

## ANALYSIS AND PROSPECTS OF DEVELOPMENT OF INVESTMENT POTENTIAL OF THE CITY OF KREMENCHUG

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*Investment potential in Kremenchug is considered in the article. The current economic situation is analyzed and the main advantages and disadvantages of the city's investment attractiveness are revealed. An analysis of the competitive position of the city of Kremenchuk among other cities of the Poltava region was conducted. Alternative ways of increasing the investment attractiveness of the city of Kremenchuk are proposed. The prognosis of the fatalities of the direct investment in the territory of the Poltava Oblast until 2020 is ruined.*

**Statement of the problem.** Investment activity is one of the most important factors for the effective development of enterprises, expansion and reproduction of their fixed assets, the possibility of entering a more competitive position in the economy. In today's conditions of crisis and instability of the country's economy as a whole, each enterprise needs a prompt response to changes in the environment. This, in turn, requires the availability of sufficient resources (including financial ones) for the rational reorganization of the company's strategy and enhancement of its competitiveness.

**Analysis of recent researches and publications.** The essence of investment potential was studied in many scientific works such as: A. Boutyanov, A. Duka, A. Trofimenko, T. Mirzoyeva, O. Vorsovskii

and others. However, this topic remains poorly understood to date.

**Setting objectives.** The development of the economy depends on the efficiency of the investment. Particular attention is required to invest in fixed assets and production facilities of the enterprise.

The results of the study are: The main factor in investment activity is the availability of cash resources. The activity of investment activity in Kremenchuk is decreasing as a result of the economic crisis. Kremenchug is an industrial city with a large number of enterprises, many of them are investment attractive. Main economic benefits for business placement in Kremenchuk: relatively low cost of land lease for industry and its purchase (in comparison with other cities of Ukraine); a guarantee by the local authorities to minimize the tax burden related to local taxes and fees; availability of local, inexpensive and skilled workforce of various specialties; there is an opportunity to prepare specialists on request of any technical specialties in the city and other. Among the weaknesses of the city are the depreciation of networks in the municipal sector, the lack of development of the market for qualified specialists in the professions, the lack of affordable housing construction, the unsatisfactory state of the environment, in particular, high air pollution due to emissions from

industrial enterprises and the lack of public information on the state of the environment.

**Insights from the study.** Consequently, in the current unstable situation in politics and the economy, the state and, in particular, enterprises should continue to demonstrate the efficiency and rationality of their activities, in order not to lose existing investors, and to attract even more investments in subsequent years.

Kremenchuk is one of the most powerful industrial centers of Ukraine, a railway junction and a port. Today, Kremenchuk is a dynamically developing city with mod-

ern market and industrial infrastructure, large industrial, scientific and technical, and investment-innovation potential. In order to improve the investment attractiveness of the city of Kremenchug it is necessary: to limit the possibilities of interference of officials in business processes of enterprises, as well as the development of simple and transparent procedures for the implementation of administrative functions; simplification of business organization procedures; provision of protection of intellectual property rights; conducting project competitions among city enterprises; ensuring competition development, etc.