

MANAGEMENT APPROACHES TO THE DEVELOPMENT OF THE FINTECH ECOSYSTEM IN UKRAINE

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INTRODUCTION

Financial technology (fintech) is a modern industry that combines finance and technology, which is being implemented to improve and change traditional financial services. The fintech system is a relevant and important component of society, as it relates to the use of digital technologies in all business processes. Today, fintech is a significant driver of innovation in the financial sector, accelerating the development of new business models and improving the accessibility of financial services for different segments of society, which has led to a powerful modernization of the payment, banking, insurance and investment services markets.

The development of fintech and related areas has fundamentally changed various sectors of the economy, making them more innovative, diverse and customer-oriented. Some countries have gradually arrived at a national Fintech ecosystem that can meet the needs of different stakeholders. However, not all countries have successfully compete with others in developing their fintech ecosystem. Unlike the vertical structures of the past, the ecosystem has a conditionally “spherical” nature due to the interactions that occur within it. Its elements may be of different scales and profiles, but they form stable connections, support and complement each other. A network of different platforms emerges that tend to integrate with each other. The most significant participants become centres of gravity, creating the main activity around them, but they do not seek total dominance.

At the micro level, fintech ecosystems are represented by ecosystems of fintech products, which, being a kind of ‘value hubs’, are connected to other products, which contributes to their further growth. The formation of a sustainable fintech ecosystem in Ukraine should become a driving factor in increasing the competitiveness of various industries and sectors of the national economy, but this requires effective management and strategic planning.

Governance approaches to the development of the fintech ecosystem play a key role in ensuring sustainable growth of the industry, attracting investments, integrating the latest technologies and ensuring regulatory compliance. Important aspects include infrastructure development, support for innovative start-ups, creation of a favourable environment for market participants to interact, and efficient use of human capital.

The relevance of the investigating these problems is driven by the rapid development of financial technologies and the importance of creating effective management strategies to support innovation, ensure financial inclusion, and increase Ukraine's competitiveness in the international financial market, especially in the context of economic instability and war.

The development of the fintech ecosystem in the economy is the subject of active discussion among scientists, financiers, and representatives of business communities. The peculiarities of the functioning of the fintech system in the Ukrainian economy have been studied in the works of the following domestic authors: M. Zhytar, O. Yermoshkina, A. Orel, H. Skhidnytska, P. Khyrivskyi and others. These scientists believe that the fundamental structural feature of ecosystems is a common specialization, which determines the strategically different nature of interaction in ecosystems. In their opinion, the main factors that hinder the development of a sustainable fintech ecosystem are low financial literacy, problems with access to capital, high tax burden, political instability, and the frequency and unpredictability of legislative regulation.

The purpose of this research is to analyze the management approaches that contribute to the development of the fintech ecosystem in Ukraine and to propose improvements to management strategies to ensure sustainable growth and innovative development of this industry in the country.

1. Functioning and development of the fintech ecosystem in Ukraine

For nowadays fintech is the basis for all online transactions – money transfers, payment of tax payments, fines, loans, utility payments, etc. The fintech industry continues to grow and develop, responding to changes in consumer preferences and technological progress, and today it has already grown into a separate dynamic and innovative sector of the economy, which combines innovative technologies to improve the way financial services are provided, consumed and managing them.

Fintech is an interconnected set of technologies and innovative products that are applied in the financial sector or used to help businesses manage the financial aspects of their business, including new programs and applications, processes, business models, etc.

The active development of fintech in the world took place after the global financial and economic crisis of 2008, because it during the crisis period new problems appeared in the economy, and it is an ideal environment for startups.

The COVID-19 pandemic was a particularly strong impetus for the accelerated development of fintech and the growth of investments in this area. During this period, most business entities were forced to work remotely, actively using financial and innovative technologies.

The following main factors of fintech development can be identified:

- presence and availability of smartphones, mobile applications for them, mobile Internet;
- development and distribution of social networks;
- growth of labor migration and, as a result, increase in the volume of remittances;
- dissatisfaction with financial services and a decrease in the level of public trust in financial and credit institutions;
- development of alternative types of payments (through payment terminals, digital and electronic wallets, QR-payments, mobile and contactless payments, cryptocurrencies, etc.);
- new business models;
- development of artificial intelligence, etc.

In modern realities of present time a smartphone has become an indispensable attribute of many people's lives. Thanks to smartphones, the availability of fast and high-quality Internet, the presence of various mobile applications, the development of the social network has significantly increased the amount of data that people exchange every minute of time. It can be said that the phone is an access to global financial services, because with its help it is very easy to provide the possibility of payments and transfers, to receive financial information and, in general, to use a whole range of mobile financial services.

In social networks, users often share information about themselves, their preferences, hobbies, education, employment, leisure, etc. Often fintech companies collect and analyze this very information, as it is much more than any other official database can offer. After analyzing the data, the company performs scoring and can offer personalized services or products to its potential customers. In addition, fintech companies are using chatbot technology in mobile applications as a standard for customer service. These platforms help educate and inform consumers.

The use of artificial intelligence and chatbots creates opportunities for automating many financial services. Robots are systematically improved in order to better perform specified tasks. Financial services is a good environment for artificial intelligence. Bots often appear in the contact centers of financial and credit institutions, which respond to customer inquiries and appeals, which contributes to increasing the level of financial literacy of users. In addition, artificial intelligence in financial services can act to detect and prevent fraud.

The development of fintech creates many advantages for the domestic economy. Here are some of them:

1. Convenience for users. Fintech develops and simplifies financial services, making them accessible and understandable to a wide range of people. This means users can manage their finances faster and more efficiently.

2. Cost reduction. Fintech can help reduce customer service costs and operational costs for financial authorities. This can be achieved by automating processes and reducing the need for physical apartments.

3. Improving the availability of financial services. Fintech can make financial services more accessible to those who previously had limited access to them, such as those with limited mobility or low-income populations.

4. Increasing efficiency. Fintech can automate many routine processes related to the processing of large volumes of information, which will reduce the number of errors and reduce the time for their processing.

5. Strengthening of security. The development of the latest technologies allows to improve the security of financial transactions and protection against fraud and cyber attacks.

6. Investment attraction. The development of fintech infrastructure can attract investors and startups that will work on the development and improvement of technologies.

7. Fight against corruption. The use of fintech can reduce opportunities for corruption, as more processes become automated and transparent.

8. Reduction of bureaucracy. The introduction of fintech can help simplify and optimize bureaucratic processes, reduce the number of necessary documents and applications.

These advantages make fintech one of the most dynamic and promising sectors in the modern economy.

The implementation of fintech achievements transforms the country's economy, provides it with new opportunities, and at the same time creates certain challenges and risks, has certain disadvantages and problems. Let's highlight some of them:

- uneven access to technologies and Internet resources. Not all citizens have access to the necessary technologies to use them effectively. Thus, unequal conditions are created for business entities. For example, in mountainous and rural areas, as a rule, the level of development of telecommunication infrastructure is low, which creates certain restrictions on rights and, accordingly, unequal business conditions for the residents of this area;

- the problem of the security of personal data, increasing the risk of cyber attacks and, as a result, the probability of an unauthorized leak of confidential information about the peculiarities of economic activity of citizens, which can lead to the loss of important data, as well as, even money;

- increase in budget expenditures for modernization and implementation of financial technologies;
- increase in citizens' costs for installing software products;
- low level of citizens' awareness of electronic services and the features of using them;
- probability of failures, hangs of software products, etc.

Fintech as a sector of the economy has grown into a separate ecosystem, under which we understand mutually agreed cooperation between banks, non-bank financial institutions, startups, regulatory bodies, technological platforms and other stakeholders with the aim of improving the provision and increasing the availability of financial services.

– The FinTech ecosystem encompasses a variety of organisations and individuals that use advanced technologies to deliver innovative financial services. In the context of the national level, the Fintech ecosystem embodies a similar network, albeit on a scale specific to each country. Government agencies, traditional institutions and regulators play a key role in creating a favourable environment for innovation, collaboration and expansion in these national-level ecosystems¹. Consequently, Fintech ecosystems facilitate the emergence of new products and services, meet dynamic consumer needs and contribute to economic growth.

– In essence, the fintech ecosystem consists of various players, including banks, fintech start-ups, regulators and consumers, who interact to push the boundaries of financial services through innovation. This ecosystem is not just about digital transactions; it is a complex system in which technology is integrated into every aspect of financial services to simplify and improve the user experience. Through the integration of technology, fintech ecosystems have transformed traditional banking by making services faster, easier and more accessible to the public. Accordingly, Ukrainian users of such services also quickly became convinced of their advantages, including in the realities of war, internal displacement of residents, and logistical complications for business.

The main components of the fintech ecosystem are shown in Figure 1.

¹ Ермошкіна О.В., Горяча О. І. Фінтех компанії на ринку фінансових послуг: особливості функціонування в Україні. *«Світ наукових досліджень. Випуск 21»*: матеріали Міжнародної мультидисциплінарної наукової інтернет-конференції, м. Тернопіль, Україна – м. Переворськ, Польща. 2023 URL: https://www.economyconfer.com.ua/data/downloads/file_1693299157.pdf#page=18 (дата звернення: 10.03.2025).

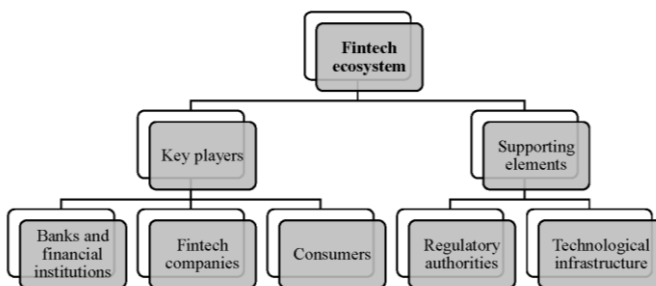


Fig. 1. Components of the fintech ecosystem

Source: constructed by the authors based on data ².

The components of the fintech ecosystem include key players and supporting elements. Key players include:

- banks and financial institutions: banks used to be the sole providers of financial services, but now they are partnering with fintech companies to offer enhanced services;
- fintech companies: businesses that use technology to create innovative financial products and services;
- consumers: end users of fintech offerings whose requirements drive innovation in the ecosystem.

– Supporting elements include the following:

- regulatory authorities: organisations that ensure that all financial transactions comply with legal standards to protect both consumers and the integrity of the financial system;
- technological infrastructure: includes advanced technologies, such as blockchain and APIs (application programming interfaces), that enable secure and efficient financial transactions.

In the fintech ecosystem, collaboration is essential as banks, technology companies and other financial institutions work together to innovate and improve financial services. However, this environment also generates competition as each organisation strives to offer the best solutions to attract and retain consumers.

It is found that the leap of the Ukrainian fintech ecosystem was primarily driven by the economic crisis and other macroeconomic factors. In such a macro environment, various actors, including customers, financial institutions, the government, technology companies, and educational institutions, cooperated and competed, leading to the emergence of a fintech

² ВІДКРИТИЙ БАНКІНГ (OPEN BANKING): РЕВОЛЮЦІЙНА ТРАНСФОРМАЦІЯ МІЖНАРОДНОГО ТА УКРАЇНСЬКОГО БАНКІВСЬКОГО СЕКТОРУ URL: [HTTPS://YUR-GAZETA.COM/PUBLICATIONS/PRACTICE/BANKIVSKE-TA-FINANSOVE-PRAVO/VIDKRITIY-BANKING-OPEN-BANKING-REVOLYUCIYNA-TRANSFORMACIYA-MIZHNARODNOGO-TA-UKRAYINSKOGO-BANKIVSKOGO.HTML](https://yur-gazeta.com/publications/practice/bankivske-ta-finansove-pravo/vidkritiy-banking-open-banking-revolyuciyna-transformaciya-mizhnarodnogo-ta-ukrayinskogo-bankivskogo.html) (ДАТА ЗВЕРНЕННЯ: 12.03.2025).

ecosystem at the national level. Figure 2 summarises the external influences and conditions that affect the actions of stakeholders and the relationships between them in the process of forming a domestic Fintech ecosystem.

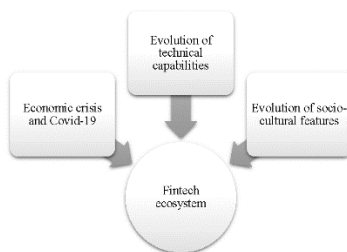


Fig. 2. External influence on the national fintech ecosystem

Source: constructed by the authors based on data³.

The economic turmoil in 2008 significantly increased the existing challenges for Ukrainian financial and technology companies. Externally, Ukrainian companies faced a shortage of foreign capital and restrictions on attracting international clients. Domestic macroeconomic conditions have deteriorated significantly, and consumer purchasing power has declined sharply. Some tech companies were also affected by the unfavourable micro-environment and therefore entered the financial services market. This has increased the competition faced by traditional financial institutions. As a result, traditional institutions were forced to adapt, compete, and orient their work towards a fundamental restructuring of their own strategies and business models.

New business models required new technical solutions. Ukrainian businesses have favourably embraced new fintech solutions, providing a foundation on which further innovations can spread and grow. In Ukraine, internet penetration reached 79.2 per cent in 2023 and is expected to continue to grow. As technological knowledge was already widespread among Ukrainians, there was significant potential for local fintech ecosystems to leverage existing technical skill sets by increasingly integrating sophisticated financial technologies into and practices, thereby increasing macroeconomic efficiency and the potential for autonomous innovation⁴.

³ ЖИТАР М. О. РИНОК ФІНТЕСН В УКРАЇНІ: ОСОБЛИВОСТІ, ШЛЯХИ ТА ПЕРСПЕКТИВИ РОЗВИТКУ. ЄВРОПЕЙСЬКИЙ НАУКОВИЙ ЖУРНАЛ ЕКОНОМІЧНИХ ТА ФІНАНСОВИХ ІННОВАЦІЙ, 1(13), 4–12.2024. URL: [HTTPS://DOI.ORG/10.32750/2024-0101](https://doi.org/10.32750/2024-0101) (ДАТА ЗВЕРНЕННЯ: 12.03.2025).

⁴ Український фінтех-каталог: дослідження ринку фінансових технологій URL: <https://business.diia.gov.ua/cases/initiativi/ukrainskij-finteh-katalog-2023-doslidzenna-rinku-finansovih-tehnologij> (дата звернення: 12.03.2025).

Socio-cultural characteristics have also played a role in shaping Ukraine's fintech ecosystem through the behaviour of customers, organisations and the government. From the point of view of national culture, Ukraine has exceptionally high uncertainty avoidance, which means that Ukrainian fintech users may be prone to ambiguity. Therefore, early Ukrainian fintech platforms focused on introducing customers to digital payments through user-friendly services. Later, Privatbank's mobile offerings demonstrated the tangible benefits of fintech, accelerating the population's access to financial services⁵.

It is worth noting that the process of developing the fintech ecosystem in Ukraine began before 2008, but with the onset of the global economic crisis, as already mentioned, it was accelerated, fintech startups began to appear, but the population of Ukraine continued to be distrustful of new financial market participants, using mainly the services of traditional financial institutions. Based on the analysis of scientific literature, the following stages of development of the Fintech ecosystem in Ukraine can be identified (Figure 3).

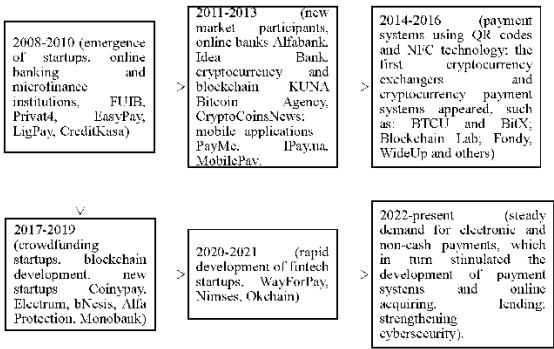


Fig. 3. Stages of development of the fintech ecosystem of Ukraine

Source: constructed by the authors based on data ^{5, 6, 7}.

The period since the Russian invasion has shown not only how important this sector is for helping consumers and creating jobs, but also how it can

⁵ Житар М. О. Ринок fintech в Україні: особливості, шляхи та перспективи розвитку. Європейський науковий журнал Економічних та Фінансових інновацій, 1(13), 4–12.2024. URL: <https://doi.org/10.32750/2024-0101> (дата звернення: 12.03.2025).

⁶ Орел А., Дяченко В. Етапи та роль цифрової трансформації у вдосконаленні управління інноваціями. Економіка та суспільство, 2023. URL: <https://doi.org/10.32782/2524-0072/2023-56-30> (дата звернення: 12.03.2025).

⁷ Стратегія розвитку фінансового сектору України до 2030 року. URL: <https://bank.gov.ua/ua/news/all/strategiya-rozvitku-finsansovogo-sektoru-ukrayini> (дата звернення: 12.03.2025).

support many other industries, such as retail and hospitality, by helping them through difficult times (by introducing online ordering and payments, providing alternative lending options or enabling small businesses to better manage their cash flow).

In recent years, Ukraine has witnessed active implementation of various digital innovations, including the development of Google Pay and the introduction of Apple Pay. As the Ukrainian economy becomes more digital, the fintech ecosystem is poised for unprecedented growth and transformation. The future of this dynamic sector is shaped by several key trends and potential transformations that could redefine how Ukraine's fintech ecosystem will be shaped. The development of open banking and open finance is driven by the rules of the European Directive PSD2, which laid the foundation for a more interconnected financial environment in Ukraine.

Thus, the functioning and development of the fintech ecosystem in Ukraine is based on the interaction of key market players, support from regulators and the development of modern technological infrastructure. The active implementation of innovative financial solutions contributes to the digitalisation of services, increased financial inclusion and integration into the global financial space. Further growth requires improving legal regulation, stimulating investment and ensuring cybersecurity. A separate important aspect is increasing the level of financial inclusion in Ukrainian society.

2. State support for the development of the Fintech ecosystem in Ukraine

Government support plays an important role in the development of Ukraine's fintech ecosystem, creating favourable conditions for the introduction of innovative financial technologies. Effective interaction between the state, business and consumers allows the fintech industry to develop dynamically, improving the quality of financial services in the country.

The initiatives of government agencies that have contributed to the development of financial technologies and the formation of a fintech ecosystem in Ukraine are presented in Table 1.

Thus, the state understands the importance of developing financial technologies and building a sustainable fintech ecosystem, which is confirmed by the goals of the “Strategy for the Development of fintech in Ukraine until 2025”. The development of the fintech market will promote innovation and inclusion in the sector, which can positively affect the country's economic growth. The state of the Ukrainian fintech market is presented in Fig. 4.

Table 1

**Initiatives of the government authorities in the development
of the Fintech ecosystem of Ukraine**

Name of the authority	Initiatives
National Bank of Ukraine	The concept for the development of innovative supervisory (SupTech) and regulatory (RegTech) technologies was approved; a memorandum on promoting a competitive payment market was signed; a draft concept for building an instant payment system in Ukraine was developed; amendments were made to the Law of Ukraine "On Payment Services" (issuance of digital currency, increasing transparency of financial services)
Ministry of Digital Transformation of Ukraine	Joint initiative with Blockchain4Ukraine on the adoption of the Law of Ukraine "On Virtual Assets"; The concept of e-residency was developed; a roadmap for the development of the virtual assets market was presented; the "Internet of Subsidies" project was launched to connect villages to the optical Internet; the creation of the Fund of Funds by the Ministry of Economy was supported; The 5G development plan was approved.
National Securities and Stock Market Commission	Shares of 12 American companies were admitted to the Ukrainian stock market and over-the-counter market, which made it possible to expand the list of foreign investors for Ukrainians to 85 securities.
Ukrainian FinTech market, in general	Creation of Open Banking API HUB in Ukraine; release of NFTs by Ukrainian artists; exit from pilots to operational mode of three new neobanks; scholarships in cryptocurrency and salary project in digital hryvnia.

Source: summarized by the authors based on data ⁸.

The National Bank of Ukraine (NBU) has identified the strengths and weaknesses of the Ukrainian fintech market during the development of the "Strategy for the Development of fintech in Ukraine until 2025". Development in Ukraine until 2025. The strengths include the following characteristics: a significant number of small and medium-sized businesses; ever-growing demand for financial technologies; proactive role of the central bank in the development of innovations; developed IT industry; adaptation of legislation to the requirements of PSD2 and GDPR; high level of development of such niches as payment services, online lending, virtual assets; introduction of remote identification and authentication methods.

Weaknesses in the development of the Ukrainian fintech market include the following: lack of a sustainable fintech ecosystem; shortage of specialists in the market; insufficient financial and digital literacy of the population; export-oriented innovation sector; low level of Internet access coverage; low

⁸ Звіт про реалізацію стратегії розвитку фінтеху в Україні до 2025. URL: <https://bank.gov.ua/ua/news/all/zvit-pro-realizatsiyu-strategiyi-rozvitku-fintehu-v-ukrayini-do-2025-roku-za-2021-rik> (дата звернення: 12.03.2025).

level of investment attractiveness for foreign investors; lack of sustainable regulatory framework.

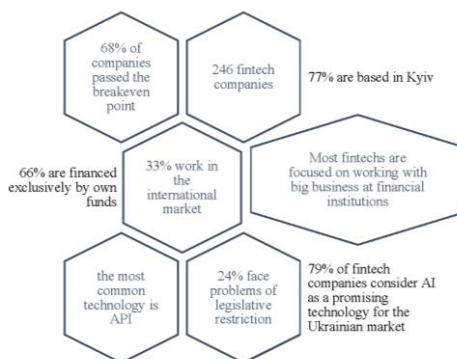


Fig. 4. State of the Ukrainian fintech market

Source: summarized by the authors based on data⁹.

Based on the above, and taking into account the priorities for the development of Ukraine's financial system, the NBU has developed a model of Ukraine's sustainable fintech ecosystem by 2025. The key elements of this model (regulation and policy; talent; demand and capital) are divided into two components (regulatory and investment and acceleration and human resources), which, interacting with each other, contribute to the emergence of new innovative solutions in the fintech market and their capitalisation. It is worth noting that the model is open and can be integrated into global fintech ecosystems.

In 2021, the NBU presented a 'Report on the Implementation of the "Strategy for the development of fintech in Ukraine until 2025"' and developed a "Strategy for the development of the financial system of Ukraine until 2030" in 2023, as the goals and measures for the development of fintech in the previous strategy were elaborated and achieved. In its Report, the NBU notes that the average level of achievement of the targets for the formation of a sustainable fintech ecosystem in Ukraine is 95%, which consists of the following components (Fig. 5).

⁹ Звіт про реалізацію стратегії розвитку фінтеху в Україні до 2025. URL: <https://bank.gov.ua/ua/news/all/zvit-pro-realizatsiyu-strategiyi-rozvitku-fintehu-v-ukrayini-do-2025-roku-za-2021-rik> (дата звернення: 12.03.2025).

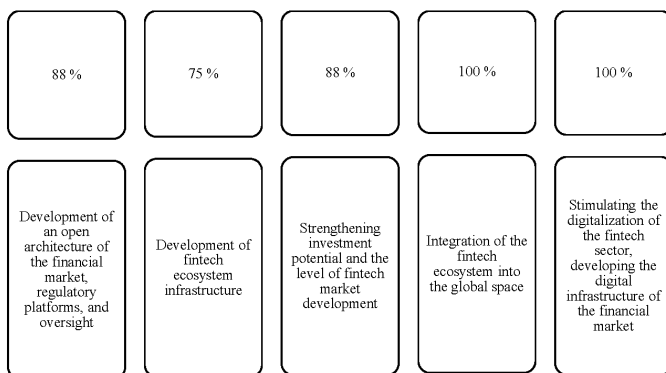


Fig. 5. Level of achievement of planned values of indicators under the strategic direction “Sustainable fintech ecosystem”

Source: summarized by the authors based on data¹⁰.

Thus, according to the NBU, in 2023, Ukraine will have a 95% sustainable fintech ecosystem, which is confirmed by the new strategy, as it does not contain a strategic direction for its construction or improvement. However, in our opinion, it is still too early to talk about the formation of a sustainable fintech ecosystem in Ukraine. The following facts can be cited to support the above statement:

1. High level of concentration in the financial market by key sectors. Most segments of the Ukrainian financial market are dominated by a small number of large participants, which creates risks of monopolisation of data use and acts as a deterrent to the creation of convenient and safe financial products and services, expansion of the range of digital services and development of innovations by small market participants and fintech companies.

2. Open banking is not fully operational in Ukraine, with only the first version of technical specifications developed and no pilot studies conducted.

3. Low efficiency of state support and regulation of the development of creativity and innovation among citizens, in particular young people.

4. Systemic destruction at the level of state institutions, whose work lacks comprehensive approaches to the implementation of generally correct and harmonized with foreign practice programs and strategies in this area.

5. Uneven access to digital technologies, especially in regions where hostilities are taking place or close to them.

¹⁰ Звіт про реалізацію стратегії розвитку фінтеху в Україні до 2025. URL: <https://bank.gov.ua/ua/news/all/zvit-pro-realizatsiyu-strategiyi-rozvitku-fintehu-v-ukrayini-do-2025-roku-za-2021-rik> (дата звернення: 12.03.2025).

6. Insufficient regulation of the structure of legal relations in the field of venture capital investment, unresolved problems with access to capital, and low volumes of domestic lending to small businesses.

7. Low level of investment in talented youth, startups and scientific and technological developments in educational and scientific institutions.

8. Preferential taxation in Diia.City sets high “entry” conditions for startups. At the same time, Ukraine lacks effective tax incentives for the development of the fintech market.

So, given the above facts, which are complicated by the war, this significantly affects the functioning of all components of the Ukrainian fintech ecosystem. It can be noted, the Ukrainian fintech ecosystem is not established, but shows signs of maturity with a steady and moderate growth trajectory. Despite challenges such as market volatility and talent outmigration, it remains an attractive landscape with growth prospects and growing adoption of financial technology, especially in segments such as wealth management and cryptocurrencies. The balance of regulation and innovation will continue to play a key role in shaping the future of the fintech sector in Ukraine.

That is why a key challenge for Ukraine in its post-war recovery is to build an inclusive and resilient economy and financial services sector, and the falling cost of technology, expanding point-of-sale capabilities, increasing smartphone penetration, and other innovations are making this possible. In addition, the key to the further development of fintech technologies is for large traditional financial institutions to see the “front-end” sales and business growth benefits, not just the “back-end” operational efficiency benefits, of their fintech partnerships. This holds promise of creating products and services as part of the fintech ecosystem and shaping how financial services will deliver more value to customers in the future.

We believe that Ukraine has significant potential for developing a fintech ecosystem based on the implementation of effective management approaches, some of which, as discussed, have already been successfully implemented. Unlocking this potential depends on several key factors that need to be implemented by all stakeholders in the ecosystem, from regulators to investors, key industry players, innovators and talent:

Developing equity crowdfunding rules – providing a flexible regulatory regime that includes crowdfunding platforms to attract more capital to startups from “ordinary people” is likely to impact the growth of the fintech ecosystem.

Providing tax incentives to investors – from business angels and venture capitalists to crowdfunders – will increase investors' willingness for risk, while such incentives to startups will encourage them to act and drive the fintech ecosystem forward.

Fintech policy forums – Establishing such forums by bringing together key stakeholders will help the government to take the necessary measures and ensure that all key stakeholders in the fintech ecosystem agree on a vision.

Educational Programs – Educational programmes provided through collaboration between the government, financial institutions, accelerators and incubators can expand the talent pool in Ukraine and increase the number of fintech startups in Ukraine.

Hackathons and startup competitions – such initiatives, organized by government authorities, local governments, and financial institutions, would allow for the permanent identification of new talents and innovators in Ukraine.

CONCLUSIONS

In the evolving fintech landscape, regulatory measures have played a key role in shaping the trajectory of innovation and market stability. The interaction between rapidly implementing technological advances and traditional regulatory frameworks has led to a number of notable outcomes, both favorable and hindering the progress of the sector. This dynamic has been particularly evident in the application of regulation to new fintech entities, where the balance between fostering innovation and ensuring consumer protection has been examined. Ukrainian regulators are moving towards a more adaptive regulatory framework. The concept of a “regulatory sandbox” has allowed Ukrainian fintech start-ups to test new products and services in a controlled environment under regulatory supervision. This approach not only encourages innovation, but also helps regulators understand new technologies and their implications. In Ukraine, there is a growing trend towards collaboration between regulators, traditional financial institutions and fintech companies.

Fintech initiatives have not yet led to a radical transformation of the financial sector in Ukraine, as fintech ecosystem participants have different views on the future of fintech. Ukrainian banks are currently developing fintech initiatives internally, encouraging technology companies and fintech startups to focus their efforts on innovations aimed at improving processes rather than opening new markets. At the same time, the government works on the problems that are related to the regulation of cryptocurrency turnover and the introduction of blockchain in regtech and cybersecurity. Customers are interested in new and more convenient features of mobile applications and are waiting for new value propositions such as fast international money transfers, robo-advising, personal finance management and peer-to-peer lending.

The modern fintech ecosystem being created in Ukraine must be competitive and holistic, attractive for investment and profitable; technologically and legally protected, open and accessible; have advanced and balanced regulatory tools; ensure synergy and equal opportunities for all stakeholders; be powerful and innovative, secure and integrated into the global ecosystem.

Therefore, management approaches to the development of the fintech ecosystem in Ukraine are aimed at creating a favorable environment for

innovation, strengthening regulatory support and stimulating investments in financial technologies. Important aspects are the adaptation of legislation to modern digital challenges, the development of open banking, cooperation between the state and business and the implementation of international cybersecurity standards. Effective management of the fintech ecosystem contributes to its sustainable growth, increasing financial inclusion and Ukraine's integration into the global financial space.

SUMMARY

In the conditions of the dynamic development of financial technologies in Ukraine, new forms of organization of interaction between enterprises for the integration of innovative ideas, development and creation of innovative goods and services are gaining special importance. The purpose of this study is to determine the essence, features and development prospects of the fintech ecosystem of Ukraine. The article presents an analysis of the priority initiatives of state bodies aimed at the development of the fintech ecosystem of Ukraine.

Time limits for the development of the fintech ecosystem in Ukraine are highlighted. Research has shown the need for the interaction of all components of the fintech ecosystem, namely: regulatory environment, talent, technical environment, financial institutions, consumers and fintech companies. The factors that determine demand and applied technologies are the basis for the formation of the fintech industry ecosystem. Changing consumer preferences drive technological improvements, and technological progress is a driver of changing consumer preferences.

The implementation of the "Fintech Development Strategy in Ukraine until 2025" was studied in the context of achieving sustainability of the Fintech ecosystem in Ukraine. The maturity of the Ukrainian fintech ecosystem has been established, as evidenced by the key trend of recent years: the synergy of traditional banks and startups, including in the field of fintech, e-commerce and others. Banks are key partners and investors in this cooperation. The development of the market throughout its history was accompanied by the active role of regulators. These are legislative reforms, programs, strategies, and the creation of a digital financial infrastructure that played a key role in stimulating the growth and development of the fintech sector. The article highlights some of the unresolved problems that indicate the impossibility of characterizing the fintech ecosystem of Ukraine as stable.

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