

## Abstract

The 2007 financial crisis has highlighted the problem of so-called “too-big-to-fail” financial institutions. These institutions are so large, interconnected and complex that their failure can cause significant distress in the financial system or even trigger a systemic crisis. In order to address the systemic risk posed by these institutions it is first necessary to identify them. BCBS has proposed a methodology to assess the systemic importance of global banks. This paper presents a methodology for identification of Czech domestic systemically important banks. The method is based on balance sheet indicators of banks. The assessment is using the data for years 2008-2012 and identifies four banks as systemically important for the Czech banking sector.

**Keywords**

Systemic importance, systemically important banks, SIFI

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