

Establishing a compensation fund for victims of cyber fraud: Toward a legal framework for Qatar

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Abstract: The right of victims to receive compensation for harm caused by criminal acts is a fundamental legal principle recognized in many legal systems. With the widespread integration of modern technology into daily life, new forms of criminal activity—particularly cybercrimes—have emerged, including electronic fraud. These crimes present complex legal challenges, primarily due to the difficulty of identifying perpetrators and establishing civil liability when offenders often remain anonymous. Despite the efforts of authorities, prosecuting such crimes is frequently difficult, making it essential to explore alternative mechanisms for victim compensation. This study proposes the establishment of a dedicated compensation fund for victims of electronic fraud, financially supported by the state and private entities operating online. The fund would serve not as an admission of fault by these entities, but as a reflection of their duty to protect users and uphold social security. The research examines the legal basis, funding sources, eligible damages, and procedural requirements for such a fund, drawing attention to the gap in current Qatari legislation. While the Qatari Cybercrime Prevention Law No. 14 of 2014 criminalizes acts of electronic fraud, it does not provide a clear legal pathway for victim compensation when perpetrators are unknown. This article highlights the growing societal impact of electronic fraud, the legal vacuum surrounding victim compensation, and the need to develop responsive legal mechanisms. By addressing these issues, the study aims to contribute to the development of a fair and effective system that ensures victims of electronic fraud are not left without recourse.

Keywords: *Compensation fund, Cybercrime, Electronic fraud, Legal framework, Qatari law, Victim compensation.*

1. Introduction

1.1. General

The right of an injured party to obtain compensation for harm resulting from a criminal act is a fundamental legal principle enshrined in most legal systems seeking to protect individuals from injustice and loss. In today's digital era, the approach of states has evolved in tandem with technological progress, as modern technology has become deeply embedded in daily life—and, for many, a vital source of income. This rapid advancement has, however, also given rise to new and complex forms of criminal activity, most notably cybercrimes, which have witnessed a marked and alarming increase in recent years. Cybercrime damages are projected to reach \$10.5 trillion annually by 2025, up from \$3 trillion in 2015, illustrating the scale and urgency of the issue [1]. Despite this growth, many legal systems still lack adequate compensation mechanisms for victims of cybercrime, often leaving individuals without restitution for their losses [2]. Moreover, legal professionals are increasingly expected to meet ethical obligations in safeguarding client information during cyber incidents, reflecting the evolving nature of legal responsibilities in the digital context [3]. Additionally, recent studies have shown that existing compensation programs can suffer from racial and gender disparities, affecting fair access to justice and financial support for marginalized communities [4]. These developments collectively underscore the

pressing need to adapt legal frameworks to the realities of modern technology and to ensure equitable and effective protection for victims of crime in the digital age.

Cybercrimes give rise to a wide range of legal challenges, particularly in cases of electronic fraud, where modern technology is exploited as a tool to deceive and defraud. The growing prevalence of such crimes poses a serious and escalating threat [5]. One of the most pressing concerns is the urgent need to ensure adequate legal protection for victims. Because these offenses are committed through electronic channels [6] it is often extremely difficult to identify the perpetrators or satisfy the legal conditions necessary to establish civil liability—especially when the offender remains anonymous [7]. This anonymity complicates victims' ability to seek justice and underscores the need for innovative legal responses [7].

Despite the efforts of competent authorities to identify and prosecute the perpetrators of fraud, it is often difficult—if not impossible—to determine the identity of those responsible, particularly in cases involving electronic fraud [8]. In light of this challenge, there is a clear need to mitigate the impact of such crimes through alternative means. One proposed solution is the establishment of a dedicated compensation fund, to which the state, along with private entities and companies operating wholly or partially online, would contribute financially [9].

The rationale behind such a fund is not to assign blame to the state or these entities, but rather to uphold a broader principle of justice—ensuring that the weaker party in the crime, the victim, receives compensation [10]. This approach reflects a shared responsibility to maintain public safety, protect individuals in the digital sphere, and promote a secure environment free from fraud and criminal exploitation [11].

It is worth noting that the Qatari legislator [12] has not provided a clear definition of electronic fraud but has imposed penalties for perpetrators under Article 11 of the Qatari Cybercrime Prevention Law No. (14) of 2014, which states: “A penalty of imprisonment for a term not exceeding three years and a fine not exceeding one hundred thousand (100,000) Qatari Riyals, or either of these penalties, shall be imposed on anyone who commits any of the following acts:

1. Using the information network or one of the means of information technology to impersonate the identity of a natural or legal person.
2. Gaining possession, for oneself or another, of movable property, a document, or a signature through the information network or one of the means of information technology by means of fraud, using a false name, or impersonating an incorrect capacity.”¹

Electronic fraud is one of the most impactful crimes on society, as it targets financial assets. Therefore, necessary precautions must be taken to combat this crime, understand preventive measures, and develop strategies to address it.²

1.2. The Importance of the Study

The significance of this study lies in its focus on securing effective compensation for victims of electronic fraud—an increasingly prevalent and harmful form of crime. Despite its growing impact, this issue has received limited scholarly attention and remains largely underexplored within the field of electronic fraud. As such crimes continue to rise in frequency and sophistication, the need to address victims' rights to redress becomes more urgent.

What further underscores the importance of this research is the glaring absence of specific legal provisions that ensure compensation when the identity of the perpetrator remains unknown—a common

¹ Qatari Cybercrime Law No. 14 of 2014, Official Gazette: Issue No. 15, Publication Date: 02/10/2014, (corresponding to 08/12/1435 Hijri), page: 7.

² An example of this includes: a name, ID card number, or obtaining a bank card number and personal information related to the Metrash application. One should ignore text messages requesting certain amounts of money and immediately report the matter to the relevant authorities, etc.

scenario in cybercrime cases.³ This legislative gap highlights the necessity of establishing a dedicated compensation fund to protect victims and uphold the principles of justice, security, and social responsibility in the digital age [13].

1.3. Research Problem

The core research problem centers on the urgent need to establish a dedicated compensation fund for victims of electronic fraud—a rapidly growing and highly damaging category of crime. This study aims to clarify the legal framework necessary for the fund's creation, including the conditions, eligibility criteria, and procedural mechanisms required to ensure that victims can effectively access compensation and obtain redress for the harm they have suffered. Addressing this gap is critical to reinforcing justice, enhancing legal protection, and restoring public confidence in the digital environment.

1.4. Research Hypotheses and Questions

The study seeks to address several key questions, including:

- What is the concept of a compensation fund for victims of electronic fraud?
- Why is there a need to establish such a fund?
- What are the potential sources of funding for the compensation fund?
- What types of damages qualify for compensation under this fund?
- What are the legal criteria for eligibility to benefit from the fund?
- What procedures must victims follow to obtain compensation through the fund?

1.5. Reason for Choosing the Topic

The choice of this topic stems from its growing relevance, as an increasing number of individuals have recently fallen victim to electronic fraud without receiving adequate compensation to remedy their losses. This highlights the urgent need to establish a dedicated compensation fund to support and protect such victims.

1.6. Research Objectives

The objectives of this research are as follows:

- To raise awareness about electronic fraud crimes, including methods of prevention and strategies for combating them.
- To shed light on the importance of establishing a dedicated compensation fund for victims of electronic fraud.
- To clarify the underlying reasons that necessitate state involvement in creating such a fund.
- To identify the legal requirements and procedural steps needed for victims to access compensation through the proposed fund.

1.7. Research Methodology

To achieve the objectives of this research, both analytical and comparative methodologies were employed, given the nature of the study. The analytical method was instrumental in identifying the core research problem and addressing the key questions by highlighting the necessity of establishing a compensation fund. Meanwhile, the comparative approach was used to examine legal systems in countries that have implemented similar funds, exploring the legal requirements for eligibility and the procedures victims of electronic fraud must follow to access compensation.

³ Legal Information Institute, Cornell Law School. *34 U.S. Code § 20102 - Crime Victims Fund*. Retrieved from: <https://www.law.cornell.edu/uscode/text/34/20102>. (Last visited April 5, 2025).

1.8. Study Plan

In light of the foregoing, the nature and scope of this research—titled *"Compensation Fund for Victims of Electronic Fraud Crimes"*—required a structured approach that allows for both conceptual clarity and legal depth. Accordingly, the study is organized into three main sections, preceded by an introduction and a preliminary section that lays the foundational context, and followed by a conclusion summarizing the key findings and offering practical recommendations. The research is structured to deal with the following topics:

- The Concept and Legal Basis of the Compensation Fund.
- Substantive Legal Requirements for Benefiting from the Compensation Fund for Victims of Electronic Fraud.
- Procedural Conditions and Mechanisms for Accessing Compensation through the Fund

2. An Overview of the Compensation Fund

2.1. General

The Compensation Fund for Victims of Electronic Fraud Crimes plays an important role in protecting the harmed parties and redressing the damage caused by criminal acts. Compensation funds provide the highest level of protection to the harmed parties before the damage occurs, ensuring that they are guaranteed their right to compensation. In this context, this section will explore the concept of the compensation fund and the necessity of its establishment, followed by the sources of funding for this fund.

2.2. The Concept of the Compensation Fund and the Need for Its Establishment

The Compensation Fund for Victims of Anonymous Cyber Fraud Crimes is a newly developed mechanism designed to compensate those harmed by cyber fraud crimes where the perpetrators are unknown, bearing the burden of compensation for damages resulting from criminal acts [14]. A compensation fund can be defined as: *"A legal mechanism responsible for providing appropriate compensation for major damages such as natural disasters, wars, and terrorism... These compensations are granted to the victim or their heirs upon the occurrence of the harmful event, without the need to resort to the judiciary to claim compensation."* [11]

These funds are thus established to provide protection for victims of crimes involving modern technology, where it is sometimes difficult to identify the perpetrators, in order to compensate the harmed individuals. The fund provides appropriate compensation to the victim—independently of the rules of civil liability—when certain legal conditions are met for benefiting from the fund [11].

It is worth noting that we are now in an era where people have become almost entirely dependent on modern technology, and it is therefore natural that cyber fraud crimes are increasing [13]. With this rise, the rights of the harmed parties to receive appropriate compensation also increase.

Many legislations have adopted a mandatory insurance system; however, this system has proven ineffective, as it does not cover all aspects of compensation in various crimes and incidents [15]. There may also be cases where insurance companies are insolvent and unable to pay compensation, in addition to the slow pace of procedures to compensate victims [16]. Hence, there is an urgent need for states to adopt the idea of establishing a compensation fund in order to redress harm and provide the highest possible level of protection for victims of anonymous cyber fraud crimes [14].

In this section, we review examples of countries that have adopted the idea of establishing compensation funds and some of their applications:

2.2.1. Examples of Countries That Have Adopted the Idea of Compensation Funds

2.2.1.1. The Compensation Fund in French Law

The first to adopt the establishment of a compensation fund for civil liability was French law in 1951, through Article 15 of Law No. 1508/51 issued on December 31, 1951 [17]. This fund was created

to compensate victims of car accidents. The weakness of the traffic system at that time had led to numerous accidents, resulting in victims who were unable to obtain compensation for various reasons — most notably, the rules of civil liability were insufficient to compensate victims, there was no insurance coverage for accidents, and it was often impossible to identify the drivers responsible for the damages [18]. However, starting in 1958, it became necessary for the French legislator to require drivers to obtain insurance against traffic accidents [19].

At the time of its establishment, the fund's role was initially limited to compensating for bodily injuries resulting from traffic accidents [20]. However, it later evolved to cover all types of damages suffered by victims of such accidents, following the French law's recognition of the compensation fund's effectiveness in remedying harm [18]. Compensation funds are endowed with legal personality and are primarily aimed at providing appropriate compensation to those who have suffered damage [21]. The French legislator views the purpose behind establishing compensation funds as the broadening of financial coverage for damages [22]. French courts have ruled in favor of compensating victims for damages resulting from criminal acts through these compensation funds [11].

2.2.1.2. The Compensation Fund in Algerian Law

Algeria is considered the first Arab country to adopt the compensation fund system, with the establishment of a fund for compensating damages resulting from car accidents. This fund was created under Article 70 of Ordinance No. 69/107 dated 31/12/1979, and was reorganized under Ordinance No. 15/74 dated 30/01/1974 [23]. This reorganization aimed to strengthen the fund's operational capacity, clarify its scope of application, and ensure more efficient and equitable compensation procedures. The reformed legal framework detailed the fund's financing sources—primarily contributions from insurance companies—and established the conditions under which victims could claim compensation [24].

Algeria's adoption of this model marked a significant step in the development of victim compensation mechanisms in the Arab world. It provided a legal precedent that would later influence similar initiatives in other countries, especially in contexts where traditional liability systems proved inadequate to address the needs of victims [25]. By prioritizing the protection of vulnerable individuals in the aftermath of accidents, Algeria laid the groundwork for a broader understanding of state and institutional responsibility in safeguarding public welfare [23].

2.2.1.3. The Compensation Fund in Egyptian Law

The Egyptian legislator adopted the compensation fund system in the field of car accidents through the government fund established under Law No. 72 of 2007, which is supported by mandatory insurance. The purpose behind the establishment of this fund is to provide protection and ensure equality among citizens, as stipulated in the Egyptian Constitution, so that a citizen who has insurance against car accidents is not more fortunate than a victim harmed by an unknown vehicle about which no information is available regarding the perpetrator [26].

2.2.1.4. The Compensation Fund in Moroccan Law

Among the laws that have adopted a compensation fund for victims of car accidents is Moroccan law, based on the Kingdom of Morocco's Mandatory Insurance Law No. 99-17 of 2002.⁴ Article 133 of this law provides for the establishment of a compensation fund for victims of traffic accidents in cases where the person responsible for the accident is unknown, uninsured, or insolvent and unable to pay appropriate compensation to the victim. This legal framework reflects Morocco's commitment to safeguarding the rights of accident victims and ensuring access to justice and reparations, even in the absence of a clearly identifiable or solvent offender [27].

⁴ Law No. 99-17 on the Insurance Code, enacted by Dahir No. 1-02-238 of 3 October 2002 (Morocco).

2.2.2. Important Applications of Compensation Funds

2.2.2.1. Compensation for Victims of Traffic Accidents

With the aim of compensating victims of traffic accidents where the perpetrator is unknown, a compensation fund was established specifically for victims of such incidents. In this case, compensation is provided for the damages resulting from the accident, whether in full or partially, depending on the compensation determined [28]. The French law adopted this approach with the establishment of the Compensation Fund for Victims of Traffic Accidents in 1966, [29] which expanded the scope of the fund originally created in 1951, as previously discussed.

2.2.2.2. Compensation for Victims of Terrorist Crimes

The French legislator, in Law No. 9 of 1986, Article 9-1, adopted the compensation of individuals who suffer bodily harm as a result of terrorist crimes. This compensation applies to all victims of terrorist acts committed within French territories [19]. This law was integrated into the general compensation fund for criminal offenses in 1990. The fund was established to address the difficulties in compensating victims of terrorist acts, given that the perpetrators are often unknown. Even when certain individuals affiliated with political organizations are prosecuted, it is usually not possible to obtain compensation directly from them [19].

It is worth noting that the compensation fund applies not only to victims of terrorist crimes that occur within French territory—regardless of whether the victim is French or a foreigner—but also extends to victims of terrorist crimes committed outside of France, provided that the victim is French and has permanent residence in France, or resides abroad on a regular basis while maintaining continuous contact with French consulates [30].

2.2.2.3. Compensation for Victims of Medical Accidents

The French law on patients' rights and the quality of the healthcare system (Law No. 4 of 2002) emphasized compensation for victims of medical accidents if medical liability errors are proven. Compensation is provided through national solidarity, which functions as a compensation fund for victims of medical accidents.

This is confirmed by the French Public Health Code, Article L1142-15, which stipulates: “The compensation fund assumes responsibility in place of the insurance company in the following cases:

1. If the responsible physician is uninsured for their civil liability.
2. If the compensation amount exceeds the insurance coverage provided by the insurer.
3. If the insurance company rejects the offer presented to it by the regional committee for amicable settlement.” [31]

In 2004, a law was issued concerning compensation for medical accidents specifically related to biomedical research. Additionally, the law expanded the scope of compensation to include damages resulting from the declaration of a state of emergency by the Ministry of Health in cases of epidemics or serious public health situations in the country [19].

2.3. Sources of Funding for the Compensation Fund

To establish a compensation fund, the first step is to determine its sources of funding. Historically, before the advent of modern technology, it could be argued that the state was solely responsible for funding compensation funds, [26] as the state is tasked with providing necessary protection to its citizens, including redressing damages when the perpetrator is unknown.

The state typically creates and funds the compensation fund to provide relief to victims of crimes where the perpetrator's identity is unknown. This funding can come from allocations within the state's general budget or by allocating a percentage of criminal justice costs to the compensation fund [32]. Another potential source of funding is fines imposed on perpetrators of electronic fraud crimes. For

instance, an American court ruling required a criminal to pay a \$600 fine to a victim compensation fund as a penalty for committing electronic fraud crimes [33].

However, some legal scholars have opposed the idea of the state compensating victims of identity-unknown crimes, arguing that it is impractical for the state to compensate all victims due to the continuous population growth, which makes it challenging to address the damages of all citizens in cases of unidentified crimes [11].

We propose that the funding of the Compensation Fund for Victims of Electronic Fraud Crimes should come from private entities, organizations, and companies that conduct their activities, wholly or partially, over the internet. These entities should make financial contributions to fund the compensation system.⁵

2.4. Proposals for Funding Sources

Shipping Companies: Shipping companies should bear part of the financial burden of funding this compensation fund. Many such companies now conduct significant portions of their business online, and a considerable number of fraudulent messages are sent in their name, claiming, for example: “Your shipment has arrived; you must pay an amount to receive it.”

Banks: Banks should also contribute to funding the compensation fund, as they operate extensively through internet applications. These banks frequently warn their customers about the dangers of falling into the traps of electronic fraud.

Internet-Based Companies and Institutions: All companies and institutions that operate online should contribute to the fund through a portion of their annual profits. This would ensure that these entities support the compensation fund as part of their corporate responsibility.

Proposed Legislative Action:

We recommend that the Qatari legislator amend **Law No. 8 of 2011**,⁶ which mandates certain companies to contribute to supporting social and sports activities. This law should be expanded to include companies and entities conducting their business, wholly or partially, online, requiring them to contribute to the compensation fund. This would assist the state in compensating victims of electronic fraud crimes.

3. Eligibility Criteria for the Compensation Fund

3.1. General

The Compensation Fund aims to provide fair compensation to victims of electronic fraud crimes that result in material damages. Compensation through the fund is subject to specific legal conditions and requirements that must be met for victims of electronic fraud crimes to benefit from it.

In this context, we will address these requirements in the following subsections:

- **Damage** This section will discuss the nature and extent of the harm or damage that qualifies for compensation through the fund.
- **Other Legal Conditions for Victim Compensation**
This section will cover additional legal requirements and conditions that victims must fulfill to be eligible for compensation from the fund.

⁵ An example of this is food delivery applications, which operate entirely online by allowing users to choose a restaurant, place an order, and make payment. These companies should be required to contribute—even if only 1% of their profits—towards funding the compensation fund.

⁶ which amended certain provisions of Law No. (13) of 2008 concerning the contribution of certain joint stock companies to supporting social and sports activities.

3.2. *Damage*

3.2.1. *The Concept of Material Damage*

The Prophet Muhammad (peace be upon him) ruled, "There should be neither harming nor reciprocating harm," emphasizing the prohibition of harm to promote mercy and ease. The notion of harm, as addressed in this saying, warns believers against inflicting or causing harm [34].

Material damage has been defined as: "Damage that affects a person's body, property, or any rights contributing to the evaluation of their wealth. It includes both financial losses sustained by the victim and the gains they failed to achieve." [35] The presence of damage determines the amount of compensation required. If no damage exists, there is no justification for the fund to provide compensation.

3.2.2. *The Existence and Nature of Material Damage*

3.2.2.1. *The Necessity of Material Damage*

Electronic fraud crimes have recently become a prominent social phenomenon. This is attributed to the ease with which perpetrators can access victims to defraud them, the low risk for offenders due to the difficulty of identifying perpetrators in some fraud cases, and the rapid acquisition of illicit gains. Various factors have contributed to the widespread nature of this crime, making it a societal issue:

- Unemployment.
- The desire for wealth and financial prosperity.
- Weak oversight and enforcement against electronic crimes.
- Other socio-economic factors driving individuals to commit such offenses [36].

The role of the Compensation Fund for Victims of Electronic Fraud Crimes is to address material damages caused by criminal acts. For victims to benefit from the fund, the compensation must cover material damages impacting their financial assets, making them eligible for compensation to redress the harm.

However, moral or non-material damage does not fall within the fund's scope since it does not result in direct financial loss. Including compensation for all types of harm—such as moral or emotional damage—would make the establishment and funding of the fund significantly more challenging for the state and other contributing entities.

3.2.2.2. *The Nature of Damage Caused by Criminal Acts*

For the compensation to be granted through the fund, the following conditions regarding the nature of the damage must be satisfied:

1. **The Damage Must Be Direct:** The harm must directly result from the act of electronic fraud. A clear and direct link must exist between the damage for which compensation is claimed and the fraudulent act committed. This causation ensures that the claim is legitimate and falls within the fund's jurisdiction [37].
2. **The Damage Must Be Certain:** The electronic fraud crime must have occurred and caused verifiable harm to the victim's financial interests. It is insufficient for the damage to merely be direct; it must also be confirmed and proven to have occurred due to the fraud. Hypothetical or potential damages that have not yet materialized cannot serve as grounds for claiming compensation from the fund [37].
3. **The Damage Must Affect a Right or Legitimate Financial Interest**
To qualify for compensation, the harm must impact a legitimate financial right or interest. Only when all elements of material damage are present and proven can the victim be entitled to receive compensation from the Compensation Fund for Victims of Electronic Fraud Crimes [38].

This approach ensures that the fund remains focused on addressing tangible and direct financial losses, aligning with its intended purpose while maintaining sustainability.

3.3. Other Legal Conditions for Victim Compensation

3.3.1. General

Every compensation process requires clearly defined legal conditions to determine who is eligible to receive compensation. In this section, we will discuss the following points:

- The Place Where the Damage-Causing Act Was Committed
- The Perpetrator Responsible for Compensation Must Be Unknown

3.3.2. The Place Where the Damage-Causing Act Was Committed

Electronic fraud crimes are carried out over the internet to deceive individuals and unlawfully obtain their money [39]. For the victim to be eligible for compensation from the Compensation Fund for Victims of Electronic Fraud Crimes, the fraudulent act must have occurred on internet networks.

The condition that the act of fraud must be committed via internet-based means applies regardless of the specific method used, whether through phone calls, voice messages, emails, or mobile applications. All such methods fall under the scope of electronic fraud crimes, allowing the victim to seek fair compensation from the fund.

3.3.3. The Perpetrator Responsible for Compensation Must Be Unknown

This scenario represents the ideal case for the intervention of the Compensation Fund for Victims of Electronic Fraud Crimes. Since this type of crime is perpetrated through the internet, it is often difficult to identify the perpetrator, making it impossible for the victim to obtain compensation directly from the offender.

In such cases, when the perpetrator is unknown, the law ensures that victims are not left without the fair compensation they deserve. For the victim to benefit from the fund, a fundamental condition must be met: proof of ignorance regarding the identity of the perpetrator who caused the harm. The fund is responsible for verifying the inability to identify the perpetrator [23]. However, if the perpetrator of the electronic fraud crime is known, the victim must seek compensation directly from the perpetrator, even if the perpetrator is unable to provide adequate compensation for the harm caused. The fund is specifically designated for cases where the identity of the perpetrator is unknown [40].

According to French legislation, in cases such as road accidents, the relevant authorities must issue a report confirming that the perpetrator of the incident is unidentified. This report must be submitted to the compensation fund within ten days of the incident to initiate fair compensation [41].

4. Procedures for Claiming Compensation Fund

4.1. Procedures for Obtaining Compensation

Accessing the Compensation Fund for Victims of Electronic Fraud Crimes requires several procedural steps. These steps will be addressed as follows:

- Submitting a Request to the Fund
- Subsection Two: The Fund's Review of the Request

4.1.1. Submitting a Request to the Fund

When an electronic fraud crime occurs, the victim must report the incident to the relevant authorities. These authorities will immediately investigate the crime, and upon verifying its occurrence, they will issue a document certifying that the victim has been defrauded electronically and that the perpetrator is unknown. The victim must then submit this document to the Compensation Fund for Victims of Electronic Fraud Crimes to initiate the compensation process [42].

The request must be submitted within the legally designated timeframe as specified by the law or the fund's regulations. Failure to adhere to this timeframe results in the forfeiture of the victim's right to compensation. Additionally, the victim must provide all documents related to the crime when submitting their request to the fund [26].

4.1.2. *The Fund's Review of the Request*

In the second stage, the fund examines the information and documents submitted by the victim to ensure that all legal conditions and requirements for eligibility are met. At this stage, the fund may encounter one of two scenarios:

1. Approval of the Request: If the fund determines that all required information and procedures are complete, it will approve the compensation request and provide fair compensation to the victim.
2. Rejection of the Request: If the fund rejects the compensation request, it must provide the reasons for its decision. In this case, the victim retains the right to appeal the decision by taking the matter to the competent judiciary [42].

4.2. *Judicial Protection of the Right to Claim Compensation*

The process of claiming compensation from the Compensation Fund for Victims of Electronic Fraud Crimes involves reviewing each case and making a decision to either approve or deny compensation. In this section, we will explore these outcomes by dealing with the following two subjects:

- Subsection One: Rejection of Victims' Compensation Requests
- Subsection Two: Approval of Victims' Compensation Requests

4.2.1. *Rejection of Victims' Compensation Requests*

The Compensation Fund may reject a victim's compensation claim for various reasons. Alternatively, the victim may reject the compensation amount offered by the fund if it is deemed insufficient to redress the damage, or if the fund fails to respond to the claim within the legally specified timeframe. In such cases, the victim has the right to file a lawsuit against the fund in the competent court to resolve the dispute between the victim and the fund [26].

The fund is obligated to provide clear explanations to the victim, detailing the reasons for rejecting their compensation claim. This requirement is affirmed in French Insurance Law No. 31 of 1951, Article L16-422, which mandates that the fund must explain the reasons for denying a compensation request.⁷

The Palestinian Court of Cassation, in Case No. 1234/2018, upheld the right to file a lawsuit against the compensation fund. This case involved a traffic accident caused by an unregistered vehicle, resulting in bodily injuries. The court ruled in favor of the victim, ordering the Palestinian Compensation Fund for Traffic Accident Victims to pay fair compensation to the victim, including legal fees and attorney costs.⁸

If the identity of the perpetrator of the electronic fraud crime is discovered after the fund has compensated the victim, both the fund and the victim have the right to file a lawsuit against the perpetrator. Additionally, the fund can seek reimbursement from the perpetrator for the amount paid to the victim [26].

4.2.2. *Approval of Victims' Compensation Requests*

The Compensation Fund carefully examines each case to ensure the victim meets all the legal requirements for compensation. Once all conditions and requirements are confirmed, the process moves to the next stage: providing fair compensation to the victim.

The approval of compensation reflects the fund's commitment to its purpose, ensuring that victims of electronic fraud crimes, especially those involving unknown perpetrators, receive adequate redress for their financial losses.

Finally, it is worth noting that the Compensation Fund for Victims of Terrorist Acts and Other Crimes published a booklet in 2024 that provides a simplified explanation of the role of compensation funds—from the initiation of procedures to the receipt of compensation by the victims or their families.

⁷ French Insurance Law, No. 31 of 1951, Article L16-422.

⁸ Palestinian Court of Cassation Ruling, No. 1234/2018, dated October 26, 2021.

The booklet outlines the conditions for obtaining compensation in a simplified legal manner, presents the necessary procedures to be followed, and explains how to establish a compensation file.⁹

5. Conclusion

In this study, we analyzed the Compensation Fund for Victims of Electronic Fraud Crimes, aiming to explore innovative mechanisms to redress harm caused by identity-unknown electronic fraud crimes. Our primary objective was to highlight the necessity of establishing such a fund and identifying its sources of funding, encouraging nations to consider creating a compensation fund for one of the most prevalent crimes in the digital era.

The study also addressed the legal requirements necessary to obtain compensation from the fund, emphasizing the essential condition that the identity of the perpetrator must be unknown. We outlined the legal mechanisms that both the fund and the victim must follow to ensure fair compensation. Additionally, we examined international applications of compensation funds.

Our analysis revealed that some countries have implemented compensation funds for victims of traffic accidents, others for victims of terrorist crimes, and others for victims of medical errors, among other contexts.

Based on this study, we conclude that electronic fraud crimes are a modern issue, with the crime scene being the internet itself. This unique aspect necessitates the establishment of specific protections tailored to this type of crime.

6. Findings and Recommendations

This study has yielded several findings and recommendations aimed at addressing gaps in Qatari law. We hope that these recommendations will be taken into account to help achieve the objectives of the study. Below, we summarize the findings and present the recommendations.

6.1. Research Findings

This research has reached the following conclusions:

1. One of the most critical responsibilities of technologically advanced countries is to protect and safeguard residents in their territories from electronic fraud crimes.
2. A significant number of countries have not adopted the idea of establishing a compensation fund specifically for victims of electronic fraud crimes, despite the fact that these crimes are among the most widespread and often difficult to trace to their perpetrators.
3. The application of compensation funds has not been widely expanded; some countries have limited their use to traffic accidents, even though compensation funds have proven effective in addressing other types of crimes.
4. Victims cannot directly approach the compensation fund without providing evidence that the perpetrator of the electronic fraud crime is unknown.
5. The Compensation Fund for Victims of Electronic Fraud Crimes regulates the procedures for obtaining fair compensation.
6. The compensation fund plays a vital role in compensating victims by ensuring that if the perpetrator's identity is unknown, the victim's right to fair compensation is protected.
7. The compensation fund does not impose an additional burden on the state budget because companies, institutions, and entities conducting their activities partially or wholly online are required to contribute to the fund through a percentage of their annual profits.

⁹See Livret l'indemnisation des victime d'infractions de droit commun, Fond de Garantie des Victimes des Actes de Terrorisme et d'autres Infractions FGTI, France, 2024. Victime d'infraction: indemnisation par le fonds de garantie des victimes, vérifié le 02 décembre 2024. Le site officielle de l'administration Française. <https://www.service-public.fr/particuliers/vosdroits/F2313>

6.2. Recommendations

This study concludes with the following recommendations:

1. Establish a Dedicated Compensation Fund: A Compensation Fund for Victims of Electronic Fraud Crimes with independent legal personality should be created. The state and entities conducting their work partially or entirely over the internet should contribute to funding the compensation fund.
2. Legislate Victims' Right to Compensation: To achieve the desired level of protection for victims, specific legislation should be enacted to recognize victims' rights to compensation. These laws should clearly define the crimes eligible for compensation, the individuals entitled to seek it, and the substantive and procedural requirements for claims, similar to the French legal system.
3. Enact Comprehensive Compensation Fund Legislation: Specialized laws should be introduced to regulate compensation funds, detailing the legal requirements and procedural framework for accessing the fund, ensuring its role as a supplementary mechanism for victim compensation.
4. Establish a Review Committee: A committee composed of judicial and civilian members should be created to assess each case submitted to the compensation fund and determine whether the legal conditions for compensation have been met.
5. Allow the Fund to Subrogate Victims' Rights: The compensation fund should have the authority to replace victims in pursuing claims against the perpetrator if their identity is revealed after the fund has compensated the victim.

These recommendations aim to address the gaps identified in this study and support the development of a robust system to protect victims of electronic fraud crimes, ensuring justice and financial redress in the digital age.

Transparency:

The authors confirm that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

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