

Smart Insurance and the Missing Contribution to Sustainable Development in Iraq

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Abstract

The insurance sector in Iraq needs a real revolution with procedures and work mechanisms, especially since this sector has made an effective contribution to increasing revenues and has become one of the sources of national income diversification in many countries with the tremendous development in the use of modern means and technologies in smart insurance. On the other hand, the insurance sector in Iraq still has a weak role and its contribution to the GDP does not exceed 0.05%, and there is no real contribution to sustainable development in Iraq. This is due to many reasons, including insurance in Iraq. It has been practiced according to the traditional method despite the issuance of the Electronic Signature and Electronic Transactions Law No. 78 of 2012, and to achieve development in the insurance sector to achieve a higher contribution to sustainable development, it is necessary to benefit from experiences that preceded the Iraqi experience in the smart insurance sector, which passes through the digitization portal and includes the four areas (technology, improving customer experience, offering customized products in the field of insurance, and expanding distribution channels), through digitization, modern technology, and enabling smart insurance, it is possible to read the market, analyze customer behavior, reach them, and design products that suit them.

Keywords

Insurance, Smart Insurance, Digital Transformation, the Prospective Role for the Development of the Insurance Sector, the Missing Contribution Link, Sustainable Development.

Introduction

An Enabling smart (electronic) insurance in light of the use of international networks (the International Information Network), to present insurance services to developing countries, including Iraq, is a modern idea. Therefore, smart insurance operations require intensive educational programs to create awareness and awareness of the importance of trade, capital movement, electronic insurance and its role in contribute to achieving sustainable development with years of lost economic development opportunities in Iraq, especially since international experiences are rich in this field.

The insurance sector and industry have played a prominent role in the various economies, and no progress is made in this industry unless the insurance process keeps pace with recent developments in digital technology and the insurance industry, which requires the presentation of insurance services electronically and gradually moving away from traditional insurance operations. Smart insurance has a number of advantages that are consistent with speed and flexibility in conducting commercial transactions and insuring them.

There is no doubt that providing an incubating environment for smart insurance in the country will contribute to expanding the volume of business, especially in small and medium enterprises that the Iraqi economy needs, as it is one of the means to achieve security and increase confidence in the implementation of projects and electronic exchanges that are consistent with economic and commercial activities that are characterized by speed and flexibility, and this can only be done through the insurance sector has gone beyond the traditional method of its work and moved to smart electronic insurance, which is reflected in the level of performance of the insurance services provided, and is also reflected in achieving sustainable development and achieving a contributing number to the gross domestic product in the Iraqi economy.

Research Problem

The low contribution of the insurance sector in Iraq to the gross domestic product and sustainable development, and this contribution does not exceed 0.05%. sustainable development and diversification of sources of national income in Iraq.

Research Importance

It is hoped that the insurance sector's contribution to Iraq's gross domestic product will increase and achieve sustainable development through the use of digital technology and

artificial intelligence in the areas of buying, selling and marketing insurance products using modern technological means, and expanding the contribution of insurance companies to ensuring commercial and investment projects, especially small and medium enterprises and youth projects.

The importance of the research comes from the importance of the role of applying, introducing and enabling smart insurance in the work of the insurance sector in Iraq, especially since there are huge funds spent on the fields of knowledge economy and research in the fields and applications of the Internet and digital technology and the amazing developments in the means of communication and information.

Research Aims

1. Understand the concept of insurance, smart insurance and sustainable development, and explain the role of enabling smart insurance and digital technology in the insurance industry.
2. The possibility of the extent of application to the Iraqi insurance sector in accordance with the modern concepts related to this field and the expected role and contribution to the gross domestic product and sustainable development.
3. Seeking to monitor and analyze the obstacles and challenges facing smart insurance (e-insurance), and whether Iraq has an infrastructure for the application of smart insurance, especially that addressing the challenges will create an insurance sector that contributes to sustainable development.
4. Striving for Iraq to have a legal and legislative environment governing smart insurance, and also striving to pay attention to the technical aspect by clarifying the effects of the amazing progress in social networks and digital media in smart insurance, leading to the use of artificial intelligence in insurance activities.

Research Hypothesis

There is a relationship between enabling smart insurance, smart technology, the insurance products industry, and the expected role to achieve sustainable development, on the basis that the insurance sector is important in stimulating economic activity and the developmental role, operations and investment activity in Iraq.

Research Limits

The time limits of the research were in the period 2010-2019, and the examination adopted the method of induction and economic analysis based on the available studies and

special data on smart insurance and national insurance companies, and information obtained from sources, studies and research, as well as information obtained from the international information network.

The research community and sample are represented in the spatial boundaries of the Iraqi National Insurance Company, whose data occupies the largest proportion of its contribution to investment and insurance work in Iraq.

The First Section

Enabling Smart Insurance and Sustainable Development: Evolution of Concepts and Objectives Smart insurance has become a real and influential reality in the insurance industry and future, and it must be dealt with, and accordingly, the insurance industry will remain backward unless it deals with modern methods of information and communications and the international information network (Internet) in marketing, selling and buying insurance knowledge and products, taking into account risks and degrees of privacy and the safety and protection that surrounds the implementation of these operations on insurance companies and the public, and there is no doubt that there is a development in the concepts of insurance and sustainable development that occurred during the historical context of the beginning of the emergence of these concepts by different means and mechanisms to achieve implementation and the role contributing to sustainable development.

The First Requirement

The Concept of Insurance and Smart Insurance

Digital transformation and the empowerment of smart insurance has become the new challenge facing insurance companies, which must follow the foundations and the new organized approach in order to develop the incubating environment. The insurance industry is affected by all the changes occurring in the economy.

Therefore, one of the reasons for the success of this industry is to deal with the rapid changes in life, science and innovation, as the process of stagnation delays the achievement of gains from this industry, and therefore it is necessary to adapt to new developments in the fields of the Internet, communications and information systems and employ them to achieve their goals through presentation and marketing and selling insurance products over the Internet to the target audience for the service.

The Concept of Conventional Insurance

The economic definition of insurance is a tool to reduce the risk faced by the individual and the investor by assembling a sufficient number of units exposed to the same risk to make the losses they are exposed to can be expected collectively, and then each unit owner can subscribe to a share attributed to that risk (Souad, 2017).

Insurance can also be defined on the basis of collecting risks and distributing material losses that result from their realization to those exposed to these risks. Insurance as a cooperative system works to reduce the burden of material losses that befall some individuals by distributing them to all participants and the one who organizes this cooperation is the insurance companies (Kamel, 2016).

Conventional insurance aims to transfer or transfer risk in the sense of bearing risks or financing those risks that face individuals and institutions. The innovation comes in diversifying the offers offered to institutions and individuals to diversify risks, mitigate changes in incomes and expenditures, improve the financial intermediation function, stimulate capital accumulation and support economic effectiveness (Abdel Razzaq, 19XX).

The Concept of Smart (Electronic) Insurance

There are several definitions of electronic insurance, most notably: (the use of the Internet and high-tech information technologies in the production and distribution of insurance products and services. The delivery of the document and the claims settlement process is through the Internet (Al-Khikani, 2018).

After the tremendous development in information and communication technology, the insurance industry tended to benefit from this development. Today, information technology is widely used to communicate with brokers, process insurance documents and analyze the market. Therefore, the technical acceleration launched by the Internet has accelerated the way the insurance industry deals with it (Abboud, 2011).

All indications indicate that smart insurance will make a qualitative leap in the future in terms of saving administrative and general expenses because it will save time, facilities and the quality of insurance services for customers.

The Economic and Social Objectives of Insurance and Smart Insurance

1. Adopting the insurance industry technology through smart insurance services will achieve financial savings ranging between 10-15% of the total general and administrative expenses and expenses incurred annually by insurance companies,

- and this enhances public revenues and achieve good profits, and electronic insurance brings about a reduction in distribution costs ranging from Between 12-26% of the value of insurance premiums (Fayyad, 2018).
2. Insurance plays an important role in economic and social activity and is considered one of the most important and largest savings vessels for any economy by collecting and saving premiums, surpluses, accumulated capital and reserves, and then investing them in various areas of economic life, which has a major role in the process of sustainable development.
 3. The impact of insurance on vital variables in the economy, and that the main objective is to provide insurance coverage for individuals and establishments from the results of the various risks they face. Thus, it contributes to providing economic stability through insurance as a means for investment and savings, working to increase production, facilitating and expanding credit operations, developing foreign trade and providing protection Insurance activates the movement of financing through lenders.
 4. Insurance helps expand the scope of credit, which is necessary for all projects, and this contributes to economic growth and sustainable development. The insurance sector is an important partner for the rest of the economic sectors and contributes to supporting them and maintaining their stability. Therefore, this sector is concerned with the innovation process and keeping pace with the rapid changes in the working tools of this sector to support the capabilities of Competitive sector at the local and global levels.
 5. Smart insurance will lead to a reduction in business and internal management by conducting smart business, which means improving management levels and reducing the real time of completion.
 6. Reducing the commissions paid to brokers, brokers and producers through direct sales, as the commission paid to intermediaries ranges around 15%.
 7. Insurance contributes to achieving balance in the economy and advancing the economic and social development of the state and society forward, as it is one of the main sources of savings necessary to finance economic activity, as it encourages individuals to save. Availability of large capital invested in the service of the state, which has a positive impact on increased production, development and national income.

The Second Requirement

The Concept of Sustainable Development

The idea of sustainable development arose, which some consider a correction to the traditional model of economic development and takes into account the mutual relationship

between man and his natural surroundings and between society and its development in achieving sustainable development, including eliminating poverty, it protects individuals, families and investors from falling into poverty when losses occur due to insured risks. Insurance plays an important role in providing decent work and supporting the economy through its traditional role in protecting assets and increasing borrowing and financing opportunities because of this protection.

The economic protection provided by insurance in the event of the death of the family breadwinner supports, avoids or reduces child labor and pushes minors into the labor market. Insurance also plays a role in building cities and local communities, as insurance makes human societies more resilient, as insurance coverages for property help in maintaining. With the investments of individuals, companies, and local and national governments, placing insurance within the global development program is of great importance by integrating insurance in partnership with stakeholders and identifying best practices that can be contributed to the global partnership for sustainable development (Laila, 2018).

Insurance provides significant capabilities through the employment of subscriptions that are considered a contribution to the development of the national economy and sustainable development, given the volume of invested funds, which reflects the supply capacity of this activity and its role as a financial intermediary, maintaining the financial disclosure of that worker who lost his ability to work in addition to maintaining the financial disclosure of the institutions subject to the threat of risks that would waste resources of a great deal of importance, whether for the owners of the project or the economy in general. In addition, insurance provides protection and safety for investments of all kinds from all risks, whether caused by political, economic or even environmental factors (Belhoushat & Atioui, 2020).

The Third Requirement

The Interrelationship between Smart Insurance and Sustainable Development

The relationship between smart insurance and sustainable development is the role that insurance companies play in the sustainable development of any country, through which they contribute to the investment process and protect capital from various risks. The importance of this lies in two main aspects. The first aspect is the role of the insurance sector in financing many projects through the expansion of existing industrial, agricultural and commercial projects that have a role in achieving sustainable development through

their accumulated premiums and investing their money in various investment fields. The second aspect is providing insurance protection for individuals and institutions from various risks, which reduces investment risks and then income in new fields of production (Kamel, 2016).

The process of success and failure of the interconnected relationship between smart insurance and sustainable development depends to a large extent on the desire and ability of the executive body in the state and technical cadres that have a real desire to achieve this relationship. The appropriate investment environment to attract foreign and local capital, as this leads to the stability of economic conditions and the prevalence of investors' sense of low risk and the prevalence of security and stability (Al-Kinani, 2013).

The Second Section

Smart Insurance: Challenges and the Expected Role to Achieve Sustainable Development in Iraq

Conducting smart insurance operations helps shorten the traditional and long-term insurance operations, as it shortens these operations in the fewest possible steps and helps the spread and expansion of certain types of insurance, which is reflected in an increase in the contribution to the gross domestic product and the achievement of sustainable development.

The First Requirement

Smart Insurance is a Major Qualitative Leap in the Insurance Industry

Insurance has become one of the important branches of the economy, which through the turnover achieved on a global level, which amounted to about 4,778,248 million US dollars, with a share of 6.7% of the global gross domestic product, and represents a rising percentage year after year in the gross domestic product. Table (1) shows the evolution of the volume of insurance premiums in the world.

The world and the effects of digital transformation on the insurance sector are illustrated by table (1), as the share of the insurance market in the world in 2019 and the three poles, the United States of America, Europe and Asia, remain the owners of the market share as shown in the table. It is possible to know the global market share and the percentage of the gross domestic product (%) respectively (North America, South America, Europe, Asia, Africa) and the number of businesses to the gross domestic product (%) (7, 3, 8, 6, 2).

Table 1 The evolution of the volume of insurance premiums in the world.

| Continent | Turnover (Million Dollars) | Share of Global Market (%) |
|------------------------------|---------------------------------------|-----------------------------------|
| USA | 1594040 | 33.36 |
| North America | 1405816 | 29.42 |
| Latin America | 188225 | 3.94 |
| Europe | 1697529 | 35.53 |
| Western Europe | 1627529 | 34.06 |
| Central and Eastern Europe | 69859 | 1.46 |
| Asia | 1317566 | 27.57 |
| Asian Developed Markets | 802938 | 16.80 |
| Developing Asia | 465,557 | 9.74 |
| Middle East and Central Asia | 49071 | 1.03 |
| Africa | 68974 | 1.44 |
| Ocean countries | 100140 | 2.10 |
| World | 4778248 | 100 |

Source: Dr. Mohamed Abdel Latif Zayed, Digital Secretary, An Applied Study on the Saudi Insurance Sector, The Arab Journal of Management, Volume 39, 2019, p. 22.

According to the Global Statistics Portal for the year 2019, it was found that the smart digital insurance in the world represents 38% of the interest of insurance technology companies, 22% for big data and its analysis, and 18% for the health care sector, 14% for the Internet of Things, according to figure 1.

The importance of enabling smart insurance for insurance companies comes as a source for increasing the volume of business and revenues (premiums), as well as opening new horizons for promoting insurance products and reducing costs. Digital transformation is around 25% annually.

Most indicators indicate that enabling smart insurance has contributed to reducing the costs of distributing insurance services by 26% of the value of insurance premiums and 15% of administrative costs of the value of premiums, an increase in the speed of claims settlement by 12% of the value of premiums, and a reduction in commissions paid to brokers and companies. Insurance brokerage at a rate of 15% for the sale of property insurance policies or upon renewal. Studies also confirm that insurance companies' adoption of Internet and communication technology before and after sales operations will achieve financial savings ranging between 10-15 of the total expenses and general and administrative expenses incurred by companies annually.

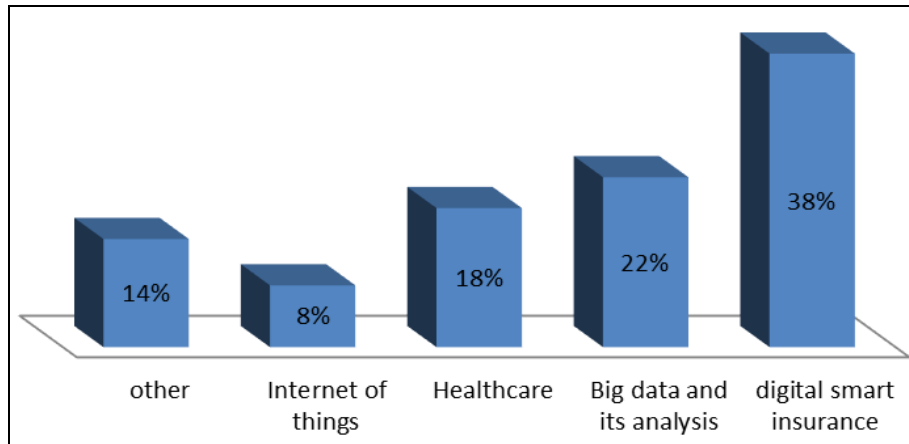


Figure 1 Distribution of insurance technology companies around the world by sector

Source: Wahba Abdel Rahim, Insurance Technology as the Future of the Insurance Industry, Al-Ijtihad Journal for Legal and Economic Studies, Saudi Arabia, Volume 8, Issue 1, Year 2019, p. 17.

The latest studies related to the automotive industry indicate that the electric and self-driving cars industry will be one of the features of the next era with all its high-speed and accurate technology. In the coming years, unlike what is in the traditional markets (Schmidt, 2019).

The Second Requirement

Challenges of the Incubating Environment for Smart Insurance in Iraq

The use of the international information network in the insurance industry is a modern idea for developing countries, and this requires overcoming the challenges facing this industry to achieve sustainable development and achieve the goals desired by the work of government and private insurance companies.

1. The insurance sector in Iraq recorded a modest contribution to the GDP, at 0.05%, which is a level that is relatively far from what is in Africa 2.8%, Morocco 3.8%, Tunisia 1.8%.
2. The absence of insurance awareness in the community and the absence of laws and legislation necessary to advance the insurance sector, and there is a defect in the efficiency of financial resources, and all these problems made the insurance sector one of the passive sectors in the country due to the lack of understanding of the role of companies and their work specified in the compulsory insurance policies for some of the employees of the departments.

3. The challenges facing the insurance sector in Iraq lie in not adopting an effective policy for development and innovation and providing a balance of quantitative and qualitative information as a strategic source that enables this sector to analyze and scientific and technical production, as well as the challenges of weak corporate websites and developing a digitized relationship with customers in light of modern payment methods. And this process requires the provision of technical and technical requirements that help spread the culture of electronic insurance through a legislative system that supports conducting insurance operations electronically, while benefiting from the Electronic Signature and Electronic Transactions Law No. 78 of 2012, which accommodates the legal basis for conducting the insurance process electronically (Al-Ammari & Al-Khikani, 2018).
4. The law is faulted for not explicitly mentioning electronic insurance as a separate title, which requires setting special provisions for this insurance by being guided by the laws of electronic commerce and the general rules for concluding contracts electronically. We found it realistic with national insurance companies that practice insurance in its traditional form only.
5. Insurance companies in Iraq cannot practice their activities except within the limits of the permissible regulatory and legal framework. Therefore, the process of innovation and digital transformation is subject to keeping pace with the Iraqi legislator, which must be in harmony with the desire and aspirations of insurance companies in light of preserving the space between the role of the restricted without neglecting the role of the positive observer.
6. There is no significant contribution of the insurance sector to the GDP, with a lack of market transparency and limited competition with intentional or unintentional neglect by the public authorities, with the lack of skill of workers in this sector, poor funds and lack of confidence in the sector and insurance services.
7. Smart insurance seeks to reach the categories that insurance services do not reach, provide sustainable insurance products and invest all means and advantages of digital transformation, especially in distribution operations with the aim of achieving insurance coverage, which is part of the country's plans to achieve financial inclusion, and insurance still works under the traditional framework.
8. All pillars of innovation in the Iraqi insurance sector pass through the digitization portal and include the four areas (digital technology, improving customer experience and offering customized products that help increase insurance profitability and contribute to the gross domestic product and finally expand distribution channels, and all of these channels are weak.

The Third Requirement

The Incubating Environment and Closing the Missing Link for Smart Insurance to Achieve Sustainable Development in Iraq

In order for the insurance sector to play its economic role as a factor and attract investments, it is assumed that the contribution of the insurance sector to the GDP will be increased on a regular and steady basis. Insurance and the development of new types of products, especially electronic insurance products, to cover market requirements.

In numbers, it is clear that insurance in Iraq is the lowest among the Arab countries, as the volume of the insurance sector in Iraq for the year 2019 amounted to only \$200 million to constitute one of the weakest countries in the Arab region, as the percentage of the auto insurance sector was only 9% of the total insurance sector, while In the rest of the countries, its percentage reached 22% of the total insurance, while the health insurance rate in Iraq was 1%, compared to 35% of the total insurance in the rest of the Arab countries.

Countries such as Qatar, the United Arab Emirates and Saudi Arabia achieved high returns from the insurance sector, amounting to 11 billion US dollars in the UAE, 9.24 billion US dollars in Saudi Arabia, and 4.34 billion dollars in Qatar. Insurance premiums in the Middle East and North Africa rose to 60 billion US dollars by the end of 2019 Compared to about 25 billion US dollars in 2009, which represents a growth of 140% annually during the period 2009-2019, and the total insurance premiums in the insurance market in the Gulf Cooperation Countries amounted to 29.2 billion US dollars in 2019 (Al-Baker, 2019).

The volume of business in the insurance sector in selected Arab countries for the same year amounted to \$3.133 billion in Morocco. The Moroccan insurance sector's share of the global market was 0.07%, while Egypt had \$2.108 billion with a global market share of 0.05%, Algeria with \$1.162 billion and 0.03% share, and Tunisia. \$823 million, share 0.02 (Abdel-Razzaq, 19XX).

Therefore, closing the gap between enabling smart insurance and achieving sustainable development needs in Iraq the necessity of digital transformation in the insurance industry, which has become an urgent need in light of the rise in the number of Internet users from 400 million to more than 3.2 billion worldwide during the past 15 years, and it is necessary to maintain With the client and access to the market in its new concept, it is

necessary to digital transformation in the sale of insurance products and services in a way that contributes to increasing profitability and the value of shareholders (Al-Baker, 2019).

Despite the fact that the number of cars in Iraq has reached 6 million, the car insurance sector is still very weak due to the lack of legislation and the lack of confidence in local insurance, despite the presence of 39 local companies operating in it. Two companies owned by the public sector and three government companies control 98%. From the Iraqi insurance market (Abdel-Razzaq, 19XX).

The insurance sector can play a major role in increasing the GDP and thus increasing jobs in the private and public sectors as a result of the correlation of the growth rate with the GDP with the increase in jobs. The contribution of the insurance sector to Iraqi companies as a whole does not constitute more than 0.05% of the Iraqi GDP, which is a low percentage if it is compared with the sector's contribution in other Arab countries, which exceeds 2-3% (Al-Obaidi, 2021).

According to the official data issued by the Ministry of Finance, the Iraqi General Insurance Company, the total incoming premiums for general insurance in its multiple governorates during 2019 amounted to (135,16553000) dinars, incoming premiums for 2018, an increase of 24%.) Dinars and renewed business (1488) documents and premiums of (362,1637000), and the following two tables show the development of new and renewed insurance premiums for the period 2010-2019.

Table 2 Number of policies and new general insurance premiums.

| Year | No. | Change Percentage % | New General Insurance Premiums | Change Percentage % |
|------|------|---------------------|--------------------------------|---------------------|
| 2010 | 2416 | 0 | 4267321000 | 22 |
| 2011 | 2967 | 23 | 5801695000 | 36 |
| 2012 | 2647 | 11 | 5695703000 | -2 |
| 2013 | 2411 | -9 | 4585914000 | -19 |
| 2014 | 3429 | 42 | 4783217000 | 4 |
| 2015 | 1842 | -46 | 9837397000 | 106 |
| 2016 | 1381 | -25 | 10435075000 | 6 |
| 2017 | 1842 | 33 | 4334625000 | -59 |
| 2018 | 1684 | -9 | 6567979,000 | 52 |
| 2019 | 1533 | -9 | 9894916000 | 51 |

Source: Ministry of Finance, National Insurance Company, company statistics for the period 2010-2019.

Table 3 Number of renewed policies and premiums for general insurance.

| Year | No. | Change Percentage % | Renewed General Insurance Premiums | Change Percentage |
|------|------|---------------------|------------------------------------|-------------------|
| 2010 | 858 | 0 | 114793,000 | 0 |
| 2011 | 1167 | 36 | 953199000 | 73 |
| 2012 | 1490 | 28 | 2434284000 | 155 |
| 2013 | 2009 | 35 | 4670199000 | 92 |
| 2014 | 2079 | 3 | 4908728000 | 5 |
| 2015 | 1807 | -13 | 6867941000 | 40 |
| 2016 | 1624 | -10 | 3831004000 | -44 |
| 2017 | 1779 | 10 | 5501408197 | 43 |
| 2018 | 1541 | -13 | 4376490000 | -20 |
| 2019 | 1488 | -3 | 3621637000 | -17 |

Source: Ministry of Finance, National Insurance Company, company statistics for the period 2010-2019.

The nature of competition in the insurance industry in its various branches has changed due to significant changes in the behavior of customers and their needs for services that keep pace with the times. The entry of digital technology into the insurance industry called for the need to think seriously about how the insurance sector in Iraq entered the world of smart insurance.

It is noted from the model of the National Insurance Company that insurance in Iraq needs important measures for the purpose of developing its contribution to the gross domestic product and needs pillars of innovation in the insurance sector so that there is a prospective role for smart insurance, but there is no doubt that there are many challenges facing the insurance sector in Iraq, so that in order to be certain that there is an expected role that can be achieved for the development of the insurance sector in Iraq, knowing that the funds dealt with in the Iraqi insurance sector are very small and have little contribution to the gross domestic product if compared to the developed countries and some of the countries of the Arab region and this is due to the low confidence in this important sector in economic activity.

The table shows the small amount of money for a model of national insurance companies that control 98% of the insurance business in Iraq, while there are 29 private insurance companies that have no role in this sector, while insurance was supposed to provide a great benefit to the national economy through insurance companies investing premiums It has accumulated insurance and its lack of income-generating projects.

Studies specialized in insurance indicated that the Iraqi National Insurance Company, which is one of the largest Iraqi companies in the field of insurance, announced its annual

revenues for the year 2020, in which insurance premiums amounted to 87 billion Iraqi dinars, a decrease of 7% compared to the year 2019 and the company's profits amounted to 14 billion dinars for the year 2020. With a decrease of 18% compared to 2019, the company's contribution to the GDP reached 0.007%, which is a low percentage, especially since the company owns a marketing share of about 50% of the size of the local insurance market.

The aviation sector achieved the highest percentage of revenues due to the contract concluded between the Iraqi Airways Company and the National Insurance Company.

The contribution of the aircraft insurance sector insurance amounted to 22% of the total revenues of the company, followed by the engineering sector insurance by 19% and the fire sector by 16%. Although the company allocated 5% of its profits to the research and development sector, at a value of 734 million dinars, with the allocation of high amounts to the marketing sector, the company failed to attract the sectors operating in Iraq, and the company was unable to increase its revenues in important sectors such as the health sector and the automotive sector. It represents 4%, and this percentage is weak due to weak marketing operations and administrative systems. The company does not rely on modern electronic systems, despite the number of the company's employees amounting to 729 employees.

It should be noted that there is weakness for the National Company in the marketing aspect, research and development aspect, and programs to enable smart insurance, despite the training of 139 employees on specialized insurance programs. Despite this, the indicators of this company are still below the level of ability to gain the confidence of customers in the insurance sector, despite the fact that the company in 2020, it paid 18 billion dinars in compensation, which is a good figure, but the company did not market this amount to gain the trust of potential customers (Ibid).

And the best thing to say is that the local market is still weak and demand is little so far, but there is no doubt that there is a great future awaiting smart insurance in Iraq. The role of insurance in the life of society and in the business, sector is not denied, and in contributing to the gross domestic product and achieving sustainable development, and opens up dependence on transformation. Digital in the insurance sector as an inevitable option, not optional, this type of insurance will be required during the next ten years.

There are also optimistic expectations that the insurance activity via the Internet will jump during the next ten years to very high rates. Therefore, plans must be drawn up by

insurance companies and determine financial allocations for spending on enabling smart insurance in Iraq and spending on advanced technology in order to obtain the expected returns from it. And in light of the global developments in the field of insurance and its marketing, the failure to respond to such developments quickly enough and prepare appropriate plans to confront them would make it difficult to achieve any competitive advantages. In fact, companies are likely to lose the ability to compete and lose any role in contributing to the gross domestic product.

Conclusions

1. The idea of electronic insurance arising from the spread of electronic commercial operations is almost unknown in terms of the law being free of electronic insurance as a separate address, which requires setting special provisions for this insurance by being guided by the laws of electronic commerce and the general rules for concluding contracts electronically.
2. The emergence of electronic insurance applications, especially in light of commercial dealings in a strong manner, which prompted some countries to issue decisions related to electronic insurance and the lack of general rules in traditional insurance to face the consequences of conducting insurance electronically.
3. Weak insurance awareness among individuals, companies and government institutions of the importance of insurance and its role in protecting society and minimizing the effects of the risks to which it is exposed. Moreover, the insurance sector still operates under a state system that is restricted by many controls and routine procedures with limited private sector activities in the field of insurance.
4. The insurance sector in Iraq differs from the regional and international markets in terms of innovation. Therefore, we still need more time, work, procedures and infrastructure in terms of legislation and laws, and real support to increase the money circulating in this sector.
5. The lack of technical expertise in the insurance sector, whether in number or quality, at the level of computer and smart insurance, who hold higher degrees, and the limited introduction of the international information network (the Internet) in the branches and departments of national insurance companies, which indicates the adoption of the traditional method of transactions. And daily transactions on paper records and documents.
6. There is no doubt that part of the decline of the insurance sector in Iraq and its lack of connection with the international insurance companies, the latter are looking for partners who have the ability, readiness and interaction to keep pace and achieve the

desired and expected development, and in fact, the governmental and private insurance companies in Iraq are not ready for this development yet.

Recommendations

1. The offer of insurance services is a modern idea in most countries, especially material and technical requirements that contribute to the advancement of the reality of traditional insurance, so there is an urgent need to find a legal regulation for electronic insurance, and to issue instructions related to adopting the idea of offering insurance services electronically.
2. Inviting government agencies and departments and ministries, especially the Ministry of Finance, to advance the reality of insurance companies in developing the capabilities of their employees and to include them in courses on knowledge of insurance marketing electronically, and to increase the effectiveness and speed of Internet networks to meet the ambition of shifting towards electronic commerce and offering insurance services electronically, and in connection with the idea of electronic insurance, Calling on banks to develop their electronic systems and to introduce electronic payment methods in the banking business and to abandon the traditional means that they deal with, and this is a shortcut to effort and time, as is the case today.
3. Insurance companies should establish virtual websites through which insurance services are presented in a way that facilitates consumers' access to and deal with them, the possibility of dialogue and consultation between consumers and the company's experts, sending the required data and other procedures required by the insurance process.
4. Spreading insurance awareness by using means of promotion and advertising and adopting a special budget to spend on this vital activity with the establishment of laws and regulations that help enable smart insurance in order to determine the rights and obligations of the parties to the process, which enhances the source of confidence and security for the operating companies and those dealing with these companies.
5. Involving employees of national insurance companies in training courses, especially in the field of electronic insurance, knowing everything that is new in the insurance industry regionally and globally, and strengthening human cadres in national insurance companies with high levels of qualification in the specializations of insurance, computer and information systems from holders of master's and doctoral degrees.

6. Developing the work of national insurance companies from paper forms to electronic ones by inserting them on the website for the purpose of increasing insurance awareness among the public to ensure the progress of the smart insurance industry, and issuing instructions related to adopting the idea of offering insurance services electronically in line with the issuance of the Electronic Signature and Electronic Transactions Law No. 78 of the year 2012 active.
7. Activating the use of the Internet in the field of claim settlement and compensation payment by drawing on the experiences of other countries in this field for the purpose of strengthening the relationship between insurance companies and their clients and achieving customer satisfaction through speedy obtaining of compensation.
8. Continuing to develop the legal framework for the insurance sector in line with the continuous changes in financial technology and smart insurance services in a way that is in harmony with the needs of the sector and the changes and developments it is witnessing, whether at the local or international level. The reform of the insurance sector must be combined with the reform of the financial sector confined to banks and the market not developed for securities, so the insurance sector must play an important role in financial intermediation.
9. Supporting private insurance companies and providing laws and instructions that establish these companies with institutions to ensure the support of these companies for the perpetuation of the work of these companies. These companies may be similar to deposit guarantee companies and loan guarantee institutions in banks.

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