

CHAPTER 6

RECOMMENDATIONS FOR THE DEVELOPMENT OF NON-STATE PENSION INSURANCE FUNDS IN UKRAINE

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6.1 Directions for Improving the Non-State Pension Provision System in Ukraine in the Context of Postwar Recovery

In the context of Ukraine's postwar recovery, the NPP system can play an important role in providing citizens with an additional source of retirement income. To this end, it is necessary to improve the NPP system in the following areas:

1. Increase the accessibility of NPPs for citizens. To do this, it is necessary to expand the network of NPFs and simplify the procedure for joining them. This could be done, for example, by providing benefits for employers who enroll their employees in NPP.

2. Increase the return on pension assets. To do this, it is necessary to expand the investment opportunities for NPFs, in particular by providing access to new investment instruments, such as infrastructure projects and real estate. This will increase the return on pension assets and ensure their stability.

3. Improving the protection of the rights of NPP participants. To do this, it is necessary to strengthen the regulation of NPFs and ensure transparency of their activities. This will help protect the rights of NPP participants from possible risks.

In general, the recommended measures in these areas may include: increasing the amount of mandatory contributions to the NPP will increase the amount of savings of NPP participants and ensure a higher level of pension payments in the future; introducing benefits for employers who involve their employees in the NPP should include, for example, providing access to infrastructure projects, real estate, and other new investment opportunities; strengthening the regulation of NPFs should include, for example, requirements for professional training of NPF personnel, as well as for the development and implementation of internal risk management procedures; ensuring transparency of NPFs should include, for example, requirements for the publication of information on NPF activities, as well

as for an independent audit of their activities. Implementation of these measures will contribute to the further development of the NPP system in Ukraine and provide citizens with an additional source of retirement income in the postwar period.

Below is a detailed description of the areas of improvement of Ukraine's NPP system in the context of post-war recovery.

1) Accessibility of NPP to citizens can be increased through the following measures:

- *Reducing the cost of participation in NPP.* This can be done by reducing NPF fees and providing government subsidies to NPF participants.

- *Increase access to information about NPP.* This can be done by creating a unified register of NPFs and conducting information campaigns about NPP.

- *Facilitate the process of participation in NPP.* This can be done by introducing electronic document management and automating the processes of registration and servicing of NPF participants.

Specific measures that can be taken to implement these areas:

- Reducing NPF fees by introducing state regulation of fees or by creating a system of incentives for NPFs that offer low fees.

- Introduce state subsidies to NPP participants by providing partial compensation of contributions to NPF participants or by granting tax benefits.

- Creation of a unified register of NPFs through the creation of a special electronic platform that will provide information on all NPFs in Ukraine.

- Conducting information campaigns about NPP, which can be conducted through various communication channels, such as television, radio, the Internet and print media.

- Implementation of electronic document management and automation of registration and servicing of NPF participants, which will simplify and speed up the process of participation in the NPP.

Implementation of these measures will increase the accessibility of NPP to citizens and increase the level of involvement in NPP system. The need to increase the level of trust in NPFs should also be noted. This can be done by strengthening the regulation of NPFs and increasing the transparency of their activities. In this context, it is important to develop a system for protecting the rights of NPF participants, as well as to ensure transparent and unbiased information about the NPP system.

2) Increasing the return on pension assets is an important goal for non-state pension funds (NPFs). This allows NPFs to provide fund participants with higher pension benefits in the future. There are a number of measures that NPFs can take to increase the return on pension assets:

- *Expanding investment opportunities.* NPFs can invest in a wider range of investment instruments, such as infrastructure projects, real estate, and hedge funds. This allows them to diversify their investment portfolio and increase their profit potential.

- *Use of active investment strategies.* NPFs can use active investment strategies, such as asset allocation and portfolio management, to increase the return on their investments.

- *Use of modern technologies.* NPFs can use modern technologies such as machine learning and artificial intelligence to analyze markets and make investment decisions.

Specific measures that NPFs can take to implement these areas:

- Expanding access to investment instruments, in particular, NPFs may apply to the regulator with a proposal to expand the list of investment instruments in which they can invest.

- Implementation of active investment strategies, in particular, NPFs can engage professional investment managers with experience and expertise in asset management.

- Implementation of modern technologies, in particular, NPFs can cooperate with technology companies to develop and implement modern technologies in the investment process.

Implementation of these measures will help to increase the return on pension assets of NPFs and provide fund participants with higher pension payments in the future. It is important to note, however, that increasing the return on pension assets also involves certain risks. NPFs should carefully assess the risks associated with different investment instruments and strategies before making investment decisions.

3) Improving the protection of the rights of NPP participants is an important task to ensure the stability and efficiency of NPP system. Key areas for improving the protection of NPP participants' rights:

- *Strengthening the regulation of NPFs.* This includes improving the legal and regulatory framework governing NPFs, as well as strengthening control over NPFs' compliance with legal requirements.

– *Develop a system to protect the rights of NPP participants.* This includes creating an effective system for protecting the rights of NPP participants, as well as raising awareness of their rights and opportunities.

Specific measures that can be implemented in these areas:

– Amendments to the legislation on NPP should include the following measures: strengthening the requirements for financial stability of NPFs; introducing mandatory insurance of NPF liability to participants; and introducing a system of protection against conflicts of interest in NPP activities;

– Establishment of an independent body for the protection of the rights of participants in NPP, which may be established on the basis of the NSSMC or as a separate body.

– Conducting information campaigns on the rights of NPP participants, which can be conducted through various communication channels, such as television, radio, the Internet and print media.

Implementation of these measures will help to improve the protection of the rights of NPP participants and increase the level of trust in the NPF system. The need to increase the transparency of NPFs should also be noted. This can be done through the following measures: introduction of mandatory disclosure of information on NPF activities; creation of a unified register of NPFs; development of a NPF rating system. Increasing transparency of NPF activities will allow NPP participants to better understand the activities of funds and make informed decisions about participation in them.

Thus, in the context of Ukraine's post-war recovery, improving the NPP system is important to support economic development and social stability. Figure 6.1 shows several areas for improving the NPP system.

In general, to facilitate the investment of pension funds in large infrastructure projects that promote economic development and job creation. Developing programs and tools to provide financial support to small and medium-sized businesses, which contributes to economic growth and provides additional resources for pensions.

Promotion of labor activity and career growth can be realized through the development of vocational training and retraining programs aimed at improving employees' skills and developing flexible working conditions and labor relations to maintain a balance between professional and personal life.

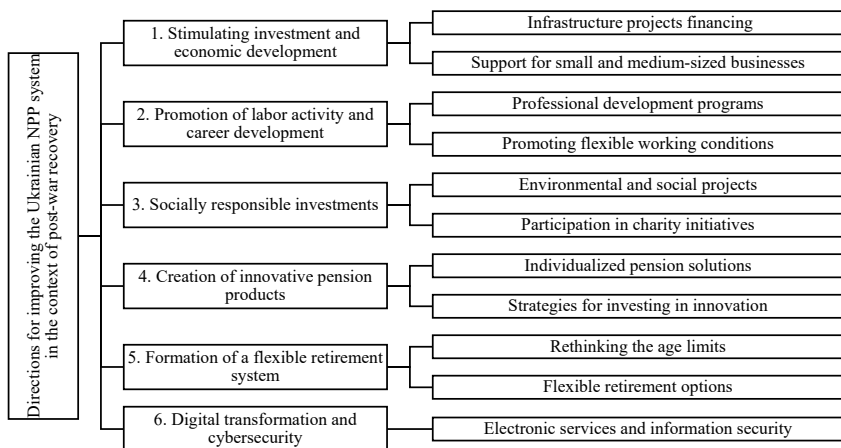


Figure 6.1 – Areas of improvement of the Ukrainian NPP system in the context of post-war recovery

Source: created by the author

Increasing the level of socially responsible investment in economic and social projects can be achieved by allocating a share of pension funds to projects that promote environmental restoration and social responsibility, as well as through active participation in charitable and community initiatives to support social and humanitarian projects.

The creation of innovative pension products should focus on individualized pension solutions. The development of individualized pension products should take into account the unique needs and goals of each client. In addition, it is necessary to develop strategies for investing in innovation, including investing pension assets in technology and innovation companies to ensure profitability and the development of modern technologies.

In the context of Ukraine's post-war recovery, we believe that it will be important to create a flexible retirement system, namely, to rethink the age limits, in particular, to explore the possibility of revising the age limits for receiving pensions in view of changes in life expectancy and employment conditions. It is also important to introduce flexible retirement options, such as partial retirement or support for entrepreneurship among retirees.

Digital transformation and cybersecurity deserve special attention in this context. It is important to develop electronic services to simplify the processes of receiving and managing pensions, strengthen cybersecurity to protect customers' personal information and prevent cyberattacks.

These areas are aimed at creating a flexible, efficient and responsible non-state pension system that takes into account the needs of modern society and contributes to its recovery from war.

Thus, we can draw the following main conclusions: the main areas for improving the NPP system in Ukraine in the context of post-war recovery are: increasing the accessibility of NPP for citizens, increasing the return on pension assets, and strengthening the protection of the rights of NPP participants. Specific measures include: reducing the cost of participation in NPP, information campaigns, digitalization of processes, expanding investment opportunities for NPFs, and improving the regulatory framework. It is important to encourage the investment of pension funds in infrastructure and social projects for economic development. It is necessary to promote labor activity, support small and medium-sized businesses, which will provide additional resources for pensions. It is important to develop individualized pension products, introduce flexible retirement options, and ensure the digital transformation of the NPP system. The proposed areas will help ensure sustainable development and increase the efficiency of the NPP system in the process of the country's post-war recovery.

6.2 Improving the Operation of Non-State Pension Insurance Funds in View of Current Challenges in Ukraine

Improving the operation of the NPIFs in view of the current challenges in Ukraine is an important task to ensure the stability and efficiency of the NPP system. The main current challenges faced by the NPF system in Ukraine include: the deterioration of the economic situation in Ukraine, which may lead to a decrease in the income of NPP participants and a decrease in contributions to the funds. Increased inflation may lead to a decrease in the purchasing power of pension benefits. Increased life expectancy may lead to an increase in the duration of pension payments, which may adversely affect the financial sustainability of the NPIFs.

In our opinion, the entire set of measures to improve the activities of the NPIFs in view of these challenges can be grouped into the following areas:

1. Strengthening the regulation of NPIFs, which includes improving the legal framework governing the NPIFs and strengthening control over NPIFs compliance with the law.

2. Expanding the investment capabilities of the NPIFs, which will allow the NPIFs to diversify its investments and increase the return on pension assets.

3. Improving the protection of NPIFs participants rights, including the creation of an effective system for protecting the rights of NPIFs participants, as well as raising awareness of NPIFs participants about their rights and opportunities.

Specific measures that can be taken to implement these areas:

- Amendments to the legislation on NPFs. This may include the introduction of measures such as: strengthening the requirements for the financial stability of NPFs; introduction of mandatory insurance of NPF liability to participants; introduction of a system of protection against conflicts of interest in the activities of NPFs;

- Expanding the NPIFs' access to investment instruments. This could be done by: amending the NPP legislation to allow the NPIFs to invest in a wider range of investment instruments; and by cooperating with government agencies and private companies to develop and implement new investment products;

- Improving the protection of the rights of NPIFs participants. This can be done by: establishing an independent body to protect the rights of NPIFs participants; conducting information campaigns on the rights of NPP participants.

The implementation of these measures will help improve the NPIFs activities and increase their efficiency in the face of current challenges.

Additional measures that could be implemented to improve the NPFU's performance include:

- Developing a system of incentives for NPP participants. This may include tax benefits as well as a reduction in NPIFs fees.

- Expanding access to information about NPP. This could be done by creating a unified register of NPIFs and conducting information campaigns about NPP.

– Implementation of modern technologies in NPIFs activities. This will allow the NPIFs to increase the efficiency of its operations and improve services to its members.

Implementation of these measures will increase the attractiveness of NPP for participants and strengthen their role in the Ukrainian pension system.

Ensuring the efficiency of non-state pension funds in Ukraine is important for ensuring a decent level of pension provision for the country's citizens. Given the current challenges and problems, it can be concluded that there is a need to improve the operation of non-state pension insurance funds in Ukraine.

Improving the activities of NPIFs in Ukraine, taking into account current challenges, can be key to ensuring the stability and efficiency of the pension provision system. The outlined challenges and proposed measures highlight the urgent need to modernize the operations of non-state pension funds (NPFs) in Ukraine. Digital transformation and technological innovation represent critical components of this modernization process. By implementing advanced digital platforms, NPFs can streamline administrative processes, enhance communication with participants, and provide more transparent and accessible services. Digital tools can also improve investment decision-making by utilizing data analytics and artificial intelligence to assess risks and optimize portfolios in real time. Furthermore, strengthening cybersecurity will be essential to protect sensitive data and ensure trust in the NPF system, especially as cyber threats continue to rise globally.

Another key area for development is the creation of innovative pension products tailored to the diverse needs of participants. This could include flexible investment options, pension plans linked to inflation protection, or products designed to address specific demographic or professional groups. Expanding partnerships with private companies and financial institutions can further diversify offerings and promote the integration of NPFs into broader economic activities. Such collaboration could also foster the development of new investment instruments, allowing funds to achieve higher returns while maintaining an appropriate risk profile.

Lastly, fostering a culture of transparency and accountability is crucial to enhancing public confidence in the NPF system. Regular publication of financial and operational reports, combined with comprehensive awareness

campaigns, can ensure participants are well-informed about the status of their contributions and the overall health of the funds. These efforts, coupled with improved training for NPF personnel, will help build a more professional and resilient pension fund industry capable of addressing the challenges of an evolving economic and demographic landscape.

In our opinion, the main areas of improvement should be: digital transformation and technological development, development of innovative pension products, strengthening cybersecurity, expanding cooperation and partnerships, social responsibility and transparency, publication of reports and information accessibility, optimization of investment activities, training and professional development of personnel (Figure 6.2).

Taking these areas into account will allow the NPIFs to effectively respond to modern challenges and provide quality services and pension for the population of Ukraine. In our opinion, in today's environment, special attention should be paid to the digitalization of activities.

We have developed proposals for the use of modern methods and digital tools in the NPIFs, which are illustrated in Table 6.1.

These digital initiatives can improve the quality of service, simplify processes, and make NPIFs more transparent, secure, and accessible to their members. In addition, it is worth noting that the digitalization of NPIFs activities may include the use of various software products to automate and optimize business processes. In our opinion, it is necessary to use typical categories of software products in this context. The main ones are illustrated in Table 6.2.

The choice of specific software products will depend on the specific needs and strategies of each NPIFs. They may often use a combination of different tools to maximize efficiency and ensure security. In general, in our opinion, the choice of specific software for comprehensive automation of NPIFs activities in Ukraine should be justified by the needs, resources and strategy of each fund. In this context, we have developed a comprehensive universal project for the automation of the NPIFs activities with recommendations and possible categories of software that can be useful for the formation of a holistic digital ecosystem of NPIFs (Table 6.3).

It is important to note that the choice of software should be coordinated with the strategic goals of the NPFSS, taking into account its size, needs and budget. It is recommended to conduct a needs analysis and consult with information technology experts before implementation.

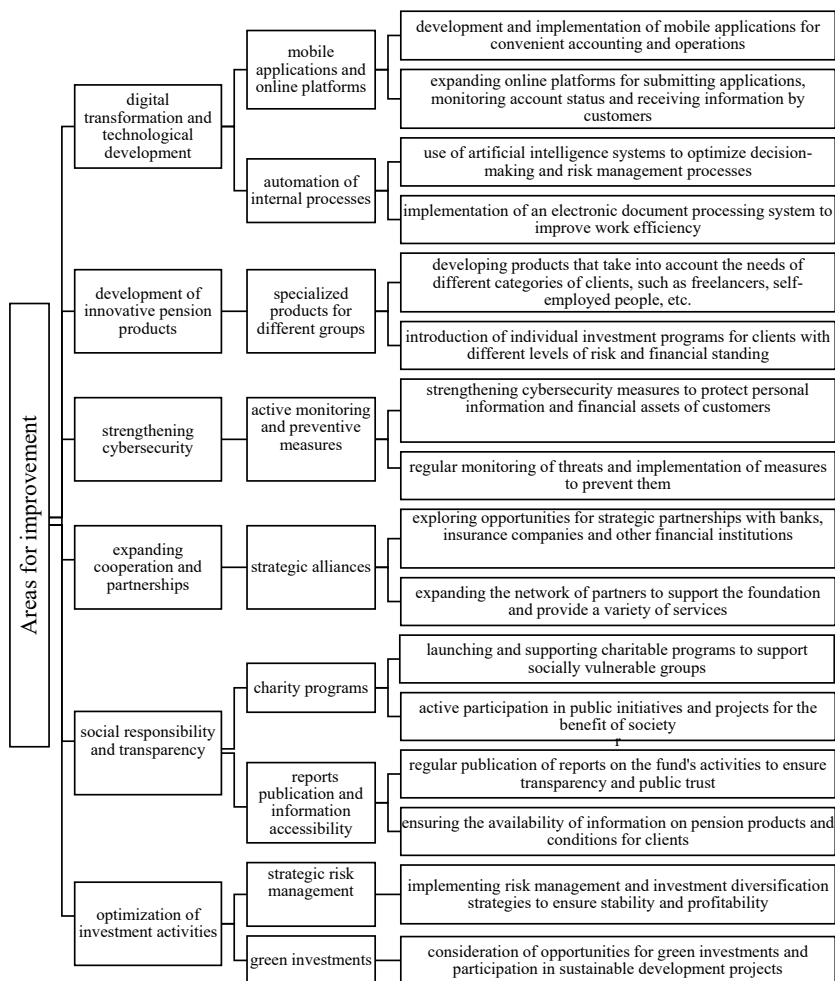


Figure 6.2 – Areas of improvement of NPIFs activities in Ukraine in view of current challenges

Source: created by the author

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Table 6.1 – Recommendations for the use of digitalization methods in NPIFs activities

№	Method	Recommendations for use
1	Electronic registration and maintenance	Introduce online platforms for enrolling new participants, managing their accounts, and providing services. This may include electronic accounts for participants where they can interact with their pension accounts and receive up-to-date information
2	Digital analysis and recommendations	Use of analytical tools and artificial intelligence to analyze participant data and market trends. This can help funds provide personalized recommendations on the best strategies for accumulating and withdrawing pension funds
3	Blockchain technologies for security and transparency	Use blockchain technologies to ensure security, confidentiality, and inaccessibility to changes in pension account data. This can improve trust in the system and reduce the risk of data fraud
4	Electronic payments and transfers	Enabling electronic transfers and payments, which will simplify the process of paying pensions and other financial transactions for fund participants
5	Electronic reporting tools	Implementation of electronic reporting systems for participants and inspectors, which allows for convenient and efficient monitoring of the fund's financial condition and provision of relevant reports
6	Mobile applications and platforms	Development of mobile applications for convenient access to information about pension accounts, the ability to check account status and perform other actions via smartphones
7	Electronic documents and signatures	Use of electronic documents and digital signatures to support and legalize all necessary pension documents

Source: developed by the author

Recommendations on how to use technology to improve the pension fund member experience. FinTech, or financial technology, is a field that deals with the use of technology to improve financial services. FinTech companies are developing new products and services that can make financial services more accessible, transparent, and understandable. FinTech can bring a number of benefits to consumers and financial institutions. For consumers, FinTech can: improve trust in financial products by making them more accessible, transparent, and understandable; encourage participation in financial decision-making through gamification and education; and reduce the cost of financial services. For financial institutions,

FinTech can: improve data collection and analysis, helping product design and personalization; reduce the cost of providing financial services; and expand access to financial services for new consumer groups.

Table 6.2 – Recommendations for using software to automate the activities of the NPIFs

№ s/n	Software type	Recommendations for use
1	ERP systems (Enterprise Resource Planning)	ERP systems allow for the integration of various functional areas of pension insurance funds, such as finance, accounting, customer relationship management (CRM), human resource management (HRM), investments, and more. This allows for centralized accounting and optimization of business processes.
2	CRM systems (Customer Relationship Management)	CRM systems are used to manage customer relationships. In the context of pension funds, they can include tools for effective interaction with fund participants, providing information and support
3	Financial platforms and programs	They help automate financial transactions, accounting, analysis, and reporting. This can include accounting systems, programs for processing transactions, working with investment portfolios, and more
4	Analytical and BI tools (Business Intelligence)	These tools allow you to analyze large amounts of data using various methods of analysis and visualization. They can be useful for making management decisions and forecasting market trends
5	Platforms for electronic document management and e-signatures	Application of digital technologies for processing and exchanging documents, as well as for secure electronic signature of documents
6	Investment and portfolio systems	Systems for managing investment portfolios, they allow funds to effectively allocate and control their financial resources
7	Cybersecurity systems	Use of programs and tools to protect confidential information and prevent cyber threats
8	Mobile applications	Development of mobile applications for convenient interaction between fund participants, obtaining information and performing operations via mobile devices
9.	Blockchain platforms	Use of blockchain technologies to ensure security and inaccessibility to data changes, which is important for ensuring the immunity of pension records

Source: developed by the author

Table 6.3 – Recommendations for the formation of an integral digital ecosystem of the NPFS

Goals of ecosystem formation	Digital ecosystem element	Features of use	Recommended software
Integration of different business areas	ERP systems	It is recommended to use ERP systems to integrate various functional areas, such as finance, accounting, customer relationship management (CRM), investment management, etc.	SAP Business One, Microsoft Dynamics 365, Oracle NetSuite
Increase the efficiency of interaction with participants	CRM systems	To effectively interact with fund participants and provide personalized support, it is recommended to use CRM systems	Salesforce, HubSpot CRM, Zoho CRM
Automation of financial operations	Mobile applications	Development of mobile applications for interaction with fund participants can use mobile platforms	Flutter, React Native, Xamarin
Data analysis and visualization	Financial platforms	To automate financial transactions and accounting, it is recommended to use financial platforms	QuickBooks, Xero, Wave
Efficiency of document exchange increase	Analytical and BI tools	Analytical tools and BI platforms can be used to analyze and visualize data	Tableau, Microsoft Power BI, Qlik
Efficiency of investment management increase	Platforms for electronic document management and e-signatures	For efficient document exchange and signing, you can use the following platforms	DocuSign, Adobe Sign, HelloSign
Cybersecurity and data security links	Investment and portfolio systems	To manage investment portfolios, we recommend using the following systems	eFront, SimCorp Dimension, Bloomberg AIM
	Cybersecurity systems	Ensuring cybersecurity may include the use of anti-virus software, security monitoring systems	McAfee, Norton, Kaspersky
	Blockchain platforms	To ensure security and inaccessibility to data changes, you can consider using blockchain platforms	Hyperledger Fabric, Ethereum, Corda

Source: developed by the author

FinTech in financial advice. Financial advice is the area where the impact of FinTech is most evident. Robo-advice, which uses algorithms to provide financial advice, has become increasingly popular. Robo-advice is typically cheaper and more accessible than human advice, and can therefore be particularly useful for DC plans where participants face a number of financial choices and where accumulated savings may be relatively small. FinTech has the potential to have a significant impact on the financial services industry. FinTech companies can make financial services more accessible, transparent, and understandable, which can lead to increased consumer trust and participation. FinTech can also help financial institutions reduce costs and expand access to financial services to new consumer groups.

Digital communications. FinTech can help engage participants through digital communications, including periodic reporting, marketing communications, and other information. Digital communications can include the simple storage and delivery of documents electronically, or it can include smart communications that use other media, gamification, personalization, or interactivity to engage readers.

The trend away from paper-based documentation and toward electronic communications is being recognized by regulators, who are increasingly allowing financial service providers to use electronic communications as the default option for regulatory disclosures. For example, the SEC allows mutual funds to post their prospectus online, and ASIC (Australia) has a "publish and notify" mode. Electronic communications are cheaper than printed communications and easier to track who received and read them. However, digital disclosures carry certain risks in terms of disclosure standards: framing information is important to ensure that readers are not distracted from the most relevant information by additional features. Providers may face liability risks in the event of discrepancies between the design of printed information and electronic information. Regulators may therefore need to provide practical guidance on digital disclosures to ensure that consumers read and understand the most relevant information.

Overall, digital technologies are likely to improve the quality and efficiency of interactions between pension institutions and their members. Smart communications can take advantage of behavioral insights; for example, using push notifications to encourage people to check their balances or increase contributions. An investigation by the UK

Competition and Markets Authority into personal current accounts found that "annual interest statements have little or no impact on consumer action, but with immediate actionable information – text alerts and online banking – overdraft fees can be reduced by consumers by almost 25%." FinTech provides on-demand interaction between pension providers and their members outside of regulatory reporting periods. In Australia, pension scheme members can access their accounts through a mobile phone app; in the UK, Aviva's Shape My Future app provides online tools and calculators to help members visualize their retirement lifestyle.

Platforms and dashboards. Digital technologies can also promote greater transparency and allow individuals to manage their own data more effectively, ultimately increasing their bargaining power and lowering the cost of private pensions (especially personal pensions). Electronic aggregators facilitate comparison sites or allow individuals to aggregate and analyze their own data. Ultimately, people can manage all their finances from a single platform. A number of countries have created "pension dashboards" to provide members and beneficiaries with an easy-to-use overview of their likely retirement finances [65]. These dashboards vary in the depth of data they contain and the functionality they offer, but research shows that they can be a powerful tool for communicating information, encouraging people to take action, and in particular for keeping track of multiple pension funds when people move between several different employers. However, creating a dashboard involves significant technical challenges and costs, and policy considerations include both funding and governance in addition to functionality. For example, consideration needs to be given to whether the dashboard should be funded by the private sector or allow advertising. In terms of digital disclosure, it is important to ensure that such platforms do not lead to a decrease in engagement and do not encourage participants to miss important information. For example, plans to launch automatic consolidation of small DC banks on the Australian superannuation dashboard were delayed because dormant accounts provided better protection than active accounts in some cases; users of superannuation dashboards should be provided with all the information they need, as well as a simple "one-click" option to take action.

In this regard, we have also developed *proposals for the formation and improvement of the NPFU Pension Dashboards*. The NPFU dashboard

should provide people with a single window to see their pension situation. Depending on the functionality of the dashboard, they should be able to see their public and private pension entitlements, compare different private schemes, enter personal information (e.g., change of address) only once to share with multiple providers, receive regulatory and marketing messages, compare different benefit options, and consolidate small banks.

In our opinion, the creation of an optimal dashboard for the NWCF should include key indicators and information that allows for quick and effective monitoring of the fund's status and strategic decision-making. Below is a draft of the optimal dashboard (Figure 6.3).

Ensuring accessibility and ease of use are key aspects in the development of the dashboard. Such a dashboard will help to effectively monitor and manage key aspects of the NPIFs' operations. The development of a pension dashboard for NPIF can lead to numerous positive effects and benefits for various stakeholders. Some of the possible effects include:

- Increased transparency: the dashboard provides a visual display of key indicators and results of the fund's activities, which increases transparency to participants and other stakeholders.
- Convenient monitoring of financial indicators: fund participants can easily track various financial indicators, such as the amount of contributions, investment income, and pension payments, allowing them to better understand the financial status of their account.
- Investment optimization: the dashboard can include information about the structure of investments and their riskiness, helping participants make educated decisions about how to allocate their funds within the pension fund.
- Reduced risks and increased security: the dashboard can include security features to protect participants' personal and financial information, as well as provide alerts for any potential threats or changes in the pension fund's conditions.
- Optimization of management: for the fund's management, the dashboard can be an effective tool for monitoring internal processes, studying efficiency, and making timely strategic decisions.
- Improved communication with clients: the dashboard can facilitate fund interaction with participants through convenient and clear visualization. This can include comments, tips, and other notifications to promote active communication.

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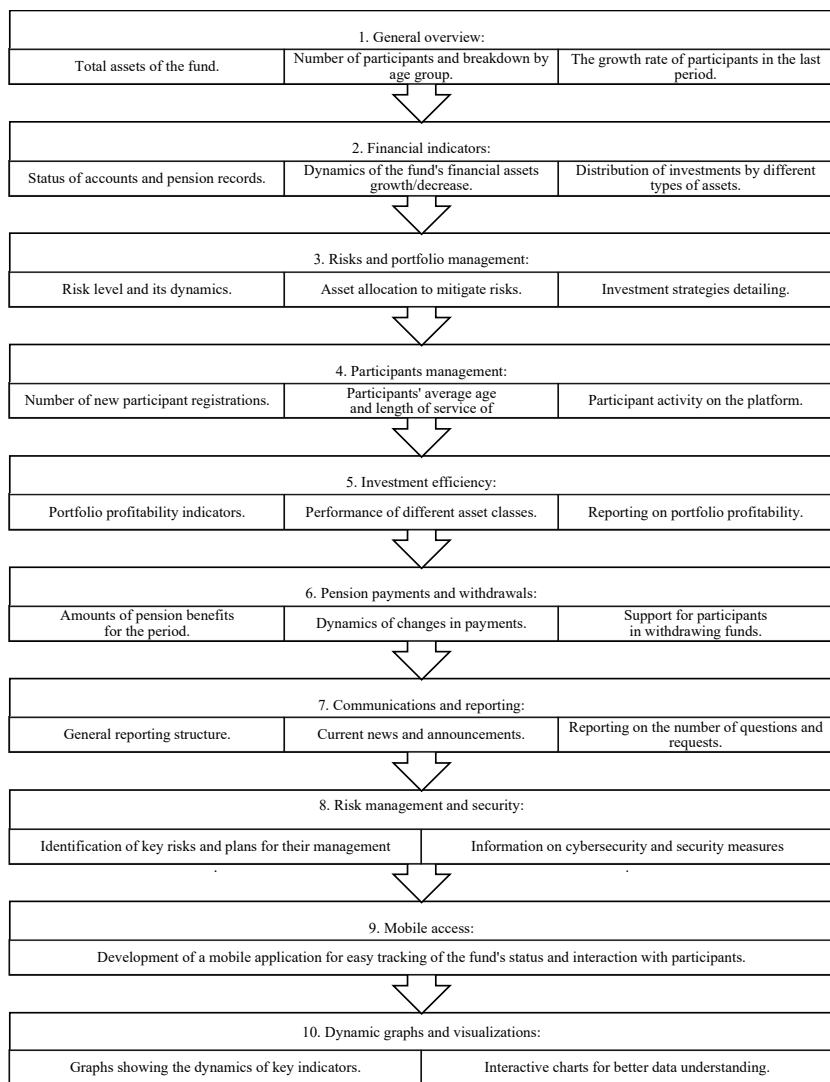


Figure 6.3 – Draft of NPIF Pension Dashboard in Ukraine, taking into account current challenges

Source: created by the author

- Analysis and forecasting: the inclusion of analytical tools in the dashboard allows you to analyze data and make forecasts, which is useful for strategic planning and decision-making.

- Trust increase: providing access to objective and reliable information through a dashboard can help increase participants' confidence in the fund.

Thus, the development of a pension dashboard acts as a tool to improve the interaction between the fund and its participants, ensuring greater transparency. It has the potential to lead to significant positive effects and benefits for various stakeholders, providing a clear visual representation of the fund's key indicators and results, contributing to increased transparency to participants and other stakeholders. Participants can easily track financial parameters, which allows them to better understand the financial position of their account. Information about investment structure and riskiness helps participants make educated decisions about how to allocate funds. Security features help to protect personal and financial information by providing alerts about potential threats. Dashboard is an effective tool for monitoring internal processes and making strategic decisions. It facilitates interaction through easy visualization and communication. The inclusion of analytical tools helps to analyze and make forecasts for strategic planning. Providing access to objective and reliable information helps to increase participants' trust in the fund. The development of a pension dashboard improves interaction and ensures a more transparent exchange of information between the fund and its participants and a dynamic exchange of information.

Thus, when developing recommendations for improving the operation of non-state pension insurance funds in Ukraine, the following main areas of improvement are identified: strengthening regulation, expanding investment opportunities, and protecting the rights of participants. The author proposes specific measures, including amending legislation, expanding access to investment instruments, and creating a system for protecting participants' rights. The importance of digital transformation and technological development of funds is emphasized – measures for digitalization, use of software and creation of a digital ecosystem are proposed. Recommendations for the use of technologies for interaction with fund participants, including electronic communications, digital platforms, and pension dashboards, have been developed. A draft of the optimal pension dashboard of the NPIF is proposed and its potential positive effects are identified, including increased

transparency, ease of monitoring indicators, optimization of processes and communications. In general, the article provides balanced and practically applicable recommendations for improving the NPP system in Ukraine in the face of current challenges.

6.3 Strategy for the Development of Non-State Pension Insurance Funds and its Social Effects in the Context of Post-War Recovery

The strategy of NPIFs development in Ukraine should be targeted and take into account the complex challenges and opportunities in the pension provision sector. The development of such a strategy is key to their further development. The strategy allows funds to identify effective financial management methods and ensure the stability of financial resources. Studying market conditions and determining optimal investment strategies helps to ensure the profitability of fund assets. The strategy should include the development of products that attract different categories of clients and expand the number of participants in the pension system. Identifying effective marketing strategies is necessary to attract new depositors and corporate clients. The strategy should include the introduction of digital technologies to improve customer service, automate processes, and ensure data security. The use of innovative solutions helps to increase the efficiency and competitiveness of funds. The strategy defines mechanisms for increasing the transparency of the fund's activities to participants and regulators, and the introduction of ethical standards and social responsibility helps to increase the trust of participants. The strategy allows the funds to adapt to changes in legislation and regulations in a timely manner, ensuring their compliance and implementing the necessary adjustments.

The development of the strategy includes social programs aimed at supporting socially vulnerable groups and improving overall social welfare. Involvement of participants in socially responsible decision-making, which can improve the foundation's reputation and ensure public support. The Strategy is a tool for achieving the long-term goals of NPIFs, as well as for addressing the challenges and opportunities that arise in the pension sector. Therefore, we have developed a draft Strategy for the Development of the NPF in Ukraine for 2024-2025 (Table 6.4).

This strategy should be crucial for the development of non-state pension insurance in Ukraine and ensure sustainable solvency and financial comfort during the retirement age of citizens.

Table 6.4 – Strategy of NPIFs development in Ukraine (2024-2025)

Components	Content of the strategy components	
Aim	Creating a sustainable and innovative system of private pension insurance in Ukraine that will provide effective financial protection for citizens during retirement and promote sustainable economic development	
Objectives areas of implementation	Expanding the product range	Areas of implementation: Introducing new innovative pension products that take into account different needs and social groups. Developing product packages for different age groups and professions.
	Technological development	Areas of implementation: Adoption of modern technologies to improve management efficiency and enhance customer service. Creation of electronic platforms for easy access to information and customer service
	Expanding partnerships and cooperation	Areas of implementation: Developing strategic partnerships with financial institutions, corporations and government agencies to jointly implement projects and initiatives. Cooperation with educational institutions to provide financial literacy on pension issues
	Social responsibility and transparency	Areas of implementation: Launching socially responsible programs and projects aimed at improving the quality of life of pensioners and supporting vulnerable groups. Increasing the level of transparency in fund management and providing access to complete and understandable information to clients and society
	Marketing and customer acquisition	Areas of implementation: Conducting effective marketing campaigns to build awareness and attract new customers. Developing personalized programs and offers for different categories of customers
	Evaluation and correction	Areas of implementation: Conducting regular monitoring and evaluation of the strategy results. Make adjustments to the strategy in line with changes in the socio-economic environment and legislative framework.
Objectives and key indicators	Increase in the volume of assets	Indicators: Ensure sustainable growth of fund assets in the pension market
	Improving the level of financial literacy	Indicators: Increased financial literacy through educational programs and awareness campaigns
	Increase in the number of customers	Metrics: Attracting new customers through effective marketing and personalized approaches

Source: developed by the author

In addition, a set of practical measures for the implementation of the NPIF Strategy in Ukraine (2024-2025) is proposed, which is presented in Table 6.5.

Table 6.5 – Practical measures for implementing the Strategy of NPIFs development in Ukraine (2024-2025)

Measures	Characteristics
1	2
Expanding the range of products	<p>a. Development of innovative products: Establishment of a working group to develop and implement new pension products, including indexed pensions and products for the self-employed. Introduce incentive programs for the new product development team.</p> <p>b. Communication and Training: Organizing trainings for the fund's specialists on new products. Launching information campaigns for customers to learn about the capabilities of new products.</p>
Technological development	<p>a. Implementation of Digital Solutions: Development and implementation of mobile applications for convenient record keeping and information retrieval by clients. Strengthening cybersecurity measures to ensure the security of customer information.</p> <p>b. Optimization of Internal Processes: Using artificial intelligence and data analysis systems to predict market trends and customer needs. Modernization of the customer management system to improve service.</p>
Expanding partnerships and cooperation	<p>a. Formation of strategic alliances: Exploring opportunities for strategic partnerships with banks, insurance companies and other financial institutions. Negotiating and concluding cooperation and collaboration agreements.</p> <p>b. Attracting additional resources: Searching for opportunities to attract investments for the development of new projects and programs. Cooperation with government agencies to create a favorable environment for private pension insurance.</p>
Social responsibility and transparency	<p>a. Implementation of social programs: Launching programs to support low-income pensioners and other vulnerable groups. Organizing charity events and community initiatives.</p> <p>b. Open reporting: Publication of regular reports on the foundation's activities, including financial indicators and results of social programs. Promote initiatives for clear and accessible information for customers and the public.</p>

MONOGRAPH

Continuation of the table 6.5

1	2
Marketing and customer acquisition	<p>a. Creating marketing campaigns: Development of targeted marketing campaigns for different segments of the population. Use of social media and online platforms to promote the foundation.</p> <p>b. Customer Support and Consultation: Expanding the team of consultants to provide individualized advice to clients. Creating online platforms for easy communication with customers and receiving their feedback.</p>
Evaluation and correction	<p>a. Systematic Monitoring: Regular monitoring of the strategy implementation and identification of key performance indicators. Assessment of market reaction to new products and services.</p> <p>b. Adapting to Change: Responding to changes in the legal and economic environment. Conducting a SWOT analysis and making adjustments to the strategy in response to changes in the market.</p>

Source: developed by the author

These measures will form the basis for the effective implementation of the strategy and ensure the stable and sustainable development of NPIFs in Ukraine in 2024-2025.

Implementation of the NPIF strategy in Ukraine for 2024-2025 can lead to numerous social effects aimed at improving the quality of life of the population and creating sustainable pensions (Figure 6.4).

Implementation of this strategy will be aimed at ensuring fair, efficient and sustainable pension provision for all categories of the population, contributing to the sustainable social and economic development of Ukraine.

The NFPS Strategy for 2024-2025 is aimed at improving social protection of the population through a number of measures. In the context of post-war recovery, we believe that it requires special attention, so we detail how this strategy can ensure increased social protection (Table 6.6).

These measures are aimed at creating a profound social impact, ensuring social protection and improving the quality of life of various groups of the population, especially those who need special attention and support.

Table 6.6 – Possibilities of the NBFU Strategy in Ukraine (2024-2025) to ensure increased social protection of the population

Measures	Effects of implementation
Creation of innovative pension products	<ul style="list-style-type: none"> – expanding support groups: introducing innovative pension products aimed at socially vulnerable groups, such as single pensioners or people with disabilities; – solidarity: developing products that encourage solidarity and mutual assistance will help create a society where citizens mutually support each other in retirement.
Development of social programs	<ul style="list-style-type: none"> – modernizing social schemes: improving and expanding social programs for low-income pensioners, providing them with additional financial support and services; – health insurance: introduction of health insurance programs for pensioners, which guarantees them access to quality medical care and medicines.
Effective risk and deposit management	<ul style="list-style-type: none"> – deposit protection: implementation of strategies and tools to protect customers' deposits and pension assets in the face of financial instability; – risk management strategies: development of effective risk management strategies to ensure the stability and reliability of the fund.
Differentiated approaches to customer groups	<ul style="list-style-type: none"> – individualized support: development of personalized pension strategies and packages for different groups of clients, taking into account their individual needs and capabilities; – programs for single pensioners: creation of programs and services for single pensioners aimed at overcoming social isolation and supporting psychosocial well-being.
Cooperation with other social initiatives	<ul style="list-style-type: none"> – public partnerships: development of partnerships with public organizations and other social initiatives for joint implementation of social projects; – environmental initiative: implementation of environmentally oriented programs that promote environmental well-being and support the environment for pensioners.

Source: developed by the author

Thus, according to the proposals for the development of the NPIFs in Ukraine for 2024-2025, the following main conclusions can be drawn: the proposed strategy is aimed at creating a sustainable and innovative NPP system in Ukraine that will ensure the protection of pensioners and economic development; the key areas of the strategy are: product range expansion, technological development, partnerships, social responsibility, marketing,

evaluation and adjustment; the strategy includes specific measures for implementation – development of new pension products, introduction of digitalization, and the introduction of new technologies.

1. improvement of social security:	• introducing new products and programs for socially vulnerable groups can provide an additional level of social protection, ensuring solidarity and support for those who need it most.
2. financial literacy and training through the introduction of pension education	• launching educational programs and information campaigns will increase the level of financial literacy among the population, especially among young people, allowing them to better understand pension issues and plan their financial future.
3. stimulating economic development through investments and partnerships:	• development of strategic partnerships and investment attraction can become an incentive for economic development, which will lead to job growth and improvement of living standards.
4. equal opportunities for different groups through the introduction of inclusive products:	• creating a variety of pension products, taking into account different age, social and professional groups, will help create equal opportunities and equal access to pension provision.
5. social responsibility and community support through charity programs	• implementation of charity programs and social initiatives will help to strengthen interaction with the community and demonstrate the fund's social responsibility.
6. improving the pensioners' quality of life through social support:	• launching programs and projects to support low-income pensioners will help improve their quality of life and provide the necessary resources to live in decent conditions.

Figure 6.4 – Potential social impacts of implementing the Strategy of NPIFs development in Ukraine for 2024-2025

Source: created by the author

The strategy includes measures to ensure social protection of vulnerable groups, especially in the post-war period. It is balanced, practical and socially responsible to ensure the sustainable development of Ukraine's pension system.