

SCI-CONF.COM.UA

**SCIENCE AND EDUCATION:
PROBLEMS, PROSPECTS
AND INNOVATIONS**



**ABSTRACTS OF III INTERNATIONAL
SCIENTIFIC AND PRACTICAL CONFERENCE
DECEMBER 2-4, 2020**

**KYOTO
2020**

SCIENCE AND EDUCATION: PROBLEMS, PROSPECTS AND INNOVATIONS

Abstracts of III International Scientific and Practical Conference

Kyoto, Japan

2-4 December 2020

Kyoto, Japan

2020

UDC 001.1

The 3rd International scientific and practical conference “Science and education: problems, prospects and innovations” (December 2-4, 2020) CPN Publishing Group, Kyoto, Japan. 2020. 867 p.

ISBN 978-4-9783419-5-2

The recommended citation for this publication is:

Ivanov I. Analysis of the phaunistic composition of Ukraine // Science and education: problems, prospects and innovations. Abstracts of the 3rd International scientific and practical conference. CPN Publishing Group. Kyoto, Japan. 2020. Pp. 21-27. URL: <https://sci-conf.com.ua/iii-mezhdunarodnaya-nauchno-prakticheskaya-konferentsiya-science-and-education-problems-prospects-and-innovations-2-4-dekabrya-2020-goda-kioto-yaponiya-arhiv/>.

Editor

Komarytskyy M.L.

Ph.D. in Economics, Associate Professor

Collection of scientific articles published is the scientific and practical publication, which contains scientific articles of students, graduate students, Candidates and Doctors of Sciences, research workers and practitioners from Europe, Ukraine, Russia and from neighbouring countries and beyond. The articles contain the study, reflecting the processes and changes in the structure of modern science. The collection of scientific articles is for students, postgraduate students, doctoral candidates, teachers, researchers, practitioners and people interested in the trends of modern science development.

e-mail: kyoto@sci-conf.com.ua

homepage: <https://sci-conf.com.ua>

©2020 Scientific Publishing Center “Sci-conf.com.ua” ®

©2020 CPN Publishing Group ®

©2020 Authors of the articles

INVESTMENT ATTRACTIVENESS OF UKRAINE'S ECONOMY

Matsola Solomiia

Ph.D. in Economics

Associate professor

Khoptiy Nadiia

Student

Vasyl Stefanyk Precarpathian

National University

Ivano-Frankivsk, Ukraine

Abstract: The article covers issues related to the state of investment attractiveness of Ukraine, its investment climate, competitive advantages and disadvantages that affect the investment attractiveness of the state, steps for sustainable development of the investment climate in Ukraine.

Key words: investment climate, investment attractiveness, investments, investment attractiveness index, foreign investors.

The investment climate greatly influences the socio-economic development of Ukraine. After all, the wealth of the state, the development of its business and the economy of the country as a whole depend on the creation of favourable investment conditions.

Ukraine faces the problem of creating a stable investment climate, namely increasing the functions of the state in ensuring the inflow of investment into the Ukrainian economy. The main task facing Ukraine now is to increase the investment attractiveness of the state.

One of the features of Ukraine's economic development is the heterogeneity of its investment climate. Investment attractiveness is one of the most important factors in increasing the country's competitiveness, creating high economic growth [1].

Currently, attracting investment promotes economic development, introduces new technologies, renews worn-out fixed assets, creates new jobs and other important components contribute to the development of the country, its regions and industries.

Trust in the world market, competitiveness of domestic producers, the desire for openness, and participation in international financial exchange - all this contributes to attracting foreign investment.

The main disadvantage of the unfavorable investment climate in Ukraine is the high level of corruption.

The main reasons that hinder investment development in Ukraine include:

- Lack of a single strategy to encourage investment;
- High duty rates, misunderstandings in determining the customs value of goods and other customs barriers;
- Legislative, political and economic instability of Ukraine;
- Lack of guarantees of protection for foreign investors from unscrupulous partners, confidence in further cooperation during economic changes in legislation or during the crisis;
- The level of infrastructure development is low;
- The productivity of the economy is low;
- Legislation in the field of investment is imperfect, which causes a number of problems for investors;
- The presence of corruption, raids on enterprises and bureaucracy in state bodies of Ukraine.

Ukraine also has a number of competitive advantages, which include:

- Large area. The area of the state is 603,628 km² – the largest country in Europe.
- Favorable geopolitical location. Ukraine has access to the Black and Azov Seas; is located at the crossroads of Europe - Asia, North - South and has a direct border with the European Union, has sufficiently stable production relations with enterprises of the CIS and Baltic countries.

- High level of natural resources. Ukraine is known for a large number of minerals in its bowels (iron ore, manganese ores, clay raw materials, coal, potassium salts, sulphur, mercury, titanium, uranium, granite, marble, etc.);

- great prospects for agricultural activity High soil fertility, according to this indicator Ukraine is one of the first places in the world; create preconditions for agribusiness 60% of chernozems around the world;

- In comparison with highly developed countries, in Ukraine wages are much lower;

- the presence of great scientific and technical potential, a high level of research work in the field of science and technology The country has about 2 thousand scientists per 1 million inhabitants, which gives it the 22nd position in the ranking of 88 countries;

- A large consumer market (43 million consumers), which is growing rapidly. In recent years, Ukraine has seen an active growth in retail trade. This is facilitated by the general growth of the economy, the rapid spread of the mechanism of selling goods on credit;

- Well-developed infrastructure - power lines, railways, pipelines, transit terminals, seaports;

- The lowest personal income tax in Europe;

- The climate of Ukraine is favorable for any business (no natural disasters, tsunamis, tornadoes, droughts, dangerous insects) [2].

Ukraine's investment attractiveness remains low, as the investment climate in Ukraine is quite risky (Fig. 1). Interaction with government agencies, transparency of doing business, as well as political instability - all this is of concern to investors. Ukraine offers investors natural resources, a new market, rapid growth, qualified personnel at a reasonable price, a developed telecommunications infrastructure. "The index of investment attractiveness in the first half of 2020 was 2.51 points out of 5 possible, against 2.95 in 2019. This was reported by the European Business Association (EBA) [3].

As shown in Figure 1, Ukraine's investment attractiveness in 2015 was 0.06 higher than in the first half of 2020. This is evidenced by the results of a study of the attractiveness of Ukraine's business climate, conducted by the European Business Association and InMind.



Fig.1. Index of investment attractiveness of Ukraine 2015-2020 [3]

The Ukrainian investment environment is both attractive and repulsive. Although Ukraine has a favorable geographical position, an efficient workforce with a high level of education and rich natural resources, which makes it an attractive investment environment, it has not yet reached its expected potential due to the fact that it has failed to remove administrative barriers to doing business, minimize state intervention in markets, become attractive to foreign and domestic investors and meet the planned privatization targets [4].

Four steps have been developed for the stable development of the investment climate in Ukraine:

- cooperation in the field of innovation through the development of R&D projects between Ukrainian and foreign companies, strengthening partnerships between higher education institutions and enterprises in the manufacturing sector;
- Reduction of administrative barriers by reducing the level of bureaucracy and increasing the effectiveness of legislation and transparency of the business regulation system;

- Improving business education by conducting innovative programs in conjunction with foreign universities, as well as increasing the list of specialties in which the faculties of business are conducted;

- increasing the investment attractiveness of the regions by ensuring a more balanced development of the western and eastern parts of the country, the implementation of state programs for regional development and the development of programs that take into account the region, to more actively attract investors [5].

Thus, despite significant changes in Ukraine towards European practice, there is still a long and difficult way to improve the investment climate.

The main needs of the investment environment include:

- reduction of currency risks;
- changes to anti-corruption legislation;
- reduction of interest rates on lending;
- protection of the rights and interests of the investor;
- transparent privatization;
- simplification of business opening and closing processes;
- improvement of property protection mechanisms, etc.

Experience and practice work best to improve credibility. In our opinion, the priority and effective direction of investment climate development is the gradual successful implementation of large-scale investment projects. Also, attracting influential foreign investors to the Ukrainian market and high-quality support of such projects will help improve Ukraine's image on the world market and attract long-term investments.

Many mutual efforts are needed to further increase the investment attractiveness of the country and business.

Ukraine is set to be one of the leading countries in Europe in terms of foreign investment. This is facilitated by its industrial and agricultural potential, large domestic market, as well as Ukraine's advantageous geopolitical location at the crossroads of trade routes in Asia and Europe.

At present, Ukraine has a legal framework in the field of investment regulation, which is gradually improving in order to achieve a greater inflow of investment and increase efficiency in their use.

LIST OF REFERENCES:

1. Nosova O.V. Investment climate in Ukraine: main directions of improvement / O.V. Nosova // Strategic priorities. - 2011. - № 1. - P. 59-65.

2. Advantages of investing in Ukraine [Electronic resource] / Portal of City Hall of Ukraine. - Access mode: http://www.meriaonline.com.ua/pi-avantaje_investitori.php

3. Investments of foreign economic activity of Ukraine [Electronic resource] / State Statistics Service. - Access mode: http://ukrstat.org/uk/druk/publicat/kat_u/publ6_u.htm.

4. Investment climate in Ukraine [Electronic resource] / Ministry of Economic Development and Trade of Ukraine. -Http: [//www.me.gov.ua/file/link/226937/file/Invest_klimat_19_12_2013.doc](http://www.me.gov.ua/file/link/226937/file/Invest_klimat_19_12_2013.doc).

5. Law of Ukraine "On stimulating investment activity in priority sectors of the economy in order to create new jobs" from 06.09.2012 № 5205 [Electronic resource]. - Access mode: <http://zakon3.rada.gov.ua>

6. The concept of the state target economic program of investment activity development for 2011-2015 [Electronic resource] - Access mode: <http://zakon2.rada.gov.ua/>