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FINANCIAL INCLUSION IN UKRAINE: DETERMINANTS AND EVALUATION

Abstract. The low level of coverage of the population by banking services is one of the relevant problem for the Ukrainian banking system and for the economy as a whole. The economic growth, the well-being of the population and the social climate in society depend from the ability of the population to the use of basic financial services. In the article the definition of financial inclusion of the population is considered and formed. The determinants of supply and demand, which are complemented by the determinants of social responsibility, are studied. This approach, together with the needs and accessibility of basic financial services, combines the protection of consumer rights, the development of proportional surveillance, the promotion of digital technology and the creation of financial literacy programs, taking into account national and sociological characteristics. The author's proposed vision of the components of financial inclusion is related to well-being, awareness, accessibility, involvement and use. Their economic content, logical consistency and interconnectedness are disclosed. A set of analytical indicators has been formed, quantitatively characterizing them and integrated indexes have been constructed. On the basis of a composite consideration of all indices, a map of financial inclusion was constructed, which clearly shows that the population in Ukraine is not sufficiently oriented in the economy and financial sphere. The reasons for the low interest of the population in the use of banking services, among which the dominant ones are recognized: lack of funds, distrust of banking institutions, unacceptable pricing policy of banks. According to the statistics of the World Bank and the NBU, the coverage of the population of Ukraine with basic financial services is analyzed in comparison with other countries. It is determined that in order to increase the level of financial inclusion, it is necessary to ensure that the basic financial services of those part of the population of the country who do not have access to them are covered.

Keywords: financial inclusion of the population, inclusion literacy, welfare, awareness, accessibility, involvement, using, index, map of the financial inclusion.

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ФІНАНСОВА ІНКЛЮЗИЯ В УКРАЇНІ: ДЕТЕРМІНАНТИ ТА ОЦІНКА

Анотація. Низький рівень охопленості населення банківськими послугами є однією з актуальних проблем української банківської системи та економіки в цілому. Саме від доступності та включеності населення до користування базовими фінансовими послугами залежать темпи зростання економіки, добробут населення і соціальний клімат у суспільстві. Розглянуто і сформовано визначення фінансової інклюзивності населення. Виокремлено детермінанти попиту і пропозиції, які доповнено детермінантами соціальної відповідальності. Такий підхід, поряд із потребами і доступністю базових фінансових послуг, поєднує захист прав споживачів, розвиток пропорційного нагляду, сприяння розвиткові цифрових технологій і створення програм фінансової грамотності з урахуванням національних і соціологічних особливостей. Запропоноване авторське бачення складових фінансової інклюзії, до яких віднесено: добробут, обізнаність, доступність, залученість і використання. Розкрито їхній економічний зміст, логічну послідовність і взаємопов'язаність. Сформовано набір аналітичних показників, що кількісно їх характеризують, і побудовано інтегровані індекси. На основі композитивного розгляду всіх індексів побудовано карту фінансової інклюзивності, яка наочно демонструє, що в Україні населення недостатньо орієнтується в економіці та фінансовій сфері. Виокремлено причини низької зацікавленості населення у користуванні банківськими послугами, серед яких домінують визнано: брак коштів, недовіра до банківських установ, неприйнятна цінова політика банків. За статистичними даними Світового банку і Національного банку України, проаналізовано рівень охоплення населення України базовими фінансовими послугами порівняно з іншими країнами. Визначено, що для підвищення рівня фінансової інклюзії потрібно забезпечити охопленість базовими фінансовими послугами тих верст населення країни, які не мають доступу до них узагалі.

Ключові слова: фінансова інклюзивність, фінансова грамотність, доступність, обізнаність, залученість, охоплення, індекс, карта фінансової інклюзії.

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ФИНАНСОВАЯ ИНКЛЮЗИЯ В УКРАИНЕ: ДЕТЕРМИНАНТЫ И ОЦЕНКА

Аннотация. Рассмотрено и сформулировано экономическое понимание сущности финансовой инклюзивности. Предложено авторское видение элементов финансовой инклюзии, их логическая последовательность и взаимосвязь. Предложен набор аналитических показателей, характеризующих каждый элемент, и на их основе построены индивидуальные интегрированные индексы. По совокупности всех индексов построена карта финансовой инклюзивности, которая демонстрирует, что в Украине население недостаточно ориентируется в экономике и финансовой сфере. Выделены причины такой низкой заинтересованности. На основе статистических данных МБ и НБУ, проанализирован уровень охвата населения Украины базовыми финансовыми услугами по сравнению с другими странами.

Ключевые слова: финансовая инклюзивность, финансовая грамотность, доступность, информированность, вовлеченность, охват, индекс, карта финансовой инклюзии.

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Introduction. Increasing the level of financial inclusion of members of society in the modern world is regarded as one of the priority areas of social development, because according to the World Bank data about half of the world's population does not have access to official banking services. Slow progress in living standards, globalization, political polarization and increasing social inequality in many progressive economies and in developing countries, to which Ukraine belongs are the reasons for this situation. This has attracted the attention of the international community to the need for comprehensive and sustainable model of financial inclusion that enhances access to financial services and services for the general public, businesses, regardless of income, gender, age, place of residence or business. In Ukraine, enhancing financial inclusion is one of the strategic goals of the National Bank of Ukraine, and one of the priorities of reforming the financial sector in the context of the Association Agreement between Ukraine and the European Union.

Research analysis and assignment. The study of financial inclusion involved such national and foreign researches as O. Akimova, A. Bazilyuk, I. Bobukh, O. Zhulin, Z. Zhivko, N. Zachosova, S. Mishchenko, L. Nechiporuk, E. Stepaniuk, S. and others. Mazaraki A.A. and Volosovich S.V. inclusion is considered as an important element of any successful growth strategy [1]. Indeed, financial inclusion could help to reduce poverty and inequality, smooth consumption and save money and help invest and manage financial risks. According to Dupas P. et al. for this purpose the population should have access to the official financial services versus use informal [2].

That is why, when considering the issue of financial inclusion, the problem is concentrated on basic banking services [Stepaniuk E., 3]. Considering financial inclusion through the point of accessibility of consumers to formal financial services Naumenkova S. emphasizes on the absence of any obstacles and barriers (price and non-price) and its differences from the «financial exclusion» [4]. Other authors Zhivko Z.B., Zachosova N.V. [5] focus on the integration of the population and banks, Akimova O.V. [6] on the inclusion of the population in financial process. However, as Demircuc-Kunt et al. note, despite significant progress in the development of financial

inclusion, two billion people in the world still don't have even bank's account [7]. In addition, the World Bank in cooperation with researchers and experts constantly analyze the database of Global Financial Inclusion [8]. In the same time the problem of whether the formal opening of an account contributes to financial inclusion and economic growth remains in the focus of many researchers.

That is why other authors usually considered the issue of financial inclusion in the perspective of the population's use of formal, basic financial services. Most researchers, particularly P. Burgess [9], A. Demirguc-Kunt, L. Klapper [7], C. Gimet, and T. Lagoarde-Segot [10], L. A. Dudinets, O. E. Verney [11] focus on either the incentives and reasons for opening an account or measuring the overall effect of the population use of financial services at an acceptable price to the consumer and economically justified for the financial institution providing the service (Prina [12]; Dupas and Robinson [2]). Brune et al. [13] analyzed whether there is correlation between an official bank account, controlled impulse costs and savings, increasing of investment and rising living standards. In a recent study by Demirgüç-Kunt [8], noted that with the development of Fintech Revolution new opportunities for financial inclusion are arising.

However, many problems regarding the formation of the model of financial behavior of the population remain unsolved today, in particular it concerns the formation of a unified approach both to understanding the essence of financial inclusivity and methodological approaches to assessing its level.

Purpose: substantiation of theoretical provisions and development of methodological bases for assessing the level of financial inclusion of the Ukrainian population. The article offered to include in the study of financial inclusion the following key areas: 1) the definition of the concept of «financial inclusion»; 2) identification of determinants and components of financial inclusion; 3) development of methodological bases for evaluating financial inclusion; 4) assessing the level of financial inclusion of the Ukrainian population.

Research results. The basic principle of the concept of financial inclusion is that every economic entity, above all the population, is important to society, unique and able to meet all its financial needs. The study of economic literature has shown that a clear interpretation of the concept of «financial inclusion / inclusion» has not been formed at this time, which is shown in *Table 1*.

Table 1

Approaches to the interpretation of the concept of financial inclusion

Author	Characteristic
UN, World bank [14].	access to a wide range of financial products and services that are affordable or reasonably priced, useful and capable of meeting the needs of households and businesses, and that are provided responsibly and steadily.
Center for Financial inclusion [15]	a situation where everyone who can use financial services has access to a full range of quality financial services, provided at affordable prices, in a convenient way, with respect and dignity.
The Council of Europe [16]	creating a wider range of financial products available to those who have access only to basic financial products
The Global partnership for Financial Inclusion, GPMI [17]	a situation in which all the working age population, with the exclusion of financial services currently consumed, has effective access to a basic set of financial services. The basic financial services include insurance, lending, savings and payment services.
O. Akimova [6]	characteristic of population involvement in official financial circulation, incl. as regards access to the services of officially registered financial institutions..
Z. Zhyvko, N. Zachosova [5]	integration of the population and business structures into the banking process through the introduction of banking products and services.
A. Mazaraki, S. Voloskovich [1]	the need of households and business entities in financial services, the ability to meet this need, the availability of appropriate financial services and their quality.
E. Stepaniuk [3]	equal access to and use of affordable financial products and services that meet the needs of households and businesses, accessible to all segments of society regardless of income and place of residence, are provided by financial sector representatives responsibly and environmentally for all parties involved.
Naumenkova S. [4]	access of the consumers to basic financial services, based on the absence of various barriers (price and non-price) to obtain them.
M. Mumiya [18].	providing access to basic financial services while guaranteeing consumers protection.

Source: compiled by the authors.

The diversity of existing approaches attests to the desire of scientists and society to find precisely those levers of influence and to choose an algorithm of action that would balance the interests between the needs of consumers and the potential of the financial market. According to the results of generalization and systematization of views on the essence and content of the concept of «financial inclusion», one’s own definition is formulated.

Financial inclusion is the level of accessibility and involvement of retail consumers in the responsible consumption of basic financial services, provided on reasonable terms and in a convenient way that contributes to economic development and poverty alleviation.

The basic basis of financial inclusion is the level of well-being of the population, which shapes the need for financial services. Thus, the results of the Global Findex survey, based on a survey of 150,000 people in 148 countries, found out differences between countries in terms of financial inclusion, confirming significantly lower use of financial products in poor countries and among low-income people [19].

Growth in household incomes creates an objective need for relevant information and additional knowledge to make reasonable financial decisions. Therefore, the next step is the level of financial awareness of the population.

Financial awareness of market participants influences their choices and shapes the need for the availability of financial services offered. The opportunity for consumers to have convenient access to quality financial products and services is a major factor in financial inclusion and encourages the development of financial innovation and digital technologies. Availability can be determined on the basis of the cost of maintaining an account or the distance to the nearest branch [7; 10], branching of the banking network [20, p. 9], infrastructure of use of banking services [2; 21; 22], assortment policy of financial intermediaries. The very concept of financial accessibility is a key characteristic of financial inclusion and characterizes the absence of any obstacles (price and non-price) in obtaining basic financial services.

The availability of financial institutions and their services reflects the offer on the market and includes the following varieties:

- 1) price-financial services must be affordable;
- 2) assortment-meeting the needs of the population and enterprises;
- 3) physical-accessibility of financial services for all segments of the population, regardless of age, income level and place of residence;
- 4) mental-provision of basic services to financial institutions continuously (24/7) for all socially responsible participants of the process.

Availability facilitates the involvement of various segments of the consumers, including unprotected consumers, in the use of financial services and determines the degree of usage of the services offered by them, with an emphasis on improving the quality and usefulness of underlying financial instruments. In terms of engagement, financial inclusion should ensure a level playing field for financial services on an equal footing and fair access to these services. Taken together, these components create the preconditions for financial market entities to use their own needs, the level of which is determined by the intensity, regularity and duration of the use of various financial services.

The considered gives grounds to claim that the isolated components are components of financial inclusion and represent the successive stages of its development and implementation (Fig. 1, Table 2).

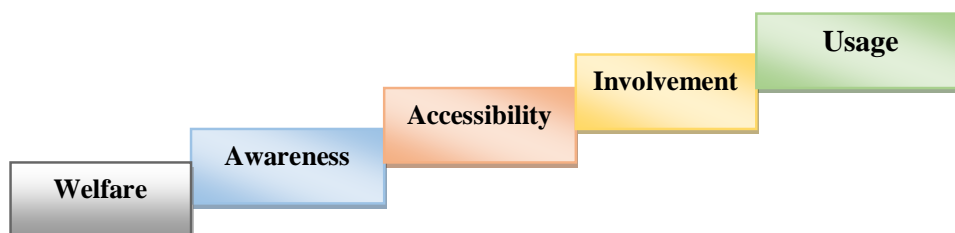


Fig 1. Parts of the financial inclusion

Source: compiled by the authors.

General characteristic of financial inclusion components

Block	Main characteristics
Welfare	- - financial market clients the standard of living;
Awareness(opportunity assessment)	- level of understanding of available financial products and services by clients; age, education, gender, place of residence; - providing communication and financial literacy;
Accessibility(estimate of offers)	- physical accessibility of banking and other financial objects of public services; - number of accounts opened in financial institutions; - the proportion of the population that holds accounts in any financial institution;
Involvement(demand estimate)	- - equal conditions and fair opportunities for getting quality services; - - assortment of financial products and services presented on the market;
Usage(activity rating)	- - the regularity, frequency, scale and duration of the use of various financial products and services.

Source: compiled by the authors.

Financial inclusion is characterized by the situation on the financial market in which all able-bodied people and business entities have full access to financial institutions with reasonably prices on basic financial services. Such a situation on the market implies certain conditions: developed financial infrastructure; the demand for financial services from consumers; high quality of financial services; the usefulness of financial services; development of financial technologies; development of consumer protection system; protection of clients' rights at global and national levels; implementation of financial literacy programs based on the results of national consumer surveys. The totality of these components reflects the overall content of the main determinants of financial inclusivity.

In the process of identifying the determinants of financial inclusion, three groups of dominant factors of influence are identified: factors of demand, supply and responsible involvement (ancillary, independent) (Fig. 2).

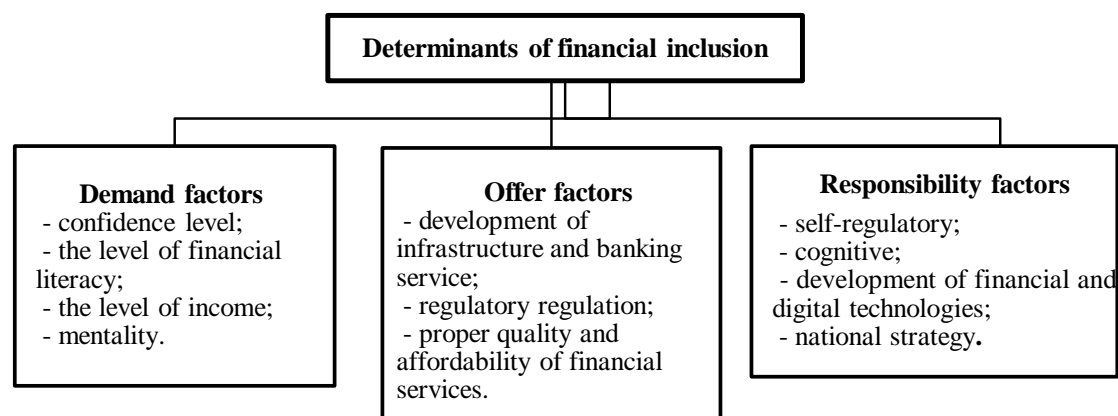


Fig. 2. Determinants of financial inclusion

Source: compiled by the authors.

The research of the works of foreign experts showed that the formation of a model of inclusion financial behavior of the population is influenced by other factors, which should be taken into account additionally [23—27]. Five groups of such factors are distinguished by generalization.

1) *Sociological indicator consists of* place of residence, gender, age. Internally, these signs are coherent. Thus, households accumulate wealth much more often through ownership at their main residence [Besley T., 23]. Access to banking services is difficult for the rural population [Park C.-Y., 24]. In developing countries, women use financial services less than men [Lasse Brune, 13]. Older people are generally not inclined to spend extra, so they have more savings. However, in the domestic realities, these categories of population are less trusting with financial institutions, so they mostly keep money outside banks. Fellowes M. and Mabanta M. cite evidence that young

people of working age are much less efficient and prone to wealth accumulation because they cannot reduce consumption and face greater difficulties in wealth accumulation [25].

2) *Financial Awareness and Literacy*. The low level of financial literacy of the population forms a simplified model of inclusion financial behavior, which becomes a key obstacle to the access of the population to basic financial services. The great part of the population does not understand the principles of the functioning of the financial market, without adequate understanding of the range and accessibility of financial services and products.

3) *Financial capacity*. This factor is crucial in shaping the public's need to use basic financial services to our opinion [Prina S., 12; Honohan P., 21]. People should not only be able to spend all their income on consumption (which is evidenced by the poor population), but also to make savings and make investments. It is virtually impossible for a population with below average incomes to access financial services, even if these services are targeted at a low-income community.

4) *Legal identity*. More often, this factor is viewed from the perspective of migrants, refugees and displaced persons who do not have access to financial services due to lack of legal identity, namely identity documents and entitling them to open financial accounts [26]. We believe that this factor in our country should be considered more broadly, from the standpoint of overcoming the historical consequences of the ideology of socialism, changing the mentality of the population in the use of financial services, acquiring knowledge about risks and skills to manage them.

5) *Trust in financial institutions and government in general* [Cihak M., 27]. This factor is especially relevant to Ukraine, where there is a crisis of confidence in banks, periodic panic among the population and outflow of deposits, as well as unfair competition from pawnshops, credit unions and other microfinance institutions.

Recent years, the so-called concept of responsible financial inclusion (financial exclusion), which is a development of the basic concept, has become increasingly popular. Responsible involvement should be understood as a coordinated public and private sector policy that encourages and assists financial service providers and their clients to improve their understanding and development of approaches, practices and behaviors to create more transparent, inclusive and equitable financial markets for all consumer groups. In addition, in order to provide access to basic financial services, this approach includes: protecting consumer rights, self-regulating financial institutions and financial education.

The opposite to the concept of financial inclusion is the concept of financial exclusion - it is impossible to access consumers to basic financial services that meet their needs due to the presence of various obstacles and complications (price and non-price), which prevents these citizens from normal social life in the society to which they belong [4]. EY experts identify five major reasons for financial exclusion: lack of education, lack of up-to-date identification, geographical factors, high cost of financial services and lack of credit history. Therefore, because of financial exclusion, part of the population is effectively deprived of opportunities for self-development and for ensuring a good quality of life. In this context, it is important to emphasize the social focus of financial inclusivity, as it socializes economic growth.

From both a theoretical and a practical point of view, one of the most difficult task is to develop approaches to assessing the level of financial inclusion. International institutions are addressing this problem differently. The level of financial inclusion in different countries is analyzed by the World Bank (WB), IMF, OECD, Basel Committee on Banking Supervision and other international organizations. New structures are constantly being created in the world that focus on improving financial inclusion. In 2008, the Alliance for Financial Inclusion (AFI) was created on the initiative of the United Nations, with members of central banks and financial regulators from about a hundred developing countries. The Global Partnership for Financial Inclusion (GPMI) G20 was launched in 2010 as a platform to coordinate efforts and share experiences with countries interested in this issue. The purpose of these institutions is to create databases to identify the level of financial inclusivity, to evaluate it analytically and to disseminate research findings to provide authorities with information to make informed management decisions and other economic agents to increase their financial awareness and literacy.

Now there is no defined methodological approach to assessing the level of financial inclusion at the state level, so it is quite difficult objectively determine the level of coverage of the population by financial services in the country at all and in the banking sector in particular. According to the World Bank classification, Ukraine belongs to the group of countries with below average incomes. According to these estimates, the penetration rate of financial services in our country does not exceed the average for this group (in 2017) [27].

Based on world experience and national practice, given the availability of relevant information for analysis and given the availability of databases, the authors have developed a comprehensive methodology for assessing the level of financial inclusion in Ukraine on the basis of a comprehensive analysis of its components. The level of financial inclusion in Ukraine has been estimated using the World Findex database [19], the Financial Accessibility Alliance [28] and the National Bank of Ukraine [29] using country-by-country analogies. For comparative analysis, a group of countries was selected — Poland, Georgia, Belarus and the Czech Republic, some of which are similar in mentality but have different levels of income, and some are ahead of Ukraine in terms of economic growth and social orientation. The indicators characterizing the financial coverage of the population by basic financial services in Ukraine and in the selected group of countries for 2014 and 2017 are analyzed (*Table 3*). Comparative analysis has shown that overall the level of financial inclusion in Ukraine is increasing, exceptions are the propensity to save, which is observed to decline. However, each of the indicators demonstrates individual dynamics and requires deeper analysis.

Table 3

Dynamics of individual indicators of financial inclusion of the population of Ukraine compared to other countries (% of population ages 15+)

Indicator	Ukraine		Georgia		Poland		Czech Republic	
	2014	2017	2014	2017	2014	2017	2014	2017
Basic financial services								
Account ownership at a financial institution, %	52,72	62,90 ↑	40,0	61,0	78,0	87,0	82,0	81,0
Credit card ownership, %	27,5	26,7 ↓	17,8	14,6	16,8	16,5	25,7	25,0
Dedit card ownership, %	39,7	49,4 ↑	29,6	39,9	49,5	79,3	64,0	75,0
Used a debit or credit card to make a purchase, %	35,0	39,1 ↑	17,3	18,5	42,3	73,7	58,5	66,5
Outstanding loans per 1,000 adults	25,67	26,51 ↑	4,21	7,31	25,12	29,27	236,23	285,91
Deposit accounts per 1,000 adults in financial institutions	3045,2	3029,6 ↓	1621,8	2080,2	2071,9	2353,4	2356,4	1674,7
Depositors with commercial banks per 1,000 adults	1940,1	1672,8 ↓	1187,5	1552,1	1040,9	1073,0	-	-
Borrowed from a financial institution or used a credit card, %	21,7	21,7	20,3	27,4	26,8	30,5	28,5	29,5
Saved at a financial institution, %	7,8	12,9 ↑	1,0	4,6	20,8	32,6	37,6	45,3
Saved for old age (last 12 months), %	14,4	11,2 ↓	0,9	2,4	15,8	20,1	38,8	41,0
Received wages or government transfers into an account, %	40,0	51,0 ↑	18,1	43,3	40,7	60,2	59,2	67,3
Digital banking services								
Made or received digital payments in the past year, %	44,1	60,7 ↑	20,8	53,0	62,5	81,9	78,2	79,6
Made payment using a mobile phone or the internet, %	11,8	18,1 ↑	5,3	9,9	43,8	52,4	43,2	52,5

Source: compiled by the authors according to the source [19; 29].

The first level of conscious financial behavior is usually considered the ownership of a transaction account. It should be noted that in Ukraine the level of funds placed in financial institutions is rather low, but it is slowly increasing. During the period under review, the proportion of the population holding accounts with financial institutions increased by 10 percentage points. At the same time, only 12.9% of the able-bodied population of the country in 2017 had savings in financial institutions, while in Poland, for example, this indicator is 32.6%.

The intensive introduction of innovative and digital technologies in the field of non-cash payments has led to an increase in the availability of public payment cards, especially debit cards. In particular, the proportion of the population receiving payroll to a bank account and using cards to settle, pay for goods and services has increased. Their level of ownership of debit cards in Ukraine is 49.4%, while the same indicator, for example, in Denmark and Norway is 97.4% and 98.1% respectively. This indicator underscores the importance of improving the financial inclusion of the transition from cash to cashless & digital payments.

The worst performance is observed in the segment of financial savings, which indicates a decrease in the propensity of Ukrainian's to save unlike other countries. The downward trend in the use of deposit services is due to a decline in confidence in banks as a result of the banking crisis, a decline in household incomes and an increase in current consumption costs.

Complex approach to assessing the financial inclusion of the Ukrainian population has been implemented by the method of constructing a composite map, which integrates the integral values of the components of financial inclusion - welfare, awareness, accessibility, involvement, usage. In order to obtain the integral values of these components, it is proposed to use indexes, which are the average geometric of the analytical indicators that characterize each component:

$$I_{component} = \sqrt[n]{k_1 \times k_2 \times \dots \times k_n} = \sqrt[n]{\prod k_n},$$

where $I_{component}$ — index (integral value) of each component; k_1, k_2, \dots, k_n — corrective subcoefficients (stimulants and stimulants); n — is the number of analytical indicators that form the integral value of a component.

The advantage of the proposed method is the ease of calculation. The main disadvantage is that any impairment of one partial estimate is offset by the same (in absolute value) improvement of another partial estimate. According to the above formula, five indices are calculated, each of which is an integral value of a separate component of financial inclusion: welfare index, awareness index, accessibility index, engagement index, usage index. To calculate each index, a set of analytical indicators characterizing a particular component is substantiated. Depending on the nature of the effect of the metric on the research object, they are defined as stimulants or stimulators. A stimulant is an indicator that improves the status of a research object. Accordingly, the destimulator is an indicator that causes a deterioration of the object of study.

In the course of the research, each index, its dynamics for the period 2000-2018 was analyzed, and on the basis of the obtained results a composite map of financial inclusion of the population of Ukraine was constructed. The financial inclusion map is presented on the set of calculated integral indicators characterizing financial inclusivity in the context of its individual components. The map shown in *Fig. 4*, outlines the general state of financial inclusion of the population of Ukraine in 2000, 2014 and 2018, allowing to evaluate the dynamics of the object of study.

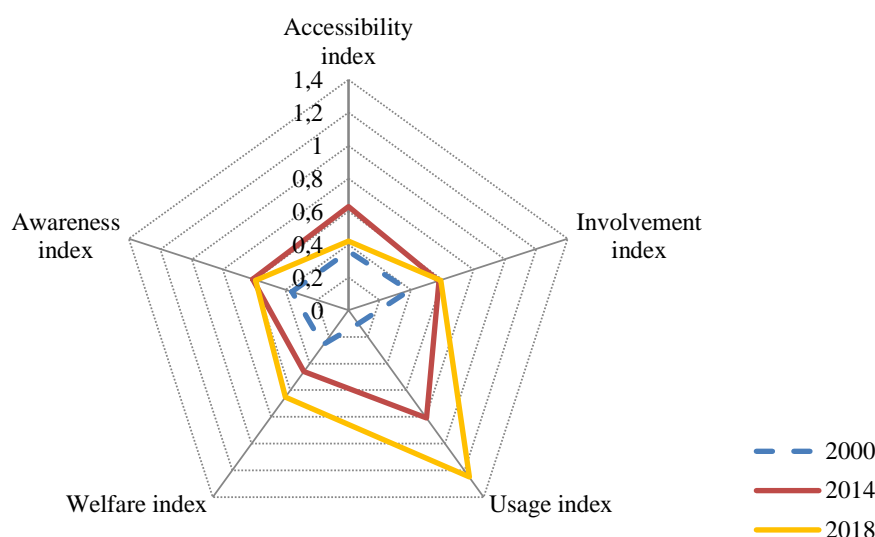


Fig. 4. Map of the financial inclusion of the population of Ukraine

Source: compiled by the authors.

From the above map of financial inclusion of the population of Ukraine, we see that the welfare index during 2000, 2014, 2018 has a constant increasing dynamics, which was influenced by the increase in nominal incomes, wages and savings, but the pace is rather slow and this indicator does not reach the desired level. The index of accessibility of banking services for the population for the three periods was of the highest value (0.63) in 2014, and therefore, at that time, the number of ATMs, cardholders, met the requirements of the population. In 2000, the accessibility index was 0.36 and in 2018 it was 0.42, indicating the critical condition of this component and its slow growth. Instead, the 2014 engagement index. it has grown compared to 2000 but has remained unchanged in 2018, which means that the level of public involvement in financial services has not changed over the four years. A similar situation is observed with the Awareness Index, which slowly increased over the 14 years, but remained unchanged in the period 2014—2018 years. The highest growth is demonstrated by the usage index observed in 2018 year. Comparing it with other indices, we see that it is the only indicator that has a high positive dynamics and reached its maximum value within the studied period.

In general, the map of financial inclusion shows that the population in Ukraine is not sufficiently oriented in the economy and financial sphere. The level of financial inclusion found is too low for a country declaring a strategy for European integration and economic growth. From this it follows that a considerable part of the population has practically no proper access to services provided by financial institutions due to compulsory exclusion, the reasons of which may be different (*Table 4*).

Table 4

The reasons of the low level of financial inclusion of the population in Ukraine, at the beginning of 2018 year (% age 15+ years)

Reason	Value
No account because of insufficient funds	28,85
No account because of lack of trust in financial institutions	24,88
No account because financial services are too expensive	19,76
No account because financial institutions are too far away	11,09
No account because someone of the family has an account	10,55
No account because of lack of necessary documentation	4,11
No account because of no need for financial services	3,54
No account because of religious reasons	1,46

Source: Calculated by the authors on the base on data [The Global Findex Database, 19].

In Ukraine, 63% of the population have at least one open bank account and 37% do not have one [29]. This means that more than a third part of Ukraine's population remains in the unavailable area of banking services, and these are the exactly that people who need the attention of from the state and scientists in this field at first. So the conclusion is that there is a need to develop a reliable, secure, efficient and widely available retail payment system and information and communication technologies infrastructure that would provide all users with convenient and reliable service points to meet financial performance at the high level. The future of financial inclusion in digital awareness and technology. Banks need to learn how to anticipate digital customer expectations.

Conclusions. The results of the study of the level of financial inclusion of the population in the banking segment of Ukraine have revealed: 1) financial inclusion is a complex concept, includes interrelated components in their logical sequence, namely: welfare, awareness, accessibility, involvement, usage; 2) traditional determinants of the supply and demand of basic financial services, supplemented by determinants of responsible inclusion and other specific factors, awareness of which will contribute to the formation of a model of financial inclusion behavior of the population 3) comparative analysis of the coverage of the population of Ukraine by basic financial services showed that the total level of it in Ukraine is growing, the exception is the propensity to savings, which indicates a low level of confidence in the banking system; 4) intensive introduction of innovatives and digital technologies in the field of non-cash payments contributes to improving the availability of financial services; 5) the approach to the complex assessment of financial inclusion of the population of Ukraine is proposed, which is implemented by the method of composite map construction, on which the integral values of the components of financial inclusion — welfare, awareness, accessibility, involvement, usage are presented in the dynamics. Integral values are calculated according to the analytical indicators of the databases of the SB and NBU; 6) were recognized dominant and indicated main reasons for financial exclusion, such as lack of funds, distrust of banking institutions, unacceptable pricing of banks; 7) the reserve for increasing the level of financial inclusion is to focus on the involvement of those segments of the population that are not yet covered, first of all, the rural population, the 45 plus age groups, the development of a network of banking institutions, the formation of a savings model and the development of digital banking services. The areas of further research are the dynamic analysis of indices by their components, which will reveal the prospects of increasing financial inclusion.

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