

## REGIONAL FEATURES OF ECONOMIC DEVELOPMENT OF SMALL AND MEDIUM BUSINESS IN UKRAINE

**Yakusheva O.V.**

Lecturer at Department of Economics and Business,  
Cherkasy State Technological University

At the present stage of market transformation of Ukraine's economy one of the main factors of stability of socio-economic relations in the state is to ensure sustainable economic growth and social development in the region based on the mobilization and effective use of all resources and complex conditions. Among the main ways to strengthen regional economic development it is necessary to recognize SMEs as the main generator of innovative ideas and innovation, one of the levers of formation and functioning of the national economy, which stimulates the market mechanism for sustainable development of the country.

Comprehensive penetration of SMEs to the socio-economic system of the country is a prerequisite for the transition of the national economy to market through self-regulation, effective restructuring of production and enterprise development innovation, solving the problems of employment, improvement of living standards as in each region, so in the country as a whole.

In recent years there is seen a significant deterioration in the macroeconomic situation in Ukraine. As a result of the combined effects of external and internal factors, particularly the conflict unfolding in the East, where is placed the large number of enterprises, the country turned up to be in a deep recession. In this regard, SMEs in Ukraine are affected by the higher inflation, currency depreciation, reduced lending volumes, strict control over the capital movement and the limited fiscal resources available to the government to provide them with targeted support.

Ukraine SME in contrast to European SMEs do not make such a significant contribution to the economy, because given the same part of SMEs in Europe, in Ukraine the share of jobs created is 36%, while in Europe – 70%. Uneven location of most of the SMEs in Ukraine demonstrates the existing regional differentiation and needs to develop a strategy at the regional level with all the requirements and characteristics of a particular region.