

## **Regulatory environment for the financial services sector – contemporary dilemmas and challenges** (From the Volume Editors)

### **Articles**

Małgorzata Olszak, **Competition in the banking sector and financial stability – a review of theoretical and empirical evidence**

#### **Table of contents:**

- I. Introduction
- II. Competition intensity in the banking sector and the financial stability of banks – definitions
  1. What is competition in the banking sector and how is it measured?
  2. What is the financial stability of banks and how is it quantified?
- III. Review of theoretical evidence
- IV. Analysis of empirical research on the relationship between competition and the financial stability of banks
  1. What factors affect the relationship between competition and the financial stability of banks?
- V. Conclusions

**Summary:** The article aims to determine what the potential relationships are between competition and the financial stability of banks. To resolve this problem, theoretical and empirical evidence is assessed. The analysis leads to the conclusion that high intensity of competition results in greater risk-taking by banks in the deposit market. By contrast, in the lean market, the more competitive the market is, the more risks banks take (and the greater their instability). However, most recent research, both theoretical and empirical, suggests that the relationship between competition and financial stability is non-linear, as both high and low intensity of competition bring about financial instability. The analysis of empirical evidence indicates that the strength and direction of the relationship between competition and financial stability depends on bank size, bank capita level as well as the macroeconomic environment.

**Key words:** competition intensity, financial stability of bank, bank risk.

**JEL classification:** G21, G28, L1, L16.

## **Anna Patalon, Competences of the Insurance Ombudsman regarding consumer protection and victims of traffic accidents**

#### **Table of contents:**

- I. Introduction
- II. Consumer society and consumer movement
- III. The victim and the consumer in the Polish legal system
- IV. The Insurance Ombudsman as the guardian of consumer protection
- V. Practices that violate collective consumer interests and the activities of the Insurance Ombudsman
- VI. Summary

**Summary:** The article considers the issue of the competences of the Insurance Ombudsman regarding the protection of consumers of insurance services. An excessive expansion of protection given to entities that do not have the right to such protection can be observed in the activities of the Insurance Ombudsman and of other institutions set up to protect the interests of consumers. The conviction that every entity that is the weaker party in a legal relationship deserves the right to special protection is deeply rooted in the consciousness of the Insurance Ombudsman and the President of UOKiK (the Office of Competition and Consumer Protection). This article highlights this issue on the example of victims of traffic accidents who falsely try to identify themselves as consumers. The study contains an analysis of the status of the victim in a traffic accident and a discussion of the Insurance Ombudsman's activities regarding consumer protection.

**Keywords:** Insurance Ombudsman, consumer of insurance services; victim; practices violating collective consumer interests; consumerism.

Kinga Bryl, **Brokerage activities on the basis of the so-called single banking license: genesis and assumptions**

#### Table of contents:

- I. Introduction
- II. Current regulations
- III. Requirements arising from EU law
- IV. The effects of the introduction of the single banking license
- V. The obligation of separating investment activities
- VI. Conclusions

**Summary:** The subject of this publication is an Amendment Act to the Act on Trading in Financial Instruments and Certain Other Acts, the purpose of which is to enable brokerage activities on the basis of the so-called single banking license covering both banking operations and brokerage activities.

**Key words:** single banking license; custody; banking activities; brokerage; financial instruments.

Edyta Rutkowska-Tomaszewska, **Practices violating the collective interests of consumers on the financial services market with particular focus to the banking services market, on the example of the most recent decisions of the President of UOKiK (Office for Competition and Consumer Protection)**

#### Table of contents:

- I. Introductory remarks
- II. The concept and characteristics of financial services
- III. The concept and conditions for determining a practice as violating the collective interests of consumers, and the effects of their application
- IV. The use of unlawful contractual clauses entered into the register of unlawful clauses in the provision of financial services in recent decisions of the President of UOKiK
- V. Violating informational obligations in the provision of financial services in recent decisions of the President of UOKiK

- VI. Dishonest market practices on the financial services market in recent decisions of the President of UOKiK
- VII. Other examples of practices violating the collective interests of consumers on the financial market in recent decisions of the President of UOKiK
- VIII. Summary

**Summary:** The paper analyses decisions on infringements of collective consumer interests issued by the President of UOKiK between 2013-2014 towards entities engaged in the provision of financial services, including banking services. Considered in particular are lenders providing consumer loans, also those that are not subject to the supervision of the Financial Supervision Authority Commission. It is the purpose of this paper to show the irregularities in the provision of consumer loans that emerged from the analysis of the decisions of the President of UOKiK, and which have been qualified as practices infringing collective consumer interests.

**Keywords:** financial services; banking services; consumer regulations; consumer credit; practices violating the collective interests of consumers; unlawful contractual clauses; informational duties; dishonest market practices; dishonest advertisement.

Dorota Wojtczak-Samoraj, **A few comments on the legal framework of the EU financial market**

#### Table of contents:

- I. Introduction
- II. Targets and method of EU legislative activity in the financial market area
- III. Changes in the legal framework of the EU financial market
- IV. Summary

**Summary:** The legal framework of the EU financial market combines public law with private law elements. It is shaped on the basis of the goals which are to be achieved by these legal regulations. It is those goals which determine, in turn, the scope of the legal regulations and, thus, the activity area of the EU legislator as well as the concept (philosophy) of the regulation, according to which the legal activity is undertaken.

The subject of this article is to analyze EU's legislative activity in the financial market area, considering in particular legal instruments adopted in the past five years. This analysis makes it possible to show changes in the hierarchical structure of the pursued goals, as well as in the concept and the scope of regulation. These elements are determined by the needs of the integrated EU financial market, which is the subject of transformation and, at the same time, becomes more vulnerable to destabilizing factors.

**Key words:** financial market law, financial stability, ESFS, banking union.

#### Legislation and case law reviews

**The intervention competence of the European Securities and Market Authority – Comments to the judgment of the Court of Justice of the European Union of 22 January 2014 in the case C-270/12 – United Kingdom v. Parliament and Council (Natalia Kohtamäki)**

**Setting the minimum interchange fee level as an example of an illegal agreement. Judgment of SOKiK of 21 November 2013 in the case XVII AmA 11/10 (Ilona Szwedziak-Bork)**

**Books reviews**

**Włodzimierz Szpringer, Instytucje nadzoru w sektorze finansowym. Kierunki rozwoju, [Supervisory institutions in the financial sector. Directions of development]** Wydawnictwo Poltext, Warszawa 2014, p. 279 (Marcin Olszak)

**Edyta Rutkowska-Tomaszewska, Ochrona prawa klienta na rynku usług bankowych. [Client rights' protection on the banking services market]** Seria: Monografie LEX, LEX a Wolters Kluwer business, Warszawa 2013, p. 911 (Anna Laszczyk)

**Events and activity reports**

**Report on the panel “Consumer rights protection on the financial services market”, Warsaw, 09/06/2014** (Mateusz Dubek)

**Report on the 2<sup>nd</sup> Cracovian International Scientific Conference “Insurance in European countries. Economic and Legal Issues”, Cracow, 28–29 November 2013** (Maria Płonka)