

The object of this study is the process of financial support to the development of territorial communities under the conditions of digitalization. The task addressed was insufficient financial support to territorial communities, which, in turn, limits their development under the conditions of digitalization. The need to devise and implement an investment strategy as a basis of financial support to the development of territorial communities has been identified. The interpretation of the research results demonstrates the significant impact of digitalization on the directions and technologies of the investment strategy of territorial communities. This makes it possible to choose the most popular sources of funding for investment strategies of territorial communities under conditions of digitization. An example of sources of funding for the strategic goals of the digital development of the urban territorial community was given, among which the local budget funds and grant funds prevail. The results prove that the successful development of territorial communities in the era of digitalization depends on their ability to determine target orientations and diversify their funding sources. A distinctive feature of the research results is the construction of a model for the development of territorial communities under conditions of digitalization based on an investment strategy. In order to increase the effectiveness of the process of development and implementation of the investment strategy of territorial communities, the implementation of two-level filtering has been envisaged – according to goals and financial resources. The use of the proposed model would create prerequisites for the further development of territorial communities under the conditions of digitalization. The domain of practical use of the results extends to the management of regional investment development, which involves increasing the size of financial investments and improving the well-being of residents of territorial communities

Keywords: investment strategy, digitalization of investments, financial support, territorial communities, regional development

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1. Introduction

Digitization processes are modernizing all realms of life without exception. This not only creates additional opportu-

DEVISING INVESTMENT STRATEGIES AS A SOURCE OF FINANCIAL SUPPORT TO THE DEVELOPMENT OF TERRITORIAL COMMUNITIES IN THE ERA OF DIGITALIZATION

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nities but also increases risks. Digitalization plays a special role in the processes of regional development, in particular, owing to it, the stability and competitiveness of territorial communities is ensured.

The advantages of the digital development of the territorial community are indisputable. First of all, such communities are more open to people. This is the so-called relationship between the community administration and its residents, which helps better understand needs and requests, as well as solve existing problems in the best way.

Owing to digitalization, not only the traditional realms of life of territorial communities are being modernized but it also creates the basic conditions for obtaining key success factors in an unstable environment. In this connection, there is an urgent need to apply radically novel approaches to financial support to the development of territorial communities. First of all, by devising and implementing effective investment strategies in digital projects.

The investment strategy has the key role in the financial support to territorial communities due to the fact that under the specified conditions financial resources are accumulated, which are directed to the priority areas of development. In the process of digitalization, investment strategies become even more relevant since the implementation of digital projects is associated with significant financial costs of resources, which requires attracting resources from various sources.

Accordingly, the development and implementation of an investment strategy can create prerequisites for increasing the level of financial support to the development of territorial communities in the era of digitalization. Therefore, it is appropriate to justify the conceptual foundations of financial support to the development of territorial communities under the conditions of digitalization by devising and implementing an investment strategy. In turn, this should ensure the improvement of the quality of life of people and the sustainable development of territorial communities. At the same time, special attention should be paid to the possibilities of diversification of various sources of funding for regional development. In addition, it is also important to investigate public and private initiatives in financing digital projects of territorial communities.

2. Literature review and problem statement

Much attention has been paid in scientific works to the study of investment strategies as the basis of economic development and strengthening of the social infrastructure of territorial communities. This is explained by the fact that investment strategies are based on various approaches aimed at attracting both local and state, international, partner investment resources.

Study [1] proposed a methodical approach to assessing the investment potential of territorial communities. In particular, a system of evaluation indicators has been determined based on the calculation of sub-indices of provision of financial, labor and production resources. The application of such an integrated approach is designed to create an objective analytical basis for making informed management decisions regarding the socio-economic and spatial development of territorial communities.

Work [2] considers strategic planning of sustainable development of socio-economic systems. In particular, the authors emphasize that the sustainable development of territorial communities is related to investment strategies that must be coordinated with long-term community growth and well-being. The proposed research results could potentially improve the process of strategic planning of sustainable devel-

opment within a separate territorial community by modeling the stages of tactical and operational activities. However, a significant drawback of the study is that it is limited to considering the specificity of only one territorial community. To eliminate this shortcoming, future studies should be expanded and include more elements of strategic planning.

The authors of paper [3] approach the study of investments as a prerequisite for economic development on a more global scale, that is, not at the regional but at the national level. On the basis of the analysis of the factors of development of macroeconomic systems, a conclusion was made regarding the need to accelerate economic development in order to ensure national competitiveness under the conditions of economic globalization. The need to form an organizational mechanism for the country's economic growth at the transition stage of development is substantiated. The analysis of foreign investments in Ukraine was conducted. The work defines the key points, tools, and measures for the formation of the investment mechanism on the example of Ukraine as an economic system in the transition stage of development.

In works [1–3], only investment aspects are considered as a prerequisite for the development of territorial communities. But issues related to their financial support under the conditions of the development of the digital economy remained unresolved. The reason for this may be the targeted orientation of the research, which does not make it impossible to study the aspects of financial support of regional development in the era of digitalization. An option for overcoming related difficulties may be a harmonious combination of the indicated areas of research. This is exactly the approach used by the authors in works [4–6], combining investments, regional development and digitization processes.

Thus, in study [4], the authors emphasize that the investment strategy in digital regional development involves the use of information and communication technologies. Information and communication technologies increase productivity, enable existing strategies, and expand regional capacity through digital governance. The authors conduct a thorough analysis of the prerequisites for the formation of a regional development strategy but do not pay enough attention to the sources of its financing. The authors of work [5] investigate the impact of the expansion of the digital economy on the quality of implementation of regional investments in China, analyzing information data at the city level. The results of the study demonstrate that the development of the digital economy significantly increases the quality level of regional investments. The growing development of the digital economy primarily ensures the attraction of foreign investments, increasing profits from them. The effectiveness of the regional development strategy is also affected by the digital economy, as a result of which regional differences arise. The authors focus on attracting foreign investment and do not consider other sources of investment strategy. Paper [6] proposes a vision of regional growth through digitalization of the economy similar to the earlier study [5]. This vision directs and guides the development of a strategic planning structure to ensure regional digital growth in harmony with the economic, environmental, and social context of the region. On the basis of this, the design of the "digital region" takes place – planning that focuses attention on achieving the digital destiny of the region. Study [7] demonstrates that digitalization contributes to the economic development of regions due to three main changes – qual-

ity, efficiency, and capacity. Threshold values of efficient markets and productive government characterize the impact of digitalization of regions on economic development. The more effective the marketing process or the building of a productive government, the better digitalization of the region contributes to economic development. The advantage of the study is to reveal the internal logic of the digitalization process of the region as a prerequisite for economic development. At the same time, work [7], as well as study [6], does not consider the issue of financial support to the strategy of regional digital development. A distinctive feature of [8] is the focus on the development of rural areas. The authors emphasize that the revival of the village depends, first of all, on financial development. The uneven structure of financial resources in different regions needs further optimization. Financial development will contribute to the revival and development of the countryside by increasing the level of agricultural production as an integral part of the country's economic development. However, a limitation of the study is the lack of combination of key aspects of the development of the digital economy with the development of rural areas, which are especially important in the era of digitalization. In work [9], the authors combine regional development with the degree of innovative development, emphasizing the positive external effects associated with ensuring a high level of employment. Investment strategies should be aimed at creating jobs in the regions and financed by European structural and investment funds. At the same time, it is worth noting that not all regions can meet the criteria for financing investment funds; as a result, disparities may arise in the financial provision of their innovative development. Study [10] reports analysis of the regional investment structure in Germany and Greece. It is noted that regions affected by structural changes need to devise a clear strategic development plan. The financial support to such regions is based on state and European Union funds, and the investment base needs further development. Investment strategies focus on resource reuse, decarbonization, hydrogen and non-electrical carbon applications. At the same time, work [10] does not consider the digital aspects of economic development in detail. Under the conditions of digitalization, the attention of researchers to investment strategies of regional and territorial development based on the principles of "green economy" is increasing. The tools for implementing regional sustainable development strategies are described in work [11]. The study of the relationship between digitalization, green investments, financial and sustainable development is reported in [12]. Paper [13] helps clarify the relationship between the digital economy and green innovation in certain regions, which is a reference for decision-making. Despite detailing the processes of sustainable regional development in the era of digitalization, the authors of works [11–13] almost do not consider the problems of financial support to this strategy.

Unlike previous studies, the authors of paper [14] use a systematic approach when considering the financial support to investment activities. Investment development involves a close interaction of human potential, financial and technological capital, as well as relevant institutions and methods of regulating the digitalization process. The authors single out the main components and directions of investment support to the process of digitalization of territorial socio-economic systems in the context of strengthening international economic relations. At the same time,

the work does not consider the process of development and implementation of the investment strategy of regional development and does not determine its place in the financial support to territorial communities.

Against the background of the literature considered above, it is worth noting that each paper considers separate aspects of the organizational, economic, and financial support to regional development strategies under the conditions of digitalization. In this regard, it is advisable to combine investment aspects, financial resources, and the strategy of regional development under the conditions of digitalization. This will create prerequisites for solving the task of devising and implementing an investment strategy based on financial support to the development of territorial communities in the era of digitalization.

3. The aim and objectives of the study

The purpose of our study is to improve the financial support to the development of territorial communities under the conditions of digitalization by devising and implementing an investment strategy. The results will make it possible to significantly improve the quality of living of people in territorial communities and create prerequisites for further socio-economic development.

To achieve the goal, the following tasks were set:

- to conduct a detailed analysis of the essence of the investment strategy of territorial communities, which is a component of the investment strategy;
- to investigate directions and technologies of the investment strategy for territorial communities in the era of digitalization;
- to analyze the sources of financial support to the development of territorial communities under the conditions of digitalization;
- to build a model for the development of territorial communities under conditions of digitalization based on an investment strategy.

4. The study materials and methods

The object of our study is the process of financial support to the development of territorial communities. The study puts forward a hypothesis about the possible relationship between the investment strategy, the development of territorial communities, and sources of financing the digitization process.

The study of the essence of the investment strategy and its differences from the investment strategy was conducted by the method of comparison. The method of structural analysis was used to determine the main stages in the investment strategy and the investment strategy of territorial communities, as well as to establish their relationship. In addition, the specified methods, in combination with the graphic one, were used to analyze the directions of the investment strategy of territorial communities before and under the conditions of the active development of digitalization. The detailing of the directions of the investment strategy of territorial communities under the conditions of digitalization, as well as the classification of the sources of their financial support, was carried out by the methods of analysis and synthesis. The construction of a model for the development of territorial communities under

conditions of digitization based on an investment strategy was conducted on the basis of the method of algorithmization and a systematic approach. The constructed block diagram should ensure the optimal relationship between the development and implementation of the investment strategy under the conditions of digitalization and the sustainable development of the territorial community.

In general, the research is based on such methods as traditional analysis, informative-target analysis, and content analysis. The methods applied belong to the group of methods of office research and are mainly related to descriptive and intelligence purposes.

The conclusions are formulated on the basis of the methods of theoretical generalization, logical abstraction, induction, and deduction.

5. Results of research on financial support to the development of territorial communities under the conditions of digitalization

5.1. Results of analysis of the essence of investment strategy as a basis for the development of territorial communities

Since the beginning of the decentralization reform, almost 1,500 territorial communities have been set up in Ukraine, covering up to 28,000 settlements. At the same time, it is worth noting that in accordance with the State Strategy for Regional Development for 2021–2027, there are territorial communities that ignore the introduction of digital tools [15].

The purpose of forming united territorial communities was the formation of an effective local institution of self-government capable of ensuring a high level of well-being of residents. Achieving the specified target becomes possible under the condition of continuous development and support to economic growth, which requires significant investments of resources. The latter can be either direct resources from the budgets of territorial communities or external investments [16].

In order to increase the effectiveness of the process of attracting investments to territorial communities, it is advisable to improve the investment policy, in particular, to devise an effective investment strategy.

Investment strategy is a crucial tool for attracting investment resources of territorial communities, owing to which an increase in the level of their social and economic development is ensured [17]. The choice of priority directions for the development of the territorial community directly depends on the effectiveness of the process of formation and implementation of investment strategies.

Close in nature, but narrower, in contrast to the investment strategy, is the investment strategy. The investment strategy determines the direction of distribution of investment resources of the territorial community and creates prerequisites for achieving the target orientations of the in-

vestment strategy. In order to better understand the essence of the investment strategy of territorial communities, as well as its distinctive characteristics in comparison with the investment strategy, it is advisable to single out their main stages (Fig. 1).

By comparing the stages of the presented strategies, you can finally make sure that the investment strategy details the investment strategy of the territorial community. Through the step-by-step implementation of the investment strategy, conditions are formed for improving the territorial infrastructure, multiplying intellectual capital, which ensure the competitive advantages of the territory.

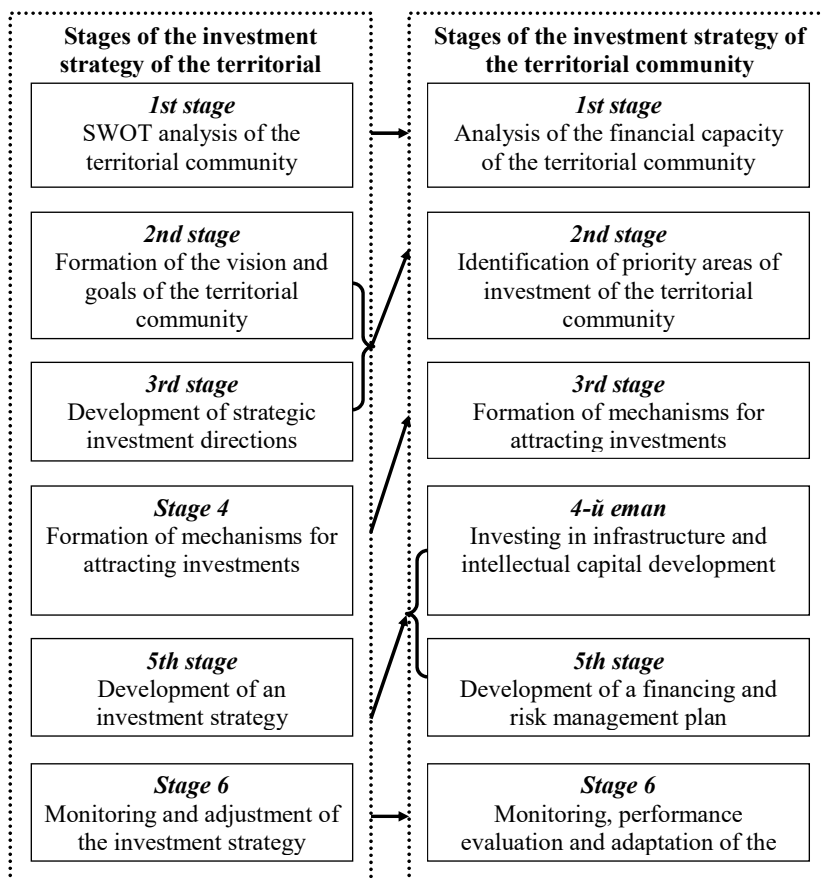


Fig. 1. Comparative characteristics and relationship of the main stages in the investment strategy and the investment strategy of territorial communities

Note: compiled on the basis of [17, 18]

Further research results will be related to the investment strategy of territorial communities.

5.2. Research directions and technologies of the investment strategy for territorial communities in the era of digitalization

Under the conditions of digitization, there are transformational changes in investment directions for the development of territorial communities. The structure of the distribution of investments according to the directions of territorial development, which was relevant at the beginning of the 21st century, has undergone drastic changes. For comparison, fragments of the directions of investment strategy of territorial communities before and under the conditions of active development of digitalization are shown in Fig. 2, 3.

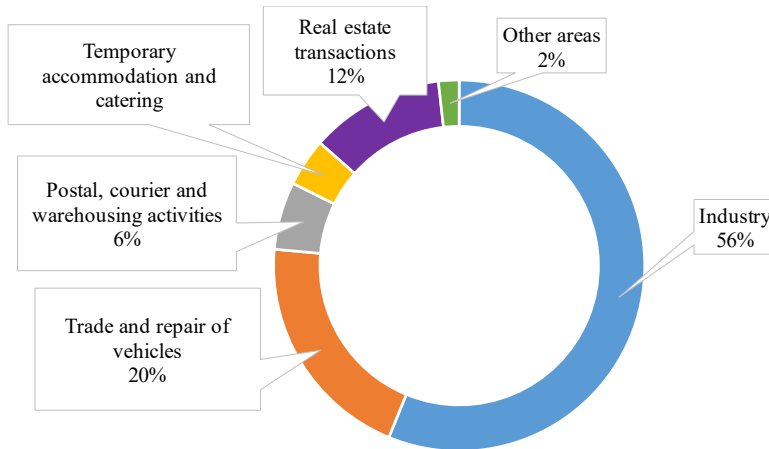


Fig. 2. Areas of investment strategy by territorial communities for the active development of digitalization, %
 Note: compiled on the basis of [19]

Analysis of the examples shown in Fig. 2, 3 reveals that before the active development of digitalization, the directions of the investment strategy of territorial communities were determined by the types of economic activity. In the era of digitalization, the investment strategy of territorial communities is primarily related to digital development. The directions of the investment strategy of territorial communities under the conditions of digitalization need to be detailed since the development of digital technologies affects all realms of life, opening up new opportunities (Table 1).

Digitization of the investment activity by the territorial community significantly increases its attractiveness, increasing transparency and efficiency, which will contribute to the development of the community through the introduction of new technologies (Fig. 4).

Table 1

Directions of investment strategies by territorial communities under conditions of digitalization

Investment strategy directions	Target landmarks	Contribution to the development of territorial communities
Development of digital infrastructure	Increasing coverage of the population with broadband Internet	It will provide the basic conditions for further digitization of the territorial community
	Creation of Smart bridges	It will make it possible to effectively manage the infrastructure of the community – lighting, traffic, the state of the environment, etc.
	Formation and implementation of digital platforms	It will allow community residents to actively interact with local authorities, providing online administrative services, as well as involving the population in electronic participation in decision-making
Development of digital economy and entrepreneurship	Creation of digital hubs and innovation clusters	It will allow the development of startups and small businesses in the field of IT and other high-tech industries
	Acquisition and improvement of digital skills	It will provide training for specialists in the field of digital technologies, programming, cyber security, etc.
	The spread of electronic commerce	It will ensure the development of grant support programs for the development of electronic commerce
Digitization of public administration	Implementation of electronic government systems	It will allow the development of electronic document management, electronic management of public finances, as well as online platforms for the provision of administrative services
	Implementation of Big Data to assess the level of community development	It will make it possible to speed up the analysis of socio-economic indicators of the community, monitor the effectiveness of investment projects and optimize management decisions
	Improving security and privacy	It will make it possible to protect data and ensure the confidentiality of personal information of the population of the territorial community
Digitization of the social sphere	Digitization of healthcare	It will make it possible to develop telemedicine, implement electronic medical records, conduct online consultations with doctors, monitor health through electronic devices
	Digitization of education	It will make it possible to improve online education and the distance learning system, to create digital educational platforms
	Digitization of social services	It will allow monitoring the needs of the population through digital platforms
Environmental digitalization	Development of smart energy networks	It will allow renewable energy sources and energy-efficient technologies to be integrated into the territorial community
	Development of green economy	It will make it possible to create digital platforms for monitoring and management of environmental indicators, as well as to actively support environmental start-ups
Partnerships and international cooperation in the field of digitization	Expanding participation in international programs for the digital development of communities	It will allow attracting foreign investments in the development of territorial communities, as well as acquiring new skills and competencies
	Accelerating the exchange of knowledge and experience in the field of digitization	

Note: compiled on the basis of [20, 21].

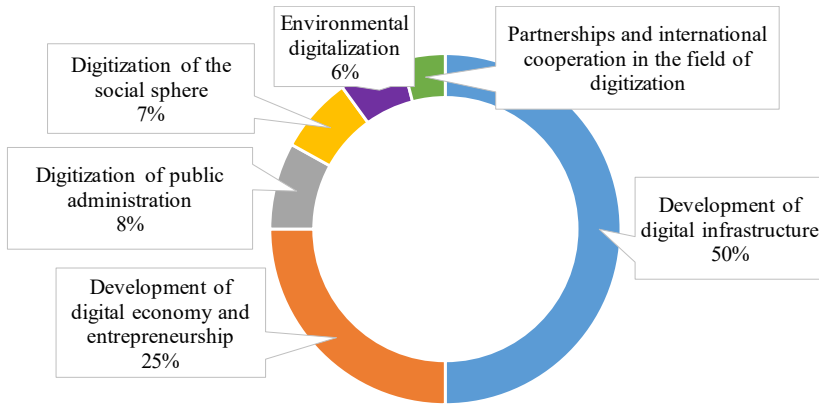


Fig. 3. Areas of investment strategy by territorial communities in the era of digitalization, %
 Note: compiled on the basis of [20]

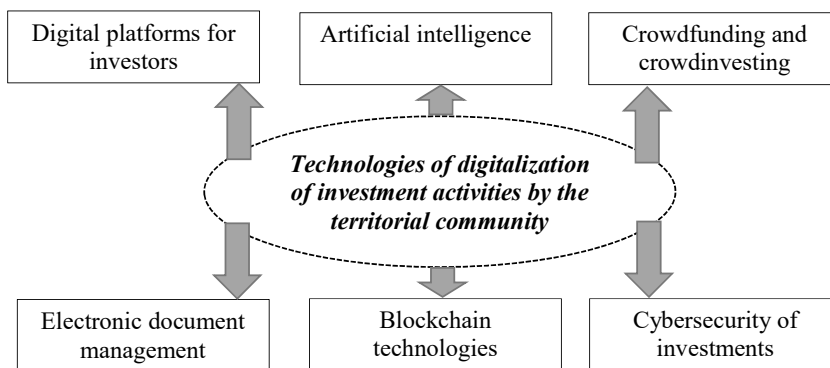


Fig. 4. Digitalization technologies of investment activities by the territorial community
 Note: compiled on the basis of [21]

Achieving target orientations in the main directions of the investment strategy forms the basis for the accelerated development of territorial communities under the conditions of digitalization. At the same time, there are certain limitations related to compliance with information security, technological backwardness, as well as the inability to ensure equal access of different categories of people to digital services. In addition, there is a threat of losing traditional jobs, as business processes are being optimized under the influence of digitalization [22]. As a result of the implementation of the investment strategy, it is necessary to build an innovative, inclusive digital infrastructure that will be quickly updated, ensuring a high standard of living of people and sustainable development of the territorial community.

5.3. Analysis of sources of financial support to the development of territorial communities under conditions of digitalization

The investment strategy creates prerequisites for the digital development of territorial communities by generating financial resources from various sources. This means that in the event that the territorial community is financially insolvent, it is necessary to consider alternative options

for attracting investments. Possible sources of financial support to the development of territorial communities in the era of digitalization are systematized in Fig. 5.

In the process of financial decentralization, united territorial communities got more opportunities to increase their own sources of financing, having received the powers and resources that cities of regional significance have. 60 % of income from personal income tax goes to the local budgets of territorial communities. In addition, own funds are formed on the basis of a single tax, corporate income tax, and property tax, as well as tourist and environmental fees [23].

State funding is implemented through targeted subventions, subsidies, grants, various state programs, etc. Targeted subsidies can be provided by the state for the implementation of digitalization projects, in particular, the development of electronic governance and smart cities. State grants and programs are related to the implementation of digital innovations in the medical, educational, and social realms, as well as the development of the digital infrastructure of certain territories [24].

The lion's share of financing projects of digitalization of territorial communities is carried out by international financial organizations and funds at the expense of grant programs, as well as loans for digital transformation. Among international organizations, the European Union, the World Bank, and the United Nations provide the most assistance to territorial communities of Ukraine. International financing of the digital development of territorial communities is connected, first of all, with the connection of communities to the Internet, the development of digital skills of people, the infrastructure of smart cities, and the introduction of electronic governance [25].

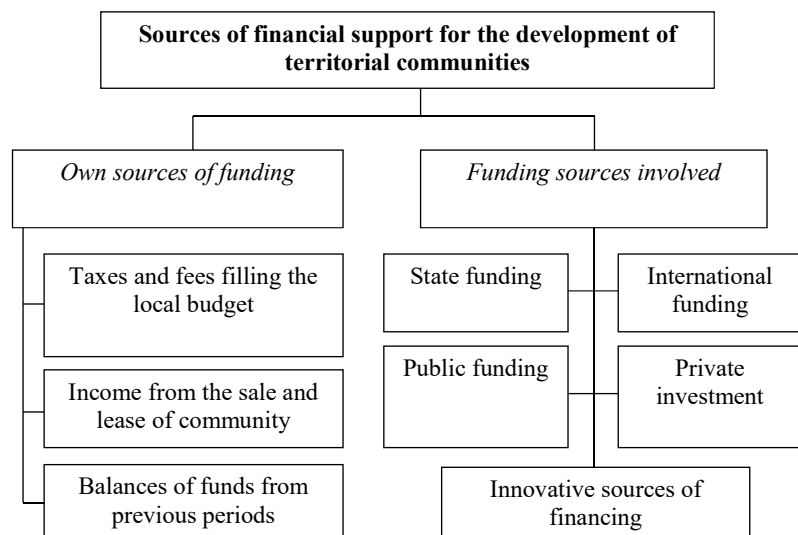


Fig. 5. Sources of financial support to the development of territorial communities in the era of digitalization
 Note: compiled on the basis of [23–25]

Crowdfunding and equity investment are the main tools for financing the development of territorial communities from the public. Crowdfunding is related to the collection of funds among people for the purpose of implementing specific digital projects. Equity investment assumes that people of the territorial community gets the opportunity to invest in digital development, receiving a certain share of the profit in case of their successful implementation [21].

Private companies can also act as initiators of financing digital projects that are related to the development of digital infrastructure, for example, 5G networks, IoT technologies, data centers, etc. [23].

In addition, social and digital bonds, blockchain and cryptocurrencies are innovative financial instruments. Digital projects of territorial communities are financed by investors who are interested in social impact through the issuance of targeted bonds. Blockchain technologies provide opportunities for transparent management of finances and the process of investment attraction.

As an example, Table 2 lists the sources of funding for the strategic goals of digital development of the Tulchyn urban territorial community (Tulchyn, Ukraine) for 2023–2025.

Sources of funding for the strategic goals of digital development of the Tulchyn urban territorial community for 2023–2025

Strategic goals	Task	Sources of funding
Digital infrastructure	Implementation of e-government technologies	Local budget, grant funds
	Openness and transparency of government	Local budget
	Development of telecommunication and information infrastructure	Local budget, grant funds
Use of digital opportunities	Improving the digitalization of public services	Local budget
	E-education	Local budget
	Culture and E-tourism	Local budget, grant funds
Digital skills and safety in the community	Competence development	Does not require financial expenses
	Information security	Local budget
	Resource provision of digitization	Local budget

Note: Compiled on the basis of [26].

Thus, in order to successfully develop and implement ambitious digital projects, territorial communities of Ukraine should diversify their funding sources. Each source of financing has certain advantages and disadvantages. Territorial communities should actively interact both with the state and with international organizations, the private sector, and the public in order to provide financial support to development under the conditions of digitalization.

5. 4. Construction of a model for the development of territorial communities under conditions of digitalization based on an investment strategy

The creation of a competitive and innovative territorial community, which would be able to adapt to the challenges of the era of digitalization, as well as ensure the well-being of people, requires the use of a systemic approach. This is due to the fact that digital technologies have spread to all, without ex-

ception, realms of life of the territorial community and require a harmonious combination with its goals and resources.

In order to increase the efficiency of the specified process, it is advisable to present a model of the development of territorial communities under the conditions of digitalization based on the investment strategy (Fig. 6).

The algorithm for the sequential implementation of the stages of this model is designed to ensure the optimal relationship between the development and implementation of the investment strategy under the conditions of digitalization and the sustainable development of the territorial community.

According to Fig. 5, in the process of development and implementation of the investment strategy, two-level filtering takes place, which ensures the optimal development of the territorial community. The first filter, targeted, provides for the establishment of correspondence between the goals and objectives of the investment strategy under the conditions of digitalization and the strategic orientations of the development of the territorial community as a whole. If the goals are agreed upon, this filter is successfully passed and the transition to the second level takes place. Otherwise, correspondences between the target installations are es-

established. The second filter checks financial security. In that case, if the investment strategy forms sources of financial support to the development of the territorial community under the conditions of digitalization, it is advisable to implement it. Otherwise, it is revised, which requires attracting additional investment resources.

The proposed system model of development under conditions of digitalization can be adapted to different territorial communities.

Table 2

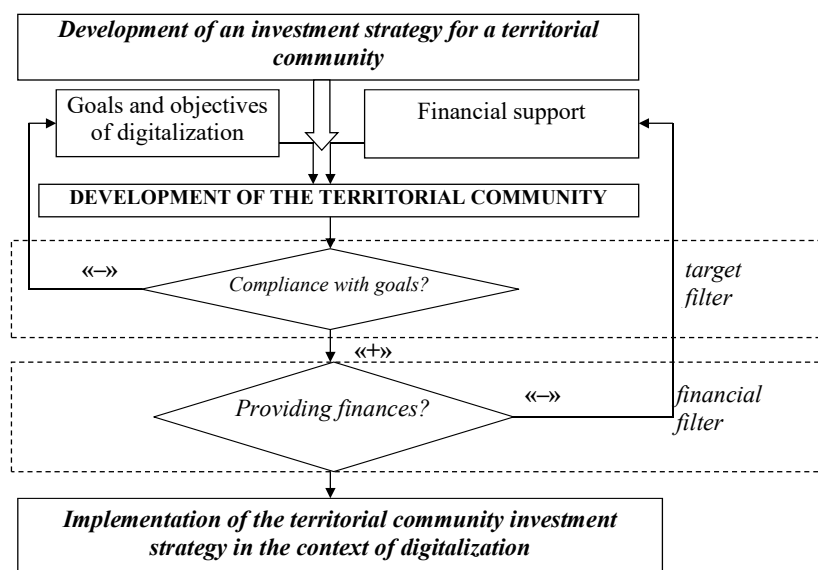


Fig. 6. The model of development of territorial communities under conditions of digitalization based on investment strategy
 Note: compiled on the basis of [20–25]

6. Discussion of results of investigating financial support to the development of territorial communities under the conditions of digitalization

The study of the process of financial support to the development of territorial communities based on the development and implementation of investment strategies under the conditions of digitalization plays a leading role.

Activation of the development of territorial communities takes place at the expense of investment resources. This requires an effective investment strategy for regional development and its detailed investment strategies. Determining the main stages of the investment strategy and the investment strategy of territorial communities made it possible to establish the relationship between them (Fig. 1). Based on this, the assumption is accepted that the source of financial support to the development of the territorial community. It is they who determine the direction of distribution of investment resources of the territorial community and form the basic conditions for its further development.

The study also proved (Fig. 2, 3) that under the influence of digitalization, the structure of the distribution of investments by areas of territorial development changes significantly. An important aspect is the directions of investment strategies of territorial communities under the conditions of digitalization (Table 1), replacing the structuring of investments by directions of economic activity. However, it is worth noting that these trends have both advantages and disadvantages.

Implementation of investment strategies requires active work to attract financial resources. Sources of financial support to the development of territorial communities in the era of digitalization can be both own and engaged (Fig. 5). The research substantiates the possibilities and expediency of various sources of financing the territorial ditch in the era of digitalization. In addition, the sources of financing strategic goals of digital development for 2023–2025 are characterized on the example of the Tulchyn urban territorial community. The main ones are funds from the local budget and grant funds (Table 2).

According to the results of our research, a model of the development of territorial communities under conditions of digitalization was built, based on the investment strategy (Fig. 6). In accordance with this, the successful development of the territorial community is ensured by two-level filtering of the investment strategy - according to goals and financial security.

From a practical point of view, the proposed model is designed to streamline the process of development and implementation of the investment strategy of the territorial community under the conditions of digitalization. Along with this, there are a number of limitations and shortcomings that are not taken into account in this model.

The development of territorial communities under the conditions of digitalization based on the investment strategy is limited to only two filters. Therefore, it would be advisable to add, for example, a filter of financial risks and use the most relevant method of their assessment [27]. In addition, there is a significant drawback associated with the lack of clear criteria in each filter. For example, it would be appropriate to use the index of digital transformation of territorial communities [28] for the target filter, and the level of their financial capacity [29] for financial support.

Prospects of future research involve improving the proposed model by expanding the filters and defining the indi-

cators for each of them. This would ensure transparency and openness of the territorial development process.

7. Conclusions

1. It has been established that the achievement of target orientations of territorial communities is primarily influenced by their financial support. It was determined that the main source of financial support is investment strategies, owing to which an increase in the level of socio-economic development of territorial communities is ensured. In this regard, the essence of the investment strategy as a component of the investment strategy has been characterized. The investment strategy is an important tool for attracting investment resources of territorial communities, owing to which an increase in the level of their socio-economic development is ensured. A comparative characterization was conducted and the relationship between the stages of the investment strategy and the investment strategy of territorial communities was substantiated, which gives grounds for asserting that the investment strategy details the investment strategy.

2. It has been noted that digitalization transforms investment directions for the development of territorial communities. On the basis of a comparison of the directions of investment strategies of territorial communities before and under the conditions of active development of digitalization, the transition from the traditional to the digital economy has been established. The directions of the investment strategy of territorial communities under the conditions of digitalization according to target orientations and contribution to the development of territorial communities have been detailed. In particular, this is the development of digital infrastructure, digital economy and entrepreneurship, digitalization of public administration and the social domain, ecological digitalization, partnerships, and international cooperation in the field of digitalization. Certain limitations associated with the accelerated development of territorial communities under the conditions of digitalization are highlighted. First of all, the limitations are related to the observance of information security, technological backwardness, as well as the inability to ensure equal access of different categories of people to digital services. In addition, there is a threat of losing traditional jobs, as business processes are being optimized under the influence of digitalization. The technologies of digitization of investment activities of the territorial community are systematized, including digital platforms for investors, artificial intelligence, crowdfunding and crowd investing, electronic document management, blockchain technologies, cyber security of investments.

3. It has been determined that investment strategies create prerequisites for the digital development of territorial communities, generating financial resources from various sources. Sources of financial support to the development of territorial communities in the era of digitalization were systematized, in particular those that belong to own and involved ones. The sources of funding for the strategic goals of digital development were characterized on the example of the Tulchyn urban territorial community for 2023–2025. Thus, the strategic goals and tasks of the studied territorial community are financed from the local budget and at the expense of grant funds. It has been proven that for the sake of successful development, territorial communities of Ukraine should diversify their funding sources.

4. Our results will make it possible to accelerate the development of territorial communities under the conditions of digitalization based on the development and implementation of an effective investment strategy. It was established that digital technologies must be harmoniously combined with the goals and resources of territorial communities. For this purpose, the process of development and implementation of the investment strategy involves two-level filtering – target and financial. The use of the proposed model could create prerequisites for balancing potential opportunities and target guidelines for the development of territorial communities under conditions of digitalization.

sonal, authorship, or any other, that could affect the study, as well as the results reported in this paper.

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Data availability

The data will be provided upon reasonable request.

Conflicts of interest

The authors declare that they have no conflicts of interest in relation to the current study, including financial, per-

Use of artificial intelligence

The authors confirm that they did not use artificial intelligence technologies when creating the current work.

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