PRINCIPLES OF FINANCIAL INFRASTRUCTURE SUSTAINABILITY MODEL FORMATION

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Abstract.

Purpose – to analyse the theoretical aspects of the financial infrastructure sustainability, to develop a model for evaluation of financial infrastructure sustainability and assess the financial infrastructure sustainability in OECD countries.

Research methodology **–** develop a financial infrastructure sustainability model using analytic, systematic, generalization and comparative methods. Following the development of the assessment methodology and the calculation of the OECD countries' financial infrastructure sustainability index, an assessment of the financial infrastructure sustainability situation (state) of OECD countries has been carried out.

Findings – the identification of the functional areas of operation of the financial infrastructure and the principles of financial sustainability discussed make it possible to define the concept of financial infrastructure sustainability and to develop an assessment model. The results of the evaluation showed that there are significant imbalances of financial infrastructure sustainability between OECD countries, which may have a negative impact on the economic development processes of individual OECD countries.

Research limitations – the financial infrastructure sustainability is a historically new process of significant transformation, so the financial infrastructure sustainability is usually analysed only at the theoretical level. In the design of the financial infrastructure sustainability assessment model and in the selection of methods for calculating the financial infrastructure sustainability index in OECD countries, other authors did not pay sufficient attention to the sustainability issues of financial infrastructure. In the interest of public welfare, discussions should continue on the selection of indicators for research on the financial infrastructure sustainability, the assessment of weight coefficients, and the assessment of the impact of the financial infrastructure sustainability on economic processes.

Practical implications – OECD countries can take evidence-based decisions to maintain or improve the financial infrastructure sustainability in their country, knowing the state of financial infrastructure sustainability. This will contribute to wealth creation, protect consumers and investors from emerging risks and the negative effects of economic crises.

Originality/Value – the article presented a model for assessing the financial infrastructure sustainability. This model offers broader opportunities to identify problems in financial infrastructure sustainability. Knowledge of problem areas allows faster timely and integrated solutions to meet the needs of a sustainable economy.

Keywords: financial infrastructure sustainability, sustainable economy, economic policy, financial security, risk management.

JEL Classification: E60, F50, F63, F65, G20, G28.