Abstract
The standard of the efficiency of capital is one of the important standards which banks care of. Its importance increased with the risks facing banks, this necessitates effective control over banks to know to what extent the bank can endure these risks through possessing enough capital to endure risks facing the banking sector. This is lied behind the importance of possessing least enough capital which is stated by Basel Committee and adopted by the majority of Arabic states which is known Basel (I). Due to the increased risks facing banks was one of the important reasons behind moving to Basel (II). One of the important consideration regarded by Basel (II) was the addition of operational risks to the equation of the efficiency of the Capital. So the research is written to answer the following question, Does Arabian Banks have enough financial and human resources and enough time for application of Basel (II), or they were unable to achieve that. The research concluded a set of conclusions and recommendations the most important of them is the commitment of.
Arabian Banks to apply capital efficiency standard according to the requirements of Basel (II) though they are not of legal commitment nature. Moreover Arabian Banks possessed physical and human abilities needed for applying the requirements of Basel (II) regarding the efficiency of capital in nearly an early time compared with the Banks in advanced states. The moving from Basel (I) to Basel (II) is a complete transformation for risk management concept, and Arabian Banks have to apply Basel (II) completely in order to be able to face financial crises. Moreover Arabic Banks have to apply the simplified methods to calculate operational risks before moving to the advanced methods, Arabian Banks have too, to publish studies based on evaluating Basel (II) and its effects on Arabian Banks, and determining the weaknesses if any in order to correct them.