

of the Administrative and procedural code of Ukraine of 18.07.2008 No. 2789 was introduced to the Verkhovna Rada. But, despite the fact that the project was submitted long enough, it did not receive the status of the law and remains an object for research by scientists.

After that, a number of draft laws "On Administrative Procedure" were developed in Ukraine, the last 28.12.2018 and 14.05.2020, but the draft of these normative legal acts do not correspond to the status of the standard for the whole administrative activity, neither in content nor in form, but is only an attempt to resolve certain components of the public-administrative activity.

We can have various discussions about the compliance of Russian administrative legislation with the standards of general administrative law of democratic countries, but in reality, we are only on the way of transformation from managerial (police) law to protective (new administrative law). The existence of such a state of domestic administrative law is evidenced by the methods and means of the public administration, approved in the norms of administrative law.

Administrative activity is a focused practical activity of authorized participants in social processes to streamline and harmonize social systems and processes using the means, procedures, and methods characteristic of power activities.

Public-administrative activity is the cooperative activity of two entities of legal interaction that fulfil their own obligations, determined in the rules of law, aimed at considering and ensuring public and private interests by adopting administrative acts in the field of public administration.

The typification of administrative activity is very important for the systematization of all administrative legislation since the main administrative activity should have general legal principles and procedures for its implementation.

The whole public administrative activity should be standardized by developing and adopting a general standard: the Law "On Administrative Procedure" and the Law "On Regulatory Acts." Other legislative acts regulating administrative activities must comply with the general principles for such activities in all laws, it is determined by.

§ 3.2. CRYPTOCURRENCY MARKET PUBLIC ADMINISTRATION LEGAL FUNDAMENTALS AS UKRAINE'S FINANCIAL SYSTEM ALTERNATIVE: CURRENT STATE OF SCIENTIFIC AND NORMATIVE REGULATION

Modern models of financial systems in the world today have reached such a level of development that as a result of increased capitalization in the markets, banking and other financial services in the markets are intensifying. Modern financial systems cannot fully meet the needs of physical individuals for such services at such a level that such individuals do not feel completely independent of the banking sector. The issue of freedom and democracy is becoming more and more acute in the development of States. Total control by government and banking bodies of business structures and individuals,

evolutionarily and objectively, has led to the formation and development of alternative financial systems. Along with the commodity and stock markets that make up the existing financial systems, cryptocurrency, cryptocurrency markets, and cryptocurrency exchange is a real alternative source of capitalization of assets of legal and physical individuals. The virtualization of the life of the population and the increasing transfer of person into the virtual game world is no longer the future, but the present.

The existing financial system was built for a non-digital age, ignoring the needs of modern man in his understanding of existence, with a great quantity of inefficiency. The abandonment of the "gold standard" and the use of the Federal Reserve System with the transition to fiat money, in fact, changed little in the multiplication of money in financial systems. In any case, the amount of money increased, and the provision of a real product did not happen. This situation today has led to the fact that the size of the total world debt reaches 400% of world GDP. Printing Money Press Leads Global Financial System to Economic Collapse.

Now the world has access to new technologies, such as decentralized cryptocurrencies, and quickly makes these old systems superfluous. Like communication, evolving from landlines to mobile phones or emails, money is now finally catching up with other information revolutions. Virtual assets allow us to do this, rethink the financial system and improve the world to something else, maybe better, from the point of view of protecting the rights of persons.

Virtual assets are a phenomenon and a concept that over the past 5 years has entered our world confidently and for a long time. Around them are formed systems, markets in which transactions are conducted. And as a result, they are invested in them and they are invested in other objects. It is clear that such investors form those public relations that act as legal relations, and therefore are subjects of law. The amount of capitalization in such legal relations is more than \$833 billion and is constantly growing. Thus, the legislative regulation of such an institution is extremely necessary for Ukraine.

Global trends are changing both in the technology business and in the tools and techniques that regulators need to apply to help manage the risks to which they are exposed by these new technological advances. Without any doubts, the changing landscape of global technology itself is a good thing for efficiency and the ability to compete in this rapidly changing world. Changes in technology can stimulate financial innovation and efficiency, which means improving financial inclusion, but also create new opportunities for criminals and terrorists to launder income or finance illegal activities. One of the most famous technological developments in the last decade has been the launch of virtual assets (VAs), which are in the form of a decentralized digital currency or virtual currency. Examples of virtual assets are cryptocurrencies such as bitcoins.¹

In fact, a systematic model and practical implementation of decentralized interaction of individuals without intermediaries, including the state, was proposed, in which transaction expenses are practically absent or minimal. That is, banking systems and institutions with traditional types of services cease to have a monopoly position in

¹ Ustynova I. P., Polyatsko A., Kudra I. The current state of legislative support for the regulation of the cryptocurrency market in Ukraine. URL: <http://easternlaw.com.ua/uk/osoblive-administrativne-pravo/ustynova-i-p-polyacko-a-kudra-i-suchasnij-stan-zakonodavchogo-zabezpechennya-regulyuvannya-rinku-kriptovalyuti-ukra%D1%97ni>. (date of access: 20.01.2021).

people's lives. In this model, without the desire of the participants in the transactions, no third party can neither prevent, nor establish, or block, or confiscate other people's funds, nor conduct identification procedures, thereby encroaching on the privacy and confidentiality of any participant in the system against his will. Thus, states lose their positions.

Ukraine is one of the first countries in the world to try to introduce a legislative framework for blockchain technologies (a draft law has been developed to regulate cryptocurrency turnover). The first-ever agreement on replacing apartments with cryptocurrency was held with the provision of ownership of the blockchain and the transfer of ownership rights using a smart contract for the Ethereum blockchain. The State Agency for Electronic Management presents the updated State Land Cadastre on blockchain technology bases. Government approves the concept of development of e-government of the country until 2020.

In 2018, Ukraine created and adopted a Concept of state policy in the field of virtual assets. Implementation of the Concept is envisaged for the period until 2021 in two stages. At the first stage in 2018-2019, it was provided for:

- determination of the legal status of cryptocurrency;
- recognition of economic entities providing cryptocurrency exchange services for traditional currencies and vice versa;
- monitoring and analysis of problems and trends in the market of virtual assets and virtual currencies in order to develop proposals for improving regulatory policies.

At the second stage in 2020-2021, it is provided:

- recognition of wallet-keeper providers of virtual currencies by primary financial monitoring entities;
- development of special legislation to regulate the use of virtual assets, smart contracts and tokens, ICO/ITO.

Implementation of the Concept will also make it possible to harmonize Ukrainian legislation in the field of virtual currencies with EU legislation.¹ These are only the first, but powerful steps of Ukraine in regulating the turnover of the cryptocurrency market. The cryptocurrency market, both in the world and in Ukraine, is one of the key areas of development of the financial system. Therefore, the issue of control and regulation of such a market, through the control of the activities of participants, is one of the basic issues of ensuring the financial security of the state, is carried out through the introduction and implementation of financial monitoring. Ukraine is not a country that is taking the first risky steps. We often introduce current world practices and embody the recommendations of FATF (Financial Action Task Force). In terms of regulation of the alternative market in the state, crypto markets of the countries of the world are differently perceived and regulated. Some countries prohibit the crypto market, or take total control of the turnover of cryptocurrencies, without giving them market development. Ukraine, like the one building a democratic state, is gradually regulating the crypto market and the "soft assimilation" of the cryptocurrency by the current financial system.

¹ Legalization of cryptocurrency: a concept from the Ministry of Economic Development. URL:https://buh.ligazakon.net/news/181380_legalzatsya-kriptovalyut-kontseptsya-ud-mnekonomrozvitku. (date of access 20.01.2021).

Both private legal and public legal relations are proposed for settlement, in particular, in the context of issues of civil circulation of virtual assets, taxation and transactions with them, prevention of “laundering” of funds, and the like. We propose to delve into the classification of virtual assets, the peculiarities of their existence as objects of civil and financial law, and the peculiarities of their circulation.

To create a system for regulating the crypto market, the legislator should define the concept of virtual assets. This issue in Ukraine is devoted to a number of studies by A. T. Protsenko, D. Alen, S. B. Veprev, B. Bernanko, A. Grinspen, F. Zhuravok, M. Epifanova, P. M. Rubanov, M. Abramovych, I. P. Ustynova, A. Koldovskyi, J. Pots, D. S. Vakhrushev, R. Shults and others.

Scientists have investigated various aspects of this colossal field for regulation. In such a study, first of all, it is necessary to determine the legal status of cryptocurrency¹ to draw clear boundaries between the concepts of “Electronic Money,” “Virtual Money,” “Virtual Assets,” “Crypto Currency”². It is clear that the institution of the crypto market is a global phenomenon, therefore, the issue of regulating and defining these issues should be contained in-world experience and various points of view and interpretations of respected financial institutions.

Zhelyuk T., Brechko O. have considered cryptocurrencies as a stable universal instrument of global financial payments and at the same time as a financial instrument with high capitalization is a competitive form of international capital overflow³. The Soslovskiy V. G. has claimed that this is a means of calculation, which does not have a material form, but exists in the form of program code, using cryptographic methods of protection, the release and accounting of which is more often decentralized and known to the calculation participants; and the payment system that forms the settlement unit and its transactions⁴.

Molchanova E., Solodkovskiy Yu., have noted that the cryptocurrency is a fiduciary digital currency, the exchange rate of which is established on the basis of the free-floating regime as a result of demand and supply in the foreign exchange market with a complete lack of control by the Central Banks⁵.

The official website of the Verkhovna Rada of Ukraine contains the point of view that this is a program code (a set of symbols, numbers, and letters) that are the subject of ownership, which can act as a means of a mine, information about which is entered and stored in the blockchain system as accounting units of the current blockchain system in the form of data (program code)⁶. The decentralized digital measurement of value can

¹ Kovryha M. M. Conceptual approaches to determining the legal status of cryptocurrency. Scientific Bulletin of the International Humanitarian University. Ser.: Jurisprudence. 2019 № 41 V 1. http://www.vestnik-pravo.mgu.od.ua/archive/juspradenc41/part_1/21.pdf)

² P. N. Rubanov, Differentiation of the essence of the concepts of “electronic money”, “virtual money” and “cryptocurrency”. *Efficient economy* № 4, 2015. URL: <http://www.economy.nayka.com.ua/?op=1&z=6026>). (date of access: 21.12.2021) .

³ Zhelyuk T., Brechko A. Using cryptocurrency in the payment market: new opportunities for national economies. Bulletin of Ternopil National Economic University. 2016. №3. P. 50-60.

⁴ Soslovskiy V. G., Kosovskiy I. O. Cryptocurrency market as a system. Financial and credit activity: problems of theory and practice. 2016. P. 236 -246.

⁵ Molchanova E., Solodkovskiy Yu. The global service nature of modern cryptocurrency. International economic policy. 2014. №1 (20). P. 60- 79.

⁶ Draft law on the circulation of cryptocurrency in Ukraine dated 06.10.2017. Official web portal of the Verkhovna Rada of Ukraine. URL: 31 http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=62684.

be expressed digitally and functions as a means of exchanging, storing value, or a unit of accounting based on mathematical calculations, is their result and has cryptographic accounting protection. The authors believe that from the point of view of lawyers, for legal regulation, cryptocurrency should be understood as financial assets¹.

The official site of Bitcoin defines that it is a digital currency that uses cryptography to ensure security and check of transactions in the network legally and economically is valuable. Unlike traditional currencies, the cryptocurrency does not demand from the Central Bank or any other centralized authority of security or maintenance of control over the monetary offer².

International financial institutions and banking structures over the past years have studied the concept of cryptocurrencies and virtual assets. Here are some definitions of cryptocurrency:

The European Central Bank ("ECB") has classified cryptocurrency as a subset of virtual currencies, it has defined such currencies as a form of unregulated digital money that is usually issued and controlled by its developers, and is also used and accepted by members of a certain virtual community.

The International Monetary Fund ("IMF"), like the European Central Bank, has classified cryptocurrency as a subset of virtual currencies, which it defines as digital representations of value issued by private developers and denominated in its own unit of account.

The Committee on Payments and Market Infrastructure ("CPMI"), which is a structural unit of the Bank for International Settlements ("BIS"), has qualified cryptocurrency as digital currencies or digital currency schemes. These schemes have such key features:

1. these are assets which value is determined by demand and supply, similar in concept to goods such as gold, but with zero domestic value;
2. they use distributed networks to allow remote peer-to-peer electronic cost-sharing in the absence of trust between the parties and without the need for intermediaries;
3. they are not managed by a particular person or institution.

The European Banking Authority (EBA) has proposed designating cryptocurrency as virtual currencies, which it defines as digital representations of value that are not issued by a central bank or a government body, and are also not necessarily attached to fiat currency, but are used by private or legal individuals as a means of exchange and can be transferred, stored or traded electronically.

The European Securities and Markets Authority (ESMA) recently also has called cryptocurrency virtual currencies in a pan-European warning issued in cooperation with the European Insurance and Occupational Pension Authority ("EIOPA") and the EBA, fully meeting the EBA definition, virtual currencies are defined as digital representations of value that are not issued or guaranteed by the central bank or government agencies and do not have the legal status of currency or money.

The World Bank has classified cryptocurrency as a subset of digital currencies, which it defines as a digital representation of value, expressed in its own unit of account,

¹ Draft Law on stimulating the market for cryptocurrencies and their derivatives in Ukraine dated 10.10.2017. Official web portal of the Verkhovna Rada of Ukraine. URL:http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=62710.

² Official Bitcoin website. URL:<https://www.bitcoin.com/info/bitcoinglossary>.

unlike electronic money, simply a digital payment mechanism, and represents money denominated in finances. Unlike most other politicians, the World Bank has also defined cryptocurrency as digital currencies that rely on cryptographic techniques to achieve consensus.

The Working Group of The Financial Action Task Force (“FATF”), like many other policymakers, approached cryptocurrency as a subset of virtual currencies, which it defines as digital representations of value that can be digitally exchanged and functioned as a means of exchange; and/or unit of account; and/or store of value, but does not have the status of legal tender (i.e., when provided to the creditor, is a valid and legal offer of payment) in any jurisdiction. This also suggests that virtual currencies can be divided into two main types: i.e. convertible virtual currencies that have an equivalent value in real currency and can exchange mutually real currency. ii. non-convertible virtual currencies are specific to a specific virtual domain or world. Cryptocurrency, such as bitcoin, are virtual currencies of the first type, which, according to FATF, can be defined as mathematical, decentralized convertible virtual currencies that are protected by a cryptographer.

Today, there are about a thousand types of cryptocurrency (their number is constantly changing), among which the most common are such as Bitcoin, BitcoinCash, Ethereum, Litecoin, and others. The growth of their popularity in the world occurs against the background of the absence of a single concept of “cryptocurrency”, it ranges from identification with the concepts of “goods,” “means of payment,” “unit of account” to the concepts of “intangible digital asset,” “investment asset,” “financial asset,” “separate type of securities,” etc.

They are also called the “virtual currency” and the “digital currency.” However, these terms cannot be considered absolute synonyms of cryptocurrency, since they are wider in terms. The “cryptocurrency” is one of the types of “decentralized virtual currencies”¹. The erroneous application of the legal regime of the currency to cryptocurrency solely because of the generally accepted term gives rise to a number of legal conflicts.

Thus, as we see, there is no universally recognized definition of the term of a cryptocurrency, and one that can be applied in the field of regulation. The World Bank and FATF position to the cryptocurrency is accepted by the world community. Cryptocurrency is “a figure representing the value that is intended to form a peer-to-peer network (“P2P”) as an alternative to a state legally issued means of payment; used as a means of exchange (independent of any central bank); provided by a mechanism known as cryptography: can be converted into a legal means of payment and vice versa”².

In June 2019, FATF updated the guidelines and defined Virtual Assets (VA) as a digital representation of value that can be digitally traded, or transferred, and can be used for payment or investment purposes. VA makes those that are not included in the digital expressions of fiat currencies, securities, and other financial assets.

¹ Explanatory Note to the Draft Law of Ukraine “On Amendments to the Tax Code of Ukraine regarding the taxation of transactions with virtual assets in Ukraine”. URL: <https://ips.ligazakon.net/document/GH70B1AA?an=3> (date of access 20.01.2021).

² Official FATF website. URL: <http://www.fatf-gafi.org/media/fatf/documents/reports/Virtual-currency-key-definitions-and-potentialaml-cft-risks.pdf>. (date of access 12.01.2021)

Thus, despite the existence in the world numerous practices of use of cryptocurrency as a measure of value, a means of exchanging and accumulation, its complex legal nature does not allow to identify it with any of adjacent concepts (money, currency, currency value, lawful means of payment, electronic money, securities, a monetary substitute, etc.).

Thus, according to the Ukrainian legislator's definition of the concepts of cryptocurrency, in accordance with the Law of Ukraine "On Prevention and Counteraction of Legalization (Laundering) of Proceeds from Crime, Financing of Terrorism and Financing of Proliferation of Weapons of Mass Destruction" (No. 361 IX), it defines that a virtual asset is a digital expression of the value that can be traded in digital format or translated, and which can be used for payment or investment purposes.

However, such an answer cannot be considered either complete or sufficient, since the above-mentioned law considers them only from one angle and for a certain purpose, is formulated in its preamble and in the title as a whole. It is a phenomenon that requires close attention from the legislator since their existence affects the fundamental foundations of civil law.

If we take into account the definition we have already mentioned, then in order for an object to be considered as a virtual asset, it must meet three criteria: the presence of value (value), the ability to access in digital format (transferability), and the ability to exchange it for other objects of civil law (payment or investment purpose).

FATF notes that virtual assets differ from the fiat currency (which is also the "real currency") "real money" or "national currency," which is the money of a country indicated as a legal tender. Existing terms such as cryptocurrency, digital assets, and virtual currency have been consolidated in the definition of virtual assets and relevant service providers such as exchanges, certain types of purse providers, and financial service providers for Initial Coin Offerings (ICO). FATF uses the term "virtual asset" to refer to digital images of value that can be traded or digitally transmitted and can be used for payment or investment purposes, including digital representations of value that function as a means of exchange, and unit of account and/or stock of value.

The world legislator in recent years, while observing the development of the crypto market, has developed a layer of legislation. Ukraine was also not aloof. Taking into account the current legislation of Ukraine (Civil Code of Ukraine, Law of Ukraine "On the National Bank of Ukraine," Law of Ukraine "On payment systems and transfer of funds in Ukraine," Law of Ukraine "On Information" and others), the concept of "cryptocurrency" and regulation of transactions with it do not fall under the regulatory regime.

Ukrainian legislation before the adoption of the Law "On Virtual Assets" settled the issue:

1. Circulation of funds. Since cryptocurrency does not exist in the form of banknotes, coins, entries in bank's accounts, it cannot be recognized as money (money, funds, money signs);
2. Currency legislation. Since cryptocurrency does not have a link to the monetary unit of one of the states, it cannot be recognized as a currency or legal tender of a foreign state and is not a currency value in the interpretation of currency legislation
3. Circulation of electronic money and use of payment means. Since cryptocurrency is not issued by the bank and is not a monetary obligation of a certain person, it cannot be recognized as electronic money;

4. Civil legal relationship to regulate activities with securities. Cryptocurrency has no signs of the document and the issuer, namely: the unspecified form of the document with the corresponding details, certifying monetary or other property rights, does not have a definition of the relationship of the issuer of the security (the person who issued the security) and the person entitled to the security and does not provide for the fulfillment of obligations under such security, as well as the possibility of transferring rights to the security and rights in the security to other persons. So, cryptocurrency cannot be a security;

5. Cryptocurrency is not recognized as a monetary surrogate. The NBU came to the conclusion that cryptocurrency has no signs of a document in the form of banknotes, there is no issuer, and there is no purpose for the production.

In December 2020, the Ukrainian Parliament in the first reading adopted the law "On virtual assets".¹ Incidentally, the author notes that the Ukrainian legislator adhered to the recommendations of 2019 FATF, which recognized virtual property service providers (VASP) as any natural or legal person that conducts one or more of the following events or operations on their own behalf of or on behalf of another physical or legal person and performs the following activities: the exchange between virtual assets and fiat items currencies; the exchange between one or more forms of virtual assets; transfer of virtual assets; storage and/or administration of virtual assets or tools.

The Ukrainian legislator proposes that a virtual asset is a collection of data in electronic form, has a value and exists in the system of circulation of virtual assets. A virtual asset can be both an independent object of civil turnover and can certify property or non-property rights, in particular, rights of claim to other objects of civil rights.

This document defines a large number of concepts that determine the crypto market and currency turnover on it. Such concepts are: virtual asset security wallet; virtual asset; virtual asset key unsecured virtual asset; services related to the turnover of virtual assets; service provider activities (storage or administration of virtual assets and virtual asset keys, exchange of virtual assets; transfer of virtual assets, participation, and provision of financial services related to the issuer's offer and/or sale of virtual assets); virtual asset market; virtual asset circulation system; virtual asset market participants.

Financial service providers have the responsibility and authority to control virtual assets. An important place is given to their participation in the provision of financial services related to the services of the issuer, which is designed to help national authorities understand and develop regulatory and supervisory measures for the activities of VA and VASP. Individual powers to assist private sector entities that seek to participate in VA activities to understand their obligations to implement policies to prevent money-laundering and the financing of terrorism and to ensure ways to effectively comply with legislative requirements.

It is important to note that the Ukrainian legislator has determined that virtual assets are an intangible good, the peculiarities of the appeal of which are determined by the Civil Code of Ukraine and this Law. Virtual assets may be unsecured or secured. Unsecured virtual assets do not certify any property or non-property rights, in particular the right to claim other objects of civil rights. Virtual assets certifying property or non-

¹ Draft Law "On Virtual Assets". URL: https://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=69110 (date of access 12.01.2021)

property rights, in particular, rights to claim other objects of civil rights are secured. By securing a virtual asset is meant a certificate of property or non-property rights, in particular the right to claim other objects of civil rights. Securing virtual assets is not enforceable.

Important in regulating crypto circulation and protection of the rights of participants in the crypto market is the object of providing a virtual asset with another object of civil rights, the rights to which are certified by such a virtual asset. The collateral object of a virtual asset is determined by the transaction according to which such a virtual asset is created. Property or non-property rights, in particular the right to claim a virtual asset security object, are transferred to the purchaser of such a virtual asset. A virtual asset that is secured by the rights of owners of mutual, debt, mortgage, derivative securities, derivative financial instruments, money market instruments is a financial virtual asset. Virtual assets are not a means of payment in Ukraine.

In addition to these issues, it should be noted that the adopted bill allows removing risks for the Ukrainian crypto business, and cryptocurrency owners, not only declare income in virtual assets but also protect personal capital and investments from possible abuse or fraud, which is important for preventing illegal actions by law enforcement agencies. Financial monitoring, which is an essential component of the financial system, will now make it possible not only to block suspicious transactions, but also to cancel malicious cryptocurrency transactions after the fact if it is established that a virtual asset has been stolen, or the asset has been noticed in financial flows related to the human transaction, money laundering or terrorist financing. This is world practice and Ukraine has integrated into this process. Separately, we should say about the legalization of Miner's activities with the effect of the new law, which will ensure their safety against the seizure of equipment by law enforcement agencies. Transparency and settlement of the crypto market will attract investors to this market, which means it will expand the range of financial services by banks and other institutions. Such legalization will positively affect the taxation of activities.

The legislator, represented by the Ministry of Digital Policy, develops relevant rules on taxation. It is proposed to exempt from VAT and preferential taxation on income tax those legal individuals who received such from activities on crypto assets. Issues of tax declaration of income will be resolved in the next draft law on amendments to the Tax Code of Ukraine, the development and adoption of which is also possible only if the basic law of Ukraine "On Virtual Assets" is adopted. Such steps will activate the crypto market. The State Tax Service of Ukraine, on the basis of the general provisions of the Tax Code, can prove an understatement of the tax obligation, as well as with shares, art, clothing, jewelry, etc. There is no need to add special tools to the draft law. Thus, it is not necessary to add special norms to the draft law, because the relevant provisions already exist and function in the legal field of Ukraine. Without such norms, crypto activities will live in the "grey" zone, which will result in Ukraine being blacklisted by FATF countries.

The next positive point is that the legislator legalizes the ICO, without knowing the provision on the protection of investor's rights. Transactions with financial virtual assets fall under the regulation of the legislation of Ukraine on financial services, which are explicitly indicated in the draft law. Thus, service providers related to the turnover of financial virtual assets will be subject to the regulation of the National Securities

and Stock Market Commission (if virtual assets provide the rights of owners of financial instruments) and the National Bank (if such assets are secured by money). Therefore, the circulation of financial virtual assets is also regulated by regulators in the financial services market. Thus, they are subject to the same provisions of the legislation on the protection of investors as in the financial services market.

Technologically, it is possible to issue tokens of any number. Legislatively, this process is not limited. Therefore, citizens of Ukraine actively cooperate and marketing their crypto assets, not in Ukrainian crypto exchanges. The legalization of such activities allows returning providers of these services from foreign crypto exchanges and activates our market. The Ministry of Digital Affairs will have to conduct a procedure for registering our providers of relevant services with the passage of a verification procedure, which will become a guarantor for investors against fraud, followed by a judicial procedure for protecting the rights of the investor.

Thus, Ukraine is pursuing a wide policy of legalizing the crypto market in the country, trying to protect participants in this market. The legislative field is partially prepared for that, but it is still necessary to do a lot of legislative work to “introduce” Ukrainian legislation into the global regulatory body in terms of crypto regulation, protect the rights of participants in this market, activate it, and in the future provide certain stability to the current financial system.

§ 3.3. ADMINISTRATIVE JUSTICE AS AN EFFECTIVE TOOL FOR PROTECTING HUMAN RIGHTS IN UKRAINE

The formation of Ukraine as a legal, democratic State and its entry into the European Community provide for the existence of an effective mechanism for the protection of human rights and freedoms, one of the elements of which is the current and responsible system of reliable judicial protection of physical and legal persons against violations of their rights and legitimate interests, especially by subjects of power in the field of public legal relations.

The European legal space to which our State is aspiring obliges not only the establishment of world standards for the democratic development of society, the proclamation of human rights and freedoms, but also the creation of a system for their reliable implementation, security and protection.

Definitely, in recent years, changes in public consciousness have a significant impact on the requirements of citizens for the activities of the state and, above all, in accordance to the Constitution of Ukraine, in the approval and guarantee of their rights and freedoms. In particular, the Article 3 of the Constitution of Ukraine establishes that a person, his life and health, honour and dignity, inviolability, and security are recognized in Ukraine as the highest social value. Human rights and freedoms and their guarantees determine the content and direction of the State’s activities.

In the Article 1 of the Universal Declaration of Human Rights is stated that “all human beings are born free and equal in dignity and rights.” However, at the