

MONEY, FINANCES AND CREDIT

Features of banking insurance regulation under the European Integration

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Nowadays the questions of introduction and provision of effective implementation of the system of financial markets' regulation and supervision, according to current EU practices become relevant.

Aim of the article is to determine the features of the banking and insurance regulation in the European integration.

In the article there are determined terms of the European integration in banking and insurance areas, such as: formalization of the mechanism of adoption of European standards on the national practice of banks and insurance companies; strengthening the requirements of national regulators of the best European practices in the banking and insurance regulation and supervision; implementation of accelerated development scenario of the banking and insurance sectors.

A list of tasks banking and insurance regulation and supervision is offered: increasing the quality requirements and the amount of bank capital in accordance with the EU requirements; bringing legislation on banking regulation in line with the EU requirements; improving the mechanisms of state regulation of the banking sector in accordance with the best European practices;

introduction of new evaluation standards of banks' liquidity by Basel III; introduction of additional requirements for bank capital adequacy by Basel III; aligning legislation on the regulation of insurance companies in accordance with EU requirements; improving the mechanisms of state regulation of the insurance market in accordance with the best European practices; tightening of requirements for the quality and amount of capital of insurance companies in accordance with the EU; establishing mechanisms for protection of insurance consumers in accordance with the EU requirements; implementing state evaluation of insurance services quality in accordance with the EU requirements; introduction of a new regulatory system for the solvency of insurers by the EU Solvency II Directive.

In the article it is established that the issues of improvement of regulation and supervision of banks and insurance companies to implement diagnostic monitoring, especially with the introduction of Basel III on assessment of bank liquidity risk and the Solvency II to assess the solvency of insurers with the European standards of regulation and supervision have significant relevance.