

KEY TRENDS AND PRIORITIES FOR THE DEVELOPMENT OF THE INSURANCE SERVICES MARKET IN UKRAINE

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The insurance services market is currently experiencing a number of significant obstacles to further development: The imperfection of the legal and regulatory framework in the insurance sector; Lack of financial resources to secure long-term commitments, especially in the field of life insurance; The absence of compulsory health insurance with the participation of insurers; Numerous cases of fraud by insurance companies, as well as numerous attempts to avoid tax evasion; Insufficient transparency of the financial reporting of the insurance sector and lack of quality strategic information.

Referring to the analysis of the current state of the insurance market, based on statistics, it is appropriate to emphasize that it is still one of the most capitalized among other non-bank financial markets. Recently, a competition between the banking and insurance business has intensified considerably, and insurance companies are often the winners in this competition. A common way to solve compromise competitive contradictions between insurance and banking institutions is a fusion of some form of bank and insurance business into a single conglomerate, which also provides banking and insurance services.

Overall, among the most acute problems of the insurance market in Ukraine stands out: its imperfect structure, weak development of reinsurance institution and uncertain financial condition of individual insurance companies, the unevenness of development, instability client base, insufficient solvency of the population, mistrust of customers to domestic insurers, low level

of insurance culture of citizens, insufficient level of introduction of information products into insurance, the use of insurance as a tool for tax optimization instead of its immediate function – protection against risks.

The outlined problems of the development of the insurance market give grounds for the development of conceptual directions of its development, implementation of which will increase the role of insurance in the financial system of Ukraine.

Given the trends review of the functioning of domestic and world insurance market, and given the most acute problems faced by the insurance market of Ukraine, priorities during its development assistance can be: stabilization of financial situation of all economic entities due to the state support of domestic business and increase of incomes and living standards of the population; development of a legal framework for insurance taking into account the current situation in the insurance market and interests of both insurers and their clients; withdrawal from the market of unstable and unreliable insurance companies, activating the role of the state in maintaining a competitive environment in the insurance market; modernization of the sectoral structure and infrastructure of the insurance market according to world requirements and leading experience of developed countries; creation of a modern model of effective management of insurance reserves; assistance in the further development of reinsurance; development of practical marketing and obligatory organization of risk management in insurance business, based on the training of relevant professionals.