

## **INSURANCE MARKET IN UKRAINE AND ITS DEVELOPMENT**

The aim of the study was to investigate the insurance market in Ukraine and its development in today's conditions.

Global changes and the rapid development of financial technologies, exacerbated by the complexity of the system of institutions involved and the use of a wide range of financial instruments, are determined by significant shifts in both supply and demand for financial services. The insurance market is forced to respond to the outlined transformations in order to meet the needs and wishes of its customers in order to protect their insurance in terms of improving approaches to doing business, developing innovative sales channels and providing services [1, p.6].

The level of development of the insurance market is determined by the socio-economic situation in the country, the willingness of the population and businesses to consume such financial services, as well as government support for the insurance business.

The COVID-19 pandemic has affected the insurance market. In 2020, the trend of growth in insurance premiums continued - an increase of 12%. Also in 2020, payments of insurance indemnities increased by 9%. In addition, in 2021 the trend of reducing the number of insurers continued. First of all - due to voluntary renunciation of licenses and withdrawal from the market on their own initiative the number of insurers has decreased by 24 companies over the past 11 months.

The National Bank noted that last year and early this year the financial condition of a number of insurers continued to deteriorate. In March 2021, the regulator issued 46 acts of violation of regulations by insurers and seven acts - due to failure to report to companies.

The National Bank has ordered 20 companies to eliminate the violations. It suspended the licenses of another 17 companies, seven of them for non-reporting and 10 for violating regulations.

Some companies have already provided information, and the NBU makes a preliminary conclusion that the business models of insurance companies change from year to year. Thus, about 20 companies in 2020 compared to 2019 had significant changes in the structure of insurance, customer categories, activities [3].

The new operating conditions have led to both positive and negative consequences. The pandemic had a particularly negative impact on aviation insurance and property insurance, as these areas were not necessary due to quarantine. Car insurance has also suffered some losses, especially due to a reduction in the number of contracts related to new car insurance. At the same time, such insurance as CASCO and OSAGO remained stable [2].

COVID-19 has had the greatest impact on health insurance. Insurance companies are changing their programs or making certain adjustments, and a new risk is emerging - the coronavirus, which many companies already insure against.

One of the positive consequences was the development of innovations in the field of insurance, digitalization. Insurance companies work online, so there is no need to meet in the office. Therefore, we can say that insurance companies have already begun to adjust and find different solutions for normal and stable operation.

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