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## **Innovative solutions in investment provision of agricultural enterprises**

The necessity to liven the innovation activities is caused by the requirement to save all kinds of resources, the introduction of alternative energy sources and complying with the norms of the balanced environmental management in the agricultural production. Under such conditions when the investment resources are limited, it is necessary to identify the priority actions for enhancing innovation in the agricultural sector.

The problem of innovative solutions in investment provision of agricultural sector enterprises is broadly covered in economic literature by both Ukrainian scientists V. G. Andriichuk, M. J. Demianenko, M. F. Kropyvko, P. ALaiko, P. T. Sabluk. However, certain aspects of this problem concerning improvement of economic circumstances at enterprises of agricultural sphere nowadays require serious research.

The main goal of this paper is to reveal the essence of Innovative solutions in investment provision by grouping basic elements of mechanism providing it at enterprises.

The implementation of the innovative solutions is constrained because of the following reasons: Firstly, a psychology of innovative entrepreneurship as a prerequisite for business has not been formed yet. The majority of the farmers hope to generate income using traditional agricultural technologies. But such an approach is not able to support the production of competitive products. The innovative method should become the basis of the enterprise workers ideology in the sector and public administration at different levels [1].

Secondly, the innovative entrepreneurship is characterized by the uncertainty of future results and significant risks that negatively affect the investment resources.

Thirdly, there is no legal regulation of business innovation and technology transfer, which covers the entire life cycle starting from determining the direction of scientific and technological development to final implementation of technology to end users, including steps to promote the product innovation

market, finding counterparties, adapting the technology to the needs of practical application, the market demands and commercialization.

Fourthly, the lack of systematic state policy as of supporting the innovative entrepreneurship and commitment of entrepreneurs to the implementation of the innovative solutions, because in economic terms the most significant things that keep being are the indicators of profitability and innovation. In foreign countries, the level of innovation is taken into account at all stages of the company development and is crucial for further growth. Thus each company builds up its strategy with regard to the researches and forecasts [2].

Fifthly, the lack of coordination and poor cooperation of the research institutions (universities, industry and research institutes NAASU al.) with business organizations on scientific and technological progress, new agricultural technologies (organic farming, precision seeding, etc.), the world trends in agricultural machinery, new organizational forms of agencies and management of the agricultural production and other areas of innovation promotion.

Sixthly, the information on innovation in all the structural elements of the innovation process is still insufficient. Providing advisory services to businesses, government, public institutions on economic, financial, scientific and technical policy and strategy is also low [3].

Since the innovative entrepreneurship development is only in the process of settling in Ukraine, it is necessary to bring the scientific potential to the needs of the market economy, to ensure the commercialization of products, to create a competitive environment and to accelerate the application of the scientific research results. For the first time in Ukraine the Institute of Economics and Forecasting of NAS jointly with the State Statistics Service of Ukraine conducted a survey of 58 farms from 2009-2015 to study the state of the innovation activities. The companies were selected on the bases of the official information from the agricultural area of 10 hectares to 57 hectares with a sufficient level of profitability. According to the survey the general patterns of the agricultural innovative activities were determined. Namely: the level of the innovative activity in crop production constitutes 57%, livestock – 30%, mainly the adoption of the foreign developments, the prevalence of own sources of investment, the innovation multidirectionality by type (Resource Innovations – 88 % Technology – 77%, the training of the personnel), the innovation application in the environmental protection – above 50 %. In the crop plants such innovative technologies are mainly applied as Noo-till, Mini-till, organic and precision farming, GPS-monitoring, precise seeding, drip irrigation, chisel tillage, spraying plants Fenn method.

In considering the innovation and investment development one cannot approach the innovation commercializing in simplified way. You can't simplify the approaches to integrating HP research and the development activity to the

needs of the agricultural manufactures. The tasks, the phases and stages of the research do not confer to the same needs of production (do not coincide with the motives and worldview). The attempts to reform the science on the market principles somewhat violated the tenets of the scientific and technological activities. Therefore, the concept of integration of industrial science aims to create an efficient high-tech agricultural sector capable of ensuring the functioning and development of the competitive agro-industrial complex (AIC) [4].

The innovative activities of the enterprises depend on the perception aggregate factors of innovation that is how it possesses the innovative potential and how its production system is ready to implement innovation. The ability to introduce innovations in agricultural enterprises is determined by external factors (competition, demand-supply, scientific and technical ties, etc.) and internal (innovative activity, motivation, management system and decision-making, etc.).

Given that the world population is growing at a faster rate (1.4% per year) than food production (0.9% per year) it is necessary to predict the production of all kinds of agricultural products. Thus the trends of the permanent increase in agricultural production will be kept in perspective using the innovative technologies. They will be developed on the bases of monitoring the demand for agricultural products. The demand for agricultural raw materials and food products is growing in the domestic market and the world. The scientists predict this tendency will continue in the world for the next 50 years [5].

To ensure the sustainable development of the agricultural production it is necessary to improve the system of land tenure and create conditions for the innovation at all stages of agricultural production. Such a development is possible through the introduction of the advanced forms and methods of engineering software. Thus, the modern system of engineering and technical support should be seen as a part of innovation [6].

The most sustainable development of agriculture, competitiveness in the domestic and global markets can be achieved through innovative technologies and solutions, including:

- The introduction of scientific achievements, technical and technological re-equipment of the agrarian production in transition to the saving technologies;
- Acceleration of technology transfer plant varieties, agro organic precision farming systems, vehicles, alternative energy;
- Provision of food in accordance with supply and increase production of environmentally friendly products obtained by means of the innovative technologies;

- Optimization of the volume of exports and imports of agricultural products with emphasis on the exports with sufficient depth of sound processing and imports;
- Improving employee motivation techniques for the development, implementation and production of the innovative products;
- Improving the mechanisms of scientific production (cluster) groups with the innovative technologies and the investment software innovation, uniting the efforts of the research, business and industrial structures for the innovative products;
- The formation of the investment resources to support and encourage the development of the innovative agro-food complex with the appropriate institutional structures and skilled workers. One must create the system of mechanisms that will promote innovative development with minimal impact of institutional factors;
- Consideration of the innovative and investment activities in close relationships. The availability of the investment resources creates the objective conditions for the generation and innovation in the basic means of production, agricultural technology, management sector and human assets;
- The increase of the efficiency use of land, labor, material and financial resources through the creation of joint ventures with foreign capital and integrated community producers in scientific production and commercial structures;
- Improving the quality of training of land management specialists, agricultural production, engineering, logistics, innovation and business, which is a prerequisite;
- Technical re-equipment of the sector, especially agricultural machinery, which should comply with the agro-technical requirements, the needs and the latest developments in science and technology.

So in the context of globalization and the integration of Ukraine into space is a necessary condition to ensure the competitiveness of domestic agricultural products in domestic and international markets.

So, the system of investment provision of agricultural enterprises faces the following problems: imperfect state policy in the sphere of investment provision of the activity of agricultural enterprises (taxation, crediting); insufficiently developed system of insurance of crops, property and financial risks; besides, such mechanisms of investment provision as leasing, fund operations, mutual investment, widely spread in the world practice, practically do not develop.

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