

ABSTRACTS

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DEPOSIT GUARANTEE SYSTEM: CHALLENGES AND PROSPECTS

The system of state deposits guarantees contribute to minimizing the loss of bank deposits and encourage people to place their savings in banks. The load on the Deposit Guarantee Fund of natural persons has increased so much that the mechanism of replenishment can't stand it. Filling the Deposit Guarantee Fund of individuals financial resources has become a problem because the regular contributions of the remaining participating banks is not enough, and the main creditor is the state. The experience of most economically developed countries in the world shows that the deposit insurance system is an effective tool for solving complex social and macroeconomic problems: helps to prevent panic among depositors, ensuring the stability of the banking system. There are identified the main features of the classification of the deposit insurance system in the world by type of guarantee for the participation of banks in the completeness of the covering. The features of the functioning of deposit insurance systems in the leading countries of the world and the direction of reform of the European Union are revised.

The Fund receives income from the sale of troubled banks transferred to it, but these sums are also not enough to pay all depositors of liquidated banks. The effectiveness of the deposit insurance systems directly depends on the degree of participation of the state. The deposit insurance system should be extended to credit unions, pension funds and insurance companies, but at the same time, depositors should increase their financial literacy: learning to analyze the profitability of the bank, its liquidity, the state of established reserves for active operations, the volume of resources in the interbank market, the dynamics of the resource base, the volume of bad debts, the dynamics of the bank's equity, a combination of retail and corporate business. The stable credit and financial system has to be constructed in such a way that it is beneficial to prevent the bankruptcy of credit institutions, as the bankruptcy of one bank may reduce depositor confidence to all credit institutions. It's a lot cheaper than paying insurance compensations to depositors after a bank failure.