

ppi 201502ZU4645

Publicación científica en formato digital

ISSN-Versión Impresa 0798-1406 / ISSN-Versión on line 2542-3185

Depósito legal pp 197402ZU34

# CUESTIONES POLÍTICAS

Instituto de Estudios Políticos y Derecho Público "Dr. Humberto J. La Roche"  
de la Facultad de Ciencias Jurídicas y Políticas de la Universidad del Zulia  
Maracaibo, Venezuela



Vol.40

Nº 74

2022

# Prospects of state regulation of venture entrepreneurship in Ukraine

DOI: <https://doi.org/10.46398/cuestpol.4074.03>

*Maryna Tymoshenko* \*

*Nataliia Bondarchuk* \*\*

*Iryna Lytvyn* \*\*\*

*Iuliia Kostynets* \*\*\*\*

*Oksana Bieliakova* \*\*\*\*\*

## Abstract

Using general and special scientific methods and generalized statistical data, the article reveals the essence of venture entrepreneurship, identifies the features and influence of venture investments on the innovative development of the Ukrainian economy in conditions of limited state resources. It has demonstrated the need to develop a strategy to improve the investment climate and expand venture investment in Ukraine, the main measures of which should include: improvement of the legislative framework; development of the innovation ecosystem in accordance with major global trends; formation of a favorable investment climate and tax regime for investors; development and implementation of new organizational and legal forms of venture investment; creation of conditions for the development of infrastructure units of the entrepreneurship ecosystem; formation of conditions for the development of innovative entrepreneurship in the real sector of the economy, as well as in the scientific and technical sphere, etc. It concludes with recommendations on the need to increase the volume of venture capital investments in high-tech projects with an emphasis on the defense industrial complex, IT sphere and construction, among others.

\* PhD in technical sciences, Associate professor of Department of Entrepreneurship and Business Economics of University of Customs and Finance, Dnipro; Dnipro, Ukraine. ORCID ID: <https://orcid.org/0000-0002-0288-9750>

\*\* Doctor of Science in State Administration, Professor, Head of Department of Management, and public administration of Dnipro State Agrarian and Economic University. Dnipro, Ukraine. ORCID ID: <https://orcid.org/0000-0002-0418-5239>

\*\*\* Candidate of economics sciences PhD, Associate Professor of Management and International Business Department of Lviv Polytechnic National University; Lviv, Ukraine. ORCID ID: <https://orcid.org/0000-0002-6233-4431>

\*\*\*\* Doctor of Science in Economics, Associate Professor, Professor of Department of Marketing, Economics, Management and Administration, National Academy of Management ORCID ID: <https://orcid.org/0000-0001-6427-675X>

\*\*\*\*\* Doctor of Economics, Associate Professor, Head of Management and Entrepreneurship on Maritime Transport department of Azov Maritime Institute National University "Odessa Maritime Academy, Odessa, Ukraine. ORCID ID: <https://orcid.org/0000-0003-0363-4239>

**Keywords:** venture entrepreneurship; business and investment; innovation and government regulation; startup; risk management.

## Perspectivas de la regulación estatal del espíritu empresarial de riesgo en Ucrania

### Resumen

Mediante el uso de métodos científicos generales y especiales y datos estadísticos generalizados, el artículo revela la esencia del espíritu empresarial de riesgo, identifica las características y la influencia de las inversiones de riesgo en el desarrollo innovador de la economía de Ucrania en condiciones de recursos estatales limitados. Se ha demostrado la necesidad de desarrollar una estrategia para mejorar el clima de inversión y expandir la inversión de riesgo en Ucrania, cuyas medidas principales deben incluir: mejora del marco legislativo; desarrollo del ecosistema de innovación de acuerdo con las principales tendencias mundiales; formación de un clima de inversión y un régimen fiscal favorables para los inversores; desarrollo e implementación de nuevas formas organizativas y legales de inversión de riesgo; creación de condiciones para el desarrollo de unidades de infraestructura del ecosistema de emprendimiento; formación de condiciones para el desarrollo del espíritu empresarial innovador en el sector real de la economía, así como en el ámbito científico y técnico, etc. Se concluye con recomendaciones sobre la necesidad de aumentar el volumen de inversiones de capital de riesgo en proyectos de alta tecnología con un énfasis en el complejo industrial de defensa, la esfera de TI y la construcción, entre otras.

**Palabras clave:** emprendimiento de riesgo; negocios e inversión; innovación y regulación estatal; startup; gestión de riesgos.

### Introduction

Creation of a favorable investment climate is one of the main means of ensuring the improvement of quality indicators of the economy of any country. In the conditions of economic transformations, the effectiveness of the venture financing system is a significant prerequisite for accelerating the pace of economic growth, transitioning to an investment-innovation model of economic development and increasing its competitiveness. It

is important to develop the toolset of venture financing, optimize the innovative infrastructure and create institutional conditions to ensure the effective functioning of venture funds. Determining effective areas of venture financing and creating favorable conditions for attracting investments will ensure the development of high-tech production, will contribute to the provision of high-quality and affordable public services to citizens.

The approaches to the formation and implementation of the state innovation policy that have been in effect in recent years have proven to be unable to raise Ukraine to a higher level, and therefore require fundamental changes. Previous attempts to form a state policy to support innovation in Ukraine through selective assistance in the development of certain industries, sub-industry and projects had a limited positive impact.

Approaches that are based on the determination of industry priorities do not lend themselves well to strategic planning, since innovation is a difficult to predict process. At the same time, priority in the use of available resources was given to current tasks, and not to the development of innovative infrastructure, which would have a much greater and long-term effect. In addition, the determination of industry priorities can become the object of influence of current interests, which will lead to the distortion of public policy, and benefits and other preferences for such support can become a source of abuse.

The current state of innovative activity is partly caused by the lack of a strategic vision and consistent state policy regarding the transition of Ukraine to an innovative path of development, the formation of a national innovation ecosystem that would ensure its implementation and increase the development of innovative culture in the state, using, in addition to financial, other mechanisms for the development of innovative activity. Despite the presence of individual elements, there is no integrated national innovation system, the purpose of which is to create innovative products (processes) and their quick introduction to the market (implementation).

The formation of the innovation ecosystem, which took place in Ukraine before the military aggression at a rapid pace, when new start-up accelerators and business incubators appeared in the country, the amount of funding for start-ups increased, the market for venture financing developed, and the state supported innovative business, from March 2022 year slowed down significantly. It is quite logical that in the II quarter of 2022, activity in the field of deals in Europe may decrease somewhat due to the war in Ukraine, combined with the growth of inflation rates and interest rates. Despite the fact that there is a significant amount of cash reserves in the market, venture capitalists may refrain from making investments in the near term, given the level of uncertainty.

Thus, global events of a global scale - COVID-19, the war in Ukraine, have made adjustments to the venture business as well, and for venture investors, the vector of interest has shifted towards environmental, social and corporate governance and electronic commerce.

Today, a number of factors act as an obstacle to the involvement of venture business in the development of entrepreneurship, namely: military actions on the territory of Ukraine, economic and political instability, the lack of an effective legal framework regulating the functioning of venture financing, the lack of interest of the state in the development of small and medium-sized innovative entrepreneurship, small the share of domestic venture capital compared to foreign venture capital, the lack of an institutional environment for venture financing, the lack of economic and tax incentives from the state to attract funds to science-intensive production, etc. (Gontareva and Cherednyk, 2018).

It is appropriate to note that the world economy, which has not yet recovered from the consequences of the pandemic, is also feeling the consequences of the war caused by Russia on the territory of Ukraine, in particular the threat of a food crisis. In today's conditions of constant changes, it is impossible to be limited only to long-known, time-tested economic mechanisms, and to respond promptly and adequately to relevant crisis phenomena.

All over the world, in connection with the emergence of large companies and new and promising business ideas, venture capital investment is a profitable direction chosen by countries with developed economies. Despite the existence of a system of generally recognized procedures, generalized practices and recommendations of the UN for building a venture financing industry, the creation of an effective national venture industry depends on the optimal use of a number of factors and features of the country's national economic potential.

It should be emphasized that the mechanical transfer of positive foreign experience to Ukraine is impossible due to sometimes significant differences in business conditions, regulatory and legal framework, socio-cultural environment and the state of the country's economy. At the same time, it should not be denied that although Ukraine lags behind in the development of venture capital investment, the globalization of the economy and the development of information technologies, as well as the proactive steps of the state itself, can speed up these processes.

Currently, Ukraine lags far behind countries with a developed innovation ecosystem. There is an understanding that the development of startups requires a significant influx of special investments, taking into account the high level of risks inherent in innovative activities. Venture investment mechanisms have long been developed in the world, which are in the stage of formation in Ukraine (Hrebennyk *et al.*, 2021).

The system of attracting investments for the development of startups in our country requires careful analysis and study, which determines the relevance of the research topic. After all, in the conditions of the financial and economic crisis in Ukraine, the involvement of venture business can become a catalyst for the development of innovative processes and knowledge-intensive production.

### **1. Methodology of the study**

The work uses a set of methods and approaches, which made it possible to realize the conceptual unity of the research. Systemic and structural methods were used to reveal the essence of venture financing as a tool for stimulating innovation processes. With the help of comparative and factor methods, the experience of the development of the venture financing system in countries with developed and transformational economies is summarized and systematized.

The methods of scientific abstraction and synthesis were applied in determining the priority areas of financial policy in relation to the development of the national innovation system. The information base of the study consists of legislative and regulatory acts on venture financing, statistical and analytical materials of the Ministry of Finance, the Ministry of Economic Development, Trade and Agriculture, the State Statistics Service, the State Treasury Service, relevant monographs, scientific articles by scientists.

### **2. Analysis of recent research**

Investment activity is the object of research by many scientists. Among the scientists who researched the mechanisms of venture financing, the scientific works of such scientists as M. Homon (Homon, 2020), O. Kuzmin (Kuzmin and Lytvyn, 2019), I. Lyakh (Lyakh, 2015), N. Kraus, O. Shevchenko (Kraus and Shevchenko, 2013), A. Poklonskyi, O. Poklonska (Poklonskyi *et al.*, 2020), N. Martynovych, P. Leshenko (Martynovych and Leshenko, 2022) and others.

Despite the large number of scientific works devoted to these issues, the theoretical and applied aspects of solving the problem of attracting venture business and its formation in the conditions of the global market, taking into account national characteristics, remain insufficiently disclosed. The specified circumstances determined the choice of the research topic, its focus and content.

The purpose of this article is to study the theoretical and methodological foundations of venture investing and, using advanced foreign experience, to determine ways to improve venture entrepreneurship in Ukraine in today's conditions.

### **3. Results and discussion**

#### **3.1. Forms and methods of state support for venture capital business**

The state acts as an organizer of the economic and legal space, the main purpose of which is to form a system of priorities and directions of economic development, create conditions for investment activity, and ensure the competitive advantages of the national economy. The formation and development of venture business should be facilitated by state policy, which should be based on the principles of long-term and economic interest in increasing the efficiency of management and the stability of legislation.

The state uses a whole arsenal of tools, levers and other means of influencing the innovative development of the country. Their set changes and improves depending on the chosen strategy of the state's innovation policy, the model of venture financing, the state of society and governing bodies. In a broad sense, the methods of state regulation of the innovation process are certain actions, starting with forecasting and planning and ending with decision-making on transformation, improvement of the functioning of innovation processes and the economy in general.

Venture capital investment is the investment of capital in start-ups, that is, in enterprises that are just beginning to develop, in order to receive dividends. However, such capital investments are risky because: they are aimed at promising beginners who have the opportunity to potentially increase the invested funds, they do not yet have income or a defined client base; investors are not able to quickly return their finances, as making venture capital investments requires a long time.

Currently, there are the following models of venture capital investment: investments by venture capital firms, investments by «business angels» and their associations, investments by non-financial corporations, investments by banks, investments with state participation (funds of funds).

The fundamental differences between these models are: differentiation of the goals of venture investors; their use of various organizational and legal forms of business; specific decision-making mechanisms and investment management; different levels of responsibility for investment results. Forms (individual entrepreneurship, partnership, corporation, limited

liability company) and models of venture investment are not static, but are in the process of constant changes, but the main thing is the existence at the macroeconomic level of a stable positive correlation between venture investments and the productivity of production factors (as a result of innovation), and therefore economic growth (Pylypenko, 2014).

Venture capital is risk capital that is invested in the shares of new and fast-growing companies to obtain large profits after listing the shares of these companies on the stock exchange. Venture investments exist to support the development of a young business, as a result of which the investor becomes its shareholder.

Venture capital can be characterized as direct long-term investments in high-tech enterprises (projects) at the early stages of development or at the stage of expansion, which have the potential for growth and are characterized by a high degree of risk, potentially high profitability, involve the investment of not only financial funds, but also certain knowledge and experience venture investors in the field of marketing, strategic and financial management.

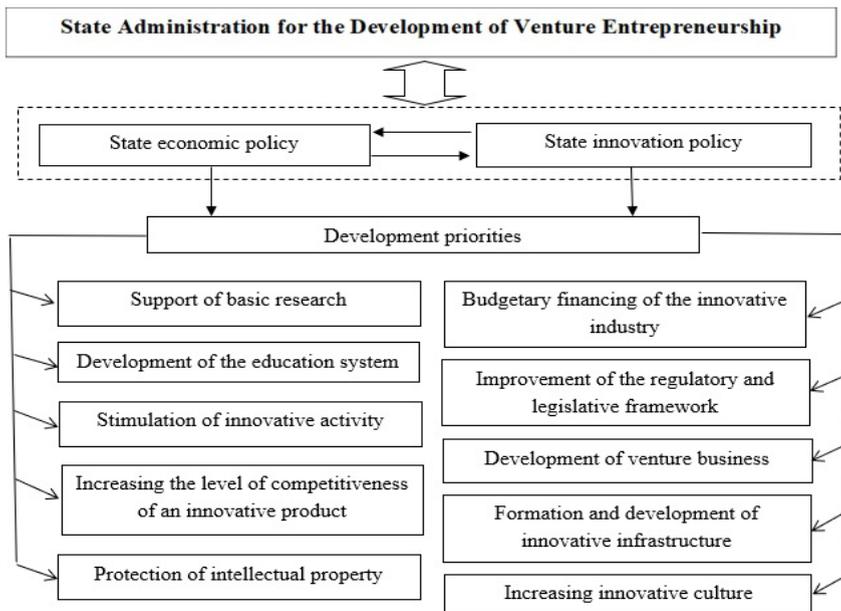
Recipients of venture capital are venture capital firms that are not obliged to pay interest or return the received sums. The investor's interest is satisfied by the acquisition of rights to all innovations and profit from the implementation of scientific and technical developments.

It must be stated that today the development of Ukrainian venture entrepreneurship is hindered by financial factors, which is primarily due to a lack of funds. There are no mechanisms for attracting venture capital, attracting public savings for innovative activities, unresolved financial and credit issues regarding small businesses (including lack of access to credit resources due to high interest rates), and mechanisms for insurance of innovative risks have not been developed. The share of funding from the state budget is extremely low.

As the experience of developed countries shows, venture business is impossible without a developed stock market, since venture financing is not aimed at obtaining a certain percentage of invested capital, but at increasing the market value of venture companies where the venture investor becomes a co-owner. In addition, in order to ensure the proper functioning of innovative institutes, the appropriate development of the banking system, insurance market, pension funds, etc. should be ensured.

It is appropriate to note that the mission of generators of high technologies and innovative products should be performed by the financial mechanism of venture investment. In order to actively develop and operate the financial mechanism, appropriate conditions should be created at the state administration level, where the key issue is the effective combination of the goals of the state and venture entrepreneurs. The main tasks of the state in this field should be:

- formation of a favorable investment climate and tax regime for both domestic and foreign venture investors;
- development and implementation of new organizational and legal forms of venture investing;
- creation of conditions for the development of infrastructural units of the venture ecosystem (technology parks, incubators, accelerators, centers of entrepreneurial activity, stock exchanges);
- formation of conditions for the development of innovative entrepreneurship in the real sector of the economy, as well as in the scientific and technical sphere;
- creation of effective mechanisms of commercialization of the results of scientific, technical and innovative activities;
- increasing the financial literacy of the population and its investment activity.



(Own creation).

The proposed scheme clearly shows the direct influence of the state on the formation of the main priorities for the development of venture entrepreneurship. The latter are formed in accordance with economic and social development strategies and the Laws of Ukraine «On Innovative Activity», «On Priority Areas of Innovative Activity in Ukraine» and include budget financing of the innovation sphere, improvement of innovative infrastructure, development of venture business, etc.

Forms and methods of state support for venture activity can be divided into two groups: direct and indirect. State participation in the financing of venture projects within the framework of approved state programs or state venture funds or through the provision of state loans to venture companies and small innovative firms belongs to direct state support measures for venture entrepreneurship.

In many cases, the direct participation of the state in venture capital is always the optimal solution. Thus, with insufficient processing, such schemes can lead to unsuccessful investments and large losses for the state. Government programs can be used to finance or support non-viable projects or enterprises that cannot attract private capital because they are unsuccessful objects for investment.

Indirect measures include improving the system of tax benefits and preferences, establishing special tax regimes for venture capital entities, expanding the range of venture investors (granting the right to invest in venture capital to institutions such as pension funds or insurance companies), guaranteeing loans or part of losses from venture capital investments.

Often, the optimal approach is to improve the macroeconomic and legal environment to overcome some of the financial barriers to making high-risk investments. The importance of supporting venture business in today's conditions is undeniable, because supporting small companies reduces the overall level of unemployment in the country, creates new technologies that contribute to the long-term growth of the national economy.

### **3.2. The current state of venture entrepreneurship in Ukraine**

Since the beginning of the military invasion of Ukraine, almost all companies have needed financial support. Only after a certain time, the demand on the market recovered by an average of 40-50 %. A somewhat better situation was observed in the field of education, where a drop in demand by only 10-20 % was recorded. The effects of the war were immediately felt by venture capital funds that had portfolio companies related to logistics, physical goods and movement. According to separate data, at the beginning of the war, only 24.3 % of Ukrainian start-ups

continued their work and 16.7% of businesses had security for 3-6 months. Others are in a more critical situation, which has put them in survival mode (Startup voice: results of the survey of the startup ecosystem of Ukraine, n/y).

Therefore, the main task of venture capital funds is to urgently help portfolio companies. In the first days of the war, investors and CEOs of startups were concerned with the physical safety of all employees and the provision of housing. Startups that worked in offices quickly decided the format in which they should function in the future: moving to another city, switching to a remote work format or creating a hybrid model.

It is also obvious that after the invasion of Ukraine, most domestic companies that worked in Russia left there. This is absolutely the right thing to do, but there was a question about entering new markets, involvement of specialists with relevant experience, clear planning and prioritization of directions.

In our opinion, in the near future, we should expect the emergence of startups in Ukraine in such areas as defense, construction, cyber security, mental health and medicine. And here, without a doubt, separate support from the state will be needed.

By the way, defense startups are already serving our defenders. For example, the Ukrainian company Culver Aviation develops its own drones and recently transferred part of its fleet of unmanned aerial vehicles to the Armed Forces of Ukraine. Instead, the Ukrainian start-up Delfast sent the army electric bikes of its own production, which carry containers of NLAW missiles.

The cryptocurrency market and everything related to it should also be relevant. During the war, a large share of donations was made through this channel. According to official data, in just two weeks, the Aid for Ukraine project collected more than \$71 million of cryptocurrency. It is also worth pointing out the trend of p2p transfers abroad and within the country. So, according to some forecasts, the demand for this service will only grow and by 2030 will reach \$9,097.06 billion (P2P-payment-market).

There have been changes in the field of transport, because the shortage of fuel is pushing for decisive changes - the transition to electric vehicles. Oil and gas are exhaustible resources, but their alternative options are actively being developed in advanced countries. According to some estimates, about 6.7 million units of electric vehicles were sold in 2021, which is double the number of the previous year (Carlier, 2022).

The domestic government loan bond market of Ukraine, which continues to grow, needs special attention. On April 27, 2022, about 1,000 legal entities and individuals received UAH 3.3 billion from the repayment of

the first issue of military bonds (P2P-payment-market). Therefore, there is a high probability that in the near future, investments in various securities will gain more popularity in Ukraine.

If we talk about the specific steps of startups and funds, founders should optimize the operational efficiency of their business based on statistical cash flow forecasting methods, and funds should evaluate and analyze each product of the company in order to maintain or increase its return on investment. At the same time, it is important to prioritize work concepts in order to concentrate the company's limited resources only on profitable areas. At the same time, the funds can contribute to the construction of a long-term marketing strategy for startups entering or expanding into Western markets.

Currently, entrepreneurs have a chance to replenish the team with highly professional personnel and provide work for Ukrainians who lost it due to the war. In general, business processes should be restructured in such a way as to attract funds from Western investors, who can play a significant role in the recovery of business in Ukraine.

Currently, there are many problems in Ukraine regarding venture investing: martial law; crisis phenomena and instability of the social and political situation; low level of development of IT entrepreneurship; imperfection of the legislative sphere and insecurity of investors; public distrust and insufficient government support for joint investment institutions; lack of conditions for the activity of investment funds, a low share of innovative development of enterprises; low level of commercialization of the results of scientific research and development; imperfect startup development procedure; the demand for innovations has not been formed and the market for innovative products and infrastructure is imperfect.

However, it makes no sense to talk about any generalized statistics regarding the size and conditions of financing since the beginning of the war, because most investors are not yet ready to consider new projects in Ukraine, and the investment leaders before the war, real estate and the agricultural sector, have now lost their positions and almost do not attract new funds. IT is not the only sector that will continue to be actively invested in under almost the same conditions (Zalevska, 2022).

According to the calculations of AVentures Capital, 2021 was a record year for the Ukrainian IT industry in terms of the amount of capital raised (venture and private). Compared to 2020, it increased by 46% to \$832 million. Startups at the early stages (Seed – Series A) attracted a record amount of investment - \$242 million. The number of exits per year is also a record - 28 (Sudolsky, 2022). Before the start of the military invasion on the territory of Ukraine, the country rather unexpectedly held the first

positions in Europe in the field of training IT specialists, as well as in the volume of IT services exports, having more than 110 R&D centers of well-known international companies, and 21 companies of Ukrainian origin with development offices Ukraine, which is included in the list of Global Outsourcing 100» (Vasyuk, 2020).

The industry that shows the most activity and scalability is «Software & Data / Software and data». It has more than 24,000 startups, of which 255 are unicorns, that is, companies that have reached a capitalization of \$1 billion in a short period of time. The next most active industry is Social & Leisure Technology, with more than 8,000 startups but a relatively small number of unicorns at 26. On the other hand, the e-commerce and retail technology industry has fewer startups represented (less than 7,000), but the second highest level of scalability – 119 unicorns (Venture Pulse: Global Analysis of Venture Funding. KPMG International, n/y).

The market of venture investments in Ukraine is only developing, but it is already showing good results. Startups Gitlab, Grammarly, People.ai, Ajax Systems have found their place at the international level, and according to the forecasts of specialists, the venture investment market in Ukraine will grow at least two to three times by 2023. It is about investing in foreign companies (Filippov, 2020).

Despite the war, there was almost no decline in capital investments in the IT sector and startups. The relocation of key specialists of IT teams to safe regions of the country makes it possible not to lose the pace of work. Therefore, investors willingly invest in our companies, and venture capital funds easily raise funds to finance Ukrainian startups. Although martial law and military mobilization were introduced in the country, businesses and team members were relocated, the IT industry in the first quarter of 2022 brought the state a record \$2 billion in export earnings. This is 500 million dollars more than in the corresponding period of the last peaceful year.

In the new conditions, the industry managed to reformat quickly thanks to anti-crisis business plans. Most companies have maintained the volume of contracts and customers. Thanks to this, the segment has an appropriate level of financial stability. At the same time, the number of industry specialists increased by 41,000 to 285,000 (Zalevska, 2022). Of course, such indicators attract potential investors, so the Ukrainian IT business can continue to count on funds from investors and venture capital funds.

Unfortunately, the Ukrainian Startup Fund (USF) has suspended financing of new projects. This is explained by the fact that a large number of founders of startups protect our Ukraine as part of the army, ground defense and IT army of Ukraine. However, funding will be restored immediately after the victory, the foundation promises (Zalevska, 2022).

In general, we can state that the IT sector has become the locomotive on which Ukraine entered the world venture market, but the country has a rich potential for the development of innovations in other areas of the economy. This requires a modern venture investment system, which is developed on the basis of modern practices and is fully integrated into the global system.

Another promising sector for attracting investments is the agricultural sector. But here everything is not so optimistic. The war on the territory of the country carries many risks for agricultural producers. Therefore, investors are more focused on pessimistic forecasts: in particular, it should be expected that in 2022, national agricultural investors will direct resources mainly to the preservation of existing capacities located in controlled territories. If the risks of investors caused by the objective situation in Ukraine will significantly decrease or disappear, investment processes in agriculture will quickly intensify.

However, there are investment options in the agricultural sector. Some experts are convinced that the strongest real estate is land, and currently there is a unique opportunity to invest in fertile Ukrainian land, because its prices have not yet increased to 70%, as it is planned after January 1, 2024. Such an asset is the least prone to crises and gives a profit of 8% per annum. At the same time, it must be stated that such investment is currently not available for foreigners, and Ukrainian investors do not have sufficient funds. And in general, all these processes are frozen (Zalevska, 2022).

Currently, we can cite other examples of venture capital investment. Thus, Glovo, which invests in the Ukrainian delivery market, plans to continue developing its own innovative projects: last-mile b2b delivery, development of the Q-Commerce vertical and dark stores, as well as Cook Room (cloud kitchens). Mastercard in Ukraine focused on investments in projects that will help Ukrainians. The company continues to invest in innovative technologies and experience for the development of the digital economy and further growth of the country.

According to some analysts, after the war, Ukraine will need businesses in the following areas: logistics (creating railway connections with European capitals); processing of agricultural products; construction; services; Light industry; creation of new technologies (in particular, in combination with the defense industry); a new system of education and training of specialists; development of energy efficiency (Business and investment in war conditions: how Ukrainian entrepreneurs are looking for new opportunities for development).

Also, in view of the importance of the prospective development of the domestic production of weapons and military equipment in order to ensure the territorial integrity and independence of Ukraine, to minimize threats to national security, venture capital, subject to state support and the

appropriate defense industry policy, can become a locomotive of innovative development of the defense industry, which will give impetus to the active movement innovative «center of attraction» for civilian sectors of the economy, while ensuring the rapid development of high-tech projects.

To restore the economy, large-scale deregulation, investment, large labor resources, extraordinary efforts of the business community are needed. But, according to business, effective post-war recovery of the country is possible only if appropriate state policy is implemented, including a liberal innovative economy (creating conditions for fair competition and business cooperation, attracting investments and forming a high level of trust in the state; developing human potential; stimulating development innovation and modernization (including digitization) of the economy, barrier-free movement of capital and anticipatory development (recognition) of virtual assets, etc. (Dligach, 2022).

In our opinion, for the inflow of investments to Ukraine, it is necessary to introduce risk insurance, in particular, insurance against war. There are already international organizations that are ready to launch such insurance programs for Ukraine. Important steps under such conditions are: changing the attitude of the authorities at all levels towards business, faster decision-making, issuing the necessary permits, changing the tax system, opening a business, access to quick funds, etc. (Business and investment in war conditions: how Ukrainian entrepreneurs are looking for new opportunities for development).

In general, for the sustainable development of the state, it is necessary to provide favorable conditions for the formation and operation of innovatively active enterprises, the development of the national innovation ecosystem, and the attraction of domestic and foreign investors. At all levels, investment priorities should be reassessed taking into account ESG sustainability criteria, i.e. environmental, social and governance criteria of corporate governance.

### **3.3. Organizational and economic measures of management of innovative activities in the field of venture entrepreneurship**

Innovations are important for the formation of a new economy, which is explained by the action of the fundamental factors of economic transformation. The field of venture entrepreneurship is no exception in this regard. Such factors act in different ways. Some of them put pressure on subjects of economic activity and speed up innovation processes, while others open more and more opportunities for the introduction of innovations. Also, in the conditions of war on the territory of Ukraine, there is an increase in uncertainty and turbulence in the national economy, which actualizes the feasibility of introducing innovations in all spheres of life, in particular, the development of venture business.

The active innovation policy of the state, which covers the training of scientific personnel, the introduction of innovative business development programs, cooperation between enterprises and research institutions in all industrialized countries of the world, has become a prerequisite for their long-term economic growth and stable social well-being. The basis of such a policy at the state level is the development of a national strategy for technological modernization, the concentration of resources in selected areas and the formation of competitive advantages of small enterprises in the relevant areas and the realization of these advantages in the markets (Kraus and Shevchenko, 2013).

Managing the innovative development of business entities, taking into account the current geopolitical crisis, the state of the economy and science, is a difficult task, but moving forward is extremely necessary, because the creation of a favorable regulatory environment for venture entrepreneurship is one of the defining tools for restoring dynamic economic growth, modernizing the national economy and creating a basis for improving the welfare of the population of Ukraine.

In particular, an important issue in the development of innovative activities of enterprises is the determination of sources of financing of innovative projects. Far from all domestic enterprises have the opportunity to implement innovations in a sufficient amount with their own funds. The amount of funding from the state budget is also limited, and support from foreign investors and international grants are currently insufficient (Homon, 2020).

Currently, the venture capital market in Ukraine is narrow. Investors explain this trend with the following factors: the absence of an effective mechanism of state guarantees for the protection of investments; existence of pressure on business; high tax rates; improper methods of legal protection: inefficiency of judicial and law enforcement systems (fe3 - is there a future?, 2020).

In Ukraine, joint investment institutions require development support from the state, namely a reduction in the tax burden (the tax rate on investment income is 9%, in contrast to Estonia - 0%, Lithuania - 0%, Slovakia - 0%, the Czech Republic - 5%. That is why it is more profitable for venture investors to create funds in foreign countries, and for startups to go to these countries, where the investment climate, effective investor protection mechanisms and jurisdictions are more favorable.

As experts rightly emphasize, it is important to create a so-called offshore zone for startups. Some states also provide them with a tax holiday: the minimum tax rate works for the first three years after the company is established. Other mechanisms are possible, but innovative business needs them very much. In addition, it is necessary to leave the companies alone,

to stop the constant raids of law enforcement agencies (Ukraine needs to create an offshore zone for startups - the executive director of UVCA, 2017). After all, the main advantage of venture funds, unlike an investment company, is the exemption from income tax. The income itself is not subject to taxation, it is only paid out by the participants of the fund after the completion of its activities.

Innovative development requires attracting significant resources, especially for small and medium-sized enterprises, which, having innovative ideas, are mostly unable to implement them. An important issue in the development of innovative activities of enterprises is the determination of sources of financing of innovative projects. Far from all domestic enterprises have the opportunity to implement innovations in a sufficient amount with their own funds. The amount of funding from the state budget is also limited, and support from foreign investors and international grants are currently insufficient (Homon, 2020).

Preservation of the scientific, technical and innovative potential available in Ukraine is possible only with systemic support for innovations. At the same time, due to a number of factors, the main of which is the military aggression of the Russian Federation, the country does not have the financial resources to ensure full-scale development of an innovative type. Under such conditions, it is possible to preserve and increase the innovative potential only at the expense of financial and credit support of the innovative sector of the economy. It is necessary to select basic technologies, enterprises, research institutes, educational institutions that determine innovative development and ensure the competitiveness of the state, and create favorable financial conditions for them, adequate to the tasks.

In our opinion, today the main factors contributing to the development of venture business of an innovative type are: the presence of a scientific and educational base and a powerful research sector, scientific schools; development of financial institutions and markets of the insurance and pension sectors; availability of the stock market; political and macroeconomic stability, sustainable economic growth; stable demand from the state and the private sector for scientific research and development; availability of free capital (Venture Pulse: Global Analysis of Venture Funding, n/y).

World practice shows that venture financing is carried out in various forms. When considering the forms of venture capital as one of the components of the innovation process in the conditions of modernization of the economy, it should be borne in mind that due to the national peculiarities of the legislative regulation of the financial sphere of different countries, the structure of venture capital differs. Sources of venture capital formation have significant regional differences and are determined by historically formed practices.

In our opinion, venture funds are the most optimal mechanism for the formation of venture capital, as they accumulate the main volumes of potential venture investments; through them, the most optimal connection of venture capital with highly qualified financial and innovative management is carried out; with the help of funds, the state can actively act, which uses the advantages of venture capital to solve priority tasks; venture funds contribute to strengthening the internationalization of the venture capital market.

#### **3.4. Ways to activate venture capital investment in the innovation sphere in Ukraine, taking into account advanced foreign experience**

Venture investment and venture funds are an indispensable component of the development of an innovative economy. Innovations are one of the priority directions of state policy in most developed countries because they are the basis of national independence, security and economic development. State regulation of venture activity is an integral component of venture investing and the development of the venture industry in Ukraine (Kunitsyn, 2014).

Among the reasons for the need for state regulation of venture investments, O. Kunitsyn rightly attributes: strengthening of monopolistic tendencies in the financial market; insufficient funds for initial entrepreneurs; society's need for technical innovations; fight against the tinning of the economy; protecting national interests and increasing the financial and economic security of the state (Kunitsyn, 2014).

If we consider the global trends in the direction of venture capital by economic sector, then, analyzing the quarterly reports of KPMG Enterprise Venture Pulse (Venture Pulse: Global Analysis of Venture Funding. KPMG International, n/y), it can be emphasized that software remains the unchanging leader, the share of which in recent years accounts for 34% of all venture investments. Promising directions for venture investments today are biotechnology and the pharmaceutical industry (10%), leasing services (9%), consumer goods and tourism business (5%), the IT industry, energy saving systems, the media sphere, medical services and services, etc. (3 4%).

Compared to others, venture business in Ukraine is a relatively new direction of economic development, the formation of its institutions began in the last decade of the 20th century. Moreover, the first steps regarding the use of venture business principles were not carried out in the field of financing innovative projects, but during economic reforms during the transition to new organizational and legal forms of entrepreneurial activity.

Today, Ukraine's share in the global venture investment market remains insignificant - about 0.1%. Various sources of venture capital financing have become widespread in Europe and the United States. These are, first of all, investment funds, which have about 67 % of the venture market, and corporate financing - about 30%. For Ukraine, the main ones in this direction are joint investment institutions operating on the basis of the Law of Ukraine «About joint investment institutions (equity and corporate investment funds)» (About Joint Investment Institutions (Equity And Corporate Investment Funds): Law Of Ukraine, 2001). They represent investment funds that accumulate funds of individual investors with the aim of obtaining profit by investing these funds in assets and are divided into several types, among which there are joint investment venture institutions.

The main factors contributing to the development of venture business are: the presence of a scientific and educational base and a powerful research sector, scientific schools; development of financial institutions and markets of the insurance and pension sectors; availability of the stock market; political and macroeconomic stability, sustainable economic growth; stable demand from the state and the private sector for scientific research and development; availability of free capital (Venture Pulse: Global Analysis of Venture Funding, n/y). In Ukraine, most of the mentioned conditions are contradictory, since today the venture business is only at an early stage of development, having certain features and specific features, which is determined by the political and economic situation (Mordan, 2018).

As experts rightly point out, the Ukrainian economy has been in need of modernization for a long time by removing bureaucratic barriers and making maximum use of available advanced foreign experience. However, in order to implement something as effectively as possible, the country needs a strategy, transparency, interaction, awareness of responsibility at all levels (Business and Investments in War Conditions: How Ukrainian Entrepreneurs Search for New Opportunities for Development).

Globalization and modern communication technologies create opportunities for the existence and development of successful innovative enterprises and clusters, even despite the general technological backwardness, low purchasing power of consumers and territorial remoteness, through inclusion in international chains of creation of added value (value). This will have a positive impact on the development of the vast majority of economic sectors and will provide additional opportunities for domestic small and medium-sized enterprises.

In addition, innovations are capable of scaling, which is best realized on the global market, in which the share of the domestic sector is currently 0.12% (Strategy for the development of the sphere of innovative activity for the period until 2030, Order of the Cabinet of Ministers of Ukraine No. 526, 2019).

It is worth emphasizing that the legislative system of any developed country does not contain a separate normative legal act on venture activity. Venture investing is carried out within the framework of general legal norms and uses legal forms and schemes regulated by the legislation on the rules of corporate and investment activity; in most developed countries, legislative acts concerning the forms and methods of venture investing are adopted with the aim of stimulating this type of activity by providing various tax benefits, deferrals and prerogatives to investors, mainly employed in the field of high technologies; the need to develop legislative norms that regulate venture investing is recognized as appropriate if the state authorities are interested in the participation of venture investors in the intensive development of economic entities in critical directions from the point of view of state priorities (Lepylo, 2012).

The modern Ukrainian state has very limited financial and institutional capacity. Therefore, it is advisable to focus available resources and potential on supporting scientific research, which is one of the foundations of innovation potential, and creating an effective infrastructure that will facilitate the transformation of research results into a product suitable for commercialization. In order to solve the task of transition to innovative growth in the Strategy for the Development of the Sphere of Innovative Activity for the Period Until 2030, among the wide variety of possible tools, those are offered which year No. 526): best correspond to overcoming the obstacles that most hinder the innovation process in Ukraine; require the least budget expenditures and fiscal resources, but at the same time are able to bring tangible results for minimal investments; are the least vulnerable to corruption and other abuses.

It is also necessary to review and implement schemes for tax incentives for innovative activities, to conduct a favorable state policy for venture financing; provide tax benefits only to those venture funds that finance projects that correspond to the priority directions and strategy of innovative development of the state.

At various stages of the innovation process, the following problems were identified, which should be solved with the help of state policy tools, in particular at the stage of innovation creation: insufficient funding, in particular state funding; lack of necessary information about the market prospects of the proposed idea and knowledge and advisory support for the project from the idea to the commercialization stage; insufficient use by scientists and small and medium-sized businesses of opportunities to participate in international programs; lack of established communications between scientists and business representatives who are interested in the development of innovations, both for the needs of business in innovation, and for data about new and improved technological solutions that can be used in production insufficient promotion and dissemination of information

about positive examples of transforming an idea into an innovative one product; lack of reliable forecasting of trends and studies of the influence of instruments of state regulation on the innovative development of the economy.

The problems of the functioning of the national innovation ecosystem at the stage of introducing innovations through the creation of a specialized small innovative enterprise - startup N. Zakharchenko include: burdensome regulation, in particular complicated access to the labor market for foreigners and an excessively complicated process of liquidation of the enterprise, which is extremely relevant for startups, since innovative activity is a high-risk type of business and some startups turn out to be unsuccessful; high level of taxes (primarily on wages and profits of enterprises); lack of necessary knowledge and skills for conducting business activities; large-scale expenses for a newly formed enterprise for renting premises and equipment, paying for third-party services (primarily accounting); insufficient development of venture financing in Ukraine and problems of legal protection of property of foreign investors; the absence or limited efficiency of innovative infrastructure, which should contribute to the development of innovative entrepreneurship (Zakharchenko, 2020).

There are also a number of problems that concern all stages of the transformation of an idea into an innovative product, in particular the problem of the departure of qualified personnel, scientists, inventors, and entrepreneurs abroad, the main reasons for which are: better opportunities for the implementation of ideas abroad (primarily access to financing, legal protection, proximity to sales markets, lower cost of doing business); higher quality of life (security and rule of law, education and health care, social protection in case of need, infrastructure, ecology, etc.); a creative and entrepreneurial environment created in the world's best centers of innovation.

Financial incentives for investing in venture funds, small and medium-sized innovative firms can be introduced by: reducing the state's venture risks of private investors, including through state guarantees for loans to venture funds or new small companies, and promoting the diversification of capital of private venture funds through the participation of the state venture capital fund in specially selected projects; implementation and development of the mechanism of state insurance of loans provided by market financial and credit institutions for the implementation of innovative projects.

Perhaps the most important condition is the promotion of the development of innovative infrastructure, important elements of which are technology parks, business incubators, technology transfer centers and, of course, venture funds; holding innovative competitions, expert councils, venture fairs at the national and regional level (Lyakh, 2015).

The combination of all elements of the innovative infrastructure into an information network will allow interaction between business and capital, project authors and potential investors, will facilitate the establishment of partnership relations between them, obtain comprehensive information about the latest trends and prospects of the venture industry, and demonstrate the possibilities of innovative business.

It should also be emphasized that almost no marketing research is conducted in the innovative field, which is caused by deficiencies in the intellectual property protection system. The development of venture entrepreneurship is hindered by an imperfect information base, because in order to make a decision to invest in the activities of a high-tech company, venture investors must have enough information about its innovative potential and development prospects (Polishchuk and Polishchuk, 2017). In addition, the development of venture investments is negatively affected by the lack of highly qualified specialists in the innovation field, who would be able to provide effective management of both venture business and all other subjects of innovative entrepreneurship (Lyakh, 2015).

Prospects in today's conditions of martial law in Ukraine can be seen in preferential taxation, which is not related to direct budget expenditures, but to deductions from revenues. In our opinion, the tax policy in the field of promoting the development of venture entrepreneurship should be carried out in the direction of: influence on the production spheres of the material enterprise and commercial structures and banks in order to increase the volume of investment, which is directed to innovative processes, in particular, to venture enterprises; acceleration of production development and renewal of fixed capital on a modern technical basis; stimulation of scientific activity.

So, a comparative analysis of the main models of venture capital investment made it possible to single out the following advantages, which are promising for use in Ukraine. In our opinion, these should include: the active participation of the state in the creation of adequate venture investment institutions, the formation of material, legal and educational conditions for the emergence of a sufficient number of innovative companies; availability of state guarantees for venture investors; developed infrastructure and stock market; adequate legislative regulation of venture activity, in particular with regard to preferential taxation; availability of various investment mechanisms; defined methods of insurance of venture risks; interest of large credit and financial institutions, corporations in supporting venture activity.

We believe that the consistent implementation of the mentioned measures will create favorable conditions for increasing the innovative activity of state enterprises in all spheres of economic activity, will contribute to the increase of venture investments, and thereby expand the possibilities of realizing the innovative potential of the Ukrainian economy.

In general, it should not be denied that there is a significant potential for attracting venture financing by Ukrainian startups, in particular in the field of software development, online services and hardware products.

In order to bring the Ukrainian venture investment market into line with world trends, advanced foreign practices of developed innovation ecosystems should be introduced into the Ukrainian environment. For example, to improve the development of venture capital investment in Ukraine, the following forms of state instruments, successfully used in other countries, can be used:

- provide capital to venture capital funds or small companies as a loan at low interest rates or in the form of direct investments. So, for example, in Denmark there is a state program VaekstFonden (Business Development Finance) Loan Program, which provides state loans;
- provide benefits or state guarantees for loans to venture capital funds and small businesses. In the UK, tax breaks or exemptions are available through the Enterprise Investment Scheme and Venture Capital Trusts.

### **3.5. Legislative perspectives of regulation of venture entrepreneurship in Ukraine**

The weak legislative framework, the instability of the regulatory field and the insufficient effectiveness of the protection of intellectual property rights are the primary problems of the development of the venture industry of Ukraine.

Several years ago, I. Lyakh highlighted the main shortcomings of the current legislation in the field of venture business development in Ukraine, which remain relevant even now: the legal status of venture business entities is not clearly defined; legislative acts are not sufficiently interconnected, and many legal provisions regulating business activities do not correspond to the real economic situation in the country; there is no legislation that regulates relations related to the use of scientific discoveries, because patent and copyright law do not protect the rights of scientists to the fundamental results of scientific research obtained by them for the first time; patent law also needs improvement, so it does not have a clear definition regarding venture business; necessary changes in the laws on business companies, on investment activities, on income taxation, in antimonopoly legislation and others (Lyakh, 2015).

The modern legal framework of Ukraine includes more than 217 thousand documents, and only 8 documents contain the term «venture fund» (and all of them refer to securities) (Official web portal of the Verkhovna Rada

of Ukraine, n/y). Also at the current stage, the Concept of the Development of the National Innovation System (2009–2025) is in effect, one of the directions of which is to create conditions for investing venture capital in high-tech innovation projects.

The database contains about 200 specialized legal documents regulating venture activity in terms of its innovative, investment, scientific and technical, intellectual components, in addition to certain provisions of the Constitution of Ukraine, the Economic Code, the Civil Code and the Concept of the Development of the National Innovation System, which need improvement, because they have a low effectiveness of influencing the development of this activity in Ukraine.

Therefore, we note the blurring and uncertainty of many concepts and the contradictory nature of certain normative legal documents, which prevent the formation of a unified base for venture investing in Ukraine. Adoption of the draft law «On Venture Funds for Innovative Development» or «On Venture Activity in the Innovative Sector» can be a positive development in the sector of domestic innovative business.

It is undeniable that the recovery of the economy after the full-scale war in Ukraine will require financing, including the widespread involvement of international capital in individual projects of Ukrainian business. However, such projects already exist and require urgent financial support. At the same time, national legislation limits the provision of such support during martial law.

Therefore, precisely with the aim of ensuring business financing during this period, a group of People's Deputies of the Verkhovna Rada registered a draft law on amendments to the Law of Ukraine «On Investment Activity» on supporting manufacturers and attracting foreign investment during martial law» No. 7456.

The document provides for ensuring support for the state's economy in the conditions of martial law, taking into account the main export groups, which will allow to support manufacturers and maximize foreign currency inflows to Ukraine, gives certain preferences to foreign investors who, despite all the risks of war, decide to invest in Ukraine.

According to the current Law of Ukraine «On Investment Activity», any investments cannot be made in conditions of a state of emergency or war, and therefore neither development nor support of production can take place during such a period.

The war period is the most difficult for the economic and budgetary sectors, and it is during this period that budgetary and donor support for the export sectors of the economy should be maximally activated. That is why the draft law proposes to consider not only the actions of citizens, legal

entities, but also the state, foreign financial institutions and international financial organizations regarding the implementation of investments as investment activity. A special investment project is being created for state support of private business under martial law. This means the possibility of state support for the preservation of existing industries.

If the business entity was conducting activities and had valid contracts, it can evacuate (receive free transportation of production facilities, a land plot on preferential terms for the location of evacuated production outside the territory of hostilities, etc.); quickly launch new critically important areas of economic activity. In the event that international partners of the private sector wish to launch a new joint venture (border transshipment terminals, elevators, road infrastructure, etc.) that will help in the mobility and export of Ukrainian products, according to the draft law, the state will provide a free plot for this, and will ensure the purchase of equipment and production equipment.

In general, it should be noted that the introduction of relevant changes to the Law of Ukraine «On Investment Activities» creates only a legal framework and is not a guarantee of the planned implementation. The full implementation of such a concept requires attracting funds, which due to the war are not available in the state budget, as well as conviction in restoring the evacuated or starting a new business.

At the same time, we consider it urgent to improve the legislation on venture financing. The development of the Concept for the development of the national venture industry should be focused on the formation and implementation of a unified state policy on the protection of venture investors, the attraction of investment capital and technologies, the development and operation of the market for securities and their derivatives, the circulation of shares on the secondary market, and to facilitate the adaptation of the national stock market to international standards.

We see the need for a clear legislative definition of the concept of venture financing and the principles and mechanisms of its implementation. In particular, apart from the concept of «venture entrepreneurship», which is contained in the normative legal acts of Ukraine, there is no definition of the essence of the functions, principles of activity of venture companies and funds, etc.

## **Conclusions**

The main part of the scientific article contributed to the formulation of the following conclusions:

Venture financing contributes to the creation of new products, technologies, services or management solutions. Venture capital is one of the most effective mechanisms for financing innovation and scientific and technological progress, and its uniqueness is determined by accompanying additional services (management, marketing, consulting, etc.).

The state has a special role in stimulating the development of venture entrepreneurship, which creates appropriate institutional conditions for: providing venture business with state aid, encouraging the creation of venture funds, improving the legal framework and tax system in terms of taxation of venture funds, promoting the development of financial markets. It is necessary to develop a strategy to improve the investment climate and expand venture investing in Ukraine, the main measures of which should include: revision of the legislative framework, improvement of the investment climate, and measures to stabilize the economic situation in the country.

Specialized joint investment institutes, business angels of venture projects, and crowdfunding are the main tools for financing venture business in modern conditions. The spread of venture financing technologies, which involve the investment activity of business angels and the use of crowdfunding, requires the dissemination of information about their capabilities, the creation of an appropriate legal framework for the legalization and normal functioning of private venture capital, as well as tax incentives for individual investors who invest in risky projects.

The main tasks of the state in the field of venture business in Ukraine are defined as: development of the innovation ecosystem in accordance with the leading world trends; improvement of the legislative framework in order to create a foundation for investors, in particular in the field of venture business; formation of a favorable investment climate and tax regime for both domestic and foreign venture investors; development and implementation of new organizational and legal forms of venture investing; creation of conditions for the development of infrastructural units of the venture ecosystem (technology parks, incubators, accelerators, centers of entrepreneurial activity, stock exchanges); formation of conditions for the development of innovative entrepreneurship in the real sector of the economy, as well as in the scientific and technical sphere; creation of effective mechanisms of commercialization of the results of scientific, technical and innovative activities; increasing the financial literacy of the population and its investment activity; raising the awareness of potential innovators and startups about venture investment opportunities in Ukraine; building a system of protection of intellectual property and protection of the rights of owners and investors; formation of a modern securities market for startups going to Initial Public Offering.

## Bibliographic References

- BUSINESS AND INVESTMENT IN THE CONDITIONS OF WAR: how Ukrainian entrepreneurs are looking for new opportunities for development. Available online. In: <https://investforum.biz/news/biznes-y-investytsiyi-v-umovakh-viyny-yak-ukrayinski-pidpryyemtsi-shukayut-novi-mozhlyvosti>. Consultation date: 15/05/2022.
- CARRIER, Mathilde. 2022. Plug-in electric light vehicle sales worldwide 2015-2021. Available online. In: <https://www.statista.com/statistics/665774/global-sales-of-plug-in-light-vehicles/>. Consultation date: 15/05/2022.
- DLIGACH, Andriy. 2022. Post-war economic policy will require a complete change of approaches. Available online. In: <https://gmk.center/ua/opinion/povoienno-ekonomichna-politika-potrebuvatime-povnoi-zmini-pidhodiv/>. Consultation date: 15/05/2022.
- PYLYPENKO, Boris. 2014. "Formation of a model of state support for the development of venture entrepreneurship in Ukraine" In: Business information. No. 11, pp. 80-87.
- FILIPPOV, Maxim. 2021. Ukraine and the international venture capital market. Available online. In: <https://www.epravda.com.ua/rus/columns/2021/03/29/672384/>. Consultation date: 15/05/2022.
- GONTAREVA, Irina; CHEREDNYK, Hanna. 2018. "A methodical approach to risk assessment of the development and implementation of a venture project" In: Business information. No. 8, pp. 130-136.
- HOMON, Marina. 2020. Prospects for the development of venture financing in Ukraine. Strategies of entrepreneurial activity in the interests of the sustainable development of small and medium-sized innovative entrepreneurship: a collection of scientific works based on the materials of the II round table (Kharkov, November 16, 2020). Kharkiv, Ukraine.
- HREBENNYK, Natalia; NAUMENKO, Andrey; CHEBYKINA, Darya. 2021. "State and development trends of the venture capital industry" In: Development of management and entrepreneurship methods on transport. Vol. 77, No. 4, pp. 124-140.
- KRAUS, Natalia; SHEVCHENKO, Olena. 2013. Innovative activity and venture capital in the systemic modernization of the national economy: Monograph. «Divosvit». Poltava, Ukraine.
- KUNITSYN, Oleg. 2014. "Legal regulation in the field of venture business in Ukraine" In: Development management. No. 6, pp. 59-62.

- KUZMIN, Oleg; LYTVYN, Iryna. 2019. *Venture business: development features and globalization aspects: a textbook*. Lviv Polytechnic Publishing House. Lviv, Ukraine.
- LAW OF UKRAINE. 2001. *About Joint Investment Institutions (Equity And Corporate Investment Funds)*. No. 2299-III. Available online. In: <https://zakon.rada.gov.ua/laws/show/5080-17>. Consultation date: 15/07/2022.
- LEPYLO, Eugene. 2012. "Venture investments: Russian experience, development priorities" In: *Management and business administration*. No. 1, pp. 134-143.
- LYAKH, Iryna. 2015. "The role of the venture financing mechanism in supporting the national innovation system of Ukraine" In: *Strategic priorities*. Series: *Economy*. No. 4, p. 66-72.
- MARTYNOVYCH, Natalia; LESHENKO, Pavlo. 2022. "Development of the territory of priority development: methodical concept" In: *Economy and society*. No. 36. Available online. In: <https://economyandsociety.in.ua/index.php/journal/article/view/1147> DOI: 10.32782/2524-0072/2022-36-36. Consultation date: 15/05/2022.
- MORDAN, Evgenia. 2018. "Venture investment in Ukraine and the world: modern trends and features of development. Market infrastructure" In: *Black Sea Research Institute of Economics and Innovation*. No. 17, pp. 391-399.
- OFFICIAL WEB PORTAL OF THE VERKHOVNA RADA OF UKRAINE. Available online. In: <http://zakon.rada.gov.ua/>. Consultation date: 15/05/2022.
- P2P-PAYMENT-MARKET. Available online. In: <https://www.alliedmarketresearch.com/P2P-payment-market>. Consultation date: 15/05/2022.
- POKLONSKYI, Andrii; POKLONSKA, Olena; KLYMCHUK, Mykhailo; SLOBODIANIUK, Borys; TORLO, Olena. 2021. "Prospects of Ukraine's foreign economic policy concerning Latin America" In: *Cuestiones Políticas*. Vol. 39, No. 70, pp. 179-194.
- POLISHCHUK, Olena; POLISHCHUK, Oleksandr. 2017. "The modern state and ways of development of the state regulation of the venture industry of Ukraine" In: *Economics and management organization*. Vol. 27, No. 3, pp. 7286.

- STARTUP VOICE: RESULTS OF THE SURVEY OF THE STARTUP ECOSYSTEM OF UKRAINE. N/Y. Available online. In: <https://usf.com.ua/startup-voice-rezultati-opituvannya-startap-ekosistemi-ukraini/>. Consultation date: 15/07/2022.
- SUDOLSKY, Roman. 2022. Ukrainian IT sector and investments before and during the war. Dilbuk from AVentures Capital. Available online. In: <https://speka.media/viina/ukrayinskii-it-sektor-ta-investiciyi-do-tapid-cas-viini-dilbuk-vid-aventures-capital-9denqv>. Consultation date: 15/05/2022.
- UKRAINE NEEDS TO CREATE AN OFFSHORE ZONE FOR STARTUPS - THE EXECUTIVE DIRECTOR OF UVCA. 2017. Available online. In: <https://delo.ua/special/ukrajini-vazhlivo-stvoriti-ofshornu-zonu-dlja-startapiv-vikonavc-335116/>. Consultation date: 15/07/2022.
- VASYUK, Konstantin. 2020. Nine reasons to be proud of Ukrainian IT. Available online. In: [https://biz.nv.ua/ukr/experts/ukrajinskiy-it-rinok-obsyag-eksportu-poslug-i-portretaytishnika-novini-ukrajini\\_50103851.html5](https://biz.nv.ua/ukr/experts/ukrajinskiy-it-rinok-obsyag-eksportu-poslug-i-portretaytishnika-novini-ukrajini_50103851.html5). Consultation date: 15/05/2022.
- VENTURE FUNDS IN UKRAINE - IS THERE A FUTURE?. 2020. Available online. In: <https://dictum.ua/uk/blog/venchurni-fondy-v-ukrayini-chy-ye-maybutnye>. Consultation date: 15/07/2022.
- VENTURE PULSE: GLOBAL ANALYSIS OF VENTURE FUNDING. KPMG INTERNATIONAL. N/Y. Available online. In: <https://home.kpmg/xx/en/home/campaigns/2022/04/q1-venture-pulse-report-global.html>. Consultation date: 15/05/2022.
- ZAKHARCHENKO, Natalia. 2020. "Problems and prospects of venture capital investment of neo-industrial development and IT entrepreneurship in Ukraine" In: Market economy: modern management theory and practice. Vol. 20, No. 3 (46), pp. 160-178.
- ZALEVSKA, Olena. 2022. WARTIME INVESTMENT: TRENDS AND PROSPECTS. Available online. In: <https://buduysvoe.com/publications/investyciyi-pid-chas-viyny-tendenciyi-ta-perspektyvy>. Consultation date: 15/05/2022.



UNIVERSIDAD  
DEL ZULIA

---

# CUESTIONES POLÍTICAS

Vol.40 N° 74

*Esta revista fue editada en formato digital y publicada en octubre de 2022, por el **Fondo Editorial Serbiluz**, Universidad del Zulia. Maracaibo-Venezuela*

[www.luz.edu.ve](http://www.luz.edu.ve)  
[www.serbi.luz.edu.ve](http://www.serbi.luz.edu.ve)  
[www.produccioncientificaluz.org](http://www.produccioncientificaluz.org)