

ANNOTATION

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Provision of natural resources for innovation-based development in the agrarian sector of the economy

The article evaluates the provision of natural resources for innovation-based development in the agrarian sector of the economy. The issues of regional concentration of agricultural land and improvement of land management are considered. A system of provision and use of natural resources in the process of sustainable and innovation-based agricultural production is developed and rationalized. A need for sustainable use and protection of the biological system is justified, taking into account the transition of the economy towards innovation-driven growth, introduction of new approaches to economic management and integrated approaches to solving ecological and economic problems. Based on the needs of food and ecological security which are necessary for the national security, a set of priorities for environmental management within ecological and innovation-based development of the agrarian sector of the economy is formulated.

Natural resources potential is viewed with consideration of interrelationship and interdependency of all its elements. In order to ensure the effectiveness of environmental measures, the relevance of specificity of formation and use of natural resources at the regional level is underlined. The proposed system of use of natural resources takes into account not only social needs of the society but also environmental ones and appreciates the importance of reducing negative impact on the environment and minimizing ecological risks through the use of innovative technologies in agricultural industry and an effective system of liability for environmental violations.

It is proved that ecosystem stability can be achieved, provided that theoretically grounded environmental measures are introduced for effective natural resources management. With this aim, the article establishes the importance of reviewing the concept of agricultural production under conditions of the existing conflict between economic growth and environmental security. The paper creates an environmental concept of innovation-based development of agricultural production which will be able to support a strategic national agricultural policy and ensure a harmonious growth of productive forces in agro-industry. The concept includes steps towards implementation of the tasks in the following ways: promotion of environmental management at various levels of governance; satisfaction of material, cultural and spiritual needs of human activities with respect to preservation and replenishment of the environment; creation of an effective organizational and economic mechanism for innovation-based sustainability with subsequent maintenance of agrarian resources of the environment and a balanced combination of public production with the real state of the environment; increase of budget expenditures on restoration of natural resources.

Key words: agrarian sector of the economy, provision of natural resources, innovation-based development.

Taras Vlasiuk

Foreign trade aspects of safe functioning of Ukraine's chemical industry

The research outlines common trends of development and export potential of Ukraine's chemical industry. It is concluded that the main exports of Ukraine's chemical industry are inorganic chemical products and fertilizers. It is also indicated that traditionally the major imports of the chemical industry are polymers, plastics and pharmaceuticals. The state of the domestic and foreign markets of the chemical industry is analyzed, and a set of perspectives for the growth of the domestic market is proposed. The article characterizes the consequences of signing the Association Agreement between Ukraine and the European Union and some threats that the industry is facing. The impact of foreign economic rela-

tions on the growth of the industry is defined. The author determines priorities of national economic strategy aimed at the growth of export potential of the chemical industry in the face of foreign threats and deactivation of the domestic market. It is found that the most serious threats to foreign trade activities of Ukraine's manufacturers and consumers of chemical products are caused by trade wars initiated by the Russian Federation in 2015–2016.

Key words: chemical industry, economy, Ukraine, foreign trade, security, public policy.

Viktoriya Melnyk, Oleh Pohrishchuk

Innovation-intensive manufacturing as a high priority for agricultural development in Ukraine

The research reveals the essential and substantive characteristics of innovation-intensive manufacturing and highlights its peculiar features for the agricultural industry. It also grounds institutional and economic mechanisms of innovation-intensive growth of agricultural enterprises, which are based on a complex system of scientific, technical, economic, technological research and development projects and depend on institutional, economic, legal and technical instruments for increasing efficiency. Scientific support as a component of innovation-intensive growth is highlighted and justified as well as ways and directions of its implementation in the agricultural industry.

A set of factors that can be divided into external and internal, organizational and managerial, scientific and technical, technological, informational and others plays a decisive role in the current circumstances for developing innovation-intensive development.

Differentiation of economic growth in conditions of innovation-intensive manufacturing is carried out, where internal and external factors of economic growth are identified, and preconditions for developing an innovation-intensive form of growth at the level of individual entities are specified. The article also examines conditions and their impact on economic growth in order to develop agriculture as a competitive industry in the domestic and foreign markets.

The study suggests possible utilization of research findings and highlights areas of their implementation in transition to an innovation-intensive form of manufacturing in agriculture. The most important preconditions for implementing the proposed measures are as follows: a new level of relationships between science and production based on the strategic partnership; accelerated diffusion of new technologies; economically more attractive framework conditions for innovation activities, especially for small and medium-sized enterprises; a wide international cooperation aimed at an increase of research and innovation potential; a sufficient number of qualified professionals capable of solving tasks at all levels of innovation and intensification of production.

Key words: agriculture, production system, intensification, innovation-intensive development.

Zoriana Lutsyshyn, Tetiana Frolova, Liubov Lukianenko

Invariants of development in the banking sector of Ukraine's economy

The article analyzes trends of development in the banking sector and the main indicators of banks in Ukraine, particularly, the structure of the banking sector, asset formation, the growth rate of loan portfolio, the share of non-performing loans, the spatial structure of foreign capital in Ukraine's banking system, the funding process, policies and interest rates, prospects and risks in the banking sector. The authors examine the problems in functioning of the banking sector whose influence is growing significantly at the current stage of economic development. For example, in 2014-2015 Ukraine's economy and its banking sector suffered the deepest crisis since its independence. It is found that the crisis was caused by large-scale structural imbalances and strengthened by the military conflict and annexation of Ukraine's territories to Russia.

Analysis of the domestic banking sector made it possible to highlight the main problems whose solutions will enhance financial stability and reliability of the banking sector. It is concluded that the flows of funds from population and companies were the key factor which

increased the liquidity of the banking sector in 2016, while removing restrictions on withdrawals of hryvnia deposits and a significant increase in withdrawal limits on foreign currency deposits have not affected the dynamics of deposits. That revealed a sharp contradiction between an increasing role of individuals' deposits as a source of banks' assets, on the one hand, and a decrease in attractiveness of bank deposits as a way to preserve and increase the population's savings, on the other hand. Banks' capital has been mostly raised through converting loans from shareholders. Bank lending remains relatively low due to people's low paying capacity, debt overburden of enterprises and fairly tough credit conditions, failures to restructure loans or to find possible payment delay options etc. It is defined that one of the most important problems of the banking system is a significant devaluation of the hryvnia resulted from the state of the currency market. The analysis of functioning of Ukraine's banking sector enables to outline its perspectives and determine the invariants for its further development.

Key words: bank, banking sector, banking system, foreign capital, capitalization, crisis, political instability, devaluation.

Serhii Kyrylenko

New approaches to the provision of retail banking services in the context of advancement of digital mobile technology: practices of foreign banks

The article highlights the main trends of the growth of banking business in the developed countries of the European Union and the world as well as features of the provision of retail financial services in the context of a significant advancement of mobile technology. Some practices of foreign retail banks are analyzed and ways of how to apply them to Ukraine's banking sector are justified. A number of prospects for further development of the retail banking sector are identified. A set of tools to increase the loyalty of bank institutions' private customers was developed and some approaches to further enhance the client base of banks are systematized.

Guidance notes on the development of marketing strategy for growth in the retail banking business are produced. The study examines the relationship between indicators of private customers' loyalty and the level of service quality, the number of banking products and other indicators. Basic principles of customer-oriented model of retail banking business in the current circumstances are defined.

Key words: marketing, bank, customer behavior, loyalty, value proposition, mobile technology, a range of services, non-banking services, retail banking business.

Svitlana Ilchenko, Inna Poznanska

Scientific tools for introducing the nature of sectoral asymmetry in the market of transportation services in the maritime industry

The article considers features of sectoral segmentation in the maritime industry, which causes various forms of sectoral segmentation in the world freight market. The latest growth trends in the world commercial shipping are analyzed in terms of type and size of vessels, their age range, features of formation of the cargo base and freight rates. On the basis of that, a number of disparities in the transport sector are revealed and their impact on the growth of both the world and European transport complexes is defined. There are some factors that have a particular effect on forming the asymmetry of transportation services, namely, an increase of the fleet deadweight tonnage, the growing role of container shipping in the maritime traffic and concern about negative effects of vehicles on the environment. The research describes ways for evaluating the asymmetry in tonnage supply depending on the share of the world trade in goods by types of cargo which allows claiming that fluctuations of these indicators by more than 3 per cent lead to a substantial imbalance in supply and demand of tonnage. It is proved that optimum operations of maritime transport relies on best routes and schemes for delivery of various types of cargo. Consequently, if

the indicators of the fleet's operations fluctuate, it results in the asymmetry in a particular sector of the world freight market. It is suggested dividing the possible causes of sectoral asymmetry in the maritime market into the following categories: political and military; 'competition'; 'acts of third parties'; technical and operating. Monitoring the situation and identifying the relevant parameters enable to forecast their possible effects and take measurements to eliminate them. The research proposes to determine the coefficient of asymmetry of the line capacity in order to prevent inappropriate use of freight-carrying capacity, and also the coefficient of variation from the normal indicators of transport infrastructure's operation in order to reduce transport costs.

Key words: world transport complex, sectoral asymmetry of shipping market, linear and tramp shipping, container shipping, economic growth, demand and supply in the market of transport services, freight rate.

Mariia Lyzun

The development of the international monetary system in terms of its components

The article proposes definitions and functions of the international monetary system. International monetary proto-systems and institutionalized systems are considered from a historical perspective. The characteristic features, challenges and critical moments of Paris, Genoa, Bretton Woods and the Jamaican monetary systems are highlighted. The current state of the international monetary system is analyzed in terms of its basic components. The world money commodity is viewed as the first component of the international monetary system and is examined as an aggregate of all instruments that can be used in international payments. The ratio of reserve currencies is estimated; the proposals of a single world currency or strengthening the role of the SDR are considered. It is specified that the world is not yet ready to introduce a single currency because its maximum effectiveness could be achieved only on conditions of 'optimal currency zone' which is somewhat utopian today on a global scale. The existing and prospective regional currency alliances are described. The second component of the international monetary system is considered to be an exchange rate. A classification of exchange rate arrangements according to the IMF is developed and countries' exchange rates are reviewed. It is emphasized that after the Jamaican Conference, the expectations of the economic community for a gradual transition to floating exchange rates is not generally justified because about 66% of IMF members use certain modes of fixing or managing exchange rates. The third component of the international monetary system is the currency market. Its key indicators are as follows: average daily turnover, the most popular currency pairs, geographical spread. The essence of the fourth component of the international monetary system is its regulatory component, which is represented by the international monetary and financial institutions. The challenges and causes of instability of the current international monetary system are considered. The study suggests possible areas for reforming the international monetary system and estimates the potential of multicurrency standard as a basic element of a new global currency system.

Key words: international monetary system, International Monetary Fund, foreign relations, currency, "Triffin Dilemma", global instability, currency market, exchange rate, international payments.

Iryna Zvarych

Current global environmental risks

The article deals with global issues that hindered the development in 2016. The main of them are large-scale forced migration and poor ecology. Possible directions for sustainable development of "green economy" are proposed. The author outlines a number of environmental risks and threats related to climate change and heat wave in particular; coastal floods; the global hydrological cycle; extreme rainfall; floods and landslides which contribute to water and energy shortages; loss of agricultural land; other social, economic and humani-

tarian challenges; forced migration; violent conflicts between countries and regions; water crisis; the world's population growth; lack of food; limited economic growth; weak social cohesion. It is stressed that in order to achieve structural changes, a planetary cooperation which requires as many efforts as "a breakthrough in international relations" needs to be enhanced. Thus, a conclusion is made that the global climate policy should be carried out in three areas of transformation: power industry, urbanization, land use. It is found that the transition towards a low carbon economy and society includes: global pricing in the carbon market; promotion of renewable energy sources; sustainable urbanization; internationalization of climate and energy policy; breakthrough in international cooperation.

Key words: global challenges, environmental risks, climate change, global climate policy, energy, forced migration.

Halyna Ostrovska

Challenges and prospects of knowledge-based economy development

At the current stage, the philosophy of business in most developed market economies is based on a new paradigm of social and economic development known as knowledge-based economy whose main factors are information resources and knowledge that drive social and economic progress. This posed a number of challenges to the world's economics research community, namely the necessity of developing tools for knowledge-based economy growth, modernization of national innovation systems and venture institutions, development and distribution of information technology and business communications as well as efficient harnessing and advancement of intellectual potential of companies. Consequently, in the near future the today's model of social and economic development will be mainly based not on traditional natural resources in material terms, but on new knowledge and information that can largely replace traditional types of material, labor and financial resources involved in business processes. Thus, the core of the above-mentioned paradigm is formed by a new dimension of knowledge, unique technologies of knowledge generation and distribution and increased responsibility of an individual to society, future generations and the environment for consequences of business activities.

Today, one of the crucial issues is creating conditions for Ukraine's transition to knowledge-based economy, a new form of social and economic development of the society. Having scientific achievements and capacity, Ukraine's economy still remains considerably behind the developed countries in terms of development and production of innovative products, processes, and services. The article highlights the current state of knowledge-based economy and innovations, reveals the main drivers for the accelerated growth of economy based on knowledge. In addition to that, a set of requirements which enable to create a favourable environment for knowledge-based economy formation are defined.

Key words: post-industrial society, knowledge-based economy, the network economy, the global economy, new economy, industrial economy, postindustrial economy, innovative economy, information economy, institutionalization of the economy.

Tetiana Hohol'

Theoretical basis for developing brands of agro-industrial enterprises

One of the elements of strengthening market positions and enhancing the competitiveness of agro-industrial enterprises in the domestic and foreign markets is the effective use of branding tools. The purpose of the article is to examine theoretical basis of developing brands of agro-industrial enterprises. Thus, a comparative analysis of the concepts of 'brand' and 'trademark' is carried out. The author also generalizes theoretical approaches to defining the concept of 'brand' used by foreign and domestic researchers. Emotional and psychological characteristics of brands that determine customers' choice are outlined. The main functions of the brand are highlighted and their classification is developed. Based on the comprehensive analysis of the latest academic papers, it is concluded that branding is an up-to-date technique of sales management which enables to promote prod-

ucts to the market effectively. The main branding models are considered and a set of criteria for their classification are drawn up. It is proved that creating and maintaining of the brand is necessary for domestic enterprises. The key factors that affect the development of a new brand are defined and their groups are described. A particular attention is paid to specific ways of developing and promoting brands of agro-industrial enterprises.

Based on the conducted analysis of theoretical principles, a number of conclusions on brand development are made. Firstly, a brand, unlike a trademark, can lead to an integral advantage which will affect an enterprise's future performance. Secondly, a new definition of 'brand' is proposed which sounds like 'a brand is a collection of interconnected psychological, functional and emotional characteristics of goods that are expressed through a product's name, logo, slogan and package and make it possible to distinguish this product from competitors' ones. Thirdly, the key classification criteria of branding models are defined as follows: branding creation models, brand value models and brand management models. Fourthly, the main factors that affect brand development strategies of agro-industrial enterprises are market conditions, brand heritage, economic and political situation, product range and the way of communications. The development of methodological approaches and methodologies of forming an effective strategy for brand management of agricultural enterprises needs further study.

Key words: brand, trademark, brand functions, branding, branding model, strategy of brand development, agro-industrial enterprises.

Olena Rudnytska

Analysis of operational activities in terms of main business processes of trade enterprises

The article considers the main tasks of analysis aimed at operational activities in terms of main business processes of trade enterprises, namely, purchase, transportation, storage and sales of goods. The analysis is focused on expenses, revenues and financial results. It is also specified which sources of information are used for the analysis of the above-mentioned objects.

A general model for economic analysis of a trade enterprise's operational activities is developed. Firstly, it includes analysis of marginal costs, analysis of budget expenditures, analysis of costs under items (distribution costs), analysis of the regulatory framework for costing, analysis of costs under responsibility accounting, analysis of the impact of cost changes on financial results. Secondly, it includes analysis of gross trade income from sales of goods, analysis of the dynamics of trade income, and analysis of influence of factors on trade income. Analysis of financial results from operational activities involves conducting analysis of its dynamics and structure and analysis of influence of factors on profit. The research also employs a comparative analysis of actual costs and planned (budget) costs under expense items of main business processes given in reports of budget execution. These reports present both absolute and relevant deviation under expense items of the above-mentioned business processes.

A particular attention is given to key financial and non-financial indicators of purchase, transportation, storage and sales of goods. Each trade enterprise chooses those key indicators which are the most typical for each business process and create an opportunity to effectively evaluate their work. The article also considers absolute and relevant financial and non-financial indicators of key business processes of trade which are important for management purposes. These indicators serve as a tool for comparing them with planned ones and those of prior periods, allowing accountants to track the dynamics of main business processes of trade enterprises and outline trends of their growth during the reporting period or over several years.

Key words: analysis, operational activities, business processes, key indicators, financial indicators, non-financial indicators, absolute indicators, relative indicators, budget, expenses, income.