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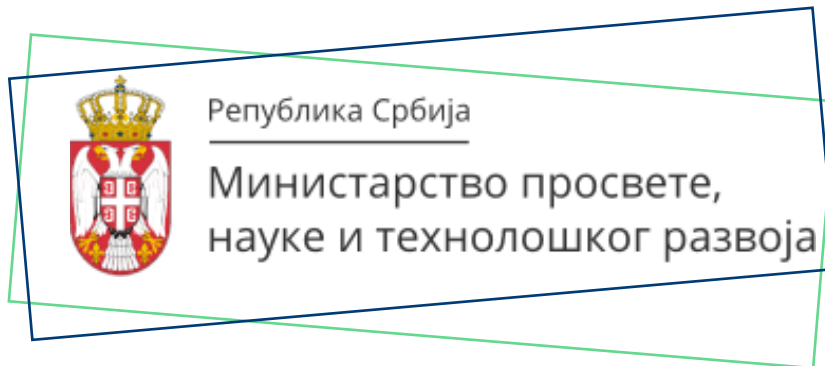
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PREFACE

ABOUT THE CONFERENCE

The First International Contemporary Financial Management Conference (CFMC | 2022) hosted by the University of Belgrade is designed to be the premier forum for the presentation of new advances in the theory and practice of financial management. The conference aims to become recognized as the leading financial management forum in the SEE bringing together renowned European and global experts and participants.

CONCEPT

CFMC | 2022 provides a unique platform for key experts and stakeholders to exchange insights, network, reconnect and gain fresh approaches and contemporary ideas in area of financial management. Furthermore, participants from EU candidate and potential candidate countries will have the opportunity to connect and exchange relevant experiences with colleagues from the EU. The Conference program consist of keynote speeches, panels, workshops, and networking/ socializing events.

PARTICIPANTS

The conference brought together expert participants from government, academia, business, and civil society sectors who deal with contemporary financial management or financial policy making. Over 40 experts and 180 participants from 20 countries participated in CFMC | 2022.



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Topic: The Performance Framework of the EU Budget: A Path to Public Value Creation?



Jove TAPIADOR

Affiliation: Trustee and past Chairman of the Fintech Philippines Association
Topic: From Zero to Hero



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THE VALUE RELEVANCE OF INTANGIBLE ASSETS: EVIDENCE FROM AN EMERGING MARKET VIETNAM

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Abstract

This study aims to examine the value relevance of intangible assets and their influence on the value relevance of accounting information in Vietnamese-listed non-financial firms. Data used in the study are panel data collected from audited financial statements of 618 non-financial firms from 2015 to 2020. We test three models, including accounting information (earnings per share and book value per share) without intangible assets model, accounting information (earnings per share and book value per share) with intangible assets model, and accounting information (earnings per share and book value per share) with an interaction term of intangible assets model. Fixed-effects analyses show that intangible assets and traditional accounting measures (earnings per share and book value per share) are positively associated with stock prices. The study reveals that the value relevance of earnings per share is higher for firms that own intangible assets than for firms that do not. In other words, intangible assets can improve the value relevance of accounting information



THE IMPACT OF THE APPLICATION OF BUSINESS INTELLIGENCE TOOLS ON THE COMPANY'S PERFORMANCE

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Abstract

Business intelligence (BI) has become very popular in the business environment because of its ability to transform huge amount of data into relevant information, important for decision making. Based on the sample of 52 small to large companies from the Republic of Serbia we tested the impact of BI implementation on company's performance. The research shows that foreign owned companies have higher level of the BI tools implementation than the domestic owned. The main obstacle to the higher level of the BI tools implementation is the lack of skilled and qualified staff. Companies that use BI tools have better performances than companies that use only financial statements data for decision making. The implementation of BI has the strongest impact on the level of company profits related to other partial components of the performance.

EMPLOYEES' PERCEPTION OF THE PERFORMANCE EVALUATION PROCESS ELEMENTS: EVIDENCE FROM BANKING INDUSTRY

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Abstract

In this study, we argue that evaluation system elements, more precisely performance measures and managers' biases, fairness perception, pay transparency, and incentive types, have important consequences for employees' performance. Since managers have limited time for performance evaluation, performance information is usually incomplete and includes subjectivity (Bol, 2011). This leads to performance evaluation biases, more precisely to centrality and leniency biases (Bol 2011; Moers 2005). Additionally, we argue that employees' fairness perception is very important not only for the evaluation process but also for their satisfaction. Moreover, a growing body of literature emphasizes the role of pay transparency in the performance evaluation process. For instance, Bol, Kramer and Maas (2016) point out that accurate information and transparency about performance evaluation outcomes lead to better evaluation judgments and more objective reward decisions. Finally, the study analyses how important it is for employees to receive rewards they value and expect. Therefore, employees' preferences for different types of incentives, such as explicit or implicit, might result in employees' better performance. In order to answer our research questions, we developed a survey where we collect data from various branches of one large international bank in Serbia. The results show that most of employees think that branch managers use subjective performance evaluation, but that their evaluations are fair and match what employees deserved. Although employees are generally satisfied with results of the evaluation process and rewards they received based on it, centrality and leniency biases exist and there is still room for improvement. By illustrating the elements of performance evaluation process and their potential consequences for employees' performance, our study contributes to the literature that examine compensation policies.



HOW DOES INTELLECTUAL CAPITAL AFFECT THE FINANCIAL PERFORMANCE OF MICRO, SMALL, AND MEDIUM-SIZED HOTEL COMPANIES

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Abstract

The paper examines the impact of intellectual capital components, measured by the modified value-added intellectual coefficient (MVAIC), on the financial performance of 100 micro, small, and medium hotel companies in Serbia with the highest operating revenues in 2019. The research was conducted from 2015 to 2019. Financial performance was measured by the natural logarithm of EBITDA, EBITDA margin, ROA, and ROE. The multiple regression shows that the efficiency of structural capital has a positive impact on all four measures of financial performance. In the case of human capital efficiency, a positive impact on the EBITDA margin was identified, and a negative impact on the natural logarithm of EBITDA. Only relational capital efficiency has a positive impact on ROA of hotel companies in Serbia. As IC and its components represent significant resources that affect the financial performance of hotel companies, it is necessary to manage them to achieve the best possible financial results.

AUDIT MARKET CONCENTRATION: SOME EVIDENCE FROM THE REPUBLIC OF NORTH MACEDONIA

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Abstract

Audit market concentration has been thoroughly researched both globally and regionally. According to previous studies, the audit market is often dominated by the Big Four at the EU level, while in the region, the concentration is lower, indicating that it has oligopolistic features. This paper analyzes and measures the concentration of the audit market in Republic of North Macedonia, through Herfindahl-Hirschman index - HHI and concentration ratio - CR4, based on three independent variables: audit-related revenue, number of clients and number of employees. The research covers the period from 2014 to 2021 and it is concluded that at the beginning of the analyzed period (2014-2017), according to audit-related revenue, the audit market in Republic of North Macedonia had the characteristics of an oligopoly, but today it is nonconcentrated market and ranges from perfect competition to oligopoly. In terms of the number of employees and the number of clients, the results from our research show that audit market in Republic of North Macedonia is not concentrated.



REVISITING THE EFFICIENCY OF PERFORMANCE BUDGETING IN OECD COUNTRIES: LESSONS FOR BALKAN COUNTRIES

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Abstract

Performance budgeting aims to use performance information systematically to inform decision makers in respect to budget planning, assuring higher level of transparency and accountability in the budgeting processes. Empirical research on performance budgeting practices in OECD countries shows that many of them still struggle to make effective use of performance information in budgetary decision making. To that end, this study revisits efficiency of performance budgeting in OECD countries in order to make recommendation for Balkan countries who are introducing performance budgeting in the last few years. Paper aims to investigate on efficiency of performance budgeting and its contribution to the quality of public practices in general, as well as potential challenges in implementation. We use OECD data on Performance budgeting survey from 2018. For the analysis, descriptive inference statistics, correlations and hi-square tests were used.



IMPACT OF BEHAVIOR NUDGES FOR TAX COMPLIANCE: AGE AS A FACTOR IN MUNICIPALITIES IN THE REPUBLIC OF NORTH MACEDONIA

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Abstract

We examine the effects of a tax behaviour nudging experiment among non-compliant property taxpayers in three Macedonian municipalities. The results indicate that on average deterrence message was effective almost 6 percentage points higher than for the control group, while the social norm message and public good message with an average of 4.4 and 3.2 percentage points higher than the control group, respectively. Furthermore, age as a variable is significant and negatively associated with tax compliance behaviour in one of the three municipalities. Finally, we recommend the approach to the policymakers as effective while being inexpensive and not requiring legislative changes.



IS THERE A RELATIONSHIP AMONG INVESTOR SENTIMENT INDUSTRIES? EVIDENCE FROM THE VIETNAMESE STOCK MARKET

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Abstract

The existence of investor sentiment and its influence on the stock market dynamics has become a growing concern in recent years especially among emerging economies. While the existing literature has focused on the sentiment of national stock market as overall, the sentiment related to stock sectors has been largely ignored. Thus motivated, this research aims to examine the dynamic spillover among sentiment of different stock sectors in Vietnam during 2013-2022. To this aim, we use a financial network consisting of the sentiment variable in the time-varying parameter vector autoregression (TVP-VAR)-based spillover framework. Our results show strong independence among sentiment indices in our network, especially from 2015 onwards. Overall, we find that industries heavily affected by government regulation, including Utilities, Finance, Banking, Oil Industry and Consumer Services, are net transmitters of shocks. The other sectors, including Technology, Industrials, Consumer Discretionary, Health Care and Basic Materials, are net recipients.



ISO CERTIFICATION'S ROLE IN THE SDGs REPORTING PROCESS: STUDY OF LARGEST PORTUGUESE COMPANIES

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Abstract

In 2015, the United Nations approved the Agenda 2030 defining 17 Sustainable Development Goals (SDGs). Among those, the target 12.6 encourages companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle. Additionally, the International Organization for Standardization (ISO) described each ISO standards' contributions to the SDGs. Thus, the aim of this paper is to understand whether ISO certification is a determinant factor in SDGs reporting.

Standalone non-financial reports of the largest Portuguese companies were collected from 2016 until 2020, obtaining a total of 119 reports from 41 companies: only 27 (22,7%) of the reports corresponds to non-certified companies and 92 (77,3%) to certified ones. Through a content analysis of non-financial reports, we did not find significant differences between certified and non-certified companies concerning the SDG-related disclosure.

In a general perspective, for non-certified companies' group, 66,7% mention SDGs and from those 77,8% prioritized the UN Goals. As for certified companies' group, 79,3% mention the SDGs and 61,6% of the reports had priority SDGs. Both, for non-certified and certified companies, the most mentioned SDGs were SDG8 (Decent work and economic growth), SDG 12 (Responsible consumption and production), SDG 13 (Climate action) and SDG 3 (Good health and well-being). Among the least mentioned SDGs we found the SDG 14 (Life below water) (45,2%) and SDG11 (Sustainable cities and communities).



SUSTAINABLE DEVELOPMENT RELATED-DISCLOSURE ON THE INTERNET: STUDY OF THE PORTUGUESE MUNICIPALITIES' PRACTICES

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Abstract

Municipalities need to be able to assess their social/environmental impacts and to review their strategies towards Sustainable development. Therefore, reporting can play an important role by disclosing the municipalities' contributions and progress towards the UN Agenda 2030. Additionally, webpages on the internet stand out as a valuable tool to enhance municipalities' accountability. Thus, this paper aims to analyse the Sustainable Development Goals (SDG) related-disclosure practices on the internet.

qualitative methodology was adopted through the content analysis of all the 308 Portuguese municipalities' websites. Through bivariate statistics analysis we also associate the SDG disclosure with some municipalities' characteristics, such as location and size.

Our findings indicate that only a quarter of municipalities refer to the SDGs on their websites. None of the municipalities' president mention the SDGs in their messages. Only 10 entities (13%) have a separated tab on the website to disclose information related to SDG. Most information is generic and not about specific SDGs. Almost 64% of the disclosing municipalities disclose information related to SDG in the news. We found that only 23 municipalities have published sustainability reports. Through the bivariate statistics analysis, we found that: (a) there is a greater probability of disclosure about SDGs among coastal municipalities than inland municipalities; (b) the probability of disclosure varies depending on the municipalities' size, that is, medium and larger municipalities are those that disclose more information about SDGs on their websites.



ACCOUNTING OF ACID MINE DRAINAGE EFFECTS TO THE DOMESTIC WATER RESOURCES USING GIS-BASED TECHNIQUE

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Abstract

Acid mine drainage (AMD) is a serious problem to the environment, water resources and people. Calculating areas affected by AMD is helpful to create strategic programs for the protection of water resources, its remediation needs, reduction of adverse health effects, and enhancement of policy or guideline values. Accounting the extent of area contaminated by heavy metal (HM), the research team collected 26 groundwater (GW), 49 tap water (TW), and 25 water samples from refilling stations (RS) in the island province that was exposed to mining disaster. The analyzed water samples coupled with geographic information system (GIS) created the spatial HM concentration maps that were then used as environmental accounting tool to determine specific areas contaminated by As, Ni, and Pb. Records showed that 80 – 100% of the total area of the island province have water resources containing HM concentration beyond the Philippines NSDW and WHO permissible limit.



NON-FINANCIAL REPORTING ANALYSIS: DOES EU MEMBERSHIP AFFECT THE DISCLOSURE OF NON-FINANCIAL INFORMATION IN BLUE-CHIP COMPANIES?

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Abstract

Non-financial reporting, as a relatively new concept, has been intensively developed in the last few decades, primarily voluntarily, as a need to provide stakeholders with an insight into business-related issues that are of broader social importance. It is becoming necessary and increasingly important for all participants in today's socio-economic environment.

This paper presents qualitative and quantitative research on the disclosure of non-financial information on social responsibility in 40 listed companies from selected Balkan countries for the period from 2019 to 2021, to determine whether and how EU membership affects the scope of non-financial reporting. The results of the conducted statistical tests indicate that companies from EU countries disclose in more detail and for more segments compared to companies from non-EU countries. The transposition of the directive into law, i.e. mandatory non-financial reporting is one of the key factors for the disclosure of companies' ESG activities.



DO GRAPHICAL INFORMATION PRESENTATIONS LEAD TO SUPERIOR DECISION QUALITY? A NEW METHODOLOGICAL APPROACH

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Abstract

Despite recent trends towards graphical information presentations in business management, little is known about whether it improves decision quality for a complex multi-attribute decision problem. To overcome methodological weaknesses of prior research, we resort to individual attribute weights to examine decision consistency. In an online experiment asking a consistent performance evaluation of six subordinates, we examined the influence of information presentations (pure graphs vs. tables vs. graphs with data labeling) and task complexity (ranking vs. performance score and ranking) on decision consistency and speed in a between-subjects design. Results indicate an even inferior decision consistency for graphical information presentations for the ranking task, which are in contradiction with cognitive fit theory. Comparing the ranking task with the performance score and ranking task, results indicate decreasing decision quality for tables only. This study is of interest for management accountants and has implications for the information presentation in multi-attribute decision problems.



NORMATIVE EVOLUTION OF SOLIDARITY AFFILIATIONS OF COOPERATIVE BANKS IN EU LAW

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Abstract

The object of research addressed in the study covers the issue of solidarity affiliations of cooperative banks in normative terms. The history of the formation of affiliations of cooperative banks dates back to the second half of the nineteenth century. The idea of grouping by credit unions to protect their liquidity and solvency is expressed by words attributed to the pioneers of cooperative banking. Hermann Schulze-Delitzsch, the founder of the first volksbank, said that a few small forces, when united, form a great one, that it is necessary to unite with others to do what cannot be achieved working alone. Likewise, Frederick Raiffeisen pointed out that what is impossible for an individual, may be possible for many.

The aim of the speech will be to present the evolution of European Union law in the field of solidarity affiliations of cooperative banks. In this respect, the challenges faced by the EU legislator will also be presented.



WHEN CENTRAL BANK RESEARCH MEETS GOOGLE SEARCH: A SENTIMENT INDEX OF GLOBAL FINANCIAL STRESS

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Abstract

We construct a sentiment-based index of global financial stress (s-GFS index) for the period January 2004-December 2020. It builds on a novel methodological approach, which synthesizes the intensity of Google search for specific terms and word collocations related to financial instability and their prior selection based on the titles and abstracts of more than 2,000 working papers posted on the Basel Bank for International Settlements Central Bank Research Hub. The s-GFS index obtained by means of sparse principal component analysis (PCA) accurately captures major episodes of global financial instability during the observation period, playing a pivotal role for the US financial stress as well as industrial production in the USA, the Eurozone and China. It also Granger causes several well-known measures of global financial instability based on sentiment and "hard" data, e.g. the VIX index, as well as the overall dynamics of the global financial cycle, thereby emphasizing the usefulness of sentiment-based measures in monitoring worldwide financial stress.



FINANCIAL DEVELOPMENT, BANKING SECTOR AND ECONOMIC GROWTH IN BIH: AN EMPIRICAL ANALYSIS

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Abstract

Achieving sustainable economic growth is one of the main goals of economic policy in modern countries. As previous research has shown, the development of financial system has a significant influence on economic growth. The importance of the banking sector in developing countries becomes particularly important due to the insufficient evolvent of other parts of the financial system. The subject of this paper is the analysis of the impact of the banking sector of Bosnia and Herzegovina on economic growth in the period from 2000 to 2021. The aim of the study is to quantify this relationship. The regression relationship between the observed variables was tested, as well as the presence of causality. The results show that the increase in total loans granted by the banking sector to companies from the non-financial sector has a direct positive impact on the development of GDP. Namely, a 1% increase in total bank credit to non-financial private sector firms leads to an increase in GDP of about 0.46%.



FINANCING OF WIND ENERGY PROJECTS IN SERBIA: CURRENT STATUS AND FUTURE PROSPECTS

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Abstract

In recent years, renewable energy deployment is becoming an important goal for increasing number of countries including Serbia. Owing to an outdated energy infrastructure that is inherited from Socialist Federal Republic of Yugoslavia and a slow pace of energy transition, approximately 66% of Serbia's electricity is still generated by coal-fired power plants. Serbia's energy strategy is oriented toward clean energy, whereby wind energy has increasing role for energy transition. This study investigates the current practice of wind energy project finance in Serbia based on a case study approach. We conclude that significant progress has been made over the last decade. However, future development is strongly dependent on the update of national legislation, energy sector stability and the availability of suitable financing sources to support new projects.



CURRENT SITUATION OF INVESTMENT-LINKED INSURANCE IN THE VIETNAM INSURANCE MARKET

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Abstract

Vietnam's life insurance market has expanded significantly, with an average annual growth rate of nearly 25% after more than 26 years of existence and expansion. Businesses are increasingly switching from traditional insurance products to innovative solutions that mix investment components with health and accident protection, especially developing investment-linked insurance. Despite the substantial impacts of the Covid-19 pandemic, premium revenue grew impressively. According to the author's summary of research data for the period 2015 - 2021, the total premium revenue in the Vietnamese market has grown impressively from 19% to 26% per year, in which life insurance premium revenue increased from 24% to 35%/year; and, investment-linked insurance, including universal and unit-linked products, accounted for a large proportion of the total fee revenue, up to 68.2% in 2021. The purpose of this paper is to closely examine the current situation of investment-linked insurance in the potential insurance market of Vietnam under the regulation and lessons to improve this product in the future.



MODELLING AND FORECASTING CPI IN SERBIA USING THE SARIMA MODEL

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Abstract

To develop the most appropriate economic strategies in a country, policymakers need to have a reliable forecast of the rate of inflation. This is achieved by using the appropriate model that possesses high predictive accuracy. This paper analyzes the efficacy of Seasonal Autoregressive Integrated Moving Average (SARIMA) models to anticipate the CPI rates in Serbia. The model is developed using the monthly CPI (2010=100) in Serbia in the period 1995- first half of 2022 obtained from the International Monetary Fund.

The paper aims to demonstrate the importance of modeling seasonal series, the structure of the SARIMA model, and possibilities of application in the field of economics, specifically related to the analysis of CPI, but also the importance of seasonal influences in general. The qualities, as well as shortcomings of the model, serve to provide breadth in the observation of economic phenomena.

CASE STUDY OF THE CROATIAN NATIONAL BANK'S GREEN COMMUNICATION

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Abstract

In the last two years, the Croatian National Bank (CNB) has started to communicate intensively about the role of banks in the climate transition and has joined a coalition of central banks that have joined efforts towards achieving climate neutrality and greening the financial industry. Many governors know that the world is threatened with tragedy due to "climate change, which could threaten financial resilience and long-term prosperity" (Carney, 2015). This awareness of the governors resulted in establishing the Network for Greening the Financial System (NGFS) in December 2017, which today includes central banks from five continents. and the ECB, EBA, EIOPA, BIS, IMF, World Bank, EBRD and other. This paper is a case study of the green communication of the CNB, which is based on an analysis of the content published on the Bank's website and an in-depth interview with selected CNB officials.

THE LOYALTY OF INTERNET BANKING USERS IN SERBIA

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Abstract

The subject of this research is the loyalty of users of internet banking services. The aim of the research is to analyze the factors that determine the loyalty of users of internet banking services in Serbia. The research was conducted using a survey, in which a questionnaire was used with questions grouped into six groups according to the number of variables used in the research. The data collected by the survey were processed using descriptive statistical analysis, correlation analysis, and multivariate regression analysis. The research results show that the variables e-Satisfaction, Website Quality, Switching Barriers and Reputation have a statistically significant positive influence on the Loyalty of users of internet banking services, while the influence of e-Trust is not statistically significant.



DETERMINANTS OF THE MOBILE BANKING USAGE IN SERBIA

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Abstract

Mobile banking represents one of the greatest IT achievements of financial services (Jokić et al., 2019). The emergence of the coronavirus has emphasized the importance of mobile banking, given the individuals' fear of infection and movement restrictions.

In recent years, the research community has been particularly interested in investigating the impact of demographic factors on individuals' behavior related to mobile banking (Van et al., 2021; Kaur & Arora, 2020; Thusi & Maduku, 2020; Park et al., 2019; Makanyeza, 2017). Regarding this, we aim to discover what deters mobile banking usage in Serbia from a sample of 420 Serbian residents using binary logistic regression. The set of independent variables includes gender, age, educational level, and employment status. The modeling results show that educational level and employment status statistically significantly influence mobile banking usage, while gender and age are not statistically significant predictors.

APPLICATION OF BLOCKCHAIN TECHNOLOGY IN E-COMMERCE

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Abstract

The goal of this paper is to give an overview of payment systems used in e-commerce and analyze the role of blockchain technologies in modern e-business ecosystems focusing on e-commerce. Today, data and information are being exchanged with high intensity and speed in the digital world. Having this in mind, integrity and validity of those information is always in question. Blockchain, as a type of distributed ledger technology (DLT), enables consistent integrity of data and records in modern distributed information systems. It is based on: distributed bookkeeping, cryptography, consensus protocols and smart contracts; all of which allows data to be encrypted, safely transferred through the network and verified at the end of one transaction. This paper will focus on the application of blockchain technologies in modern B2C and B2B e-business and e-commerce models.



FINANCIAL INCLUSION AND CARBON EMISSIONS: THE CASE OF FORMER YUGOSLAVIA

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Abstract

Sustainability development goals agenda promoted the need for financial inclusion, where financial inclusion can be seen as a means for mitigating climate change. The aim of this study is to compare and contrast the state of financial inclusion on a sample of the former Yugoslav countries and to put it in relation to sustainability. This research uses two secondary datasets, and employ correlation analysis to test this association. The degree of financial inclusion is going to be assessed based on the state of countries digital financial development and, sustainability with CO2 emissions. The results go in favour of the greater financial inclusion and swift sustainable goals fulfilment.

IMPACT OF DIVIDEND POLICY ON AGENCY COSTS

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Abstract

The paper's primary goal is to identify the role of the dividend policy and related corporate governance mechanisms in reducing agent problems between management or large controlling shareholders and minority shareholders. Another important goal of the work is approximating the agent's cost. The turnover coefficient of total assets approximates this measure for the work. The cost of the agent is specific to joint-stock companies, and it results from the described agency conflicts, and it is not possible to measure it directly. Namely, the agent's costs and the possibility of their reduction are linked to the legal protection of investors and the specifics of the joint-stock company's country. Therefore, additional knowledge is essential in solving the described problem in the insufficiently researched developing countries. Based on the results of the empirical research carried out as part of this paper, the significant role of dividend policy in explaining changes in the agent's cost has been confirmed, which is in line with the majority of research carried out so far.

ARE THERE PRICE EFFECTS OF ADDING OR DELETING STOCK FROM THE STOCK INDEX?

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Abstract

In this paper, we investigate the effects of stock price indexing on its market price. The event study methodology is used to explore what happens with market price when stocks are added to or deleted from indices. The aim of the research is to investigate if there are price changes, can they be anticipated by traders, what is their duration and if the effects could be explained from the perspectives of neoclassical and behavioral finance. Several explanations of price dynamics after stock price (de)indexing are provided in the paper: imperfect substitutes hypothesis, price pressure hypothesis, investor awareness hypothesis and media coverage. The results can be used for testing the efficient market hypothesis and for the improvement of portfolio management.

FINANCING POLICIES OF INNOVATIVE ITALIAN SMEs: WHO FINANCES BUSINESS INNOVATION?

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Abstract

The aim of the paper is twofold: to verify whether the capital structure of innovative firms is conditioned by their life cycle and innovativeness; to identify the main factors influencing the choices of financing sources. A sample of 1289 Italian startups and SMEs, identified among those registered in the appropriate section of the Italian "business register", has been analyzed. A two-step regression analysis has been performed to assess the influence of several firm-specific factors on corporate financing policies. The evidence indicates that the level and composition of debt vary with the innovation degree of the firms considered. The high variability of the financial structure ratios does not allow a univocal interpretation of the influence of the business life cycle; this is also due to the impact of other firm-specific factors on corporate funding policies.



DEVELOPING COMPETENCES OF FINTECH PROFESSIONALS— STUDENTS, TEACHERS, AND LEADERS

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Abstract

Financial Technology (FinTech) is a rapidly developing and changing sector with a great deal of potential. Profiles characterised by a vertical specialisation and strong skills related to certain areas of expertise are still crucial to be successful in the actual FinTech landscape, but they are not enough. There is a rising need for hybrid professional profiles importing both financial and technological competence as well as competences that go beyond the core disciplines. A problem is posed for education providers as well as workplace training in how to maintain the level of competence for such a rapidly changing finance arena. The paper reports on the needs analysis and university staff professional development model within a European funded project developing a novel Master on FinTech and Innovation in the context of Vietnam and Philippines. .

FINANCIAL, ACCOUNTING AND TAX IMPLICATIONS OF RANSOMWARE ATTACK

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Abstract

Ransomware is a prime cybersecurity threat at the moment - attack where attackers encrypt an organization's data and demand paying ransom in order to restore the access to organization's data. Successful ransomware attack can have devastating consequences on the organization: business interruption, third party damages and incident response costs. In such an event, the victim organization has two choices 1) to reject the extortion and recover the system on its own which could induce high costs and create business uncertainty; or 2) to pay ransom which could potentially decrease the negative consequences and enable fast recovery. In this paper we will analyze financial implications of ransomware attacks, motivation of the ransomware victim to pay ransom and legal, accounting and tax implications of such payment. The methodological approach used in the study is a combination of formal dogmatic method and argumentative literature review. Firstly, we will provide an overview of all potential losses which could be incurred by the ransomware attack. Further it will be analyzed under which conditions is legal to pay any kind of ransom, including cyber ransom, as an organization as well as which are other considerations victims should consider when deciding to pay ransom. In that respect we will analyze accounting and tax implications of losses inflicted by the ransomware attack, putting special attention to the ransom payments. Discussion will focus on impact of current accounting and tax implications on position of attacker and target with the aim to explore how public policy could support victims without incentivizing attackers to continue with cyber extortion.



CEO COMPENSATION AND FIRM'S ESG PERFORMANCE – AN ANALYSIS OF BANKS AND INSURANCE COMPANIES

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² University of Southampton, United Kingdom

Abstract

Chief executive officers (CEOs) of environmental, social, and governance (ESG) firms are known to take lesser pay and engage themselves in corporate social responsibility activities to achieve the dual objective of the enhancement of firm's performance as well as benefit for stakeholders in the long run. This study examines the role of ESG transparency in strengthening the impact of firm performance on total CEO pay in ESG firms. A panel of 67 firms for the period of 2014–2019 has been analyzed using the two-step system GMM model, with NSE Nifty 100 ESG Index as the data sample and ESG scores from Bloomberg database as a proxy for transparency. Findings reveal that environmental and governance disclosure scores have the potential to intensify the negative relationship between firm performance and CEO compensation, while social disclosure scores do not. In addition, various firm-specific, board-specific, and CEO-specific attributes have also been considered controls affecting remuneration. This paper contributes to the literature by exploring the effect of exhibiting ESG transparency and its nexus with CEO pay as well as firm performance.



SPREADSHEET APPLICATION FOR DETERMINING ACTIVITY PRIORITY OF CONTROL AND INSPECTION AUTHORITIES

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Abstract

The research objective of this paper is to analyze the complaint evaluation and management process, required for inspection control carried out by state control bodies. In response to identified needs of state bodies, related to initiating the official inspection control procedure, which implies complaints consideration and justification of statements made in the petition, as well as the petition evaluation procedure, the authors of the paper propose development of corresponding spreadsheet application. The application should facilitate and improve identification and quantification of activities and subjects of control that are characterized by significant risk, and in which there is significant public interest, i.e., eliminate possible misuse of complaint. The paper shows the direct contribution of automatization to more efficient limited resource management of state bodies.



CAN CRYPTOS HEDGE AGAINST MONETARY POLICY RISK DURING COVID-19? EVIDENCE FROM BIWAVELET ANALYSIS

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Abstract

This study investigates the comovement between international spillovers of monetary policies across four major economies (i.e. Eurozone, Japan, UK and US) and the return as well as volatility of four key cryptocurrencies (i.e. Bitcoin, Ethereum, Litecoin and Ripple) during COVID-19. Using daily data over the period from January 20, 2020 to December 31, 2021, we first apply the time-varying parameter vector autoregression (TVP-VAR) to obtain the total connectedness measure that indicates the international spillovers of monetary policies, then the biwavelet framework is employed to examine the comovement between the total spillover index and returns and volatility of cryptocurrencies. The results indicate that the returns of major cryptocurrency weakly co-move with the monetary policy spillover index in the short-term and medium-term. The results for crypto's volatilities also exhibit a weak or no correlation with the international spillovers of monetary policies. Thus, our findings reaffirm the hedging capability of cryptocurrencies against monetary policy risks during COVID-19.



OPTIMISATION OF INSURANCE CAPITAL AND RESERVE USING CATASTROPHE BONDS

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Abstract

The study proposed a model to optimise the size of catastrophe bonds within firms' capital structure and minimize the cost of capital within the scope of Insurative Model proposed by Shimpi (2001, 2002). To do so, a linear optimisation model has been developed, considering the Solvency 2 ratio as a constraint. The linear optimisation model suggests two mixes of the capital structures, one with a size of CAT-BOND 1.24% and the other 55.34% of the capital. In addition, the study concluded to the optimum allocation of CAT-BOND adds value to insurance companies.



GREENIUM: MYTH OR REALITY. DO GREEN BONDS HAVE LOWER YIELDS?

Milo Ivancevic¹

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Abstract

This paper investigates the yields of green and brown bonds by employing regression analysis and controlling for the sector and number of other conventional variables that may have influence on yield. The study is conducted on the sample of over 5.000 bonds, with more than 650 green bonds. All bonds are collected from the investment grade government, supranational and/or corporate bond universe, issued in currency EUR. The study results showed that there is no significant difference between the yields on green and conventional bonds, for government and corporate sector. For these sectors, green and conventional bonds are seen as perfect substitutes. However, yields on green bonds of supranational institutions seems to have significantly lower yield than conventional yields.



TAIL RISK TRANSMISSION IN THE FOREIGN EXCHANGE MARKET: A QUANTILE LASSO REGRESSION APPROACH

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Abstract

We use quantile LASSO regression to investigate tail risk spillovers among the most globally traded currencies, conditional on a set of economic and financial variables. Over the study period, the tail risk of each currency was mainly driven by risk spillovers from others, which became strongest in the bearish market. From network perspective, currencies with geographical proximity tend to flock together and weaker currencies tend to be the net receivers of extreme risk. The resulted tail-risk networks also confirm previous findings that network connectedness is asymmetric in between the bullish and bearish market conditions.



STOCHASTIC STOCK PRICE MODELING: AN INTEGRATED MICRO AND MACRO ANALYSIS OF THE PHILIPPINE STOCK MARKET BEHAVIOR USING MULTI-CRITERIA DECISION-MAKING AND MARKOV CHAIN MODELS

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Abstract

We have seen rapid development in financial stocks over the past decades, but variabilities in share price behavior remain due to micro and macroeconomic variables. This study examined the Philippine stock market from micro and macro perspectives in performing the following tasks: (1) Identify the top-performing industry and consider its top companies as an investment pool using AHP - analytic hierarchy processes; (2) Forecast future stock prices based on historical behavior utilizing FTS-MC - Fuzzy Time Series Markov Chain Model; (3) Present a portfolio selection framework considering an EWP - equally weighted portfolio strategy. These resulted in the following: (1) Property identified as the best industry; (2) Stock prices being accurately predicted; and (3) EWP portfolio that outperforms the benchmark (Philippine Stock Exchange). Hence, applying AHP in investment pool screening, FTS-MC in forecasting price movement, and EWP portfolio strategy can be a worthy investment framework.



CRYPTOCURRENCY PORTFOLIO SELECTION USING TECHNICAL ANALYSIS INDICATORS

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Abstract

The study designed and recommended a portfolio selection framework that can outperform traditional investment benchmarks in the cryptocurrency market by utilizing technical analysis indicators to choose the investment pool. The study considered the top 169 cryptocurrencies in Yahoo Finance with a market cap of at least \$100M. The technical analysis indicators used were Simple Moving Average (SMA), Moving Average Convergence Divergence (MACD), Relative Strength Index (RSI), and On-Balance Volume (OBV). The resulting safety-first and mean variance portfolio outperformed the benchmark (S&P500 market index) in terms of descriptive statistics and pair-return difference T-test. Therefore, the portfolios generated could be viable investment alternatives for investors looking to build a portfolio in cryptocurrency markets.



IN SEARCH OF GLOBAL DETERMINANTS OF NATIONAL CREDIT-TO-GDP GAPS

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Abstract

The paper seeks to identify the most important global drivers of credit-to-GDP gaps for 35 countries. The analysis is performed on the country-by-country basis for the sub-periods 2000Q1:2007Q2, 2007Q3:2013Q4 and 2014Q1:2021Q1, and is based on two state-of-the-art methods for variable selection in the time series framework: the one covariate at a time multiple testing (OCMT) by Chudik et al. (2018) and adaptive least absolute shrinkage and selection operator (LASSO). We find that the number of salient global factors tends to increase over time, reaching its maximum during the post-crisis period. This period is also marked by a pronounced role of the global factors capturing the stance of the US monetary policy, while in the preceding sub-periods the most significant factors are global credit conditions (the TED spread) and world industrial production, respectively. Regardless of the sub-periods, advanced economies' credit-to-GDP gaps appear more dependent on the global factors than the gaps in emerging markets. In addition, we identify country-specific variables which shape the susceptibility of the national credit-to-GDP gaps to the global factors.



DOES GENDER DIVERSITY MATTER? AN EMPIRICAL EXAMINATION AMONG INDIAN AND MALAYSIAN FIRMS

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Abstract

This paper aims to investigate the relationship between gender diversity on boards and the financial performance of selected listed companies in India and Malaysia. The present study contributes to the existing literature on corporate governance and corporate finance by examining the link using a sample data of 71 companies listed in India and 100 firms listed in the Malaysian Stock exchange. The data points were collected for a period of 10 years from 2011-2021 (by excluding 2020) from the annual reports of the companies. The study has used GMM and IV regression model for the data analysis and accordingly, percentage of women on board and blau index value of board gender diversity is identified in order to measure the board gender diversity whereas ROA is used to measure the financial performance of firms. We found that women on board has positive impact on firm value in both countries.

COVID-19 AND CHANGES IN MUNICIPAL OFFICES IN CZECHIA – BOUNCING BACK OR BOUNCING FORWARD?

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Abstract

COVID-19 is considered as one of the defining policy and public administration challenges of this era (Dunlop et al., 2020). The literature indicates that the continuity of services during COVID-19 became challenging across the public sector, private sector, and non-profit sector and that even basic services such as healthcare, education, public administration food delivery, and community services were affected (Raghavan et al., 2021). COVID-19 pandemic influenced many of the problems of public services provision in the countries where austerity, decentralisation and shifts in governance (e.g., a greater involvement of the private and third sectors in public services) had been guiding the public administration reform prior to the pandemic (as argued with regards to the UK by Hernandez, 2021). It also shows that in some countries the crisis was used to introduce reforms to deepen New Public Management NPM policies and practices (Weber et al., 2021).

Literature dealing with the beginnings of the COVID-19 pandemic usually summarises that most countries, regions, and cities were not well prepared for the pandemic and crisis caused by it (OECD, 2020; Nemeč et al., 2020; Kalinin et al., 2020; Lupu et al., 2020). Therefore, coping with the COVID-19 pandemic has required changes that would raise the level of preparedness for the future waves and similar situations and resiliency. According to Schomaker and Bauer (2020), the COVID-19 crisis constitutes a textbook example of a “wicked” or “nonroutine” problem for governments and administrations and the question is whether governments maintain their well-worn paths of governing or whether the crisis becomes the source of change, and perhaps fundamental change, in the patterns of governance. Analogous question can be posed with regards to public management and public administration. With regards to them, available literature also discusses whether changes that have been made have facilitated especially ‘recovery’ or ‘bounce back’ resilience (a system resisted to a change, some changes were made, but practices quickly returned to pre-existing situation) or whether the changes facilitated especially ‘bounce forward’ or ‘transformative’ resilience (and changes have lead to changes in practices and a new equilibrium has been reached) (see, e.g., Shen et al., 2022; Clement et al., 2022).

In the proposed paper we will summarize our preliminary findings on what changes can be identified in Czech municipal offices – executive bodies of Czech local governments. Findings are based on data we obtained through more than 40 semi-structured interviews with civil servants of Czech municipal offices of various sizes. Based on the findings we will discuss whether bouncing back or bouncing forward can be seen as main strategies of changes made within Czech municipal offices.



DETERMINANTS OF INVESTORS' SATISFACTION AT INDUSTRIAL ZONES IN THE CENTRAL REGION OF VIETNAM

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Abstract

Industrial zones (IZs) play important role in the development of Vietnam during the last decades. This study analyzes the factors affecting the level of investor's satisfaction at IZs in the central region of Vietnam based on the data collected from 343 managers/directors who are investing at the IZs in the three selected provinces of the central region of Vietnam (Quang Binh, Quang Tri and Thua Thien Hue). By employing PLS-SEM approach to analyse data, the results of this study revealed that four factors that influence the satisfaction of investors in IZs are arranged sequentially, from high to low as follows: infrastructure system of IZs; responsiveness of local government; preferential policies and investment cost. The result implicates that in order to improve the satisfaction of investors, local government should focus on the development of infrastructure system in IZs and pay more attention on the interaction between investors and local authorities.

BEHAVIOURAL INTERVENTIONS IN TAX AND FEE COLLECTION – NOT ALWAYS A SUCCESS

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Abstract

Intergovernmental relations in terms of fiscal arrangements between the national and sub-national levels of government determine the way in which taxes are allocated and shared between the various levels of government. For local governments, local taxes and fees are the main source of revenue through which many public services are provided. Many local governments therefore seek to use various tools to increase the effectiveness and efficiency of tax and fee collection. Such tools include behavioural interventions to reduce the proportion of non-payers, i.e. taxpayers can be 'nudged' to pay their taxes on time and correctly. Many studies worldwide point to the successful use of nudges, but behavioural interventions can sometimes fail. Using the example of the Slovak city of Banská Bystrica, we show that the intervention did not produce the expected results and identify possible factors.



USE OF ICT IN PARTICIPATORY MECHANISMS IN PUBLIC FINANCE DECISION-MAKING PROCESSES: THE SLOVAK EXPERIENCE

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Abstract

Implementing information and communication technology (ICT) has become part of local government reform strategies. The Internet has the potential to enhance the interactivity, transparency, and openness of municipalities and to promote new forms of accountability and building citizens' trust in governments. At the same time, municipalities are striving to be as open as possible by introducing various elements to allow citizens to participate in public decision-making beyond the legally defined tools. This also applies to public financial decision-making, where one of the tools used is participatory budgeting (PB). In this paper, we examine the use of ICT in the publicising and sustainability of PB in all 59 Slovak municipalities which have implemented this tool so far. The findings show that only 19 municipalities have a separate website for PB, the rest provide information on a subpage of the municipality's website. This also affects the provider of the web apps for voting on PB projects.



BENCHMARKING THE EFFICIENCY OF MONTENEGRO'S LOCAL SELF-GOVERNMENTS

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Abstract

We examine the technical efficiency of Montenegro's local self-governments and determine the effect of tourism activity on Montenegro's local self-government efficiency. Due to the relatively small number of local self-governments in Montenegro, to conduct our analysis we combined principal component analysis (PCA) and Data Envelopment Analysis (DEA). We estimated the average technical efficiency of Montenegro's local self-government in 2011 to be between 60.3% and 67.3%, depending on the model. Furthermore, we confirm D'Inverno, et al., (2017) findings about the inverse relationship between tourism activity and efficiency. We estimated that on average tourism activity reduced Montenegro's coastal LSG technical efficiency by 30.4%.

THE LONG-TERM EU BUDGET AND THE RESPONSE TO THE COVID-19 CRISIS

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Abstract

The paper analyzes the impact of the EU's long-term budget on the recovery of the EU economy. The crisis caused by the COVID-19 pandemic has forced EU member states to introduce additional aid packages both at the national level and at the EU level. The European Union's strategic recovery objectives are incorporated into the long-term EU budget and the Next Generation EU plan. Key fiscal indicators for each member country are presented. Emphasized importance of managing public debt and budget deficit of member countries. The countries are grouped by macroeconomic indicators. The impact of both national fiscal policies and financing at the EU level is analyzed. The possibility of stronger coordination of the fiscal policies of the EU member states is being considered. The energy crisis and the rise in raw material prices indicate that it will be difficult to achieve the set development goals of the European Union.



FINANCIAL MANAGEMENT OF BUDGETARY REVENUES VIA ENHANCED DIGITAL TAX LITERACY IN SERBIA

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Abstract

The topic of this paper is the research of digital tax literacy in Serbia based on a survey successfully applied in the OECD countries conducted with 385 participants in Serbia. Digital tax literacy can be defined as usage of digital tools for fulfilling tax obligations and evaluating the possible tax collection risks. The aim of this paper is to provide empirical evidence related to the potentials for digital tax literacy enhancement in Serbia. Digital tax literacy enhancement is one of the main preconditions for the effective digital transformation. Therefore, digital tax literacy enhancement results in more efficient and more transparent tax collection, lower costs of tax procedure and accessory budgetary expenditures, and higher productivity of both tax administration and taxpayers.

The paper provides three groups of conclusions and guidelines for further digital tax literacy enhancement in Serbia. First, the benchmarking of digital tax literacy level in Serbia with the OECD countries. Next, paper provides detailed overview of the digital tax literacy structure in Serbia. The survey results show that there is a good basis for the further development of digital tax literacy via three channels: acquired digital habits by taxpayers, deficient use of existing digital services and preferred electronic communication with the tax administration. Finally, the analysis provides determination of main impediments for digital tax literacy enhancement in Serbia which have to be addressed in future.



ALBANIAN LOCAL AUTHORITIES' DYNAMICS OF EXPENDITURES AND THE STRUCTURE OF FINANCIAL RESOURCES

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Abstract

Albania has undertaken two decentralization reforms in separate times in the post-communist period. The first was in late 1990s and the second with the territorial reform of 2014.

The main idea behind the territorial reform of 2014 was achieving a real decentralization after some previous not substantial efforts, to offer to the new 61 municipalities and 12 regional authorities (district) more financial autonomy to carry out the functions devolved to them, based on the principle that national budgetary policies should ensure that local authorities are adequately funded and that they should have a wide range of income sources.

The financial systems on which resources available to local authorities are based shall be of a sufficiently diversified and of a flexible nature enabling them to manage the real evolution of the cost of carrying out their tasks. The purpose of this paper is related to the dynamics and structure of financial resources as well as the expenses of the municipalities examining comparison of the two time periods of the implementation of the new administrative reform 2015-2018 and 2019-2021,

Using the Mann Whitney Wilcoxon test, it turns out that there are no statistically significant differences regarding the structure of financial resources and expenses of the municipalities in the two time periods.

From the comparison of the two time periods, it is noted that capital expenditures have decreased while current expenditures have increased. This is also due to the reallocation of financial resources to facilitate the consequences of COVID 19 for Albanian taxpayers.

The present paper has not only theoretical and empirical added value by focusing on the Albanian case-study seen through comparative lenses, but also policy-making relevance since it coincides with a new political and public debate on coming up with a new and consensual territorial map.

OPEN BANKING: BETWEEN COOPERATION AND COMPETITION

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Abstract

Banks have traditionally ringfenced their customer data. Open banking allows bank customers to have a control over their transactional data and to share it with third-party providers via an API. Open banking systems impose costs on banks and increase market competition, but may also open up new revenue streams for banks collaborating with fintechs. The paper analyses different open banking models using the following criteria: 1) the origin (regulation-, self-regulation-, or market-based) 2) mandatory vs. voluntary 3) the scope (financial institutions that are subject to open banking obligations and third-party providers that have access to it) 4) fees. Based on the analysis, the paper develops a policy proposal for the most suitable open banking model for bank-centric financial systems such as Serbia, with a slow-developing fintech market and innovation mainly imported from mother companies.



CAPITAL ADEQUACY REGULATION AND COMPETITION IN THE SERBIAN BANKING SECTOR

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Abstract

Capital adequacy regulation is of cardinal importance for the functioning and stability of the banking industry, especially during financial crises triggered by misaligned incentives in financial markets or external factors such as pandemics or wars. However, stability often implies a decrease in competition. This paper analyses the regulation of the Serbian banking sector, aiming to explain the relationship between capital adequacy requirements and competition. In other words, this paper considers whether capital adequacy regulation can simultaneously affect the stability and efficiency of the banking sector and, if so, whether the regulator can achieve a balance between these two opposing outcomes.



DELIMITATION OF ENERGY AND FINANCIAL REGULATION ON THE EU WHOLESALE ENERGY MARKET

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Abstract

Wholesale energy markets in the European Union (EU) are regulated both by financial and energy legal frameworks. The introduction of the energy regulatory framework supplemented the existing regulation for the financial markets in the EU. However, subsequent changes in the financial legal regime opened some questions regarding the interplay between financial and energy regulation in the EU wholesale energy markets. The aim of this paper is to explain the growing complexity of the existing regulatory framework on the wholesale energy market in the EU. This complexity is raising concerns about possible overlaps of different legal regimes and division of competence between financial and energy regulatory authorities both at the EU and Member States levels. Nevertheless, closer cooperation and information exchange between different regulators can reduce some uncertainties and make the market functioning even more effective.

PREFERENTIAL TAXATION OF REAL ESTATE INVESTMENT TRUST IN EUROPE – COMPARISON TO THE PROPOSED POLISH SOLUTIONS

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Abstract

Real Estate Investment Trust (REIT) entities are focused on investing their participants' funds in the real estate market. Due to the fact that these entities do not accumulate the generated profit, but are obliged to pay most of the profit to shareholders, they benefit from a number of exemptions and other tax preferences. The purpose of these preferences is to eliminate double taxation, i.e. taxation at the level of institutions and investors. In most European countries where REITs operate, the solution to this problem is the subjective tax exemption at the REIT level.

The paper refers to the issues of proposed taxation rules of REITs, the introduction of which into the legal system is considered by the Polish legislator. The analysis of the proposed solutions will be based on the REIT taxation rules currently in force in other European countries. The review of current foreign solutions will focus on the taxation of REITs and individual investors, and it will address issues like the taxation of operating revenues, the taxation of capital gains revenues, withholding tax, and the differences in the taxation of individual and institutional investors.

The purpose of the study is an effort to ascertain whether the solutions proposed by the Polish legislator fit within the European taxation paradigm for REIT entities. The answer to this question will allow to draw conclusion and formulate postulates on the optimal format of the statutory provisions governing REIT taxation. This will be especially useful in determining if it is possible to shape the regulations in such a way that, with the proper execution of fiscal aims, they do not limit the attractiveness of investing through REITs.



ARTIFICIAL INTELLIGENCE IN THE BANKING SECTOR - LEGAL CHALLENGES, CHANCES & THREATS

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Abstract

Artificial intelligence is an important support in the implementation of current processes and operational activities in financial institutions. The potential of artificial intelligence can be particularly useful in the banking sector. Banks use artificial intelligence tools both in projects within the bank and in the relationship between the bank and its clients. Artificial intelligence can perform transfers, check transaction history and account balances. AI can change the limit in a bank account and make repayments on a credit card. The aim of the paper is to present different areas of AI use in the Polish banking sector and the legal regulations adopted in this area against the background of the solutions in the European Union. Indeed, nation states and the European Union adopt various strategy or policy documents that are related to artificial intelligence. These will be assessed in the context of the right to personal data protection and cybersecurity. Artificial intelligence brings with it not only benefits but also risks, which affect in particular the banking sector. The European Economic and Social Committee, in its 2018 opinion 'Artificial Intelligence for Europe', pointed out that Artificial Intelligence, although containing "enormous potential" for innovation and positive transformation of European society, may pose risks and raise concerns. AI is therefore a key element in building the next generation of ICT security architecture. Data analytics and machine learning is key to effective and secure banking. The development of artificial intelligence, which is inevitable, must therefore be constantly monitored, and therefore the analysis of the legal status of artificial intelligence in the context of its use in the banking sector is an extremely important and topical issue that requires scientific exploration.

AUTOMATIC DECISION-MAKING AND AI IN THE HUNGARIAN ADMINISTRATIVE PROCEDURE

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Abstract

Social systems have been transformed by the ICT revolution. This extremely rapid transformation has also brought significant changes to the economy, digitalisation of the administrative procedure can be interpreted as a tool for economic development. Automatic decision making was introduced by the amendment of the former Hungarian Administrative Procedure Code, and it is used quite widespread. The role and structure of the automatic decision-making procedure is analysed by our presentation. First of all, we would like to analyse the possibility of the application of AI in administrative procedure. It should be emphasised, that AI is applied limitedly as an administrative decision-making pattern and approach. The automatic decision making cannot be interpreted as an AI based tool in the Hungarian administrative law. It is applied mainly in those procedures, where the decision-making process is strictly bounded, using a formula-based approach.



COMPUTER FRAUD IN THE POLISH LEGAL ORDER - CONSTITUENT ELEMENTS OF THE CRIME

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Abstract

With the development and dissemination of modern technologies in Poland, the phenomenon of electronic crime has started to gain momentum. Among crimes committed electronically in the Polish legal system, the number of offences under Article 287 (computer fraud) of the Act of 6 June 1997, the Penal Code, is significantly increasing. According to the statistics of the Polish Police Headquarters, in 2020, the number of offences established under Article 287 of the Penal Code in Poland amounted to 10,011, while still in 2017 it was 4,317. The more than twofold increase over three years determines the need to present a normalisation of this crime in the Polish legal order. The above issue also remains particularly linked to the crime of fraud under Article 286 of the Criminal Code. The above presentation is aimed at indicating the distinctiveness in this respect and presenting the issue of constituent elements of computer fraud.

WRITING MISDEMEANOR AND CRIMINAL CHARGES IN AUDIT: EVIDENCE FROM SERBIA

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Abstract

State Audit Institution of Serbia is obliged to submit a request for initiation of misdemeanor proceedings, and submit a criminal complaint to the competent authority, if during the audit process it discovers materially significant actions that indicate the existence of elements of a misdemeanor or a criminal act. Relying on that, the subject of the paper is to analyze the views of serbian accountant and auditors about writing misdemeanor and criminal charges in public sector audits. An analysis of the results was carried out using the SPSS 28 software package. We used measures of descriptive statistics as well as parametric and non-parametric tests for comparing two and more groups, tests of independence for categorical and quantitative variables. The results indicate the existence of an extremely strong need for the implementation of positive reforms in the system of state audit in the Republic of Serbia, which would include the formation of the Audit Court.

PROMISES AND PERILS OF E-TAXATION IN SERBIA

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Abstract

The paradigm of collection and administration of tax revenues has been shifted in the last few decades as affected by the development of novel information and communication technologies. Governments globally have adopted various types of e-taxation. Serbian government has fully implemented "eFiscalization" as a class of e-taxation services in 2021. The aim of this paper is to examine the user satisfaction with eFiscalization. Based on a primary data collected from N=173 entrepreneurs, we examine the satisfaction with e-taxation ecosystem in Serbia. The results indicate that the promises made by governmental authorities have not been properly accepted by taxpayers. The study concludes that these perils might be viewed as temporary if the issues of full deployment of e-taxation were addressed adequately.