

**Groshchenko O.,**

**Kavtysh O.,**

PhD in Economics, Associate Professor

Igor Sikorsky Kyiv Polytechnic Institute

## **WAYS TO INCREASE THE INVESTMENT ATTRACTIVENESS OF DOMESTIC ENTERPRISES**

In the context of a full-scale war and, as a result, deepening socio-economic disparities across the country, domestic enterprises were forced to search for ways to increase their investment attractiveness that are consistent with the realities and challenges of the post-conflict revival. This, in particular, is evidenced by the dynamics of foreign direct investment in Ukraine (Fig. 1) [1].

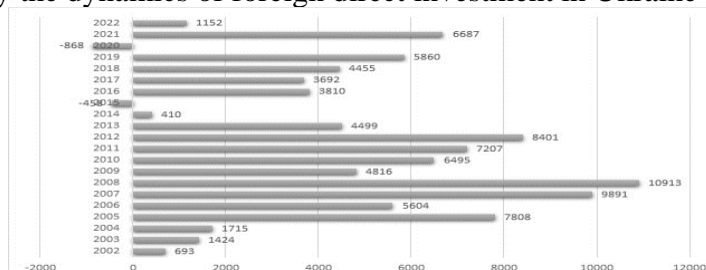


Fig. 1 - Dynamics of foreign direct investment (FDI) in Ukraine, 2002-2022, based on data [1]

In 2023, the first two quarters saw a gradual intensification of FDI in Ukraine's economy [1]. At the same time, the possibilities of financing from the internal resources of the national economy are also being exhausted. Global practice demonstrates [2] that a significant reduction in FDI is also typical for the period after armed conflicts and requires many years of work to restore it to pre-war levels. In such circumstances, and against the backdrop of energy risks, the loss of some assets, export potential, psychological and physical trauma among the majority of the population, the outflow of highly skilled personnel, low business expectations, etc., among the strategic directions for restoring and increasing the investment attractiveness of enterprises, we see the use of practices for strategizing the process of their own development, a set of tools for flexible project and crisis management based on the principles of balancing the interests of stakeholders, using opportunities created by the state, municipal authorities, and foreign partners, in particular in terms of credit opportunities, fundraising and donations for business, strengthening the analytical basis for decision-making on the use of internal sources of development at the level of business entities.

Increasing the effectiveness of information campaigns on such opportunities, infrastructure support for business, continuing multilateral dialogue and engaging business experts in addressing common current and strategic issues to restore investment attractiveness, further stimulating the clustering of the economy and the formation of centres of innovative growth - at the level of government agencies and self-government of amalgamated territorial communities, business associations in systematic cooperation with the Civil Society Institute and international partners. It is important to emphasise the transparency and consistency of these processes, as well as the further improvement of property rights protection instruments. It will increase the level of trust of investors and partners in the long term and will also allow us to cover both hard and soft factors that determine the conditions of investment attractiveness.

### **References:**

1 Foreign direct investment in Ukraine. Ministry of Finance. URL: <https://index.minfin.com.ua/ua/economy/fdi/>.

2 Kolosova V. (2023) Restoration of Ukraine: ways and possibilities of financing. Centre for Domestic Policy Studies of the National Institute for Strategic Studies. URL: [https://niss.gov.ua/sites/default/files/2023-05/az\\_vidnovlennya-ukraini\\_ebr\\_30052023.pdf](https://niss.gov.ua/sites/default/files/2023-05/az_vidnovlennya-ukraini_ebr_30052023.pdf)