

*Conclusion.* The research shows that the development of small and medium enterprises is directly related to the efficiency of the state to create favourable conditions for their development, and vice versa, an effective enterprise is the factor of economic development and growth. The correlation between social welfare and economic growth determines mutual responsibility of the state and enterprise. Creating a beneficial for both sides partnership between enterprises and the state, business liability to state and vice versa are the main features of the economically developed countries.

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## **PARTICIPATION OF UKRAINE IN THE EUROPEAN PROGRAM HORIZON 2020**

*Introduction.* Today innovation and scientific progress determine the development of society, encouraging the economic and social development of the whole country. This process takes place through joint international research, the European Union program Horizon 2020 being an example. *The topicality of the issue* is determined by Ukraine's cooperation with Europe, which will accelerate the accession of the country to the EU as well as its emergence in the world arena.

*Analysis of recent publications.* The participation in international research projects is studied by such scholars as M.Gorokhovska, I.Bilan, L.Thuk, E.Dubinsky, L.Chernyshev and others, but the project Horizon 2020 has yet unexplored aspects. Various authors consider this program in different ways, especially specificity and prospects of Ukraine's participation in it.

*The objective of the paper* is to explore the features of Ukraine's participation in the program and the prospects for its future development.

*The results of the research.* Today implementation of the strategy of foreign economic activities is aimed at developing trade in Ukraine, Ukraine's participation in the international division of labor and exchange of knowledge, experience and technology. Therefore, after becoming independent, Ukraine embarked on taking an active part in integration processes in Europe.

Ukraine became an associate member of the EU Framework Programme for Research and Innovation Horizon 2020. The relevant agreement between Ukraine and the European Union was signed on March 20, 2015. Horizon 2020 offers a EU grant program adopted fund research, the total assets of which is € 80 billion.

The program focuses on funding three priority areas: advanced science, industry leadership and social challenges. These priorities are consistent with the priorities set out in the Europe 2020 strategy and the Innovation Union. (Fig. 1)

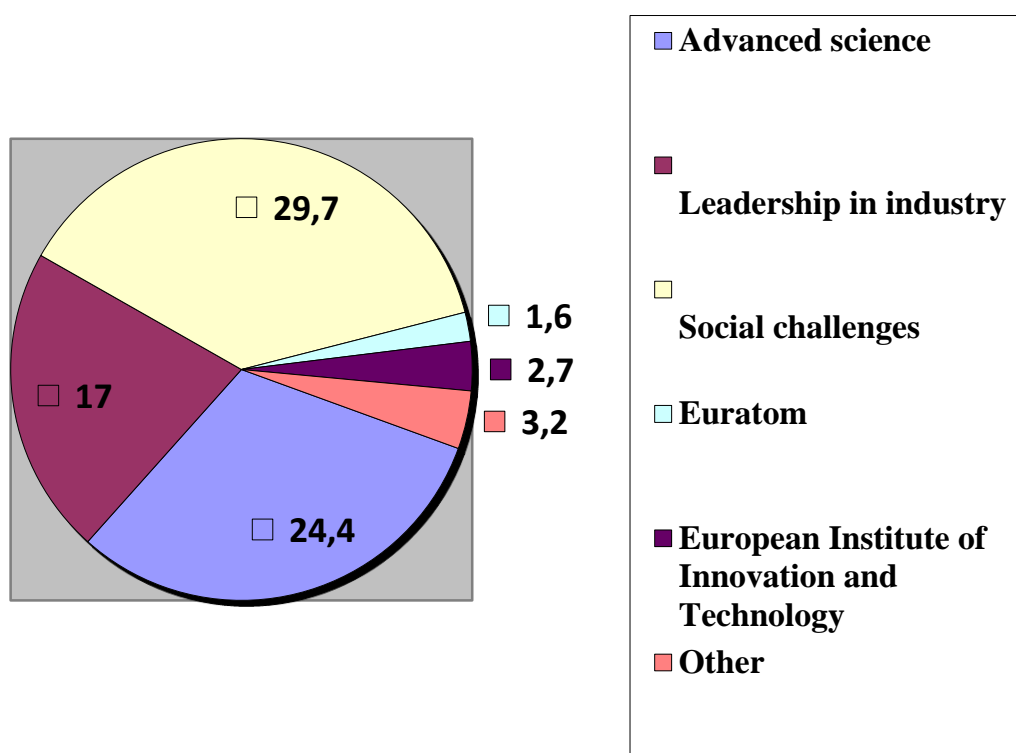


Fig. 1. Horizon 2020 Budget

Within the framework of the program a number of competitions are arranged, where scientists from 41 countries participate. They develop their own research or innovation projects, the best of which receive grants. The European Commission have published 63 competitive programs of the 588 subjects for 2016-2017 with a budget of almost € 16 billion.

Also the preference will be given to Ukrainian businessmen who have access to the tool of Horizon 2020 program for small and medium enterprises (SMEs). SMEs will be given 20% of the budget for competitions held by the Industrial Leadership and Social Problems: about € 2 bln. during 2016-2017. Some Ukrainian universities or research institutes will be able to establish contacts with at least two international leaders in the relevant field in Europe. In addition, Ukraine will be able to make use

of an independent partner and peer review, improve planning and implement evaluation of national and regional research innovation policy.

*Conclusion.* The EU program Horizon 2020 began in 2014 and is designed for 7 years (2014-2020). Our researchers have already received grants in various areas of expertise. The program is open to all interested scientists, teachers or even students if they have their own innovative project, or at least an idea. So Ukraine's development in all sectors will increase the latest technology developed by our scientists to be implemented. Moreover, other countries will want to use our achievements in various fields.

Ukraine's participation in the Framework Programme for Research and Innovation Horizon 2020 will enable Ukrainian scientists to conduct basic research at major research centers, carry out a wide range of innovative and applied research, to attract high-tech industries to implement projects and to realize the full potential of our country in scientific, economic, social and other fields.

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## **INSURANCE COMPANIES AND PRIVATE PENSION FUNDS IN THE SYSTEM OF PRIVATE PENSION INSURANCE IN UKRAINE**

*Introduction.* The system of private pension insurance, built in 2004 on the basis of the Law of Ukraine «On Non-Governmental Pension Provision» is an important reform and integral part of the reform of the pension system in Ukraine. In modern conditions the significance of the system increases. Private pension occupies an extremely important place in the social protection of the working population. It is this kind of personal savings insurance that must become an effective tool in achieving a balance of interests between the State and citizens with regard to their pensions they have earned by their retirement age as well as provide stable payment of pensions to the citizens of Ukraine.

Nowadays there is a need to determine the role of insurance companies and private insurance funds in a funded system, which is one of the conditions set by the