

ACTUAL PROBLEMS OF CO-INVESTMENT MARKET

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Attracting foreign investment to our country is especially pertinent today because it is impossible to strengthen Ukraine's economy without increasing investment, including foreign investment, without finding reliable and stable sources of capital and, ultimately, without establishing a favorable investment climate.

Certain reform-based transformations and positive practical improvements can be seen in Ukraine's economy currently. These positive results include the growth of GDP

in recent years, rising average wages and pensions, a well-provided consumer market, diversified exports, a relatively stable national currency, and steadily growing annual investment.

Indeed, effective investment activity by any and all business entities will foster the growth of the country's economy because, no matter what, it generates material resources for the society and makes it possible for the overall well-being of the population to improve [1].

Today, the quality of investment policy affects many things: industrial output, the condition and technical level of fixed assets at Ukrainian enterprises, the options for restructuring the economy, and the solutions to social and environmental problems. Investment is the basis for developing individual businesses, specific sectors and the economy as a whole. The modern economic environment demands an active policy for attracting foreign direct investment. In Ukraine, investment activity is regulated by legislation that is in the process of being updated and improved, in order to draw greater inflows of FDI and to improve their effectiveness.

Ukraine could potentially become one of the leading countries in terms of direct and portfolio foreign investment. This is supported by Ukraine's large domestic market, comparatively skilled yet inexpensive labor, major scientific and technological potential, abundant natural resources, and its available, if underdeveloped, infrastructure. Yet, private domestic and foreign capital investment is hampered by political instability, inflation, ambiguous legislation, under-developed industrial and social infrastructure, and inadequate information flows. The interconnectedness of these problems reinforces their negative impact on the country's investment appeal.

The country's economic policy must aim at establishing a favorable environment for the development of business, eliminating red tape and corruption, and reducing the shadow economy. This would, in turn, establish the conditions for:

- implementing a unified business regulation policy to achieve the optimal level of state regulation of commercial activity, defining the legal principles for state support for small enterprises, and regulating licensing procedures;
- revising legislation regulating business activity in specific sectors of the economy with the aim of increasing the effectiveness and competitiveness of businesses;
- improving and simplifying the system for registering a business;
- improving the procedure for launching investment projects;
- expanding international cooperation in competition policy to prevent restrictions due to actions taken outside of the country's territory [2].

There are some important factors for improving Ukraine's investment:

- 1) Forming a legal base
 - further tax reforms;
 - a legal base to facilitate a working stock market;
 - the protection of individual contributions to life and health insurance programs, and to non-state pensions;
- 2) Reforming the tax system
- 3) Attracting investment to science, technology and innovation.

We expect the implementation of these program elements to help establish a normal investment climate in Ukraine and improve the country's appeal to foreign investors.

The introduction of joint investment vehicles should provide suitable conditions for investing. By improving the system of corporate governance, a transparent system for protecting the rights of all investors will develop.

Investment resources should grow with the effective use of public investment and increased long-term lending volumes for the real economy, at the same time as the possibilities of foreign investment are used in more traditional ways.

The institution of concessions should help attract investors to upgrading infrastructure, while investment in science, technology and innovations should generate new jobs.

Government support for high technologies and the development of an innovation infrastructure in the country should help attract investment into innovations and bring the Treasury revenues from the use of this know-how [2].

By implementing the strategy for a long-term economic development, Ukrainian authority should analyze the State Budget and local budgets investments on the industrial and social projects growth, while the specific volumes are determined at the appropriate level of government.

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