DOI: <https://doi.org/10.34069/AI/2024.83.11.4>

How to Cite:

Batrymenko, O., & Melnyk, V. (2024). Fostering transparency in european integration: collaborative frameworks between government, business and civil society. *Amazonia Investiga*, 13(83), 52-65. <https://doi.org/10.34069/AI/2024.83.11.4>

Fostering transparency in european integration: collaborative frameworks between government, business and civil society

Євроінтеграція та забезпечення прозорості: механізми співпраці між урядом, бізнесом і громадянським суспільством

Received: October 3, 2024

Accepted: November 20, 2024

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Abstract

This article examines the key elements and criteria for European integration, focusing on the specifics of establishing new connections between Ukraine and EU member states. The study analyses the dynamics and structure of Ukraine's trade turnover from 2013 to 2023, highlighting a significant increase in trade volumes with EU countries following Russia's invasion in 2022. It explores the importance of regulating migration processes and enhancing economic security as part of Ukraine's path towards European integration. The research emphasises the need for greater transparency and cooperation between the state, businesses, and civil society to accelerate Ukraine's integration process. The analysis underscores the pivotal role of legislative initiatives in fostering a favourable business environment and promoting harmonious socio-economic relations among stakeholders. The findings of the study hold practical significance in the context of developing harmonious socio-economic relations among participants in global production processes.

This article examines the key elements and criteria of European integration, focusing on the establishment of new ties between Ukraine and EU member states. The study analyses the dynamics and structure of Ukraine's trade turnover from 2013 to 2023, highlighting a significant increase in trade volumes with EU countries following Russia's invasion in 2022. It

Анотація

У цій статті розглядаються ключові елементи та критерії європейської інтеграції, зосереджуючись на особливостях встановлення нових зв'язків між Україною та державами-членами ЄС. У дослідженні аналізується динаміка та структура товарообігу України з 2013 по 2023 роки, підкреслюється значне зростання обсягів торгівлі з країнами ЄС після вторгнення Росії у 2022 році. Досліджується важливість регулювання міграційних процесів та посилення економічної безпеки як частини шляху України до євроінтеграції. Дослідження наголошує на необхідності більшої прозорості та співпраці між державою, бізнесом та громадянським суспільством для прискорення процесу інтеграції України. Аналіз підкреслює ключову роль законодавчих ініціатив у створенні сприятливого бізнес-середовища та сприянні гармонійним соціально-економічним відносинам між зацікавленими сторонами. Результати дослідження мають практичне значення в контексті розвитку гармонійних соціально-економічних відносин між учасниками глобальних виробничих процесів. У статті розглядаються ключові елементи та критерії європейської інтеграції, зосереджуючись на налагодженні нових зв'язків між Україною та державами-членами ЄС. У дослідженні аналізується динаміка та структура товарообігу України з 2013 по 2023 роки, підкреслюється значне зростання обсягів

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explores the importance of regulating migration processes and enhancing economic security as integral parts of Ukraine's path toward European integration. The research emphasises the need for greater transparency and collaboration between the state, businesses, and civil society to accelerate Ukraine's integration process. The analysis underscores the pivotal role of legislative initiatives in creating a favourable business environment and fostering harmonious socio-economic relations among stakeholders. The study's findings have practical relevance in the context of developing harmonious socio-economic relations among participants in global production processes.

Keywords: European integration, European Union, international trade turnover, international relations, business climate.

Introduction

Complex global trends in the restructuring of international relations in Europe and the world undoubtedly influence Ukraine's integration into the European economic and political space. The political and security imbalance caused by the escalation of military actions has exacerbated contradictions among EU member states on issues of energy security and food policy.

Among the main threats to EU unity, particularly regarding the Ukrainian issue, are the deterioration of the socio-economic situation, migration pressure, the intensification of disintegration tendencies within the EU, Russian informational influence, and difficulties in overcoming differences when making joint decisions. The consolidation of efforts by Ukrainian society, authorities, and businesses in creating a favourable image of Ukraine and enhancing the transparency of socio-economic processes will contribute to accelerating the country's accession to the EU.

Transparency is positioned as the foundation of effective public governance, which forms the basis of European integration processes. By transparency, we mean ensuring the right and actual ability to access information when authorities, understanding the importance of disclosing information and involving the public, take a proactive stance in this process. Transparency is also a factor that facilitates more effective governance during crises. The principle of transparency, along with the principles of openness, accountability, efficiency, equality, and fairness, forms the foundation for legislative support for the principles of "open" governance within the integration processes of the European community.

The article provides an extended review of contemporary literary sources, describes the research methodology, offers a detailed presentation of the obtained results, and includes a discussion section featuring academic discourse on the issues examined in the article. Finally, appropriate conclusions are presented.

Literature Review

Defining the essence of international economic integration in the modern context

The positioning of social and economic strategies significantly influences population migration and the dynamics of quantitative and qualitative human capital indicators. According to EU standards, the principles and priorities of constructing these strategies must be complementary and balance the interests of employers and personnel (Tyukhtenko, 2017; Berzini, 2023).

торгівлі з країнами ЄС після вторгнення Росії у 2022 році. Досліджується важливість регулювання міграційних процесів та посилення економічної безпеки як невід'ємних частин шляху України до євроінтеграції. Дослідження наголошує на необхідності більшої прозорості та співпраці між державою, бізнесом та громадянським суспільством для прискорення процесу інтеграції України. Аналіз підкреслює ключову роль законодавчих ініціатив у створенні сприятливого бізнес-середовища та розвитку гармонійних соціально-економічних відносин між зацікавленими сторонами. Результати дослідження мають практичне значення в контексті розвитку гармонійних соціально-економічних відносин між учасниками глобальних виробничих процесів.

Ключові слова: Європейська інтеграція, Європейський Союз, міжнародний товарообіг, міжнародні відносини, бізнес-клімат.

The main directions for enhancing the country's economic security within the framework of European integration processes have been researched by Oliinyk et al. (2022), who highlight financial, legal, intellectual, technological, environmental, informational, and military directions. Including economic security factors in mapping Ukraine's integration into the EU will create a highly efficient socio-economic system and build communicative ties with EU member states.

Current challenges of European integration processes and ways to overcome them

In the European environment, which is differentiated by the concepts of *Euro-optimists and Eurosceptics*, there are active discussions about the current state and future development of the European community. The ways to improve critical socio-economic, political, legal, and security indicators crucial for accelerating European integration processes, particularly for Ukraine, are widely studied in the modern scientific field (Bahaterenko et al., 2013; Prikhodko, 2019). Combating corruption and countering fraud in the financial sector is one of the most pressing issues for the state's modern economic environment. Kussainov et al. (2023), in their research, highlight the current state of the fight against corruption in Ukraine, systematise the main approaches to anti-corruption management according to EU standards, and examine the effectiveness of the approaches used in EU member states for modern-day Ukraine.

European integration processes and Ukraine

The military actions, destabilisation of the socio-economic environment, and a significant reduction in security levels in Ukraine have led to large-scale migration both within the country and to the EU. The stimulating and deterrent factors of this process are explored in the works of Levytska et al. (2020), where they also analyse migration index dynamics and identify general patterns of migration processes. The consequences of the military actions on Ukraine's territory for EU countries, along with the related population migration, are studied by Kovtunyk et al. (2023), focusing on social trends such as reducing dependence on Russian energy, re-evaluating critical elements of European values, challenges in the labour market due to the increased Ukrainian workforce, and the revision of principles in the agricultural sector. All these factors push EU countries to reconsider the process of Ukraine's European integration (Dir, 2022; Hryshko & Kyrychuk, 2022; Blyzniak & Rykov, 2023; Didych & Shevchenko, 2023).

Transparency of European integration processes

Traditional European founding countries maintain a certain level of scepticism towards innovative projects in the context of further integration, while simultaneously demonstrating a value-based attitude toward the evident successful achievements of European integration processes. This is supported by a number of contemporary scholars. In particular, Genschel (2022) argues that the imbalance between the strong regulatory power of the EU and the weak capacity of primary state authorities reflects its peaceful origins. The author emphasises that while the centralisation of primary state powers is not observed, there is a strengthening of national powers supported by EU institutions, which fosters transparency in integration processes.

In contrast, Sapir (2022) asserts that joining the EU requires not only that candidate countries fulfil a certain number of conditions but also that EU member states feel prepared to accept new members, which demands a high level of transparency in governance processes.

Anghel and Jones (2022) position the EU as a multi-level, multifaceted entity that can adapt its form in response to events. In this context, integration processes act as indicators of the transparency of governance strategies and the implementation process.

This research aims to establish the key elements and criteria by which the country's integration process with the EU occurs, the specifics of building new connections between Ukraine and EU member states, problems related to political, socio-economic, legal, and security conditions, and ways to increase transparency in the socio-economic and financial sectors and improve cooperation between business and government.

Research methods

The primary methods used to establish cause-and-effect relationships included analytical approaches such as analysis, synthesis, generalisation, comparison, and abstraction. Induction was also applied—a scientific research method aimed at identifying cause-and-effect relationships between phenomena and generalising empirical data based on logical assumptions, moving from the specific to the general, and from the known to the unknown. Additionally, the methodology incorporated a systematic review approach with elements of meta-analysis, where appropriate.

To examine approaches to the studied process, scientific works and industry publications were analysed. To identify specific parameters of the studied process, a comprehensive analysis of scientific articles published in various academic sources was conducted. To ensure the reliability and validity of the conclusions, literature from influential databases was selected. The criteria for literature selection included factors such as journal quality, relevance to core industry topics, and the presence of peer-reviewed content.

Statistical methods, in the context of achieving the research objectives, allowed for the systematisation and summarisation of all information about the studied objects and phenomena, including their positive aspects and drawbacks. These methods also facilitated drawing parallels between the nature and purpose of the studied object or phenomenon and the results of its functioning.

The limitations of the research include the difficulty of experimentally verifying theoretical conclusions and the lack of access to complete and up-to-date official data.

The scientific and methodological basis of the research is built on the fundamental principles of modern economic theory. The analytical part of the research is based on comparative, structural, horizontal, and vertical data analysis methods.

Research results

The main directions by which the country's economic and political integration into the designated community are finance and economy, politics and law, human capital, technology, information, ecology, and power (military factor).

When considering the financial and economic component of international integration, it is essential to highlight three main approaches to its definition in modern research. The first approach is based on the assertion that economic integration is the process of rapprochement, mutual penetration, and merging national economies within united groups (Mochernyi, 2002; Matiushenko et al., 2015). The second considers economic integration as creating a single multinational economy with a standard division of labour, enhanced trade exchange, and capital turnover (Kravchenko, 2001). The third approach views economic integration as an economic phenomenon and process that significantly impacts the activities and functioning of countries, their relations, and economic essence (Anderson & Coughlan, 1987; Mochernyi, 2002). However, all approaches share standard features that distinguish economic integration from all other types of interaction between countries, namely: mutual penetration of national production processes; a wide range of cooperation in production, science, and technology; convergence of national legal norms and standards; and targeted regulation of the integration process within the framework of a coordinated strategy in economics and politics.

In studying the definition of the essence of international integration, Nenko et al. (2021) define integration as a universal phenomenon in terms of national and regional characteristics, with the expansion and deepening of production-technological links, joint use of resources, capital mergers, and the creation of favourable conditions for economic activity. Integration can be viewed both as a process and as a result. In terms of the process, integration is the unification of entities to achieve a common goal. The authors defined integration as forming a complex structure of interconnected and interacting economic entities with new qualities and connections (Nenko et al., 2021).

The main reasons for Ukraine's movement towards European integration are the growing influence of economic ties on economic life, globalisation of the economy and global competition, increased openness of the economy, scientific and technical development, and geopolitical interests. Therefore, Ukraine's

accession to the EU involves creating a single market with European countries, unifying legislation, and coordinating state policies in socio-economic and environmental development.

Starting in 2014, Ukraine's economic integration into the EU has taken place in the context of Russian aggression and hostilities on the country's territory. This negatively affects the European integration process but creates advantages in economic security in strategic sectors. Thus, between 2013 and 2022, Ukraine's trade volume with EU countries increased from 32.3 % to 53.6 % (Table 1).

Table 1.

Ukraine's Trade Turnover with the EU Countries in 2013–2022

Year	Trade turnover %	Exports %	Imports %	Trade turnover (USD million)	Export	Import	Balance
2013	32,3	26,9	37,2	51128,6	20159,0	30969,6	-10810,6
2014	35,8	31,8	40,0	44297,4	20302,1	23995,3	-3693,2
2015	37,3	32,8	42,2	33243,0	15287,0	17956,0	-2669
2016	39,4	35,2	43,7	35252,9	15781,8	19471,1	-3689,3
2017	40,4	38,3	42,4	43346,1	20049,0	23297,1	-3248,1
2018	41,1	40,3	41,8	49317,1	23032,0	25285,1	-2253,1
2019	40,1	33,7	46,5	52614,2	24007,9	28607,2	-4599,3
2020	40,7	33,9	47,5	48103,8	21925,8	26356,4	-4430,6
2021	39,0	36,7	41,3	62500,0	30315,7	32212,1	-1896,4
2022	53,6	57,2	50,0	59356,7	30640,2	28700,3	1939,9

Source: compiled by the author based on State Statistics Service (2024)

It should be noted that the data presented do not reflect the values for 2023, which the State Statistics Service has not yet published in terms of trade-in services. Therefore, Table 1 shows that during 2013–2022, EU countries remained Ukraine's main trading partners. The highest share of Ukraine's foreign trade with EU countries was reached in 2022 following the full-scale invasion of Ukraine. This led to the restructuring of Ukraine's export structure towards increased trade operations with the EU. The dynamics of changes in Ukraine's trade balance are shown in Figure 1.

Analysing Figure 1, it can be observed that throughout most of the study period, Ukraine's trade turnover with EU countries fluctuated around 40 %, indicating a high degree of integration of Ukraine's economy into the EU economy (Razumkov Centre, 2020, 2022). However, it is essential to note that up until 2021, Ukraine's trade balance with EU countries was negative, meaning that Ukrainian imports from EU countries exceeded exports to European countries. However, starting in 2022, the share of trade with EU countries increased to 53.6 %, and Ukrainian exports to the EU accounted for 57.2 % of Ukraine's total exports in 2022. Additionally, in 2022, the share of imports from EU countries increased from 41.3 % in 2021 to 50 %. Significant changes in Ukraine's trade balance structure occurred due to reduced trade volumes in the Asian market and the expansion of corresponding volumes in the EU market.

Ukraine's main trading partners among EU countries during the study period were Germany, Poland, Italy, Hungary, the Netherlands, France, and the United Kingdom (which has not been an EU member since 2020) (Figure 2).

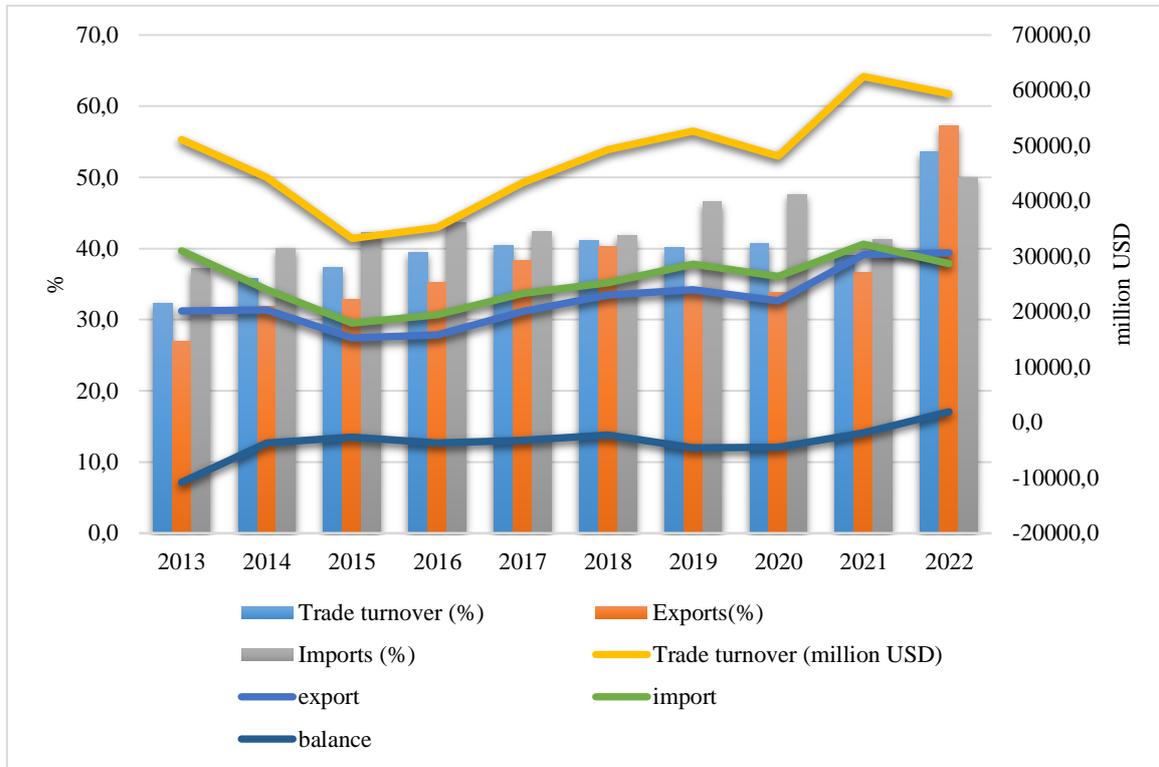


Figure 1. Dynamics of Volumes and Structure of Ukraine's Trade with the EU in 2013–2022.
Source: compiled by the author based on State Statistics Service (2024)

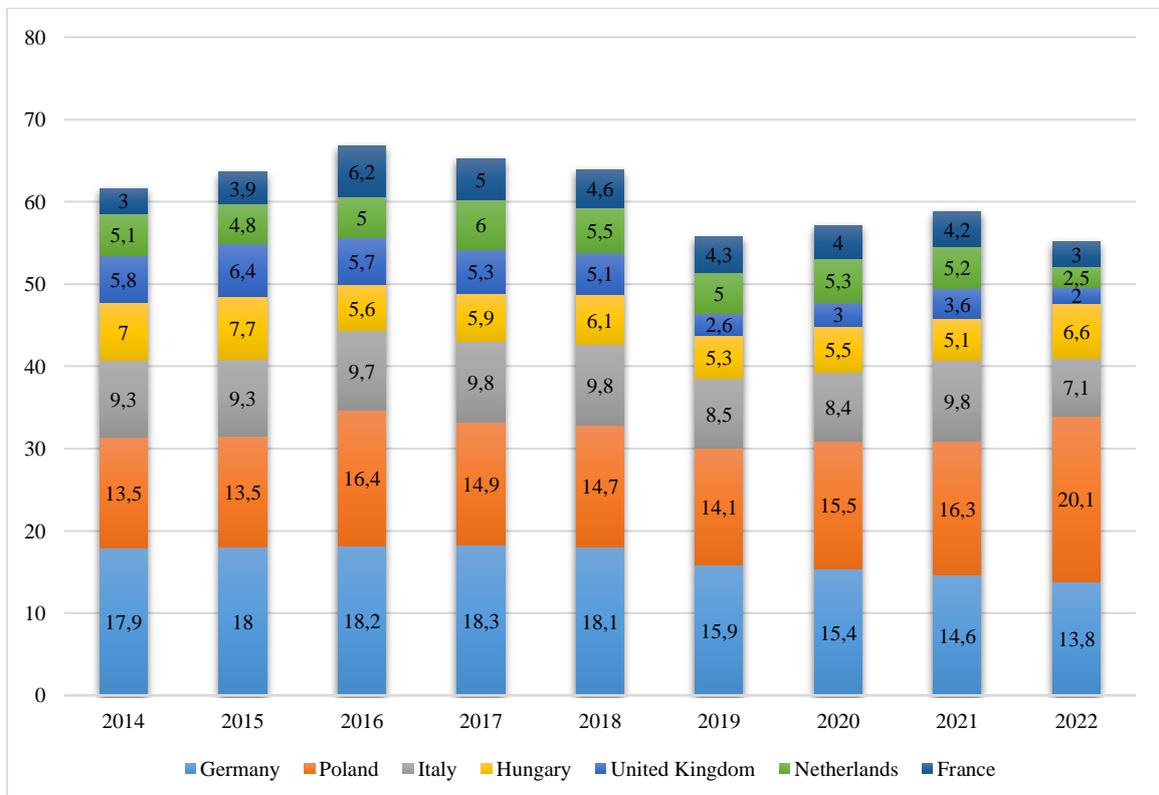


Figure 2. Ukraine's Main Trade Partners among the EU Countries in 2014–2022.
Source: compiled by the author based on the Ministry of Economy of Ukraine (2024a)

The total share of Ukraine's trade turnover with the countries above among all EU countries fluctuated between 50 % and 70 %. The highest trade balance share with these countries occurred in 2016. In 2022,

the increase in trade turnover with EU countries reached a record high of 53.6 % (Table 1) due to the increase in trade volumes with Romania, Slovakia, Austria, Cyprus, and other EU countries.

When analysing Ukraine's trade turnover with EU countries from 2013 to 2023, it is essential to examine its structure regarding goods and services (Figure 3).

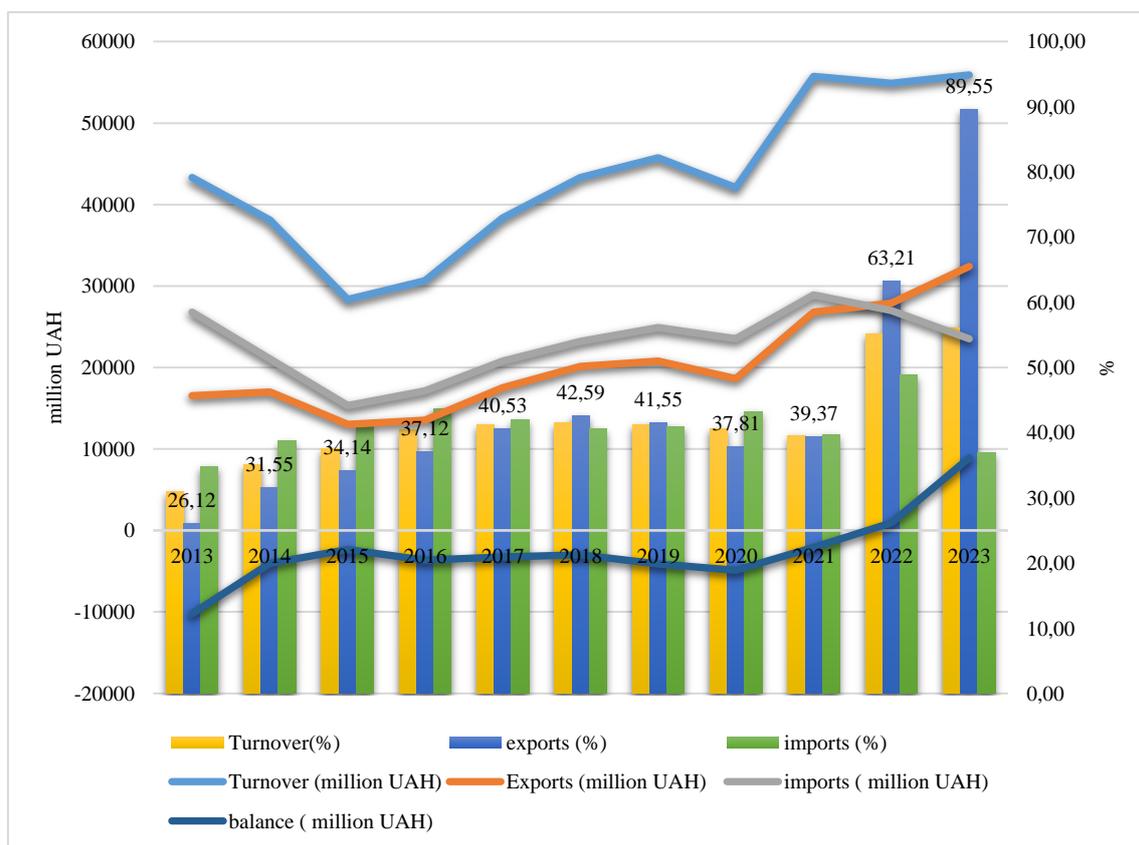


Figure 3. Dynamics of Ukraine's Trade with the EU in 2013–2023

Source: compiled by the author based on the Ministry of Economy of Ukraine (2024a)

From 2013 to 2021 (Figure 3), there was a slight excess of imports to Ukraine from EU countries over exports to them. However, due to the decrease in the purchasing power of Ukrainian businesses and the population, as well as the increase in the volume of humanitarian aid coming to Ukraine starting in 2022, Ukrainian exports to the EU significantly exceeded imports, with exports accounting for 85.55 % of Ukraine's total exports as of 2023. The share of imports from EU countries in the total imports to Ukraine in 2023 amounted to 36.97 %. This substantial increase in the export share in 2022–2023 occurred due to the growth in the absolute value of export trade operations, rising from USD 26.8 billion in 2021 to USD 32.4 billion in 2023.

The increase in the absolute value of Ukraine's export trade operations with EU countries was mainly due to the growth in grain transportation volumes through Poland and Germany. As of 2023, the share of grain exports to EU countries increased to 19.6 % of all exports to the EU, compared to 7.2 % in 2021 (Figure 4). When analysing the dynamics of the absolute values of grain export volumes to EU countries (Table 2), it can be concluded that this figure more than doubled, from USD 2.08 billion in 2021 to USD 4.92 billion in 2023.

Table 2.
Dynamics of Exports of Main Commodities from Ukraine to the EU Countries in 2013–2023 (USD million)

Exports	2013	2014	2015	2016	2017	2018	2019	2020
Ferrous metals	4061,0	3891,4	2623,4	2683,3	3191,4	3715,3	3146,9	2514,3
Cereals	1719,3	1805,4	1625,9	1279,5	1709,7	2223,1	2627,7	1786,8
Electrical machinery and equipment	1492,2	1649,7	1434,1	1612,7	2043,2	2371,5	2309,8	2215,1
Ores, slag and ash	1714,9	1582,1	962,5	963,3	1544,9	1818,2	1772,7	1451,9
Energy materials	1047,3	1030,4	301,0	342,7	531,4	655,6	696,9	650,8
Seeds and fruits of oilseeds	1247,6	919,0	645,3	607,1	1095,3	1163,5	1539,3	1254,5
Wood and wood products	820,0	744,8	712,7	784,2	834,2	1042,9	1003,3	990,2
Fats and oils of animal or vegetable origin	640,2	793,0	678,3	1204,4	1475,7	1143,8	1544,1	1845,2
Exports	2013	2014	2015	2016	2017	2018	2019	2020
Ferrous metals	4061,0	3891,4	2623,4	2683,3	3191,4	3715,3	3146,9	2514,3
Cereals	1719,3	1805,4	1625,9	1279,5	1709,7	2223,1	2627,7	1786,8

Source: compiled by the author based on the Ministry of Economy of Ukraine (2024a)

The significant increase in the volume of Ukrainian grain exports transported via rail and road through EU countries in 2022–2023 was caused by the Russian fleet’s blockade of maritime routes for cargo ships, which made it impossible to transport grain by sea to European and African consumers. Additionally, the volume of Ukraine’s exports of seeds and fruits of oilseed crops to EU countries grew significantly, from USD 1.6 billion in 2021 to USD 3.1 billion in 2022.

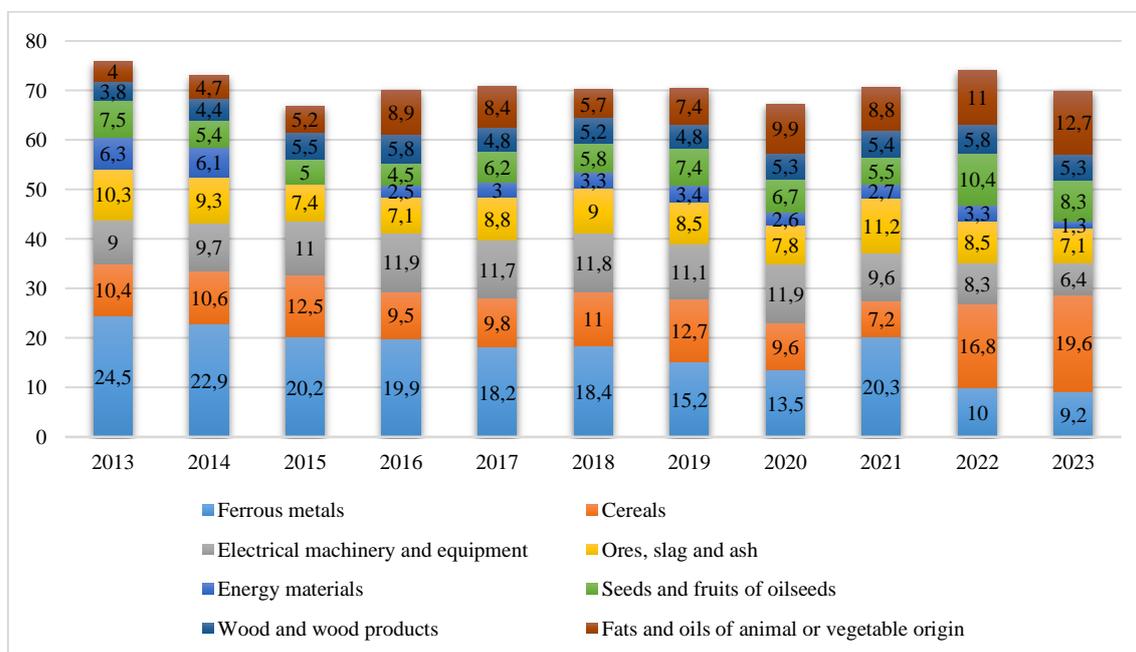


Figure 4. Dynamics of Ukraine’s Exports of Goods to the EU in 2013–2023.

Source: compiled by the author

Looking at Figure 4, it is evident that since 2013, there has been a gradual reduction in the share of Ukraine’s exports of ferrous metals to EU countries. Between 2013 and 2017, this reduction was primarily due to the beginning of Russian military aggression in the territory of the Autonomous Republic of Crimea and the Donetsk and Luhansk regions. Given that many metallurgical enterprises were concentrated in the occupied areas of Donetsk and Luhansk regions, their actual expropriation led to a gradual decrease in Ukraine’s export share of ferrous metals to EU countries, from 24.5 % in 2013 to 13.5 % in 2020. A significant increase in ferrous metal exports occurred in 2021, driven by the recovery of production volumes, particularly from the modernised Azovstal Metallurgical Plant in Mariupol. However, the occupation of Mariupol by Russian forces in 2022, followed by the destruction of Azovstal, significantly impacted Ukraine’s metal export potential, reducing their share in the structure of goods exported to EU countries to 9.2 % in 2023. It is worth noting that the overall reduction in heavy industry export volumes occurred due

to a general decline in production in Ukraine, caused by a shortage of electricity in the grid and Russian bombings of industrial regions of Ukraine throughout 2022–2023.

At the same time, the share of exports of goods that require less electricity and specialised equipment for production, namely agricultural and forestry products, continues to grow.

The deep level of economic integration between Ukraine and EU countries is also confirmed by the large volumes of European goods imported during the study period (Table 3). Throughout the study period, the primary goods that Ukraine imported from EU countries remained energy materials, especially fuel, machinery, mechanical devices, and electrical equipment. The sharp decline in the volume of imported goods from EU countries in 2015 can be explained by the rapid devaluation of the national currency that followed the beginning of Russian military aggression in 2014.

Table 3.

Dynamics of Imports of Main Goods from the EU Countries to Ukraine in 2013–2023 (million USD)

Imports	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Energy materials	3012,5	3790,1	3416,6	2539,5	3042,9	3175,8	2693,1	1605,1	2540,8	2634,8	2698,1
Machinery and mechanical devices	3350,7	2277,4	1570,9	2409,6	2962,0	3225,2	3334,9	3121,4	4001,7	2000,8	2763,2
Electrical equipment	1766,4	1403,2	1093,2	1214,7	1572,9	1909,3	2100,2	2009,9	2086,3	1556,4	1707,3
Polymeric materials	1777,2	1468,1	1086,1	1120,0	1275,0	1387,1	1339,9	1341,3	1824,1	1382,7	1597,0
Pharmaceutical products	2315,5	1826,2	988,9	1136,5	1291,7	1418,7	1435,7	1654,0	1945,1	1246,8	1496,1
Land vehicles	2754,2	1198,8	833,5	1457,0	2170,9	2226,9	3253,5	2710,2	3477,1	3112,0	3896,3
Chemical products	800,3	639,9	628,7	729,0	832,5	858,8	847,6	781,5	860,5	686,6	892,6
Paper and cardboard	1138,3	743,9	521,5	547,9	558,5	633,0	611,5	586,4	706,6	565,3	452,2

Source: compiled by the author based on the Ministry of Economy of Ukraine (2024a)

The strengthening of the hryvnia at the end of 2020 increased the purchasing power of Ukrainian businesses and the population, leading to a significant rise in import volumes in 2021. This increase was particularly evident in the imports of energy materials, machinery and mechanical devices, polymeric materials and plastics, and land transport vehicles. The full-scale Russian invasion in 2022 and the resulting energy crisis necessitated a substantial increase in the import of energy materials.

Analysing the dynamics of the import structure from EU countries to Ukraine during 2013–2023 (Figure 5), we can conclude that throughout almost the entire study period, the structure remained essentially unchanged. This indicates the systematic needs of Ukrainian society and businesses and stable, established economic relations between EU countries and Ukraine. Between 2016 and 2021, there was an increase in the share of machinery and mechanical device imports, explained by the need to rebuild the country's infrastructure after the start of Russian aggression in 2014. Additionally, the demand for a large amount of road equipment related to the “Great Construction” Programme and increased grain production required more high-quality agricultural machinery. However, with the onset of hostilities in 2022, the share of machinery and equipment imports fell from 13.4 % to 6.7 %, while the share of energy material imports simultaneously increased from 11 % to 24 %.

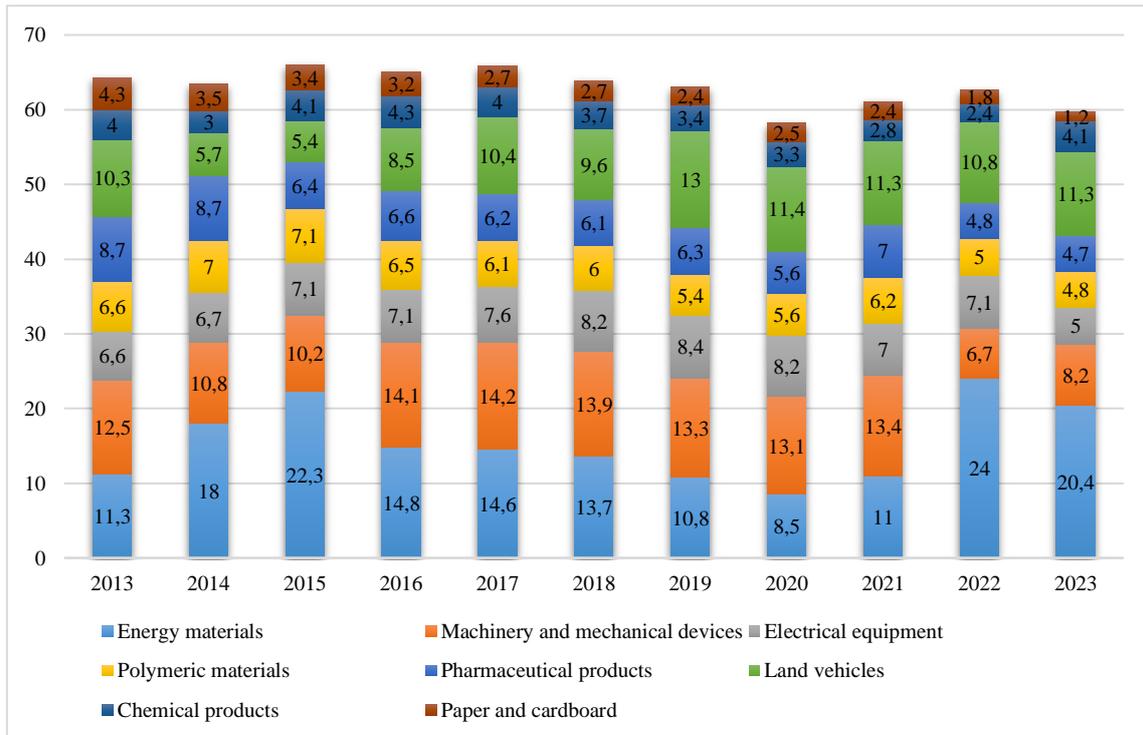


Figure 5. Dynamics of EU Imports of Goods to Ukraine in 2013–2023

Source: compiled by the author based on the Ministry of Economy of Ukraine (2024a)

When examining the degree of integration of Ukraine’s economy into the EU economy, it is necessary to analyse the dynamics of the export-import structure of services (Figure 6). It should be noted that the data on the volume of services provided is presented in Fig. 6 without including data for 2023 due to the security policy of the State Statistics Service, considering martial law conditions. The non-disclosure of statistical information is also related to the fact that the largest share of the service turnover consists of the export of telecommunications services (32.4 % in 2022), transport services (24.5 % in 2022), and the import of transport services (25.4 % in 2022), travel-related services (15.6 % in 2022), and telecommunications services (12.3 % in 2022), which are sectors that support national security (Government Portal, 2024).

A distinctive feature of the dynamics of Ukraine’s services trade turnover with EU countries is the positive trade balance throughout the entire period of the study (Fig. 6). It is also worth noting that during the period from 2013 to 2021, Ukraine’s share of service exports to EU countries from total service exports fluctuated between 25 % and 35 %. This indicates that Ukraine’s service exports were oriented towards countries outside the EU, while the share of services imported from EU countries during this period fluctuated between 40 % and 56 %. This suggests that Ukrainian consumers preferred to receive foreign services from EU countries. However, the absolute value of service exports to the EU exceeded the equivalent indicators for importing services to Ukraine. Starting in 2022, the structure of service export and import distribution with EU countries began to equalise, and by early 2023, Ukraine’s service export share to EU countries reached 37.5 %, while the share of imports from EU countries stood at 41.2 % of the total imports to Ukraine.

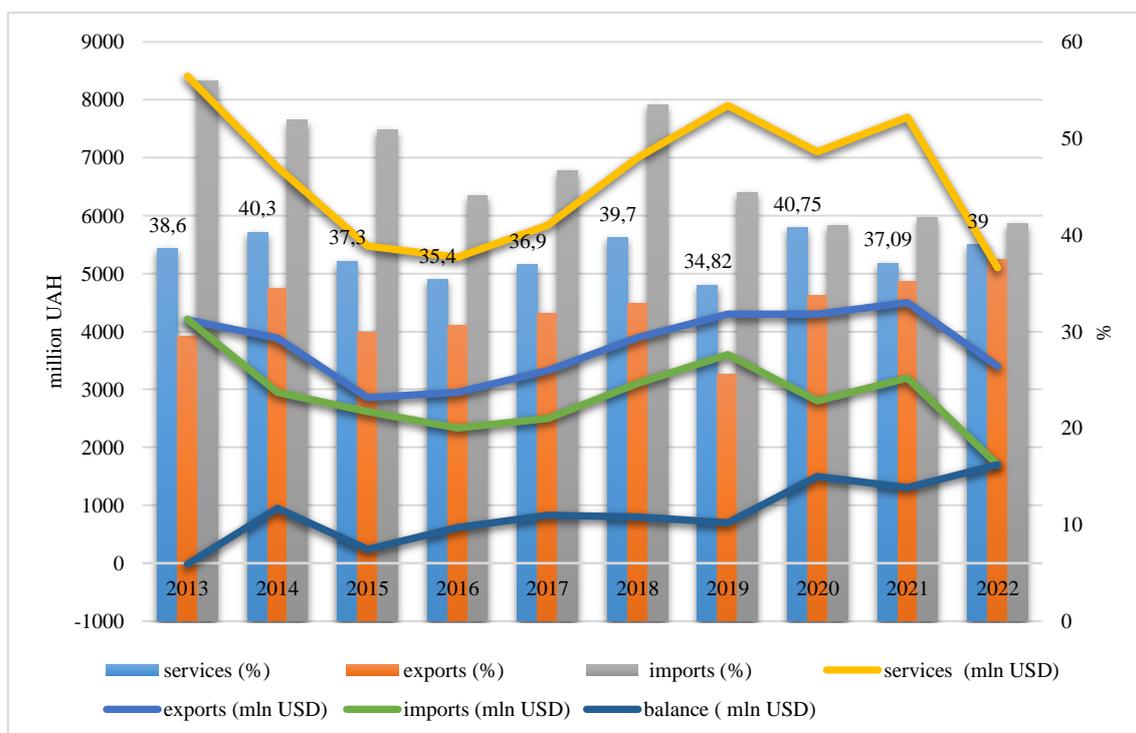


Figure 6. Dynamics of Trade in Services between Ukraine and the EU in 2013–2023

Source: compiled by the author based on the Ministry of Economy of Ukraine (2024a)

In the current context, the global community is evolving under the influence of regional development disparities among participating countries, fragmentation, financial and economic instability, and significant challenges to further integration. These factors render integration processes more vulnerable. The lack of transparency in these processes is positioned as a factor undermining trust in the global integrated environment.

At the same time, the history of the development of the European community is filled with moments of overcoming crises, from which the formation emerged better adapted to new realities. Upgrading the principles of regulatory adaptation based on transparency and openness will enable the formulation of integration strategies in unstable and crisis-driven socio-political and socio-economic conditions.

The research is limited by the lack of access to extensive, reliable practical data and the difficulty of implementing experimental validation of theoretical conclusions.

Discussion

Over the last ten years, Ukraine has consistently followed a course of rapprochement with European countries and strives for close integration with the EU. Ukraine's economic integration has been accelerating yearly, increasing trade volumes and reorienting the Ukrainian economy towards the European market. Even though Ukraine is mainly an exporter of raw materials and agricultural products, it is essential to note the significant dominance of Ukrainian service exports to EU countries over imports. For further development of trade and socio-economic relations between Ukraine and the EU countries, it is necessary to improve the existing legislative framework and align it with the standards and requirements of the European Union (Kvasha & Syniakova, 2019).

The conditions of wartime necessitate the development and implementation of new legislative initiatives aimed at increasing the efficiency of economic entities, reducing corruption, increasing state budget revenues, and creating a safe and favourable environment for business activities. One such initiative is signing a social contract between businesses and the Government of Ukraine. The statement "On Deepening Cooperation Between the State and Entrepreneurs to Improve the Business Climate in Ukraine" dated February 26, 2024 (from now on referred to as the Social Contract) was signed by representatives of business, including the Federation of Employers of Ukraine, the Union of Ukrainian Entrepreneurs, the

American Chamber of Commerce in Ukraine, the Chamber of Commerce and Industry of Ukraine, the Ukrainian Union of Industrialists and Entrepreneurs, the Association of Entrepreneurs Veterans of the ATO, Club Ukraine, the IT Ukraine Association, and the Ukrainian Food Retail Alliance (USAID, 2023). The Social Contract maximally encompasses the representatives of Ukrainian entrepreneurship. It includes provisions regarding the state's obligations, business representatives' obligations, and priority areas for developing cooperation between the state and entrepreneurs. According to the terms and standards of EU legislation, under the provisions of the Social Contract, the obligations of the state are as follows:

- Creation of conditions to eliminate unjustified pressure on businesses from law enforcement agencies;
- Reduction of administrative burdens and increased transparency in the taxation system;
- Increasing the transparency of customs operations;
- Creation of a favourable business climate;
- Continuing the deregulation of economic relations where possible and appropriate;
- Implementation of a program to develop Ukrainian manufacturers, including through access to public procurement and stimulating demand for Ukrainian goods;
- Encouragement of investments through access to cheap financial resources, development of industrial infrastructure, simplification of network connections, access to raw materials, and investment insurance;
- Opening foreign markets for Ukrainian goods and supporting non-raw material exports from Ukraine (Khevturiani, 2020).

Previous studies emphasise that economic globalisation requires prioritising regulatory policies focused on transparency and sustainable development. The results of the current study substantiated the potential for cooperation and transparency within the context of European integration processes.

It is worth noting the previous publications by Ansell & Torfing (2022) and Ahmed et al. (2022), which analyse the challenges of balancing common economic interests and individualised benefits—a topic that is particularly relevant in the context of European integration. Lacy-Nichols & Williams (2021) explore the potential of digital platforms to ensure transparency in global interactions, as well as monitoring processes aimed at identifying correlations and enabling more effective regulatory responses.

The obligations of business representatives are as follows:

- Payment of taxes by the volume specified by law;
- Official employment of workers with the official payment of total wages;
- Refusal to cooperate with Russian contractors and representatives;
- Investment in production and business development in Ukraine;
- Providing conditions for the reintegration of veterans into the workforce.

The priority areas for improving transparency and relations between the state and business are as follows:

- Developing practical solutions to reduce pressure on entrepreneurs from law enforcement agencies, including the development of relevant amendments to the Criminal Procedure Code;
- Rebooting the Bureau of Economic Security;
- Defining criteria for recognising a business as transparent and determining the list of benefits for such businesses;
- Creating a platform for obtaining feedback from entrepreneurs;
- Developing initiatives to support the development of Ukrainian manufacturers;
- Developing solutions to improve and digitise the reservation and business trip systems. (Ministry of Economy of Ukraine, 2024b).

Conclusions

Ukraine's economy has been undergoing a long-term process of strengthening integration with the EU countries. Over the last ten years, economic trade relations have been strengthened with Germany, Poland, and Italy. Ukraine's trade turnover with EU countries has increased from 32 % to 56 % of Ukraine's total international trade turnover. Ukraine remains a reliable partner for EU member states. Despite the challenging conditions of ongoing military actions on its territory, it continues to supply Europe with black metals, grain crops, electrical machinery, and equipment. Given the structure of Ukraine's exports of goods

and services, special attention should be paid to improving the legislative framework in the heavy industry and agro-industrial sectors, particularly in terms of tax optimisation, reducing pressure on businesses, combating corruption, increasing efficiency, and ensuring transparency of financial flows among all participants in socio-economic processes.

According to the research findings, the key principles of the current European integration strategy should include transparency, openness, adaptability, as well as differentiation and a personalised approach. The transfer of innovative methods for achieving sustainable development goals, based on the synergy of political, social, and economic efforts, will strengthen the sphere of strategic communications, once again founded on the basis of transparency.

Transparency is positioned as the foundation of effective public governance, which underpins the processes of European integration and contributes to more efficient management during crises. The principle of transparency, along with the principles of openness, accountability, efficiency, equality, and fairness, forms the basis for legislative support of the principles of "open" governance within the framework of integration processes in the European community.

Ukraine's progress on the path to European integration, along with the alignment of its legal, financial, economic, and socio-economic systems with the standards and requirements of the EU member states, brings the country closer to the moment of its accession to the European Union.

Prospects for further development of the research topic are in the expanded analysis of digital potential for modelling strategies to ensure transparency of integration processes within the European community.

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