

V. Moseichuk, Student
O. Yurkivskyi, PhD in Ec., As. Prof., research advisor
G. Kuznyetsova, PhD in Phil., As. Prof., language advisor
Zhytomyr Polytechnic State University

PROBLEMS AND PROSPECTS OF COOPERATION BETWEEN UKRAINE AND WTO

Since the beginning of the restoration of independence, Ukraine has been maintaining a focus on integration into the global economic system, especially by passing such laws as "On Foreign Economic Activity" (1991), "On the General Principles of the Creation of Special (Free) Economic Zones" (1992), "On the Regime of Foreign Investment" (1996), etc.

Ensuring a decent place in the global community involves solving many internal and external problems. Integration into the modern world economy is a long process, which involves compliance with long-term economic policy, which takes into account the basic principles of an open economy and membership in international organizations.

Ukraine's membership in the World Trade Organization (WTO) is an important precondition for the further development of the national economy, liberalization of foreign trade and the creation of a predictable transparent environment that allows attracting foreign investment. The World Trade Organization (WTO) is an international organization with the purpose to develop a system of legal norms of international trade and to monitor their observance. The main goals of the Organization are to ensure the functioning of the system of international multilateral trade relations, the gradual abolition of customs and trade restrictions, ensuring transparency of trade procedures, increasing the economic opportunities of countries through international trade, etc. [1].

Ukraine has made a lot of efforts to join the world integration processes, becoming a member of the WTO. The precondition for Ukraine's accession to the WTO is the submission on November 30, 1993 of an official statement of intention to join the GATT by the Government of Ukraine to the GATT Secretariat. The direct process of accession to the WTO began on February 5, 2008 in Geneva at the meeting of the WTO General Council, at which the Protocol on Ukraine's accession to the WTO was signed. Already on April 10, 2008, the Verkhovna Rada of Ukraine adopted the bill "On Ratification of the Protocol on Ukraine's Accession to the World Trade Organization." On April 16, 2008, the Law on Ratification was signed by the President of Ukraine. According to the WTO procedures, on May 16, 2008, Ukraine became a full member of this Organization.

Ukraine's accession to the WTO opened up prospects for the development of the national economy. Ukraine, on absolutely equal terms and rights with other members of the organization, is directly involved into the formation of the latest rules of trade in the world market within the framework of the current round of multilateral trade negotiations in order to take into account the national interests of our state in the trade and economic sphere and has the right to use the mechanisms for resolving disputes arising within the WTO [1].

In addition, accession to the WTO strengthened the status of a full participant in international trade, which increased the ability to participate in regional unions and associations and created favorable conditions for foreign investment. In June 2010, Ukraine signed a Free Trade Agreement with the European Free Trade Association (Norway, Switzerland, Iceland and Liechtenstein), which entered into force on June 1, 2012. So, accession to the WTO was a powerful incentive to start negotiations with the European Union on the creation of a free trade area.

Cooperation between Ukraine and the WTO has contributed to a change in the geographical guidelines of foreign economic activity and a gradual departure from the market of the CIS countries as the main trading partner. Ukraine was able to enter new markets, in particular in Asia and Africa with agricultural products, thanks to WTO agreements.

WTO membership helps to reduce customs barriers to exports from Ukraine, increases access to foreign markets and supports Ukraine's investment attractiveness for foreign investors. However, cooperation with the World Trade Organization not only carries new opportunities that have opened up for Ukraine, but also contains certain risks and threats that must be taken into account. First of all, this is an aggravation of competition between Ukrainian and foreign producers of products as a result of reducing customs barriers to imports. Secondly, Ukrainian producers may face the problem of non-compliance of products with international standards, which may lead to the need for significant investments to modernize production to meet standards.

The benefits and challenges of cooperation between Ukraine and WTO are shown in Table 1.

Table 1.

The benefits and challenges of cooperation between Ukraine and WTO

<i>Benefits</i>	<i>Challenges</i>
Reduction of tariff restrictions for Ukrainian goods and services on all the most important commodity markets.	The threat of displacement of domestic products by imported analogues.
Reduction of losses of Ukrainian exporters from discriminatory anti-dumping measures.	Strengthening the influence of the world situation on the Ukrainian economy.
Reforming of the Ukrainian economy.	Complication of state economic regulation.
Improvement of the investment climate.	Loss of state support for certain industries and regions.
More effective development of new technologies.	Transition of Ukrainian manufacturers to international technical standards on conditions of funds deficit.
The expansion of the assortment and improvement of the quality of consumer goods and services, lowering their prices.	

Source: Compiled by the author based on [2]

In modern conditions, cooperation between Ukraine and the WTO is an important objective, because the economy is in a state of deep crisis and stagnation. It is characterized by such negative phenomena as decline in production, high inflation, rising public debt and state budget deficit and unemployment. We see a way out of the crisis situation in deepening the integration of the country's economy into the world economic system, the basis of which is the orientation towards expanding the export

activities of domestic economic entities to deepen Ukraine's cooperation with WTO member countries to maximize the protection of interests in the implementation of foreign economic activity. In conditions of war, it may be necessary to protect some industries from competition from foreign enterprises, which may lead to the introduction of measures to restrict trade, which contradicts the obligations arising from WTO membership. Thus, the government of Ukraine should be ready to protect national interests and cooperation with the WTO in the current military conditions.

REFERENCES

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