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LEGAL REGULATION OF SUSTAINABLE INVESTMENT IN UKRAINE

In order to ensure the sustainable development of the economy, society and the state, respect for the constitutional rights and freedoms of the individual, the President of Ukraine signed the Decree of September 30, 2019, No. 722 "On the Sustainable Development Goals of Ukraine for the period up to 2030" (Decree of the President of Ukraine, 2019). This document defines the Sustainable Development Goals of Ukraine for the period up to 2030, which serve as guidelines for the development of draft forecast and program documents, as well as draft regulations, to ensure the balance of economic, social, and environmental aspects of Ukraine's sustainable development. Thus, since 2019, the issue of sustainable development in Ukraine and the achievement of the Sustainable Development Goals has been a topical topic in science and practice.

Ensuring the sustainable development of Ukraine in the modern and post-war period cannot be imagined without attracting investments from national and foreign investors. National investors are not able to cover all existing investment needs, and foreign investors do not want to risk capital without sufficient state guarantees of investment protection (Sushch, 2024, p. 70).

The topic of sustainable investment is becoming increasingly interesting in academic communities, which is due to the interdisciplinary nature of the topic. Existing scientific works on the study of sustainable investment are mainly of an economic nature. However, no less important is the study of the legal aspects of sustainable investment: the state of legal regulation, terminological apparatus, peculiarities of the legal status of investment entities, guaranteeing investors' rights, protecting investors' rights, and contractual issues. These two vectors of research are mutually important and necessary, since for the effective implementation of sustainable investment in business practice in Ukraine, clear legal regulation and elimination of regulatory shortcomings are critically important.

According to scientists, sustainable investment is based on a focus on "sustainable" assets or those that are focused on the long term. It is based on the Sustainable Development Goals, which the investor is focused on (Vorontsova, Yelnikova, Rudychenko, 2021). Investments in sustainable development are a tool for increasing well-being in the economic, social and environmental dimensions at the same time, and this is their difference from traditional ones (Humeniuk & Tkachev, 2024).

The concept of sustainable investment in the EU is enshrined in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector **(**Sustainable Finance Disclosure Regulation). According to Article 2 of this Act, «sustainable investment» means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance (European Parliament and Council of the European Union, 2019, Article 2 (17).

It should be noted that the national legislation of Ukraine does not contain a definition of the term "sustainable investment", "responsible investment", but this term is becoming more often used in view of the introduction of corporate reporting of sustainable development enterprises, which is now being actively implemented in the national business practice and legislation of Ukraine in accordance with the Corporate Sustainability Reporting Directive (European Parliament and Council of the European Union, 2022) and European Sustainability Reporting Standards (European Commission, 2023).

The fundamental legislative act in the field of regulation of investment activity in Ukraine is the Law of Ukraine "On Investment Activity". Article 1 of this Law contains a definition of the meaning of the term "investment", which is understood as all types of property and intellectual values invested in objects of entrepreneurial and other activities, as a result of which profit (income) is created and/or a socio-ecological effect is achieved (Verkhovna Rada of Ukraine, 1991). However, what the legislator means by "environmental" and "social effect" also remains a mystery, since no normative act of national legislation discloses these terms. The social and environmental effect is the result of investment activity and a legally defined feature of investment, which indicates the sustainability of investments.

For the implementation and development of sustainable investment in Ukraine, the key task is to improve the current investment legislation, harmonize it with the EU acquis and develop sustainable investment standards. The Law of Ukraine "On Investment Activity" needs to be finalized by including the term "sustainable investment" and clear features of the legal regulation of sustainable investment.

Thus, the current investment legislation of Ukraine needs to be updated in accordance with modern political and economic challenges and considering the goals of sustainable development, observing and taking into account the balance of interests of the state and private investment entities. Thus, today there is a need to revise the provisions of the Laws of Ukraine "On Investment Activity"(Verkhovna Rada of Ukraine, 1991), "On the Foreign Investment Regime"(Verkhovna Rada of Ukraine, 1996), "On State Support for Investment Projects with Significant Investments"(Verkhovna Rada of Ukraine, 2020), and "On Production Sharing Agreements"(Verkhovna Rada of Ukraine, 1999). The key areas of revision of investment legislation should be the revision of: priority areas of investment activity, for which state support is provided for the implementation of investment projects; forms (methods) of state support for investors; regulation of the conditions of investment activity and control over its implementation by investment entities; guarantees of the rights of investment entities and investment protection (Sushch, 2025, p. 257), as well as the harmonization of the terminological apparatus with EU acts on ensuring sustainable development and legal regulation of investment activities.

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