

To sum up, monopoly position in the market always guarantees break-even activity. But there are situations when the demand for a certain product falls sharply and the average cost demand curve and the demand curve are lower than the average cost curve, having no points in common with it.

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## PROBLEMS OF FINANCING STARTUPS: UKRAINIAN EXPERIENCE

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Startups have been identified as significant drivers of economic growth and job creation, particularly in developing countries like Ukraine. However, despite their potential, many startups face significant challenges when it comes to financing. In this paper, we will explore the problems of financing startups in Ukraine. We will begin by providing a brief overview of the Ukrainian startup ecosystem and the financing options available. We will then discuss the challenges startups face when seeking financing, including limited access to funding, high interest rates, and a lack of investor interest. Finally, we will provide some recommendations on how these challenges can be addressed.

The Ukrainian startup ecosystem is relatively young but has been growing rapidly in recent years. According to a report by the European Startup Initiative, Ukraine is home to over 2,000 startups, with most of them located in the country's major cities such as Kyiv, Lviv, and Kharkiv. The Ukrainian startup ecosystem is diverse and covers a range of sectors, including IT, biotech, e-commerce, and fintech.

There are several financing options available to startups in Ukraine. These include:

1. Venture Capital: Venture capital firms provide funding to startups in exchange for equity. However, venture capital firms in Ukraine are relatively scarce and often prefer to invest in later-stage startups.

2. Angel Investors: Angel investors are wealthy individuals who provide funding to startups in exchange for equity. They are often more willing to invest in early-stage startups than venture capital firms.

3. Crowdfunding: Crowdfunding platforms like Kickstarter and Indiegogo allow startups to raise funds from a large number of people. However, crowdfunding is not a common financing option in Ukraine.

4. Government Grants: The Ukrainian government provides grants to startups through programs like the Innovation Development Fund. However, these grants are often difficult to obtain, and the application process can be lengthy and complicated.

### **Challenges of Financing Startups in Ukraine**

Despite the availability of financing options, startups in Ukraine face several challenges when seeking funding. These challenges include:

1. Limited Access to Funding: Venture capital firms and angel investors in Ukraine are relatively scarce compared to other countries, making it difficult for startups to access funding. According to a report by the European Startup Initiative, only 16% of Ukrainian startups have received funding from venture capital firms.

2. High Interest Rates: Banks in Ukraine often charge high interest rates on loans, making it difficult for startups to obtain affordable financing. According to a report by the World Bank, the average interest rate on loans to small and medium-sized enterprises (SMEs) in Ukraine is around 15%.

3. Lack of Investor Interest: Investors in Ukraine are often risk-averse and prefer to invest in established companies rather than startups. This lack of investor interest makes it difficult for startups to attract funding.

To address the challenges of financing startups in Ukraine, the following recommendations could be implemented:

1. Increase Access to Funding: The Ukrainian government could create programs to encourage the development of venture capital firms and angel investors in the country. This could include tax incentives and other measures to encourage investment in startups.

2. Reduce Interest Rates: The Ukrainian government could work with banks to reduce interest rates on loans to startups. This could include providing guarantees or subsidies to banks to encourage them to lend to startups at more affordable rates.

3. Increase Investor Interest: The Ukrainian government could work to promote the country's startup ecosystem to investors both domestically and internationally. This could include hosting events and conferences to showcase Ukrainian startups and creating a network of mentors and advisors to support startups.

### **Conclusion**

The Ukrainian startup ecosystem has enormous potential, but startups in the country face significant challenges when seeking financing. Limited access to funding, high interest rates, and a lack of investor interest are all major barriers that must.

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## PROBLEMS OF ORGANIZATION OF BUSINESS IN UKRAINE

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Ukraine has a diverse economy with a range of opportunities for businesses. However, the country also faces several challenges that can make it difficult for businesses to operate. In this paper, we will discuss the problems of organizing business in Ukraine and the factors that contribute to these challenges.

Corruption is a significant problem in Ukraine and has been identified as a major barrier to business development. According to Transparency International, Ukraine ranks 117th out of 180 countries in its corruption perception index. Corruption can affect businesses in several ways, including bribery, unfair competition, and lack of transparency in government procedures. This can make it difficult for businesses to operate and can undermine their profitability and long-term sustainability.

Taxation in Ukraine can be complex and unpredictable, with frequent changes to tax laws and regulations. This can make it difficult for businesses to plan their finances and can lead to unexpected costs. The tax system in Ukraine can also be inefficient, with long waiting times and a lack of clarity in tax assessments. This can discourage businesses from investing in the country and can lead to a lack of trust in the government's ability to manage the economy.

Access to finance is a key factor in business development, but it can be challenging for businesses in Ukraine. Many banks in Ukraine are state-owned and may be subject to political influence, making it difficult for businesses to obtain loans or other financial support. Additionally, the high interest rates charged by banks in Ukraine can be prohibitive for small and medium-sized enterprises (SMEs), which make up a significant portion of the country's business sector.