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## **INNOVATIVE PROCESSES AT THE REGIONAL LEVEL**

**Introduction.** The only way to improve the competitiveness of the national economy is to support and develop innovation potential of economic entities in domestic and foreign markets of goods and services. In these circumstances, Ukraine urgently needs to make a model of economic growth taking into account changes in the external environment that strategically aims at implementing the existing competitive advantages with the use of technology modernization.

**Review of recent publications.** In scientific literature there is no uniform approach to the interpretation of the essence of innovation potential of the region, with the existing definitions failing to reveal its essence to the full extent. Scientific controversy regarding the impact of innovations on employment, which was initiated by the classics of political economy (A. Smith, D. Ricardo, K. Marx), continues today. The challenges of labour market regulation have been studied by D. Galbraith, G. Erenburg, J. Keynes, K. McConnell, P. Samuelson, as well as by such Ukrainian scholars as N. Kozhevina [3], I. Vernadskyi, S. Podolynskyi, N. Tuhon-Baranovskyi and others.

Despite numerous studies on theoretical and practical aspects of formation of innovation systems in the region in economic science, still to be worked out is the holistic vision of the essence, the structure of the regional innovation systems and the specific features of the interaction between their elements.

**Objectives of the paper.** The aim of the paper is to study the nature of regional innovation systems and the systematization of the existing approaches to their structuring in order to comprehensively study the ways of optimization and the effective interaction between their structural elements.

**Results of research.** The transition of Ukraine to the market economy calls for fundamental changes in the structure and quality of labour, fixed and operating capital, finance system and investment areas. The underlying principles of market economy are economic liberties, liberalization of production, predictable state economic, fiscal and monetary policies, and tight competition between

manufacturers. The competitiveness of manufacturer's products has become the most important criterion of its activities, since it strengthens producer's market position, enables them to earn stable revenues and profits. In turn, a high level of competitiveness can only be achieved through qualitative changes in labor, means of production, technologies, i.e. renovation of production and products. It becomes apparent that the market encourages manufacturers to innovate in order to have their products and services highly competitive.

The innovation model of economic development has become a topical issue due to the rapidly increasing influence of science and innovative technologies on socio-economic development over the last 20-30 years. New technologies have radically and rapidly changed the structure of the global economy. It turned out that the country's failure to restructure the economy according to the new technological order leads to economic degradation and moves it to the periphery of global economic processes rather than merely hinders its development.

An important area of innovation is the acquisition of rights to objects of industrial property. The industrial property market allows enterprises to complete the results of scientific and technical works, which saves resources, increases competitiveness and product quality.

The end result of innovation activity is, above all, the introduction of more efficient production technologies, creation of new products and the improvement of those made earlier, mechanization and automation of production. [2]

Nowadays, the systemic development of regional innovation activity implies a harmonious development of all its components, which is hampered by the following factors:

- the lack of effective regional policy, resulting in restricted capacity of local governments and local executive authorities to promote innovative regional development and interregional cooperation;
- the unsettled issues of formation and functioning of integral competitive industrial clusters at the regional level due to the lack of government decisions on the transfer of all public sector enterprises, shares and stocks owned by the state in authorized funds of joint-stock companies located in regions, to municipal property or to local state administrations;
- the inability to increase the number of skilled workforce through their retraining in vocational and technical educational institutions located on the territory of a region;
- in the factual absence of the government financial support of priority innovative projects envisaged by the Law of Ukraine "On innovation activity", in the form of interest-free loans or a full/partial compensation of interest rate paid by the subjects of innovative activity to commercial banks and other financial institutions.

Similarly, from the local budgets granted can also be financial aid for innovative activities in regions, but because of shoestring local budgets, financial resources it is scarcely provided. [1]

**Conclusion.** Innovation infrastructure is one of the main elements of the regional innovation system. To support innovative processes it is necessary to create

an appropriate infrastructure which would carry out scientific, financial, informational, consulting, marketing and other support innovation projects. Innovation infrastructure is defined as a system of interrelated and mutually reinforcing organizations of different orientation and of different organizational and legal forms, which regulate their interaction that provides innovation in every area, research and development being one of them.

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## PROBLEMS AND PROSPECTS OF AGRICULTURAL DEVELOPMENT IN UKRAINE

**Introduction.** Ukraine, unlike many countries of the world, has a high natural-resource potential for intensive farming development. About 1/10 of all fertile black soil of the world is concentrated on the territory of our country and the climatic conditions are favorable enough.

**Review of recent publications.** The problem of ineffective agronomy has been studied by such scientists as I. Zahreba, P. Sabliuk, B. Dadashev, A. Duhnevych. A. Pikus, P. Chorny, Ye. Oliynyk, A. Burkovska, T. Lunkina dedicated their works to agroindustrial complex of Ukraine.