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Konikkou, Sofoklia

Business Administration Programm, School of Economic Sciences and Business, Neapolis University Pafos

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REGULATORY FRAMEWORK OF BASEL II AND BASEL III AND ITS IMPACT ON THE ECONOMIC DEVELOPMENT

By

SOFOKLIA KONIKKOU

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Neapolis University Pafos

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REGULATORY FRAMEWORK OF BASEL II AND BASEL III AND ITS IMPACT ON THE ECONOMIC DEVELOPMENT

Dissertation

Advisor

Prof. Giannopoulos Kostas

Dean / Program Director

Spyros Makridakis

Abstract

This study dealt with the regulatory framework of Basel II and Basel III and the impact on economic growth. According to the current economic crisis the impossibility of operating regulatory standards appears several issues regarding the regulatory framework.

Basel II consists of the members of the central banks and regulatory authorities worldwide and is responsible for the supervision of banks. More specifically, the work was completed within four chapters where more detail, the first chapter talked about the financial system.

The second chapter is focused on the supervision and theories of banking institutions primarily through its legal nature, objectives Basel I, the description of the regulatory framework of Basel I and II and the comparison by the rules.

Then the third chapter examine with the new banking system after the crisis and the market in general, the causes of the crisis and the new Basel III. Reference was made to financial institutions subject to Basel reforms, the implementation schedules of the various Member States but also on proposals for the necessary funds. The fourth and final chapter deepened in summary and comparison of Basel I and III.

The migration impact from Basel II to Basel III and the quantitative results, such as the International Standards liquidity was also discussed. Reference was made to the impact on GDP: significant deviations, the possible reactions on the part banks and finally analyzed the SWOT Basel III. Finally, the work ended with the conclusions.

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