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**FORMATION OF INVESTMENT
ATTRACTIVENESS OF RURAL AREAS IN
CONDITIONS OF UNCERTAINTY OF THE
COMPETITIVE ENVIRONMENT**

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Introduction. In the conditions of the post-war recovery of the economy of Ukraine, the formation of the investment attractiveness of rural areas for the activation of infrastructure development cannot take place without the active application of management strategies and analytical tools. One of the main directions of forming the investment attractiveness of rural areas in conditions of uncertainty of the competitive environment is the application of these methods as an effective modern tool of strategic management of infrastructure development.

The hypothesis of the scientific research consists in the study of the process of forming the investment attractiveness of rural areas in the conditions of uncertainty of the competitive environment, as a given condition for managing the existing potential.

The purpose of the study is to substantiate at the theoretical level the formation of the investment attractiveness of rural areas in conditions of uncertainty of the competitive environment.

The methodology of scientific research is general scientific and special research methods. All scientific research conducted within the framework of

analyzing the investment attractiveness of rural areas in conditions of uncertainty of the competitive environment use general scientific methods, such as the method of scientific abstraction, the method of analysis and synthesis, the method of the unity of historical and logical, positive and normative methods, as well as specific research methods.

Conclusions. It was determined that in modern conditions, according to the specifics of the formation of the investment attractiveness of rural areas in conditions of uncertainty of the competitive environment, the conceptual positions are: increasing investment potential due to the activation of innovative development of rural areas; increasing the volume of export-import operations to increase the competitiveness of domestic products in rural areas; development of international relations, taking into account geo-economic changes and trends.

Keywords: integration potential; rural areas; integrative and innovative development; business entities; factors of the external and internal environment; investment attractiveness; investment strategy.

NUMBER OF REFERENCES	NUMBER OF FIGURES	NUMBER OF TABLES
11	1	1

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ФОРМУВАННЯ ІНВЕСТИЦІЙНОЇ ПРИВАБЛИВОСТІ СІЛЬСЬКИХ ТЕРИТОРІЙ В УМОВАХ НЕВИЗНАЧЕНОСТІ КОНКУРЕНТНОГО СЕРЕДОВИЩА

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Вступ. У умовах післявоєнного відновлення економіки України формування інвестиційної привабливості сільських територій для активізації розвитку інфраструктури не може відбуватися без активного застосування управлінських стратегій та аналітичного інструментарію. Одним з основних напрямів формування інвестиційної привабливості сільських територій в умовах невизначеності конкурентного середовища є застосування цих методів як ефективного сучасного інструменту стратегічного управління розвитком інфраструктури.

Гіпотеза наукового дослідження полягає у дослідженні процесу формування інвестиційної привабливості сільських територій в умовах невизначеності конкурентного середовища, як заданої умови управління наявним потенціалом.

Метою дослідження є обґрунтування на теоретичному рівні формування інвестиційної привабливості сільських територій в умовах невизначеності конкурентного середовища.

Методологією наукового дослідження є загальнонаукові та спеціальні методи дослідження. Усі наукові дослідження, що проводяться в межах аналізування інвестиційної

привабливості сільських територій в умовах невизначеності конкурентного середовища, використовують загальнонаукові методи, такі як метод наукової абстракції, метод аналізу і синтезу, метод єдності історичної і логічної, позитивний і нормативний методи, а так само специфічні методи дослідження.

Висновки Визначено, що в сучасних умовах, згідно із специфікою формування інвестиційної привабливості сільських територій в умовах невизначеності конкурентного середовища концептуальними позиціями є: нарощування інвестиційного потенціалу за рахунок активізації інноваційного розвитку сільських територій; нарощування обсягів експортно-імпортних операцій за підвищення конкурентоспроможності вітчизняної продукції сільських територій; розвитку міжнародних взаємовідносин з врахуванням гео економічних змін і тенденцій.

Ключові слова: інтеграційний потенціал; сільські території; інтеграційно-інноваційний розвиток; суб'єкти господарювання; фактори зовнішнього та внутрішнього середовища; інвестиційна привабливість; інвестиційна стратегія.

Statement of the problem. The formation of the investment attractiveness strategy of rural areas is a study of the long-term directions of the investor's development. The development of a strategy for the investment attractiveness of rural areas in Ukraine and the formation of an effective investment portfolio require the study of the investment market in the following directions:

- 1) analysis and assessment of investment market macroeconomic indicators of the of rural areas;
- 2) analysis and assessment of the level of regions attractiveness;
- 3) analysis and assessment of the attractiveness level of industries (sub-industries);
- 4) analysis and assessment of the investment attractiveness of certain enterprises in rural areas;
- 5) analysis and assessment of the investment attractiveness of each innovative investment project in rural areas.

Analysis of recent research. According to a large number of experts (Yermoshenko and Hanushchak-Iefimenko, 2010; Rybalko, 2011; Hazuda, 2015), in the conditions of economic crisis and significant limitation of financial resources, it is necessary to determine the attractiveness of each individual investment project in rural areas.

The purpose of the study is to research on the formation of investment attractiveness of rural areas in conditions of uncertainty of the competitive environment.

Presentation of the main material. The investment strategy of rural areas is a long-term general capital management plan. It is chosen in accordance with the state and forecasts regarding the macroeconomic environment, the investment market, the level of attractiveness of the region and industry, the interest and capabilities of the investor himself, his business area and business interests (Pestrukha and Kolotusha, 2008; Boiarko and Hrytsenko, 2011; Rybalko, 2011).

The strategy of investment attractiveness of rural areas in conditions of uncertainty of the competitive environment provides answers to the main questions of the investment activity organization:

1. Depth of long-term investment process planning.
2. The current object state for which the strategy is being developed.
3. Sources and volumes of funds for investment.
4. Strategic goal and stages of progress towards it.
5. Intermediate goals and related tasks.
6. Priority areas and objects of investment in rural areas.
7. Predictive assessment of the external environment for investment.
8. Forecast assessment of financial market development.
9. Alternative ways of using funds.

10. Target guidelines for expected return on investment.
11. Risk factors and long-term measures to neutralize them.
12. Forecast scenarios of investment market development and investor development.
13. Desired results of investment activity at the end of the strategic period

The assessment of the investment attractiveness of rural areas in conditions of the competitive environment uncertainty is primarily related to the internal characteristics of the enterprise itself, the state of the country's investment climate, the attractiveness level of the industry and the degree of influence of external and internal risks. This approach allows, on the one hand, to combine the macro-, meso- and micro-levels of the investment space, on the other hand, to take into account the effect of all factors that determine the investment prospects of the enterprise, regardless of the size and form of ownership. That is, investment attractiveness can be considered as a model of a set of quantitative and qualitative indicators – assessments of the external environment (political, economic, social, legal status, influences of global economic trends) and internal – positioning of the investment object in the external environment, the level of its economic, financial, resource, personnel potential, which will provide certain guarantees of receiving a positive effect from the investment.

Based on the research direction, the assessment of the investment attractiveness of rural areas in conditions of the competitive environment uncertainty must be carried out from the standpoint of a systemic approach, which is based on the unity and interaction of a large number of criteria for making an investment decision (I): geographical location (G), technical condition (T), organizational level (O), resource potential (R), production potential (P), financial and economic condition (F), political and legal situation (PL), level of risk factors influence (RF):

$$I = f(G, T, O, R, P, F, PL, RF), \quad (1)$$

where G , T , O , R , P , F , PL , RF are factors that are part of the model for assessing the investment attractiveness of rural areas in conditions of the competitive environment uncertainty.

The competitiveness of the enterprises products of investment attractiveness of rural areas in conditions of uncertainty depends on a certain reputation of the relevant industry of the country on the world market, that is, belonging to an investment-attractive industry, it has additional advantages compared to "unattractive" industries. The factor of geographical location has a considerable influence. At the same time, such factors as the natural resource potential of the region, the level of production development, the level of infrastructural development, demographic indicators, the level of environmental,

political, social risks, etc., have the greatest influence. Relations with local authorities are also important and influential. The infrastructure condition of rural areas also affects its investment attractiveness, but in practice it is almost not taken into account by investors. Only indicators of the financial condition of enterprises in rural areas are taken into account.

Investors pay, in general, the greatest attention to the influence of financial status factors. The implementation of its comprehensive assessment most often consists in the study of indicators of liquidity, financial stability and creditworthiness. Indicators of profitability and turnover, the level of the company's liabilities are also taken into account. The specific set of financial indicators used in the study of the level of investment attractiveness of rural areas in conditions of the competitive environment uncertainty may change and depends on the specific formulation of the task and research goals, as well as the level of availability of the necessary primary information for calculations.

At the same time, the interdependence of ongoing processes, for example, such as the attraction of investments in the real sector of the economy, with the existing unevenness of the investment activity of the regions, determines the need to develop a statistical model that would make it possible to characterize the investment climate of objects. Based on the analysis of investment processes, the following system of analytical indicators is proposed, which should be grouped into the following four groups, which provide an opportunity to get an idea of the readiness of individual enterprises for investment activities (Fig. 1).

The information and analytical base of the indicators system should include the maximum amount of data, which will allow to reveal their general dynamics and interdependence. The connection of indicators with various periods of the country's economic development makes it possible to reveal their influence and to form effective measures to increase the investment activity of the country as a whole.

The result of the investment attractiveness assessment of rural areas in the conditions of the competitive environment uncertainty should be the answer for an external investor: to invest in the investigated enterprise or not to invest. With a positive answer to the question of the attractiveness of the country, the investor needs to narrow down the range of investment objects to the industry affiliation of the enterprise. The currently existing methods of determining the investment attractiveness of industries need some clarifications and additions. The study of scientific literature and methods allows making some clarifications.

Today, most rating agencies and consulting firms have developed their own methods for calculating the investment rating of countries and regions (Yermoshenko and Hanushchak-Iefimenko, 2010; Pestrukha and Kolotusha, 2008). The main difference between these methods lies in the criteria for

selecting input parameters, their grouping algorithm, the number of groups (for example, the Euromoney magazine takes into account only 9 groups of indicators, and the Swiss Institute of Management Development – 381 groups) and the method of calculating the integral indicator (<http://www.ir.org.ua>).

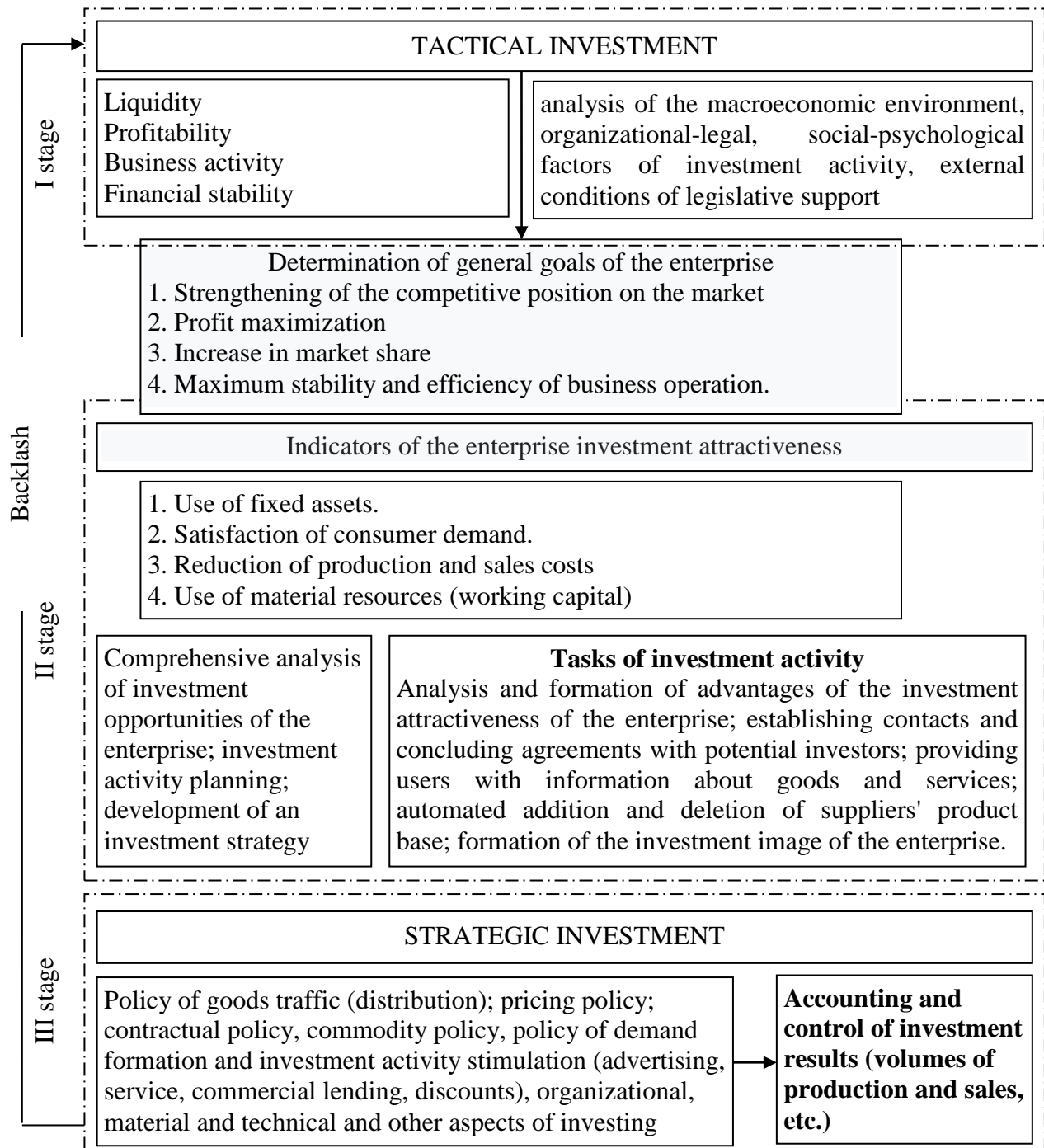


Fig. 1. Components of investment attractiveness of rural areas in conditions of the competitive environment uncertainty

In Ukraine, the best known is the method of the Institute of Reforms, which uses five groups of indicators (<http://www.ir.org.ua>), it is presented in Table 1.

Table 1

Groups of indicators used in the calculation of the investment attractiveness rating of the regions of the Institute of Reforms

Group	Weight of indicators, %
1. Economic development of the region	25,0
2. Market infrastructure	22,0
3. Human resources	13,0
4. Financial sector	25,0
5. Development of entrepreneurship and local government	13,0

Source: <http://www.ir.org.ua>.

The methodology of the Institute of Reforms when analyzing the investment attractiveness of regions is used by the Kalina rating agency, the SOCIS Gallup International agency, the State Committee of Ukraine on Entrepreneurship Development, the Council for the Study of Productive Forces of Ukraine at the National Academy of Sciences of Ukraine, and the Entrepreneurship Support Fund (worldbank.org). The main drawback of this technique can be considered the absence of groups of indicators that assess the level of risks. There is also a significant dependence on macroeconomic indicators, opacity of grouped indicators, lack of consideration of regional specifics. As a result, the rating only shows the place of the region among other regions, but does not say anything about the industry specifics of the region and the priority directions of investments.

If, as a result of the conducted research, neither the region nor the industry is attractive for investment, it is certain that there is no question of investing any enterprise that works in this industry and is located in the relevant region. When either the industry or the region is attractive to the investor, then the effects of the negative and positive sides of attractiveness at the mesoeconomic level almost offset each other. In this case, making a decision to invest in a certain enterprise is possible only on the basis of an assessment of its investment attractiveness. For an enterprise that is located in an investment-attractive region with a high level of attractiveness and belongs to an attractive industry, its attractiveness increases three times during evaluation.

The next step of the analysis should be a more thorough review of the performance indicators of enterprises in rural areas, first taking into account its life cycle level and readiness for renewal, then a more detailed analysis of the main performance indicators. In order to increase the investor's confidence in the

enterprise and more objective assessment of investment attractiveness, it is necessary to choose the most generalized indicators of the enterprise's activity based on accounting and financial reporting, that is, an open information base.

The analysis allows you to determine the state and provide a general assessment of the investment attractiveness of rural areas in conditions of the competitive environment uncertainty, which is recommended to be taken into account according to the level of readiness to invest at the present time, that is, to the degree of probability whether the invested funds will return or not, taking into account the level of attractiveness.

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