

O. Shylnikov

*Candidate of Agricultural Sciences,
Associated Professor at the Department of Finance,
Volodymyr Dahl East-Ukrainian University*

FINANCIAL PROVISION OF INNOVATIVE ACTIVITY OF UKRAINIAN INDUSTRIAL ENTERPRISES

The article investigates financial constituent of innovative activity of Ukrainian industrial enterprises.

Innovations in industry present an integral process of continuous perfection of means of production, technologies, forms and methods of production management contributing to increase of effectiveness of accumulated scientific and technical and production potential usage, as well as economy of labour, materials, raw materials, fuel, energy mode for increase of industrial growth tempo.

Analysis of innovative development financing by industrial enterprises has shown that the major source of its financing is enterprise internal funds, loans make much less part. Foreign and domestic investors' means constitute practically equal parts in financing. State budget means have the least share excluding coal-mining enterprises where such funds present the main source of financing.

One of the major problems of effective innovative activity management is insufficient volume of financial provision. Alongside with this, sufficient level of innovative activity management is a factor of social and economic growth for both separate enterprises and the

whole country, because effective financial provision of innovative activity contributes to solution of economic, social, ecological and other problems of modern society development.

Other countries' experience shows that it is possible to flood both Ukrainian and world market with competitive goods produced in the home country only under conditions of wide introduction of innovative developments. The use of foreign experience will allow Ukraine to make the basis for increase of country's competitive economy. So, this is exactly the act which will make it possible to provide "innovative breach" of economy and to enter the range of front-rank competitive economies if necessary internal conditions would be formed.

It is proved that there is a tendency at the industrial enterprises to decrease a quantity of introduced innovations connected with diminishing amount of industrial enterprises which introduce innovations. Introduction of the system of tax benefits and low interest long-term loans, use of mixed financing of innovative projects and attracting additional sources of financing may contribute to the solution of these problems.