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INVESTING IN UKRAINE

In the current conditions of the world economy development one of the most important priorities of the economic development of any country is the investment processes activation, because without this economic growth and the effective functioning of any country economy are impossible. It is practically impossible to satisfy the government investment needs only at the expense of the internal investment resources, therefore every country in the world naturally faces the problem of attracting foreign investment resources [3].

At the beginning of October 2022, the Ministry of Economy of Ukraine announced more than 250 applications received by the government concerning future investments in Ukraine. Before the Russian invasion, the "investor attraction" package looked convincingly [2].

Among the advantages are relatively inexpensive qualified labor force, educated personnel, excellent infrastructure, high investment income per invested dollar due to political risks that lead to undervaluation of assets, and convenient logistics [2].

Among the disadvantages are the law enforcement and judicial system challenges, a high level of bureaucracy in permitting processes, a systemic corruption, and traditional closure of certain industries for foreign investment [2].

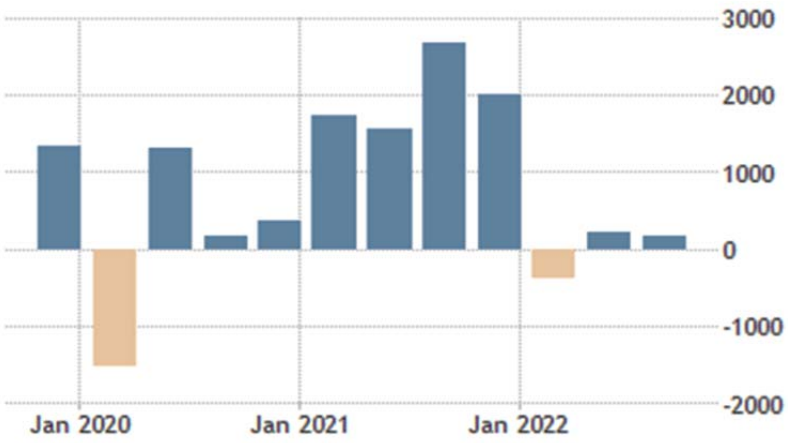
The increase in the information background around potential military aggression is reflected in the fall in the value of Ukrainian assets and devaluation pressure. Long-term preservation of geopolitical tensions can have an extremely negative impact on the population expectations, businesses and investors. It will also be a significant obstacle for investment in the economy and will make it difficult to attract external financing [4].

The basis for a favorable investment climate was laid by the law on support of significant foreign investments. After starting active hostilities, assessments of the scale of destruction and needs for reconstruction, it became clear that it was necessary to adjust the approach [2].

In particular, it is about lowering the "entry threshold" of the project cost for companies that can claim government support in the form of tax reductions, and about providing guarantees of quick, transparent and relevant responses from interested government agencies [2].

In addition to wartime challenges, investors need to make sure that the speed of decision-making will not decrease after the end of the war, that middle and regional officials will not return to unscrupulous practices that will increase the projects cost and make them unprofitable [2].

According to the Ministry of Finance of Ukraine, over the three quarters of 2022, $190 million of foreign direct investment came to Ukraine. During the same time, capital in the amount of $159 million was withdrawn from the country [1].



"The positive balance of investments was about $31 million. It doesn't seem to be a "minus". But it is not enough for the scale of the Ukrainian economy. Therefore, we can say that 2022 was the year during which real investments did not enter Ukraine," noted a financier Volkov [1].

"For the whole 2022, I personally saw a number of foreign investors who were interested in Ukrainian assets. And they were pure speculators. The only question that sounded from them was whether it is possible to buy something in Ukraine for three kopecks in order to hold it until the end of the war and then sell at a good profit. They were mainly interested in real estate in Kyiv or Western Ukraine, as well as logistics facilities. At the same time, the amounts of investments in question did not exceed $10 million," financier Volkov emphasized [1].

So, observing the trend of foreign direct investment for 2022, we can conclude that Ukraine lost most of its foreign investors due to the war and is currently suffering considerable losses. However, it should be remembered that the Ministry of Economy of Ukraine received more than

250 applications for future investments in Ukraine. and this suggests that in the near future investors will be able to invest in Ukraine again. In addition, for this there is a law on the support of significant foreign investments, which creates favourable conditions for investors.

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BUSINESS IN CONDITIONS OF FULL-SCALE WAR IN UKRAINE

In terms of this publication we would like to analyse Ukrainian business under the period of the Russian invasion, to highlight the changes it has undergone as well as outline the state support for the business.

The full-scale war in Ukraine has put business on the brink of survival, as many successful businesses have been destroyed or relocated