

## ABSTRACT

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### FEATURES OF THE APPLICATION OF THE PUBLIC PROCUREMENT SYSTEM PROZORRO

Electronic public procurement system established in order to ensure the transparency of the public procurement process, improving business confidence and the fight against corruption.

E-procurement include four stages: 1) submission of an electronic platform on the Internet ads that the customer wants to buy, or what services you need to get; 2) conducting electronic auctions; 3) determination of the winning bidder; 4) the conclusion of the contract and payment for services, works. Each next stage will be preceded by a wide majority to familiarize customers with the achievements of the previous phase in order to gradually increase the capacity of public and private sectors.

The basic idea of ProZorro system is «Everybody can see everything». Published at the auction information are able to see and analyse not only market participants, but also journalists, social activists and other Internet-users.

Foreign experience shows that in Europe use two basic models of electronic public procurement: centralized and decentralized.

The main directions of improvement of the work in ProZorro procurement system for libraries are improvement of legislation at the state level, with equal conditions for all participants in the process; add to the electronic database of participants is not bona fide performers; monitor the implementation of agreements.

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### MARKOV MODEL FOR ESTIMATING AND ADAPTIVE RESTORATION OF COMPLEX SYSTEMS OF PROVIDING

The authors propose a model of a complex system, the functioning of the process which corresponds to a discrete Markov process, to evaluate the stochastic and adaptive restoration of the maximum efficiency of the system by the criterion of the probability of exceeding her stay in the stage of operation of the probability stage of its restoration of through the cracks or damage from the outside.

The modeling shows that the conditions of use set of additional repair capability to quickly restore models of equipment that were damaged, the effectiveness of the system significantly improved logistics.

Comparison of the results obtained so real problem results that are often observed in practice operation of complex software systems, shows the absolute utility usage patterns, for more grounded problem solving practice.

Establishment and practical application of relevant software facilitates the successful use of the proposed management model not only for research of complex systems technical support, but also for its operational use in real time.

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### SIGNIFICANCE OF FOREIGN COUNTRIES EXPERIENCE IN THE PENSION PROVISION SECTOR FOR THE DEVELOPMENT OF PENSION SYSTEM IN UKRAINE

The inadequacy of the pension system that currently exists in Ukraine is a widely debated topic. There is, however, a common consensus that Ukraine needs an implementation of

pension reform. The solidarity system was passed down to Ukraine from the Soviet Union and is proving to be obsolete. Fundamentally, solidarity system relies on the expectation of currently working people, through making their contributions to the pension fund, to be supported by future workers during their retirement. This system, however, does not work well for Ukraine's current demographic situation.

The fact that aging population breaks the economic model of solidarity system, added to the problem of high shadow economy and payment of special privileged pensions, results in a significant deficit in the pension fund.

Introduction of the second level of the pension system means that the state is planning to partially abandon the operation of the pension system on the principle of redistributing financial resources from the working population to pensioners. Second level pension system will no longer be distributed between pensioners and will be invested in investment instruments.

It remains unclear in which assets substantial amount of cash will be invested. Weak capital market development in Ukraine and the lack of investment opportunities to invest in foreign markets make the problem even more complicated. The structural reform will begin only after the implementation of the second level will start.

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*A. Zadoia*

### **GDP STRUCTURE BY CATEGORIES OF INCOME: COMPARATIVE ANALYSIS**

The article is devoted to the comparison of the GDP structure by categories of income of Ukraine, its closest neighbors and individual developed countries. The analysis showed that, firstly, the least protected from losses as a result of the economic downturn are employees. Business and government are more flexible and have more tools to compensate for their losses. Secondly, the Ukrainian economy, with the smallest share of wages in GDP, however, gives the highest rate share of final consumption and the lowest gross savings. This means that the resulting business and state income also largely go to final consumption. That is, with the primary formation of revenues favorable conditions for investment and increased economic growth, Ukraine has the redistribution after the performance of investment activities that are clearly not sufficient to achieve the desired economic growth. To measure the level of GDP structure social orientation, we have proposed to use the «business-labor» ratio as the ratio of gross profit to compensation of employees. The analysis showed that for Ukraine, Russia and Belarus it reaches 100%, while in developed countries it fluctuates at the level of 30-45%, which indicates a real social orientation of the latter.

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### **INVESTMENT CLIMATE IN FRANCE**

The article investigates the degree of investment attractiveness of the French economy to foreign investors. Based on the study of original statistics and international ratings clarified the advantages and disadvantages of doing business in this country identified sectors that are most promising for foreign investment. Described government programs to support investment and especially their implementation in some areas. Particular attention is paid to the obstacles encountered investor. In particular, a detailed analysis of the problem of corruption and relatively high level of taxation.

For reliable investment the investor should study in detail the benefits and disadvantages of doing business in France. France is one of the most developed countries, it is known for its highly skilled and productive labor force, developed infrastructure and large-scale investment programs relating to research and development. Bureaucracy, corruption and high tax burden - a phenomenon that discourage investors. Properly using all the advantages provided by the French government can minimize the negative impact of shortcomings of the French economy.

### **MANAGEMENT MECHANISM FINANCING REPRODUCTION OF FIXED ASSETS OF MACHINERY ENTERPRISES**

In order to improve the management of financial support of machinery enterprises fixed assets reproduction the economic mechanism is proposed. This economic mechanism is a system that includes meaning, essential content and order of processes and procedures implementation, methodological, information and organizational support aimed at the formation of the required size of funding sources for reproduction of fixed assets considering changing competitive environment within the acceptable level of risk.

The mechanism consists of nine stages: analysis of the external environment (market environment and macroeconomic factors); analysis of the internal environment; formation of information flows associated with the financial support of fixed assets reproduction; identifying the need in fixed assets; selection of species and forms of fixed assets reproduction; diagnostics of financial security level of fixed assets reproduction; identifying sources of financial support of fixed assets reproduction; identifying risks; formation of financial security of fixed assets reproduction; evaluation of results of fixed assets reproduction financial support process.

Directions of improving the mechanism of financial support of machinery enterprises' fixed assets reproduction are proposed by adding extra elements: the formation of information flows associated with the financial support of machinery enterprises fixed assets reproduction and identifying of risks.

### **PROBLEMS OF FINANCIAL INTERMEDIATION SUBJECTS DEVELOPMENT**

Subjects of financial intermediation are able to accelerate the circulation of funds in the economy, reduce the cost of raising funds and thereby promote economic growth.

The actual problem is the additional capitalization of banks and determine their required quantity, the problem of disclosure of information by non-bank financial institutions, and enhance of consumer's confidence in financial institutions. A critical analysis of the current state of the stock segment of the financial market, credit segment (credit unions, pawnshops and factoring), insurance (risky and personal) was completed. The number of financial institutions on most types of services in 2016 decreased. Exceptions were only finance companies that demonstrate stable growth.

There have to be more number of sensitive indicators of changes in the financial condition of the companies used in the analysis of financial statements, and establish regular stress testing of financial institutions to determine their financial stability, as does the National Bank, using stress tests to assess the condition of banks and identify their needs in additional capitalization.

Ukraine has the economic potential provided with implementation of strategy for the development of financial intermediation subjects, which includes:

- monitoring of financial institutions by regulators to detect problems and threats;
- regulating of the sale of troubled assets;
- development of programs for loan restructuring;
- improvement of the protection of investors and consumers.

These strategic directions of development of financial intermediation subjects will enable it to provide transparency, create favourable conditions for investors and increase the liquidity of financial instruments for maintenance of Ukraine's economy.

### **AN ANALYSIS OF ECONOMIC AND ECOLOGICAL FLUCTUATIONS BASED ON BANDPASS FILTERS**

The paper investigates the properties of ecological and economic fluctuations received through band pass filters. It is provided analysis for the use of band pass filters to retrieve fluctuations from the series of environmental and economic dynamics. It is provided methodical approaches for the use and properties of such band pass filters as Baxter-King, Hodrick-Prescott and Butterworth. The paper describes approaches how to retrieve desired frequency fluctuations and suppress the fluctuations of lower and higher frequencies. The paper underlines that practical implementation of adaptation and/or mitigation measures to environmental and economic fluctuations should take into account the time series properties and filtering options. It is described within this paper the approaches of how to use counter-cyclical and to pro-cyclical fluctuations of ecological and economic development. We have provided calculations for the air pollution fluctuations and GDP per capita fluctuations during 1990 - 2015 years through the Hodrick-Prescott and Butterworth band pass filters. It was found that air pollution fluctuations are procyclical indicator at the beginning of economic recession and could be used as good indicator of predicting economic shrink. On the other hand, there is no correlation in fluctuations of pollution and GDP during the start of economic recovery period. We have revealed that the growth of GDP per capita fluctuations by 1% increase the fluctuations of air emissions by more than 1.07%. The latter supports the hypothesis that the economic system of Ukraine during the analyzed period was largely dependent on «dirty» industries. We have used the correlation coefficients of two-time series of interrelated environmental and economic fluctuations to make conclusions about phase shift and amplitude gaps, particularly, the higher the correlation coefficient to unity the lower the value of amplitude gap.

### **THE CONCEPTUAL APPROACH TO THE FORMATION OF MECHANISM OF IMPACT OF DEMOCRACY ON ECONOMIC GROWTH**

The article highlights the issues of the influence of political factors, in particular democracy, on economic growth. The analysis of different theoretical approaches to the factors of economic growth has allowed to establish theoretical basis of the mechanism of causal relations between political factors and economic growth.

Given the results of the previous studies, it should be noted that the actual mechanisms by which democracy affects economic growth should capture long-term effects rather than short-term effects. While building the mechanism of casual relationships between democracy and economic growth, one need to analyze the possible influences through two channels: a direct channel and indirect channel (through the accumulation of factors of production and through increase in the total factor productivity).

The article concludes by stressing the need for evaluation of long-term effect of democracy on the accumulation of physical, human, social and political capital, as well as total factor productivity.

Analysis of the literature on the relationship between democracy and economic growth suggests that democracy has a positive impact on the accumulation of physical capital in an open economy, since one of the conditions for investment and import savings is protection of investors and creditors' rights.

Many studies indicate that democracy may be regarded as a climate that promotes human and social capital, especially in less developed countries. Economic freedom, political stability and the rule of law have a positive direct (through the creation of a favorable investment climate) and indirect (through an increase in total factor productivity) on economic growth.

However, democratic regime may lead to a slowdown of economic growth through high tax burden resulted from a larger public sector in developed democracies.

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#### **IDENTIFICATION OF THE UKRAINE TOURISM INDUSTRY PRIORITY VECTORS ADAPTATION TO THE INTEGRATION PROCESSES CONDITIONS**

The necessity of researching priority directions of adaptation of the Ukrainian tourism industry under the conditions of integration processes is substantiated. It is determined that Ukrainian tourism traditional sectors adaptation to modern world requirements is a component of the national policy aimed at gradual economic integration and deepening the political association of Ukraine with the European Union.

Proposed sequential stages that are based on the application of specific analytical and methodical methods and methods of qualitative and quantitative analysis and allow to identify priority areas for adaptation of traditional tourism sectors. The priority direction of adaptation of traditional tourism sectors proposed to determine: updating of material base of the tourist service facilities, improving the quality and standards of service, introduction of international ISO standards in the field of tourism, implementation of international standards that ensure the sustainable development of tourism, implementation of the recommended UNWTO system of satellite tourism accounts.

A conceptual model of public-private partnership in the sphere of tourism is proposed as an effective mechanism for ensuring the renovation of the material base of tourist service facilities. The main elements of the proposed model are purpose, subjects, objects, principles, legal basis, sources of financing, directions of the implementation of public-private partnerships, the procedure for taking a decision on the implementation of public-private partnerships and the definition of a private partner.

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#### **ANALYSIS OF INVESTMENT ATTRACTIVENESS OF KIROVOGRAD REGION**

The article analyzes the current trends of investment development of the Kirovograd region, the level of investment attractiveness of the region. A feature of the development of the situation in the investment sector in Kirovograd region is the fact that a large part of investment in the economy of the region was financed from own funds of enterprises and organizations and a significant proportion of investment in fixed capital was Bank loans and other loans. The structure of foreign direct investment in the region for the main countries-investors is the United Kingdom, Netherlands, Russian Federation and Cyprus.

The financing of investments by kinds of economic activities of national economy in Kirovograd region the largest investments are concentrated in industrial enterprises; construction; organizations operating in the field of administrative and support services; wholesale and retail trade; repair of motor vehicles and motorcycles

The Kirovograd region is a priority region for attracting investment, as it has a good geographical position, powerful diversified industry, fertile farmland, extensive transportation system, all these factors lead to investment development and investment attractiveness of the region.

The Kirovograd region has all the prerequisites for active involvement of internal and external investment. All the investment for the region and for the country is an integral part of its stable economic growth. Every realized investment project creates new jobs, increased revenues and increased competitiveness of enterprises in the region.

### **TAX REFORMS IN EU COUNTRIES: ADVANTAGES, DISADVANTAGES HER IMPLEMENTATION IN REFORMING THE TAX SYSTEM OF UKRAINE**

The article analyses directions of the tax systems harmonization in the European Union countries. The definitions of the tax system concept are given and the basic requirements to the tax system of Ukraine are determined.

Ukrainian tax system must be harmonized with foreign tax systems. Harmonization of the European Union (EU) tax system is one of the key elements of the general fiscal convergence process, which arose from the problem of tax competition. Sometimes allegation and that tax convergence, which refers to the process of convergence of tax systems countries of difference level of political, social and cultural development involves the development and implementation mechanisms. Available in integration groupings hierarchical level research key actions relating integration of our country into the EU, including harmonization of the national tax system to the EU. The main principles and objectives of the EU tax policy are considered.

It is necessary to note that the introduction of the European Union tax reforms in Ukraine first task on the way to gaining economic development. Incentive policy of tax systems promote entrepreneurship to growing incomes of state.

General direction should be reduction tax pressure leveling uneven distribution of taxes, concentration on the use of innovative methods of administration; modernization tax tools stimulate business creation and development tax culture and others.

Adaptation domestic tax systems to have the character standards of EU must have evolution character peaks and the eve of a new global financial crisis and the economic base on political stability in the country.