

Proceedings of
the 37th International Business Information Management Association Conference
(IBIMA)

30-31 May 2021, Cordoba, Spain

ISBN: 978-0-9998551-6-4

ISSN: 2767-9640

Innovation Management and information Technology impact on Global Economy
in the Era of Pandemic

Editor

Khalid S. Soliman

International Business Information Management Association (IBIMA)

Copyright 2021

Insurance Companies Investment Portfolio Management in Ukraine: Current State and Priorities

Liudmyla CHVERTKO

Ph. D. in Economics, Associate Professor of the Department of Finance, accounting and economic security Pavlo Tychyna Uman State Pedagogical University, Ukraine, e-mail: luda_um@ukr.net

Nataliia GVOZDEJ

Ph. D. in Economics, Associate Professor of the Department of Finance, accounting and economic security Pavlo Tychyna Uman State Pedagogical University, Ukraine, e-mail: gvozdej@ukr.net

Oksana VINNYTSKA

Ph. D. in Economics, Associate Professor of the Department of Finance, accounting and economic security Pavlo Tychyna Uman State Pedagogical University, Ukraine, e-mail: vinnyska.oksana@ukr.net

Tetiana KORNIENKO

Ph. D. in Economics, Associate Professor of the Department of Finance, accounting and economic security Pavlo Tychyna Uman State Pedagogical University, Ukraine, e-mail: kornienkoto@ukr.net

Svitlana PODZIHUN

Ph. D. in Economics, Associate Professor of the Department of Finance, accounting and economic security Pavlo Tychyna Uman State Pedagogical University, Ukraine, e-mail: spodzigu@ukr.net

Yuliia MELNYCHUK

Ph. D. in Economics, Associate Professor of the Department of Finance, accounting and economic security Pavlo Tychyna Uman State Pedagogical University, Ukraine, e-mail: 0677729730@ukr.net

Abstract

The features of the formation of the investment portfolio of insurance companies are generalized and the necessity of its management is substantiated. It is noted that the structure of the investment portfolio of the insurance company directly depends on the specifics of the insurance business, and the management of its formation is reduced to ensuring the required level of profitability at a lower level of expected risk. The peculiarities of the formation of the investment portfolio of insurance companies are generalized and the necessity of its management is substantiated. It is noted that the structure of the investment portfolio of the insurance company directly depends on the specifics of the insurance business, and the management of its formation is reduced to ensuring the required level of profitability at a lower level of expected risk.

The main sources of formation of investment resources of insurers in Ukraine are described, the analysis of dynamics of their components is carried out. The structure of assets of insurance companies has been assessed and investment priorities for allocating insurance reserves have been determined. It was found that the investment portfolio of insurance companies in the country is imperfect: in recent years, the assets of companies have increased due to bank deposits; their share of stock instruments, in particular, corporate securities, is low; Insurers practically did not invest in some types of assets.

Given the importance of investment activities of insurers for the economy and the current situation in this area, the need to optimize the structure of the investment portfolio of insurance companies and expand the investment of insurance reserves, the main condition of which is to improve management efficiency.

Keywords: Insurance Market, Insurance Company, Insurance, Investment Activity, Investment Portfolio, Investment Policy, Insurance Reserves, Asset Structure.

Cite this Article as: Liudmyla CHVERTKO, Nataliia GVOZDEJ, Oksana VINNYTSKA, Tetiana KORNIENKO, Svitlana PODZIHUN and Yuliia MELNYCHUK "Insurance Companies Investment Portfolio Management in Ukraine: Current State and Priorities" Proceedings of the 37th International Business Information Management Association (IBIMA), 30-31 May 2021, Cordoba, Spain, ISBN: 978-0-9998551-6-4, ISSN: 2767-9640

Introduction

Investment processes play a key role in ensuring sustainable economic growth and effective implementation of economic reform policies. A special place in the financial market belongs to insurance companies, which, mobilizing a significant part of the financial resources of legal entities and individuals and directing them to various types of investments, perform the functions of institutional investors.

The volume of investments of insurance companies largely depends on the level of development of the insurance and stock markets of the country, external and internal conditions of investment, as well as the level of efficiency of organization and management of investment and financial activities of insurers. Priority directions and forms of investment activity, bases of formation of investment resources of the company, limits of possible investment activity on directions and forms of investment activity, the system of formalized criteria on which evaluation of this activity will be carried out are defined by investment policy of the financial institution.

Analysis of recent research and publications

Various aspects of investment activities of insurance companies are reflected in the scientific works of famous domestic and foreign scientists. In particular, Furman V. comprehensively researched and assessed the risks in the investment and financial activities of insurance companies. The scientist proves that effective management of the insurer of its risks in investment and financial activities is of strategic importance. The dynamic development and implementation of other strategic tasks will depend on how successfully the company will be able to implement its policy in this direction [2]. Zhabynets' O., revealing the peculiarities of the formation of investment resources by insurance companies and outlining the priorities of insurance companies in the placement of insurance reserves, draws attention to the problem of ensuring the security of investment activities of domestic insurance companies [3]. In the work of Kuzmenko O. is summarized the main aspects of investment activities of insurance companies and identified the main factors for optimizing the formation of an effective insurance portfolio of the company [4]. The results of research of various aspects of the formation of investment policy of insurance company are presented in scientific work Nesterova D. [5]. The author proposes methodological approaches to assessing the investment activities of insurance companies. Based on the system-factor approach the strategy of the investment policy of the insurer is developed, including the model of their investment activity taking into account strategic and tactical indicators. The scientific work of the authors Yavorska T. and Voytovych L. [6] presents the results of the study of modern investment potential of insurance companies in the economy of Ukraine, highlighting the features and general problems, as well as identifying the main promising areas of their investment activities. The authors presented trend models for assessing investment trends and forecasting the volume of investment of insurance companies in Ukraine. Lebedynska L. and Remnyova L. [7] in their work consider the possibility of achieving synergies in investment activities through cooperation and interaction of banks and insurance companies. Interesting from a scientific point of view is the article of the team of authors Melnychuk Yu., Vinnytska O., Chvertko L. [8]. Researchers analyze the impact of the process of managing financial information of insurance companies on the development of innovation and investment process.

Object, subject, and methods of research

The object of the study is the process of managing the investment portfolio of the insurance company as an element of the active investment policy of financial intermediaries in today's economic environment.

Subject of study – the theory and practice of effective insurance companies investment portfolio management.

Research methods. During the research, general scientific and special methods of cognition of the essence of the phenomena were used, namely: analysis and synthesis – to assess the indicators of development of investment activity of insurers and disclose its essence; comparison – in determining the advantages and disadvantages of changing the structure of the volume and quality of assets included in the investment portfolio of insurance companies; abstraction and generalization – when determining the directions of optimization of the formation of an effective investment portfolio, graphic – for a visual presentation of theoretical and methodological material.

Results

The investment of the insurance company is an investment of equity, debt and borrowed capital, mainly in cash, in various assets and financial instruments of other entities to increase the market value of the insurer, as well as to achieve other economic or non-economic effects [1, p. 87].

The set of different investment values, which are a tool to achieve a specific investment goal, determines the investment portfolio of the insurer. Even though the investment portfolio is a holistic object of management, it contains several relatively independent portfolios (portfolio of investments in securities (government and corporate), portfolio of other financial investments (bank deposits, certificates of deposit, etc.), portfolio of real investment projects, etc.), which differ in the types of investment objects and methods of their management. Risk management of the insurance company's investment activities is carried out through the diversification of the investment portfolio. As all investments differ in the level of return and risk, their possible combinations in the portfolio change these characteristics, and if they are optimally combined, they significantly minimize investment risks.

The main sources of investment resources of insurers are equity and borrowed capital. The equity consists of: authorized capital; additional capital formed as a result of the revaluation of non-current assets and as a result of the difference between the sale price and the nominal value of shares obtained in the process of forming the authorized capital (for a joint-stock company); reserve capital, which is intended to cover losses, as well as to repay bonds and repurchase shares in the absence of other funds; retained earnings and profits and reserves. Borrowed capital may consist of borrowed capital and insurance reserves – liabilities of the insurer under insurance, co-insurance and reinsurance contracts that predominate in the capital structure.

The formation and further management of the investment portfolio can not only provide liquidity and preservation of financial resources that are in temporary possession, but also to obtain additional income. The choice of management model depends on the size and financial capabilities of the insurance company, the chosen investment policy, the presence of direct and indirect government restrictions or incentives for the choice of investment partners.

Studies show that for a long time domestic insurers have been actively increasing the amount of paid-up statutory funds. However, given the fact that in recent years in Ukraine the number of insurance companies is declining (in 2019 compared to 2012 by 181 companies), there is also a decrease in this indicator: from UAH 14.6 billion in 2012 to UAH 11,1 billion in 2019, or almost a quarter [9]. The average amount of paid-in authorized capital per company in hryvnia equivalent during 2012-2019, despite the slowdown, tends to increase (Table 1). However, the conversion of this indicator to the official average annual exchange rate of hryvnia to the euro currency indicates a decrease in the solvency of insurance companies: in 2019 compared to 2012, such a decrease was more than 50%.

Despite some positive developments in the insurance market of Ukraine, the level of insurance penetration in the country still remains too low. In recent years, the share of gross insurance premiums to GDP did not exceed 2.0%, and the average value of this indicator in 2012-2019 is 1.49 % (Fig. 1). It is generally accepted that for an effective insurance market, this figure should be from 8 to 12 %.

The dynamics of the volume of assets of insurers in 2012-2019, presented in Fig. 2, shows a slight increase in the volume (after the decline in 2015-2016) of both total assets and assets determined in accordance with Article 31 of the Law of Ukraine "On Insurance". At the end of 2019, the total assets of insurers amounted to UAH 63.9 billion, which is 0.6 % more than the corresponding figure of the previous year. The value of assets determined in accordance with Article 31 of the Law of Ukraine "On Insurance" increased compared to the corresponding indicator as of December 31, 2018 by UAH 3.9 billion or 9.7 % and amounted to 69.8 % of total assets of insurers (as of December 31, 2018, the assets defined under Article 31 of the Law of Ukraine "On Insurance" amounted to UAH 40.7 billion, as of December 31, 2019 – UAH 44.6 billion). At the same time, it should be noted that at the end of 2019 compared to the same period in 2012 there is a significant decrease in the value of insurance companies' assets in Eurocurrency equivalent: total assets decreased by 59.7 %, assets determined in accordance with Article 31 of the Law of Ukraine "On Insurance" – by 67.7 %. The risks of loss or impairment of insurance companies' assets in foreign currency equivalent continue to increase.

Table 1: Volumes of paid-up authorized capital of insurance companies in Ukraine in 2012-2019, UAH million

Indexes	2012	2013	2014	2015	2016	2017	2018	2019
The total number of insurance companies, units	414	407	382	361	310	294	281	233
The amount of paid-in authorized capital	14579,0	15232,5	15120,9	14474,8	12661,6	12831,3	12636,6	11066,1

The average amount of paid-in share capital per company	35,2	37,4	39,6	40,1	40,8	43,6	45,0	47,5
The growth rate of the average amount of paid-in share capital per insurance company, %		6,25	5,88	1,26	1,75	6,86	3,21	5,56

Source: Formed by the authors (National Commission for State Regulation of Financial Services Markets)

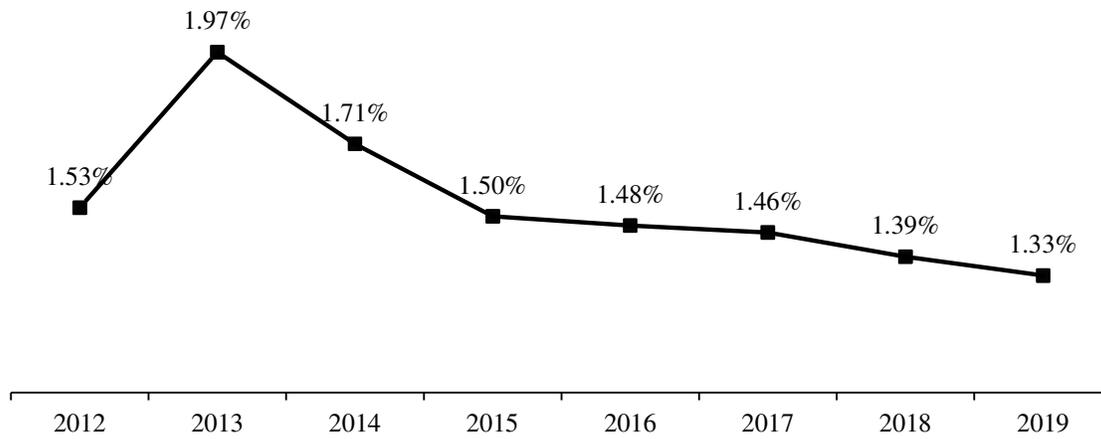


Fig. 1: Dynamics of penetration rate of insurance in Ukraine in 2012-2019, %

Source: Formed on the basis of calculations made by the authors

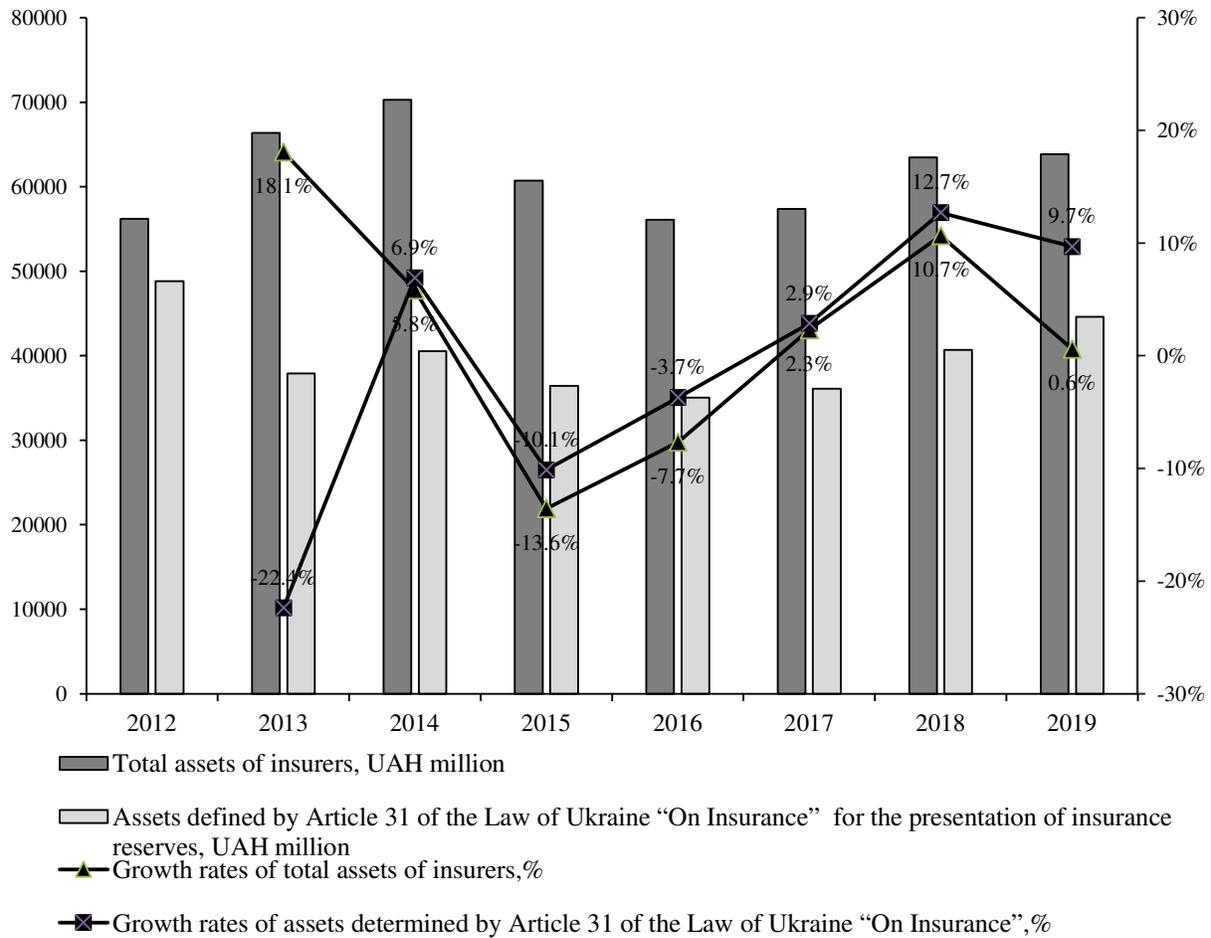


Fig. 2. Dynamics of assets of insurance companies in Ukraine in 2012-2019, UAH million

Source: Formed on the basis of calculations made by the authors

According to the current legislation, one of the conditions for ensuring the solvency of insurance companies is the need to create technical and mathematical reserves (reserves that form life insurance companies) sufficient for future payments of insurance premiums and insurance claims to policyholders and insured persons. Funds of such specific financial reserves are a source of investment resources in the insurance market, and their availability determines the specifics of the insurance business.

In 2019, of the total amount of assets allowed for the provision of insurance reserves, UAH 29.6 billion was used to form insurance reserves, which is almost 2.4 times more than in 2012 (Fig. 3).

The reserves formed by life insurance companies are characterized by a positive trend. The values of their volumes increased in 2019 compared to 2011 by more than 3.2 times. This situation is favourable for long-term investments and can positively affect the structure of the investment portfolio. The volume of technical reserves also increased during the study period, but the growth rate was lower, their volume increased slightly more than 2 times.

Presented in Fig. 4 structure of the formed insurance reserves of insurance companies of Ukraine gives grounds to assert the need for its optimization. Because in 2011-2019 it was dominated by technical reserves, the share of which averaged 65.9%. The upward trend in life insurance reserves, which has prevailed since 2011, changed in 2016 to the opposite.

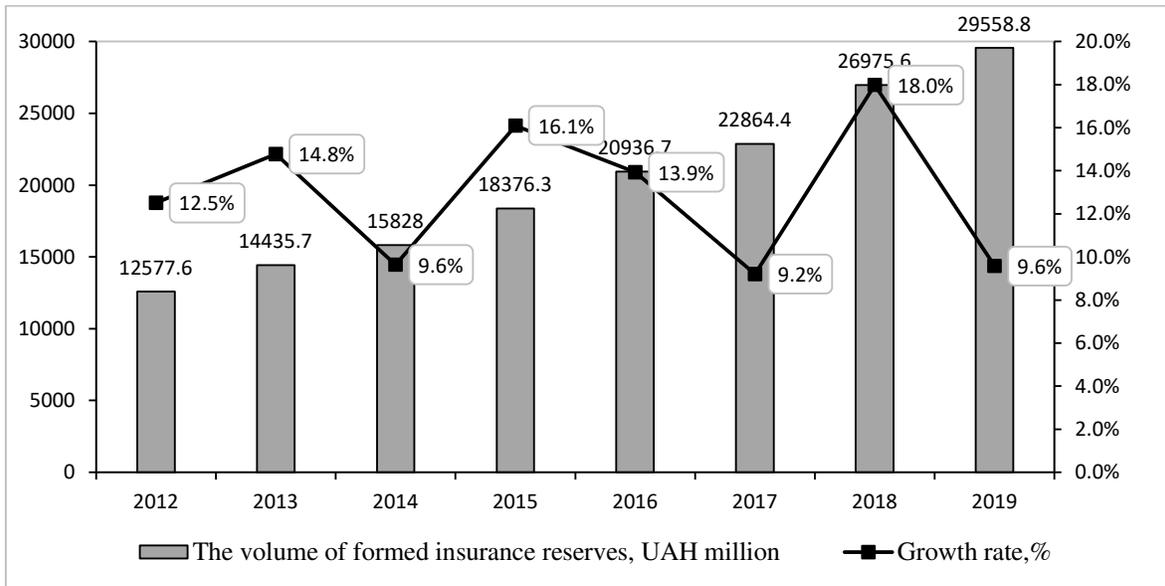


Fig. 3: Dynamics of the volumes of formed insurance reserves of insurance companies in Ukraine in 2012-2019, UAH million

Source: Formed on the basis of calculations made by the authors

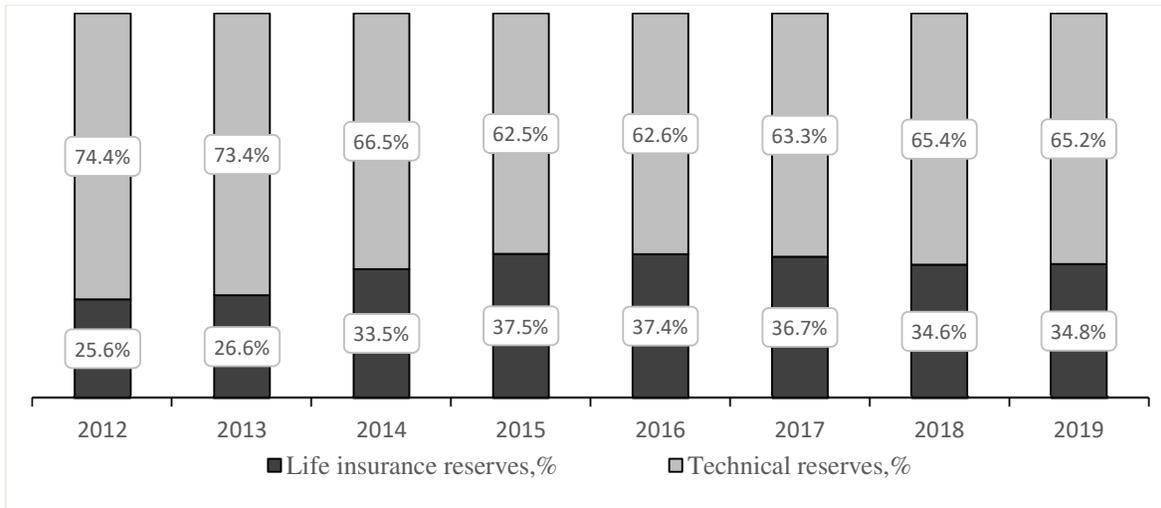


Fig. 4: The structure of the formed insurance reserves of insurance companies in Ukraine in 2011-2019, %
 Source: Formed on the basis of calculations made by the authors

The accumulation of significant financial resources by insurance companies makes insurance an important factor in economic development due to active investment policy. In the current economic conditions in Ukraine, insurers do not play their proper role of active institutional investor and do not have a significant impact on investment processes in the economy. The investment activity of a single insurance company is rather secondary, and it receives the main income only from insurance operations.

The formation of the investment portfolio of the insurer is a purposeful combination of different investment assets to carry out investment activities in accordance with the investment strategy of the insurer through the selection of the most acceptable, effective and reliable investments. This process is strictly regulated by current legislation.

A special place in these regulations is given to operations for investing insurance reserves. After all, these funds are formed at the expense of insurance premiums and are intended exclusively for future payments of insurance sums and indemnities, i.e. are considered relatively or temporarily free. Insurers, given the specifics of the insurance relationship, have the opportunity to dispose of them only for a certain period of time. The need to achieve the maximum possible security of

investments of insurance reserves causes the restrictions imposed by current legislation on the directions and principles of their placement, as well as limits on the share of a particular type of investment asset in the overall structure of the portfolio. Restrictions on the formation of the insurance company's investment portfolio are aimed primarily at diversifying the risk of losing investment or incurring losses from investment activities. In addition, there are separate requirements for the rating of counterparties and issuers in the placement of insurance reserves. However, general supervision of the structure of the investment portfolio does not protect insurers from the risks associated with volatility in the financial market.

Management of investment portfolio formation is reduced to ensuring the required level of profitability at a lower level of expected risk. This process is carried out constantly, and its essence is to perform transactions of purchase and sale of financial and real values, i.e. in a continuous change in the structure of the volume and quality of assets included in it.

The investment portfolio of insurance companies in Ukraine is imperfect, typical of underdeveloped insurance markets of transition economies, where risky types of insurance predominate. As of the end of 2019, in the structure of assets of insurance companies determined in accordance with Article 31 of the Law of Ukraine "On Insurance", the largest share are assets allowed for bank deposits (deposits) – 35.6 % (in 2014 – 22, 3 %). About a third of the total (32.2%) are assets allowed for the presentation of securities (in 2014 – 56.0 %), including: 21.6% – securities issued by the state (in 2014 – 8.4 %); shares – 8.4 % (in 2014 – 44.4%); bonds – 2.1 % (in 2014 – 2.0 %); mortgage certificates – 0.1 % (in 2014 – 1.2 %). Claims on reinsurers account for 11.9 % (in 2014 – 9.5 %) of the total, 7.1 % – represented by cash on current accounts (in 2014 – 6.9 %) (Table 2).

Thus, in recent years, the assets of insurance companies have increased due to the positive dynamics of bank deposits, real estate, government-issued securities and investment in housing construction. At the same time, insurers are showing less and less interest in purchasing corporate securities – in 2019 compared to 2014, the volume of the latter decreased almost 5 times. Insurers did not invest at all, or almost did not invest, in some types of assets. This, in particular, applies to investments in the economy of Ukraine in certain areas defined by the Cabinet of Ministers of Ukraine, bank metals, mortgage certificates, long-term loans for housing construction, including individual developers used in the manner prescribed by the government, loans to insurers, issued in the manner prescribed by the regulator of the insurance market, etc.

It should be noted that the choice of areas for investment by domestic insurers is radically different from the approaches to investing in their foreign counterparts. In particular, in world practice, the assets of institutional investors are formed only by 4-7% due to banking instruments, while the bulk of funds are invested in stocks (about 60%) and debt securities (about 25%). This situation is due to the low yield of bank deposits in developed market countries and high yield of stock market instruments. At the same time, bank deposits in Ukraine remain a traditionally popular area of investment: compared to other financial market instruments, they provided a fairly high guaranteed income. In addition, working with banks to place funds on deposit accounts is characterized by low costs.

Comparison of the structure of assets, which represent the insurance reserves of insurers in Ukraine and the EU, gives grounds to conclude about the feasibility of cooperation of insurers with such entities of the financial market infrastructure of Ukraine as asset management companies and rating agencies [11, p. 39-40]. After all, as world practice shows, the use of insurers of the capabilities and experience of asset management companies can increase the profits of insurance companies from investing insurance reserves and minimize their investment risks.

The main task of managing the investment portfolio of an insurance company is to optimize the allocation of investment resources. The financial managers of the insurance company in the management of insurance reserves must form an investment portfolio that will ensure a high return on investment, which will maintain the real value of invested funds during the investment and multiply them, while, if necessary, be able to easily and quickly sell assets.

Table 2: Asset structure of insurers in Ukraine in 2014-2019, %

The name of the indicator	2014	2015	2016	2017	2018	2019
Assets defined in Art. 31 of the Law of Ukraine "On Insurance", including:	100,0	100,0	100,0	100,0	100,0	100,0
1) cash on current accounts	6,9	7,0	8,3	7,6	7,3	7,1
2) bank deposits	22,3	34,6	32,9	33,9	34,7	35,6
3) banking metals	0,1	0,1	0,1	0,1	0,1	0,1
4) real estate	5,0	6,1	7,4	7,4	7,4	9,2

5) stock	44,4	32,7	22,7	18,4	12,5	8,4
6) bond	2,0	2,0	2,4	2,5	2,2	2,1
7) mortgage certificates	1,2	0,1	0,3	0,2	0,2	0,1
8) securities issued by the state	8,4	7,2	15,8	18,2	19,4	21,6
9) claims on reinsurers	9,5	10,3	9,9	11,2	13,3	11,9
10) investments in the economy of Ukraine in the areas identified by the Cabinet of Ministers	0,2	0,002	0,1	0,3	2,8	3,8
including 10.1) development and implementation of high-tech equipment, other innovative products, resource- and energy-saving technologies	0,1	0,001	0,006	0,01	0,3	0,345
10.2) development of tourism infrastructure	0,0	0,001	0,1	0,1	0,1	0,3
10.3) resource extraction	0,0	0,0	0,0	0,0	0,0	0,0
10.4) processing of mining and metallurgical production	0,0	0,0	0,0	0,0	0,0	0,0
10.5) housing construction	0,0	0,0	0,0	0,02	2,2	2,78
10.6) development of transport infrastructure, including construction and reconstruction of highways	0,0	0,0	0,0	0,1	0,1	0,1
10.7) development of the communications and telecommunications sector	0,0	0,0	0,0	0,02	0,1	0,3
10.7) development of the mortgage lending market through the purchase of securities issued by the State Mortgage Institution.	0,0	0,0	0,0	0,0	0,0	0,0
11) loans to insured citizens issued in the manner prescribed by the Authorized Body and agreed with the NBU	0,01	0,001	0,03	0,04	0,04	0,05
12) long-term loans for housing construction, including individual developers	0,0002	0,0003	0,0003	0,0003	0,0005	0,0004
13) cash at the box office	0,04	0,02	0,05	0,04	0,03	0,02

Source: Formed by the authors (National Commission for State Regulation of Financial Services Markets)

A significant obstacle to increasing the investment activity of insurers is the difficult economic situation in the country. Financial instability, the presence of high investment risks and the underdevelopment of the stock market cause the conservatism of insurance companies to manage the investment portfolio and the low level of efficiency of insurance reserves.

Successful functioning of the domestic insurance market, ensuring financial stability and solvency of insurance companies, increasing the efficiency of investment activities of insurers will contribute to improving the system of prudential supervision, bringing Ukrainian legislation in line with European Union standards, transition to international financial reporting standards. It should be noted that the regulator of the insurance market is constantly working to improve the system of prudential supervision, prevent insolvency, ensure the financial stability of insurers and protect the interests of policyholders. In particular, in June 2018, the National Commission for State Regulation of Financial Services Markets adopted an order "On approval of the Regulations on mandatory criteria and standards of capital adequacy and solvency, liquidity, profitability, asset quality and risk of the insurer's operations" [12].

At the same time, the need to improve solvency and ensure the required level of capital adequacy of insurance companies remains relevant. The amount of capital of insurance companies and, in particular, its structure must be adequate to the risks they generate in the course of their activities.

One of the conditions for successful investment activities of insurers is to increase the volume of insurance reserves. This process is closely linked to the growing demand for life insurance services, which have a long-term nature and a significant cumulative component. Worldwide, life insurance has become a major source of long-term financing, which is particularly important for economies whose financial markets are in development and which need investment in infrastructure development projects. The solution to the problem of attracting these investment sources should be carried

out by introducing tax and other incentives in Ukraine, both for individuals and legal entities [13, p. 210]; creation of a system of guaranteeing insurance payments under life insurance contracts, which will “prevent the loss of long-term savings of citizens and deprivation of their insurance protection in the event of insolvency of the insurer” [14, p. 63] and so on. At the same time, large-scale attraction of the population's money into the investment process through the conclusion of long-term life insurance and pension contracts will be possible only if the state of the national economy stabilizes. After all, as studies show, the indicators of development of this sector of the insurance market are completely dependent on the financial situation of the population and the socio-economic situation in the country [15, p. 177-183]. Reserves formed by insurers through contributions to life insurance contracts are an important source of investment in the country's economy.

The key task of the state is to create conditions for intensifying investment activities of insurers. Financial instability, the presence of high investment risks and the underdevelopment of the stock market cause the conservatism of insurance companies to manage the investment portfolio and the low level of efficiency of insurance reserves. In these conditions, the need for institutional changes, providing for transparency and predictability of relations in the investment and insurance spheres, as well as the adequacy of public investment policy [16].

In order to make fuller use of the available investment potential, it is necessary, first of all, to stimulate the use of temporarily free capital of insurance companies for the implementation of national and regional investment programs by economic methods. Secondly, it is necessary to improve the legislative regulation of insurance reserves in construction, mortgage, agro-industrial complex development, industrial restructuring, energy supply, energy saving, etc. The optimal combination of strategically designed state regulation of the insurance market and self-regulatory market mechanisms is key in the face of growing global challenges and economic instability. The process of regulating the activities of insurers should be based on establishing the optimal balance of interests of the state and other subjects of the insurance market.

Introduction of a new model of regulation and supervision of the insurance market in Ukraine, which began with the entry into force of the Law of Ukraine № 79-IX of 12.09.2019 [17], with a focus on international standards for regulating insurance companies in Ukraine, provides for strengthening eligibility requirements assets and assessment of their quality, assessment of reserves, capital structure and level of its adequacy, etc. Among other things, a risk management system for investment activities should be developed [18]. However, the search for the most effective ways to regulate certain issues of insurance companies continues and in the coming years will not lose its relevance.

Conclusions

Thus, the formation of the investment portfolio of the insurance company is a purposeful combination of different investment assets through the selection of the most acceptable, efficient and reliable investments, and the process of managing it is to ensure the required level of profitability at a lower level of expected risk.

The investment portfolio of insurers in Ukraine is assessed as imperfect primarily due to the predominance of technical reserves in the structure of formed insurance reserves. In addition, in recent years, the structure of insurers' assets has mainly increased due to bank deposits; the volume of assets represented by stock instruments, in particular, corporate securities, decreased; Insurers did not invest in some types of assets – investments in the economy of Ukraine in certain areas defined by the Cabinet of Ministers of Ukraine, mortgage certificates, etc.

In modern conditions, the investment activities of insurance companies in Ukraine do not have a significant impact on investment processes in the domestic economy. Financial instability, the presence of high investment risks and the underdevelopment of the stock market cause the conservatism of insurance companies to manage the investment portfolio and the low level of efficiency of insurance reserves.

The key task of the state is to create conditions for intensifying investment activities of insurers and increase its efficiency, radically reforming the system of state regulation of the insurance market, ensuring macroeconomic stabilization in Ukraine and increasing living standards. The development and implementation of measures to overcome the crisis in the economy will help increase the resource base of insurers and optimize the investment portfolio.

References

- Baranov A. (2015) The essence and directions of investment activities of insurance companies. *Finance of Ukraine*, 2, 83-97.
- Furman V. (2008) Ryzky v investytsiyniy ta finansoviy diyal'nosti strakhovyka [Risks in the investment and financial activities of the insurer]. *Finance of Ukraine*, 2, 107–114 [in Ukrainian].
- Zhabynets' O. (2012) The formation of investment resources of insurance companies and questions of the security of their investment activity. *Naukovyi visnyk NLTUU*, 22.12, 178-183.

- Kuzmenko O. H. (2013) Investment activity of insurance companies. *Financial space*, 3 (11), 159-163.
- Nesterova D. (2015) The conceptual model of the investment policy of the insurance company. *Investytsiyyi: praktyka ta dosvid*, 4, 76-79.
- Yavorska T. and Voytovych L. (2020) Insurance companies' investment activities in Ukraine: the condition and prognosis of development. *Naukovi zapysky Natsional'noho universytetu "Ostroz'ka akademiya"*. Seriya : Ekonomika, 17, 106-112.
- Lebedynska L. and Remnyova L. (2011) Investytsiynyy potentsial bankiv ta strakhovykh kompaniy [Investment potential of banks and insurance companies]. *Chernihiv's'kyi naukovyy chasopys Chernihivs'koho derzhavnogo instytutu ekonomiky i upravlinnya*. Ser. 1 : Ekonomika i upravlinnya, 2, 90-95 [in Ukrainian].
- Melnychuk Yu. N., Vinnytska O. A., Chvertko L. A. (2019) Management of financial results of insurance companies as an activator of the innovation-investment process. *Economies' Horizons*, 3(10), 4–10.
- Natsionalna komisiiia, shcho zdiisniuie derzhavne rehuliuвання u sferi ryнкiv finansovykh posluh. Informatsiya pro stan i rozvytok strakhovoho rynku Ukrayiny (National Commission for State Regulation of Financial Services Markets) [Information on the status and development of the insurance market of Ukraine URL: <https://www.nfp.gov.ua/ua/Informatsiia-pro-stan-i-rozvytok-strakhovoho-rynku-Ukrainy.html> [in Ukrainian] (11 January 2021)
- Verheliuk Y., Vereshchaka B. Activities of insurance companies in Ukraine under the influence of regulatory reform *Naukovi zapysky Natsional'noho universytetu "Ostroz'ka akademiya"*. Seriya : Ekonomika, 18(46), 50–56.
- Sholoiko A. (2018) Providing stability of the insurance market of Ukraine. *Visnyk Akademiyyi pratsi, sotsial'nykh vidnosyn i turyzmu*, 4, 31-41.
- Pro zatverdzhennia Polozhennia pro obov'iazkovi kryterii i normatyvy dostatnosti kapitalu ta platospromozhnosti, likvidnosti, prybutkovosti, yakosti aktyviv ta ryzykovosti operatsii strakhovyka: Rozporiadzhennia Natsionalnoi komisii, shcho zdiisniuie derzhavne rehuliuвання u sferi ryнкiv finansovykh posluh № 850 vid 07.06.2018 zi zminamy ta dopovnenniamy [On approval of the regulation on mandatory criteria and standards of capital adequacy and solvency, liquidity, profitability, asset quality and riskiness of the insurer's Operations: Order № 850 of the National Commission for state regulation in the field of financial services markets dated 07.06.2018 with amendments and additions]. URL: <https://zakon.rada.gov.ua/laws/show/z0782-18#Text> [in Ukrainian]. (25 November 2020).
- Nagaichuk N. (2014) Investytsiynyy potentsial strakhovoho rynku Ukrayiny [Investment potential of the insurance market of Ukraine]. *Problems and prospects of the banking system of Ukraine*, 38, 205-212 [in Ukrainian].
- Koval O. (2014) Introducing the fund of guaranteeing insurance claims for life insurance contracts. *Finance of Ukraine*, 3, 61–68.
- Czwertko L., Kornijenko T. (2017) Stan oraz perspektywy rozwoju ojczystego rynku ubezpieczeń na życie. *Finansowo-analityczna gwarancja rozwoju gospodarki narodowej: monografia wieloautorska* / [Słatwiński M., Czyrwa O., Biłozkurki M. i in.]; pod red. M. Słatwińskiego. Warszawa : iScience spz. o. o., 170-187.
- Slatvinskyi M. A., Chvertko L. A. (2017) Direct foreign investments and national security: problems of investment policy. *Innovative Economics and Management*, 3, 70-79.
- Pro vnesennia zmin do deiakykh zakonodavchykh aktiv shchodo udoskonalennia funktcii iz derzhavnogo rehuliuвання ryнкiv finansovykh posluh: Zakon Ukrainy [On amendments to certain legislative acts on improving the functions of state regulation of financial services markets]. URL: <https://zakon.rada.gov.ua/laws/show/79-20#n412> [in Ukrainian] (23 November 2020).
- Maibutnie rehuliuвання ryнку strakhuvannia v Ukraini: Bila knyha. NBU 2020. [Future regulation of the insurance market in Ukraine: White Book. NBU]. URL: https://bank.gov.ua/admin_uploads/article/White_paper_insurance_2020.pdf?v=4 [in Ukrainian] (19 January 2021)