

small businesses, which was presented in the work in the form

Review of Cherniavska V. Olena, Yurko S. Tetyana (2018). Mechanism of Financial Support of Small Business: Foreign Experience and Domestic Practice. Poltava: PUET. – In Ukrainian

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The monograph of Professor, Doctor of Economics, Cherniavska V. Olena (ORCID iD: 0000-0001-9819-578X) and Ph.D. Yurko S. Tetyana is devoted to an extremely relevant topic of the mechanism of financial support of small business: foreign experience and domestic practice (ISBN 978-966-184-299-0, Cherniavska, Yurko, 2018). World practice proves that small business occupies a central place in increasing the gross domestic product and ensuring the country's budget security, solving the problem of excessive dependence of municipal bodies on state funding and achieving symmetry of employment of the able-bodied population and the level of its material well-being. Under these conditions, it is relevant to the issue of research of foreign experience and domestic practice of the functioning of the mechanism of financial support of small business in Ukraine as a separate scientific field. The foundations of state support for small business are laid down in the Constitution of Ukraine, Budget and Tax Codes, Law of Ukraine "On Development and State Support of Small and Medium Business in Ukraine", Order of the Cabinet of Ministers of Ukraine "On Approval of the National Program for Small and Medium Business Development 2014-2024 years", regional and local programs to promote small and medium enterprises.

The unconditional value of the monograph is the original study, which for the first time carried out a comprehensive analysis of world practice of forming a mechanism of financial support for small business based on research in the original regulatory framework and statistical reports of 101 countries. This allowed authors to identify the patterns of evolution, to determine the current state of development of state support for

of maps, tables, figures, diagrams and conclusions.

The monograph consists of three sections that logically present the methodology and results of the study.

In the first section of the monograph "Theoretical Principles and Foreign Experience of the Formation of Mechanism of Financial Support for Small Business" the authors analyzed modern approaches to defining small business as a structural element of the national economy, identified the essence of the mechanism of financial support for small business.

The second section of the monograph "Identification of the Current State and Evaluation of the Effectiveness of the Domestic Mechanism of Financial Support for Small Business" is devoted to analyzing the specifics of the mechanism of financial support for small business in Ukraine, researching the implementation of the state support for small business.

The third section "Directions of Using Foreign Experience for Improving the Mechanism of Financial Support for Small Business in Ukraine" was substantiated the implementation of the principles of the "new global model of state support for small business", examined the creditworthiness of the recipient of financial support for small business and author's method of assessing the creditworthiness of the recipient of financial support.

The results of the study allowed the authors to draw the following conclusions:

- 1) The analysis of the effectiveness of the domestic mechanism of financial support of small business in comparison with its foreign counterparts allowed to recognize the need to determine the conceptual basis for improving the formation of small business support policy. Taking into account the experience of developed countries,

the authors propose to determine the main purpose of state support in Ukraine - the creation of economic and organizational foundations for the intensive development of small business. Based on certain conceptual approaches to state support, a model for improving the mechanism of financial support for small business is proposed, which includes improving the methodological framework for the formation of regional programs of state support for small business, optimization of small business support infrastructure

- 2) Based on the results of the cluster assessment of the level of support and development of small business in the regions, the basic principles and objectives of state support for small business for a separate (from five that was identified) group of territories of Ukraine. When forming the tools of the mechanism of financial support of small business, using the studied experience of countries with developed small business, the use of economic and mathematical modeling to predict the performance of small business development programs. Approbation of this methodological approach on the materials of Lyubeshiv district state administration of Volyn region proved its reliability and possibility of use at the regional level.
- 3) In order to transform the domestic mechanism of financial support to the level of "convergence", the work identifies priority areas for improving the effectiveness of support measures, in particular, improving the assessment of the creditworthiness of recipients of financial support. The proposed methodological approach to a reevaluation of financial and property status of recipients of state support (which includes a five-step system of evaluation of financial indicators forecasting the probable return of financial state support by individual entrepreneurs; and assessing the borrower's creditworthiness by quality indicators) allows you to determine the position of the recipient of state aid in accordance with the four quadrants of the author's matrix. Approbation of the author's methodological approach on the materials of the Regional Fund for Entrepreneurship Support in Poltava region proves its reliability and possibility of application in practice of business support institutions as an element of financial support, the use of which will increase the efficiency of budget funds with minimizing the risk of overdue debt.
- 4) In the result of systematizing the existing in the foreign and domestic literature research of organizational and economic principles of state support of small business it is proved that the main elements of the mechanism of state support of small business are organizational measures (regulatory, information and advisory measures, creation and operation of infrastructure) and economic measures - credit measures, evaluation of efficiency and effectiveness). On the base of results of analyzing foreign experience in implementing state support for small business, the authors proposed a scientific and methodological approach to the study of the mechanism of financial support for small business, taking into account the

development of infrastructure (the practice of forming a coordinating body and differentiation of infrastructure elements) and level of efficiency. As a result of testing the author's approach, four groups of national economies were identified: "The Balanced State Policy to Support Small Business" (Federal Republic of Germany, USA, Canada, Italian Republic, Japan); "The Need to Increase the Efficiency of Using the Existing Infrastructure" (Ukraine, the Republic of Kazakhstan, the Russian Federation); "High Efficiency of State Support" (Republic of India, Republic of Panama); "Weak Support" (Republic of Uzbekistan, Republic of Belarus, Latin American countries).

- 5) As a result of the analysis of features of identification of small enterprises the authors defined three levels of unification of criteria of assignment of enterprises to small: at the level of region (for example, the USA, Canada); at the state level (for example, the Russian Federation, Ukraine, Japan); at the level of international associations (for example, the EU). The multi-vector study of small businesses, the lack of a single definition of small businesses, and the wide differentiation of criteria for identifying small businesses have necessitated the development by each country and international associations of their own methodology for classifying small businesses. In the national legislation of the studied countries, the authors have identified more than 40 different statistical indicators for the identification of small enterprises, which in the economic literature are divided into qualitative and quantitative. To determine the national model of identification of small enterprises, the authors have developed the methodological approach to their classification - the classification matrix. When constructing it, it is proposed to take into account two parameters: qualitative criteria and the use of "industry differentiation". As a result, the authors singled out four groups of national economies and found that the proposed Ukrainian legislation model of identification of small businesses is simplified (only quantitative indicators), which complicates the principle of targeted state support for small businesses, identifying priorities.
- 6) As a result of the analysis of coordination by the state of infrastructure of support of small business on an example of 101 national economies, the authors has allocated three variants: 1. in 25,7% of national economies for coordination of national and regional elements of infrastructure specialized bodies are created: the Center of support and consultation of small and average business at Departments of Trade and Industry (People's Republic of China), Ministry of Micro, Small and Medium Enterprises (Republic of India), Agency for Small and Medium Enterprises business of the Ministry of Economy, Trade and Industry (Japan); 2. the coordination function is performed by the Ministries of Economy, Industry, Trade, Chambers of Commerce and Industry, departments of economic development, for example, the Ministry of Economy (Republic of Belarus), the Ministry of Trade and

Economic Development (Hungary), the Chamber of Commerce (Czech Republic); 3. Absence of authorities, the competence of which includes coordination and control over the implementation of state support programs for small business. This option is typical for the economies of countries with the relatively low economic performance of the authorities, which are responsible for coordination and control over the implementation of state support programs for small business, as well as for economies with the relatively low economic performance of the small business sector, for example, the economies of Africa, 16 countries of Latin America. Another feature of the development of infrastructure for state support of small business in the studied economies is the number of infrastructure elements.

- 7) It is determined that the most effective are the mechanisms of state support for small business, formed in the Federal Republic of Germany, USA, Canada, Italian Republic, Japan, the United Kingdom of Great Britain and Northern Ireland, the French Republic. The economies of these countries are characterized by a wide diversification of small business support infrastructure, proportionally actively financed and used all forms and areas of state support for small business, a high level of small business development. The practice of forming a mechanism of financial support for these countries should be used in the development of practical measures to improve the domestic mechanism of state support for small business.

The monograph is an original author's study, which for the first time carried out a comprehensive analysis of world practice of forming a mechanism for financial support of small business based on research in the original regulatory framework and statistical reports of 101 countries. It is useful for policymakers at the international, national, regional, and local levels, researchers, and teachers of higher education institutions, students, and graduate students working in the field of international relations, public administration, finance, economics, and management.