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REGULATORY INSTRUMENTS OF INSURANCE MARKET SECURITY IN THE CONTEXT OF DIGITALIZATION

The insurance market is an important component of the state's financial system, as it provides risk management, protects the property interests of economic entities, and facilitates the redistribution of financial resources. In the context of wartime challenges, macroeconomic instability, and rapid digitalization, ensuring an adequate level of insurance market security has become particularly important. The spread of digital technologies, the development of InsurTech solutions, and the use of artificial intelligence, digital platforms, and cloud services create new opportunities for the development of insurance while simultaneously generating additional risks for market participants.

The article examines regulatory instruments for ensuring the security of the Ukrainian insurance market in the context of digitalization. The main threats to its functioning are systematized, and it is established that the financial security of the insurance market is affected by macroeconomic, military-political, financial, institutional-regulatory, operational, reputational, digital, and cyber risks. Approaches to the classification of regulatory methods are generalized, and the main instruments for ensuring insurance market security are identified.

The study analyzes the current system of solvency and investment activity requirements for insurers and confirms its compliance with the risk-based regulatory approach. It is substantiated that, alongside traditional requirements related to capital adequacy, asset quality, and insurance reserves, increasing attention should be paid to digital resilience, cybersecurity, and control over the use of modern digital technologies. It is determined that digitalization has a dual impact on insurance market security, combining the benefits of improved risk management efficiency with the emergence of new threats associated with cyberattacks, data breaches, digital fraud, and technological failures. The expediency of integrating digital risk management mechanisms into the insurance supervisory framework is substantiated.

Keywords: insurance market; financial security; insurance market security; digitalization; regulatory instruments; regulatory methods.