The article is devoted to the prospects of development of hostels in Ukraine. Relevance of the study is due to the popularity of independent travel, which increases every year as in the world, as general in Ukraine. The conventional believed that hostel customer normally be defined as a person who is traveling alone without buying finished tourism product. An important measure aimed at the development of domestic and inbound tourism is creating a network of accommodation that would provide low cost accommodation opportunity for young people, students and foreign tourists during the trips to historical and recreational centers of Ukraine. According to the World practice and offer objective need to use progressive experience of foreign countries in the functioning of popular and relatively inexpensive facilities for travelers – hostel. Normative and legal provisions regulating the activities of enterprises of this type in Ukraine are analyzed. The geography of accommodation of hostels according to the cities of Ukraine is given. The problem of statistical reporting regarding the number of hostels in the country is identified, due to the law activity of the private sector in this area. The main organizations regulating the activities of this type of business in the world – International Youth Hostel Federation in Ukraine – are the All-Ukrainian Youth Hostel Association. The hostel-standards are standardized to classify hostels by category: Standard (Standard), Superior, Luxury (Luxury). Suggested criteria for categorization of hostels. The expediency of development of youth and children’s tourism with the support of local authorities, the youth business environment and the public is substantiated.