

LEGAL BASIS OF BANKING ACTIVITY REGULATION IN GERMANY

Xo'jabekova Ulug'oy Ilhom qizi

Jizzakh Polytechnic Institute, student

Abstract: This article provides the legal basis for the regulation of banking activities in Germany, "On the banks of the Federal Republic of Germany" and "On the German Federal Bank", as well as on the recommendations of the Council of the European Community on July 13, 1983, from January 1, 1985. Laws "On Amendments and Supplements to the Law "On Banking Activities" adopted in 1961" entered into force.

Key words: The legal basis of regulation of banks in Germany, Control of commercial banks.

Introduction: Until the end of the 20th century, in Great Britain, because there was no special law on the control of commercial banks, secret and informal control over credit institutions was carried out. Until recent years, UK banks were free from government intervention and legal regulation. Regulation of banks' activities was carried out within the framework of the law "On joint-stock companies" adopted in England. By the end of the 70s of the 20th century, control over credit institutions in England was somewhat strengthened. According to the law adopted in 1979, the licensing of commercial banks began to be made mandatory, the National Savings Fund of Deposits was established, and the Bank of England was given the status of a supervisory authority. However, the law on banking activities adopted in 1979 could not reflect the rapidly changing field of banking activities. In addition, this law did not provide for the mechanism of regulation of the banking system by the Bank of England. After that, regulation of commercial banks was legalized by the law "On Banking Activities" (Banking Act) adopted in 1987. From October 1 of this year, all institutions with a license to carry out banking activities are required to comply with the bank's minimum capital, liquidity ratio, net assets and other financial indicators, the formation of reserves against "doubtful" debts, to the supervisory and regulatory authorities. provision of information on the qualification of employees, compliance of accounting and auditing with certain requirements and compliance with other legal requirements was made mandatory.

In addition, on the basis of the law adopted this year, the activities of commercial banks have been audited. The control system used by the Bank of England is unique for each bank. As a result of the control, based on the financial situation and capabilities of the banks, measures are developed in agreement with the managers of the banks. It should be noted that until 1982 there was no practice of conducting inspections in English banks.

Over the past 130 years, banking supervision in the USA and Western European countries has been formed in various forms and reflected the following conditions:

- initially, as a result of the lack of legal and other conditions for commercial banks to carry out their activities in these countries, it actually caused a macroeconomic imbalance;
- as a result of this, the instability of the banking system and the failure of banks to lead to the loss of confidence in the entire banking system began to be proven.

- finally, these countries began to direct their economic policy to ensure the stability of the banking system.

In the United States, Germany, France, Italy and other developed countries, the state policy in the field of banking activity is aimed at eliminating financial instability in the economy, establishing control over the aggregate money supply, ensuring that banks operate on the basis of profit, and preventing the emergence of feelings of distrust towards the banking system. It is possible to see goals such as not to put 'l.

Although the Russian banking system developed during the late 19th and 20th centuries, it has been operating in the market economy for only a few years. Taking this into account, it is important to adapt the legal framework of the banking regulation system in Russia and the CIS countries to international standards.

review of local regulations

The state regulates the activities of banks in the following ways:

- creation of legislation and other conditions enabling the realization of the interests of commercial banks;

- influencing the funds of commercial banks as loans to the economy by influencing the total volume and composition of the money in circulation through monetary policy;

- setting economic standards to ensure the solvency of banks and control over their compliance.

In general, banking supervision in a broad sense is a system used by the government to ensure the reliability and stability of the financial sector. Any state banking supervision system faces 2 tasks:

1. To protect the interests of all depositors and creditors.
2. Guaranteeing the banking system, supporting economic growth.

In all developed countries of the world, the Central Bank regulates the activities of commercial banks in 2 different ways:

- 1) conducting the monetary policy of the state; and
- 2) regulates on the basis of economic standards and directly affects the country's financial stability and macroeconomic indicators.

Economic norms (normatives) to regulate the activities of commercial banks by the Central Bank of the Republic of Uzbekistan in order to ensure the balance liquidity of commercial banks at all times or to ensure that they fulfill their obligations to them on time, to protect the interests of depositors. installed.

The establishment of economic regulations for commercial banks is one of the most important instruments for achieving effective banking supervision by the Central Bank,

identifying problems in the activity of commercial banks in advance, and creating a stable banking system.

By the end of the last century, economists came to the conclusion that the monetary policy, which is a part of the monetary policy conducted by the central banks, is a continuation of the general financial policy of the state. The goal of this policy is to increase national income and actively influence other macroeconomic indicators. Most Keynesian economists in Western countries believed that monetary policy was sufficient for active management of the monetary system and short-term macroeconomic regulation. Monetarists, including the American economist Milton Friedman, believe that the active monetary and financial policy of the state, as well as excessive interference by the state in the operational activities of banks, can cause instability in the economic system. But these critical views could not prevent the practical application of Keynesian views.

The state, with the help of central banks, regulates the activities of commercial banks by direct instructions (directly - administratively) or indirectly, they ensure liquidity and thereby achieve macroeconomic efficiency. According to the principles of the current market economy, the drastic reduction of state intervention in the economy and the creation of its legal foundations will provide an opportunity for the liberalization of financial relations and the development of a stable monetary and credit system.

The Central Bank's policy of registration, licensing and regulation of commercial banks, i.e. bank supervision, is one of the ways to maintain the stability of the banking system, create a real competitive environment in the banking system, and control the entry of new financially stable banks into the market. Improvement of the process of bank licensing consists primarily in raising the requirements for licensing standards, that is, the financial condition of bank founders, the qualifications and reputation of bank managers. Also, banks must ensure the adequacy of their own capital, comply with the economic norms established by the Central Bank, ensure the growth of credit investments directed to the real sector of the economy and rational diversification of risk, the conditions for granting loans, as well as the monitoring of the state of the bank's credit portfolio from the point of view of protecting the interests of shareholders and depositors, shows the essence of regulating the activities of banks.

Conclusion: In short, to ensure the stability of the entire banking system, and for an individual bank, to show the most correct way to prevent serious problems and crises that it may face, depositors' and creditors' funds. control and regulation of the level of risky operations performed by the banks using them, and thereby, ultimately, protecting the interests of depositors and creditors, is an important economic essence of the regulation of the activities of commercial banks by the Central Bank.

References:

1. Norboyev O'.M. Aholi bandligi va yangi ish o'rinlari yaratish holatini statistik baholash.//Davlat statistika qo'mitasining "O'zbekiston statistika axborotnomasi" ilmiy – ommabop elektron jurnali. – Toshkent, 2021 yil №3-son. www.statmirror.uz
2. Norboyev O'.M. Yangi ish o'rinlari yaratish holatini statistik baholash //“Raqamli iqtisodiyotni shakllantirish sharoitida ctatistika tizimini yanada takomillashtirish”

mavzusidagi xalqaro ilmiy-amaliy konferensiyasi anjumanlari to'plami. –Toshkent, Toshkent moliya instituti, 2022 yil 18 mart.-391-393 betlar.

3. Norboyev O'.M. O'zbekiston Respublikasida aholi bandligini ta'minlashning iqtisodiy-statistik tahlili. // Davlat statistika qo'mitasining "O'zbekiston statistika axborotnomasi" ilmiy – ommabop elektron jurnali. – Toshkent, 2022 yil №1 -son. www.statmirror.uz

4. Norboyev O'.M. Hududlarda aholining ish bilan bandlik holatini oshirish yo'nalishlari // "Statistikaning zamonaviy muammolari: nazariya, uslubiyot va amaliyot" mavzusidagi xalqaro ilmiy-amaliy konferensiyasi anjumanlari to'plami. –Toshkent, KMO i STI, 2022 yil 26 noyabr.-248-251 betlar.

5. Norboyev O'.M. Jizzax viloyatida aholi bandligi va yangi ish o'rinlarini yaratish holatini statistik baholash // O'zbekiston Respublikasi Prezidenti huzuridagi Statistika agentligining "O'zbekiston statistika axborotnomasi" ilmiy ommabop elektron jurnali. – Toshkent, 2023 yil №2-son. www.statmirror.uz

6. Норбоев У.М. Методы анализа состояния трудовых ресурсов, использования рабочего времени на предприятии// Актуальные научные исследования в современном мире, Переяслав 2022, Украина. 173 -178 стр.

7. Портес А. Неформальная экономика и ее парадоксы // Экономическая социология. 2003, № 5. С. 37–38.

8. Седлак М. Тенденции развития секториальной структуры экономики // Проблемы теории и практики управления. 1998, №2. С. 31–32.

9. Туленков, М.В. Организационно-управленческие основы регулирования занятости в Германии / М.В.Туленков // Бюл. ИПК ГСЗУ. – 2004, № 1. С. 50–54.

10. Узякова Е.С., Узяков М.Н. Занятость и эффективная занятость в российской экономике // Проблемы прогнозирования. –2011, № 6. С. 89–101.

11. Уильямсон О. Поведенческие предпосылки современного экономического анализа // THESIS. Т.1. Вып. 3. –М.: Начала-Пресс, 1993. С.71–72.

12. SHadmanov X.N. Mehnat bozorida samarali bandlikni ta'minlash: muammo va echimlar // "Xalqaro moliya va hisob" ilmiy elektron jurnali. № 2, aprel, 2019 yil. 1–9-b.