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ASSESSING THE INVESTMENT ATTRACTIVENESS OF STATE COMPANIES: CHALLENGES FOR TRANSPARENCY AND CORPORATE SOCIAL RESPONSIBILITY

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Abstract. *The article considers the essence and necessity of assessing the investment attractiveness of state-owned companies of Ukraine. The evaluation is based on the model of financial stability of D. Piotroski. It is proved that the low investment attractiveness of state-owned companies in Ukraine is due not only to their low financial stability, but also to low transparency and insufficient implementation of corporate social responsibility initiatives.*

Keywords: *investment attractiveness, evaluation, transparency, corporate social responsibility.*

The article considers the essence and necessity of assessing the investment attractiveness of state-owned companies. The process of evaluating the investment attractiveness of state-owned companies is a prerequisite for reducing probable risks and forecasting a positive economic effect. Its role is strengthened in the context of the inherent socially responsible activities of these companies and the implementation of responsible investments.

Existing studies do not include all the elements of a realistic assessment of the investment attractiveness of state-owned companies in today's environment of the national economy, taking into account their transparency and corporate social responsibility.

The aim of the article is to assess investment attractiveness of state-owned companies. For the study, the 25 largest state-owned enterprises of Ukraine for

2017-2018 were selected according to the share of assets among state-owned companies defining by the Ministry of Economic Development and Trade in the regular reports "Top-100 state-owned companies".

As a methodological basis for assessing the investment attractiveness of state-owned companies in Ukraine in 2017-2018 was chosen model for assessing the financial stability of companies - model D. Piotroski, which takes into account both absolute and relative performance of companies in the dynamics of measurement.

Despite the status of state-owned companies as leaders in the values of sustainable development and adherents of the ideology of responsible investment, which is based on the experience of developed countries and developing countries (including China), in Ukraine state-

owned companies do not have such characteristics.

The surveyed 25 largest state-owned enterprises have not only low financial stability (determined by the F-score model), but also insufficient investment attractiveness for responsible investments due to the lack of impact on the financial

efficiency of CSR activities and transparency.

It is proved that the low investment attractiveness of state-owned companies in Ukraine is due not only to their low financial stability, but also to low transparency and insufficient implementation of corporate social responsibility initiatives of these companies.

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