

Money Laundering in the Digital Age: A Comparative Analysis of Electronic Means in Egypt, Jordan, the UAE and Iraq

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Abstract

Since money laundering has developed rapidly and has different methods depending on time and place, it is no doubt one of the most important and dangerous legal problems facing legislators. Consequently, finding in many developing countries have problems related to the organization of laws that can overcome its ability to weaken the local economy. When the researcher reviewed the legislation under the current study (Egyptian, Jordanian, Emirati, and Iraqi), he found that there are instances of deficiency and weak ability to confront traditional money laundering crime, let alone a new form of money laundering crime represented in the digital world. Therefore, the researcher's interest was focused on studying the four most important countries in which there are money laundering crimes and trying to shed light on the legal problems to confront it. The current study deals with the legislative treatment of money laundering crime through electronic means by examining four Arab legislations. The results of the study showed the shortcomings of the legislation under study in their treatment of money laundering by defining it, discussing its characteristics, and ways to combat and get rid of it.

Keywords: Treatment, Legislation, Crime, Money laundering, electronic means.

Introduction

The use of technology has significantly impacted the ways in which money laundering is committed. Criminals have recognized the power of technology and are utilizing it to carry out their illicit activities. The internet has provided organized criminal entities with anonymity and accessibility to global criminal networks, enabling them to expand their illegal businesses. (Tiwari et al., 2020) Technology has also allowed different organizations to collaborate and support each other in achieving their goals. Money laundering processes have moved online, making it easier for criminals to obscure their assets in relation to criminal activity. Financial institutions are increasingly adopting new technologies, such as artificial intelligence and machine learning, to combat money laundering. These advancements in technology have created a more dynamic and complex environment for combating organized crime and money laundering.

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The seriousness of cybercrimes lies in the nature of its elements, elements, and methods of committing them, as they differ greatly from traditional crimes. Cybercrimes, by virtue of their location in the vast virtual space, the possibility of carrying them out remotely, and the difficulty of witnessing their perpetrators, make it difficult to control them, discover them, identify their elements, and collect the necessary evidence to prove this. Because it relies on websites rather than the physical aspect of tangible reality, the legal legislation that regulates traditional crimes and that relies on practical physical reality may not apply to crimes of a virtual nature or means (Martins & Brito, 2022).

The crime of money laundering has benefited from this technological development. It is an organized financial and economic crime that has been known since ancient times, but it is renewed with the renewal of electronic means. This phenomenon has modernized its methods so that it has become difficult to detect or even trace its effects, and no electronic means was left without turning into a crime weapon, as electronic means are difficult to track or detect it so that it can be used remotely. It is noted that local Arab legislation has a clear deficiency in dealing with the phenomenon of traditional money laundering, so what about virtual money laundering through electronic means? This is what the current study will aim to address through the current study (Thalji, 2022).

The importance of the phenomenon of money laundering in general, and money laundering through electronic means in particular, given its danger on the future of financial and economic institutions. The inadequacy of Arab legislation in dealing with the phenomenon of money laundering compared to foreign legislation that pursues such phenomena quickly. The current study is expected to produce a set of results that will hopefully be reflected in the legislative reality of the comparative legislation under study. Enriching the local library with a study that deals with a contemporary type of money laundering, which is digital money laundering through electronic means (Tropina, 2014).

Money laundering crimes are considered one of the most important forms of crimes in the era of technical and digital development, as they are considered one of the problems and crises facing business and financial institutions, and they serve as a test of the strength of the legal and legislative rules to confront, combat and overcome such crimes (Richet, 2013).

Internet, through electronic programs, social networking sites, has recently played a significant role in the development of forms of money laundering via the Internet through electronic commerce, communication with banks via e-mail, or speculation in a fraudulent manner, as such an environment provides a safe space for online money laundering (Rifai & Tisnanta, 2022).

When the researcher reviewed Arab legislation, specifically countries such as Egypt, Jordan, and the Emirates, he found that such legislation is incapable and inadequate in confronting traditional money laundering, let alone money laundering over the Internet through electronic website networks? Therefore, through this study, we will attempt to explain the comparative legislative treatment of three local Arab legislations in dealing with money laundering through electronic means (Martins & Brito, 2022).

Literature Review

The concept of money laundering

Banks and financial institutions are the backbone of modern life in providing financial services, implementing and completing financial transactions, trade services, implementing financial transfers and settlements and other services, whether by traditional methods or through the use of modern ways and methods, including electronic ones, and therefore they are not immune from money laundering crimes, whether carried out in traditional ways and methods or through modern electronic means, as its combating it has become a vital topic for its work, especially with the emergence of financial services technology (Fintech) that these institutions have and a new challenge that these banks and financial institutions use and opens the horizons of their work to the whole world (Gibbs, 2017).

Money laundering crimes are among the most serious crimes facing the era of the digital economy, making them a real challenge in testing the ability of the legal and regulatory rules that countries establish in banks and financial and business institutions, It is also a way to achieve an effective confrontation of criminal activities and combat their various types. Money laundering is considered an active crime that have generated illicit financial returns, after which those who acquired that money resort to laundering it by using it in legitimate activities and an attempt to legitimize the crime returns, or what is known as dirty money, so that it can be used easily and without being held accountable (Thalji, 2022).

Although the crime of money laundering is as old as history, its concept has acquired a character and ambiguous characteristics, and the matter requires clarity of concepts as it is called the crime of laundering dirty money, or laundering illicit money. It is a crime of a special nature, and although it appears simple in its general concept, it is complex and compound in its specific aspects. (Muller, 2007)

The crime of money laundering is referred to as the process resorted to by those working in the drug trade and organized or unorganized crime to hide the true source of illegally acquired money and carry out other actions to camouflage it and obscure its identity within the official financial system in order to legitimize this money that was achieved from criminal acts, in this case, it is difficult to determine

whether this money actually results from legitimate or illegitimate actions. (Segovia-Vargas, 2021)

The crime of money laundering is not an ordinary crime that can be committed randomly or unintentionally like other crimes, rather, it is a crime that requires a network, or even organized networks, that practice crime and have a high degree of professionalism, coordination, planning, and spread throughout the world, thus, money laundering operations are a crime that is committed through an institutional organization that includes a number of professional individuals who work within the framework of a strict system, to distribute roles and leadership positions according to a very precise, complex and confidential structure. (Madinger, 2011)

It is a crime that is based and arises on the creation of a false reality to appear as if it is real, Its main goal is to convert the cash flow resulting from illegal businesses into other forms of assets, in a way that helps to secure the flow of these illegal financial proceeds so that they can later be used or invested in new legitimate and legal actions that remove any suspicions about them without the risk of confiscation by government authorities and security services (Tran, 2020).

In summary, the crime of money laundering needs continuous review from time to time in formulating its concept and definition, and due to the fact that this crime develops from time to time with the increase in technological and scientific progress and various electronic means, including the spread of electronic commerce and virtual currencies, and what criminals innovate from ways and methods to get rid of the consequences of crimes, as well as the enormous returns that the criminal can gain from committing these crimes, call on them to use the human mind to invent new methods to achieve their goals (Bintoro et al., 2020; Oleiwi, 2019).

a) Stages of money laundering:

The crime of money laundering is a multi-stage crime based on mixing funds resulting from criminal activity and mixing them in the financial system, so that it is difficult to access their original criminal sources with other legitimate funds and pump them together, and then the criminal can re-spend them and invest them in legitimate purposes that are not subject to confiscation. The money laundering process goes through different stages: (Abu-Orabi & Al Abbadi, 2019; Gibbs, 2017) The first stage: The stage of employment, deposit, exchange of money, or replacement, in this stage, suspicious or illicit funds are disposed of by depositing, employing, or investing them in components of the formal financial system directly through banks and other financial institutions, or indirectly through activities, which money can be invested or dealt with, such as real estate, precious metals, precious stones, and other activities (Abdalla Abu Olaim & Rahman, 2016; Minwer Al-Rimawi, 2004).

The second stage: Layering: In this stage, the money is separated from its original illegal activities, through a set of complex and sequential operations that seek to hide the sources of the money (Abu-Orabi & Al Abbadi, 2019).

The third stage: Integration stage: In this stage, the laundered funds are integrated among the components of the overall economy, so it is difficult to distinguish them from funds of legitimate origin, as a result of legalizing the proceeds of criminal acts (Alwash, Fareed, 2007: 76).

b) characteristics of money laundering:

The crime of money laundering is characterized by characteristics that differ from traditional crimes, and it is similar in most of these characteristics to the characteristics of organized crime, such as arms trafficking and smuggling, counterfeiting, terrorism, and other crimes. The characteristics of the money laundering crime are as follows:

1. Complementarity, comprehensiveness, and connection, as this crime is considered one of the crimes with close connection between its components, as it must have integrated elements, each part complementing the other, starting from the depositing stage, then the coverage stage, and ending with the integration stage (Minwer Al-Rimawi, 2004)
2. It is subject to the elements of organization, planning, control, and performing roles with precision, skill, and mastery, and there is no room for improvisation (Abu-Orabi & Al Abbadi, 2019)
3. It is considered one of the crimes whose occurrence it is useful to prevent preventive measures, so that all means and methods must be followed that dry up the sources of this crime before it occurs and significantly limit its impact afterward (Nader Abdulaziz Shafi, 2011).
4. The communications revolution and advanced information technology and their use in banking and financial operations have given global and international features and dimensions to the crime of money laundering, as it has become borderless and cross-continental, and does not stop at the geography of a specific country, this renders the local national efforts insufficient to confront this phenomenon with its various aspects and dimensions, and no country can consider itself immune to the challenges and dangers of this phenomenon (Minwer Al-Rimawi, 2004; Sultan & Mohamed, 2022a) .
5. The crime of money laundering is an intentional crime, extending to anyone who possesses, owns, benefits, assists, contributes, mediates or intervenes in any stage of this crime, provided that the elements (intention, intent) and knowledge are present, whether this was done by people or banking or financial institutions, which contributes to concealing the source of the laundered money or intended to be laundered (Alias et al., 2019; Bintoro et al., 2020).

Legislative confrontation of the crime of money laundering in international agreements

As a result of the exacerbation of the phenomenon of money laundering and the clarity of its destructive effects on societies in several ways, and its connection with the call of international conventions for an effective criminal confrontation of this phenomenon, different countries competed during recent years to include in their legislation special texts that criminalize money laundering operations because of their devastating effects at the local and international levels (Tran, 2020). The international community has realized the implications of the phenomenon of money laundering, especially the economic risks, and accordingly intensive international efforts to combat money laundering followed, and international cooperation to combat money laundering crimes in particular and organized crime in general took center stage in international and regional agreements and documents (Al-Tawil, 2022; Fletcher et al., 2020).

In this requirement, the researcher deals with the United Nations Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, as it is the basis on which international efforts to combat the phenomenon of money laundering are built, the researcher will also address Basel Declaration, which aims to prevent the use of financial institutions in any criminal activities, other than It is noted that there are a number of international agreements related to combating money laundering, but for brevity and the importance of these two agreements, the research will be limited to them:(Van Duyne et al., 2005).

a) The legislative confrontation of the crime of money laundering in Egypt

Before the issuance of the Egyptian Anti-Money Laundering Law, it was noted that the Egyptian legislator had noticed that there was a clear deficiency in the Egyptian laws in force in this regard, and he had noticed that there was a clear deficiency in the Egyptian laws in force in this field regarding tracking and prosecuting money laundering operations, despite the serious and grave dangers this crime poses to Egyptian security and the economy, in the absence of a law combating money laundering operations in Egypt, fears have increased that the Egyptian region will be a safe haven for criminal proceeds generated from internationally organized crimes, and this is what necessitated an urgent need to expedite the issuance of legislation criminalizes and punishes money laundering operations and their perpetrators (Thalji, 2022; Van Duyne et al., 2005) Based on the above, the Egyptian government prepared a draft anti-money laundering law, consisting of (20) articles, was referred to the People's Assembly, which finally approved it, With the issuance of this law, the Egyptian legislator has taken great steps towards combating money laundering, by taking a quick look at this law, we

find that its texts included definitions of the words and conventional expressions stipulated in it (Al-Tawil, 2022).

b) The legislative confrontation of the crime of money laundering in the Hashemite Kingdom of Jordan.

The Jordanian legislator did not go in the same direction as the Emirati and Egyptian legislators, the Jordanian legislator did not decide on legislation specifically for the crime of money laundering, and most of the other Jordanian legislation did not refer to the reform of money laundering in any of its texts (Minwer Al-Rimawi, 2004)

In light of this, a question arises in the researcher's mind: Is there other legislation that might be useful to rely on to say that there is regulation - in one way or another - of the crime of money laundering in Jordan?

With reference to the Jordanian Banking Law No. 28 of 2000 and its amendments, specifically Article 93 thereof, which states the following:

A. If the bank learns that the implementation of any banking transaction or the receipt or payment of any amount is related or may be related to any crime or any illegal act, it must immediately notify the Central Bank of this (Kim, 2014).

B. If the Central Bank receives the notification stipulated in Paragraph (A) of this Article, or if it learns from another source that the bank has been requested to carry out a banking transaction or has received or paid an amount related or could be related to a crime or illegal act, the Central Bank shall, and notwithstanding the provisions of any other legislation, issuing an order to that bank to refrain from executing that transaction or from delivering or paying that amount for a maximum period of thirty days, and the Central Bank must notify any official or judicial authority of that (Tiwari et al., 2020).

C. The bank's disclosure of any information under the provisions of this article shall not be deemed a breach of the duty to comply with banking secrecy, nor shall the Central Bank or the bank bear any responsibility as a result of that (Al-Tawil, 2022).

It is noted in this regard that this article addresses banks, but other financial institutions, such as insurance companies, real estate trading companies, and institutions working in the field of securities, are outside the scope of this article, and these are the first arguments that refute the statement that this article (93 of the Banking Law) is sufficient in itself to say that there is a legal basis for combating the crime of money laundering in the Hashemite Kingdom of Jordan, this is because this result, even if it is true in the field of the banking sector, will not be true in the field of other financial institutions, however, it is a good step that deserves praise - by the researcher (Van Duyne et al., 2005). Through it, the Jordanian legislator established what can be described as the beginning of the Jordanian legislator's

attention to the crime of money laundering, in terms of obliging the bank to inform the Central Bank of any operation related to any crime or illegal act, and in this case the Central Bank must issue an order to that bank to refrain from implementing that transaction or deliver or pay that amount for a maximum period of thirty days, in this case, the Central Bank must also notify any official or judicial body. If the bank does not comply with the provisions of this article, the Governor of the Central Bank may take one or more measures or impose one or more penalties. contained in Article 88 of the Banking Law (Sultan & Mohamed, 2022a; Van Duyne et al., 2005)

c) The legislative confrontation of the crime of money laundering in the United Arab Emirates

The UAE legislator decided his position on the crime of money laundering, so he issued a special legislation for that, which is the Law No. 4 of 2002 Criminalizing Money Laundering ,and UAE legislator did well in that because he believed in the seriousness of this crime and its devastating effects, not only at the level of the United Arab Emirates, but also international level, and this law contains 25 articles, the UAE legislator singled out the first article to define the meanings of some terms and expressions related to the crime of money laundering, the UAE legislator defined the crime of money laundering in articles 2 and 3 under the title of chapter one (Money Laundering), and in articles 4-12 it dealt with the obligations and powers of government agencies under the title of chapter two, and devoted of articles 13-20 for the imposed penalties on this crime under the title of chapter three, and explained the mechanisms of cooperation within the framework of the crime of money laundering in chapter four under the title (International Cooperation) in articles 21 and 22.

In the context of the crime of money laundering via the Internet, UAE legislator has done well to issue a system of procedures for combating money laundering (Eddin et al., 2021).

d) Legislative confrontation of the crime of money laundering in Iraq.

The crime of money laundering is defined in article three of the Coalition Authority Order No. (93) of 2004, the Anti-Money Laundering and Combating Criminal Financing Law, as (anyone who manages or attempts to manage a financial transaction whose proceeds are used in some way for an illegal activity, knowing that the money used is the proceeds). In some way for an illegal activity or anyone who transports, sends or transfers a means of cash or amounts that represent the proceeds in some way of an illegal activity, knowing that this means of cash or money represents the proceeds in some way of an illegal activity(Oleiwi, 2019) As for the Iraqi Anti-Money Laundering and Terrorism Law issued on September 16, 2015, it did not provide a definition of the crime of terrorism, but rather provided pictures of it, saying (Alsuwailem & Saudagar, 2020; Minwer Al-Rimawi, 2004).

Legislative Framework

a) The legal framework for combating money laundering and terrorist financing including mentioning some specific laws and regulations related to electronic money laundering in Egypt (Alias et al., 2019). The legal framework for combating money laundering and terrorist financing in Egypt is extensive and requires concerted effort from all stakeholders to intercept such activities. The national legislation on Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) in Egypt is complex and difficult to operationalize. The legislation aims to empower "Accountable Institutions" to identify and appraise AML and CFT events initiated by their customers. However, it is suggested that individuals without legal skills and prior knowledge of the legislation may struggle to appraise situations involving AML or CFT activities.(Fletcher et al., 2020) To effectively combat money laundering and terrorist financing, it is crucial to implement the AML/CFT legal framework and ensure its effective implementation. The existence of a sound legal framework alone is not sufficient; effective implementation is necessary to achieve the goals of AML/CFT both at the national and global level (Jayasekara, 2021; Norman et al., 2015).

b) Jordan's money Laundering Legislation, including its regulatory bodies and enforcement mechanisms. Jordan's money laundering legislation has undergone significant development, particularly with the enactment of the Jordanian Anti-Money Laundering and Counter Terrorist Financing Law in 2007 (Abdalla Abu Olaim & Rahman, 2016). This law aims to combat money laundering by establishing various counter-measures for banks, such as customer identification, record keeping, appointment of compliance officers, and reporting of suspicious transactions.(Abdalla Abu Olaim & Rahman, 2016) The effectiveness of this law, however, remains unknown, as the Arab Spring and increased crime rates in Jordan have posed challenges to international coordination and cooperation in combating money laundering. Additionally, banking secrecy has been identified as a barrier to anti-money laundering efforts, as it hinders access to bank deposits and protects dubious funds. To ensure effective implementation of the law, it is crucial to establish effective coordination between legislators, regulators, and the banking industry (Isolauri & Ameer, 2022).

c) UAE Anti-money Laundering framework include a robust regulatory framework, enforcement of AML legislation, awareness of AML legislation, private sector commitment and cooperation, and transparency (Al-Tawil, 2022). The UAE has made progress in its fight against money laundering and terrorist financing, but there are still some deficiencies in the mechanisms that need to be resolved. Efforts have been made to encourage a culture of transparency and accountability, but limited availability and accessibility of data have hindered progress in this area

(Gibbs, 2017). The UAE's financial system has created a global chain of monetary transfers, which increases the risk of money laundering and terrorist financing. Overall, the UAE has a substantial anti-money laundering framework, but there is a need for further progress and improvement (Belaisha, 2015).

The effectiveness of the UAE Anti-money Laundering (AML) framework is a topic of concern. The UAE has made progress in establishing a robust legal system and regulatory framework to combat money laundering and terrorist financing. However, there are still weaknesses in the financial system, such as the existence of Free Zones and divergence in AML awareness. The UAE's legislative landscape is fragmented, lacking uniform national laws that cover all Emirates (Teichmann & Wittmann, 2023). Additionally, there are challenges in customer due diligence (CDD), including difficulties in identifying beneficial owners and establishing the source of wealth/funds. The UAE's efforts to encourage transparency and accountability have been hindered by limited availability and accessibility of data. Overall, while progress has been made, there is a need for further improvements and international coordination to enhance the effectiveness of the UAE's AML framework (Zand et al., 2020).

The challenges facing the UAE Anti-money Laundering framework include difficulties in Arabic names, complications in identifying beneficial owners, establishing the source of wealth/funds, concerns with politically exposed persons, and the increasing cost of compliance leading to de-risking within financial institutions (Gilmour, 2022).

d) The Iraqi legal framework for anti-money laundering includes strict regulatory rules that grant the Central Bank of Iraq, the Federal Integrity Commission, and the Federal Financial Supervision Bureau the authority to control, audit, inspect, and investigate the financial and banking system. The impact of money laundering on the Iraqi economy includes theft from banks, suspension of industrial projects, terrorism, and corruption (Segovia-Vargas, 2021). The current Iraqi AML regime is being examined to determine if changes are needed to enhance its effectiveness against public sector corruption. The Anti-Terrorism Law and the Anti-Money Laundering and Terrorist Financing Law have been issued to address terrorist financing activities, but the adequacy of these laws in preventing funds from reaching the hands of terrorist organizations is questioned. The need to fortify existing measures and create new ones to combat cyber laundering is emphasized (Olewi, 2019).

The current anti-money laundering legal framework in Iraq involves the criminalization of money laundering operations and the establishment of competent administrative authorities to control and audit the financial and banking system (Tas, 2012). Iraq has also issued laws to address the crime of financing terrorism,

with the aim of preventing funds from reaching the hands of terrorist organizations. The impact of money laundering on the Iraqi economy, including theft of banks, suspension of industrial projects, terrorism, and corruption, has been recognized. The Central Bank of Iraq has implemented measures to combat money laundering, such as controlling private banks and money transfer checks, but these measures have not led to a decrease in the amount of money laundering. The Iraqi Integrity Commission has played a role in combating corruption and improving Iraq's position on corruption among the countries of the world (Jabbar & Jumah, 2022).

The main challenges to improving the anti-money laundering legal framework in Iraq include the need for accurate implementation of instructions and strengthening international cooperation in combating money laundering (Murad, 2023). Iraqi banks also face challenges in complying with the Foreign Account Tax Compliance Act (FATCA), which requires providing detailed information about American funds and investments. Additionally, the impact of money laundering on the Iraqi economy, such as theft, suspension of industrial projects, terrorism, and corruption, highlights the need for international cooperation and legal assistance in money laundering investigations (Sundahl, 2007).

Enforcement Mechanism:

a) Egyptian law enforcement agencies have made efforts to combat electronic money laundering. They recognize the challenges posed by the digital economy and financial globalization, which have made it difficult to trace the origins of illicit funds (Kenawy & Molouk, 2006). The speed of change and technological advancements have made it necessary for authorities, including the Central Bank of Egypt, to emphasize dealing with money laundering and terrorism financing. However, there is a need for improved infrastructure, culture, and public acceptance, as well as international cooperation, to effectively combat e-money laundering (Bondarenko et al., 2023). To enhance their effectiveness, law enforcement agencies should adopt a comprehensive approach that includes building cooperation between agencies, financial institutions, and other legal entities. This can be achieved through the creation of a single database of information on money laundering and suspicious transactions, as well as involving financial intelligence units in the investigation process (SHIELDS, 2005).

The challenges faced by Egyptian enforcement agencies in combating electronic money laundering include the need for promotion, education, and awareness about the issue. There is also a requirement for human resource and skills development to effectively tackle this problem. Liberalization of telecommunications infrastructure is another challenge that needs to be addressed (Ismail & El-Nawawy, 2000). National and legal endorsement, along with regional strategies, are crucial in combating electronic money laundering. Financial services enabling and content

development are additional challenges that need to be overcome. International negotiations and agreements play a significant role in addressing this issue. Monetary issues, such as detecting suspicious transactions and identifying common attributes and behavior, pose challenges in combating electronic money laundering. Overall, a comprehensive approach involving various components of the enforcement environment is necessary to effectively combat electronic money laundering in Egypt (Moshi, 2007).

b) The impact of the Jordanian anti-money laundering law on the performance of law enforcement agencies in tackling electronic money laundering is not explicitly addressed in the abstracts provided. However, the abstracts do discuss the development of anti-money laundering laws in Jordan, the challenges faced by banks in implementing these laws, and the need for international coordination and cooperation in combating money laundering. The abstracts also mention the role of banking secrecy as a barrier to anti-money laundering efforts. To fully analyze the performance of Jordanian law enforcement agencies in tackling electronic money laundering, further research beyond the provided abstracts would be necessary (Al-Nuemat, 2014; OLAIM, 2019).

Jordanian law enforcement agencies can improve their performance in tackling electronic money laundering by implementing stricter regulations and guidelines for banks and financial institutions. This can include requiring banks to establish counter-measures such as customer identification, record keeping, appointment of compliance officers, and reporting of suspicious transactions. Additionally, there should be a continuous collaborative relationship between the Jordanian legislators and the banking industry to ensure effective implementation of laws. It is also important for regulatory authorities to provide more guidelines to facilitate compliance and to activate control entities subject to the Central Bank more accurately (Abdalla Abu Olaim & Rahman, 2016). By enhancing the oversight role of the Central Bank of Jordan and improving coordination between banks operating in the Kingdom and foreign banks, law enforcement agencies can better detect and combat electronic money laundering (Abu-Morad et al., 2016).

The challenges faced by Jordanian law enforcement agencies in tackling electronic money laundering include the emerging concept of cyber-laundering, which utilizes the internet as a tool for laundering funds globally. The decentralized nature of the internet allows launderers to transfer funds without leaving traces, making it difficult for law enforcement to detect and prevent money laundering activities. Additionally, the political and economic instability in the region, such as the Arab Spring, has increased crime rates and reduced international coordination and cooperation in combating money laundering (Dragusha et al., 2023).

c) UAE law enforcement agencies play a crucial role in tackling electronic money laundering. The country has made progress in implementing anti-money laundering (AML) and counter-terrorist financing (CTF) regulations, with a focus on creating a robust regulatory framework and enforcing AML legislation (Naheem, 2023). The UAE has also recognized the vulnerabilities associated with emerging cryptocurrency technologies and has developed a legal system to bolster AML efforts in this area. However, there are still some deficiencies in the UAE's AML/CTF mechanisms, including the absence of clear regulations for decentralized finance and non-fungible tokens, as well as fragmentation in the legislative landscape (Gibbs, 2017). Efforts are being made to address these issues, and the UAE is working towards harmonizing global regulations to ensure uniformity in the application of AML/CTF laws and regulations related to cryptocurrencies. Overall, the UAE's law enforcement agencies are actively engaged in combating electronic money laundering, but there is a need for continuous improvement and adaptation to emerging technologies and risks (Al-Tawil, 2022).

The challenges faced by UAE law enforcement agencies in tackling electronic money laundering include the misuse of the internet by money launderers, difficulties in Arabic names, complications in identifying beneficial owners, establishing the source of wealth/funds, concerns with politically exposed persons (ElYacoubi, 2020). Fragmentation in the UAE's legislative landscape and the absence of uniform, national laws that apply to all the Emirates further complicate the enforcement of anti-money laundering measures. Harmonizing global regulations and developing a global standard for the application of anti-money laundering laws and regulations related to crypto currencies and block chain technology is also necessary (Al Hammadi et al., 2007).

d) Iraqi law enforcement agencies face several challenges in tackling electronic money laundering. The phenomenon of money laundering is a significant challenge for financial institutions in Iraq (Arif et al., 2022). The use of the internet and smartphones has made cyber-laundering easier and faster, allowing funds to be transferred globally without detection. The impact of money laundering on the Iraqi economy includes theft from banks, suspension of industrial projects, terrorism, and corruption. To address these challenges, international cooperation and legal assistance in money laundering investigations are crucial. It is recommended to establish specialized units in the Central Bank and the Ministry of Finance, Justice, and security services to enforce anti-money laundering laws (Jabbar & Jumah, 2022). Additionally, verifying the identity of fund owners, reporting suspicious activities, and confirming the legality of deposited funds are necessary measures for the Iraqi banking sector (Olewi, 2019).

The use of the internet and peer-to-peer transactions makes it easy for launderers to transfer funds globally without leaving traces. The impact of electronic money on the banking sector and the reluctance to use it due to associated risks also pose challenges (Aziz et al., 2017). Money laundering has a significant impact on the Iraqi economy, including theft from banks, suspension of industrial projects, terrorism, and corruption. Despite measures taken by the Central Bank of Iraq, the amount of money laundering has not decreased, indicating the need for more effective strategies. (Jabbar & Jumah, 2022).

International Cooperation:

International cooperation can be improved to address the issue of money laundering through various measures. Firstly, there is a need for good coordination between sectors and domestic departments in implementing anti-money laundering regulations and policies issued by the government. Secondly, cultural aspects of law enforcement and government officials, as well as financial and banking institutions, need to be improved to reduce opportunities for bribery committed by money laundering actors (Steblianko et al., 2020). Thirdly, the establishment of a minimum standard at the international level regarding anti-money laundering is necessary, including financial and banking regulations, corporate law, and legal aid between countries. Lastly, a strong commitment is needed from governments worldwide to eradicate money laundering practices, facilitating bilateral and multilateral cooperation within the framework of supranational institutions (Sultan & Mohamed, 2022a). Strengthening the interaction between law enforcement agencies and financial institutions at the national level is also crucial for detecting and preventing money laundering. Developing a methodology for the interaction of law enforcement agencies of multiple states is proposed to counteract money laundering. International cooperation plays a significant role in combating money laundering, and it is essential to enhance policing plans and increase the effectiveness of international cooperation in fighting money laundering (Sultan & Mohamed, 2022b; Van Duyne et al., 2005).

Effective global governance and multilateral cooperation are essential in eradicating corruption and money laundering at the global level. Therefore, countries have a responsibility to engage in international cooperation to effectively address the issue of money laundering (Bintoro et al., 2020; Raweh et al., 2017).

Comparative Analysis

The legislative treatment of electronic money laundering in Egypt, Jordan, UAE, and Iraq has been analyzed in several papers. The research highlights the need for regulations and laws to address the challenges posed by crypto currencies and

digital currencies in relation to anti-money laundering (AML) efforts. The UAE has implemented robust AML regulations, but there are gaps in coverage for decentralized finance (DeFi) and non-fungible tokens (NFTs) (Al-Tawil, 2022). Jordan and Egypt have introduced legislation to embrace contemporary communication methods in administrative operations, including electronic signatures and transactions. In Jordan, there is a focus on training administrative officers in handling electronic evidence before the administrative court (Oleiwi, 2019). The study on trading in digital currencies in Jordan emphasizes the impact on financial policy and the need for legislation to protect transaction parties and monitor illegal digital transactions. In Iraq, money laundering has significant consequences for the banking sector and the economy, necessitating international cooperation and the establishment of specialized units to combat this issue (Fletcher et al., 2020; Oleiwi, 2019).

The legislative treatment of electronic money laundering varies among Egypt, Jordan, UAE, and Iraq. In Egypt, the focus is on the complex aspects and negative repercussions of money laundering in the digital economy. Jordan has implemented measures such as the Central Bank of Jordan Memorandum and the Jordanian Banks Law to combat money laundering, but there are concerns about the clarity and effectiveness of these regulations. The UAE has a robust legal system aimed at bolstering anti-money laundering (AML) efforts, but there are critical issues such as the absence of clear regulations for decentralized finance (DeFi) and non-fungible tokens (NFTs). Iraq's approach to electronic money laundering is not mentioned in the provided abstracts (Oleiwi, 2019; Segovia-Vargas, 2021)

Conclusion

Organized crime, including money laundering, has become a significant challenge in countries that have benefited from economic, social, and political openness and liberalization. Both Emirati and Egyptian legislators adopted an expanded approach to defining the crime of money laundering, considering money resulting from illegal acts as dirty money. This is valid according to the instructions of the Central Bank of Jordan regarding money laundering (Minwer Al-Rimawi, 2004).

Boths followed an exclusive approach to the primary crime, which prompts them to amend their texts when a specific crime should be classified as a primary crime as a source of illegal money. The Anti-Money Laundering Law in Iraqi law in 2015, while contributing to reducing money laundering crimes, remains unable to completely eliminate them without effective measures. These include activating the commission of integrity, coordinating with the International Interpol, public prosecution, media, and tightening oversight on government contracts and tenders.

The process of money laundering via the Internet goes through three stages: recruitment, coverage, and integration. The first stage involves depositing cash in banks and using smart cards and personal computers to purchase foreign goods or commodities through the network. The second stage involves covering the crime through a device without traceable paper, eliminating borders between countries. The third stage is merger, merging funds and investing in financial markets or playing gambling on the internet (Segovia-Vargas, 2021).

Suspicious activities by money launderers via the Internet are not limited to these stages, as they also constitute a general framework for suspicious activities resorted to by money launderers via the Internet, exploiting electronic transfers.

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