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FUNCTIONING OF THE INSURANCE MARKET OF UKRAINE DURING THE WAR

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Abstract. *The article is devoted to the analysis of the dynamics of the functioning of the insurance market during 2020-2023. The study covered such indicators as the number of insurance companies, the size of their assets and reserves, gross insurance premiums and payments, as well as the level of insurance penetration in Ukraine. Based on the results of the analysis, certain trends in the development of the country's insurance sector were revealed. Recommendations are provided for improving the insurance system in Ukraine, in particular, taking into account military risks, implementing appropriate measures for their management, and developing a strategy for the further development of the national insurance market.*

Key words: *insurance, insurance market, war, insurance companies, insurance premiums, insurance payments, insurance reserves, insurance assets, insurance penetration.*

Among the components of Ukraine's financial market, the insurance market has long been considered one of the most problematic, primarily due to its low penetration and insurance density. While in developed countries the insurance market serves as a significant driver for active investments across various economic sectors – mobilizing substantial resources to meet long-term capital needs – the situation in Ukraine is quite different.

With the onset of Russia's full-scale invasion of Ukraine, the insurance market has faced even deeper challenges. The war has brought serious threats to the efficiency and stability of the country's insurance sector. Under these conditions, an increasing number of insurance companies are encountering adverse circumstances for their operations, including heightened risks, uncertainty about future events, rising costs of damage compensation, and more. These factors have constrained insurers' ability to develop, invest, and maintain stability in the insurance market.

Summarizing the analysis of the functioning of Ukraine's insurance market during the war, it is evident that the market is currently in a crisis. However, despite numerous challenges and difficulties, it continues to operate, providing support and protection to businesses and citizens.

The development of war risk insurance products demonstrates the adaptation of insurance companies to changes in the economic and political environment. However, this process is still in its early stages and requires further improvement. Therefore, in our opinion, the creation of a more effective and diversified system of war risk insurance is a highly relevant issue. Addressing this challenge would provide greater confidence to investors, citizens, and Ukraine's economy.

Additionally, the insurance market faces the task of developing a long-term growth strategy, despite the complexity of the current situation in Ukraine. It is crucial to determine the future course of action and work collectively to improve the state of the insurance sector.

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