

TRENDS AND PROSPECTS FOR THE DEVELOPMENT OF CASHLESS SETTLEMENTS IN UKRAINE

Introduction. Internationalization and globalization have been affecting monetary markets in advanced economies for many years. This process is characterized by innovative changes in international settlements and payment systems (electronic money, the appearance of cryptocurrency, non-contact payments). Every year, the scale of cashless settlements in the advanced economies worldwide is growing faster and faster. In such circumstances, Ukraine should accelerate the transition to innovative cashless money, to withhold cash payments, to build a cashless economy and to integrate in international economic relations as an equal partner.

Review of recent publications. The research on the issues of the formation and maintenance of cashless payments efficiency is devoted to the work of such scientists and economists as L.A. Bekhter, I.O. Chkan [4], D.O. Hetmantsev, S.V. Ishchenko, O.V. Kostyunik and V.V. Poberezhna [3], O.I. Melnichuk [5], N.H. Shuklina and others.

Objectives of the paper. The aim of the study is to analyze the main trends and perspectives of cashless economy acceleration in Ukraine.

Results of research. Nowadays, the development of economic relations is extremely dynamic, and due to this, new banking technologies for cashless settlements are growing rapidly. The main objective of such settlements is to counteract the development of the shadow sector of the economy and improve the economic condition of business entities. In such countries as Singapore, the Netherlands, France and Sweden, the government reduces the amount of cash the population has on hands, thus developing the infrastructure for the use of payment cards, electronic purses, online, etc.

In such countries, cash, especially large sums, became synonymous with corruption and crime. It is difficult to trace them which means that such transactions can potentially be carried out with an illegal purpose – the purchase of banned goods or bribes (Figure 1) [4]. For the first nine months of 2017, the number of enterprises that began to accept payment cards increased by 13.1% (or 19,112 in quantitative terms) and reached 165 thousand units, while the network of payment terminals increased by 10.2% and reached 241.6 thousand [1].

According to the National Bank's report, the results of the third quarter of 2017 show that non-cash payments in the total volume of transactions using payment cards in Ukraine increased by 3.1% since the beginning of the year and amounted to 38.6%. In total, 2.22 billion transactions were carried out using payment cards issued by

Ukrainian banks for a total of UAH 1458 billion. Compared to the same period of the previous year, these indicators increased by 22.2% and 29% respectively [1].

The number of cashless payments made by payment cards as well as the amount of the money transferred has significantly grown, which means that this payment tool is becoming increasingly popular with citizens as a tool for settlements rather than a tool for receiving money. However, to boost the development of cashless economy, Ukraine needs to develop a program based on the experience of those states that have already overcome the challenges our country is facing.

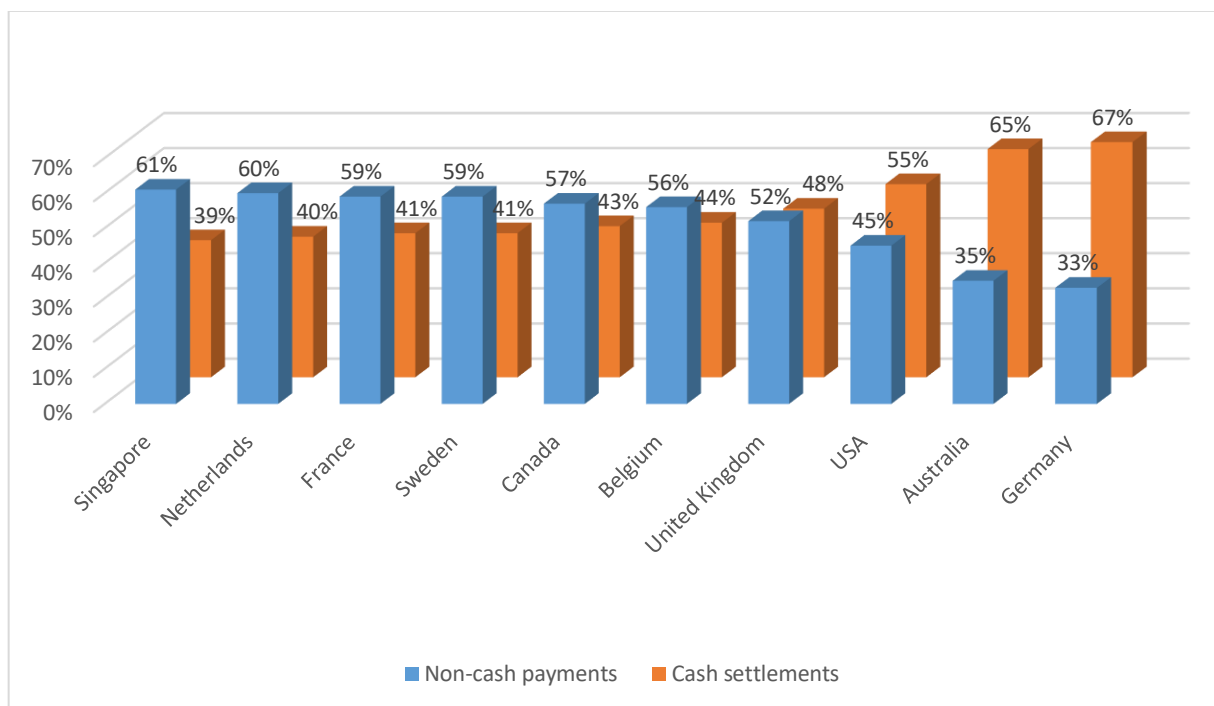


Fig. 1 The structure of monetary payments worldwide
Source: created by the author based on [2]

Ukraine should accelerate the development of the cashless economy to reduce the level of shadow economy. Perspectives for improving such settlements for Ukraine are: improving fraud protection, reducing time expenditures for transactions, using up-to-date technologies and improving legislation in this area, etc. But the most urgent is the adaptation of these directions to Ukrainian realities and the practical use of foreign experience in stimulating the development of cashless settlements. [3]

Conclusion. Despite the fact that the NBU has developed a program for the transition of Ukraine to the cashless economy, we must admit that this is a long and smooth process, aimed to gradually reduce the cash mass, which will take years. [5] This conclusion follows from the fact that Ukrainians' mental barriers of some kind (for example, the government's many years' habit to rob people) hinder the transition to the cashless economy. Moreover, cashless payments are subject to fraud and hacker attacks, and the absence of anonymity, which is implicit in cash settlements, add to the problem.

So, the gradual decrease of the share of cash in favor of non-cash should be ensured considering the general state of the economy by creating economic incentives for the development of cashless settlements.

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