

MAIN RANGES OF ECONOMIC AND FINANCIAL COOPERATION BETWEEN UKRAINE AND EUROPEAN UNION

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The strategic direction of Ukraine's foreign policy is integration into the EU, which will allow the country to improve its position in the global economic system, ensure sustainable economic development, increase national competitiveness, take a place in the world political and cultural space, and achieve high social standards.

Economic integration provides the opportunity to use EU regional development funds to accelerate the economic development of the more developed EU countries[1]. The signing of the Agreement is gaining importance in the direction of enlargement of European integration of Ukraine about the association. An important part of the new agreement with the EU is the establishment of a free trade zone between Ukraine and the EU.

Among the main economic benefits of concluding an Association Agreement, it is expedient to highlight the following:

1. Improving the conditions for Ukrainian exports to the EU, primarily through the abolition of import duties, as well as the reduction of non-tariff barriers to trade in agricultural products.
2. The acceleration of economic growth.
3. An increase in the number of employed economic activities.
4. Expansion of the revenue part of the state budget.
5. Attracting foreign direct investment to Ukraine.
6. The improvement of the business and investment climate for national enterprises [2].

Integration into the world economy is often seen as a factor that is crucial for economic efficiency and competitiveness. In the process of EU integration, in order to succeed, any enterprise is forced to make effective use of available resources: material, financial and staffing potential, as well as analyze the environment in which it operates. All this leads to the fact that enterprises are constantly evolving, changing functions, goals, tasks, methods of organization and adaptation to changing conditions of economic activity.

Maintaining the necessary level of competitiveness not only requires constant efforts, but well thought-out targeted actions of a strategic nature. The relative nature of competitiveness is

manifested in the fact that competing in some markets the object is absolutely uncompetitive in others [3].

Competitiveness does not arise spontaneously and automatically, it arises as a result of changes in the macro and micro environment, and is not the only result of entrepreneurship, but is the result of many socio-economic factors. The positive effect is that the united market of 27 European countries with a population of 450 million people can become the world's largest consumer of Ukrainian goods (the share of these countries in Ukrainian exports will reach 35%). For Ukraine, Ukraine's role in the foreign economic sphere is increasing. Opportunities for the development of some specific areas – legal migration and movement of people; integration into transport, energy and telecommunication networks and European research space; new instruments of protection and promotion of investments; support integration into global market.

Negative consequences for Ukraine can be:

- deterioration of competitive positions in the export of certain goods

(electrical equipment, electric machines and equipment, clothing and accessories, furniture and especially ferrous metals) of medium technology due to the extension of the European agreements on trade liberalization, as well as customs

preferences granted to developing countries;

- introducing non-tariff restrictions, technical, sanitary, and veterinary controls in the new EU countries, which can lead to a complete closure of these markets for Ukrainian agricultural products;

- certain transport problems and reduction of passenger traffic due to the introduction of a visa regime with new EU members, especially in the border areas of Western Ukraine;

- Restriction of labor force access to the labor markets of the new EU countries, the emergence of problems with the employment of Ukrainian citizens and the deportation of illegally employed citizens in these countries, which will reduce the volume of foreign exchange earnings, especially in the western regions of Ukraine.

An unequivocal obstacle to Ukraine's membership in the EU remains a huge gap in the level of economic development of Ukraine and European countries. An indicator of living standards in Ukraine, even taking into account purchasing power parity is about 15% of the EU average.

Taking into account the foregoing, one can conclude that Ukraine's integration into the EU is a very important and complex process that will lead to the expansion of trade relations, social and economic base, the improvement of trade conditions, granting of certain preferences in different spheres.

In the process of EU integration, Ukraine will receive considerably more economic benefits than negative effects, so the Ukrainian government is considering Ukraine's "rational" integration of the world economy as one of the priority directions of development.

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