

INDUSTRIAL PARKS AS TOOLS FOR ATTRACTING INVESTMENTS IN THE REAL SECTOR OF THE REGIONAL ECONOMY

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For sustainable socio-economic development, Ukraine should attract sufficient funds both from internal and external sources. Attracted investment can create jobs, and as a consequence – increase tax deductions, which favourably affect the formation of additional sources of funding for social and economic development; improve the quality of infrastructure; encourage the development of entrepreneurial activity in a particular area and diversify its industrial structure, reduce the risks associated with the cyclical nature of the industry. Since the attraction of investments to the region may substantially make a positive change in its economic situation, modify its industrial structure, cause changes in the labour market and capital, one should pay attention to the key activities of state and local governments.

One of the most effective approaches to achieve these goals is the creation and development of industrial parks – the determination of land attractive to launch an industrial production there, construct necessary engineering and technical infrastructure. It is a kind of “business offices” that will not only increase revenues to budgets of different levels but also solve social and economic problems by creating new jobs and ensuring growth in employment.

The successful development of the country is closely linked with cooperation from

countries that requires gradual modernization, which should be based on manufacturing application of scientific and technological progress in order to produce innovative products and competitive nature of the external and internal markets. However, public policy should aim at changing the structure of the economy through the development of priority high-tech industries as the basis for the transfer of innovative development path.

According to the international experience, industrial parks are one of the most effective organizational and economic tools that accelerate socio-economic development of territories of their location and form “points of regional growth” through the application of stimulating organizational and economic conditions for their members.

Industrial parks are legally distinct integral land intended to accommodate industrial production. They are often (but not always) subjects to special regimes of economic activity, and in some cases – a special tax regime different from the general one. The practice of creating industrial parks is an important factor to attract powerful investors and advanced technologies.

Industrial parks are a relatively new and at the same time promising view of special economic zones in Ukraine. Its advantages are the ability to enhance the institutional activity of certain areas, the creation of regional

points of growth, structural adjustment of the economy, creating new jobs, “cleaning” cities of the industrial production.

Industrial parks are one of the effective mechanisms of successful decentralization. Decentralization – it is not a mechanical redistribution of taxes between budgets of different levels. Genuine decentralization

is to create the conditions in which local communities have understanding, interest and development tools and increasing the welfare of residents through the release of entrepreneurship, investment, job creation, and the budget development. To make local communities capable and prosperous, they need tools such as industrial parks.