

INTERACTION AREAS BETWEEN PUBLIC ADMINISTRATION AGENCIES AND BUSINESS ENTITIES

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Abstract. Particular attention has been focused on the fact that the activity of public administration agencies in their interaction with business entities regarding the termination of their rights to natural resources can be manifested in: certifying the will of entrepreneurs regarding the termination of using natural objects; termination of the right to use natural resources by entrepreneurs initiated by public administration agencies in case of violation of their obligations regarding them, or on the basis of representation of public interests regarding the public use of these natural resources (for example, for the purpose of meeting public needs, or for the purpose of public necessity, which is particularly relevant during the martial law).

It has been emphasized that the interaction areas between public administration agencies and business entities should include: 1) regulatory, embodied in the creation of norms by public administration agencies that regulate the behavior of business entities; 2) permit-registration – receipt by entrepreneurs of documents necessary for their implementation of certain types of activities, which certify the legality of their implementation; 3) informational and stimulating – formation by public administration agencies of a positive image of the state, its certain regions or sectors of the economy for further development of investment activities; 4) organizational and methodological area; 5) resource and providing area, which is manifested in obtaining permits by entrepreneurs for the special use of land plots and other natural resources necessary for the implementation of their activities; 6) program and parity area, which is manifested in the involvement of entrepreneurs to participate in the discussion of development plans of territorial communities, business directions, forms and methods of public assistance to business entities; 7) control and supervisory area; 8) social and encouraging – creating conditions for patronage and socially responsible activities of entrepreneurs; 9) fiscal and stimulating – tax incentives for entrepreneurs for unshadowing incomes, for example, by reducing the tax burden, stimulating the development of certain regions (for example, especially those affected by the aggression of a terrorist state); 10) protective area aimed at ensuring the compliance with the rights and legitimate interests of entrepreneurs, including on the basis of their restoration in case of violation.

Key words: interaction, directions, public administration, entrepreneurial activity.

1. Introduction

One of the key features of the interaction between public administration agencies and business entities is its heterogeneity, which is due to many factors, such as: social needs in organizing the conduct of entrepreneurial activity, dynamic conditions of objective reality, as well as the legitimate interests and rights of business entities themselves. Such multifacetedness requires the conduction of studying the interaction areas between public administration agencies and business entities. The study of the latter, as can be seen, will have an important theoretical significance, in particular in the context of conducting further theoretical studies focused on the improvement of the corresponding interaction.

2. Review of the literature

Certain areas of interaction between public administration agencies and business entities were considered in the scientific works by: T.H. Bui, A.V. Dubkova,

A.S. Donskykh, I.V. Kyrieieva, D.S. Korytina, O.K. Primierova, I.O. Suchkov and many others. However, despite significant theoretical achievements, there are no comprehensive studies in the scientific literature focused on the analysis of the interaction areas between public administration agencies and business entities.

3. Research purpose and objectives

The purpose of the article is to outline the interaction areas between public administration agencies and business entities. In order to achieve the specified purpose, the following tasks must be solved: to carry out analysis of the norms of the current legislation, which regulates the issue of interaction between public administration agencies and business entities; to generalize theoretical approaches of scholars who considered certain areas of the relevant interaction in their works.

4. Scientific novelty of the research

The scientific novelty of the research is determined by the fact that it carries out a comprehensive analysis of the interaction areas between public administration agencies and business entities.

5. Results

One of the first interaction areas between public administration agencies and business entities is the registration of business entities in accordance with the Law of Ukraine "On State Registration of Legal Entities, Individual Entrepreneurs and Public Organizations". The legislator has recently simplified the system of state registration of legal entities. But such a system should not be the same for large and small enterprises, according to the rational opinion of D.S. Korytin. The sizes of the enterprises depend on the specifics of the industries, their technological features and the effects of scale. There has recently been unprecedented growth of small and medium-sized enterprises, especially in those areas where there is no need in significant capital, large volumes of equipment and cooperation of many employees. The development of the production of small business enterprises creates favorable conditions for improving the economy, since a competitive environment is being developed, additional jobs are being created, structural rebuilding is more active and the consumer sector is being expanded. Therefore, in the persuasive opinion of the author, it should be noted that it would be appropriate, if Law No. 835 defines a separate Article that would regulate the simplified procedure for the registration of small and medium-sized enterprises, the simplified system of accounting and reporting with the agencies of the state fiscal service and the social insurance fund (electronic reporting and accounting) [1, pp. 25-26].

Each of the parties within the interaction related to the registration needs of business entities has a fairly clear algorithm of actions, which provides mutual rights and obligations, the proper implementation of which must be completed with the satisfaction of the needs of entrepreneurs in the legal actualization of certain consequences of their voluntary decisions as a result of registration actions of authorized public administration agencies. The interaction areas should include measures of public administration agencies to support the activities of entrepreneurs, which gained considerable relevance after the start of the full-scale war.

Such measures are manifested, in particular, in the creation of an attractive investment image of any region, which is the task, first of all, of local self-government agencies. The latter, according to the fair remark of A.V. Dubkov, play a fundamental role in attracting investments and developing entrepreneurship in the relevant territory. Part of the structural subdivisions of the executive committees of local councils should focus their activities on attracting and servicing both domestic and foreign investors. Other departments

and subdivisions of executive committees should work to support business entities both indirectly and directly. Indirectly – through the implementation of own powers, which contribute to the economic activities in the given territory, improve the living conditions of the residents of the territorial community. Directly – by implementing the approval of the program for the development of the business environment by the relevant local council in the relevant territory with budgetary sources of funding [2, p.142].

Support for the development of small business in Ukraine is implemented by the relevant national, regional and local authorities with the aim of coordinating the interests of the state and small business. One of the most important means of public support for entrepreneurs, who, at the same time, do not require significant budget funding, is: development of the institutional infrastructure of small business support; increasing the level of entrepreneurial and managerial qualification; provision of legal, information and marketing services; coordination of cooperation of small enterprises by organizing various fairs, exhibitions, etc. The main areas of state support for small business, according to A.S. Donskykh, should be: legislative consolidation of the ways to implement financial and credit, organizational and advisory areas of state support for citizen-entrepreneurs with further implementation of these provisions in regional programs to support entrepreneurial activity of citizens; creation of various state support programs for banking institutions that lend to small business; organizational and consulting support, which is implemented with the help of an extensive infrastructure for the development of small entrepreneurship, which will contribute to information and consulting services for citizen-entrepreneurs due to the existence of an expanded network of organizations, including the organization of state training, retraining and advanced training of citizen-entrepreneurs, their involvement in the implementation of scientific and technical, socio-economic programs, supply of products (works, services) for state and regional needs [3]. K.S. Lebodkin adheres to a similar opinion [4, pp. 191-192].

Cooperation in the field of tax relations is one of the most important factors that can contribute to the effective work of entrepreneurs. The taxation system of small enterprises, as rightly emphasized by T.H. Bui and O.K. Primierov, should be simultaneously aimed at stimulating the development of small business and at further filling state and local budgets at the expense of tax revenues from small companies. The current state of small business in Ukraine indicates the need to stimulate its development on the part of the state, and therefore, to continue the simplified taxation system. Despite all the shortcomings and arguments against the simplified taxation system, its elimination is not an effective solution, because it has an important social significance in our country. It is also necessary to take into account that

the abolition of the simplified system carries the risk of moving into the "shadow" of a significant number of small business entities, which, as a result, will lead to a decrease in the level of small business development and a decrease in tax revenues from the single tax to the budget. A simplified taxation system is a way of so-called "compromise unshadowing": official registration due to the presence of such a system becomes relatively more attractive, compared to working in a complete "shadow", because it provides legality and minimal legal protection, while not requiring record-keeping and allowing to pay moderate taxes [5]. Interaction in the field of receiving tax benefits is also referred to effective means of stimulating the development of certain socially significant areas of entrepreneurship.

Tax regulation of entrepreneurship can be associated to a certain extent with a stimulating effect on charity. An important manifestation of the "entrepreneur – society" relationship is the phenomenon of charity and patronage, where the relationship between morality and economy is most fully reflected, according to L. Severyn-Mrachkovska opinion. According to the author, one of the important manifestations of an entrepreneur's life activities is his / her sense of responsibility towards society and the public. Herewith, the business success of an entrepreneur is determined not only by the "substance of profit", but also by the emergence of "economic altruism", which consists in selfless service to people and society. Therefore, entrepreneurs tried to achieve public recognition with the help of "non-economic" actions that would enjoy high prestige in society, thus the concept of "business service to society" arose, the initial forms of which were charity and patronage [6].

The interaction of public administration agencies and entrepreneurs covers such an area as ensuring the rational and effective use of natural resources. A significant number of business entities carry out it with the use of certain natural resources that are in state or municipal ownership; we are talking about land plots (as a rule, of municipal ownership in the relevant settlements), water objects, subsoil, as exclusively state-owned objects. As noted by I.V. Kirieieva, when business entities use natural resources, the actual realization of their environmental rights takes place, which is determined by the relevant economic and ecological needs. It primarily concerns the use of natural resources as a spatial-territorial base for placing specific objects of business activity, for obtaining a certain material and raw material base by extracting them from specific natural objects of the natural environment, placing waste and other types of exploitation of the natural environment [7, p. 126].

The way how public administration agencies interact with entrepreneurs who are owners or users of natural resources when rights to them are terminated depends primarily on the specific reason for termination, the behavior of an entrepreneur while exercising his rights to natural resources and other circum-

stances that affect both the rights and the interests of subjects regarding natural objects that are being terminated, as well as the rights and legal interests of other persons regarding an environment safe for life and health [8, p.112]. Based on this, it can be said that the activity of public administration agencies in the interaction with entrepreneurs regarding the termination of their rights to natural resources can be manifested in: certifying the will of entrepreneurs regarding the termination of the use of natural objects; initiating entrepreneurs' termination of the right to use natural resources by public administration agencies in case of violation of their obligations regarding them, or on the basis of representation of public interests regarding the public use of such natural resources (for example, for the purpose of meeting public needs, or for the purpose of public necessity, which is particularly relevant during the martial law).

Interaction in the area of obtaining or canceling licenses for the conduction of certain types of economic activity is aimed at simplifying business activities in these areas with simultaneous compliance with the regulatory established requirements and conditions that represent the public interest in the high-quality and safe conduction of the relevant types of activity. The legislation regulating the considered area of interaction cannot be called perfect. Thus, I.O. Suchkov pointed out that the licensing system in Ukraine is in the process of improvement. A large number of problems and contradictions regarding the licensing issues of some types of economic activity in Ukraine, as well as the controversial and complex process of forming a licensing agencies system is the evidenced of that. Such processes as amendments and alterations to existing laws, simplification and change of the procedure for issuing licenses, etc. are taking place in order to improve the situation of licensing in Ukraine. Running a successful business is not possible without a clear legal framework, without a systematized and regulated system of internal affairs, which leads to errors in the country's licensing system, however, despite certain difficulties, a new, more harmonious licensing system for some types of economic activity is still being implemented in the country, with corresponding European norms [9].

The sphere of control and supervision can be called as one of the areas of interaction of the studied entities. According to the Law of Ukraine "On the Basic Principles of State Supervision (Control) in the Field of Economic Activity", the state supervision (control) is the activity of legally authorized central executive authorities, their territorial agencies, state collegial agencies, executive authorities of the Autonomous Republic of Crimea, local state administrations, local self-government agencies within the limits of the powers provided by law, regarding the detection and prevention of violations of the requirements of the law by business entities and ensuring the interests of society, in particular, the proper quality of products,

works and services, the permissible level of danger for the population, the natural environment [10]. At the same time, an entrepreneur-business entity is not an unauthorized third-party object of such an inspection. The aforementioned Law establishes a number of rights of a business entity, which are aimed at guaranteeing the compliance with the legislation by public administration agencies that carry out the relevant control and supervisory measures. It is worth mentioning among such rights: to be informed about own rights and obligations; to demand the compliance with the requirements of the legislation from the officials of the state supervision (control) agency; to verify that officials of the state supervisory (control) agency have an official certificate and credentials (referral) and to receive a copy of the certificate (referral) for conducting a scheduled or unscheduled inspection; to prevent officials of the state supervisory (control) agency from carrying out state supervision (control) in cases established by this Law; to be present during the implementation of state supervision (control) measures, to involve third parties during the implementation of such measures; to demand non-disclosure of information that constitutes a commercial secret or is confidential information of a business entity; to receive and get acquainted with acts of state supervision (control); to provide to the state supervisory (control) agency written explanations, comments or objections to the act; to appeal against illegal actions of state supervisory (control) agencies and their officials in accordance with the procedure established by law; to receive advisory assistance from the state supervisory (control) agency in order to prevent violations during the implementation of state supervision (control) measures; to keep a journal for registration of state supervision (control) measures and to require the entrance of records of the implementation of such measures by officials of state supervisory (control) agencies before their implementation; to demand the termination of state supervision (control) measures in cases established by this Law [10]. The interaction of public administration agencies and entrepreneurs in the field of control and supervision consists in the implementation of mutual rights and obligations in order to ensure the guarantee of public interests in the quality of services and goods, their safety and the safety of the environment, as well as the observance of the interests of entrepreneurs, legality and objectivity of the relevant control and supervisory measures.

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6. Conclusions

Thus, the interaction areas between public administration agencies and business entities are determined by the norms of current legislation and are conditioned by the need to achieve parity of interests of the state, society and entrepreneurs in the light of the objective circumstances of the present day. In our opinion, it is most expedient to include the following into the relevant areas: 1) regulatory, embodied in the creation of norms by public administration agencies that regulate the behavior of business entities. The latter, in turn: must be primarily informed about the content of the relevant norms; secondly, involved in the discussion of the expediency and rationality of their adoption; 2) permit-registration – regarding the receipt by entrepreneurs of documents necessary for the implementation of certain types of activities, which certify the legality of its implementation; 3) informational and stimulating – formation by public administration agencies of a positive image of the state, its certain regions or sectors of the economy for further development of investment activities; 4) organizational and methodological area. The latter is manifested in the conduction of trainings, contests and other measures to stimulate the development of entrepreneurship by public administration agencies; the licensing area finds its manifestation in activities related to obtaining licenses for those types of economic activity that, according to the law, require the compliance with specified licensing conditions; 5) resource and providing area manifested in obtaining permits by entrepreneurs for the special use of land plots and other natural resources necessary for their activities; 6) program and parity area, which is manifested in the involvement of entrepreneurs in the discussion of development plans of territorial communities, business directions, forms and methods of public assistance to business entities; 7) control and supervisory area; 8) social and encouraging – creating conditions for philanthropy and socially responsible activities of entrepreneurs; 9) fiscal and stimulating – tax incentives for entrepreneurs for unshadowing incomes, for example, by reducing the tax burden, stimulating the development of certain regions (for example, especially those affected by the aggression of a terrorist state); 10) protective area aimed at ensuring the compliance with the rights and legitimate interests of entrepreneurs, including on the basis of their restoration in case of violation.

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