic goal

Activating and integrating the internal and external relations of the Central Bank

- The Central Bank of Iraq contributed in the Women's Empowerment Initiative as the needs of all women were met through the concessional loans to the One Trillion Initiative, which includes small, medium and micro enterprises and housing loans to include women breadwinners, widows and conflict survivors within the second national plan of the Agenda (Women and Peace) The Central Bank of Iraq implemented its decisions for the period (2021-2024), registering a positive completion rate for women's participation, which reached 13% in these loans during the second half of 2021, while the participation rate was (4%) for women for the year (2020).
- Given the importance of women's role in building society and the need to create adequate guarantees for their social and economic empowerment, the Central Bank of Iraq has sought access to community and humanitarian initiative by providing financial assistance for the purpose of treatment to more than 28 women, including widows and breadwinners, during the year (2021) through follow-up and coordination from the Central Bank of Iraq and through the Commission for women's empowerment to obtain support for productive projects that employ women, widows and survivors of conflict from the Council of the Humanitarian Community Initiative.
- During this year, the Central Bank of Iraq held two workshops sponsored by the Governor and included in their agenda the economic empowerment of women in Iraq through roles and stimulus engines in order to give them the means of empowerment and stability required for them in order

to support the raising of their development participation and achieving Iraq's national vision. The workshop included many activities in the presence of Deputy Governor of the central bank of Iraq and Dr. Yusra Al- Allaq and number of representatives of different ministries in addition to number of Iraqi private banks as a brochure was prepared and distributed that represents the success of the most important UN Security Council resolutions (1325) is reflected in the second national plan of the Agenda (Women, Security and Peace) as well as the workshop sponsored by the Governor entitled "Violence against Women".

- All internal official correspondence at the Central Bank of Iraq included the logo (woman is origin of life and its sustainability) and has been circulated and included in a participation on the occasion of the United Nations Declaration on (November 25) each year as an international day to eliminate violence against women, under the supervision of the Women's Empowerment Committee of the Central Bank of Iraq, where financial assistance was provided to 60 women as part of the community initiative.

- The map of economic opportunities has been developed and ensured that survivors are not stigmatized and integrated into society, where the Central Bank of Iraq seeks through this plan to activate joint cooperation with government institutions and take a range of measures within the activation and coordination with these entities and localize external cooperation and falls within the objectives of the bank's strategy to strengthen relations with the institution and represent it locally and internationally through its contribution to the empowerment of women in all economic, humanitarian and social aspects where we find through this plan the extent of support provided by the Bank The Central Bank of Iraq, which aims to empower Iraqi women through a community initiative that focuses on many aspects of the humanitarian, health and economic aspects of women, and in other respects the Central Bank seeks to improve the percentage of women's contribution to access accessible loans and find treatments that improve the rate of participation and benefit from loans.

Sub-objectives of the Strategic Plan for 2021

- 1- The payroll settlement project.**
- 2- Develop a payment strategy and develop the structure of the payment system.**
- 3- Linking the Iraqi payment system to the basic systems operating in the Bank.**
- 4- Automating the financial transactions of a specific number of spending units of ministries and entities not associated with a ministry.**
- 5- Complete the development of technical infrastructure and adopt new technologies for key data centers.**
- 6- Expanding the automation of processes, functions, financial, accounting and operational procedures in accordance with business requirements.**
- 7- Opening sub-accounts for companies operating as electronic payment service providers from our JPMorgan account.**
- 8- Achieving the Social Development and Financial Sustainability Goals (ESG), reducing environmental risks and achieving sustainable financing.**

Total and accomplished sub-objectives

Total sub-objectives	72
Completed sub-objectives	8

Objectives achieved outside the Strategic Plan for 2021

- Cooperation with the judicial and security authorities in order to reduce the counterfeiting of banknotes and work on the continued clean-up of the currency in the circulation of these counterfeit papers and to provide the regulators with special statistics in this regard.
- Opening more than five new branches of banks inside Iraq and granting preliminary approval to open four new branches outside Iraq. achieved outside the Strategic Plan for 2021.
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- Cooperation with the judicial and security authorities in order to reduce the counterfeiting of banknotes and work on the continued clean-up of the currency in the circulation of these counterfeit papers and to provide the regulators with special statistics in this regard.
- Opening more than five new branches of banks inside Iraq and granting preliminary approval to open four new branches outside Iraq.
- Issuing controls governing the process of appointing senior bank leaders and taking all approvals to publish them on the Central Bank of Iraq website.
- Prepare a guide to the generalities issued in the years (2020,2019,2018,2017) containing all circulars and instructions issued, windowed and regulated banking and brokering and electronic payment companies authorized by the Bank.
- Completion of the task involving Iraq's Financial Assessment (FSAP), which was reported by the World Bank team and has been noted by the Central Bank team, and it is worth noting that this task was exceptional in all its aspects.
- A decision on the adoption of the International Islamic Classification Agency (IIRA) for the purpose of classifying Iraqi Islamic banks and circulating them to Islamic banks.

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- A decision on the adoption of the International Islamic Classification Agency (IIRA) for the purpose of classifying Iraqi Islamic banks and circulating them to Islamic banks.
- Meetings were held with the World Bank to provide technical support on raising Iraq's rating in the credit index and addressing the Ministry of Justice and the Baghdad Chamber of Commerce to form a working group on the subject and the General Secretariat of the Council of Ministers was provided with a copy of the report of the Iraq Calendar Indicators according to the report of ease of business and the role of the Central Bank in doing so.
- The preparation of the performance card for risk management controls in commercial banks is part of the continuing efforts of the Bank and the IMF's Metac Centre.
- The launch of the unified electronic bond project for letters of guarantee and thus complete and automate the stages of issuing letters of guarantee in the Iraqi banking sector all, and this comes within the framework of the development of the work of electronic control instead of traditional control and the continuous modernization of the staff of the electronic platform of letters of guarantee to develop this platform and the importance posed by letters of guarantee for banks.
- Obtaining approval to contract with major international audit companies to audit electronic payment service providers financially and technically.
- On the mobile payment interoperability system (IIMPS) networking (VPN) and fiber networking has been completed, the exchange of addresses for servers (URL) for interconnection (P2P) has been completed, as well as banks and companies have followed up to modify the messages exchanged according to the required specifications with the exchange of messages according to the required specifications between companies number (2) and other newly licensed companies will be activated next year.
- Work and coordination between the Payments Department and the Banking Control Service for the purpose of updating the work controls of foreign remittance service agents, under which

licensed electronic payment service providers (processor/mobile service provider) were allowed to operate as a chief agent.

-Issuing a circulation to payment service providers, which includes the need to take urgent technical measures to ensure that their POC devices are not used outside Iraq and activate the characteristics that allow for the monitoring of remittances through them and their geographical locations.

- In order to identify important processes within the Central Bank of Iraq and priority at work, a number of exceptional reports and research papers have been submitted on the topics of underlying risks and economic and monetary risks at the global and local level.

- The Central Bank deducted treasury transfers issued by the Ministry of Finance by 4 trillion dinars in order to finance the deficit in the state budget in 2021.

- As the financial agent of the state, the Central Bank contributed to the promotion and issuance of instructions for the sale of building bonds issued by the Ministry of Finance and 3 trillion dinars for the purpose of financing the fiscal deficit in the federal general budget.

- The Central Bank of Iraq continues to promote the exchange of treasury bonds dues to contractors at Rafidain and Al-Rasheed Banks.

- The Initiative of the Central Bank of Iraq for the new competent banks (9,435,000,000,000) dinars in accordance with the new mechanism introduced by the General Secretariat of the Council of Ministers, where the competent banks (agricultural bank, real estate bank, housing fund, industrial bank) were funded until (2021/12/31).

- Board of Directors Resolution no. (10) for the year (2021) was issued for the purpose of consolidating the lending period for both the Real Estate Bank and the Housing Fund to implement the secretariat's book on the extension of loans from (15) years to (20) years, including the duration of the 18-month completion period based on the controls of the High Lending Committee.

- Based on the decision of the Secretariat of the Board of Directors on (9/6/2021) numbered (111) for the year (2021), the mandatory reserve ratio was returned to (15%) instead of (13%) for current deposits of an ongoing nature in Iraqi dinars for government and private deposits and adopted from the June reports for the purpose of booking July amounts.

- Officially initiated and contributed to the preparation of foreign currency buying and selling controls for the year (2021)

- Activation of the RFQ tool, a sub programming of Bloomberg, through which deposit investments and renewals are carried out automatically.

- Interest rates on the Central Bank's initiative to finance SMEs during 2021 were adjusted to match the variables in Iraqi economic reality and achieve their purpose to the fullest extent possible and to ease the burden on borrowers as shown below:

All interest for banks and guarantor companies is decreasing.

Reducing the central bank's interest on large projects to be (1%) instead of (2%).

Reducing the interest of banks on home loans to be (2%) instead of (4%).

Adjust the central bank commission (home loans) to be (5 per thousand) instead of (7 per thousand).

A joint regulatory framework has been developed between the Central Bank, the Ministry of Finance, the Securities and Exchange Commission and the development of the investment unit.

- Net foreign reserves (with gold) in 2021 increased by (19.59%) compared to the previous year, with net foreign reserves (\$60,895) (US\$60,895,000) in December 2021 compared to \$50,920 (US\$50,992,000) in December of the previous year. The monetary policy and returns have contributed to this rise.

- From modern systems, FXALL, a sub programming of FX Trading, has been activated specialized in currency sales, showing offers from its correspondents and identifying the best, thus avoiding the trader's real-time price fluctuations that occur during the trading process, a platform adopted by several central banks in the world, while a number of others are still not working for their modernity.

- Activate the all Trading tool, a sub programming of Bloomberg platform that shows bond offers in the secondary market to the bank's correspondents through which the sale of bond purchases is made through offers made by them, and the best are automatically selected.

- To achieve revenues that exceed the costs of keeping securities with our correspondents the Central Bank of France and The Secretary-General Euro Clear, and to benefit from the lending of these securities, the total income (521,697.97 euros) (501,21,607 euros) (521,600 and 7 Ninety-

seven euros (97 cents) grew (138.62 euros) from the previous year of 218,626.85 euros (two hundred and eighteen thousand, six hundred and twenty-six euros, and eighty-five cents).

- Despite the decline in global interest rates to zero levels of some instruments, for example, us Federal Reserve bonds, after interest rates for those bonds for 2019 were nearly (2.75%), for years (2020-2021) nearly (0.125%), as a result of the Corona pandemic crisis that cast a shadow over the economies of the world, An amount (\$403,704,124.43) (\$403,300, 3,700, 4,400,124,244, resulting from interest on various instruments invested in them) was achieved, as revenue slumped by (58,570%) compared to the previous year (\$974,430,604.70) (nine hundred and seventy-four million, four hundred and thirty thousand, six hundred and four dollars, seventy cents).

- Additional central bank returns resulting from negotiations with counterparties through refinitiv (FXT, FXALL,RFQ) on investment in bonds, deposits or currency purchases, totaling 3,833,78 1.52\$) (three million, eight hundred, thirty-three, seven hundred and eighty-one and fifty-two cents) down (13.93%) from the previous year, as a result of high liquidity in financial markets resulting from quantitative easing policies used by central banks to counter the effects of Corona viruses and Accompanied by a decline in interest rates globally.

- Completion of swift scope, a project linking Iraqi banks with the Central Bank, in order to get the 103-type letters transferred to the Central Bank.

- Send payment orders and auction transfers type (202) totaling (6,866) a decrease (14.175%) from the previous year where the total (8000) was the result of a decrease in the foreign exchange window operations.

- Payment Universal Conformation, one of swift's compliance standards (confirmation from the beneficiary's bank that the funds have reached the beneficiary's account).

- The Central Bank has made exceptional efforts to follow up on the deduction of Kuwait's compensation rate of 3 percent of oil revenues from the beginning of the year (2021) to the date of (6/12/2021), where it was followed in four directions, representing the first trend in compensation for oil revenues flowing through a mechanism Documentary credits amounting to (\$1,624,500,991.72) (\$1.66 billion, 500,000, \$991,621, and seventy-two cents), the second trend is to follow up on service contract entitlements through the standardization mechanism The Central Bank of Iraq with the records of the Ministry of Finance and the Ministry of Oil with the aim of paying the compensation rate for which it contributed to the reduction of Kuwait's compensation by (424,040,672.94 dollars) (four hundred and twenty-four million and forty-four

thousand and seventy-two dollars and ninety-four cents), and the third direction was coordinated with the U.S. Federal Reserve for the purpose of stopping the automatic deduction of these compensations where they were suspended on (7/12/2021),

- Finally, the fourth trend, which was coordinated with the General Secretariat of the Council of Ministers and the Committee of Financial Experts on the knowledge of the remaining compensation of (\$43,657,743.09) (forty-three million, six hundred and fifty-seven hundred and forty-three and nine cents) which was completed in one payment, thus terminating the compensation file.

- The addition of several banks and their branches in different countries to the list of banks accepted by the Central Bank in the process of issuing documentary credits for the purpose of strengthening the position of importing companies in collecting credit ceilings for the import of Iraqi crude oil, as well as the continued acceptance by the Central Bank of Iraqi private banks in the process of issuing and stabilizing documentary credits in order to support their economic activity and develop their international business relationship, and to increase competition among these banks, which contributes to reducing banking costs for importing companies.

- Follow-up of procedures related to the re-activity of exchange companies located in hot spots in coordination with KPMG.

- As a result of the expansion of new investment operations, MT300/MT540/MT541 messages were applied for the first time to complete financial settlements for confirmation letters and letters of sale or purchase of new financial instruments.

- Increase investment in deposits through the introduction of new deposits to maximize the annual returns of this bank, amounting to the volume of deposits (\$20,330,537,872.18) (twenty billion, three hundred and thirty million, five hundred and thirty-seven thousand and eight hundred and seventy-two dollars and twenty-two dollars Cents (1.97 cents) compared to the previous year (\$19,936,872,090.21) (nineteen billion, nine hundred and thirty-six million, eight hundred and seventy-two thousand and ninety-one cents).

- Increase investment in bonds through the development of new bonds to maximize the annual returns of the Central Bank, issued by central banks, commercial banks and financial institutions, the volume of bonds (20,457,648,782.49 dollars) (twenty billion, four hundred and fifty-seven million, six hundred and forty-eight thousand and seven 182 dollars and forty-nine cents) grew (9.80 percent) from the previous year, with bonds (\$18,631,184,314.31) (eighteen billion, six

hundred and thirty-one million, one hundred and eighty-four thousand, three hundred and four Ten dollars and thirty-one cents).

- The Central Bank played the most prominent role in activating the Chinese Agreement, where it worked to control and audit the accounts of all the Iraqi-Chinese agreement and to ensure the compliance of the parties related to the terms of the agreement, and contracted with an international audit company working to follow up on all transfers and operations carried out based on the details of the agreement above with Iraqi authorities and other foreign banks to ensure access to the integrity of all these operations.

- Issuing cash system for foreign currency.

- Update the Internal Audit Charter.

- Develop a code of rules and principles of audit ethics.

- Early warning reports and the joint report of the most important systemic risks in the Iraqi banking sector have been prepared.

- Development of databases for the banking sector in the southern region of Basra branch and through the distribution of data collection forms through banks and follow-up, which contribute to the provision of qualitative statistics in this sector in the future.

- Work on the development of the infrastructure and organization of the Erbil branch and the formation of a committee for the National Energy Support Initiative and a list of tasks and responsibilities.

- Launching the regulatory and supervisory progress plan for the Kurdistan Regional Branch based on laws and instructions issued by the Central Bank.

- Preparing, printing and circulating the Central Bank's second strategic plan (2021-2023) and publishing it on the official website.

- Preparing the ministerial curriculum and sustainable development report in coordination with the relevant authorities and sending it to the General Secretariat of the Council of Ministers.

- Adopting a unified structure of the central bank's policy and procedures guides (Comprehensive Quality Management Section, Financial and Monetary Stability Section, Risk Management Department, Payments Department) for the purpose of unifying and organizing the hubs comprehensively and clearly.

- Completion of the procedures for applying the job satisfaction questionnaire after obtaining approval for its implementation to the departments and branches of the Central Bank and reporting on the results of the questionnaire.
- Coordination with the Ministry of Electricity in the application of international energy specifications, as the ISO energy team was formed at the Central Bank and the energy meter counting forms for buildings were distributed and collected and work is under way to record meter readings early each month.
- Preparing a feasibility study for the technical specifications of bidders to qualify the Central Bank in accordance with the requirements of the international anti-corruption and bribery specification to approach third parties that have obtained the certificate after obtaining the official approval of the respected governor.