

Mechanism of Innovation and Investment Development in Modern Economy

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ABSTRACT

As of today, the modernization of the economy requires solving problems related to the implementation of investment projects. At the same time, such problems require consideration of investment proposals for investment projects, the implementation of which creates investment demand. Each researcher differently illuminates the mechanism of innovation and investment development of the separate area and industry as a way to the country's sustainable development. However, improving the results of the study requires a deeper study of the problems associated with investment risks from the investment project implementation, which may cause defects in the development of the country's economy in the conditions of war. The aim of the article is to study the interaction mechanism of investment development with the development of the innovation system in the modern economy. The results of the conducted research make it possible to state that the implementation of an investment project aimed at making investments in a separate enterprise and developing innovative infrastructure in a separate field requires the improvement of state regulation of the modern economy and ensuring its sustainable development on the basis of innovation, creativity and innovativeness. It has been proven that such countries of the European Union, as: the Czech Republic, Poland, Slovakia, Hungary, a higher level of innovative development is observed and more optimal indicators of sustainable economic development are ensured than in countries of the transitive type (Ukraine, Moldova, Armenia, Azerbaijan, Georgia, Belarus). It has been established that economic agents make investments in the innovation sphere with the aim of obtaining profit, and state bodies invest state funds in order to replenish the revenue part of the budget, need to solve the problems of providing professional personnel resources, as well as financial, informational and material resources.

HIGHLIGHTS

- ① The aim of the article is to study the interaction mechanism of investment development with the development of the innovation system in the modern economy.
- ② It has been established that economic agents make investments in the innovation sphere with the aim of obtaining profit, and state bodies invest state funds in order to replenish the revenue part of the budget, need to solve the problems of providing professional personnel resources, as well as financial, informational and material resources.

Keywords: Investment development, innovation development, investment process, innovation process, modern economy, sustainable development

As of today, a special problem of the modern economy in the conditions of war is related to the impacts on the country's sustainable development, which is based on investment in innovative facilities. Thus, the investment development is the basis of sustainable development, as it is the main impact on constant changes in the needs of society regarding the investment in the implementation of strategic

projects. Respectively, the innovation development is a reflection of sustainable development as a result of the investment process. It would seem that the

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more investments are made by representatives of both the public and private sectors, the higher is the level of investment development, which ultimately improves the country's sustainable development. However, only that investment is an investment bringing profit, which is not possible without an investment proposal that presents a new idea of strategic changes in the future based on the investment project implementation. In this case, the misunderstanding of the investment proposal creates confusion among the investment project developers. After all, the innovation as the final result of investment proposal creates demand for innovative products and thereby generates investment demand. Thus, the modern economy in the conditions of war needs to improve the investment process itself as a continuous passage of investment cycles by enterprises, institutions and organizations with the purpose to receive a certain benefit (effect) from the investment project implementation as a driving force of innovation development in the conditions of war.

Analysis of Recent Research and Publications

The issues of the research on innovation and investment development in the system of modernizing the modern economy in the conditions of war are in the centre of attention of leading scientists and practitioners, forasmuch as the processes of globalization, geopoliticization, internationalization and European integration necessitate effective countermeasures against destabilizing factors and crisis phenomena. It is obvious that the processes of modernization of the national economy in the conditions of war are inextricably linked with ensuring its sustainable development and increasing the competitiveness of economic agents on the basis of innovation, creativity and innovativeness. In this context, innovative development is perceived as activation and intensification of economic and social development processes, which requires constant financing and investment in the main areas. The remark of Boronos & Shkarupa (2020) is reasonable, which states that the innovative development of the country and regions in war conditions significantly depends on the capacity of budgetary and extra-budgetary sources of financing the sphere of innovation, which are considered as investment resources in innovation.

Recently, there were published research papers by Holovnia *et al.* (2019). These scholars define the investment process as the life cycle of enterprises, institutions and organizations, which is regulated by public authorities under the influence of external and internal factors. Attention should be paid to research papers by Novikova *et al.* (2018), that determine the compliance of the population's needs with the professional skills of public servants, each of whom participates in the regulation of the investment process. Consequently, as Panchenko *et al.* (2019) noted, it is the strategic goal of a certain enterprise, institution or organization at the basis of investment activity that will help plan the working conditions of its staff in the future. However, as Prodius *et al.* (2020) emphasized, depending on the type of companies, the strategic goal of investment should be aimed precisely at the innovation development of a specific area (district, city, region) and industry based on maintaining the competitiveness of these companies as a factor of the country's sustainable development. In this context, one can agree with Sorochyshyna (2018) that the country's sustainable development is ensured by the state investment policy, the inseparable part of which is innovation policy. Here it is difficult not to agree with Stolbunenko and Stolbunenko-Voloshina (2021) that innovation policy is carried out through the implementation of the strategy of innovation development of the economy, which first of all needs to increase innovation activity at the state, industry, region and enterprise levels. Thus, as Voloshchuk (2019) noted, it is the activation of innovation development by investments in innovations, taking into account impacts on the investment process, that will help to implement the strategy of innovation development of the economy. In this case, at the discretion of Zeldina (2020), the modernization of the economy needs to eliminate the gap between investments and innovations, which are not involved without investment. As we can see, each of the listed authors of research papers tries to link investments with innovations as the basis of sustainable economic development. However, in the modern economy, there often arise problems related to investment risks, the minimization of which as a way to innovation and investment development requires further refinements.

Taking into account the tendencies outlined, the stimulation of innovative development becomes of particular importance, within the framework of which Kasyanenko (2017) suggests giving great significance to the structure of the economy, forasmuch as some sectors have certain features and participate in the formation of structure-forming effects. At the same time, Yermakova (2017) investigates the innovative development of the economy based on the definition of the basic conditions of doing business in the country or the region, the effectiveness of the investment and tax environment, monitoring of the factors of innovative production and incentives for innovative activity and competitive advantages. Habibagha & Giuasova (2020) also draw attention to the importance of fiscal mechanisms in the system of ensuring sustainable innovative development as a potential source of innovation investment, and Quan (2022) attaches great significance to empirical studies of innovative activity and considers innovation to be the driving force of economic growth.

At the same time, Caviggioli *et al.* (2020) emphasize the need for objective empirical evaluations of innovative development and consider the calculation of the Global Innovation Index justified, considering that innovations, as Snyder (2019) proves, stimulate the economic growth of the country and affect the reduction of inequality. The opinion of scientists is shared by Umadia & Kasztelnic (2020), who have revealed that innovative development is an unchanging potential for sustainable economic development, a tool for increasing competitiveness and a factor in countering social-economic and social-political challenges.

At the same time, Veskalne & Tambovceva (2022) are convinced that it is impossible to ensure the sustainable innovative development of the country and the region without ensuring the sustainable development of the economy, and they place special emphasis on the need to stimulate regional development.

Konys (2019) directed his own scientific positions in the direction of investigating the role of innovations in the mechanism of ensuring the growth of the competitiveness of economic agents, as a result of which he has established that innovations are a tool for strengthening competitive advantages, and ensuring the sustainable development of the

economy is not possible without effective innovative activity.

The aim of the article is to study the interaction mechanism of investment development with the development of the innovation system in the modern economy.

Research Methodology

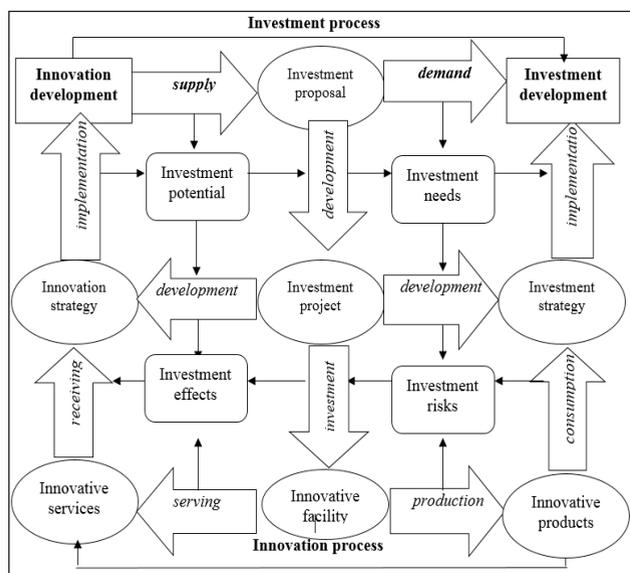
There are following methods used in the article: scientific abstraction – determining the role of the investment process in the national innovation system development; system analysis – establishing a structural link between the innovation and investment development at micro, meso and macro levels; modeling – formulation of a model of mechanism of innovation and investment development of certain area, industry and the whole country.

RESULTS

The Law of Ukraine “On Investment Activity” (1999) interprets investment as any property / intellectual valuables invested by individuals / legal entities in objects of business / other types of activity with the aim of obtaining profit by private enterprises, institutions, organizations and achieving a social and environmental effect by the state. Any investment requires the development of investment proposal, i.e. advertising document of investment project as a set of innovative measures of investment activity entities aimed at the development of industries, branches, areas in order to ensure sustainable development of the country. Consequently, the result of the investment project implementation is precisely innovation development. So, the Law of Ukraine “On Innovation Activity” (2002) defines innovations as newly created / improved competitive goods or services, organizational and technical solutions of a production, administrative, commercial or other nature, which significantly improve the structure and quality of production / social sphere. It follows from this that innovations are realized thanks to investments during the investment process, which also reflects the innovation process.

As Holovnia *et al.* (2019) emphasized, the investment process is a continuous complex of investing, which is reflected in the stages under the impacts of scientific and practical importance, which ultimately determine the level of investment

attractiveness, created by conditions of the national economy development. As for Novikova *et al.* (2018), such attractiveness should be regulated by qualified personnel of specialized structural units of public authorities in the process of selecting and coordinating investment proposals, as well as preparing, approving and tendering investment projects in order to find potential investors, taking into account the need for investment support. However, as Panchenko *et al.* (2019) noted, the investment activity of each enterprise, institution and organization should be carried out based on the strategic goals of investment as a factor of ensuring a high level of competitiveness in a certain branch of economic activity and implementing the strategy of sustainable development of the national economy. As for Prodius *et al.* (2020), its factor is precisely innovation development reflecting the application of human, financial, informational and material resources (Fig. 1).



Source: Author's development.

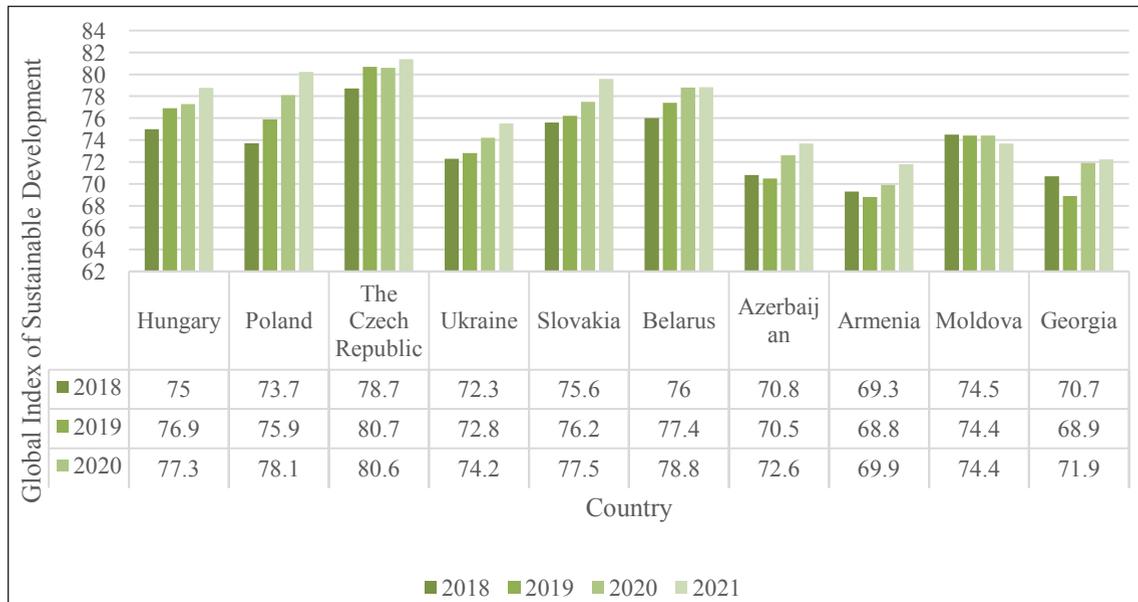
Fig. 1: Mechanism of innovation and investment development

As we can see, innovation development is a reflection of the continuous process of buying and selling realized innovative products as a result of advertising by qualified personnel, the goal of which is to attract as many consumers as possible. Such advertising is a way of making consumers understand the use of innovative products in order to develop a specific investment proposal for an investment project, the purpose of which is to create

new / improve existing industry complexes for services to the population. Consequently, the supply for innovative goods / the latest services generates investment demand, that is, the investment needs of entrepreneurs to purchase investment goods for the purpose of making a profit. However, such needs will not be realized without the presence of investment potential, which includes not only a sufficient amount of funds for the investment project implementation, but also capabilities of personnel to properly analyze the needs of the population and carry out calculations of benefits and costs taking into account the impact factors (fluctuations of the exchange rate, the rate of inflation, the level of unemployment in certain branches of economic activity, etc.).

Given that the investment project based on the developed investment proposal should be developed in accordance with the strategic plan of the enterprise / institution / organization in a certain branch of economic activity, such development is aimed at the implementation of both investment and innovation strategies. If the innovation strategy implementation requires the presence of investment potential in the company, then the investment strategy should be implemented based on the investment needs of the company with the expectation of possible profit from the investment project implementation. Under such conditions, the implementation of the relevant strategic plans will be aimed at the implementation of the sustainable development strategy of a separate industry, area and the country as a whole.

The conducted studies of the countries of Central and Eastern Europe according to the indicator of the Global Index of Sustainable Development (Fig. 2) make it possible to identify its highest values in such countries as the Czech Republic (78,7–81,39) and Poland (73,7–80,22); medium ones – in Slovakia (75,6–79,57), Hungary (75,0–78,78) and Belarus (76–8,82), and the lowest ones – in Ukraine (72,3–75,51), Moldova (73,68–74,5), Azerbaijan (70,5–73,68), Georgia (68,9–72,23) and Armenia (68,8–71,79), which testifies to the sufficiently low rates of development of the countries of the transitive type that do not belong to the European Union. However, it should be noted that in the analysed group of countries, Ukraine has taken a slightly higher position compared to Moldova, Azerbaijan, Georgia and Armenia, however it lags far behind



It has been compiled based on: Sustainable Development 2018–2021.

Fig. 2: Status and tendencies of the Global Index of Sustainable Development in the countries of Central and Eastern Europe in 2018–2021

the Czech Republic, Poland, Hungary and Slovakia. The specified trends indicate the existence of certain problems of ensuring the sustainable and, at the same time, innovative development of these countries; consequently, investing in these states is considered as an activity with a high level of risk and occurs at a sufficiently low pace.

It should be taken into account that the investment strategy implementation is associated with investment risks of failure of the company to receive profit from the investment activities. Such risks are connected with the selection for sale of innovative products (technologies, materials, components, software, etc.) and a decrease in demand for the corresponding products, taking into account external economic impacts on the possibility and need to purchase products in the conditions of war. So, for example, the level of unemployment in a certain branch of economic activity significantly reduces the possibility of purchasing innovative products, since such products will always be sold at an increased price, compared to previous periods. And this significantly reduces the level of competitiveness of the relevant industry. Another example can be the realization of import-export operations, as a result of which, in conditions of exchange rate fluctuations, it is not always possible to receive high-quality goods from abroad, while the importance of the national producer for foreign

countries can significantly decrease, especially in times of crisis and in the conditions of war. Such a situation may eventually lead to the displacement of the national producer by a foreign one due to the loss of the competitiveness of the first one.

The consequence of the above examples is often inflation as a result of disruption of supply and demand in the investment market. In this case, due to the significant amount of investments in the innovative facility, the innovative products sold by this facility will not be subject to purchase due to the increased price of the products. It often leads to unfair competition on the part of enterprises manufacturing similar products, and, as a result, an increase in monopolies. And since competition becomes impossible in such conditions, the supply of new / improved products gradually decreases, which leads to stagnation in the production of innovative products, without which service to the population according to a new approach and, accordingly, sustainable development is not possible.

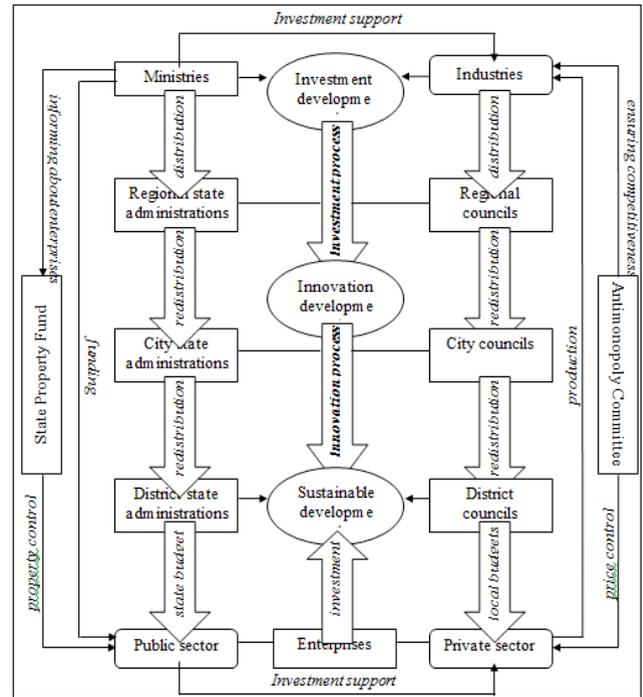
Considering the above, we can say that the investment process is a constant process of changing the balance of supply and demand in the investment market depending on internal and external impacts, based on the stages of investment in innovative facilities. The further activity of such facilities is reflected by the innovation process aimed at a

constant production and consumption of innovative products as a result of their purchase and sale with the purpose to provide innovative services to the population, satisfying their needs. However, due to the lack of consideration of the conditions to carry out the innovation-investment activities by representatives of the public and private sectors under the negative impacts on investment, the innovation and investment process may not always correspond to the implementation of the strategy of innovation, investment and, therefore, sustainable development of the national economy. In this case, it is necessary to facilitate the innovation and investment development of the national economy by improvement the state regulation of the innovation and investment process.

As for Sorochyshyna (2018), the state regulation of the investment process is carried out based on the goals and indicators of sustainable development as a way to modernize the economy, including the management of state investments, regulation of conditions for investment activity and control over all subjects of the investment process. Consequently, the investment process runs parallel to the innovation process. In this case, it is proposed to consider a model of the mechanism of improved innovation and investment development through the influence of competent public authorities on the innovation and investment process, the course of which affects representatives of both private and public sectors (Fig. 3).

So, Stolbunenko and Stolbunenko-Voloshina (2021) note that the basis of sustainable development is innovation and investment development, the improvement of which requires the formation of an effective system of relations between public authorities, innovation-active industrial enterprises and scientific institutions. Such a system will further help to create a favorable investment climate for potential domestic and foreign investors, minimize investment risks and, therefore, ensure the investment security of the country. Taking into account the rapid development of digitalization of the population and electronic governance in public authorities, the public sector constantly needs to purchase new equipment, software and other materials and components necessary for setting up some electronic systems for the workplaces of competent public servants. And this, in turn,

requires establishing relations with the private sector, constantly making investments in science-intensive sectors of the economy, providing a sufficient level of investment support. However, here such support should be provided only under the conditions of minimizing investment risks, since part of the responsibility for the loss of funds from unsuccessful investments is assumed by the state.

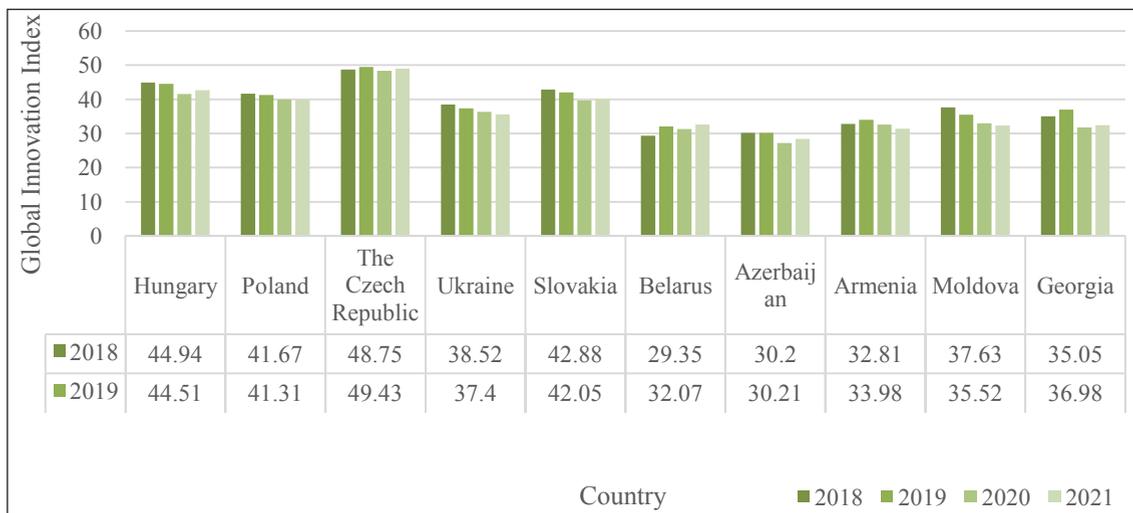


Source: Author's development

Fig. 3: Mechanism of innovation and investment development within the framework of state regulation of the innovation and investment process

If we analyse the positions of Ukraine in the international rankings in relation to the Global Innovation Index and compare them with other countries of Central and Eastern Europe (Fig. 4), a similar trend is observed as in relation to the Global Index of Sustainable Development: the member states of the European Union position higher values than other countries of the analysed group.

Thus, it can be assumed that the level of innovative development of the economy of the Czech Republic, Hungary, Poland and Slovakia is significantly higher than that of Ukraine, Moldova, Georgia, Armenia, Belarus and Azerbaijan, and the efficiency of using innovative potential and investment resources and its development and stimulation are estimated as is optimally permissible. It is obvious that in countries with a higher level of innovative development, an



It has been compiled based on: The Global Innovation Report, 2018–2020.

Fig. 4: Status and trends of the Global Innovation Index in the countries of Central and Eastern Europe in 2018–2021

increase in well-being is observed, forasmuch as innovations provide an increase in the added value of manufactured goods and services. Therefore, state support for sustainable innovative development of the country's economy is of great importance.

Voloshchuk (2019) emphasizes that an effective system of innovative project implementation on the basis of public-private partnership requires improvement of the mechanism of innovation and investment development. Here all participants in the innovation and investment process (public authorities, scientific institutions, industrial enterprises – producers, natural and legal persons – consumers) should be focused on investing in the most demanded sectors of the population and the most competitive enterprises capable of providing consumers with high-quality goods and services. However, such harmonization of the interests of these participants should be ensured by understanding the situation and applying appropriate regulatory tools by public authorities, based on a hierarchical system of relations, while investment support of the private sector should be provided in a decentralized environment. Such an environment will become an impetus for the creation of Smart Cities, which will significantly improve the electronic governance system in city authorities. An appropriate innovative approach to improvement of the cities' sustainable development will determine the transparent activity of local enterprises, institutions and organizations within

the framework of setting prices for products.

Moreover, the transparency of the private investment support system will be ensured thanks to grant programs, creation of a fund for investing in venture funds, establishment of tax benefits for innovation-active enterprises, etc. However, such a system of relations also requires the selection of qualified personnel, the retraining of existing one and, therefore, the optimization of the activities of public authorities, investment funds, scientific institutions and business structures in accordance with today's conditions, taking into account the existing and possible impacts on the situation in a specific area and the whole country. However, as Zeldina (2020) notes, it is appropriate financial support for innovation-active industrial enterprises under conditions of lack of own funds operating in depressed areas of the country and, at the same time, stimulating support for the most competitive innovation-active industrial enterprises (in particular, the establishment of certain tax preferences) will lead to further creation of conditions for improving the work of qualified personnel in both the private and public sectors in order to harmonize relations between them.

Thus, Fig. 3 illustrates investment development in the conditions of war through the provision of investment support by relevant ministries (of: economy, energy, agrarian policy, environmental protection and natural resources, infrastructure, education and science, culture and information

policy, health care, social policy, youth and sports, etc.) in the necessary industries (industry, transport, ecology, education, culture, tourism, health care, social protection, sports, etc.), where certain enterprises, institutions and organizations are in high demand among the population. However, such support should be provided through the passage of some stages of the investment process across the fund distribution to regional state administrations for funding both depressed (in order to equalize the living standards of the population) and the most developed (in order to increase population demand) regions of the country. Further, regional councils make decisions on the fund redistribution based on their own and delegated powers to regional local administrations to develop and approve a plan for innovative project implementation at the expense of state and local budgets.

Respectively, regional state administrations, carrying out orders regarding the innovative project implementation in accordance with the adopted decision of regional councils, redistribute funds to city state administrations for its implementation due to the city development strategies. Such strategies are developed by city state administrations as draft decisions of city councils, the adoption of which entails the process of implementing innovative projects approved by these strategies. Such a process takes place by delegating powers from the city councils to the city state administrations regarding the development, approval and implementation of targeted programs at the expense of the state and local budgets. Redistributing funds to district state administrations, city state administrations carry out constant control over the implementation of approved target programs. At the same time, city councils, taking into account suggestions to make certain changes to cities' sustainable development strategies, make appropriate decisions. It should be noted that such decisions are made due to impacts on the corresponding innovation process, on the course of which depends the sustainability of country's development.

It is worth noting that it is the decentralized model of the mechanism of innovation and investment development that creates the conditions for the country's sustainable development. So, enterprises / institutions / organizations with high demand significantly affect the competitiveness

of the respective industries. At the same time, the competitiveness of industries affects the sustainable development of the national economy, creating a favorable investment climate not only for domestic investors, but also for foreign investors. In our case, sustainable development is determined by the effectiveness of innovation and investment policy by district local administrations and district councils. Thus, each district state administration in the city participates in the implementation of one or another city target program in its own district, receiving the necessary assignments from the city state administration subject to fund redistribution. By organizing regular meetings with the territorial communities in a specific district at the initiative of district state administrations, district councils make decisions in accordance with draft decisions developed by the administrations aimed at solving problems in one or another district.

The above-mentioned problems are related to the investment by certain enterprises, institutions and organizations of both state and private forms of ownership. Speaking of state-owned enterprises, the investment process at the expense of redistributed state budget funds invested by district state administrations is carried out under the control of the State Property Fund. Receiving information from relevant ministries about certain state-owned enterprises, this Fund monitors their activities and, if necessary, makes decisions on privatization, taking measures to prevent the monopolization of commodity markets in the process of privatization and leasing of state property together with Antimonopoly Committee. Such functionality creates conditions for the involvement of domestic and foreign investors in the process of forming new associations, subsidiaries, branches, representative offices, transnational corporations and other entities, and at the same time strengthens control over capital absorption and purchases of state property by the State Property Fund. Moreover, it will provide opportunities for the public sector to create special investment funds, in particular the State Fund of Funds and the National Investment Fund with shares of large state-owned enterprises for the initial public offering.

Thus, the process of selling shares of a private company on the stock market by the company or early investors ensures the process of transforming

the company into a public one. As a result, the securities of such a company become available to a wide range of investors, in particular to innovation-active private enterprises that invest in the purchase of fixed assets for the production of innovative products. Receiving suggestions from district state administrations regarding privatization, mergers or acquisitions of companies, district councils make the appropriate decisions. According to the adopted ones, the councils adopt new decisions or make changes to existing ones regarding the implementation of the districts' sustainable development strategies. All of this involves the provision of investment support to the private sector at the expense of local budgets in order to ensure the production and marketing of innovative products. Here the Antimonopoly Committee carries out price control, ensuring the competitiveness of one or another industry in which entities-consumers purchase innovative products in order to implement them in their activities.

DISCUSSION

The results of the studies of the mechanism of interaction between investment development and the development of the innovation system in the modern economy under war conditions make it possible to state that the sustainable development of the country's economy significantly depends on the parameters of innovation development and the ability to invest from various sources of financial resources in the innovation sphere.

On the basis of conducted empirical studies, it has been revealed that the countries of Central and Eastern Europe provide medium and low indicators of sustainable development of the economy and its innovative development. Moreover, in the countries belonging to the European Union (the Czech Republic, Poland, Slovakia and Hungary), the Global Index of Sustainable Development and the Global Innovation Index show higher values than in countries of the transitive type (Ukraine, Moldova, Georgia, Armenia, Belarus and Azerbaijan), where the issue of intensification of the process of introducing innovations into all spheres of economy and social life is intensifying, and investing in the innovation sphere is expensive and high-risk.

The outlined tendencies require due attention to

the process of introducing innovations as the final result of an investment proposal, which, in turn, stimulates innovative development. Therefore, in the scientific discourse, significant efforts are devoted to the issue of investment and innovation activity, which is considered the basis of sustainable development of the economy. In this context, it has been proven that a number of obstacles require an urgent solution, in particular those related to strengthening the skills of economic entities in conducting innovative activities, loosening the conditions for crediting innovative activities and increasing the level of investment in innovative projects.

CONCLUSION

The innovation is a consequence of the emergence of the needs of the population for the improvement of consumer goods and received services, while investments in innovations are aimed at obtaining by investors the appropriate benefit (effect) from investing by increasing the subsequent demand for innovative products. Such an effect can be manifested in the form of profit by private enterprises, institutions and organizations as a result of innovation costs at the expense of their own funds and other sources of financing (in particular, state and local budgets, financial institutions, foreign investors, etc.). In addition, the corresponding effect can act as a replenishment of the revenue part of the budget by state authorities and local self-government bodies due to the increase of job places from the investment of funds at the expense of state and local budgets in innovative facilities (in particular, landscaping; ecological construction / reconstruction of trade, sports, tourist, educational, cultural, medical and other complexes for the purpose of providing innovative services to the population). Thus, state authorities and local self-government bodies can act as investors on the basis of financing enterprises, institutions and organizations that implement large-scale projects, or by providing investment support at the expense of state and local budgets to companies investing on the purchase of fixed assets in order to implement innovative activity.

Accordingly, the innovation and investment process will reflect the innovation and investment development that forms the sustainable development

of both a separate area and the country as a whole. The modern economy in the conditions of war in times of digitization of the state and society needs to improve sustainable development, primarily, by improving innovation and investment development. As we know, both in the private and public sectors, due to the lack of human, financial, informational and material resources, the level of investment risks becomes quite high. In order to reduce it, first of all, it is necessary to carry out reforms with complete decentralization, giving more rights to local authorities to exercise their powers in specific areas. In this context, central authorities (in particular, ministries) should act only as fund distributors for local authorities in order to provide their investment activities and controlling institutions regarding their timely reporting information about the status of implementation of local development strategies. At the same time, during its implementation, local authorities should work on the basis of partnerships with investment funds formed under the regulation of the State Property Fund and innovation-active enterprises, that launch innovative products for sale at acceptable prices under the regulation of the Antimonopoly Committee.

To carry out the relevant reforms, it is necessary to approve training programs for public authorities' staff in accordance with changes in today's globalization, as well as to liberalize regulation of the private sector. Here, the state's intervention should be limited only to the provision of investment support for investment funds and innovation-active enterprises, stimulating measures for these companies (in particular, tax preferences) and control over their activities legitimately.

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