

**THE ROLE OF MURABAHAH IN FINANCING INVESTMENT PROJECTS AN
APPLIED STUDY IN A SAMPLE IN ISLAMIC BANKS - AL-WATANI ISLAMIC
BANK – BAGHDAD FOR THE YEARS (2014-2018)**

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Özet

İslami bankalar, İslami Şeriat hükümlerine aykırı olmayan hizmetler sundukları için, çeşitli İslami finansman kullanarak yatırım projeleri için yatırım ve finansman faaliyeti yürüttükleri için, temellerini veya ilkelerini faizle işlem yapmayı yasaklayan İslami itikattan alan finansal kuruluşlardır. Kâr elde etmek için formüller.

Bu çalışma, bir vaka çalışması olarak Ulusal İslam Bankası - Bağdat'ı dikkate alarak (2014-2018) döneminde (2014-2018) İslami bankalarda murabahanın yatırım projelerinin finansmanındaki etkisini netleştirmeyi amaçlamaktadır.

Bu çalışma ile İslami bankalarda uygulanan murabaha faiz oranı, geri ödeme süresi ve finansman politikalarının yatırım projeleri üzerinde istatistiksel olarak anlamlı bir etkisinin bulunması başta olmak üzere bir dizi sonuca ulaşılmıştır.

Öneriler aşağıdadır: Irak İslami bankalarının, özel sektörle birlikte katıldıkları projelerin faydalarının, özellikle bu katılım nedeniyle ardı ardına meydana gelen kayıplar ışığında, kapsamlı bir analiz ve çalışma yapma ihtiyacı. Irak İslami bankaları, üretimi artırmak ve işsizliği azaltmak için çalıştığı üretken sektörleri, İslami bankaların hibe finansmanı temelinde müşteriler arasında ayırım yapma ihtiyacını ve üretken finansmana önyargıyı dahil etmek için çeşitli ekonomik sektörlere uzun vadeli finansman sağlamalıdır. Bankaların küçük ve orta ölçekli işletmelere yönlendirme, istihdam olanaklarını iyileştirme ve işsizliğin azaltılmasına katkıda bulunma ihtiyacı, finans mühendisliği geliştirme ihtiyacı ve İslami Şeriat düzenlemeleriyle uyumlu ve makroekonomik değişkenler üzerinde olumlu bir etkiye katkıda bulunan modern finansal araçlar yaratma ihtiyacı. Fizibilite çalışmalarında modern yöntemleri benimseyerek, riskleri önlemek için projeleri değerlendirerek ve programlara, fonlara veya yatırım portföylerine katkıda bulunarak başarılı yatırım projeleri için sürekli arama. Veya İslami bankalardaki fazla likiditeyi yatırmanın ve kullanmanın herhangi bir yolu, İslami bankaların dikkatine duyulan ihtiyaç Bankanın karlılığı üzerindeki etkileri ve bankacılıkta devam edebilme kabiliyeti göz önünde bulundurularak bankacılık hizmetlerinin ve ürünlerinin fiyatlandırılması kararı ile Market.

Anahtar kelimeler: İslami finans, İslami bankacılık, yatırım, murabaha, yatırım projeleri.

Summary

Islamic banks are financial institutions that derive their basis or principles from the Islamic creed that forbids dealing with interest, as they provide services that do not contradict the provisions of Islamic Sharia, so that they practice investment and financing activity for investment projects using various Islamic financing formulas in order to achieve profit.

This study aims to clarify the effect of murabahah in Islamic banks in financing investment projects during the period (2014-2018), taking into account the National Islamic Bank - Baghdad as a case study.

This study was able to reach a set of results, the most important of which is the existence of a statistically significant effect of the murabaha rate, the repayment period, and the financing policies in Islamic banks on investment projects.

The following are the recommendations: The need for Iraqi Islamic banks to conduct a thorough analysis and study of the benefits of the projects in which they participate with the private sector, especially in light of the successive losses that occur due to this participation. Iraqi Islamic banks must provide long-term financing to the various economic sectors, to include the productive sectors that It works to increase production and reduce unemployment, the need for Islamic banks to distinguish between customers on the basis of grant financing and bias to productive financing, the need for banks to direct to small and medium enterprises, improve employment opportunities and contribute to reducing unemployment, the need to develop financial engineering and Creating modern financial means that are in line with Islamic Sharia regulations and contribute to a positive impact on macroeconomic variables. Continuous search for successful investment projects by adopting modern methods in feasibility studies, evaluating projects to ward off risks, and contributing to programs, funds or investment portfolios. Or any means of investing and exploiting the surplus liquidity in Islamic banks, the need for the attention of Islamic banks By the decision of pricing banking services and products in view of their impact on the profitability of the bank and its ability to continue in the banking market.

Key words: Islamic finance, Islamic banking, investment, murabaha, investment projects.

Research topic

Islamic finance is the backbone of Western or traditional banking and financial systems. Islam forbids interest on credit not as a law of the land but as divine ordinances that leave no room for controversy or issue otherwise. Muslims should completely stay away from usury in their daily commercial and non-commercial activities regardless of the benefit. Other prohibitions include uncertainty, risk, ambiguity, and investment in unethical and prohibited acts. These prohibitions form a large part of the activities of conventional banks within the framework of the Islamic faith, and all these prohibitions are believed to be signs of immorality and exploitation. Islamic banking and finance is a system designed to allow Muslims to handle their financial affairs in accordance with their faith. The theoretical model is therefore attractive and carefully designed to avoid interest and other prohibitions. However, the implementation of the Islamic banking and financial system has not always been successful in practice.

Islamic banking also refers to the system of banking activities that comply with the principles of Islamic Sharia and their practical application through the development of Islamic economics. Islamic law forbids paying cash rental fees (usury) for certain conditions, as well as investing in businesses that provide goods or services that go against its principles (haram, forbidden). While these principles were used as the basis for a thriving economy in earlier

times, a number of Islamic banks were formed in the late twentieth century to apply these principles to private or semi-private businesses within the Islamic community.

Login

The purpose of the master's thesis is to adapt the same characteristics of the Murabaha structure to be used as the primary structure in the issuance of sukuk. That is, the issuer may use the proceeds of the sukuk from the investors to purchase commodities and sell them to the issuer to generate income from the deferred murabaha price that will be distributed to the investors for the duration of the murabaha instrument since its issuance. Sukuk certificates. In Murabaha Sukuk, it mainly represents receivables in shares in receivables from primary Murabaha buyers, which are not tradable instruments that can be traded in the secondary market because Islamic Sharia only allows trading in debt at par, and this reduces their popularity. of murabaha sukuks for potential investors and this is reflected in the limited number of murabaha sukuk issuances in the sukuk market.

There is a need to introduce a culture of risk management in the National Islamic Bank. One way to introduce this culture is to initiate some form of internal classification system. Specifically, there is a need to balance the risks for all of their assets separately. In the medium and long term, these systems could evolve into more complex systems. The initiation of such a system can be useful in filling the gaps in the risk management system and thus enhancing its rating by the regulatory authorities and external credit rating agencies.

Financing decision plays an important role for small businesses and start-ups, especially when it comes to market friction and the difficulties they may face in obtaining external financing and improving their business. Several financing tools may be made available to agents while selecting the optimal contract remains difficult. This chapter examines contract based on Islamic faith in order to provide more evidence regarding the excessive use of Murabaha in Islamic finance rather than leasing. Although this chapter aims to identify the optimal contract that maximizes the value of the firm subject to principal and agent interests, the simulation results came with relevant evidence. Two levels of shocks and optimal values generated for each decade.

Solutions

The necessity for Iraqi Islamic banks to conduct a careful analysis and study of the benefits of the projects in which they participate with the private sector, especially in light of the successive losses that occur due to this participation. In some projects, in a way that enhances the confidence of the banks in this participation. It is important to pay attention to the qualification of leaders and individuals working in Islamic banks with job experience and functional competencies in the application of financing and investment methods in Islamic banking, which enhances and helps in creating self-confidence for those who deal with Islamic banks. The necessity for Iraqi Islamic banks to build (establish) relationships with other Islamic banks around the world to benefit from their expertise in the field of employing Islamic financing methods such as temporary partnership contracts and crop-sharing contracts. Renting a farm, buying on credit, and others that are still not used in Iraqi Islamic banks. The importance of encouraging scientific research in the field of Islamic finance methods, and approving

studies related to this subject, through cooperation with universities and specialized institutes to hold seminars and meetings and distribute brochures to spread awareness of these methods. Directing financing in Iraqi Islamic banks to real projects, by adjusting the priorities of society and directing financing according to these priorities. Activating risky formulas such as participation and speculation in a way that contributes to achieving the goals of Islamic banking and the economic goals of society. Iraqi Islamic banks should provide long-term financing for various economic sectors to include productive sectors that work to increase production and reduce unemployment. The need for Islamic banks to distinguish between clients on the basis of financing granted and inclination towards financing production. The need for banks to direct small and medium enterprises, improve job opportunities, and contribute to alleviating unemployment. The need to develop the financial engineering industry and innovate modern financial tools that are in line with the provisions of Islamic Sharia and contribute to the positive impact on macroeconomic variables. Continuous search for successful investment projects through the adoption of modern methods in feasibility studies and project evaluation to ward off risks and contribute to programs, funds and investment portfolios or in any way to employ and exploit the excess liquidity in Islamic banks. The necessity for Islamic banks to cooperate with each other locally to play a more effective economic and social role and to enhance joint work among them. It is necessary for the management of banks to pay attention to the decision on pricing of banking products and services because of their impact on the profitability of the bank and its ability to survive in the banking market. Islamic banks should work to include the prices of their banking products as a special item in the annual reports, in addition to clarifying the pricing mechanism used to achieve more transparency. Forming a specialized committee of jurists and experts in the nature of the work of Islamic banks in cooperation with the authorities concerned with Islamic banking issues, such as the Islamic Fiqh Academy and the Accounting and Auditing Organization for Islamic Financial Institutions, to work on finding a solution. An alternative Islamic index to the price index in the field of pricing Islamic banking products and services. It is one of the least covered areas in academic studies.

The Result

Islamic finance is characterized by the fact that it is based on sharing profits and losses, helps individuals and companies to buy real goods and services, and contributes an important role to economic development, while traditional finance leads to the concentration of wealth, high production costs and increased inflation. Obstacle to real investment. Among the characteristics of Islamic banks is commitment to the provisions of Islamic Sharia in all their banking transactions and investment activities, fairness in distributing profits, promoting financing and investment, and achieving economic and social development.

Islamic banks are considered an important tool to attract savings, and Islamic banking finance expands the investment base, due to its reliance on employing resources in establishing investment projects. The bulk of the financing in Iraqi Islamic banks is directed to the construction and housing sector, followed by the general trade sector, then financing transportation services and financing the purchase of cars.

The size of the Islamic Islamic Bank's assets increased during the study period with positive growth rates, while the assets of the Islamic International Arab Bank witnessed an

increase in their value in most of the years of study. The size and proportions of Al Ahli Islamic Bank's funds through the Murabaha method are large compared to the Ijarah and Musharaka method. This may be due to the ease of interaction and the application of the Murabaha method, and the lack of its risks in light of the availability of sufficient guarantees to some extent.

The growth of Murabahas in the National Islamic Bank during the years of study and the reason is the ease of interaction and application of this method and the absence of risks in light of the availability of appropriate guarantees. There is a statistically significant effect of the Murabaha price on investment projects, and since the Murabaha price represents the cost of borrowing, the higher the price, the more this leads to an increase in the cost of the project, including a decrease in cost. The expected profit for the institutions from their decision to invest. vice versa. The Murabaha price will allow realizing a larger number of investment projects. There is a statistically significant effect on the Murabaha repayment period on investment projects. The repayment period plays a major role in investment projects and increases the repayment period to contribute to achieving economic and social development. There is a statistically significant effect of the bank's financing policies and controls on investment projects, the more stringent the policies, the greater their negative impact on investment projects and vice versa.

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