



## FINANCING ASPECTS OF TRANSPORTATION WORK OF URBAN ELECTRIC TRANSPORT ENTERPRISES

page 4–7

The conducted analysis of the international experience of UET development has shown that recently a significant advantage is given to electric transport, as environmentally friendly. There is an opposite tendency in the market of urban transport services of passenger transportation in Ukraine. Insufficient funding from the state budget revenue losses from subsidy contingent transportation leads to the use of outdated transport vehicles and reduction of the public electric transport routes.

However, almost all economically developed countries provide funding up to 80 % from the federal budget, necessary to improve the operation of public passenger transport.

A set of measures for stating transport work requirements for urban electric transport enterprises was proposed. The basic approaches to forming tariffs, determining the compensation for the difference between fixed tariffs and actual transportation cost, the value of compensation for income losses of subsidy passenger transportation were given. The directions of representing these aspects of funding transportation work of urban electric transport in the preparation of the agreement on the organization of passenger transportation with local authorities, ensuring the availability of transport services and the creation of conditions for sustainable and safe passenger transportation, were proposed.

**Keywords:** funding, tariff, transportation work, recovery of expenses, costs compensation, urban electric transport.

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## INSURANCE OF PROJECT RISKS IN THE PORT

page 8–12

One of the methods of protection against the negative consequences of failure to execute the project is to use insurance mechanisms. In the case of a positive decision on using insurance in the investment risk management, it is important to develop investment project insurance technology. For this, overall economic analysis of the investment project, description of the results of identifying and assessing investment risks, selection of necessary types of insurance and modeling of risk management mechanism through insurance are performed.

Under these conditions, objective functions of policyholders (executors) for the maximum profit taking into account insurance are formulated. Insurance terms are defined by the following provisions:

1. Insurance system should not encourage the executor to «promote» the insured event.
2. Insurance should make sense for the executor.

3. The values of the objective functions of executors should be nonnegative.

4. Insurance should make sense for the insurer.

For these conditions, the mechanism of mutual insurance of project risks in the port, providing the decrease in the payload on policyholders was developed.

The obtained research results are aimed at reducing the risk of adverse and emergency situations, i. e. external and internal economic mechanisms, directed to reducing the risk level, as well as reducing the negative consequences of adverse events.

**Keywords:** insurance, insurance programs for investment projects, project risks, seaport.

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## FORECASTING AND ANALYSIS OF INVESTMENT DECISIONS EFFICIENCY

page 12–15

It is studied the new approaches for grounding and making optimal investment decisions under uncertainty and risk with the use of economic-mathematical methods.

The volume of future earnings and the amount of investment for their implementation are compared for the efficiency evaluation of investment projects.

Evaluating the solution implementation effectiveness is suggested to perform using the «probability tree» and the meanings of numerical characteristics of the studied random variable.

Taking into account the use of the discount rate value and the future payments (receipts) value, and hence the possible scenarios of projects for different economic situations and their corresponding productive probabilities, present values of future earnings are calculated by using the built-in NPV program EXCEL.

The mathematical modeling of the optimization decision-making process with taking into account the stochastic conditions of their implementation and risks not to receive predictable results is developed and practically implemented.

It is highlighted that the construction of the decision tree allows managers to monitor the projects performance and to reanalyze projects in each point with the flow of the new information.

**Keywords:** investment decisions, decision tree, uncertainty, risk, dispersion (variance), standard deviation.

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**DEVELOPMENT OF THE PAYMENT INSTRUMENTS IN THE MONETARY MARKET OF UKRAINE**

page 15–20

The theoretical and practical analysis of development of payment tools of the monetary and credit market in Ukraine is presented in article, which allowed to reveal the main problems of state regulation of payment systems. The article presents the description of the main forms of payment tools provided in Ukraine, advantages and shortcomings of using these tools, in particular: the essence of electronic money as economic category is investigated; features of use of Visa PayWave and MasterCard PayPass are opened; the Ukrainian system of electronic payments of NSMEP is considered, Internet banking services from positions of granting by their largest Ukrainian banks are estimated. The above-mentioned points will

allow a banking system to come to new level and to save funds for the press of banknotes.

**Keywords:** electronic money of payment system, acquisition, Internet acquiring, Online Banking, smart card.

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**THE CONCEPTUAL FOUNDATIONS OF RESEARCH OF INNOVATION CONCEPT ESSENCE**

page 20–26

Despite the popularity of the term «innovation» in scientific researches of the XXI century there is no definition that would display the main properties of this category. The purpose of this paper is to clarify the essence of the notion of «innovation». The paper is devoted to the investigation of the main approaches to the notion of «innovation» consideration. The defining characteristics of this category were analyzed; the conditions of the transformation of a novelty into innovation were identified. The criteria of classification of the types of innovation, their peculiarities, advantages and disadvantages were determined. As a conclusion we give some recommendations for classification of innovation improvement and specify the category «innovative activity». We revealed that the views of scientists on the category of «innovation» are significantly different that can be explained by the specific of use of innovation, the particularity of the approach to the subject and object of research. We analyze the main features of the category and according to them specify the notion of «innovation» which can facilitate its scientific interpretation and practical using.

**Keywords:** innovation, features of innovation, novelty, classification of innovation, revolutionary innovation, evolutionary innovation, innovative activity.

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#### EVALUATION OF PROBABLE IMPACT OF REAL INVESTMENT PROJECT IMPLEMENTATION ON CORPORATE IMAGE

page 26–34

The necessity of taking into account the ethical aspects when taking investment decisions in the company that is caused by an increasingly traceable trend of interest of external and internal enterprise environments in the ecological, social and ethical business responsibility is substantiated in the paper. Existing approaches to evaluating the corporate image are analyzed. The conclusion that currently there is no consensus on the corporate image assessment is drawn. It is revealed that in Ukraine and Russia scientists do not differentiate the concepts of «corporate image» and «corporate reputation». It is proposed to estimate the corporate image by identifying the attitude of particular representatives of certain target groups to the enterprise. The evaluation model of the probable impact of real investment project implementation on the corporate image – reputation component is developed. The value of the reputation component of specific real investment project is a convex linear combination of relevant (in the opinion of the decision maker) changes in the

corporate reputation (in the opinion of the target groups) in the case of implementing this project. To find the values of weight coefficients, being integral parts of the developed model, we find possible to use the hierarchy analysis method. In the case when true values of the experts' competence levels are unknown, the values of weight coefficients can be estimated using the matrix model for assessing the values of these coefficients, i.e. using the model for estimating the values of weight coefficients, based on the solution of the corresponding matrix game.

**Keywords:** real investment project, corporate image, matrix game.

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#### COMPARISON OF MODELS SOCIALLY-ORIENTED ECONOMIES

page 34–38

In the paper the models of socially-oriented economies are characterized. It is revealed the concept of social market economy and social functions of the state. The composition of social policy is determined. It is characterized such models of socially-oriented economies as continental, Anglo-Saxon, Scandinavian, Southern European, neoliberal and paternalistic. It is proved that the most

successful version of the welfare state is a Scandinavian welfare model. It is conducted the comparison of the social economy models. It is defined the criteria by which models of the social market economy differ. It is proved that under current economic conditions a new paradigm of social policy that combines three forces: state, market and civil society. It is highlighted the general trends of functioning of the European social-oriented economies.

**Keywords:** socialization, social market economy, welfare state, social policy.

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**TECHNICAL RE-EQUIPMENT ORGANIZATION IN MACHINE-BUILDING ENTERPRISES ECONOMIC ACTIVITY**

page 38–42

The article discusses the questions related to characteristics analysis of the complex system of technical re-equipment activities, as well as the organizational structure of the technical re-equipment, applying a matrix-type of an organization development. The specific tasks of the project technical re-equipment on middle and lower management levels were worked out. The ways of eliminating double subordination for the selected organizational structure managing technical re-equipment of a given enterprise division are defined. The scheme of the above tasks fulfillment was activated at the accounting department, applying the created technical re-equipment fund. Such a necessity has surfaced due to lack of scientifically grounded research, developing new organizational structures of technical re-

equipment management. The study findings have revealed that the matrix subdivisions technical re-equipment organizational structure appears to be the most optimal and viable for machine building enterprises. Research results have proved that the formation of a separate project team is central to the enterprise effective technical re-equipment management.

**Keywords:** organizational structure, matrix-type of organization, technical re-equipment fund.

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**APPLICATION OF LINEAR PROGRAMMING TO OPTIMIZATION OF PRODUCTION AND TRANSPORTATION PLANS IN SUPPLY CHAIN**

page 42–47

This article presents the substantiation of expediency and efficiency of linear programming models application for joint optimization of production plans of suppliers and manufacturer plans, transportation plans for finished product delivery at destinations. It is supposed that there are a set of suppliers and one manufacturer. The method of synergetic effect from integration of supply chain participants is proposed on the basis of above linear programming model. The numerical results are given.

Also in the article the stochastic optimization model for joint optimization plans of supply and finished product production under random demand is built. It is shown that deterministic equivalent of stochastic optimization problem is reduced to a convex programming problem.

The results obtained are the basis for further investigations and generalizations, for example, application of dynamic models of inventory control (the Wagner-Whitin type model).

**Keywords:** supply chain, VAT-classification, multi-index linear programming model, synergetic effect, stochastic optimization, random demand.

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### PROBLEM OF CHOOSING AN ENTERPRISE RESOURCE PLANNING SYSTEM AND METHODS OF ITS SOLUTION

page 47–52

This article presents a new approach to choosing ERP. The need for a special technique is caused by high value of error as a result of high costs of the systems and their strategic importance. This approach uses the modified Analytic Hierarchy Process (AHP) and fuzzy sets theory. Using the expert selection procedures allows to overcome the problem connected with the lack of statistical data from the past implemented projects. Application of the fuzzy assessments helps to solve the problems of ambiguity and subjectivity in construction of the pairwise comparisons matrix. Besides, the simplified procedure for filling the matrix allows the experts to avoid mistakes. Procedure provides the calculation of the matrix elements by the formulas based only a few evaluations that have been proposed by experts. The selection algorithm takes into account the strategic nature of such projects and allows to decompose the objectives of choice and improve determination of the significant criteria.

**Keywords:** ERP, Analytic Hierarchy Process, fuzzy sets.

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### RESEARCH OF TERRITORIAL BRANDING TECHNOLOGY

page 53–58

The concepts of nation branding and urban marketing, their place and tasks in an image creation and promotion of the country, city or territory are studied in the paper.

The main factors, which should be considered when developing the city brand – infrastructure, economic and socio-political, are determined. The criteria required for the strategic plan of the city development are proposed.

Using the logo and city branding is an integral part of the city development and attraction of tourists and investment. When designing a logo and brand the experience of European cities should be taken into account.

The examples of brands and logos of the cities in Western Europe, Russia, as well as Lviv and Odessa are considered. The main objectives of their introduction are given. The possible customers of city branding and objectives that may be pursued by them are given. Both successful and failed examples of creating and using logos are shown.

It was found that the introduction of high-quality brand is a pledge of residents' satisfaction, using the logo encourages the authorities to the development of urban infrastructure, the construction of new cultural and sports centers, the art development that improves life quality.

**Keywords:** branding, logo, territorial marketing, city branding, image, investment, infrastructure, brand communication.

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### STATE REGULATION OF THE FINANCIAL SYSTEM OF UKRAINE

page 58–64

The paper presents the most promising way of restructuring the financial system in Ukraine, in particular a single regulator (mega-regulator), thus allowing to avoid contradictions in the system of

state regulation and control in the financial sphere and create a stable basis for the successful integration of Ukraine into the global financial system.

The main purpose of state financial agencies is stabilizing the financial system, taking into account the positives and drawbacks of state regulation in the financial sector.

Reforms for regulation and supervision in the financial market of Ukraine should be implemented in four main areas:

- unifying the rules and regulations of state regulation in the financial market with the gradual concentration of regulatory functions in a single state body;

- separating supervisory functions from regulatory and implementing the system of prudential supervision in all major segments of the financial market;

- increasing the role of self-regulatory organizations of professional participants and establishing their closer connection with regulatory bodies;

- significant improvement in financing state regulators, including from market sources.

The need to concentrate efforts on developing the mechanisms of the state influence on financial stability, system analysis and implementing measures to prevent systemic risks, ensuring effective management of the financial system liquidity, modernizing and improving the transparency of financial legislation and implementing existing legislative norms by all subjects of financial relations is noted.

**Keywords:** financial system, financial market, megaregulator, prudential supervision, self-regulatory organizations.

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