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## THE MARKET OF INVESTMENT FINANCIAL SERVICES IN THE CONDITIONS OF ECONOMIC ECOLOGIZATION AND ESTABLISHMENT OF A SUSTAINABLE ECONOMY

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**Abstract.** *The paradigmatic determinants of the financial sector transformation under the influence of the sustainable development economy have been developed. The classification of green bonds has gained further development. The structuring of the evolutionary transformation of the financial sector according to the paradigm of sustainable development is substantiated. The evolution of the regulation of economic relations in the field of green bond circulation in European countries is revealed and the directions for leveling obstacles to the development of the green bond market based on an institutional approach are outlined.*

**Key words:** *market of investment financial services, sustainable development, sustainable financing, green bonds, institutional environment.*

The market of investment financial services is an important component of the financial system of every country. Numerous scientific works devoted to the investment financial services market's impact on ensuring economic development prove that this particular financial segment possesses a set of financial instruments and financial mechanisms that serve as financial support for the expand-

ed type of economic reproduction. At the same time, not always the market of investment financial services occupies a decisive, or at least a significant, place in the national economy. The first step for changing the proportions of the influence of the banking / financial services market and the capital market on the state of the financial system was a significant transformation of the institutional environment of the investment financial services market. In our opinion, an important feature of these institutional changes is their strategic orientation and consideration of advanced European practice in the formation of capital markets, as well as current global trends in the field of economy.

The purpose of the study is the methodological substantiation of the peculiarities of the investment financial services market functioning in the conditions of economic ecologization and formation of the sustainable economy in global, European and domestic dimensions.

The formulated goal causes the following scientific tasks: the formulation of paradigmatic determinants of the financial sector transformation under the influence of sustainable economy; clarification of the categorical apparatus of investment processes inherent in ecological and sustainable economies; carrying out a criterion decomposition of the evolutionary transformation of the financial sector according to the paradigm of sustainable development; assessment of the dynamics and significance of the financial “green” sector development in global, European and domestic dimensions.

The object of the study is the economic relations arising on the market of investment financial services.

The subject of the study is the theoretical, methodological and pragmatic aspects of the investment financial services market’s transformation under the influence of economic ecologization and formation of the sustainable economy.

The authors develop the paradigmatic determinants of the financial sector transformation under the influence of sustainable economy by highlighting the nature of the positioning and the features of the functional purpose. It is justified that while structuring the transformation of the financial sector according to the paradigm of sustainable development, it is advisable to separate its market and social components.

A comparative analysis of the defining features of green and sustainable financing was carried out according to the following criteria: the goal of the first priority, the prerequisite for development, financial instruments of implementation, institutional support, international institutions (associations) that contribute to the development of relevant forms of financing.

The classification of green bonds was developed by distinguishing the following classification features: by depending on cash flows, by the field of financing, by the source of repayment.

An assessment of the dynamics of the green bond market’s development in the global dimension was carried out. It was found that the global green bond market is witnessing an unexpectedly high rate of scaling (the first issue of these bonds took place in 2007 for a total amount of \$0.9 billion). According to preliminary estimates of the Climate Bonds Initiative, it was expected that in 2020 the global issue of green bonds would reach \$350 billion. Although the forecast turned out to be overestimated, at the same time, accord-

ing to the results of 2021, it was possible to double this indicator – from more than 200 million dollars USA up to about 600 million dollars USA. We emphasize that the volume of no other debt instrument of green and sustainable financing has undergone such radical changes as green bonds.

It is revealed the evolution of the regulation of economic relations in the field of green bond circulation in European countries and the directions for leveling obstacles to the development of the green bond market by institutional approach are outlined. At the same time, the obstacles to the development of the green bond market include: insufficient green projects; uncertainty for issuers of the impact of reputational risks due to the lack of clear regula-

tion of the categorical apparatus of green economic activity; lack of transparent economic benefits for issuers; complexity and potentially high cost of reporting and external audit/verification procedures; high costs for reporting processes (in man-hours); uncertainty about the type of assets and costs that can be financed.

Separately, it is important to emphasize that green bonds are expected to have an important economic significance in the post-war reconstruction of the infrastructure of Ukrainian cities destroyed by the aggressor country. That is why further scientific research will concern the substantiation of the institutional mechanism for the development of the green bond market in Ukraine.

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