

Abstract

The purpose of the presented thesis is to analyse the developments of the regulatory framework relating to the taking up and pursuit of the business of credit institutions within the European Union (EU). One of the main reasons for this research is the development of the regulatory framework in the aftermath of the financial crises which showed its destructive effects after the financial collapse of Lehman Brothers in September 2008. The EU regulatory respond to the crisis led to the establishment of the new European System of Financial Supervision (ESFS). The new regulatory framework affects not only the role of the national standard setters and the work of national supervisory authorities but also rights and duties of all regulated and supervised entities of the financial market.

The thesis is composed of five chapters. Each of them is dealing with the development of the regulatory framework concerning technical instruments of prudential supervision in the area of credit institutions. The introductory Chapter One defines instruments of prudential supervision which are applied by credit institutions and their supervisors under the present so-called Capital requirement directives (CRD).

Chapter Two describes the evolution of the process of harmonisation in the area of credit institutions. The chapter consists of three parts. Part One focuses on the early efforts of harmonisation connected with the adoption of the first banking directive. Part Two demonstrates how the adoption of the Single European Act and the concept of the internal market have influenced the process of harmonisation in the area of credit institutions. Part Three is devoted to the so-called Lamfalussy regulatory framework which was developed for the purpose of transformation of the Financial Services Action Plan goals into the real life.

Chapter Three focuses fully on the new European System of Financial Supervision. Part One outlines the international aspects of the new supervisory architecture. The others parts describe and evaluate the operational framework, roles and duties of the European Systemic Risk Board and of the new European Supervisory Authorities (ESAs).

Chapter Four concentrates on the powers of the European Supervisory Authorities in the area of standard setting. Part One describes briefly some sources of EU law under the Lisbon Treaty relevant for the area of credit institutions. Part Two presents the features, legislative process of adoption and differences between legally binding technical standards which may be adopted as delegated acts, implementing acts, regulatory technical standards or implementing technical standards. Part Three analyses and explains the powers of the ESAs to

issue legally non-binding recommendations and guidelines which shall complement the existing set of binding rules.

Conclusions are drawn in Chapter Five. The main aim of the thesis is to focus on strengths and weaknesses of the ESFS and to provide initial throughout analysis of the ESFS with focus on binding technical standards as mean of maximal harmonisation. Due to the early stage of the existence of this framework, more evidence on its functioning will be needed to be in the position to provide an independent analysis. Therefore this thesis should be seen as pioneer work on this topic.