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DEPARTMENT OF INDUSTRY ECONOMICS

**THE PLACE OF ECONOMIC ENTITIES IN ENSURING THE SAFE  
DEVELOPMENT OF RURAL-URBAN AGGLOMERATIONS**

Materials of the scientific colloquium

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The collection contains abstracts of reports of participants of the scientific colloquium. They  
substantiate the essence of the rural-urban agglomeration as a socio-spatial entity, consider various  
aspects of the functioning of economic entities as guarantors of the safe development of these new  
entities.

The publication is addressed to scientists, teachers, specialists employed in the agri-food  
industry and in the field of public administration.

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### **Pavlov Oleksandr**

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### **RURAL-URBAN AGGLOMERATION AS A SOCIO-SPATIAL PHENOMENON**

In the scientific literature and in social practice, the use of the term «agglomeration» (from the Latin «agglomeratio» – joining, accumulating) is traditionally associated with the development of urbanization, resulting in the formation of large socio-spatial formations, which include the central settlement (large town) and located at a short distance from it are much smaller cities, between which there are certain functional connections.

Since 2015, agglomerations have begun to appear in Ukraine, destroying certain stereotypes that have formed in the public consciousness about the nature of such socio-spatial formations.

Such changes in perceptions of the essence of the agglomeration are a consequence of decentralization of public power and administration, the institutional foundations of which were laid by the Order Cabinet of Ministers of Ukraine «On Approval of the Concept of Reforming Local Self-Government and Territorial Organization of Power in Ukraine» (April 2014), of Ukrainian law «About voluntary association of communities» (February 2015), the Resolution of the Verkhovna Rada of Ukraine «On the formation and liquidation of districts» (July 2020) and other regulations.

The implementation of the decisions contained in these documents has led to the enlargements of communities and administrative districts, the unification of cities, towns and villages within their spatial boundaries. Thus, on a formal basis, most of the united territorial communities (UTCs) created in Ukraine and new districts, regardless of their population, have become «mixed» rural-urban agglomerations, in which cities play a leading role. However, provided that there are financially and economically viable villages within these socio-spatial formations, these settlements are also able to play the role of centers of economic growth and social welfare.

Apparently, the purpose of such transformations was to decentralize power by transferring financial, economic and other resources from central executive bodies to communities. At the beginning of the reform, as a result of voluntary unification of territorial communities, UTCs appeared, the administrative centers of which became not only large villages, but also small and medium-sized towns with a population not exceeding 50.000 people. Over time, UTCs began to form around cities of regional significance, six of which have the status of administrative centers of the regions. In 2020, with the formation of new districts, the centers of some of them became all regional centers. As a result, the use of administrative measures in Ukraine, some UTCs have emerged, the population of which far exceeds the population of many new districts. This trend is also observed in the ratio of large population centers, the centers of which are large cities, and some regions, which are inferior to these areas in terms of population.

Thus, despite the fact that at the legislative level no special documents have been adopted on the formation of rural agglomerations in Ukraine, in fact they exist. In this regard, the question of defining the essence of this socio-spatial phenomenon acquires scientific relevance and practical significance.

The total number of rural-urban agglomerations is 1574 units, of which 1439 are represented by UTC and 136 – by districts with a «mixed» population. However, if we

take into account the existing practice of forming urban agglomerations, in the context of which their population was over 500 thousand people, then to such can be attributed only 18 rural-urban agglomerations, represented by districts whose administrative centers, except Kriviy Rig, Mariupol and Kramatorsk, are regional centers.

In addition, these agglomerations differ from urban ones in their functionality, given the agricultural and industrial activities that are traditionally inherent in rural and urban settlements.

The combination of these activities within a single space indicates a violation of the principle of division of labor, which distinguishes between rural and urban territorial subsystems of society. That is, the emergence of rural agglomerations to some extent occurred contrary to the historical evolution of the settlement system, associated with the action of certain trends in social development. Therefore, despite the consolidation of the process of creating rural-urban agglomerations in the regulations of Ukraine, this phenomenon is artificial.

The decisions of the Ukrainian authorities that contributed to the emergence of this phenomenon, at first glance, seem illogical against the background of inconsistencies and even confrontation of interests of urban and rural areas at the present stage of globalization, due to their belonging to different technological systems of production and historical perception of the city as an exploiter of the village, fixed in the planetary space in the form of two poles – «world city» (developed North) and «world village» (backward South).

However, the native village is still not a conditional «world village». Therefore, the time has come when the demarcation of cities and rural settlements, which eventually led to significant socio-economic and cultural differences between them, was replaced by their spatial integration, which allows to combine the resources of these settlements to meet the growing needs of urban and the rural population and the solution

of existing problems that hinder the achievement of a higher standard of living by these communities.

With the formation of rural agglomerations, rural development loses its traditional object (rural space), while expanding its boundaries at the expense of urban space, thus creating a precedent for integrated rural-urban development. Today, it is difficult to predict which trend of the combined development will be dominant – rural or urban. This will lay down from several factors, including from the composition of the population of UTC and districts, the determinants of their economic development – agricultural and industrial.

The practical aspect of the idea of such synthesis highlights a number of problems associated with the formation of rural-urban relations, which are as follows:

- dependence of infrastructure availability on the resettlement structure (for suburban rural areas the territory acquires «centrality», and for remote – isolation);

- diversification of the economy of rural areas and cities in a broad sense, its isolation by the location of industrial facilities in the countryside, the development of tourism and recreation, proximity to markets, the use of new information and communication technologies);

- territorial impact on agricultural structural changes in more urban spaces, which serve as a «buffer», which integrates agriculture, nature and leisure;

- the dual role of natural heritage (nature conservation as centers of biodiversity and its use as an instrument of employment);

- use of culture in economic development strategies (increasing interest in the assessment of cultural heritage in rural areas as a common property of the region and the country);

- expansion of cooperation between rural and urban authorities (expression of interest in the joint use of the economic base, infrastructure, natural resources of the territories located at the rural-urban junction).

The spatial boundaries of rural-urban agglomerations significantly expand the economic powers of economic entities, which raises the question of the nature of relations in the triangle «society – state – business» (Fig. 1).

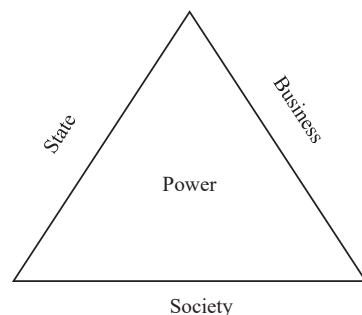
By carrying out decentralization, the central state authorities have thus deliberately redistributed power in favor of UTCs, districts and large towns of regional significance, but do not weaken their own control over their implementation.

Given failure to resolve an issue related to of reforming the territorial organization of power at the regional level, it can now be noted that the economic powers of regional authorities depend not on their distribution from the state budget, which is extremely limited, and of the district budgets, of towns of regional significance and UTC, belonging to a certain region. The share of financial resources distributed among the subjects of authority forms the total amount of local budget expenditures and their share in the country's GDP. Economic relations within the spatial boundaries of the region are determined by the share of own revenues in the structure of local budget revenues, which indicates the degree of financial and economic independence of each of these budgets separately from transfers from higher budgets.

Strengthening the financial and economic capacity of UTCs, consolidation of districts, transformation of regional centers into district centers leads to a weakening of the power of both the representative body of communities (oblast councils) and oblast state administrations.

Given the priority of financial and economic decentralization over political and administrative, should be taken into account. that business, as the main carrier of economic power, will direct its investments to those administrative-territorial units

where a favorable investment climate will be created, there will be adequate resources and proper market infrastructure.



**Fig. 1. Triangle «society – state – business»**

Source: compiled by the author

Harmonization of relations in the public-power triangle provides [1, p. 168]:

- coordination of the system of interests of all three subjects of interaction;
- their mutual social responsibility;
- partnership;
- recognition in the systemic triad «society – state – business» of the leading role of society and, consequently, the priority of social goals.

The redistribution of power within the spatial boundaries of rural-urban agglomerations of different subjects of public administration is accompanied by certain risks for their safe development [2].

A tracking the development of social processes at the level of district and basic units of administrative-territorial organization of the country it is extremely important to prevent the emergence of local «princes» and ethnic enclave socio-spatial formations in Transcarpathia, Bukovina, Ukrainian Bessarabia, in the south-eastern part of the country. To do this, the Ukrainian political nation should be consolidated on the basis of the formulated national idea.

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### **THE ROLE OF AGRI-FOOD HOLDINGS IN ENSURING THE INCLUSIVE DEVELOPMENT OF RURAL-URBAN AGGLOMERATIONS**

The process of decentralization and administrative-territorial reform, which has been going on in Ukraine since 2015, has led to active voluntary unification of territorial communities and the formation of rural-urban agglomerations of convergent-continuous type, which creates preconditions for inclusive development of districts to create decent

conditions and equal opportunities for the comprehensive development of the population of these entities.

Powerful business entities, especially agri-food holdings, should become drivers of such changes, which are interested in the development of the territories in which they carry out production and economic activities, provided that these companies move to inclusiveness and social partnership with government and the public.

At the present stage of development of Ukrainian society, which is in a state of permanent reform, scientific relevance and practical significance, the issue of its transition to the principles of inclusiveness is gaining. In this regard, the scientific community has intensified research activities in this area.

The purpose of this work is to study the role of agri-food holdings in ensuring the inclusive development of rural-urban agglomerations.

In our previous works it was substantiated that inclusive development is a multidimensional socio-economic development based on mutually beneficial and comprehensive interaction of all subjects of economic system, to ensure long-term increase of welfare of the country, regions and broad sections of the population through sustainable economic growth and fair distribution. results, guaranteeing equal rights, creating opportunities for productive economic activity, maintaining inclusive infrastructure, ensuring social protection and political freedoms in accordance with the principles of trust, justice, equality, barrier-free, involvement and human-centeredness [1].

In the regional aspect, the social purpose of inclusive development is to promote the cohesion of society to create decent conditions and equal opportunities for the comprehensive development of the population of these entities.

The peculiarity of modern inclusive development of territories is that it is formed in the conditions of decentralization and creation of rural-urban agglomerations, in which the interests of agro-food enterprises and their workers are concentrated. At the same time, rural development and inclusive development of the agri-food complex

should not be equated. In developing the concept of rural-urban development and rural-urban inclusive development, the interests of the inhabitants of rural-urban settlements are in the field of view of scientists. At the same time, the structure of the agri-food complex is constantly shifting towards the combination of the interests of the village and the city [2].

We consider the system of inclusive development of rural-urban agglomerations as an environment of interaction of five key actors in the context of building social inclusion: the state, communities, agri-food holdings, small and medium agro-food enterprises, and citizens (residents of rural-urban areas and rural-urban agglomerations). At the same time, citizens are, on the one hand, a key player in this system and, on the other hand, a central object of care, as ensuring their well-being is the key goal of an inclusive concept.

As a rule, in the economic literature there is a widespread opinion about the leading role of the state in improving the institutional environment of the agri-food industry. However, given the lack of basic resources of the state, competencies and motivation to delegate to the state the function of reforming the institutional environment is impractical. The state can be an ideologue of change, a strategist and a guarantor, but the role of a driver for the implementation of inclusive mechanisms is impossible for it. That is why this function can be delegated to other powerful agro-industrial institutions, which have the necessary resources and competencies to optimally reform its institutional environment, as they are most interested in reconstructing the existing model of development to formalize relations between economic entities.

Examining the role of agri-food holdings in ensuring the inclusive development of rural agglomerations, we should identify four key vectors of their influence:

– social – providing an appropriate high level of medical and educational services for residents of a particular territorial community, regardless of region of residence, income level and human characteristics;

– infrastructure – creating and maintaining a high level of infrastructure in the country and ensuring fair access to it;

– economic – providing conditions for entrepreneurial activity and granting the right to work and receive a proper salary for it;

– safe – the formation of a stable safe environment in the country and its individual territorial communities.

In our opinion, in modern conditions, the key is the role of the infrastructure vector, which is based on providing the opportunity to carry out productive economic activities in any part of Ukraine, regardless of the characteristics of the business entity or individual citizen. The tasks of the state are to finance critical infrastructure, such as roads, roads, as well as to stimulate the development of private capital network of points of storage and primary processing of agricultural products.

Another aspect of improving the infrastructure of inclusive development is the provision of opportunities for productive economic activity by villagers through the use of digital technologies and postal services. The role of agri-food holdings in this context should be to partially finance infrastructure projects together with local and state authorities, as well as to prevent discrimination against other market participants in creating their own agri-food infrastructure.

Improving the logistics infrastructure strengthens the interaction between the village and the city, gradually leveling the boundaries between them. That is why we should talk about the full development of the entire agri-food sector, as the interests of both rural and urban residents in the implementation of a fair barrier-free society completely coincide. Examining the inequality of resource distribution in rural areas, it should be understood that the same problems are typical for cities where the lion's share of agri-food production is concentrated [2].

The role of agri-food holdings as a driver of inclusive development does not mean shifting the entire social burden of rural development and meeting the needs of

rural agglomerations, as it would mean moving to a model of relations to which agri-food holdings are not ready.

The dominant role of agri-food holdings in the system of reforming the institutional environment in an inclusive direction is also due to the presence of a sufficient level of market and political power to implement reform changes and the ability to bear a significant share of costs to overcome the imperfection of the institutional environment.

Thus, in modern socio-economic conditions, inclusive development of rural agglomerations should be based on the active involvement of agro-food holdings, which can become drivers of this process based on the use of experience, management competencies and accumulated financial potential primarily for the implementation of the infrastructure vector of inclusive rural-urban development.

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### **FEATURES OF THE FUNCTIONING OF AGRICULTURAL HOLDINGS IN THE AGGLOMERATION SYSTEM**

Ukraine belongs to the urbanized states and at the international level has long recognized the strengthening of the role of cities in national and civilizational development. While developed countries (USA, Canada, France, etc.) have long introduced the terms «agglomeration» and «urban agglomeration» into their legislative field and actively support the formation of agglomerations as powerful resources for increasing competitiveness and economic growth. While in the legislative field of our state, the term «agglomeration» for quite a long time remained at the level of the urban planning category and the not introduced direction of the concept of administrative reform. On July 17, 2017, the Draft Law of Ukraine on Urban Agglomerations was submitted to the Verkhovna Rada. After four years of amendments and approvals, the bill was passed.

The legal status of agglomerations provides for the formation of an agglomeration council and assigns to its sphere of competence the consideration of issues affecting the general interests of territorial communities included in the agglomeration: public transport, road repair, urban planning, waste disposal, water supply and drainage, etc. Thus, the agglomeration is a form of cooperation between the territorial community, which performs the functions of the center of the agglomeration, and the territorial communities that are located in the zone of influence of the center of the agglomeration and have intensive economic, labor, cultural and everyday ties with it, which cause significant daily pendulum population [1].

The creation of agglomerations, including significant land resources, encourages the emergence and development of large enterprises, including agricultural holdings. This is primarily due to the fact that the activities of agricultural holdings are the basis for combining the activities of multidirectional enterprises. That is, in the structure of one agricultural holding, it is assumed that there is an enterprise for the receipt of raw materials and an enterprise for the use of these raw materials. For example, within the framework of one agricultural holding, there may be farms for receiving and processing milk and a factory for the production of dairy products.

From the point of view of minimizing transport costs and, as a consequence, the cost of production, it is optimal to concentrate such enterprises at a minimum distance. The presence of an agricultural holding within the agglomeration presupposes the desire to establish the proper quality of transport hubs, working conditions, and proper maintenance of nearby communications. This is primarily due to the fact that the main workers and target audience of such holdings are primarily the population within this agglomeration and the city-center.

Intense interaction within the agglomeration enhances the end result, which makes it possible to speak of a synergistic or agglomerative effect. That is, the economic benefit from the territorial concentration of industries and other economic objects in cities and agglomerations (that is, points close to each other) is reflected. The agglomeration effect manifests itself as a combination and interaction of factors for various objects included in the agglomeration [2, p. 11]. The agglomeration effect acts as a complex factor of placement and is manifested in the fact that compactly located objects are always more efficient than those located in isolation [3].

The agglomeration effect has two main manifestations: the localization effect and the urbanization effect. The localization effect provides:

- joint development of spatially adjacent industries, which makes it possible to increase the scale of economic activity;

– joint use by enterprises of various industries located in close proximity to each other of the aggregate of scarce local (urban) factors of production, which, when involved in the process of production and reproduction, are able to generate income for both the agricultural holding and the city as a whole;

– the formation of a single local labor market, ensures the rapid movement of workers from one enterprise to another, promotes the dissemination of new knowledge, as well as through information interaction, allows enterprises to quickly fill vacancies, maintain and increase production.

The effect of urbanization is a particularly important condition for the formation and territorial concentration of high-tech activities that put forward special requirements for the educational, scientific, research base, and a high level of development of social and domestic infrastructure. In addition, business cooperation of thousands of people, their personal contacts, interests and needs contribute to spatial cooperation in the spheres of intellectual, scientific, and creative activity. Thus, the high number of the largest city is the source and reason for existing services and the creation of new ones.

Intensive economic, labor, cultural and everyday interaction within the agglomeration ensures lively activity and a constant flow of labor, information and other important resources. Such fullness is akin to the movement of a large, full-flowing river, which creates favorable conditions for the development of nearby territories, including agricultural holdings. That is, strengthening the interaction of agricultural holdings and agglomerations, within which they exist, ensures the stability and reliability of positions. Thus, constant movement is the key to the safe functioning and development of agglomerations.

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### **STRUCTURAL TRANSFORMATIONS OF THE AGRO-INDUSTRIAL COMPLEX OF UKRAINE IN THE CONDITIONS OF DECENTRALIZATION**

Agglomeration as a result of the process of urbanization determines the territorial concentration of investment, financial, information, labor, innovation and other resources and is a complex dynamic system of territorial communities with one or more centers of economic activity. These communities are connected by economic, political, social, economic, industrial, infrastructural, migration, environmental, recreational and cultural ties.

An agglomeration is a single territorial grouping of urban and suburban settlements around one or more city-centers on the basis of intensive connections with the distribution of functions. The main criteria for the formation of agglomerations: the emergence on the basis of one or more cities on the principle of compact location; development of transport infrastructure; integrity of labor markets, real estate, land and legislation; gradual territorial annexation of adjacent settlements; concentration of industrial, infrastructural and cultural objects, scientific, educational institutions, etc. [1].

The main structural elements of the agro-industrial complex of the state are: agriculture, industries that produce means of production and serve the agro-industrial

complex, industries for storage, processing and sale of agricultural products. In the conditions of decentralization of management the borders of the agro-industrial complex of the state are eroded, destructured and integrated into organizational and economic regional structures on the principle of territorial concentration and specialization.

Urban agglomeration in Ukraine today is a form of territorial organization of urban settlement, which objectively exists in the geographical space. Around large cities, such as Kyiv, Dnipro, Kharkiv, Odesa, Lviv, etc., large urban zones have long been formed, which have a significant impact on the surrounding area, changing its economic structure and social aspects of people's lives [2]:

Possible ways to solve the problems of agglomeration management in Ukraine may be related to the following processes: the creation of joint administrations or coordination councils of agglomerations; establishing conditional boundaries of agglomerations in accordance with the boundaries of administrative-territorial units (districts, regions); merger in the administrative sense with the central city – the core of the agglomeration with the mandatory development of comprehensive strategic programs for the development of the agglomeration. Priority is given to improving the legal framework, which would determine the areas of organization of accounting, monitoring and management of urban agglomerations [3].

For Odesa, the boundaries of the administrative agglomeration almost completely coincide with the peripheral zone of the city. The Odesa administrative agglomeration (subregion) with proper use of the principles of partnership of its administrative-territorial units will contribute to the creation of conditions for joint harmonious development and increase the competitiveness of the region as a whole.

In Ukraine, the practice of creating a Strategy for the subregion, where the core is a regional center or metropolis, until August 2011 was not – the first was the Odesa region. The strategic plan took into account the provisions of relevant regional and state strategic documents, in particular, such as the Strategy of economic and social

development of Odesa region for the period up to 2015, the State strategy for regional development for the period up to 2015.

The decisive factors for the further development of the subregion and regional economy were selected five main areas, two of which relate to all types of economic activity – investment, development of human and innovative potential, as well as three priority sectors – agro-industrial complex, transport and logistics, tourism and recreation [4, p. 60].

In 2020, the Development Strategy of Odesa region for the period 2021–2027 was adopted. It states that the decentralization of power has become the basis for the formation of financially viable territorial communities of Odesa region, the advantages of which are opportunities:

- investment attraction;
  - development of own economy;
  - promotion of local entrepreneurship;
  - development of local infrastructure, rationally mastering the received subventions from the State budget;
  - effective use of mechanisms of cooperation of territorial communities for the decision of complex questions of local value;
  - quick receipt of administrative and social services;
  - creation of modern institutions of education, medicine, culture and sports;
  - construction of quality and accessible to everyone roads, transport with routes within the community and beyond [5, p. 62].
- Priority areas in the field of agro-industrial complex are:
- increasing the efficiency of the agricultural sector of the economy through the introduction of modern resource- and moisture-saving, environmentally friendly, technologies for agricultural production;
  - increasing soil fertility;
  - creation of a modern selection and seed base of agricultural production;

– increasing crop yields and livestock and poultry productivity;  
– promoting the sustainable development of small and medium-sized businesses in the agricultural sector, financial support for small businesses and small agricultural enterprises;

– increasing the level of competitiveness of manufactured products, introduction of waste-free production technologies;

– improving working conditions and living standards of villagers [5, p. 41].

Achieving the goals of safe development of agglomerations can be ensured by controlled structural transformations according to the following algorithm.

1. Legislative support.
2. Transformation of the management system.
3. Development of agglomeration development policy.
4. Adoption of agglomeration development strategy.
5. Indicative planning of agglomeration development.

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#### **MODERN BRAND STRATEGY MANAGEMENT CONCEPT**

Brand management issues in the consumer goods markets of steel most relevant and influenced the organizational structure of companies during second half of XX century. By the 60s. already about 85% of Western companies had own staff of brand managers – professional business managers processes related to the development, promotion and development of trade stamps. Typically, the brand manager is responsible for metrics such as volume sales and the level of profitability of the brand, as well as for a number of marketing metrics such as awareness and loyalty. In some companies, brand managers are also responsible for quality brand components such as perceived brand quality by consumers and forming the necessary brand associations.

Such a system requires the brand manager to have leadership and internal installation for the mandatory performance of work, as well as skills coordination of work and motivation of people, since the brand manager was not, as a rule, the immediate supervisor of subordinate specialists. At present, the popularity of the classic model is gradually decreases under the pressure of urgent problems, such as channel dynamics sales, globalization of the economy, increased competition in the industry, aggressive brand expansion and complex brand structures. D. Aaker named a new brand leadership model system [1].

The brand manager of the new system is not only responsible for tactical issues, but also for the strategy and brand identity. The purpose of brand management is

changing: build brand equity, not just work with the image. In the circle of responsibilities the brand manager includes defining the directions for the development of new products and improvement of existing ones; coordination of the activities of departments, engaged in the development and production, design, production of branded politicians; determining what impact the brand has on consumers.

The task of defining the boundaries of the brand and managing one of the key criteria for brand equity are brand association. It is related to both the increasing complexity of the architecture of brands operating in various categories, and with the emergence of new product categories, the identification of the boundaries of which is for consumers it is difficult, especially if the degree of involvement in the category is not high, as, for example, in the case of food.

Methodological approach to the development of brand architecture by example diversified companies are devoted to the work of V. Nikishkina, M. Tverdokhlebova, T. Voronova [2]. If earlier an element of capital, such as association with a brand, was important mainly in the context of brand differentiation from competitors, today it is often there is another important task – to «attach» the brand in the mind consumer to a certain category, setting its boundaries. In this context psychographic segmentation factors begin to play a decisive role consumers, sometimes more important than socio-demographic, the importance of studying consumer behavior models is increasing.

The system of strategic goals of the company has changed, which, together with its resources and market opportunities determine the goals of brand building. The duality of the definition of goals lies in the direction to achieve commercial efficiency in the short, medium and long term, or on the growth of brand equity.

A universal identifier for brand management success are the relative economic indicators – sales and profits. In modern conditions to replace short-term indicators of brand assessment came long-term – brand equity indicators [1].

Brand equity is an aggregate metric, including several parameters, and is a universal way of assessing the effectiveness of brand management even when

comparing similar brands from various product categories. The concept of «brand equity» was introduced into professional terminology D. Aaker in 1991, it includes awareness, loyalty, perceived quality, brand associations and its other components. At the same time, brand awareness is conditioned by the proportion of consumers in a product category who are brand aware; loyalty is determined by the proportion of brand consumers that will continue purchase a product even if a more profitable one appears on the market with rational point of view of the product. Perceived quality is an indicator that detectable by field methods, it allows you to detect changes in real level of quality of the product due to the presence of the brand. Associative row associated with brand is also identified by field methods.

Due to changes in the market situation, D. Aaker was adjusted (2004) the concept of brand equity: brand awareness, its reputation, differentiation, energy, relevance, loyalty, extensibility [3]. The influence of the perceived quality becomes important products for reputation, new components are introduced instead of associations with a brand that is often difficult to quantify.

The reputation component of the brand's capital continued to develop P. Farquhar, according to which this aspect is an added value for the firm, trade and consumer to whom a particular brand is endows the product [4]. This concept is based on the same distinctive brand success identifiers. K. Keller defines the concept of «capital brand» as a differential (characteristic) effect, which familiarity with the brand has on the consumer reaction caused by the marketing of this brand [5]. Brand identification in this approach is based on knowledge brand (awareness) and brand association (brand image).

Thus, in the course of the development of markets, approaches to the brand have changed-management. D. Aaker's 2004 model is most in demand, because the most complete list of brand equity parameters is considered, which determines its use in this study. The principles of brand management development as an element of marketing systems and economies are formed in the direction of the evolution of their paradigms.

So, in modern economy is actively introducing a new, holistic (from the Greek the words «holos» – wholeness, integrity, unity) paradigm [6].

It replaces the traditional logic of common sense, built on the principle analysis, that is, the method of dividing complex systems into smaller ones for their study and control. This is a rejection of attempts to manage complex systems: their you need to recognize and not try to rebuild for yourself, but «go with the flow» with using a specific set of tools and a united team spirit of the company, which is expressed in the most important goal of all employees of the company no matter what department they work in, – to satisfy customer needs and make them the highest value for the company.

There is also a paradigm shift in modern marketing, from physical aspect – to intangible, from organizational block diagrams – to the holistic spirit of the company. One of the supporters of a new approach to marketing is F. Kotler, who admitted that his theory of classical marketing obsolete. Holistic marketing involves active teamwork, when various business processes are managed by managers these processes, rather than being distributed across departments. And the control commands recruited from different departments, taking into account the skills and capabilities of each member teams. Therefore, holistic marketing involves serious organizational changes in the company. According to the principles it's no longer enough to think in terms of holistic marketing organizational structures and hierarchies while creating conditions for effective brand building. Currently in brand building there is a paradigm shift, the main features of which is an increasing role holistic approach, the priority of changing the mental framework (and not physical parameters of business processes). In this aspect, the urgent task is search for ways to create a single information and value field a company in which all employees, not just employees of a functional divisions, work on the development of the brand, solving problems, including its delivery to the consumer in the context of increasingly complex distribution channels.

Necessary to develop technologies for co-creation of brand value functional marketing department with other company personnel – the manufacturer, the personnel of the subjects of the distribution channels and, of course, consumers.

Thus, a modern approach to brand management in the company corresponds to the goals of the company and is based on relevant to the specifics of the market brand management models. The ultimate goal of brand management is an increase in the value of brand equity, which can be achieved through implementation of appropriate strategies, the essence of which is to adopt decisions on the following strategic issues: resource allocation between brands, adding brands and sub-brands, abandoning existing ones brands, vertical and horizontal brand extensions. The identified strategic decisions are based on the position of brands in the market and position competitors, which in turn depends on consumer preferences and volume purchases by directions. Significant role in the final formation strategies to increase brand equity in consumer markets, especially in the segment of food production, they are taking into account psychographic factors and patterns of consumer behavior, search ways to create a unified information and value field in the company, when, regardless of functional affiliation, all employees decide brand development tasks; as well as participants in the distribution channel and processes of communication with consumers through points of contact. Particular these factors acquire relevance when working with product categories, a high degree of novelty for consumers.

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**SCIENTIFIC AND METHODOLOGICAL APPARATUS OF ANTI-CYCLIC  
REGULATION OF AGRICULTURAL SECTOR DEVELOPMENT**

To determine the feasibility of using the levers of countercyclical selective regulation of the agri-food sector, it is necessary to develop methodological support for the justification of the components of countercyclical policy, taking into account the time characteristics.

The components of the methodological support should include the definition of the subject area of application of levers, their interaction in the implementation of countercyclical policies and forecasting the results of their application [1]. The methodological support should combine the analysis of market conditions, determining the stage of the economic cycle and determining the nature of countercyclical policy as the subject area of application of the developed levers.

After analyzing the situation in foreign and domestic markets of the agri-food sector, it is important to determine the stage of the economic cycle for the national economy as a whole and for its individual industries.

The main quantitative determinant of determining the phase of the cycle is the analysis of key macroeconomic indicators, which traditionally include gross domestic product, industrial output, dynamics of export activity, agricultural production,

inflation rate, foreign trade balance, the share of domestic production that is competitive.

Similar indicators are determined for certain industries to justify the tools of countercyclical policy of a selective nature, which in addition to the generally accepted quantitative should be supplemented by a set of qualitative indicators that reflect the degree of recognition of national products in world markets [2]. Such indicators include: the share of science-intensive products in the overall structure of exports, the share of exports with high added value, the balance of foreign trade for certain groups of goods and more.

The analysis of the current state policy of support of national production allows to define its character as restraining or stimulating.

Methodical support of substantiation of components of countercyclical policy for branches of agri-food sector provides the analysis of interaction of selective levers during their realization (synergy). An important criterion for choosing levers is the scale of their effect and the time of its occurrence. On the basis of the critical analysis of levers it is necessary to construct the histogram of their distribution where scale of effect is estimated on conditional points on the expert approach. This allows you to develop programs for the introduction of levers gradually within the state program, depending on the desired time of effect [3].

A special effect that can be achieved through the simultaneous introduction of multiple levers is synergistic. Its nature in the framework of a systems approach implies an increase in the total efficiency of the interaction of individual elements within the system over the additive sum of efficiencies from the actions of elements without interaction outside the system.

To determine the nature of the impact of selective levers on the agri-food sector to achieve a countercyclical effect, a model of their interaction and impact on the resulting parameters should be developed. To do this, it is necessary to identify the key

levers of countercyclical regulation of the agri-food sector and the resulting levers that reflect the state of functioning and development of the agri-food sector.

To analyze the interaction of levers in the static section, it is advisable to use the analysis of sensitivity. The analysis involves determining the level of interaction of factors (levers). To take into account the positive and negative impact, it is advisable to build two matrices of stimulation and deterrence, the intensity of interaction is assessed on such a scale.

Based on the results of the analysis, a matrix is built according to the level of activity and interaction. The obtained values allow to choose the levers based on the results of sensitivity analysis as effective tools of countercyclical policy for the agri-food sector [4].

Thus, based on the analysis, a model is developed that allows to assess the level of activity and interaction of their levers with the resulting parameters of the system during the substantiation of their feasibility as selective tools for countercyclical regulation.

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#### **ON THE ECONOMIC AND ENVIRONMENTAL PROBLEMS OF THE ODESA DICTRICT OF THE ODESA REGION**

According to the ecologist I. Rusev [1], the priority problems of Odesa and the Odesa region are:

1. Drinking water. For Odesans, this is, first of all, the problem of drinking water that we get from the Dniester – our only source. Unfortunately, it is of poor quality and in order to achieve European standards, it must be cleaned for a very long time. Now there are plans to build a dam on the Dniester, and this will significantly affect the water quality for the worse.

2. The coast. We received as a gift from nature a huge beautiful Black Sea coast. Alas, in recent years it has been actively and freely built up. The situation is no better along the banks of the Dniester. Houses are built above the water intake. And there is absolutely no sewage system.

3. Our lands. Land is the most valuable thing in Ukraine. We possess a third of the world's black soil. But we pollute this land using uncertified means. And if this happens in a water protection zone, all this gets into the water.

4. Landfills. The problem of landfills is not only a problem for big cities. Around the district centers, villages of the Odesa region, the situation is catastrophic – tons of garbage in unauthorized dumps pollute the environment.

5. Problems of deforestation.

6. Lack of consistent environmental education and awareness.



Each of these problems is extremely important, and it is difficult to establish a priority here, but nevertheless, the order in which they are listed, to a certain extent, shows the importance of a particular problem

Let's stop at item 2 – beaches. The choice of this problem is explained by a number of reasons: restrictions on recreation in Crimea, the influx of tourists to the Odesa region and directly to Odesa, economic problems due to the increased flow of tourists, infrastructure problems, etc.

According to official data, the length of the coastal zone in Odesa is slightly more than 30 kilometers, 20 of which are beaches with a total area of 42.5 hectares. Natural beaches – only Luzanovka, Lyustdorf (Chernomorka) and Sauvignon, all the rest – of sand and pebbles, separated by traverses, artificial with reclaimed sand. The beach season in Odesa starts in May and ends at the end of September.

Most of the city's beaches are paid, average prices for services for one vacationer are from 200 to 500 UAH, for a family of 3 people this amount will be 600 – 1.500 UAH, for a 7-day stay – 4200–10.500 UAH. For a similar vacation in Antalya (Turkey), where everything is included, the payment in 2021 was from UAH 25.000 and above.

Naturally, the question arises, where is the best place to spend your vacation.

According to [2], there is only one municipal beach from Lanzheron to Arcadia. From Lanzheron to the 16th station of the Big Fountain, all beaches are leased for 20–25 years at a price of 4 to 8 UAH per square meter of sand.

In 2019, this lease amounted to UAH 10 million – an amount identical to the proceeds of the «Ibiza» beach for the week. Considering that in the summer period the number of visiting tourists reaches several hundred thousand people, as well as the size of the local population, during the season, according to the most conservative estimates, vacationers pay for services a multiple of the rent. At the same time, there is no improvement in the quality of service.

Additional funds under this item could be used to improve the water supply and upgrade the equipment of Odesvodokanal (the equipment depreciation of which is about 72%).

In addition, pollution of the sea with wastewater, which is discharged almost next to the swimmer, remains an acute problem, especially after heavy rainfall. In part, this leads to a deterioration in the quality of sea water, a ban on bathing. Some ships are also «helping» by dumping untreated sewage into the sea.

The «greening» of sea water makes bathing impossible or problematic and, accordingly, makes Odesa less attractive for holidaymakers and the local population. In addition, garbage accumulates in the coastal zone, which is not always and not always removed on time.

Thus, the listed environmental problems of Odesa (and Odesa district as well) are closely interrelated. The solution to these problems should be considered as a whole. It is necessary to develop a program for the prospect of improving the environmental situation in the region and to solve problems, including through receipts from tourism, which requires an objective assessment of the potential income and expenses for environmental purposes, making informed decisions by local government.

This will raise the status of Odesa as a worthy vacation spot not only for domestic citizens, but also for foreign ones. «Sanzheyka» and the «Sychavka» area remain a reserve for increasing the beach area, but their development will require large investments.

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**FEATURES OF FORMATION AND DYNAMICS OF DEVELOPMENT OF  
SMALL AND MEDIUM ENTERPRISES OF FOOD INDUSTRY**

In any country, it is important to develop those types of economic activities that meet the needs of the population and strengthen the country's competitive position. Such industries include the food industry, which operates in the domestic and foreign markets, meets the vital needs of the population and is a key component in shaping the food security of the state.

Ukraine has a well-developed food industry, which mainly meets domestic demand for food and plays an important role in the country's export potential. However, its technological development lags far behind developed countries. This indicates that its important role in the dynamics of socio-economic development of Ukraine in the context of global challenges is still underestimated, and the country has no active policy to ensure its dynamic development, especially in terms of small and medium enterprises in the industry.

Today, the domestic food industry unites 22 specialized industries, which include more than 40 major industries. The leading industries are: oil and fat industry, meat, confectionery, dairy, alcohol, flour, sugar. In the overall structure of food production, the largest share (27.9%) falls on the products of the oil and fat industry, 13.3% are meat and meat products, 10.5% – dairy products, 11% – beverages [1, p.169].

In turn, food processing enterprises need large capital investments, due to which the industry emerged from the crisis of 2014 only in 2017.

According to official statistics, the main contribution in terms of net profit growth is made by large enterprises. Thus, over the past 9 years, the financial result of profitable enterprises has increased almost 5 times, in the industry as a whole only 3.2 times.

If we look at the difference in the financial result between profitable enterprises and unprofitable enterprises, on average for 9 years the profits of large enterprises outweighed the losses by 586%, but the average losses exceeded the profits by 26%, in small enterprises losses exceeded profits by 57%, which indicates the presence of structural problems of formation and development of industries of this type [2].

At the same time, small and medium-sized enterprises of the food industry have a positive impact on a number of socio-economic parameters of the country's development, which is due to the following features of the activities of these entities

First, the food industry in terms of SMEs aims to meet the basic needs of man, necessary for his life – the needs of nutrition. The development of the food industry is directly related to the implementation of such Sustainable Development Goals of Ukraine as overcoming hunger and improving the health of the population. This is especially important for Ukraine, which is characterized by low incomes, where food expenditures exceed 50% of household budgets [3, p. 141].

Secondly, the food industry is a labor-intensive industry that creates a significant number of jobs, and therefore makes a significant contribution to employment.

In conditions when there is a contraction of production activities in traditional for Ukraine heavy industry and the problem of unemployment is exacerbated, small and medium-sized enterprises in the food industry are becoming an important area of employment. It is important that this type of industrial production is widespread in all regions of Ukraine, in medium and small towns, so the development of the food industry will help increase employment in those areas where unemployment is highest.

Third, the food industry is able to create a significant amount of added value, which is an extremely important task for Ukraine to increase GDP and more effectively participate in the international division of labor. Ukraine has mainly raw material exports of goods, but the countries with significant value added goods have the greatest benefits from integration into the world economy.

In general, the food industry is an industry that is extremely important for the activities of small and medium-sized businesses, the need for the development of which is emphasized in the European strategy «Europe 2020». Food production is not a capital-intensive type of activity, to ensure effective activity in it the effect of scale does not play a special role, so it is dominated by small and medium enterprises, whose share is 81.5% and 17.4%, respectively [4, p. 81-83].

Creating appropriate conditions for the development of food production will promote the development of small and medium enterprises, agricultural development, better use of agricultural products grown in households and increase employment.

However, on the way to productive and systemic development of the food industry, especially within the activities of SMEs, it is necessary to solve the urgent problems.

1. Obsolete material and technical base of many enterprises, a high level of depreciation of fixed assets. The high level of physical and moral wear and tear of the means of production cause the technological backwardness of the industry. The most technologically backward subsectors traditionally include: production of baby food, production of oil and animal fats, sugar production.

2. Low level of innovative development of enterprises in the industry. Intensification of investment and innovation processes aimed at modernizing food production in order to improve the quality and competitiveness of products is the only way to form an effective structure of economic and agro-industrial complexes.

3. Insufficient level of investment in the development of the industry. For example, from 2010 to 2016, capital investments in the development of the industry had an unstable positive dynamics, in 2010 their volume amounted to UAH 8.665

million, in 2016 – UAH 21.291 million. In 2017, the volume of capital investments was reduced to UAH 18.9276 million. The investment index for 2010–2017 in the food industry was 222%, but in the entire processing industry it was higher – 245 percent. Experts estimate that to create a modern highly developed food industry in Ukraine requires 20–25 billion UAH annually [1, p. 175], but the real amount of investment lags far behind the required.

4. Low production efficiency and high level of losses. The low level of profitability makes the industry unattractive for domestic and foreign businesses, does not allow to accumulate funds for the modernization of enterprises. It also causes a low level of wages, which does not motivate the influx of highly skilled workers in this area of activity.

Summarizing the above, it should be emphasized that the food industry throughout the period of independence has played and continues to play an extremely important role in the economy of Ukraine. In view of this, the priority strategic directions for the development of the food industry should be:

- modernization of the material and technical base of existing food industry enterprises and the creation of new ones on an innovative basis by attracting domestic and foreign capital in its development;

- formation of powerful agro-industrial clusters, which connect in a continuous technological process of agricultural production, a significant depth of its processing and production of food products from it, provide logistics and sales in domestic and foreign markets;

- improving organizational forms of doing business and management methods in the agro-industrial sector to increase the profitability of small and medium enterprises in the food industry, the broad involvement of foreign companies and their experience in organizing efficient food production.

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### **THE GLOBAL DEVELOPMENT OF ENTREPRENEURSHIP: DIGITIZATION PROGRESS IN AGRICULTURE IN UKRAINE**

Digital technologies, including the Internet, mobile technologies and devices, data analytics, artificial intelligence, services, and applications provided in digital form, are changing agriculture and the food system. Examples abound at different stages of the agri-food value chain: automation of agricultural machinery allows you to precisely

regulate costs and reduces the demand for manual labour; remote satellite data and on-site sensors increase the accuracy and reduce the cost of monitoring crop growth and land or water quality; and tracking technologies and digital logistics services make it possible to optimize agri-food supply chains as well as provide consumers with reliable information.

The specifics of the agro-industrial complex is reflected in the conditions of introduction of elements of digital technologies and in general affects the efficiency of digitalization of agriculture. The use of such technologies is of great importance as a «vector of development» of integration with the subsequent saturation of the market with IT-technologies. Therefore, the introduction of elements of digital technologies is of fundamental importance, as it optimizes the time of technology development, attracts investors, as well as effectively manages the agricultural economy of the region. It is necessary to create a distributed information system with regional segments, integrated with the central part. This will give you a complete picture of what is happening in the country, without losing flexibility and speed.

In the structure of Ukraine's exports, agricultural and metallurgical products usually lead. But in recent years, these components for various reasons give up their positions, in contrast to the IT industry.

During the pandemic period, IT services in the country's total exports reached 8.3%, ahead of large chemicals and confidently catch up with metallurgy. Last year, these revenues tripled in six years; the industry is one of the three main suppliers of export services and remains the main source of income in the country's currency. In total, in 2016–2020, Ukraine received more than \$ 16 billion in export revenue from IT, and this contribution is growing every year. Even in the form of taxes, this sector of the economy brings to the state budget no less than infrastructure and transport.

To compete with competitors and keep up with the times, domestic IT businesses need to spend at least 1.5% of their income on education. But state educational

institutions in Ukraine are not able to catch up with the rapid development of technology.

According to the director of the Ukrainian Fund of Start-ups Pavlo Kartashov: «Specific figures show the advantages for the economy: we have invested \$ 5 million in start-ups in a year and a half, and they have been able to attract more than \$ 20 million in investments during this time. That is, even for such modest money, the multiplier is already  $\times 3$ ». The Ministry of Digital Transformation has declared the IT industry strategic and intends to increase its contribution to 10% of GDP. And it can become the number one industry that will generate Ukraine's GDP, but only if there is real state support.

Reasonable price for services attracts foreign investors. Thus, one of the possible levers that can stop the outflow of personnel may be the loyalty of the state: a favourable business climate, renewal of curricula and facilities of technical universities. It is relevant that start-ups should be created and developed in Ukraine, enter the international market, back offices should be «at home», thus ensuring stable social and economic development of both business and the country [3].

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### **SMART SPECIALIZATION OF THE AGRI-FOOD SPHERE OF THE REGION IN THE CONTEXT OF ENSURING SUSTAINABLE DEVELOPMENT**

Problems of ensuring sustainable development of the economy at the state, regional and local level require an urgent solution. Smart economy saves resources (including non-renewable energy, natural and human), promotes the transition to an intensive type of economic growth, to innovations, which are mainly implementing the principles of human life safety.

Rural and urban areas are economically, socially, and environmentally interlinked spaces. Rural-urban connectivity provides an important thread to many of the Sustainable Development Goals (SDGs). Current regional development policy should be based on the strategic and spatial planning of key challenges affecting people, infrastructure, the economy and the environment, and should include a culture of partnership and cooperation focused on the interaction of citizens and public institution for sustainable development. Safe development of rural-urban agglomerations is now becoming a key factor in the development of territories, provides a high quality of life, creates a comfortable environment for business development.

An important guideline for future economic development, in particular in the field of economic rise of regions, is the introduction of the concept of smart specialization (Smart Specialization Strategy – S3), which consists in identifying the unique characteristics and assets of the region, aimed at introducing new management methods by cooperation between regional and national authorities, responsible for making decisions on the development and implementation of innovation policy, and

relevant stakeholders involved in such a process (entrepreneurs, universities, research institutions, civil society).

The scientific paradigm «Smart Specialization» historically formed in the racing of conceptual ideas of the Schumpeter theory of economic development, which provides that «innovation» is a major factor in economic growth [1, p. 88].

In general, Smart Specialization means a reasonable specialization based on innovative production technologies and spatial development. Methodology of Smart Specialization is a tool for finding and justifying the most competitive, unique sectors of a particular region, which support which may have a significant socio-economic effect.

Smart Specialization is an innovative tool for the European Union to build regional capabilities due to two key approaches, in particular, taking into account local conditions and knowledge economics. In practice, this approach involves identifying competitive advantages and assets of the region, the use of its innovation and scientific potential. However, success in the implementation of smart-specialization can only be achieved in terms of effective cooperation and synergy between local authorities, business, academic environment, and civil society.

In June of 2021 year the EU's pilot initiative «Smart Specialisation Strategies for Sustainability (S4)» was launched in Seville by the President of the Committee of the Regions (CoR), Apostolos Tzitzikostas and the Director for Growth and Innovation of the Joint Research Centre (JRC), European Commission, Mikel Landabaso. The initiative represents a voluntary update to the Smart Specialisation Strategies, with a stronger focus on Sustainability. The JRC and CoR will cooperate on the piloting of S4 methodology in more than ten regions in Europe.

What does the fourth «S» change?

The first change is that of directionality. S4 refers to Smart Specialisation Strategies which ex-ante aim at improving sustainability and inclusiveness through an

innovation-driven policy. These are place-based strategies, which combine directionality with bottom-up energy.

S4 is a voluntary choice. It repositions smart specialization in the new EU policy agenda to use the unprecedented EU investment for local jobs creation in the post-Covid recovery [2].

A strategy for smart specialization should be designed around the following key principles.

Smart Specialization is a place-based approach, meaning that it builds on the assets and resources available to regions and Member States and on their specific socio-economic challenges in order to identify unique opportunities for development and growth.

To have a strategy means to make choices for investment. Member States and regions ought to support only a limited number of well-identified priorities for knowledge-based investments and/or clusters. Specialisation means focusing on competitive strengths and realistic growth potentials supported by a critical mass of activity and entrepreneurial resources.

Setting priorities should not be a top-down, picking-the-winner process. It should be an inclusive process of stakeholders' involvement centred on «entrepreneurial discovery» that is an inclusive and interactive process in which market forces and the private sector are discovering and producing information about new activities, and the government assesses the outcomes and empowers those actors most capable of realizing this potential.

The strategy should embrace a broad view of innovation, supporting technological as well as practice-based and social innovation. This would allow each region and Member State to shape policy choices according to their unique socio-economic conditions.

Finally, a good strategy must include a sound monitoring and evaluation system as well as a revision mechanism for updating the strategic choices [3].

One of the strategic priorities of strategic development in the Odesa region is agri-food sphere. «Smart Region» is an innovative plan of transformations, which has already begun to be carried out in the Odesa region. It takes into account the competitive advantages of the region and involves close interaction with local authorities, the public and business representatives. In order to achieve the goal, first of all, it is necessary to modernize the management system of the region, because only a modern effective management model will allow us to convert our efforts to a specific result and ensure sustainable development of the region's economy and local self-government.

In the Odesa region there is a great potential in the development of agri-food and tourism spheres and their combination. The transformation of the economy provides new business opportunities. Real decentralization of power while strengthening the financial self-sufficiency of rural settlements will be ensured provided that the rural community will be able to act as an independent entrepreneurial activity and to use proper natural resources as efficiently as possible.

In particular, in the village of Semisotka in the Odesa region, the local entrepreneur Oleksandr Palariev with like-minded people began an ambitious project for the construction of the eco-settlement of the future. Based on the basis of the Baltic experience, and pay off the project with the help of green tourism and renewable energy.

Smart Village is a social responsibility of business and potential growth pole in the region, this is a direction taken into account in the development strategy of the Odesa region from 2021 to 2027 years. Village Semisotka an environmental settlement of the future, where green tourism and renewable energy will develop. The renewed village, preserving the current population, became part of the Frumushika-Nova complex. Tourists will be able to stay here for a night, enjoying complete silence and unity with nature. In addition, the smart village will become a peculiar scientific site - a place for research and experiments in the field of agriculture. Smart Village Semisotka

is a prototype of the steppe settlement of the future, taking into account climate change [4].

Thus, the main role of smart specialization is to focus knowledge and their combination with a limited number of priority types of economic activity so that countries and regions have become competitive in the global economy.

Undoubtedly, entrepreneurial activity in rural-urban agglomerations is the basis of food security of the population, the formation of the country's export agri-food potential and the innovative potential of economic development of the rural-urban continuum.

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**SOCIO-ECONOMIC EFFICIENCY OF INVESTMENT ACTIVITY IN  
THE REGION**

Modern processes of world socio-economic development are associated with the need to ensure state security, the formation of an innovative and socially oriented model of the economy, the involvement of fundamentally new sources of development of national economies, the transition to higher technological structures. Due to the competitive struggle in the capital market, the excess of demand over supply, the problem of creating a favorable investment climate is especially urgent for the domestic economy, which helps to attract domestic and foreign investments into the economy of Ukraine and its regions, and the activities of business entities. Creation of conditions, motives and incentives for expanding investment activity, focused mainly on its own resource and effective investment potential, increasing the efficiency of this activity, justifying the need, justification and sufficiency of investments becomes a target benchmark in achieving sustainable socio-economic development of the country and its region.

The aim of the study is to substantiate the need to form an effective investment model for the socio-economic development of Ukraine and its regions on the basis of increasing the efficiency of investments, and investment activities aimed at improving the investment climate.

During the years of Ukraine's independence, the improvement of its investment policy included the formation and implementation of a large list of regulatory and legal documents, including: the Strategy for the Socio-Economic Development of Ukraine, the Law of Ukraine «On State Forecasting and Development of Programs for the Economic and Social Development of Ukraine», the State Strategy for Regional Development 2021–2027, the Law of Ukraine «On investment activity», «On the regime of foreign investment», «On the protection of foreign investments in Ukraine».

An analysis of the regulatory framework showed that in modern realities, state investment policy is focused on the following areas:

- introduction of open consultations by executive authorities with representatives of business entities, expansion of information about the real economic situation, internal and external markets, market processes, regulatory framework;
- a significant decrease in the level of shadowing of the domestic economy;
- the formation of equal conditions for the activities of business entities, regardless of the form of ownership and capital attraction;
- formation of an effective competitive environment;
- the formation of additional economic incentives to attract investment in priority sectors of the economy;
- creation of an effective system for the protection of intellectual property.

The region is not only a subsystem of the country's socio-economic complex, but also a relatively independent part of it with a complete reproduction cycle, special forms of manifestation of stages of reproduction and specific features of the course of social and economic processes [1].



At the same time, the main tasks of the development of investment activities for the region are:

- creation of institutional conditions and organizational and economic mechanisms for the preservation, use and development of investment, innovation potential of Ukraine and its regions;
- creating conditions for mobilizing the investment and innovation potential of industrial enterprises, establishing links between the scientific and technical sphere and production;
- improving the investment image of the region, conducting a comprehensive marketing program to popularize the investment opportunities of the region;
- coordination of actions of different branches of government (executive and legislative) with local authorities and public organizations to solve problems that hinder the investment development of the region;
- development in the region of a system of collective investment - instruments of public-private partnership;
- creation of organizational and economic structures for coordination, expertise, commercialization and support of investment activities at the level of the state and its regions.

The solution of the above tasks requires the development of methodological tools for assessing the socio-economic efficiency of investment activities in the region. Such an assessment should, first of all, create the preconditions for the formation of the development of the region. Proceeding from this, each region, as a business entity, can assess the investment opportunities of competing regions with the aim of the most successful positioning itself against their background, i. e. identify and designate the most favorable conditions for their activities on its territory and ensure the safety of functioning.

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Збірник містить тези доповідей учасників наукового колоквиуму. Обґрунтовано сутність сільсько-міських агломерацій як соціально-просторового утворення, розглянуто різні аспекти функціонування суб'єктів господарювання як гарантів безпечного розвитку цих нових утворень.

Видання адресоване науковцям, викладачам, фахівцям, зайнятим у агропромисловій галузі та у сфері державного управління.

*Наукове видання*

## Місце суб'єктів господарювання у забезпеченні безпечного розвитку сільсько-міських агломерацій

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