

# **The Financial System Supervision in the European Union**

## **Abstract**

In the first chapter of my dissertation theses, I defined the objectives of the dissertation theses, I chose suitable methods of scientific work, which I applied in the entire process of creating the dissertation theses, I described them in more detail, and I also described in detail the entire methodology of the dissertation theses.

In the second chapter of the dissertation theses, I paid attention to the definition of the financial system in the European Union and also to the legal acts of supervision over the financial system in the European Union. I also described the basic supervision of the financial system in the European Union, the banking union as part of the financial supervision system, as well as the European System of Central Banks (ESCB) and summarized other aspects of the supervision of the financial system in the European Union. At the end of this chapter, I state that by summarizing the institutional arrangement of European supervision, I have fulfilled one of the set sub-goals.

In the third and fourth chapters, I described and evaluated the functioning and structures of specific components of the mechanism of macroprudential supervision and microprudential supervision of the European Union as part of the supervision of the financial system in the European Union, as well as the application activities of European institutions participating in the supervision of the financial system in the European Union, by which I have already fulfilled the other two set sub-goals.

By developing the third chapter, I verified hypothesis 1 with the result that the current legal regulation and implementation of macroprudential supervision over the financial system in the European Union can be considered sufficient in relation to the fulfilment of the set objectives of supervision. Of course, it is possible to make the macroprudential supervision of the financial system in the European Union even more effective, a more detailed identification and critical evaluation of the advantages and strengths of the supervision of the financial system in the European Union, the identification and critical evaluation of fundamental problems and shortcomings accompanying the supervision of the financial system in the European Union and the identification of optimization possibilities in the functioning of the supervision of the financial system in the European Union, I presented in detail in chapter 6.

In the fourth chapter, I verified hypothesis 2 with the fact that the current legislation and implementation of micro-prudential supervision over the financial system in the European Union can be considered sufficient in relation to the fulfilment of the set objectives of supervision. Of course, it is possible to make the micro-prudential supervision of the financial system in the European Union even more effective, more detailed identification and critical evaluation of the advantages and strengths of the supervision of the financial system in the European Union, identification and critical evaluation of fundamental problems and shortcomings accompanying the supervision of the financial system in the European Union and the identification of optimization possibilities in the functioning of the supervision of the financial system in the European Union, I write about it in detail in the sixth chapter.

In the fifth chapter of the dissertation, I made analyzation and evaluation other components of the supervision of the financial system in the European Union, namely cooperation at various levels as part of the supervision of the financial system in the European Union and the role, in particular, of the International Organization of Securities Commissions, the Financial Stability Board and the International the association of insurance supervisory authorities and the position of the European Parliament as an important part of the supervision of the financial system in the European Union.

At the end of the chapter, I commented on the methodological aspect of the dissertation. When determining other sub-objectives of the dissertation, research questions and hypotheses, I started from the thesis that a fundamental prerequisite for maintaining the stability and credibility of the financial system is a consistent and effective system of supervision over the financial system (not only) in the European Union. As part of the fulfilment of sub-goal 4, to evaluate the effectiveness of the current form of the European legal framework for the supervision of the financial system of the European Union and to answer research question 1, I state that, in my opinion, the effectiveness is high. Of course, in the next part, I will also name specific steps that should lead to greater efficiency with the aim of incorporating them into the legal regulation of the supervision of the financial system of the European Union. Thus, in the process of achieving sub-goal 5, evaluate the consistency of the current form of the European legal framework for the supervision of the financial system in the European Union and at the same time in the search for an answer to research question 2: What is the effectiveness of the current form of the European legal framework for the supervision of the financial system in the European Union? I note a high degree of consistency in the aspects of coherence,

interconnectedness, connectedness, continuity and connection. I consider this to be one of the strengths of the supervision of the financial system in the European Union and its legal framework. However, in many components, this interconnectedness and attachment can be considered as aspects that are a barrier to the flexibility of the proceedings and the completion of the proceedings at a time relevant to the proceedings, when a real threat to the proper functioning and integrity of the financial markets or the stability of the entire of the financial system in the European Union or its part.

Although I have already carried out an interim summarization of the findings within each relevant chapter and sub-chapter, in the sixth chapter of the dissertation I fulfilled subobjectives 6, 7 and 8, i.e. I identified and critically evaluated the advantages and strengths of the supervision of the financial system in the European Union, identified and evaluated the fundamental problems and deficiencies accompanying the supervision of the financial system in the European Union and identified the possibilities of optimization in the functioning of the supervision of the financial system in the European Union. Part of the sixth chapter are answers to research questions 3, 4 and 5.

**Key words:** supervision, macroprudential supervision, microprudential supervision, financial system, European Union, financial system of the European Union