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OVERCOMING OF THE MAIN PROBLEMS IN THE STARTUP'S ACTIVITIES: THE EU EXPERIENCE FOR UKRAINE

***Abstract.** The article is devoted to the results of the study of European experience of start-ups as one of the ways to implement innovative projects. The purpose of the study is to identify the main problems of the activity and development of startups in the EU and ways to overcome them for the possible use of European experience in the activities and development of startups in Ukraine. The work is based on the latest research findings of the European Commission on the activities and development of start-ups, regulatory and information materials on the activities of start-ups in Ukraine. The results of the research show that in the EU state innovation programs are actively implementing start-ups receiving state support. The European Structural and Investment Fund (ESIF) supports 377000 small and medium sized enterprises, including start-ups. But less than half of the startups remain on the market and are developing in large firms, due to a number of reasons, including regulatory and administrative barriers; little opportunity to search and interact with potential partners in financial, commercial, and local government; limited access to funding, lack of skills and expertise. To overcome these barriers, the European Commission proposes measures, among which: creation of a single EU area of value added tax; expansion of the use of the system of public procurement; use of entrepreneurial skills, management and leadership; improvement of innovative opportunities under the Horizon 2020 Program; ensuring access to finance by increasing the budgets of the European Investment Fund (EFSI) and the EU Small and Medium*

Enterprises Enterprise Entrepreneurship Program (COSME). In Ukraine there are about 3000 startups in the real economy in the domestic and international markets, while startups activities in universities and research institutions is not systematic. Development startups inhibits imperfect legal framework, lack of qualified experts, lack of an enabling environment for the use of public procurement, financial support. Results of the study made it possible to make a general comparison of the problems of start-ups in the EU and possible solutions developed by the European Commission, with the problems of start-ups in Ukraine. The conclusions that domestic start-ups have the same problems as startups in the EU and need government support. A proposal to consider the Commission regarding overcoming the problems regarding the development of start-ups in the development plan in accordance with the priority actions of the Government for 2017, approved by the Cabinet of Ministers of Ukraine of 03.04.2017 number 275, a bill on business start-ups in the real economy and the bill on legal base Support of startups of higher educational establishments and scientific institutions. Proposals to the latest draft law have already been developed by Ukrainian Institute of Scientific and Technical Expertise and Information (UkrISTEI) and submitted to the Ministry of Education and Science for consideration.

Keywords: *startup, development, innovation, European Commission, state aid, public procurement, skills, taxes, investments, program access to finance.*

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