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PROSPECTS OF THE POST-WAR RECOVERY OF THE FINANCIAL SECTOR OF UKRAINE

ABSTRACT

The armed aggression and the resulting socio-economic crisis pose challenges of preserving the national financial sector and its post-war recovery. A special role of the financial sector in ensuring the adequacy of functioning of the economic mechanism and the socio-economic system of the state further aggravates this problem. The aim of the article is to identify the key challenges of the post-war recovery of the national financial sector and to determine the main needs and motivations of key groups of stakeholders in the context of reforming the financial sector of Ukraine. The method of economic and statistical analysis, as well as stakeholder analysis, were applied in the course of the research. The methodological framework of the research is the method of strategic analysis. The study identified the key challenges of the post-war recovery of the national financial sector, as well as the motivations and needs of the main stakeholder groups. This indicates the systemic nature of the challenges that the national financial sector faces under the influence of armed aggression. As a result, the need to analyse the key indicators of the state of the financial sector at the current stage of the active phase of the war is emphasized. In particular, a significant increase in the cost of financial resources for economic agents was noted, which is manifested in a sharp increase in the NBU discount rate from 9.0% in 2021 to 25.0% in 2022. The suppression of exchange trade in Ukraine was identified, which indicates a decrease in business activity in the current and prospective periods. In particular, the Index of the PFTS Ukraine Stock Exchange decreased to 519.2 (2022) from 522.7 (2021), and the total trading volume of PFTS decreased to UAH 90,251 million (2022) compared to UAH 221,578 million (2021). The existence of significant macro-financial and macroeconomic disproportions in the context of stimulating the post-war development of the financial sector of Ukraine is indicated, taking into account national priorities. Prospects for further research are in-depth stakeholder analysis of the focused development of the national financial sector at the post-war stage.

Keywords: macro-financial stability, post-war recovery, financial sector infrastructure, stakeholder

JEL Classification: G18, H00, P43, P47

INTRODUCTION

It is difficult to restore socio-political, socio-economic and other systems after armed aggression. The financial sector of the state is a key component of the systems referred to above, and the basis for their adequate functioning in the short and long term. It should be noted that the financial sector is one of the most important areas of concentration of key groups of stakeholders throughout the post-war reconstruction process, as it is necessary to establish stability in the country and restore the growth of the national economy after the war. Among others, the financial sector is critical for the adequate functioning of micro- and macro-level economic agents. This applies, in particular, to making payments, obtaining loans, making savings, and investing. The financial sector is usually one of the first to be affected in countries during armed aggression, as the destruction of infrastructure, population displacement, and lack of trust in the financial sector can cause serious socio-economic damage.

The recovery of the financial sector after the war is a complex process requiring a multi-directional strategy that includes diverse groups of stakeholders (government, international organizations, local population, businesses, and others). An additional complication is the need to take into account the actions of various economic agents at the local, national, and international levels, in particular, the influence of international institutions and donors. Accordingly, there is a need to study the difficulties associated with the recovery of the financial sector after the armed aggression, as well as the development of essential principles for the orientation of key institutions in this complex process.

It is necessary to emphasize the importance of full access to financing on appropriate terms for post-war recovery separately, as access to financing is crucial for stimulating economic development and eradicating poverty. This is especially true in post-war cases, when the financial sector may be fragile and unstable or even destroyed as a result of armed aggression. The direct and indirect influence of a large-scale socio-economic and financial-economic crisis in the country during wartime causes an additional negative effect in this area. Accordingly, there is a need to apply a comprehensive approach that combines both traditional and current solutions in the context of the post-war recovery of the financial sector of the state. Traditional solutions include, in particular, macroeconomic stabilization, stimulation of domestic consumption, and support of business activity of existing and new businesses. In the context of the latest solutions, this is primarily the digitalization of banking, improvement of financial literacy of households, and digitalization of financial relations of businesses and the population with the financial sector and the state. All this causes a need to study the peculiarities of the micro- and macro-level and different groups of stakeholders in the context of the post-war recovery of the financial sector of Ukraine.

LITERATURE REVIEW

There are studies that deal with the theoretical and practical experience of countries that were devastated by the war, where post-war restoration of the financial sector is an important process aimed at restoring social and economic stability, rebuilding infrastructure, and stimulating sustainable development. Khan [1] examines the challenges of managing the global financial system in a rapidly changing world, in particular, in the context of increasing threats of armed aggression. Authors in work [2] analyse the problem of financial imbalances in the context of the post-war recovery of the national economy. Queralt [3] indicates that states with greater fiscal capacity have a greater ability to finance their livelihoods and recover from economic and social losses caused by armed aggression, the researcher also argues that war and international finance are closely interrelated. Authors [4] emphasizes the function of the international financial sector in preventing conflict. Chang [5] examines the relationship between economic inequality, wartime finance, and tax pressures. The researcher, in work [6], analyses the role of wartime finance, focusing on the functions of the Treasury in times of conflict, particularly emphasizing the importance of maintaining economic stability through monetary instruments such as currency issuance, interest rate regulation, and public debt management. The Treasury's critical role in maintaining financial stability during war and post-war recovery is emphasized.

Researchers [7] study the specifics of the impact of financial organizations on post-war recovery using the example of Bosnia and Herzegovina. Unruh [8] deals with the housing, land and property rights in the financing of war and post-war recovery using the examples of Colombia and Syria. Author [9] focuses on aspects of anti-corruption measures in the post-war recovery of the national economy, including the financial sector of the state. Seatzu [10] studies the role of the World Bank in supporting and implementing measures for the post-war recovery of the economic system of the state, including the national financial sector. In the paper [11] considers macroeconomic stability and investment in the post-war recovery of Sri Lanka. Researchers [12] examine post-war recovery in the context of the transition to a knowledge society and information economy in Syria. Ibold [13] examines stakeholder groups involved in post-war recovery in Syria, including in the context of the restoration of the state's financial sector.

A number of researchers deal with special aspects of the post-war recovery, in particular, the national financial sector. Dawar and Ferreira [14] focus on the post-war recovery at the level of local communities, analysing the prospects of post-war recovery programmes in Pakistan. Authors [15] draw parallels between war and natural disaster in terms of their socioeconomic consequences and examine recovery financing of Nepal after the disaster. Al-Asadi [16] develops this thesis and focuses on financing resources for reconstruction in countries severely affected by war. Researcher [17] emphasizes the importance of microfinance in the recovery of economic growth and post-war recovery.

There are also works on the problems of the functioning of the financial sector of Ukraine in wartime, and the peculiarities of its post-war recovery. Researchers [18] emphasized the need for a strong and stable financial system for post-war recovery in their analysis of the financial system of Ukraine in wartime. They write on the importance of maintaining the

financial system and managing the risks associated with war and also consider financial stability and post-conflict development prospects. Author [19] studies the theoretical and practical aspects of the recovery of the economy of West Germany in the post-war period in the light of experience that can be applied by Ukraine. In an analysis of the functions of state-owned banks during conflicts, in paper [20], identified the most important challenges and necessary countermeasures to support the financial stability of Ukraine during the war, in particular, in terms of adequate management of state-owned banks, in particular, risk management and anti-crisis measures.

Nebrat [21] considers the approach of the historic-economic study of post-war recovery, proposing a basis for understanding the experience of post-war recovery of other countries, in particular, an understanding of the prospects and difficulties associated with the recovery of the post-war economic system and the financial sector. Work [22] studied the impact of digital transformation on the banking industry during the post-war recovery of Ukraine. Author [23] analysed the problems of the functioning of the financial sector in regulatory and operational aspects. In paper [24] explored the features of the work of the NBU in the context of ensuring monetary stability during the war. Authors [25] examine the legal aspects of the functioning of the financial system during wartime. Radionov [26] worked on the stability of the public finance system in the context of the post-war recovery of the financial sector of Ukraine. Author [27] analyses macro-level financial policy in Ukraine during the war. Iefymenko [28] studies the fiscal aspect of stimulating the post-war recovery of the financial sector of Ukraine. The paper [29] investigates the problems of micro-level finance, in particular, in terms of aspects of accounting during the war in Ukraine. Authors [30] analyse the issue of support in terms of financing the post-war economic and social system recovery in territorial communities.

However, the problems of the post-war recovery of the national financial sector from the perspective of a stakeholder approach in the context of key challenges of an exogenous and endogenous nature are insufficiently covered in the existing studies.

AIMS AND OBJECTIVES

The aim of the study is to determine the main challenges of restoring the financial sector of Ukraine and to identify the main needs and motivations of key groups of stakeholders in the context of reforming the financial sector of Ukraine. The aim involves the following research objectives:

- Identify the key factors of the influence of armed aggression on the state and prospects for the development of the state's financial sector at the current stage;
- Analyse the main challenges of restoring the financial sector of Ukraine at the post-war stage;
- Outline the main motivations and needs of the state and other stakeholders at the micro- and macro-level in light of the post-war recovery of the financial sector of Ukraine.

METHODS

Research Design

Figure 1 illustrates the main stages of the research.

The first – preparatory – stage involved the analysis of current studies on the problems of the development of the financial sector in the post-war period in countries that suffered from armed aggression. The aim and objectives of studying the main directions and challenges for the post-war recovery of the financial sector of Ukraine were set on the basis of a critical evaluation of the results of previous studies. The next component of the preparatory stage of this study is the development of a research design regarding the choice of methods and features of the sample in order to study the key directions of the post-war recovery of the financial sector of Ukraine in the context of its exogenous and endogenous features that resulted from the armed aggression and economic crisis. The next step in this study is the collection of data on the state of the financial sector of Ukraine for their further processing and use within the scope of the study of the key directions of the post-war recovery of the financial sector of the state.

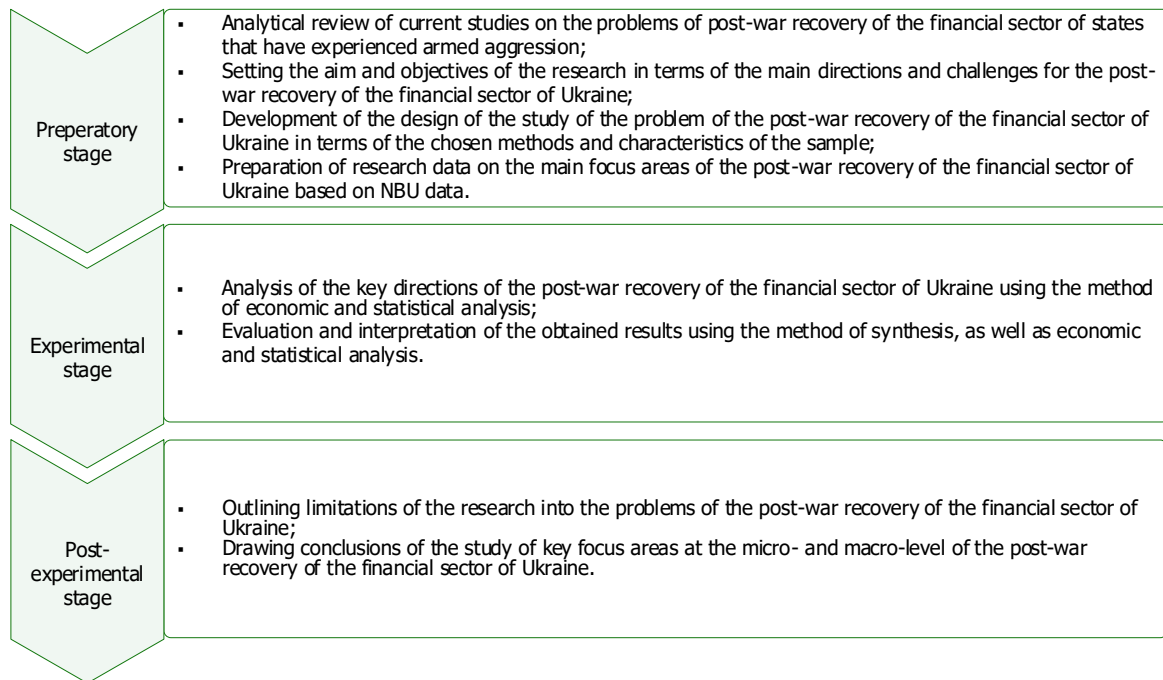


Figure 1. Visualised research design.

The second stage of the research provides for the study of the key directions of the post-war recovery of the financial sector of Ukraine through economic and statistical analysis. This stage also includes the interpretation of the obtained results using the method of synthesis in terms of the key trends of the current situation and the prospective state of the financial sector of Ukraine in view of its post-war recovery. The method of strategic analysis is also used at this stage, in particular, the analytical approach to strategizing (to analyse the key exogenous and endogenous challenges) and the approach of stakeholder analysis (to identify the key motivations and needs of the main groups of interested parties to ensure long-term stable results of post-war recovery). The final stage of the study involves the identification of limitations in terms of the methodology and implementation of the conducted study of the key directions of the post-war recovery of the financial sector of Ukraine, as well as drawing conclusions from the conducted study.

Methods

In order to determine the peculiarities of the recovery of the financial sector of the state at the post-war stage, the methods of synthesis were applied to identify and generalize the main observations regarding the current state of the financial sector during armed aggression in the context of significant uncertainty and multi-factor nature of this exogenous state, as well as the trends in its development in the post-war period; economic and statistical methods were applied for the analysis of key indicators of the state of the financial sector of Ukraine. The tools of trend analysis of the main indicators of the state of the financial sector of Ukraine based on historical data are applied within the scope of this method. An additional method of research applied in this work is strategic analysis, which determines the main priorities of the post-war recovery of the financial sector of Ukraine in the short and long term. A strategizing technique is applied within the scope of this method based on the methodology of the University of Minnesota, [31], which contributes to the identification of key exogenous challenges in the context of the development of the financial sector of Ukraine and the identification of main measures to overcome them. Moreover, a stakeholder approach is applied as part of the strategic analysis, which is widely used within the methodology of strategic analysis of Harvard Business School, [32]. It involves studying and taking into account the motivations and needs of the main groups of interested parties both from outside and inside the financial sector of Ukraine. This approach contributes to the improvement of the results of the post-war recovery of the financial sector due to the improvement of the state of involvement of interested persons in these processes and the growth of their interest in the obtained results in the short and long term.

The methodological foundation of the conducted analysis is the method of strategic analysis. In its essence, the strategic analysis represents a system of tools for researching the state and prospects for the development of the economic environment at the micro- and macro-level, taking into account the diversity of aspects of exogenous and endogenous influence on different time horizons, which is designed to contribute to the development and implementation of the strategy of an economic agent (state, financial corporation, non-financial corporations, others).

The sample is formed from the data of five key indicators of the state of the financial sector of Ukraine, which represent its current and prospective state in the context of post-war recovery. The sample is represented by the following indicators:

1. NBU Discount Rate;
2. PFTS Index;
3. The volume of transactions with government bonds of Ukraine concluded by securities market operators;
4. Bank loans;
5. Deposits attracted by banks.

The selection of the said indicators for the sample is based on the best practices in terms of scientific and practical problems of the post-war recovery of the financial sector and is based on the methodology of a number of regulators, international institutions and research centres, in particular, [33], [34], [35].

The results of the state's actions in the banking sector of Ukraine during the war were studied using the analysis of official NBU statistics. The analysis was carried out for 2022 in comparison with the data for previous periods. Table 1 provides a description of the variables involved in the analysis. MS Excel, as well as Open Data bank.gov.ua, were used in the conducted research for the purpose of analysing the sample data.

Table 1. Indicators used as part of the economic and statistical analysis of the key directions of the post-war recovery of the financial sector of Ukraine.

Indicator	Comment
NBU Discount Rate	The level of the basic rate for the national economy in relation to the cost of loans established by the regulator as part of the implementation of monetary policy in annual terms, %
PFTS Index	The price index of the Ukrainian PFTS exchange based on the bidding results weighted by the volume of the issue based on the results of the year, pp
The volume of transactions with government bonds of Ukraine concluded by securities market operators	Placement of public securities denominated in hryvnias on the primary market, per year, UAH million
Bank loans	The volume of loans issued by Ukrainian banks to individuals and legal entities per year, UAH million
Deposits attracted by banks	The volume of deposits that individuals and legal entities placed in Ukrainian banks during the year, UAH million

RESULTS

The post-war recovery of the financial sector of Ukraine is a difficult task due to a significant number of factors influencing its current and prospective state. The NBU discount rate fluctuated significantly under the influence of the intensification of military operations. In particular, the NBU discount rate increased by 9.0% as of 2021 to 25.0% in 2022 — an increase of more than 2 times, or 16 pp. Accordingly, such a rapid growth of the discount rate indicates the significant increase in the cost of loans in the national economy, which complicates the current and prospective state of the financial sector of Ukraine in the conditions of post-war recovery (Figure 2).

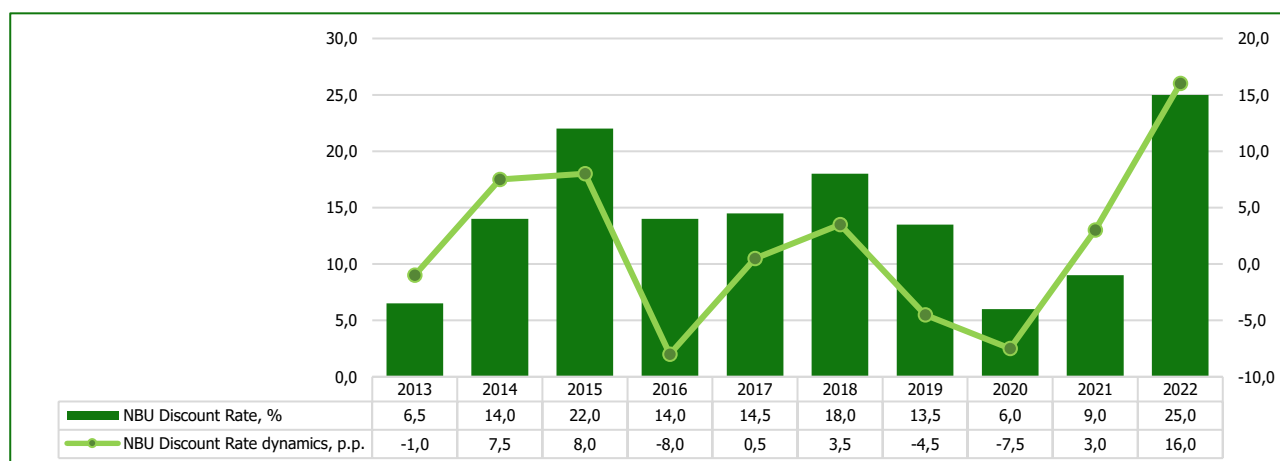


Figure 2. National Bank of Ukraine Discount Rate dynamics, %, 2013-2022. (Source: built by the author based on the National Bank of Ukraine data, [35])

The active phase of the war and the difficult socio-economic condition of the state were also reflected in the dynamics of the financial markets of Ukraine. According to the results of 2022, the index of the PFTS Ukraine Stock Exchange decreased to 519.2 compared to 522.7 as of 2021 — a reduction of 3.5 pp. A difficult macro and micro situation was also reflected in the volume of trades on the Ukrainian stock exchange in 2022. The total volume of PFTS trade for 2022 decreased to UAH 90,251 million against UAH 221,578 million for 2021, which is a 2.5-fold reduction, or UAH 131,328 million. A sharp reduction in trade volumes on the Ukrainian stock exchange indicates the complicated state of the national financial sector and depressed growth in the national economy (Figure 3).

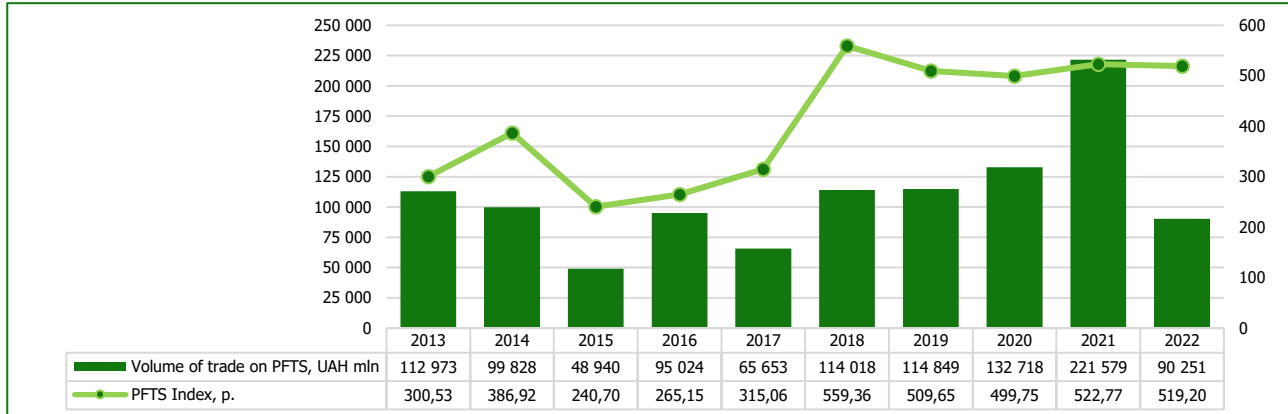


Figure 3. PFTS Index and Trade Volume dynamics, p., UAH mln, 2013-2022. (Source: built by the author based on the National Bank of Ukraine data, [35])

The depressed macroeconomic condition was also reflected in another key indicator of the state of the financial sector of Ukraine — the yield of public securities. In particular, the cost of government debt is growing in this context, which is reflected in the growing dynamics of the yield of public securities placed on the primary market, denominated in hryvnia. The dynamics of transactions with government bonds of Ukraine concluded by securities market operators reflect the complicated macroeconomic situation of Ukraine in 2022. Thus, the volume of trade in public securities increased almost 2 times over the year (a growth of 1.9 times compared to 2021 from UAH 309,719 million to UAH 594,385 million in 2022). This indicates the urgent need for the government to attract additional funds to finance the budget deficit, which negatively affects the current state and prospects for the development of the national financial sector. Accordingly, this complicated state of the financial sector is reflected in the sharp increase in the cost of government loans. The yield of public securities denominated in hryvnia placed on the primary market increased significantly in 2022 by 5 pp — from 11.3% in 2021 to 18.3% as of 2022 (Figure 4). This systemic negative situation in the context of long-term macro-financial stability will have a significant destructive effect from the perspective of the post-war recovery of the national financial sector. This negative impact will be reflected, in particular, on the cost of future loans by the government and Ukrainian corporations, the growth of debt service costs, the orientation of international investors to the adequacy of macro-financial indicators in their management decisions regarding the prospects for cooperation with the financial sector of Ukraine.

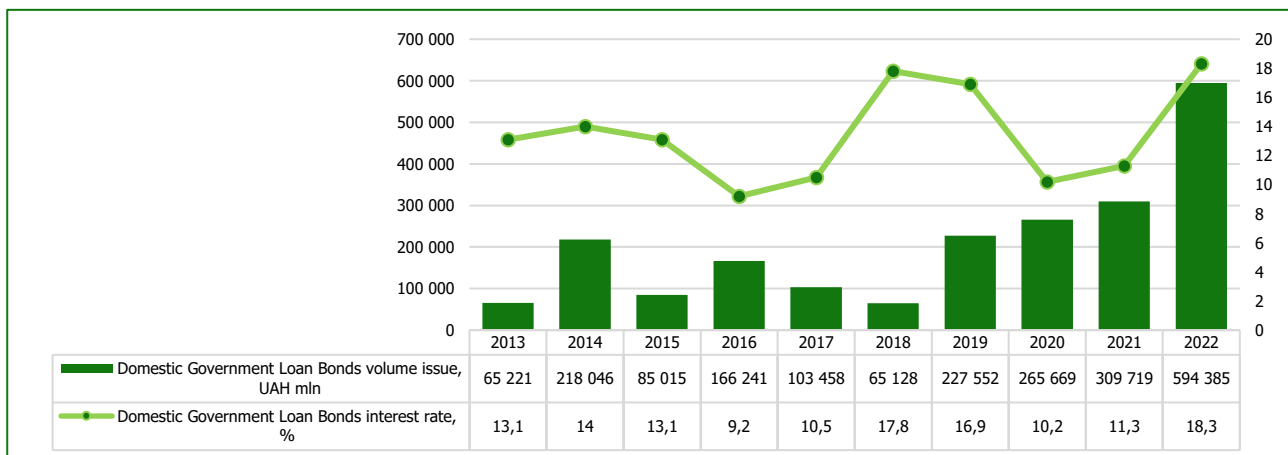


Figure 4. Dynamics of the issue of public securities in terms of volume and interest rate, %, UAH mln, 2013-2022. (Source: built by the author based on the National Bank of Ukraine data, [35])

As regards attracted deposits from individuals and legal entities, the dynamics of growth slowed down compared to previous periods. As of 2022, the volume of attracted deposits in Ukrainian banks amounted to UAH 1,617,787 million against UAH 1,503,909 million according to the results of 2021. The annual increase according to the results of 2022 was significantly smaller compared to the results of previous years. For 2022, the volume of attracted deposits increased by 7.6% against the growth of 11.6% for 2021 (Figure 5). This trend has a negative impact on the post-war plans for the recovery of the financial sector of Ukraine in the context of the insufficient resources of households and businesses involved in the national financial sector. Besides, this trend also indicates the need to strengthen the trust of economic agents in the Ukrainian financial sector, which will contribute to intensified resource attraction to the national economy in the post-war period.

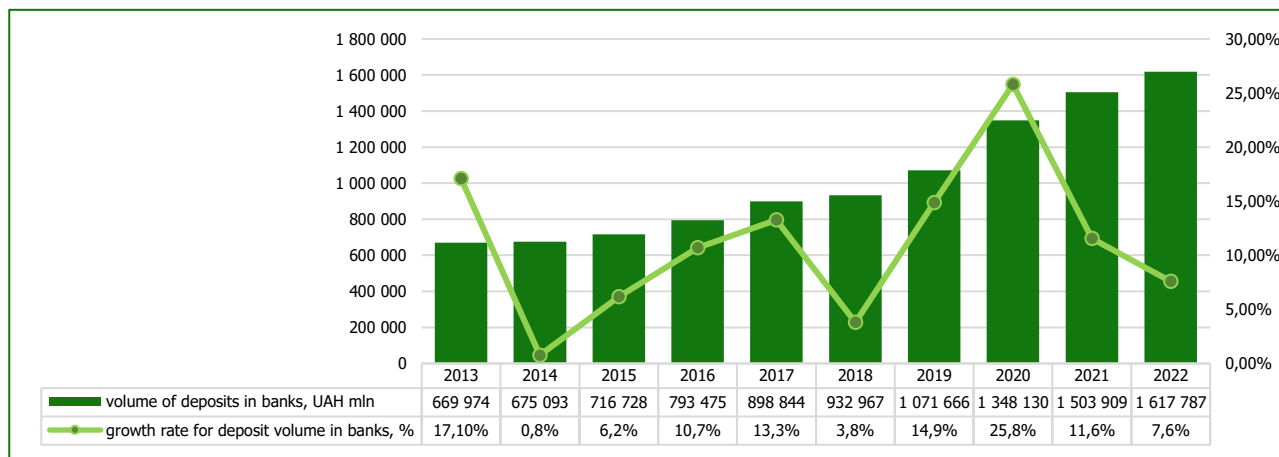


Figure 5. The volume of deposits in banks, %, UAH mln, 2013-2022. (Source: built by the author based on the National Bank of Ukraine data, [35])

In terms of the dynamics of loans granted to individuals and legal entities by Ukrainian banks, the trend also indicates the cessation of the growth of the national financial sector as of 2022. This is caused by, first, the negative socio-political situation in the country as a result of armed aggression, second, it is also explained by the complex macro-financial dynamics, which leads to the reduction of the provided resource for the production and consumer sectors covered by bank lending. In particular, the volume of loans issued by Ukrainian banks in 2022 amounted to UAH 1,055,475 million. This shows a trend of depressed growth at the level of 1.1% in annual terms according to the results of 2022 against last year's growth of 10.1% in 2021 (Figure 6). Accordingly, it is necessary to take measures to intensify business and consumer activity, as well as long-term improvement of the macro-financial condition of Ukraine within the planning and implementation of the post-war recovery program of the national financial sector on the basis of stable, sustainable and comprehensive development.

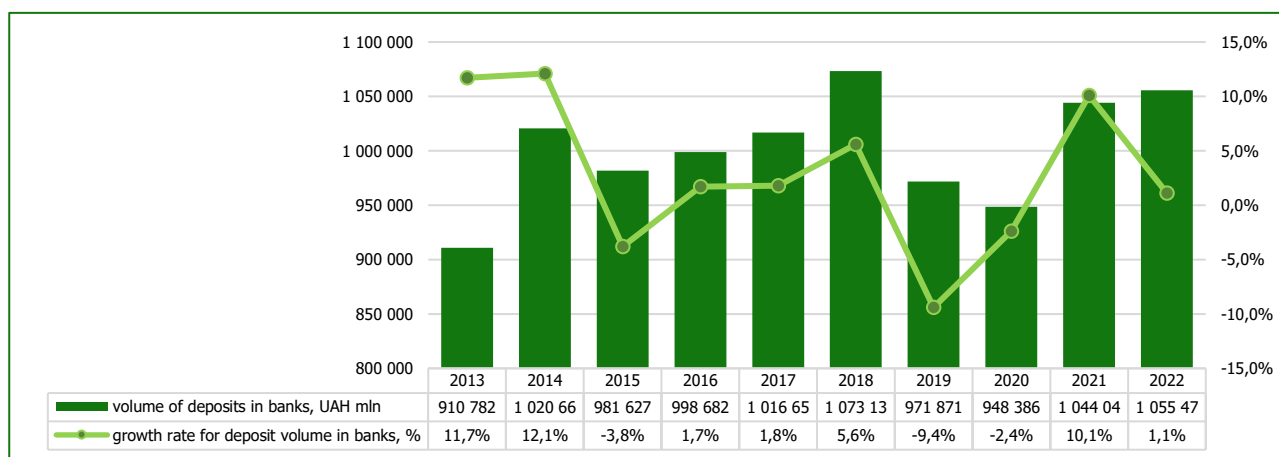


Figure 6. The volume of loans granted by banks, %, UAH mln, 2013-2022. (Source: built by the author based on the National Bank of Ukraine data, [35])

The above analysis of the key indicators of the financial sector of Ukraine testifies that the post-war recovery in this area should cover a number of key areas for finding ways to support its current state and prospects for recovery when fulfilling the goals of the socio-economic development of the state and the realization of national priorities in the post-war period. Accordingly, there are a number of barriers that must be overcome in order to stabilize and develop the financial sector in view of the consequences of armed aggression, as well as under the influence of the socioeconomic and financial-economic crisis in the state. These directions, in particular, include:

- *Ensuring macroeconomic stability*, which should guarantee predictable working conditions of economic agents in the national economy, as well as strengthen trust in the financial sector on the part of the population and businesses in wartime and in the post-war period;
- *Ensuring the stability of the national currency* is critically important for strengthening the trust of economic agents in the financial sector of Ukraine and its adequate functioning in the post-war period. In this area, the result is achieved due to the strengthening of currency reserves and the implementation of a sound monetary policy, the hryvnia exchange rate will remain stable. Attracting foreign investment and financial assistance from international partners is also crucial in the post-war recovery of the financial sector of the state;
- *Implementation of a full-fledged reform of the financial sector of Ukraine*, which involves the implementation of structural reforms with a focus on strengthening the financial sector of Ukraine in the context of the key challenges of the post-war period, increasing the efficiency of tax collection, fighting corruption, increasing the efficiency of management in state-owned banks and other financial corporations;
- *Stabilization of the state of public finances and reduction of the budget deficit*, along with other exogenous aspects, is a significant driver of adequate restoration of the state of the financial sector in the post-war period. In practical terms, this involves ensuring effective administration of the state budget, ensuring financing of key social programmes (in particular, for veterans and their families), investment in infrastructure and development of territories affected by the war.
- *Restoration of the infrastructure of the financial sector* in terms of restoration of the IT and telecommunications infrastructure, and restoration of the network of branches of Ukrainian banks, which will contribute to the growing quality of services of the financial sector of the state and increase the accessibility of households and businesses to financial services; this, in turn, will contribute to a faster recovery of the financial sector and economic growth in general in the post-war period.

Stimulating the development of national financial markets will provide the ground for long-term stable growth of the financial sector and its reliable recovery in the post-war period. This direction provides for measures to create a favourable environment for investment, development of national financial institutions, and attraction of investment resources of Ukrainian households (as well as the diaspora) to Ukrainian financial markets, in particular, in terms of the development of the pension system and life insurance.

Accordingly, this involves competent work with various groups of micro- and macro-level stakeholders in order to inform and involve them in the process of comprehensive recovery of the financial sector of Ukraine in the post-war period. This approach is designed to ensure the long-term stability of the obtained results due to the high degree of satisfaction of key stakeholders and their involvement in the financial and economic mechanism of the restored national financial sector. It should be noted that in post-war Ukraine, the reform of the financial sector will play a vital role in restoring the national economy and improving the general well-being of the population. Accordingly, this should cover a wide range of stakeholders, primarily the government, financial institutions, households, international financial institutions, and non-government organizations. All these groups of stakeholders can be participants in the reform of the financial sector in the current situation. Some motivations and aspirations that may be pursued by key groups of stakeholders in the context of planning and implementation of financial sector reform in post-war Ukraine are provided below. Table 2 presents the results of the stakeholder analysis in the context of reforming the national financial sector at the post-war stage.

Table 2. Main groups of stakeholders in the context of reforming the financial sector of Ukraine at the post-war stage.

Stakeholder group	Comments
Government representatives	The government may seek to restructure the financial sector in order to attract international investment and stimulate economic growth, which in turn may result in the creation of employment opportunities for the population. Moreover, the government can consider the reformed financial sector as a source of tax revenue growth for the state budget. Another motivation for the government as part of the financial sector reform is to achieve macro-financial stabilization by reducing the pressure of debt servicing costs and supporting state-owned banks.
Banks and other financial institutions	This group of stakeholders can contribute to the reform of the financial sector in the post-war stage, as it can lead to a more stable and secure financial environment that can attract more customers and investors. Besides, measures that increase the openness and transparency of the financial sector can reduce risks, which can benefit financial institutions and their customers.
Households	Financial sector reform in the post-war stage can also be supported by households, as it can lead to an improvement in financial stability and security at the micro level. Avoiding the negative consequences of the work of the unreformed financial sector with the inherent disadvantages of financial and economic crises will stimulate households to put pressure on the state, the regulator, and financial institutions in order to implement an effective reform of the financial sector. Reforms that encourage accountability, transparency, and openness can also help increase household confidence in financial institutions and the national economy as a whole.
International financial institutions	This group of stakeholders can provide Ukraine with technical support as part of the reform of the financial sector, as well as consultations on the implementation of state policy in this area. One of the key motivations of these institutions is to increase the efficiency of the use of financial resources provided to the government as part of the recapitalization of state-owned banks and to maintain macro-financial stability in the country. Institutional capacity building is one way in which IFIs can assist countries in implementing financial sector reforms. They can support the government, the regulator and financial institutions through training and development of relevant skills, which strengthens their ability to manage and supervise the financial sector. An additional motivation for IFIs for their involvement in reforming the financial sector of Ukraine at the post-war stage is the achievement of certain social development goals, in particular, the growth of the level of financial literacy, the strengthening of the inclusion of certain segments of the population, poverty reduction in the country, and the improvement of citizens' access to the infrastructure of the financial sector.
Non-government organizations	Effective reform of the financial sector at the post-war stage can contribute to the fight against poverty, as well as to the achievement of social and economic equality goals —accordingly, NGOs and civil society as a whole can be significantly involved as stakeholders in the reform of the financial sector of the state. One example of the focused attention of this group of stakeholders can be the achievement of such a result that provides low-income citizens with greater access to financial services, which can contribute to the expansion of their rights and opportunities, as well as economic integration during the post-war recovery.

Accordingly, by promoting openness, transparency and accountability, aimed at stimulating stable, sustainable, long-term economic development, financial sector reform can play a decisive role in the restoration of communities and the achievement of long-term socio-economic stability in Ukraine at the post-war stage. The knowledge, know-how, and resources of the said stakeholder groups can contribute to the identification of important problem areas, the development of appropriate reform measures, and the successful implementation of these actions during the post-war recovery of the financial sector of Ukraine.

DISCUSSION

So, the identified peculiarities of the post-war recovery of the financial sector of Ukraine in terms of key challenges of exogenous and endogenous origin were established taking into account the needs and motivations of the main groups of stakeholders. The obtained results will be revealed in greater detail.

This study indicates that the current and prospective state of the financial sector of Ukraine is influenced by multi-directional exogenous and endogenous factors in the short and long term. In terms of the degree of critical influence these are, first of all, it is macro-financial stability, the level of business and consumer activity, the adequacy of public finance management in terms of the budget deficit and the involvement of loan financing by the government. This is confirmed by the previously obtained results in a number of studies. In particular, the author in work [6] points to the key role of financing the national economy during the war and at the stage of post-war recovery with a special focus on the role of the Treasury in the coordination of this system. The result provided by an earlier study of authors [7] is an additional confirmation of this in terms of the critical importance of financial institutions in supporting the functioning of the economic mechanism in the national economy during the post-war recovery (using the example of Bosnia and Herzegovina). The result from this study is confirmed in the earlier work of Idris [9], which emphasizes the importance of the legal infrastructure, in particular, anti-corruption bodies, in the light of the activation of the post-war recovery of the economic system of the country that suffered armed aggression, including the financial sector. The result of this study is confirmed in the previous study of [11], which covers the critically important role of macro-financial stability in the context of the post-war recovery of the national economy of the state (using the example of Sri Lanka). The above-mentioned result is confirmed

by the previous study of the author [16] in terms of the importance of balancing sources of financing for the restoration of the economic system at the post-war stage.

This study emphasizes the key role of the post-war recovery of the financial sector in the context of the recovery of the social and economic system of Ukraine. This role of the financial sector is critically important in the context of ensuring long-term, stable, sustainable achievement of national priorities and social development. This result is confirmed by the earlier work of authors [18], which focuses on the micro- and macro-factors of ensuring the adequate functioning of the financial sector of Ukraine during the war. The earlier work of authors [20] emphasizes the critical importance of the role of state banks in ensuring the viability of the economic system of Ukraine during the war and stimulating post-war recovery. These findings are supported by the result of the previous work of authors [24] on the role of the NBU in the implementation of monetary policy during the war in the context of achieving the goals of restoring the financial sector in the post-war period. This result is confirmed by another earlier study by Kornivska [22], which emphasizes the role of digitalization in ensuring the adequate operation of the financial sector during the war and at the post-war stage in Ukraine. These findings are confirmed by the results of a previous study by authors [29] in terms of the importance of regulating the functioning of micro-level finances during the war.

In contrast to the existing earlier works, the results of this study separately emphasize the need for an in-depth study of the motivations and needs of key stakeholder groups (the state, financial institutions, international financial institutions, households, and public organizations) in shaping the context and facilitating the implementation of the strategic plan for post-war recovery of the financial sector of the state, in particular, in terms of reforming the national financial sector. This study focuses on the need to direct the efforts of stakeholders to effective measures in the area of ensuring macroeconomic and macro-financial stability. In the context of a stakeholder approach in the reformation of the financial sector during the post-war recovery, this study separately emphasizes the need to reconstruct the infrastructure of the financial sector as a key lever for ensuring its adequate operation and meeting the needs of the population and business. A separate result of this study emphasizes the need to focus on strengthening public and business confidence in the national financial sector in the light of macro- and micro-level objectives of post-war recovery in Ukraine.

CONCLUSIONS

As a result, the key challenges of the post-war recovery of the national financial sector were determined, and the peculiarities of the groups of stakeholders (the government, banks and other financial institutions, households, international financial institutions, non-government organizations) were studied in view of the objectives of restoring the financial sector of Ukraine at the post-war stage. This task is difficult due to the multi-directional effects of armed aggression and the socio-economic crisis, as well as the impact of a number of exogenous and endogenous factors.

The current state of the national financial sector, which is reflected in a number of key indicators, testifies to the complexity of its post-war recovery in the context of macro-financial stability and the need to stimulate economic recovery, as well as the achievement of social development goals at the post-war stage. The financial sector of Ukraine at the current stage faces significant challenges in ensuring the adequacy of its current state, as well as complications in the context of stimulating post-war development. In particular, the NBU discount rate increased by 9.0% as of 2021 to 25.0% in 2022, more than 2 times or by 16 pp, which indicates a significant increase in the cost of financial resources for economic agents in Ukraine. The depressed macroeconomic condition was also reflected in the dynamics of the financial markets of Ukraine. In particular, the Index of the PFTS Ukraine Stock Exchange decreased in 2022 to 519.2 against 522.7 in 2021; the total volume of PFTS trade in 2022 decreased to UAH 90,251 million against UAH 221,578 million in 2021, which is a 2.5-fold decrease. Accordingly, the current state of business activity and the prospects for its recovery are under significant pressure from exogenous and endogenous factors in the light of armed aggression and the socio-economic crisis.

Accordingly, there is a need for tools to identify the key challenges of the post-war recovery of the national financial sector, as well as to identify the key needs and motivations of key groups of stakeholders directly and indirectly involved in this process. The main challenges for Ukraine in the context of the post-war recovery of the national financial sector include ensuring macroeconomic and macro-financial stability, restoring the infrastructure of the financial sector, as well as stimulating the trust of the population and business.

Prospects for further research in this area are the deepening of stakeholder analysis in the context of the focused development of the financial sector at the post-war stage. An additional direction of research is the study of theoretical and practical aspects of the application of digitalization tools in the context of the post-war recovery of the financial sector of Ukraine on the path towards European integration.

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ПЕРСПЕКТИВИ ПІСЛЯВОЄННОГО ВІДНОВЛЕННЯ ФІНАНСОВОГО СЕКТОРА УКРАЇНИ

На тлі збройної агресії та соціально-економічної кризи в її результаті постають виклики збереження й післявоєнного відновлення національного фінансового сектора. Особлива роль фінансового сектора в рамках забезпечення адекватності функціонування економічного механізму та соціально-економічної системи держави додатково загострює дану проблематику. Метою статті є ідентифікація ключових викликів післявоєнного відновлення національного фінансового сектора та визначення основних потреб і мотивацій ключових груп стейкхолдерів у контексті реформування фінансового сектора України. У межах аналізу застосовано метод економіко-статистичного аналізу, а також стейкхолдерського аналізу. Методологічною основою дослідження є метод стратегічного аналізу. Дослідження ідентифікувало ключові виклики післявоєнного відновлення національного фінансового сектора, а також мотивацій і потреб основних груп стейкхолдерів. Це вказує на системність викликів, із якими зіткнувся національний фінансовий сектор під впливом збройної агресії. У результаті наголошено на необхідності аналізу ключових показників стану

фінансового сектора на сучасному етапі, що характеризується активною фазою війни. Зокрема, зауважено суттєве здорожчання фінансового ресурсу для економічних агентів, що виявляється в різкому зростанні облікової ставки НБУ з 9,0% за 2021 р. до 25,0% у 2022 р.. Виділено пригнічення активності біржової торгівлі в Україні, що свідчить про зниження ділової активності в поточному та перспективному періоді. Зокрема, індекс української біржі ПФТС знизився до рівня 519,2 (2022 р.) з рівня 522,7 (2021 р.), загальний обсяг торгів ПФТС скоротився до 90251 млн грн (2022 р.) порівняно з 221578 млн грн (2021 р.). Указано на наявність суттєвих макрофінансових і макроекономічних диспропорцій у контексті стимулювання післявоєнного розвитку фінансового сектора України з урахуванням національних пріоритетів. Перспективи подальших досліджень полягають у поглибленні стейкхолдерського аналізу в площині фокусного розвитку національного фінансового сектора на післявоєнному етапі.

Ключові слова: макрофінансова стабільність, післявоєнне відновлення, інфраструктура фінансового сектора, стейкхолдер

JEL Класифікація: G18, H00, P43, P47