

PROBLEMS OF STARTUP DEVELOPMENT IN THE EARLY STAGES OF THE INNOVATION PROCESS: NATIONAL, FOREIGN AND INTERNATIONAL LEGAL ASPECTS

Anna Liubchych, ORCID 0000-0002-6492-41¹
Anhelina Zavadska, ORCID 0000-0001-6114-0419²

¹*Scientific and Research Institute of Providing Legal Framework for the Innovative Development of National Academy of Legal Sciences of Ukraine, Kharkiv, Ukraine*

²*Scientific and Research Institute of Providing Legal Framework for the Innovative Development of National Academy of Legal Sciences of Ukraine, Kharkiv, Ukraine*

Corresponding author: Anna Liubchych, email: anna.n.l@ukr.net

Abstract. The purpose of this study is to implement a comprehensive of the most common and effective means of supporting startup ideas in foreign countries and to provide proposals for the implementation of relevant experience in our country. To achieve this goal and solve the tasks used general and special-scientific methods of cognition: dialectical, system-structural, historical-legal, formal-legal and comparative-legal. Studying this problem will promote development given the global prevalence of startups and their positive impact on the economy. Of particular importance is the issue of the effectiveness of certain support measures and the possibility of attracting foreign and international experience to Ukraine. In our opinion, the Lithuanian legal system is the most developed on the way to creating special legal regulation and ecosystem of support for startups. In addition, the key role in ensuring effective state support for startups is played by the subjects of innovation infrastructure. In this aspect, it is important for Ukraine to ensure close partnerships with such developed innovation infrastructure entities as Enterprise Estonia.

Keywords: innovation activities, innovation process, startups, subjects of innovation infrastructure.

Author contributions

The authors made an equal contribution to the article. Together they selected literature, analyzed it and drew common conclusions.

Disclosure statement

The authors have not any competing financial, professional, or personal interests from other parties.

INTRODUCTION

Given the global prevalence of startups and their positive impact on the economy, public authorities and NGOs are interested in providing various types of support to the authors (founders) of startups, including the most risky stage of their development – the initial. Of particular importance is the issue of the effectiveness of certain support measures and the possibility of attracting foreign and international experience to Ukraine.

THEORETICAL FRAMEWORK

The issues of innovation and startup activities were studied, in particular, by such foreign scientists as S. Blanc, J. Guzman, S. Stern, R. Passaro, I. Quinto, P. Rippa, A. Thomas. Among domestic

researchers it is possible to allocate L. Gulyaeva, L. Zhuk, S. Glibko, I. Kurashova, A. Liubchych, T. Bubenko, I. Kobushko, O. Shpykulyak and others.

The purpose of this study is to implement a comprehensive of the most common and effective means of supporting startup ideas in foreign countries and to provide proposals for the implementation of relevant experience in our country.

METHODOLOGY

To achieve this goal and solve the tasks used general and special-scientific methods of cognition: dialectical, system-structural, historical-legal, formal-legal and comparative-legal.

RESULTS

Among the most common means of supporting startups are the following:

1) information support (conducting educational courses and programs, providing information on specific issues of financial literacy, business planning, etc.);

2) support through mediation (search for business partners, sponsors and investors, ensuring coordination between them and the founder of the startup, etc.);

3) material and financial support (assistance in providing premises, necessary accessories, other material resources, financial support).

In order to practically illustrate the implementation of such support tools, we will conduct a study of the experience of Poland and the Baltic States.

Let's start with an analysis of support for startups in Poland.

In the field of comprehensive support for startups we can name the activities of so-called “startup platforms”, the functional essence of which is to provide mediation services in the field of communication between startup founders and innovation centers, higher education institutions, venture capital funds and business representatives on market entry and information support in other related fields of knowledge. The above services are free and provided to startups in Eastern Poland, whose main business idea is new.

In Poland, these services are summarized by the term “incubation”. At the same time, if we refer to the legislation of Ukraine, the term “business incubator” was enshrined only in the Procedure for registration of organizations whose activities are aimed at meeting the needs of small and medium enterprises, which expired in 2012. A business incubator is an organization that provides, under certain conditions and for a certain period of time, specially equipped premises and other property to small and medium-sized enterprises that are starting their activities in order to assist them in gaining financial independence.

Thus, it can be seen that in Ukraine the issue of business incubators as a subject of innovation process in the field of startup support is almost not regulated by special legislation, and the understanding of business incubators is unjustifiably narrowed only to material and financial support.

Instead, the above-mentioned network of Polish startup platforms is characterized by a much wider range of services, and in addition, their positive characteristics include regional specialization. Thus, the founders of startups living in the region where a certain platform operates are invited to participate in the activities of startup platforms free of charge. Thus, the development of a startup idea takes into account the specifics of the region, which allows you to more effectively, predict the advantages and disadvantages of an innovative product when entering the market, and, in some respects, simplifies finding business partners, investors and mentors interested in investing in this area.

Thus, at the legislative level of Ukraine it is necessary to adopt a special legal act that would consolidate a common understanding of the business incubator as a subject of innovation infrastructure and innovation process, which may be entrusted with the functions of comprehensive information, financial and other support subjects of innovation activity (including startups). It is also important to promote the development of business incubators at the regional level and provide free services to startup founders.

In this aspect, it is expedient to attract to Ukraine the positive experience of the Polish Agency for Enterprise Development, which implements the programs of the European Commission for the financing of small and medium enterprises. It is the Agency that implements the Startup Development in Eastern Poland program, which includes the startup platforms discussed above, and after the successful incubation phase, startups are invited to participate in a competition to receive a grant to enter the market. Thus, in the end, startups have the opportunity to receive free of charge all the main types of support: information, mediation and financial.

Compared to the Polish experience, it should be noted that the Ukrainian Startup Fund has been active in Ukraine since 2020, which, according to the information provided on the official website, provides grant support to startups, most of which are in the initial (Pre-Seed) stages.

The Ukrainian Startup Fund (also officially known as the Innovation Development Fund) (USREOU 42688455) is a state fund, the establishment of which was agreed with the Cabinet of Ministers of Ukraine in 2018. According to the Procedure for the use of funds provided in the state budget to the Ministry of Finance to ensure the functioning of the Innovation Development Fund, the main administrator of budget funds and responsible executor of the budget program is the Ministry of Finance of Ukraine formations, is the founder and participant of the Fund.

According to this Procedure, the budget funds received by the Fund are used, in particular, to provide competitive support for financial support, grants, other types of funding, technical assistance for innovative projects that have high potential for entry into the world market or aimed at achieving goals defined by strategic priority areas of innovation.

As for the amount of funding for one startup, at the Pre-Seed stage the grant amount is 25 thousand dollars. USA, at the stage of Seed - 50 thousand dollars. USA. Receiving a grant at the Pre-Seed stage does not deprive the startup of the opportunity to receive another grant at the Seed stage. However, the actual amount is reduced by the amount of taxes paid, depending on the form of taxation chosen by the startup.

According to the data posted on the official website of the Foundation, in 2020 startups were financed in total in the amount of 3 million US dollars. According to the State Budget of Ukraine for 2021, UAH 50 million was allocated to ensure the functioning of the Innovation Development Fund, which indicates the expansion of the Fund's activities.

Thus, summarizing the above, we can conclude that in Poland, with the help of the coordinating entity, comprehensive and comprehensive support for startups at the regional level with the involvement of EU funds. In Ukraine, the leading place in support of startups belongs to the Startup Support Fund. At the same time, it is important to properly regulate the activities of both entities that support startups and startups themselves, by attracting funding for relevant EU programs.

In this aspect, research and analysis of the experience of supporting startups in foreign countries makes it possible to identify certain means of support to stimulate the development of national startups in Ukraine.

We will begin the analysis of state regulation of support for startups in the Baltic States with the experience of Latvia.

In 2017, the Law on Support for Startups came into force in Latvia. This legal act, as amended in 2017, set quite significant restrictions on the characteristics of startups that were entitled to receive appropriate support:

1) the enterprise was to be newly created in such a way that it carries out commercial activity for no more than five years from the date of state registration;

2) a requirement was set for the presence of a venture investor who was not a related party within the meaning of applicable law and invested at least 30,000 euros to implement the submitted business idea;

3) the income of the enterprise from economic activity for the first five years from the date of registration should be less than 5,000,000 euros, of which for the first two years – 200,000 euros;

4) the profit of the new enterprise could not be distributed as dividends from the moment of its registration in the Commercial Register, but was directed exclusively to its further development;

5) such an enterprise could not be reorganized, have shares in another company with capital, or be a subsidiary;

6) a limit was set on the existing tax debt, which could not exceed 150 euros;

7) the startup had to meet at least one of the following characteristics of innovation: a) the startup has intellectual property rights to the object underlying the development of an innovative product or service; b) at least 70 percent of employees have a master's degree or doctorate, c) at least 50% of the initial costs were spent on research and development since the state registration of the enterprise (startup);

8) insolvency proceedings have not been opened against such an enterprise.

The above restrictions have significantly narrowed the list of startups eligible for support. Thus, from 2017 to 2020, the provisions of this law were applied to only 5 startups throughout the country.

This situation necessitated the introduction of appropriate amendments to the said Law. In 2020, the requirements for startups claiming support for their activities have been simplified. Thus, in particular, the changes concerned the criteria for startup innovation: the requirements for the educational / scientific degree of employees and the percentage of startup company's costs for further research and development were abolished. Product innovation, which is a requirement in the current law, is an alternative to the requirement to attract venture capital at an early stage of development of startups.

An analysis of the current Law of Latvia "On Support for Startups" allows us to conclude that of the eight requirements for startups set out in the law in the 2017 edition, only 3 remain in the amended version in 2020: on attracting venture capital / innovation products, regarding the limited amount of tax debt and the ban on providing support to insolvent entities.

Thus, the advantage of the current version is the simplification of access of newly created enterprises to state support. However, in our opinion, contrary to the provisions of Art. 1 of this law, where innovation is a characteristic feature of both a new enterprise and the purpose of providing state support for such enterprises, the sign of innovation is excluded as a mandatory feature of a startup. Instead, as scientists and analysts have repeatedly pointed out, it is this feature that distinguishes a startup from a conventional start-up. In addition, as follows from Art. 1 of the Law, support programs as a set of state support measures contribute to the development of innovative products and research and is implemented in the form of:

1) programs to support a fixed payment with the application of personal income tax benefits in accordance with the procedures specified by this Law;

2) aid schemes for hiring highly skilled workers.

Thus, with regard to state support for startups in Latvia, it should be noted that this country is currently in the process of implementing the reformed legislation on support for startups. The current legislation has a number of positive features, including the multi-vector orientation of the types of such support. At the same time, the low attention of the legislator to the innovative component of the requirements for the newly created enterprise as a key feature of a startup seems to be insufficiently substantiated.

As a next step, let's move on to the analysis of support for startups in Lithuania.

The law "On the development of small and medium-sized businesses" of November 24, 1998 is in force in this country. In 2019, this Law was amended to support startups. In particular, the following definition was given to this entity: a startup is a very small or small company with high and innovative business development potential, registered in the Register of Legal Entities for no more than 5 years.

DISCUSSION

In our opinion, it is advisable to focus on the following positive aspects of this law:

1) in contrast to the above-analyzed similar law of Latvia, this law distinguishes between start-ups and small and medium-sized enterprises according to the innovative component and the date of formation (5 years from the date of state registration);

2) within the meaning of this law, support is provided not only to legal entities, but also to natural persons-entrepreneurs, however, the latter cannot be recognized as startups;

3) the law states that in order to reduce risks during the creation and operation of a startup, as well as to support the founders of a startup in the state, business incubators operate as state institutions owned by the state and / or municipality and jointly owned. startups and help them establish themselves in the market, as well as promoting the development of small and medium enterprises. A business incubator brings together startups in the premises it owns or otherwise operates and uses. In terms of the above disclosure, it should be noted that the definition of terms of certain types of innovation infrastructure entities (including business incubators) is not common in both EU and Ukraine, which in turn causes some difficulties in distinguishing them from similar entities and the legal regulation of their activities. This indicates the positive side of the Lithuanian legislation on the legal definition of a business incubator.

However, this law does not provide specific types of state support for startups, which indicates on the one hand that Lithuanian startups are subject to general legislation in support of small and medium enterprises, and on the other - the likely prospect of further reform of legislation on this issue.

According to the analyzed law, the following forms of state support for startups exist in Lithuania: exemption from paying part of taxes and fees; financial support measures; providing administrative services to small and medium-sized businesses; provision of state services to small and medium-sized enterprises in business information centers, business incubators, science and technology parks and other legal entities, the constituent documents of which provide for the provision of these services.

The importance and effectiveness of such measures is evidenced by the rapid development of the ecosystem of Lithuanian innovative enterprises. Thus, according to information from open sources of this country, in 2018 alone, the Ministry of Economy and Innovation provided startups with 11 million euros of investment, and in 2019 the number of innovative companies was close to 1,000 entities.

In the above aspect, it should be noted that the driving force behind the development of startups in Lithuania is Startup Lithuania as a national intermediary between fast-growing businesses, venture capital funds, accelerators, friendly startups and the government operating Enterprise Lithuania. aims to support business creation, entrepreneurship development and export promotion). In particular, this intermediary is the administrator of the database of Lithuanian startups and investors, and the user-friendly search interface allows you to quickly find the company you need and learn key information. In addition, it regularly hosts Startup Fairs, and the news constantly updates information on current opportunities for startups (competitions, educational and scientific events, etc.), as well as information and relevant contact information and web addresses of related entities. with the support of startups. Thus, on the platform of the specified intermediary, the founders of startups can obtain a significant amount of necessary data, which eliminates the need to waste time searching for information about each entity separately.

Thus, it can be concluded that despite the fact that the legal regulation of startups in Lithuania is in the process of reform and needs some detail, through state support measures regulated by special legislation and due to the existence of a wide network of startups and sub- Lithuania, which has a significant potential in the innovative activities of startups.

In Estonia, support for startups is regulated, in particular, by the Law on Business Support and Government Loan Guarantee. According to paragraph 2-3 of this Law, the sources of business support are: 1) allocations from the state budget; 2) own income of funds belonging to the business support system; 3) other means; and the types of state support for entrepreneurship are benefits, guarantees and loans.

According to paragraph 4 of the Estonian Law on Start-up Grant, a newly created company is a company that was entered in the commercial register no earlier than 24 months before the application and in which the owner cannot own or hold more than 32% of shares or be self-employed person.

V. Prokopchuk analyzed the effectiveness of the application of business entities for assistance. Thus, out of 7 respondents, 3 received support, and 4 were denied. The results of the study allowed the researcher to conclude that the decisive factors that were taken into account in making the decision

were a properly substantiated and detailed business plan and the expected financial result. Thus, respondents who were denied a state loan noted that the reason for the refusal was the shortcomings of the business plan (V. Prokopchuk, 2019).

Regarding the support of newly established companies (up to 3 years from the date of state registration), it should be noted that the success in obtaining grants were mainly those that had the following characteristics:

- 1) formed in the form of a limited liability company;
- 2) carry out activities in the field of services or production;
- 3) are residents of Estonia;
- 4) exist on the market for 1-3 years;
- 5) have a positive current financial position (V. Prokopchuk, 2019).

However, the grant entails a number of responsibilities for the beneficiary company. Thus, according to paragraph 26 of the Estonian Law on Starting Grant, the company has, among other things, the following responsibilities: to participate in development consulting at least once every six months; timely submit the necessary information and reports to the executive body of state power; to agree in advance with the executive body changes in connection with the transfer to the beneficiary of shares and related property or rights; agree in advance with the executive body on changes planned among the persons participating in the beneficiary, if this change concerns the participation of more than 25% (there are no notification obligations for the public company), etc.

The most popular entity among entrepreneurs is the state institution Enterprise Estonia, established in 2000. According to the information posted on the official website of this institution, it has 17 branches (or representative offices) in foreign countries (there is no such representative office in Ukraine, but it is available in Kazakhstan, Russia and China). The size and volume of the institution's activity is evidenced by the size of its budget for 2021 – 91.2 million euros. The core business of Enterprise Estonia is to attract investment in entrepreneurship and tourism.

Thus, it can be concluded that in Estonia, too, in the implementation of support for startups are actors of innovation infrastructure, operating, in particular, at the international level, attracting investors to finance national business initiatives.

CONCLUSIONS

Summarizing the above, it should be noted that the analyzed countries have special legislation aimed at supporting entrepreneurship, which has a positive impact on the activities of startups. Instead, some questions arise regarding the definition of the innovative component of a startup as a feature of an enterprise that can apply for state support. In particular, in the analyzed acts of Latvia and Estonia such a component is absent, and the startup is a de facto synonym for the newly created company. In our opinion, the Lithuanian legal system is the most developed on the way to creating special legal regulation and ecosystem of support for startups. In addition, the key role in ensuring effective state support for startups is played by the subjects of innovation infrastructure - intermediaries formed, including as government agencies, which collect and update comprehensive information on opportunities for startups to receive various types of support (investment, education, etc.), as well as create conditions for direct interaction of various subjects of innovation. In this aspect, it is important for Ukraine to ensure close partnerships with such developed innovation infrastructure entities as Enterprise Estonia.

REFERENCES:

- 1 mln zł dotacji na rozwój działalności gospodarczej. Wybrano pomysły, które dostaną wsparcie. Mambiznes. 18 marzec 2021. Retrieved from <https://mambiznes.pl/wlasny-biznes/1-mln-zl-dotacji-rozwoj-dzialalnosci-gospodarczej-wybrano-pomysly-ktore-dostana-wsparcie-103481>.
- Blank, S. (2010) What's A Startup? First Principles. Retrieved from <https://steveblank.com/2010/01/25/whats-a-startup-first-principles/>

- Bubenko P.T. (2003) Science and innovation process in Ukraine. Problems of science. No 4. Kyiv. pp. 8–12.
- Czas na startup! 3, 2, 1, 0... start! Portal Funduszy Europejskich. Retrieved from <https://www.funduszeuropejskie.gov.pl/strony/o-funduszach/planujesz-zalozyc-start-up/>.
- Ekonomikos ir inovacijų ministerija startuolio sąvoką apibrėžė įstatymu. Lietuvos Respublikos ekonomikos ir inovacijų ministerija. (2019). Retrieved from <https://eimin.lrv.lt/lt/naujienos/ekonomikos-ir-inovaciju-ministerija-startuolio-savoka-apibreze-istatymu>.
- Enterprise Estonia. Retrieved from <https://www.eas.ee/eas/?lang=en>.
- Ettevõtjate toetamise ja laenude riikliku tagamise seadus: vastu võetud (2003). Retrieved from <https://www.riigiteataja.ee/akt/129112010007>.
- Glibko S.V. (2018) Questions of functional support of the innovation process: economic and legal aspect. Legal science and innovation in the context of European integration processes: Coll. materials of the round table (pp. 42–45). Kharkiv.
- Gulyaeva L. & Zhuk L. (2016) Startup movement in Ukraine as an innovative model for sustainable business development. Retrieved from https://www.researchgate.net/publication/311327646_STARTAP-DVIZENIE_V_UKRAINE_KAK_INNOVACIONNAA_MODEL_DLA_USTOJCIVOGO_RAZVITIA_BIZNESA_The_development_of_startup_anpreneursunsu
- Guzman. J. & Stern. S. (2016) Nowcasting and Placecasting Entrepreneurial Quality and Performance. National Bureau of Economic Research. pp.63-109.
- Jaunuzņēmumiem atvieglo valsts atbalsta saņemšanu. (2020). Retrieved from <https://lvportals.lv/dienaskartiba/319482-jaunuznemumiem-atvieglo-valsts-atbalsta-sanemsanu-2020>.
- Jaunuzņēmumu darbības atbalsta likums. (2017). Retrieved from <https://likumi.lv/ta/id/287272-jaunuznemumu-darbibas-atbalsta-likums>.
- Kobushko I.M. (2011). Ways to improve the financing of innovative development in Ukraine using international experience. *Marketing and innovation management*, 2, 124–130. Sumy.
- Kurashova I.M. & Strizhkova A.V. (2018). To the analysis of the reasons of problems of innovative development of Ukraine. Constitutional and legal bases of administrative reform in Ukraine. Kharkiv. Pp. 51–53.
- Lietuvos startuolių spurtas tęsiasi: per metus pritraukta 166,5 mln. Eur investicijų. Versli Lietuva. (2019). Retrieved from <https://www.verslilietuva.lt/naujienos/lietuvos-startuoliu-spurtas-tesiasi-per-metus-pritraukta-1665-mln-eur-investiciju/>
- Lyubchych A.M. (2018) Innovation policy: Indonesian experience and recommendations for Ukraine. *Law and innovation*, 3(23), 132–136.
- Official site of the Ukrainian Foundation of Startups. Retrieved from https://usf.com.ua/projects_catalog/.
- Order of the Cabinet of Ministers of Ukraine on The procedure for using the funds provided in the state budget to the Ministry of Finance to ensure the functioning of the Innovation Development Fund № 1110 (2018, December 12). Retrieved from <https://zakon.rada.gov.ua/laws/show/1110-2018-%D0%BF#Text>.
- Passaro, R., Quinto, I., Ripa, P. & Thomas, A. (2020). Evolution of Collaborative Networks Supporting Startup Sustainability: Evidences from Digital Firms. Sustainability. DOI:10.3390/su12229437.
- Polska Agencja Rozwoju Przedsiębiorczości. Retrieved from <https://www.parp.gov.pl/index.php/component/parpabout/>.
- Prokopchuk V. (2019) Alustava ettevõtja finantseerimisvõimaluste analüüs Eestis. Tallinna Tehnikaülikool. pp. 30–34.
- Resolution of the Cabinet of Ministers of Ukraine on Procedure for registration of organizations whose activities are aimed at meeting the needs of small and medium enterprises № 510 (2009, May 21). Retrieved from <https://zakon.rada.gov.ua/laws/show/510-2009-%D0%BF/ed20121210/find?text=%C1%B3%E7%ED%E5%F1-%B3%ED%EA%F3%E1%E0%F2%EE%F0#Text>.
- Shpykulyak O.G. (2011). Stages of innovation process and evaluation of innovation efficiency. *Economics of agro-industrial complex*. No. 12. Kyiv. pp. 109–116.
- Smulkiujo ir vidutinio verslo plėtros įstatymas. 1998 m. lapkričio 24 d. Nr. VIII-935. Retrieved from <https://www.e-tar.lt/portal/lt/legalAct/TAR.640D50DB8877/asr>.
- Starditoetus: vastu võetud 09.03.2015 no 20. Retrieved from <https://www.riigiteataja.ee/akt/110032015029>.
- Startup Lithuania. Retrieved from <https://www.startuplithuania.com/>.

ПРОБЛЕМАТИКА РОЗВИТКУ СТАРТАПІВ НА РАННІХ ЕТАПАХ ІННОВАЦІЙНОГО ПРОЦЕСУ: НАЦІОНАЛЬНИЙ, ІНОЗЕМНИЙ ТА МІЖНАРОДНИЙ ПРАВОВІ АСПЕКТИ

Анотація. Враховуючи світову поширеність стартапів та їх позитивний вплив на економіку держав, органи державної влади та недержавні організації виявляють зацікавленість у наданні різних видів підтримки авторам (засновникам) стартапу, у тому числі і на найбільш ризиковій стадії їх розвитку – початковій. Особливого значення набуває питання ефективності реалізації окремих заходів підтримки та можливість залучення іноземного та міжнародного досвіду Україною.

Метою цього дослідження є здійснення комплексного найбільш поширених та ефективних засобів підтримки стартап-ідей в іноземних країнах та надання пропозиції щодо імплементації відповідного досвіду нашою державою.

В Україні питання діяльності бізнес-інкубаторів, як суб'єкта інноваційного процесу, у сфері підтримки стартапів майже не врегульовано спеціальним законодавством, а розуміння бізнес-інкубатора безпідставно звужено лише до матеріально-фінансової підтримки.

В Польщі за допомогою координаційного суб'єкта активно здійснюється всебічна та комплексна підтримка стартапів на регіональному рівні із залученням коштів ЄС. В Україні провідне місце у підтримці стартапів належить Фонду підтримки стартапів. Разом з тим, важливе значення має належне правове врегулювання діяльності як суб'єктів, що надають підтримку стартапів, так і власне стартапів, за рахунок залучення фінансування відповідних програм ЄС.

Аналізовані держави мають спеціальне законодавство, спрямоване на підтримку підприємництва, що справляє позитивний вплив на діяльність стартапів. Натомість деякі питання постають щодо визначення інноваційної складової стартапу як ознаки підприємства, яке може претендувати на державну підтримку. Зокрема, в аналізованих актах Латвії та Естонії така складова відсутня, а стартап виступає фактичним синонімом до новоствореного підприємства. На шляху до створення спеціального нормативно-правового регулювання та екосистеми підтримки стартапів найбільш розвинутою, на нашу думку, є правова система Литви, у якій поступово здійснюється законодавче реформування щодо закріплення та реалізації підтримки стартапу як інноваційного нового підприємства. Крім того, ключове значення у забезпеченні ефективної державної підтримки стартапів відіграють суб'єкти інноваційної інфраструктури – посередники, утворені, в тому числі, як державні установи, які забезпечують збір та оновлення комплексної актуальної інформації про можливості одержання стартапами різних видів підтримки (інвестиційної, освітньої тощо), а також створюють умови для безпосередньої взаємодії різних суб'єктів інноваційної діяльності. В цьому аспекті, важливого значення для України набуває забезпечення тісних партнерських відносин з такими розвинутими суб'єктами інноваційної інфраструктури як «Enterprise Estonia».

Ключові слова: інноваційна діяльність, інноваційний процес, стартапи, суб'єкти інноваційної інфраструктури.

PROBLEMS OF STARTUP DEVELOPMENT IN THE EARLY STAGES OF THE INNOVATION PROCESS: NATIONAL, FOREIGN AND INTERNATIONAL LEGAL ASPECTS

Abstract. Given the global prevalence of startups and their positive impact on the economy, public authorities and NGOs are interested in providing various types of support to the authors (founders) of startups, including the most risky stage of their development – the initial. Of particular importance is the issue of the effectiveness of certain support measures and the possibility of attracting foreign and international experience to Ukraine.

The purpose of this study is to implement a comprehensive of the most common and effective means of supporting startup ideas in foreign countries and to provide proposals for the implementation of relevant experience in our country.

In Ukraine, the issue of business incubators as a subject of the innovation process in the field of startup support is almost not regulated by special legislation, and the understanding of the business incubator is unjustifiably narrowed only to material and financial support.

In Poland, with the help of the coordinating entity, comprehensive and comprehensive support for startups at the regional level with the involvement of EU funds is actively provided. In Ukraine, the leading place in support of startups belongs to the Startup Support Fund. At the same time, it is important to properly regulate

the activities of both entities supporting startups and startups themselves, by attracting funding for relevant EU programs.

The analyzed countries have special legislation aimed at supporting entrepreneurship, which has a positive impact on the activities of startups. Instead, some questions arise regarding the definition of the innovative component of a startup as a feature of an enterprise that can apply for state support. In particular, in the analyzed acts of Latvia and Estonia such a component is absent, and the startup is a de facto synonym for the newly created company. In our opinion, the Lithuanian legal system is the most developed on the way to creating special legal regulation and ecosystem of support for startups. In addition, the key role in ensuring effective state support for startups is played by the subjects of innovation infrastructure - intermediaries formed, including as government agencies, which collect and update comprehensive information on opportunities for startups to receive various types of support (investment, education, etc.), as well as create conditions for direct interaction of various subjects of innovation. In this aspect, it is important for Ukraine to ensure close partnerships with such developed innovation infrastructure entities as “Enterprise Estonia”.

Keywords: innovation activities, innovation process, startups, subjects of innovation infrastructure.

Cite this article: Liubchych, A. & Zavadzka, A. (2022). Problems of startup development in the early stages of the innovation process: national, foreign and international legal aspects. *Law and innovative society*, 1 (18), 34–42. doi: [https://doi.org/10.37772/2309-9275-2022-1\(18\)-3](https://doi.org/10.37772/2309-9275-2022-1(18)-3).