

development of a market economy, which is based primarily on private business, personal initiative, which gives everyone the opportunity of self-realization and self-affirmation.

#### **References:**

1. Vygovska V.V. Small business of Ukraine: current state and development tendencies // Actual problems of economy.– 2009.– №1. - P. 59–63.
2. Dryha S.G. Small entrepreneurship of Ukraine: formation, management and support mechanisms: Monograph. - K., 2009. - 459 p.
3. Basic indicators of small enterprises development // State Statistics Service of Ukraine // [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua).
4. The status and prospects of entrepreneurship development in Ukraine: National report / Z.S.Varnaliy, V.M. Geyets, O.M Kuzhel, E.V Libanova and etc. - K.: State Enterprise, 2008. - 226 p.

**Popovych Olesia Petrivna,**  
Assistant Professor of Management and  
the Management of Economic Processes,  
Mukachevo State University  
**Rusyn Olesia Ivanivna,**  
Lecturer of Mukachevo Cooperative  
Trade and Economic College

### **SUSTAINABLE ENTREPRENEURSHIP IS THE KEY TO INVESTMENT ATTRACTIVENESS OF UKRAINE**

Today, one of the global indicators of a country's sustainable development and its potential is the level of openness of the economy and its attractiveness for investment. In terms of economic growth and the strengthening of integration processes, the issue of attracting foreign investments into the economy of the country is very important. The investment climate is a set of social, economic, organizational, legal, political, socio-cultural preconditions, which determines the attractiveness and feasibility of investing in a particular industry of the country [1].

There are a number of factors that affect the country's investment attractiveness. They include both objective and subjective factors. Objective factors are those that are stable or change over a long period of time (for example, geographic position, natural and climatic conditions, demographic situation). Companies are only adapting to the influence of such factors. Subjective factors are those that are variables that can be influenced by businesses. These factors include macroeconomic indicators (GDP, inflation rate, interest rate), tax system (tax rate, policy), market status (enterprise competitiveness, infrastructure, export volumes, markets) [2].

The largest direct investment contributions went to institutions and organizations specializing in financial and insurance activities - 25.8% and industrial enterprises - 27.3%. The main investor countries were Cyprus –25.7%, the Netherlands - 16.5%, the Russian Federation - 11.1%, the United Kingdom - 5.5%, Germany - 4.6%, the Virgin Islands (UK) -4, 2%, and Switzerland - 3,9% [3].

The leading areas of economic activity, in terms of investment attractiveness, remain: industry - 33.6%, construction - 13.0%, agriculture, forestry and fisheries - 15.8%, information and telecommunications - 4.3%, repair of motor vehicles and motorcycles - 7.5%, transport, warehousing, postal and courier activities - 7.7%, compulsory social insurance - 5.1% [3].

Today, Ukraine remains an attractive investment country. At the same time, it is trying to take an active part in the world processes and integrate into the world economy. In the ranking of Doing Business 2018 Ukraine rose by 4 points and took 76 position out of 190 countries. However, in the ranking of investment attractiveness of the countries of International Business Compass for 2016, Ukraine lost its position by 41 points compared to the previous period and took 130 position (in 2015 it took 89 position). These results are due to the political crisis and events in the Eastern part of the country.

In addition, in the Global Competitiveness Index (GIC) 2017/2018, Ukraine improved its position by 4 points and ranked 81st among 137 countries surveyed (in GIC 2016/2017 - 85th out of 138 countries). There are a number of factors that deter a strategic investor. These include corruption and the lack of transparency in government decision-making; low level of investor protection; military action in the east of Ukraine, because there is a large capital outflow through the occupied territories. The degree of security of investment in Ukraine during armed conflict and military occupation also casts doubt on investors' deposits.

Therefore, in order to improve the investment attractiveness of Ukrainian enterprises, a stable state foreign investment policy should be formulated, which will be appropriate in the long term. A necessary element is also the development and implementation of a sound national strategy for attracting foreign investment, taking into account the main purpose and priority of development. The proper and rational distribution of foreign investment can ensure sustainable economic development and secure a competitive position on the world stage. The traditional and quite effective actions are the reduction of the tax burden, the fight against corruption, the fight against inflation, the reduction of the unemployment rate, the improvement of the legislation.

#### **References:**

1. Tretiak N. Factors of formation of investment climate in Ukraine / N. Tretiak // Financial space. – 2013. – No. 3. – P. 165-170.

2. Shvets V. Ya., Analysis of investment climate in Ukraine's economy and ways of its improvement / by V. Ya. Shvets // Economic Nobel Bulletin. – 2014.– No. 1. – P. 502-508.

3. Official website of the Ministry of Economic Development and Trade of Ukraine [Electronic resource]. — Mode of access: <http://www.me.gov.ua/>.



# МУКАЧІВСЬКИЙ ДЕРЖАВНИЙ УНІВЕРСИТЕТ

89600, м. Мукачево, вул. Ужгородська, 26

тел./факс +380-3131-21109

Веб-сайт університету: [www.msu.edu.ua](http://www.msu.edu.ua)

E-mail: [info@msu.edu.ua](mailto:info@msu.edu.ua), [pr@mail.msu.edu.ua](mailto:pr@mail.msu.edu.ua)

Веб-сайт Інституційного репозитарію Наукової бібліотеки МДУ: <http://dspace.msu.edu.ua:8080>

Веб-сайт Наукової бібліотеки МДУ: <http://msu.edu.ua/library/>