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INCREASE OF THE EXPORT POTENTIAL OF UKRAINE DUE TO ACCESS TO THE MARKET OF THE EUROPEAN UNION COUNTRIES

Open trade and integration into the EU internal market are key points for the preservation of the Ukrainian economy during the war and rapid economic recovery. In the conditions of a full-scale war, the EU became the main trading partner of Ukraine, accounting for more than 55% of mutual trade. Additional measures taken during the war, such as the elimination of all customs duties, the conclusion of an agreement on the abolition of transport permits and the joining of a common transit system helped Ukraine to soften the shock of the war and further connect the Ukrainian economy with the EU.

According to statistics, before Russia's large-scale invasion, the European Union's share of Ukraine's foreign trade was 41%, and more than 10,000 Ukrainian companies exported their products to the EU. Thus, in 2021, the volume of Ukrainian exports of goods to the EU amounted to just over \$26 bn., while imports amounted to about \$28.9 bn. By the end of 2022, the EU's share in Ukraine's foreign trade turnover reached 55.5%. For Ukraine, accession to the EU will mean an increase in trade flows, opening of new markets and easier access to them, increased complexity of products, and improved know-how.

Thus, the EU-Ukraine Association Agreement has been provisionally applied since November 2014. As a part of this Association Agreement, the Deep and Comprehensive Free Trade Agreement (DCFTA) has been provisionally applied since January 2016. It reduces tariffs faced by European companies when exporting to Ukraine. The agreement facilitates trade by increasing the efficiency of customs procedures and gradually approximating Ukrainian legislation, rules and procedures, including standards, to EU legislation. On September 1, 2017, the EU-Ukraine Association Agreement became fully operational.

To ensure Ukraine's continued access to the EU's Internal Market, the government has developed a Priority Action Plan for Enhanced Implementation of the EU-Ukraine Free Trade Area for 2023-2024. Also, an important component of Ukraine's integration into the EU Single Market is the Agreement on Ukraine's participation in the EU's Single Market program with a budget of EUR 4.2 bn. for 2021-2027. This program facilitates market access, creates favorable business environment, develops and grows businesses, and ensures competitiveness. It also provides for Ukraine's participation in the European Enterprise Network (EEN), Erasmus for Young Entrepreneurs (EYE), and joint cluster initiatives.

At the same time, Ukraine is accelerating the implementation of the Agreement on Access of Ukrainian Products to the EU Market (ACAA).

The conclusion of the Agreement will open up access for industrial products to the markets of Ukraine and the EU on the basis of mutual recognition of the results of conformity assessment for such products. This agreement will provide that:

- the requirements of Ukrainian technical regulations for products are identical to the requirements of the relevant EU directives;
- standards that provide a presumption of conformity with the requirements of technical regulations and their lists are identical to the relevant European harmonized standards and their lists;
- the requirements for designated bodies are identical to the requirements for notified bodies in the EU;
- Ukrainian producers will be entitled to affix the European conformity mark “CE” to their products.

Thus, this process should include preparing Ukraine for participation in the EU internal market in certain priority sectors of the economy, harmonizing the necessary framework and sectoral legislation in priority areas with the EU technical regulation system, ensuring transparency and predictability of the regulatory environment for business entities .

To summarize, in order to effectively increase the country's export potential by entering the EU market, Ukraine should focus on:

1. Promoting foreign economic activity of enterprises by creating favorable conditions for export, reducing administrative barriers and developing logistics infrastructure.

2. Developing high value-added production, focused on the production of technologically sophisticated and high-quality goods that are in high demand in EU markets. To achieve these goals, the government should promote an investment environment, research, innovation and intellectual property protection.

3. Improve product quality by ensuring that products are of high quality and meet EU quality and safety requirements.

Thus, openness of trade between Ukraine and the European Union and integration into the EU internal market are the key to preserving the Ukrainian economy in war conditions and coming rapid economic recovery. Currently, Ukraine has the opportunity to increase its export potential in the European market of goods and services, having received a number of potential opportunities. However, it is important to note that further integration requires significant efforts and reforms, as well as compliance with European norms and standards.

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