

PROBLEMS AND WAYS OF DEVELOPMENT ON THE INSURANCE MARKET IN UKRAINE

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Abstract: *This article analyzes the development of the insurance market of Ukraine and its main features in the modern world. The main problems of the insurance market in Ukraine are identified and formulated. Based on the identified problems and the analysis carried out, the main ways of solving the existing problems in the insurance market of Ukraine are proposed and developed.*

Keywords: the insurance market; the problem; insurance companies; the insurance; the development.

The development of the insurance market has continued for a long time since the time of Kievan Rus to the present. A feature of the modern period is the presence of interest of legal entities and individuals to protect their property interests, the formation of a stable and innovative market for financial services. However, it should also be noted that despite these positive trends, financial market participants do not have enough funds to generate significant effective demand for insurance services. [1].

The analysis of world experience gives the opportunity to conclude that in countries with an effective system of insurance protection there is a higher level of social and economic stability and development because some types of insurance have a clear social character that increases the welfare of the population. Also, the development of the insurance market will contribute to the accumulation of resources that will be a source of investment for the achievements in economic sphere.

We can highlight the main problems of the insurance market of Ukraine:

1) Problems of state regulation:

- The inconsistency of the state and legal framework with modern trends in the insurance market;
- The imperfection of the system of protection of the rights of consumers of insurance services;
- The insufficient level of control by the state;
- The lack of innovative market development programs.

2) Economic problems:

- The imperfection of the capital structure of insurance companies;
- The lack of a stable economic situation that affects the amount of investment in the insurance sector;
- The low solvency of individuals and legal entities to carry out insurance transactions;
- The lack of reliable financial instruments for investment.

3) Socio-psychological problems:

- The lack of trust among the population in the activities of insurance companies of Ukraine [2].

Despite the typical problems, the Ukrainian insurance market has promising ways of development, one of which is agricultural insurance, as the agricultural complex generates a significant share of GDP and accounts for 44% of Ukraine's exports, and health insurance in connection with the ongoing health reform.

Stabilization and effective functioning of the insurance market of Ukraine can be achieved by:

- The introduction at the legislative level of measures to increase the capitalization of persons engaged in insurance (primarily the statutory fund);
- The development and expansion of the system of reinsurance operations;
- The establishing the functioning of the control system (especially in the field of foreign capital in insurance) on a regular basis [3];
- The encouraging the creation of associations among the subjects of the insurance market;
- The introduction of an "early warning system", which consists in the use of indices of the ratio between capital growth and free assets of policyholders, growth of insurance premiums, cost ratio, insurance reserves, which can be used to detect the approach to the critical point [4].

So in order to increase the efficiency of the domestic insurance market, it is necessary to improve the mechanism of state regulation, bring the legislation governing insurance to advanced world standards, introduce new service standards in this area and the latest insurance technologies and expand insurance due to increasing numbers. risks.

We believe that the implementation of these measures will help increase the efficiency of the insurance market of Ukraine and the economy as a whole.

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