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MACROPRUDENTIAL OF SUPERVISION AND ADJUSTING OF INSURANCE ACTIVITY

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Summary. The article deals with basic aspects of domestic insurance market, process of macro prudential supervision and regulation, main problems of its implementation for regulation of implementation of the concept of macro prudential supervision and regulation.

Key words: *insurance market, macro prudential supervision and adjusting, insurer.*

The article deals with basic aspects of macro prudential supervision and regulation, main problems of its implementation for regulation of domestic insurance market, process of implementation of the concept of macro prudential supervision and regulation. Improving of government regulation and insurance supervision in Ukraine should develop in two ways: content innovations that contain economic nature of regulation and organizational and managerial innovations that improve the quality of regulatory institutions.

It is determined that the aim of prudential insurance supervision is to protect the interests of consumers of insurance services, to prevent insolvency and to support financial stability of insurance organizations with the help of appropriate corrective measures: by identifying the increased risks in activities of financial institutions, by controlling

the solvency, liquidity and profitability of financial institutions, by minimizing the cases of bankruptcy and the systemic crisis of the insurance organizations and by forecasting future financial results based on the reports of current period.

The major tasks of macro prudential policy in the insurance market is to maintain the stability of insurance market to aggregated shocks, including recession and external shocks; to limit excessive financial risk taking over the insurance market in general; to smooth financial cycle.

The author proposes measures to strengthen the independence of National Financial Services Commission, to introduce macro prudential supervision, to determine the list of insurers, to adopt a long-term strategy of development of the insurance market as part of macro prudential policy.

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