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Impact of Compliance with the International Financial Reporting Standard IFRS No. 9 on Financial Risk Reduction in Banks Listed on the Palestine Stock Exchange

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ABSTRACT

Purpose: This study empirically investigates the impact of compliance with International Financial Reporting Standard (IFRS) No. 9 on reducing financial risks in the banks listed on the Palestine Stock Exchange.

Design/methodology/approach: The sample of study consists of all financial statements of the banks for the period 2015-2021 that met the study's criteria. A simple linear regression test was used to examine the study's hypotheses.

Findings: The findings of the study shows a correlation between the compliance with IFRS No. 9 and the mitigation of financial risks in the banking sector. The study shows an adverse effect of the compliance with IFRS No. 9 on reducing credit and capital risks in the banks under study. It also found that there was an insignificant effect of the compliance with IFRS No. 9 on the reduction of exchange rate and interest rate risks in those banks, while the study observed a positive effect of the compliance with IFRS No. 9 on reducing liquidity risk in those banks.

Recommendation: The study recommended the necessity to develop and cultivate the banks' human resources and work on increasing the awareness of the users of financial statements. The study also underscored the need for banks to bolster their capital reserves to meet the expected increase in provisions stipulated within IFRS No. 9.

Originality/value: Our research highlights the importance of underscoring of banks to bolster their capital reserves to meet the expected increase in provisions stipulated within IFRS No. 9. and reducing financial risk in those banks.



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Introduction

Banks and financial institutions have assumed an increasingly essential role in most countries, because of the expansive range of financial services they provided, as they accelerate development and ideally redistribute savings to investments, such as credit granting. However, they become exposed to a host of financial risks, such as credit risk, capital risk and liquidity risk. In response to such financial vulnerabilities, banks and financial institutions find themselves compelled to devise robust safeguards against these risks through dependence on reserves (Daniel and Francois, 2022).

Financial risks are considered as the most important factors that affect the financial standing of banks, for, if banks cannot manage their financial risks efficiently, their financial position and liquidity will be in a precarious situation and may lead them to bankruptcy. In order to preempt such potential risks, banks proactively decide to use financial instruments that are governed by a set of international accounting standards, most notably IFRS No.9 (Al-Shabasi, 2021).

Financial risks that include credit risk, market risk, capital risk, and liquidity risk have become a critical problem after an accelerated reliance on financial instruments in the financial markets during the global financial crisis. In light of these developments, the introduction of IFRS No. 9 was meant as a strategic shift, replacing its predecessor, the international standard IAS No. 39. Unlike its antecedent, which exclusively factored in incurred losses, IFRS No. 9 seeks to encompass the broader purview of anticipated losses, thus accentuating its ability to comprehensively address the multifaceted landscape of financial risks (Iraqi, 2021).

The compliance with IFRS No. 9 gains greater significance and a positive impact, yet it has negative effects on corporations' equity and liquidity as it requires creating a financial provision, such as the provision for credit losses (Abdel Aal, 2020). Hence, the primary objective of this study is to determine the impact of IFRS No. 9 on reducing financial risks in the Palestinian banks listed on the Palestine stock exchange to improve the performance of stock exchange through the provision of all financial information for all investors. The study aims to answer the following questions:

- 1- Does compliance with IFRS No. 9 have an effect on reducing credit risk in the Palestinian banks listed on the Palestine stock exchange?
- 2- Does compliance with IFRS No. 9 have an effect on reducing interest rate risk in the Palestinian banks listed on the Palestine stock exchange?
- 3- Does compliance with IFRS No. 9 have an effect on reducing change of currency rate risk in the Palestinian banks listed on the Palestine stock exchange?
- 4- Does compliance with IFRS No. 9 have an effect on reducing capital risk in the Palestinian banks listed on the Palestine stock exchange?
- 5- Does compliance with IFRS No. 9 have an effect on reducing liquidity risk in the Palestinian banks listed on the Palestine stock exchange?

This study endeavors to explain and characterize the financial risks inherent in the absence of IFRS No. 9 implementation. Furthermore, it seeks to analyze and assess the perspectives of banks under study regarding the quality of financial information following the incorporation of IFRS No.9 into their financial reporting practices. It is noteworthy that Palestinian banks assume a pivotal role in the overall Palestinian economic activity by virtue of their involvement in vital financial activities such as fund transfers, lending, credit provisioning, and other related financial services. Through a comprehensive analysis of these facets, this study aims to contribute to a better understanding of the interplay between IFRS No. 9 implementation and the mitigation of financial risks within the Palestinian banking sector.

Literature Review

The adoption and implications of IFRS No. 9 on the mitigation of financial risks within the banking sector have been extensively studied from various aspects around the world. Rashwan and Shaqfa (2019) highlighted the pivotal role of the IFRS No. 9 in facilitating the disclosure of financial risks related to financial instruments, especially in the case of uncertainty caused by the Coronavirus pandemic. Their work emphasized the centrality of accurately evaluating and valuing financial instruments within financial statements. Iraqi (2021) also underscored the positive impact of applying IFRS on credit risk, liquidity risk, and market risk of Egyptian companies through applying the standards on the value of the company's assets, the value of provisions, and inventory evaluation. His work demonstrated that the implementation of IFRS has led to a reduction in credit risk, liquidity risk, and market risk.

Abu Dallou (2021) conducted a study of the insurance companies listed on the Amman Stock Exchange that have adopted IFRS No.9, categorizing them into distinct groups based on their approach to implementation. The identified groups encompassed companies that fully applied all items, those that partially applied certain items, those that solely applied standards on receivables, and those that disclosed no noticeable impact of IFRS No. 9 on their financial statements. The study's findings emphasized that the implementation of IFRS No. 9 had a discernible effect on the initial balance of retained earnings for both the first and third groups, while the second and fourth groups showed no such effect. Notably, the study concluded that there was no effect of applying IFRS No. 9 on net income across all groups.

The IFRS 9 standard came as a substitute for the International Accounting Standard (IAS No. 39) because of the intricate nature of dealing with financial instruments, for stakeholders look for improving financial reports and follow a unified model for measurement and recognition of financial instruments. IAS No. 39 classifies and measures financial instruments based on a specific methodology. Under this standard, recognition of financial instruments depends on the fulfillment of contractual terms and the acquisition of the corresponding asset. Furthermore, if the asset is retained for the purpose of accumulating cash payments, it warrants recognition. Importantly, financial contracts may engender dual implications, simultaneously giving the status of a financial asset to one enterprise while conferring the classification of a financial obligation or an equity instrument to another entity (Groff & Mörec, 2021).

Abad and Suarez, 2017 pointed out that the implementation of IFRS 9 will contribute to increase in capital during the economic expansion times, and less in periods of contraction due to the impact of expectations on expected losses and consequently on provisions.

Amine et al. (2021) underscored a tendency towards the adoption of IFRS No. 9 as opposed to IAS No. 39 for the treatment of financial instruments. They observed that IAS No. 39 is based on a late recognition of credit losses, a characteristic that can potentially exacerbate financial crises. Moreover, the classification of assets within IAS No. 39 relies on the intentions specified by individual companies at the time of acquiring the financial instrument. In contrast, IFRS No. 9's classification of assets is essentially connected to the manner in which they are measured, thereby establishing a more coherent and systematic approach to asset categorization. In relation to the recognition of losses, their study concluded that under IFRS No. 9, the recognition of losses is accomplished through the establishment of a loss provision, specifically the expected credit loss. In contrast, IAS No. 39 entails the recognition of losses either through a direct reduction of the asset's value or the creation of a loss provision, triggered by the presentation of objective evidence indicating the asset's decline in value.

The study of Hajim and Yaqoub (2020) confirmed that the adoption of IFRS No. 9 by Iraqi insurance companies that own long-term investments significantly affects the presentation of investment values at a greater fair value. Taylor and Francois (2022) also observed that the transfer to the application of IFRS No. 9 by the traditional banks listed on the Damascus Stock Exchange has a positive effect on the value of financial instruments available for sale and the value of financial instruments held for trading. They noted that this transfer would not affect the results of the work of the previous years for the banks listed

on the Damascus Stock Exchange.

Financial risks constitute a primary factor affecting banks' financial position. Al-Shabasi (2021) notes that if banks cannot manage these risks efficiently, their financial standing and liquidity, which form the backbone of their work, will be in a critical situation, leading them to bankruptcy.

Guettoufi and Berrag (2020) and Loew et al (2019) defined financial risks as the state of uncertainty arising from the possibility of losses within financial markets due to changes in financial variables. Also, Ben Khurais, and Leghouini (2019) and Djaber and Aissaoui (2021) agreed that financial risks comprise all risks associated with assets and liabilities, including four distinct types: market risk, credit risk, capital risk, and liquidity risk.

Market risk relates to the deviation in the returns of shareholders resulting from the fluctuation in the price of securities because of the change in the political, economic, and broader market landscape, irrespective of the bank's profitability. Market risk involves currency exchange rate risk and interest rate risk. Credit risk involves the potential inability of the customer to repay the borrowed amount and its accrued interest within the specified timeframe agreed upon between the bank and the customer. Capital risk occurs when the market value of the bank's assets drops to a level less than the value of the market liabilities (Frykström and Li, 2018). Liquidity risk is defined as the bank's inability to fulfill all its financial obligations because of the imbalance between cash inflows and cash outflows.

Many studies have indicated the significant impact of the IFRS No.9 on the strategies adopted by banks in facing financial risks through creating provisions, postponing the recognition of a certain gain, or accelerating the recognition of a specific loss. In fact, IFRS No. 9 is a key standard in pioneering the integration of accounting and risk management. Unlike other standards, IFRS No. 9 standard encompasses not only the recording of past economic events through historical cost or fair value, but also considers the anticipated impacts of future events, according to Al-Rashdan and Al-Own (2022).

Many other papers such as (Loew et al., 2019) and (Ernst and Young, 2018) have demonstrated that the application of Standard 9 will result in a significant increase in bank credit loss provisions.

Loan Loss Provisions (LLP) is considered as one of the most important preventive instruments that banks adopt to counter non-performing loans, and to mitigate the risk of loan defaults. Maja et al. (2021).

Sultanoğlu (2018) noted that the application of the IFRS No. 9 and its expected credit losses model contributed to increasing loss provisions in Turkish commercial banks with an average ranging between (13%-18%), which reflects a positive impact on the objectivity of accounting information in the financial statements for commercial banks. Similarly, Porretta and Santoboni (2020) examined the consequences of the expected credit losses model on the loan portfolio coverage ratio of Italian banks, and they concluded that the application of IFRS No. 9 engenders an increase in provisions to cover projected losses associated with loans. Additionally, these provisions are used to cover capital requirements resulting from the increase in the size of capital absorber. They also found that replacing the actual losses model with the expected losses model gives banks a kind of strength in taking future risks.

Methodology

This section presents the research design and methodology including the description of the study population and the study sample, the study variables, procedures for data collection, and statistical tests for data analysis.

Study Variables

Figure (1) illustrates the independent and dependent variables of the study.

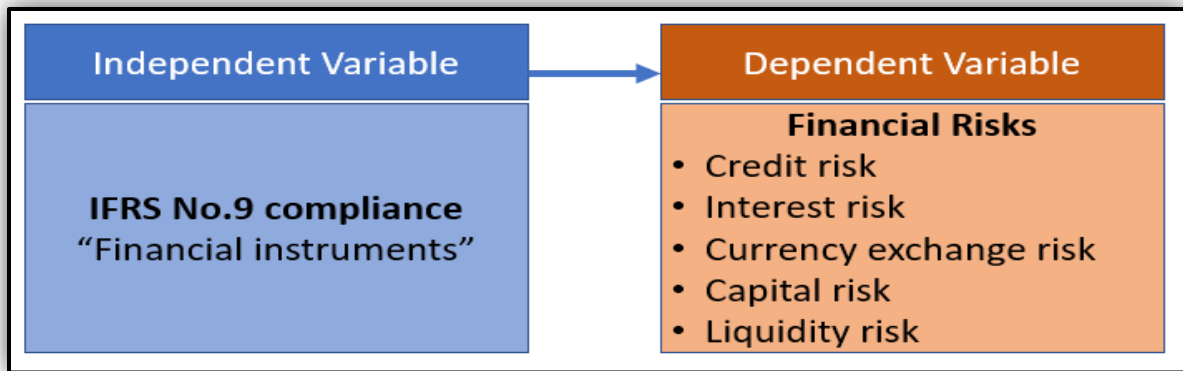


Figure 1: Independent and dependent variables of the study

What follows details the dependent variable: financial risks

- **Doubtful loans provision:** loans whose full repayment seems doubtful, which leads to a partial loss, as the client’s financial situation is not sound and its guarantees are insufficient, so a provision of 50% of these loans is formed.
- **Assets:** Any property from which a benefit accrues to the institution, whether this property is tangible or intangible.
- **Interest-sensitive assets:** assets that are nearing maturity or have reached the renewal point.
- **Fair value of assets:** a price that can be obtained by selling an asset or settling a liability.
- **Liquid assets:** assets that can be easily converted into cash without affecting their market value.
- **Equity:** the amount that all shareholders receive after all obligations have been paid.
- **Liabilities:** debts incurred by the enterprise as a result of activities.
- **Loans:** a duty owed by the debtor to the creditor.

Figure (2) details the measurements of independent and dependent variables:

#	Variables	Measurements	
Independent variable	Compliance with IFRS No. 9	Measured by a dummy variable (0,1): 0= years before implementation of IFRS No. 9 1= years after implementation of IFRS No. 9*	
Dependent variables (financial risks)	Credit risk	Doubtful loans provision /total loans	
	Market risk	Interest rate risk	Interest-sensitive assets / total assets
		Currency rate risk	Change in the fair value of assets / total liabilities
	Capital risk	Total equity / total assets	
	Liquidity risk	Liquidity assets / total liability	

Figure 2: measurement of independent and dependent variables

*Note: banks disclosed that they complied with IFRS No. 9 in 2018.

Study Population and Sample

The study population consisted of all listed banks in the Palestine stock exchange, and the study sample involved using the comprehensive survey method of all those banks which met the following conditions:

- 1- The bank must have been listed in the financial market and had uninterrupted and accessible data from January 1, 2015, to December 31, 2021.
- 2- The bank has all information related to the dependent and independent variables.

Thus, the study sample included a total of five banks: Bank of Palestine, Palestinian Islamic Bank, National Bank, Quds Bank, and Arab Islamic Bank.

Data Collection Techniques

In order to collect the study data, the researchers used secondary sources that included the financial reports spanning the years 2015 to 2021, drawn from published financial reports which were available on the websites of the Palestinian Stock Exchange.

Testing the Study Hypotheses

The study used the following tests in order to examine the hypotheses of study:

Statistical Description of Variables

As shown in statistical summary of variables in Table (1), the study ascertains that a high degree of standard deviation is observed across the majority of variables. For example, the currency rate exchange was greater than other variables due to a multiplicity of financial policies adopted by the banks under study, in addition to their market shares.

Table 1: Statistical Description of Variables

	Minimum	Maximum	Mean	Std. Deviation
Credit risks	0.0000616	0.013124	0.004200	0.003575
Interest rate risk	0.428853	0.693379	0.565383	0.065222
Currency rate Exchange risks	0.017798	2.0407978	0.389957	0.34691397
Capital risk	0.074619	0.226923	0.110035	0.041941
Liquidity risk	0.142138	0.783539	0.361009	0.191976

Normal Distribution Test

The normal distribution test (Jarque-Bera) was used to examine how close were the data to their normal distribution, such that if the probability of J-B test is greater than (5%), the results would follow a normal distribution. As demonstrated in Table (2), the results showed that the J-B test is greater than (5%) for all variables except for currency rate, exchange risk, and capital risk, which means they did not approach the normal distribution. Therefore, in order to overcome the problem of non-normal distribution, the natural logarithm (ln) of the two variables was taken in order to get close to the normal distribution.

Table 2: Normal Distribution Test

(Jarque-Bera) Test			
Variable	J-B	Sig	distribution
Credit risk	0.88	0.64	Normal

Interest rate risk	2.18	0.34	Normal
Currency rate exchange risk	141.89	0.00	Not normal
Capital risk	29.50	0.00	Not normal
Liquidity risk	5.62	0.06	Normal

Pearson Correlation Test

In order to ensure the absence of multicollinearity between the independent variables in the regression model, a Pearson correlation test was conducted. Table (3) shows that there is a strong correlation between the variables of interest rate and capital risk, with the correlation coefficient attaining a value of (0.612), while the correlations between the other variables were less than 0.6.

Table 3: Person Correlation Test

Correlation	CR	IRR	CRER	CR	CAR
Credit risk	1				
Interest rate risk	0.047	1			
Currency rate exchange risk	-0.250	-0.012	1		
Capital risk	-.335*	-.612**	-0.083	1	
Capital risk	-0.151	.413**	-0.058	-0.214	1

Discussion of Results and Testing of Hypotheses

After verifying the validity of data for statistical analysis, the study models were tested. The models used the simple linear regression method to measure the impact of compliance with the IFRS No.9 on reducing financial risks.

Testing of Hypothesis (1)

Hypothesis 1: There is a significant impact of the compliance with IFRS No. 9 on reducing credit risk in the Palestinian banks listed on Palestine Stock Exchange.

Based on the results of regression analysis, there is a significant adverse effect of the compliance with IFRS No. 9 on reducing credit risk in the Palestinian banks listed on Palestine Stock Exchange at the level of significance ($\alpha \leq 0.05$). The value of R^2 for the credit risk model reached (35%), as compliance with IFRS No.9 explains (35%) of the change in credit card risk in banks listed on the Palestine Exchange. This percentage is considered high due to the reduction of lenders' and creditors' fairness in providing credit facilities when banks comply with IFRS No.9 in the treatment of investments and financial instruments. Hence, the form of the first model is as follows:

$$\text{credit risk} = -0.0019 - 0.00489 \text{ IFRS No. 9}$$

This result agrees with other studies, such as Iraqi, 2021; Porretta and Santoboni, 2020.

Table (4) presents the linear regression analysis for credit risk for the banks under study and are listed on the Palestine Exchange:

Table 4: Linear Regression Analysis for Credit Risk

Independent variables		Dependent variable (Credit Risk)	
		Sig	Coefficient
A	Constant	0.0179	-0.0019

X	Compliance with IFRS 9	0.0001	-0.00489
Sig		0.0001	
R^2		0.35	
Mean of Residual		0.000	
White Test		0.000	

Testing of Hypothesis (2):

Hypothesis 2: there is a significant impact of the compliance with IFRS No. 9 on reducing interest rate risk in the Palestinian banks listed on the Palestine Stock Exchange.

Based on the results of regression analysis for this hypothesis, there is no effect of the compliance with IFRS No. 9 on reducing interest rate risk in the Palestinian banks listed on the Palestine Stock Exchange at the level of ($\alpha \leq 0.05$), where sig = 0.506. The R^2 value of the credit risk model reached (1.3%). This percentage is considered low because there is no statistically significant relationship between compliance with IFRS No. 9 on reducing interest rate risk in the banks under study.

The result is due to the low level of performance of the Palestine market an, the lack of market activity, the classification of the market as inefficient, and the lack of reflection of information in prices. This result is consistent with Abu Dallou (2021) which concluded that there was no relationship between the compliance with IFRS No.9 and financial risks. However, the present study disagrees with Shaheen and Ragab (2019), which concluded that there was an impact of accounting for the fair value accounting for financial derivatives on the financial assets' fluctuations. Table (5) presents the linear regression analysis for interest rate risk for the banks under study and are listed on the Palestine Exchange:

Table 5: Linear Regression Analysis for Interest Rate Risk

Independent variables		Dependent variable (Interest rate risk)	
		Sig	Coefficient
A	Constant	0.000	0.579557
X	Compliance with IFRS 9	0.5063	-0.01369
Sig		0.5063	
R^2		0.013	
Mean of Residual		0.000	
White Test		0.000	

Testing of Hypothesis (3)

Hypothesis 3: there is a significant impact of the compliance with IFRS No. 9 on reducing change of currency rate risk in the Palestinian banks listed on the Palestine Stock Exchange.

Based on the results of regression analysis for the third hypothesis, there is no effect of the compliance with IFRS No.9 on reducing change of currency rate risk in the Palestinian banks listed on the Palestine Stock Exchange at the level of significance ($\alpha \leq 0.05$), where sig = 0.2914. The value of R^2 of the credit risk model reached (3.1%), which is considered low due to the absence of a statistically significant relationship between compliance with IFRS No.9 on the reduction of the change of currency rate risk.

The result can be explained because of the classification of the Palestine market as inefficient and the lack of reflection of information in prices. This result is in agreement with Abu Dallou (2021), which concluded that there was no relationship between the compliance with IFRS No.9 and financial risks in the insurance corporations of the Jordanian Stock Exchange. However, this result contradicts with Porretta, et. al. (2020), which concluded that the expected losses model serves to reduce financial risks. Table (6) presents the linear regression analysis for change of currency rate risk for the banks under study and are listed on the Palestine Exchange:

Table 6: Linear Regression Analysis for Change of Currency Rate Risk

Independent variables		Dependent variable (change of currency rate risk)	
		Sig	Coefficient
A	Constant	0.0001	0.421208
X	Compliance with IFRS 9	0.2914	-0.13762
Sig		0.2914	

R^2	0.031
Mean of Residual	0.000
White Test	0.000

Testing of Hypothesis (4)

Hypothesis 4: there is a significant impact of the compliance with IFRS No. 9 on reducing capital risk in the Palestinian banks listed on the Palestine Stock Exchange

In light of the results of regression analysis for fourth hypothesis, there is an adverse effect of the compliance with IFRS No.9 on reducing capital risk in the Palestinian banks listed on the Palestine Stock Exchange at the level of significance ($\alpha \leq 0.05$), where sig = 0.0003. The R^2 value of the credit risk model reached (88%), is considered high due to the presence of a statistically significant relationship between compliance with IFRS No.9 and mitigating capital risks. The form of the first model is as follows:

$$\text{Capital risk} = 0.116937 - 0.0.19 \text{ IFRS No. 9}$$

The result can be attributed to giving confidence to the main users, especially investors, in investing their money in companies that adhere to modern treatment according to IFRS, and, therefore, leads to a reduction in capital risk. This result is in agreement with the study by Shaheen and Ragab (2021), which concluded that there was an impact of accounting for the fair value of financial derivatives on the fluctuations that occur on financial assets. This result, however, is contrary to the result by Porretta and Santoboni (2020), which found that the expected losses model serves to reduce financial risks. Table (7) presents the linear regression analysis for capital risk for the banks under study and are listed on the Palestine Exchange:

Table 7: Linear Regression Analysis for Capital Risk

Independent variables		Dependent variable (Capital risk)	
		Sig	Coefficient
A	Constant	0.000	0.116937
X	Compliance with IFRS 9	0.0003	-0.019
Sig		0.0003	
R^2		0.88	
Mean of Residual		0.000	
White Test		0.000	

Testing of Hypothesis (5)

Hypothesis 5: there is a significant impact of the compliance with IFRS No. 9 on reducing liquidity risk in the Palestinian banks listed on the Palestine Stock Exchange.

Based on the results of regression analysis for the fifth hypothesis, there is a positive effect of the compliance with IFRS No.9 on reducing liquidity risk in the Palestinian banks listed on the Palestine Stock Exchange at the level of ($\alpha \leq 0.05$), where sig = 0.0263. The value of R^2 of the credit risk model reached (90%), and this percentage is deemed high given that there is a statistically significant relationship between compliance with IFRS No.9 and capital risks. The form of the first model is the following:

$$\text{Liquidity risk} = 0.345977 + .0.047517 \text{ IFRS No. 9}$$

The result is attributable to giving confidence to the main users, especially investors, in investing their money in companies that comply with modern treatment according to IFRS, which leads to a mitigation of capital risk. This result is consistent with Shaheen (2021), which concluded that there was an impact of accounting for the fair value of financial derivatives on the fluctuations that occur on financial assets. However, this result is contrary to the result by Porretta and Santoboni (2020) indicating that the expected losses model serves to mitigate financial risks.

This study came in agreement with the study by Mohamed and Hamed (2017), which concluded that the implementation of IFRS No.9 suggests establishing provisions related to credit risk that will have an effect on liquidity. Additionally, the present study is in disagreement with Neisen and Schulte (2021) and Porretta and Santoboni (2020), which concluded that there was no relationship between IFRS No. 9 and liquidity risk. Table (8) presents the linear regression analysis for liquidity risk for the banks under study

and are listed on the Palestine Exchange:

Table 8: Linear Regression Analysis for Liquidity Risk

Independent variables		Dependent variable (Liquidity risk)	
		Sig	Coefficient
A	Constant	0.000	0.345977
X	Compliance with IFRS 9	0.0263	0.047517
Sig		0.0263	
R ²		0.90	
Mean of Residual		0.000	
White Test		0.000	

Conclusions and Recommendations

Following the discussion of the scholarly literature relating to the subject of this study, as well as an examination of the study's hypotheses and a presentation of the results of the analysis, the following conclusions can be made:

- There is an adverse effect of compliance with IFRS No. 9 on reducing credit risk in banks listed on the Palestine Exchange.
- There is no effect of compliance with IFRS No. 9 on reducing interest and market risks in banks listed on the Palestine Exchange.
- The researchers found an adverse effect of compliance with IFRS No. 9 on reducing capital risk in banks listed on the Palestine Exchange.
- There exists a positive impact of compliance with IFRS No. 9 on mitigating liquidity risk in banks listed on the Palestine Exchange.

In light of the study's conclusions, the study recommends the following:

- 1- Palestinian banks should pay more attention to applying IFRS No. 9, where the study found that the IFRS No. 9 standard has a great impact on reducing credit and capital risks.
- 2- Palestinian banks should increase their capital to meet the expected increase in provisions due to the application of IFRS No. 9.
- 3- Palestinian banks listed on the Palestine Stock Exchange should adopt the strategy of distribution and diversification in the sources of income, through diversifying investment portfolios and reducing the size and strength of interest rate risk, in order for these banks to mitigate such risk.
- 4- The Palestine Stock Exchange should make it imperative for banks on its list to implement IFRS No.9 by requiring them to provide disclosures relating to the impact of compliance with IFRS No.9 on reducing financial risks.
- 5- More attention should be paid to prepare the Palestinian banking sector to apply IFRS No. 9 through holding training courses, participating in international conferences and/or learning from the experiences of countries that have benefited from the application of IFRS.

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