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FEATURES OF ACTIVATION OF ENDOGENOUS FACTORS OF REGIONAL DEVELOPMENT

Zabedyuk M.S., Candidate of Sciences (Economics), Associate Professor
Department of Finance, Banking and Insurance

Lutsk National Technical University

The decentralization processes that have begun in Ukraine have led to the vital need to intensify endogenous factors of regional development. After all, when fighting for the right to self-government, territories must rely mainly on internal factors of development. Therefore, finding ways to increase internal reserves and increase the efficiency of its own potential are the main priorities of regional development.

The dominant feature of modern development is the approval of a new order of relations between the center and the regions, a significant expansion of the rights and responsibilities of the territories in solving their own socio-economic and other problems. Every citizen to some extent, both in everyday life and in professional activities, feels his dependence on the conditions of territorial development or, conversely, underdevelopment of the region in which he lives and works. In addition, the tasks and functions of local regional authorities have changed in terms of awareness that blind implementation of instructions from above does not become a guarantee of success in the implementation of regional socio-economic development. After all, in order to make effective management decisions, it is necessary to know local economic and social problems from the inside [1].

It should be noted that the ideas about the development of territorial systems by endogenous resources become quite relevant in modern conditions, especially when it is necessary to solve the problems of confronting the instability of the world economy, reduce external dependence on energy, external borrowing of financial resources, etc.

The main elements of endogenous factors of regional development are the following:

1. Specific conditions that must be taken into account when studying or solving a specific problem of the regional economy.
2. Arguments that determine the peculiarities of the development of certain economic processes in a particular region. Factors determine the quantitative and qualitative characteristics of economic activities and affect the volume and direction

of economic activity, the definition of social priorities and are a practical tool for solving economic problems.

3. Resources of production of the region and its economic system as a whole.

4. Driving forces of economic, production processes that affect the outcome of production, economic activity of the region.

5. Reasons, sources of development of economic systems of regions.

6. The process, phenomenon, event or state of a particular object that affects the level of competitiveness of the region.

In particular, it should be noted the emergence of the concept of "territorial capital" as a new, fruitful concept that allows direct consideration of a wide variety of territorial assets, both tangible and intangible, of private, public or mixed nature [2].

Territorial capital is the value of assets located in a given territory, capable of generating income, involved in production and functioning as a source of value added [3].

The main factors of growth of "territorial capital" are the following:

– *Material factors*. Geographical location, area, factor of production contribution, climate, traditions, natural resources, quality of life, agglomeration of urban economies, business incubators and industrial areas or other business networks that reduce transaction costs.

– *Interdependencies associated with commercialization*. Arrangements, customs and informal rules that allow economic actors to work together in conditions of uncertainty or solidarity, mutual assistance and joint selection of ideas, which often develop into clusters of small and medium-sized enterprises operating in the same sector (social capital).

– *Intangible factors*. The result of a combination of institutions, rules, practices, manufacturers, researchers and politicians who create the conditions for the development of creative and innovative activities.

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