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REVIEW

of the doctoral dissertation by Ahmed Lotfy Mahmoud Ahmed, entitled "Performance and financial soundness of French, Spanish and Italian cooperative banks: a comparative analysis" written under the scientific supervision of Prof. dr hab. Ewa Miklaszewska, Cracow University of Economics.

1. Initial remarks

The basis for the evaluation of the doctoral dissertation of Ahmed Lotfy Mahmoud Ahmed, M.A., entitled "Performance and financial soundness of French, Spanish and Italian cooperative banks: a comparative analysis" is the letter of Prof. dr hab. Stanisław Popek, Director of the UEK Doctoral School, no. RDC.600.57P.2.2025 dated 10 June 2025.

Ahmed Lotfy Mahmoud Ahmed's doctoral dissertation, M.A., was written on 233 standard typewritten pages. The dissertation consists of nine chapters, including Chapter 1, an introduction; Chapters 2, 3, 4, 5, 6, and 7 are theoretical chapters; Chapter 8, an empirical investigation; and Chapter 9, a conclusion. Furthermore, the dissertation includes a list of abbreviations and a list of the economic literature used. The dissertation maintains a balanced range of discussion within each chapter; the chapters are well-structured and are properly embedded in the literature. A separate bibliography is provided for each chapter on pages 200-233.

The dissertation is written in a clear and effective language. Other elements of the study should also be assessed positively, such as the appropriate selection and use of the subject literature and other bibliographic sources. The doctoral candidate also utilized a variety of information sources (including reports, statements, statistical data sources, legal acts, websites, etc.) published in English. It is somewhat disappointing that the bibliography does not categorize sources into books, scientific articles and journals, reports, or websites, which would have better facilitated the reading experience.

In assessing the doctoral dissertation of Ahmed Lotfy Mahmoud Ahmed, M.A., the formal and legal requirements for dissertations, as defined by the Act of 14 March 2003 on Academic Degrees and

Academic Titles and on Degrees and Titles in the Field of Art (Journal of Laws of 2017, item 1789, as amended), were considered.

In the following sections of the review, the doctoral dissertation of Ahmed Lotfy Mahmoud Ahmed, M.A., was assessed based on the following criteria:

- the importance of the scientific problem, including the validity of the chosen research area, the originality of the scientific approach and solution;
- the originality and accuracy of the formulation of the theses, research objectives, and the structure of the dissertation;
- the selection of research methods used, their adequacy, and the doctoral candidate's ability to conduct research independently;
- the substantive quality of the dissertation and the accuracy of the results obtained;
- the formal aspects of the dissertation.

2. Evaluation of the research methodology (justification for the selection of the research problem, research assumptions, hypotheses, objectives, research methods, dissertation layout, evaluation of results)

2.1. Justification for the choice of the research problem

The issues related to the assessment of the degree of solvency and profitability of cooperative banks are very important for the overall assessment of the financial stability of the banking sector. In most countries around the world, cooperative banks constitute a significant part of the banking sector. Thanks to their strong roots in the local economy, through deposits from households and the SME sector, they provide significant external funding for the investment activities of the entire banking sector. Cooperative banks also play an important role as local financial centres, sponsoring local social, educational, cultural, and sports activities. Therefore, they are a crucial part not only of the financial system, but also of the entire national economy.

The Author's emphasis on the need to investigate the possible reasons for cooperative banks' significant resilience to the shocks associated with the 2008 GFC and the COVID-19 pandemic should be assessed positively. Furthermore, it is valuable to examine whether this ability to weather the crisis stems primarily from democratic governance, a strong anchoring in local social and economic issues, or the good governance of these entities.

It seems justified to examine the cooperative banking sectors in three southern European countries, where this sector constitutes a significant part of the banking sector (especially in France). Given the similar geographic location of the countries where the analysed banks operate, it is possible to include those operating in the south. It could be suggested that the Author conduct similar research based on data from Poland, where cooperative banks account for approximately 10% of the entire banking sector and they constitute the most numerous group of banks. Nevertheless, it should be noted that the Author's approach to defining and formulating the research problem is interesting and positive. The research problem is clearly articulated in the introduction of the dissertation and raises no objections.

In the context of the proposed research problem, the Author emphasises the need for international comparison of cooperative banks' performance and the identification of superior factors that protect them during periods of macroeconomic crisis. However, at this stage of the dissertation, there is no clear identification of the gap in the literature on the subject, which the Author's study fills. Although later in the paper the Author demonstrates an extensive knowledge of economic literature (the references cover over 30 pages), there is no indication (using the most characteristic literature) of which individual country's banks were assessed similarly, or whether any superiority or specific feature of cooperative banking were identified that increased their resilience to bankruptcy risk during and/or between international crises.

In summary, the research problem is clearly and correctly identified and formulated. The scope of the research problem fits within the discipline of economics and finance, and particularly touches on the issues of credit institutions, profitability and financial stability.

2.2. Research assumptions, hypotheses, objectives and research methods

The basic research problem was formulated on p. 13 and reads: "The main objective is to assess whether the cooperative banking model demonstrates superior stability and performance compared to commercial banks, and whether this resilience is consistent across different macroeconomic and regulatory contexts." In addition, four research questions were formulated:

- To what extend did cooperative banks in France, Spain, and Italy demonstrate financial resilience and stability during global financial crisis of 2008?
- How did cooperative banks in these three countries perform in terms of efficiency and profitability during the 2008 crisis?
- What was the performance and stability profile of cooperative banks during the COVID-19 pandemic, and how did it differ from the 2008 crisis context?
- Did cooperative banks maintain operational efficiency and profitability during the COVID-19 pandemic?

The basic objective and research questions generally raise no objections and are correct. The justification for the scope of the research may raise some doubts (p. 13). The Author defends the selection of the period 2008-2023 to examine the impact of the crisis on the results of cooperative banks by comparing the situation of banks and the regulations associated with them before and after the crisis. Such a timeframe may be appropriate for the COVID-19 pandemic, but not for the crisis that began in 2007 and reached its full impact in 2008.

The general objective, specific objectives, and research hypotheses are presented on pp. 14-15. The general objective is: "...to analyse and compare the performance, efficiency, and resilience of cooperative banks in France, Spain, and Italy during the 2008 global financial crisis and the COVID-19 crisis, using panel regression analysis applied to key financial indicators."

Furthermore, the Author formulated seven specific objectives for the study:

- To assess the financial resilience of cooperative banks in France, Spain, and Italy during the 2008 financial crisis.
- To evaluate the financial efficiency and profitability of cooperative banks during the 2008 crisis.
- To measure the resilience of cooperative banks during the COVID-19 pandemic.
- To examine the financial efficiency and profitability of cooperative banks during the COVID-19 crisis.
- To analyse the impact of macroeconomic variables and regulatory developments on cooperative bank performance.
- To compare the performance of cooperative banks with that of commercial banks in the same countries and under the same macroeconomic and regulatory conditions.
- To identify patterns of performance across the two crisis episodes, highlighting whether cooperative banks consistently outperformed or whether their success is context dependent.

The general objective and specific objectives were formulated correctly. Some doubts may arise regarding the term "financial efficiency." I would like to ask the Author to pay attention to and clarify this term during the defense. Typically, we refer to the term “efficiency” (and this is how it is understood in other parts of the dissertation, for example, on p. 166) as cost or technical efficiency. Relatively less frequently, we define "efficiency" as financial, encompassing profitability. In my opinion, considering the remainder of the dissertation, I would replace the term "financial efficiency" with "cost efficiency."

The scope of the research questions and objectives is consistent with the research hypotheses, which are defined as follows:

- H1. The cooperative banking sector in the three countries showed resilience during the financial crisis of 2008.
- H2. The cooperative banking sectors in the three countries performer well during the financial crisis of 2008. (should be “sector”, and “performed”)
- H3. The cooperative banking sector in the three countries showed financial resilience during the COVID-19 crisis.
- H4. The cooperative banking sector in the three countries were well-performed during the COVID-19 crisis.

There are no objections to the proposed hypotheses H1 and H3 – they address the research problem. However, H2 and H4, although they address the research problem and are generally valid, are not properly formulated due to the use of the terms "performed well" and "well-performed." The term "well" is imprecise and its use in the hypothesis seems unjustified. This term can take on many meanings depending on external conditions and the person interpreting it.

To verify the research hypotheses and achieve the study's objectives, the Author utilized a variety of quantitative and qualitative methods. In particular, the following were employed:

- Comparative methods – in relation to the assessment of, among other things, regulatory changes, the organizational structures of the cooperative banking sector, and the results achieved by this sector.
- Econometric modelling (panel regression models: pooled and with fixed effects for the analysed countries).

I assess the selection of the research methodology positively in the context of its correspondence with the specification of the research problem, the formulated hypotheses and the objectives of the study. The research methods used allow for a comprehensive understanding and drawing conclusions about the analysed phenomenon. The use of fixed-effects regression is justified by the study's implementation in three countries with diverse macroeconomic and cooperative banking sector structures and organizations.

2.3. Dissertation layout and evaluation of results

The dissertation's structure is logical, coherent, and consistent with its topic. The main research themes underlying the dissertation's title are reflected in the chapter structure. They present the development of cooperative banks in Europe, then the cooperative banking sectors in the three analysed countries, and finally compare the performance of these sectors in the context of macroeconomic crises. Except for Chapter 7 (which compares the stability of cooperative banks in the analysed countries), which I consider as too short, the remaining chapters are proportionate, arranged in a logical sequence, and generally in the correct order relative to the issues discussed. Furthermore, one reservation may be raised regarding Chapter 8 regarding the placement of variable definitions and descriptive statistics after the presentation of the panel regression results (pp. 175-176). In my opinion, this information should have been presented before the regression results, i.e., after the presentation of the econometric model (p. 167).

In assessing the results of the study, I conclude that the Author achieved the research objectives and positively verified or partially verified the stated research hypotheses and presented appropriate arguments. In the presentation of the justification for the acceptance of hypotheses, a certain drawback is the lack of clear references to the results confirming individual hypotheses. The use of quantitative methods, such as panel regression, deserves a positive assessment. The Author demonstrated the ability to use these research techniques to assess research problems, which is crucial for his future independent economic research.

3. Substantive evaluation of the content of the dissertation

The dissertation's structure aligns with its primary research objective. The first of the nine chapters comprises the introduction, while the final chapter presents the summary and conclusions. The introduction justifies the chosen research problem, outlines the hypotheses, research objectives, methodology, and theoretical contributions to the literature. The structure of the work and the substantive content discussed in each chapter are also described.

Chapter 2 presents the origins and evolution of cooperative banking in Europe. The initial section introduces us to the basic principles of entities with cooperative status. It highlights the structural and organizational features that distinguish cooperatives from limited liability companies. It highlights the importance of mutual ownership in cooperatives and the specific governance model based on democratic principles for making decisions essential for the cooperative's operation. It also emphasises the strong involvement of cooperatives in solving fundamental problems of the community and the local economy. The final section of the chapter analyses the impact of the two global crises of 2008 and 2020 on the performance of the banking sector, considering the advantages of cooperative banks over commercial banks in coping with the shocks caused by these crises.

It is worth noting that the Author highlights the fact that European cooperative banks achieved a greater stability and resilience during periods of crisis. The advantages of cooperative banking have been documented by numerous studies presented in the literature. Furthermore, changes in the situation of cooperative banks during and between crises are documented by statistics on the growth of European cooperative banking membership and its share in the banking market, including the credit and deposit markets. Additionally, data on the capital ratios and profitability of the cooperative banking sector in Europe are presented.

Chapter 3 is devoted to the characteristics of the cooperative banking model in Southern European countries, particularly France, Spain, and Italy. In the initial section, the Author, drawing on findings from the literature, presented the role cooperative banks played in the societies and economies of these countries, while maintaining their locally oriented and community-based character. Subsequently, the most characteristic models of banking operations were presented, and next, based on this analysis, systems of cooperative banking in the studied countries, including the presentation of institutions that associate banks and the methods of managing these associations. Furthermore, the Author demonstrated the importance of this sector in the national banking system by presenting data on cooperative banks' share in the credit and deposit market. Given their market share of over 50% in France, this is particularly important for the argumentation of the stated hypotheses.

Chapter 4 is devoted to presenting changes to banking regulations introduced in response to the 2008 global crisis. In the first part, the Author thoroughly presents the basic provisions introduced by Basel III, including minimum capital requirements, leverage ratios, and the liquidity standards LCR and NSFR. The next section examines the role of the Financial Stability Board (FSB) and the principles adopted in the creation of the European Banking Union. The Author devotes particular attention to the supervision of cooperative banks and the need to maintain the principle of proportionality in the implementation of the banking regulations amended after the crisis. The chapter concludes with an in-depth analysis of the principles of creation and supervision of cooperative banks implemented by the Institutional Promotion Scheme (IPS).

Chapter 5 is devoted to legal and organizational reforms conducted in South European cooperative sectors. The Author presented the changes implemented by the cooperative sector based on post-crisis regulations. He highlighted the structural and organizational changes implemented in individual countries, particularly those driven by the pressure on cooperative banks to consolidate in order to achieve economies of scale and reduce operating costs. He pointed out that this strategy led to a significant reduction in the number of cooperative banks. The final section of the chapter presents a comparison of profitability, solvency, and loan portfolio quality indicators in cooperative banking associations in the three analysed countries.

Chapter 6 provides tools and methods for analysing bank operations, which appear essential to achieving the main objective of the study, which is to assess the performance and stability of cooperative banks. It presents measures of efficiency and profitability, including cost efficiency, return on assets, and return on equity, and measures of stability, including capital adequacy, loan portfolio quality, liquidity, diversification, risk management, and stress testing. Finally, the chapter provides information on non-parametric (DEA) and parametric (SFA) methods for assessing cost efficiency and the Altman Z-score model used to assess bank failure.

Summarising, I have no comments on the presentation of data and analyses contained in the reviewed chapters. The study results are presented in a clear, coherent format, using language that is understandable to the reader.

Chapter 7 presents a comparative analysis of the stability of the cooperative banking sectors in the three countries studied. This analysis is based solely on findings from the relevant literature. The chapter concludes with an interesting summary highlighting the strengths and weaknesses in the stability of cooperative banks in each of the analyzed countries and detailing the banking system features that enhance or undermine the stability of cooperative banking in each country. A weakness of this chapter is the lack of numerical data that would indicate the state of stability. This section could include, for example, the data from Table 6 (p. 134) regarding the TCR ratio, as well as data on loan portfolio quality and financial liquidity.

Chapter 8 presents the principal empirical research conducted by the doctoral student. In this study, he uses a panel regression model to test the four research hypotheses formulated at the beginning of the thesis. The initial section provides definitions and conceptualizations of individual measures of efficiency, profitability, and stability. The next section presents the econometric model used, followed by the results of its estimation and an assessment of the significance of individual explanatory variables in the model. The final section presents arguments supporting the research hypotheses. In my opinion, the record of the statistical tests conducted is too brief. The Author did not present the correlation matrix of the variables used, did not provide information about the diagnostic tests applied to the time series of the variables used, or did not provide information justifying the use of the fixed-effects method. The value of the obtained regression results would likely have been enhanced by a more in-depth analysis of the indicator values for the explanatory variables, as opposed to the presented statement that a given quantity can positively or negatively affect the dependent variable (as implied by the sign at the coefficient for the variable). Nevertheless, in this chapter, the Author demonstrated an important ability to justify the validity of the research hypotheses, which should be assessed positively.

Chapter 9 summarizes information, data, and conclusions from the literature, as well as the results of the Author's own research. In the context of the main objective of the study, he emphasises the importance of cooperative banking and its high resilience to macroeconomic shocks caused by international financial crises. In his conclusions, the Author highlights the limitations of researching cooperative banks, including the limited amount of publicly available financial and structural data. He also indicates the directions of research it intends to undertake in the future, including those concerning the digitalization of banking services and its use in managing banking activities.

In summary, I generally rate the method and content of the data and research results presented positively. There are certain shortcomings in the way the research was conducted and the results were presented, but on the other hand, the Author demonstrated a high level of knowledge of the literature on the subject, the ability to use it to present specific ideas, and to justify the theses put forward.

4. Detailed comments

Despite the overall positive assessment of the dissertation, minor shortcomings, inconsistencies, and typographical, stylistic, and punctuation errors should be noted. For example:

- Abbreviations were used inconsistently throughout the dissertation. A list of abbreviations is published at the beginning of the dissertation, and then the meanings of the values included in this list are defined multiple times in parentheses throughout the text. For example, ROA and ROE are defined approximately ten times;
- In several places (e.g., on p. 12), the Author refers to the period of 2008-2023 as "twenty-year period (2008-2023)";
- The analysis and readability of information are weakened by the lack of a list of tables and charts, which makes it difficult to quickly compare the presented conclusions and opinions with numerical data, or to relate certain values to the changes presented in the charts;
- The quality of charts and diagrams can be improved by preparing them yourself, especially when the values of variables (e.g., Fig. 10, 12, 13) or information (Fig. 11) are directly given;
- Recording the RoA and RoE variables (p. 135) as opposed to the ROA and ROE records established throughout the document;
- No equation numbering.

5. Final conclusions

After reading the doctoral dissertation of Ahmed Lotfy Mahmoud Ahmed, M.A., entitled "Performance and financial soundness of French, Spanish and Italian cooperative banks: a comparative analysis", I conclude that the work is characterized by cognitive and application values, and the Doctoral Student:

- formulated an original research problem, justified the need for its analysis, and proposed a solution;

- in preparing the theoretical and empirical sections of the dissertation, demonstrated extensive general economic knowledge (in the discipline of economics and finance) and the ability to draw conclusions;
- demonstrated good preparation for conducting research and analysis, as reflected, among other things, in the model approach to identifying factors affecting the stability and performance of cooperative banks and in the research conclusions;
- achieved the research objectives and verified the research hypotheses.

Considering the above, I declare that the dissertation by Ahmed Lotfy Mahmoud Ahmed, M.A., entitled "Performance and financial soundness of French, Spanish and Italian cooperative banks: a comparative analysis", written under the scientific supervision of Prof. dr hab. Ewa Miklaszewska **meets the requirements specified in Art. 13 of the Act of 14 March 2003 on Academic Degrees and Academic Title and on Degrees and Title in the Field of Art (Journal of Laws of 2017, item 1789, as amended). I therefore request that the doctoral dissertation be accepted, and the Author be admitted to a public defense.**

Sylwester Kozak

Załącznik do recenzji rozprawy doktorskiej

Imię i nazwisko kandydata: **mgr Ahmed Lotfy Mahmoud Ahmed**

Tytuł rozprawy doktorskiej: **„ Performance and Financial Soundness of French, Spanish and Italian Cooperative Banks: a Comparative Analysis"**

Promotor: **prof. dr hab. Ewa Miklaszewska**

Promotor: **prof. dr Josanco Floreani**

Recenzent: **dr hab. Sylwester Kozak, prof. SGGW**

1. Ja, niżej podpisany stwierdzam, że recenzowana rozprawa doktorska **p. mgr Ahmed Lotfy Mahmoud Ahmed**spełnia warunki określone w ustawie Prawo o szkolnictwie wyższym i nauce z dnia 20 lipca 2018 r. (t.j. Dz. U. 2024 r., poz. 1571, z późn. zm.) w związku ustawą z dnia 3 lipca 2018 r. Przepisy wprowadzające ustawę – Prawo o szkolnictwie wyższym i nauce (Dz.U. z 2018 r., poz. 1669, z późn. zm.) i wnioskuję do Rady Dyscypliny Ekonomia i Finanse Uniwersytetu Ekonomicznego w Krakowie o dopuszczenie **p. mgr Ahmed Lotfy Mahmoud Ahmed** do dalszych etapów postępowania doktorskiego.

   TAK/~~NIE~~*

2. Ja, niżej podpisany wnioskuję o wyróżnienie rozprawy doktorskiej.

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3. Uzasadnienie w przypadku Recenzji z negatywną konkluzją (25-200 słów):

03.09.2025 r.
data sporządzenia recenzji

J. Kozak
podpis recenzenta

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