

A MODERN MECHANISM TO SUPPORT UKRAINIAN BUSINESS IN THE PROCESS OF INTEGRATION INTO THE EU SINGLE MARKET

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Today, the Ukrainian economy is trying to meet European standards, it is more mobile and flexible, adaptive and able to respond effectively to modern challenges, despite the devastating conditions of war. According to international organizations, in 2022, small and medium-sized businesses accounted for almost 99% of the total number of enterprises, despite the dramatic transformations in the business sector and its environment, almost 60% of Ukrainian entrepreneurs continue to run their own businesses, 40% have changed their business, more than 15% have reoriented to the needs of society and state defense, and 10% have relocated. In addition, during the war, a record number of enterprises were launched - almost 315 thousand, or 60% more than in 2022 [1, pp. 155-156].

Thanks to the continuous support of partner countries, Ukraine has been trying to formulate a strategy for its stabilization, development and recovery since the beginning of the full-scale invasion, providing comprehensive assistance. The European Union motivates Ukraine to revive the economic potential of small and medium-sized businesses and modernize for the benefit of Ukrainians and EU partners on the path to its integration, and to this end, the EU has allocated more than €245 million to support small and medium-sized businesses through EU4Business projects in 2023 [2, p. 3]. As a result of close cooperation between the EU and Ukraine, a number of financial mechanisms are being developed and implemented that significantly support small and medium-sized businesses in the process of integrating them into the EU market, in particular:

- The program "Competitiveness of Small and Medium-sized Enterprises" provides fast and affordable financing for Ukrainian businesses in agriculture, food processing, logistics, and retail in the amount of EUR 100 million. This will help to more effectively protect food security and preserve livelihoods in Ukraine, expand technical expertise (in the form of trainings and support from consultants) and provide investment incentives (commercialization of investment projects, grant support), and the possibility of purchasing environmentally friendly technologies and equipment that meet EU technical and sanitary standards;

- The project "Business Bridge" UkraineReady4EU, offers financial support/microgrants/consultancy (EYE, ECCP, EEN) for 1500 Ukrainian small and medium-sized businesses in the amount of EUR 2500 (product expertise and certification, external support for export/import and patenting and licensing, ensuring the requirements of a sustainable, digital and resilient economy and participation in business meetings at official events in the EU);

- Programs Horizon Europe, Creative Europe, Digital Europe, Single Market Program under the Ukraine-Ready4EU initiative, which offer new opportunities for small and medium-sized businesses to develop through small grants: "Business Bridge (vouchers for access to various services) and Erasmus for Young Entrepreneurs - Ukraine;

- Program Ideas Powered for Business with the support of the SME Fund provides an opportunity to access financial resources for the protection of their intellectual property (protection of trademarks and industrial designs within the EU, protection of patents and protection of plant varieties). Financial support for small and medium-sized businesses in the field of intellectual property provides valuable assistance and stimulates innovation and commercialization, which will play an important role in the reconstruction of the Ukrainian state [3, pp. 72-73].

In 2023, the European Commission and Ukraine reached a joint agreement that created new opportunities for small and medium-sized businesses under the Single Market Program (SMP), which allows them to receive financial support, provide barrier-free access to markets at different levels, create a favorable business environment, and internationalize. In turn, this will open up new ways to expand cooperation and improve the economic and social growth of the country.

References

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