

## **ABSTRACT**

### **Sovereign wealth funds and their regulation**

The aim of this work is to provide a comprehensive explanation of the current issue of the role and activities of sovereign wealth funds in financial markets and to try to summarize current international regulatory framework, as well as to outline possible changes in this system. This question comes from description and interpretation of the most important international “soft-law” rules on sovereign wealth funds – the so-called Santiago Principles (Generally Accepted Principles and Practices) and the OECD’s related legislation. The reason for selection of this topic is a fact that issues related to existence of sovereign wealth funds and their legal regulation have not been discussed sufficiently in Czech scientific circles.

This work is divided into four chapters. The first chapter is an introduction to the aforementioned issues. In the second chapter, which consists of two sections, the work is concentrated on general characteristics of existence of sovereign wealth funds. The first section is focused on definition of the term “sovereign wealth fund”, categorization of such funds on the basis of their characteristic features and analysis of legal nature of these funds. The second section is devoted to influence of sovereign wealth funds on financial markets, analysis of size of individual funds and the causes of their heyday, analysis of sovereign wealth funds’ investment strategies and risks, which poses their activities and also to characteristics of the world’s leading sovereign wealth funds.

In the third chapter, the work is concentrated on the regulatory aspects associated with existence of sovereign wealth funds. This chapter is divided into three sections. The first section deals with theoretical concepts of regulation. The second section is crucial and analyzes and construes the above-mentioned Santiago Principles. Additionally, possibilities of future development of the Santiago Principles are discussed therein. The final section discusses the OECD’s regulative approach to sovereign wealth funds. Respective conclusions are drawn in the fourth chapter. Literal wording of the Santiago Principles poses the schedule to this work.