

## **PROBLEMS AND PROSPECTS OF UKRAINE'S INTEGRATION INTO THE EUROPEAN UNION**

Anastasia Chaikovska, SHEI «Banking University»  
Banking Institute of Technology and Business  
Margarida Dos Santos  
University of Evora, Portugal  
Academic supervisor Prof. Dr. Oleksiy Druhov

European integration – civilized choice of Ukraine, one of the key demands of the Revolution of Dignity. In the system of foreign policy priorities of Ukraine it occupies a special place. European integration for Ukraine is a way to modernize the economy, overcoming technological backwardness, attracting foreign investments and new technologies, create new jobs, improve the competitiveness of domestic producers, access to world markets, especially the EU market.

After the victory of the Revolution of Dignity in Ukraine, the Verkhovna Rada of Ukraine on the 13th of March 2014 adopted the Resolution «On confirmation of Ukraine's course towards integration into the European Union and priority measures in this direction» confirming irreversibility of Ukraine's European integration, which aims joining the European Union. It was also noted that Ukraine as a European state that shares a common history and values with the European Union has the right to apply for a membership in the European Union in accordance with Article 49 of the Treaty on European Union [1]. But the question is if Ukraine is ready to integrate into EU.

Not surprisingly, the European Union is the most important external actor when it comes to Ukraine's ability to advance the European vector of its foreign policy. The EU and its member states, to varying extents, have long been engaged in promoting closer economic ties with Ukraine [2].

The main unresolved problems remain: the limited capacity and reliable source of export opportunities – sustainable effective internal market; the weak position of Ukraine in the field of high technology, low level of STP; insufficient development of modern infrastructure, especially transport and information and activities that support the presence of Ukrainian producers in international markets; low level of competitiveness of domestic producers of goods and services and the economy as a whole; lack of large-scale investment in Ukraine by leading European multinationals that prevents entry of Ukrainian producers to their international distribution systems, and therefore – effectively penetrate the highly competitive markets of the most developed countries, especially in the segments related to high-tech products; difficulties creating and improving stock market. Without it, no free market capital is unlikely to make accelerated modernization; lack of willingness of institutional structures in

Ukraine, the shortage of skilled personnel, the resource base for the implementation of appropriate measures [3].

Ukrainian integration into the Atlantic and European community must start at home. Regardless of whether Ukraine ultimately joins the EU or the WTO, it will benefit from those extensive domestic reforms, as Turkey has done on its path to European integration [4].

The absence of substantive reforms and persistently high levels of corruption has led to a number of local groups of highly-educated professionals, like the Reanimation Package of Reforms, to pressure the government to follow through on their reform promises [2]. EU leaders have also made clear that signature depends on Ukraine taking action on three areas of particular concern: electoral shortcomings, selective justice and progress on the general reform agenda [5].

Now it is the time for Ukraine to do an audit of its controversial achievements of the last period and find the best way to improve their competitive capacity and ability to be a full subject of international relations. The basis for the success of the European integration efforts can be no haste and prudence, not the desire for formal result, and consideration of the totality of the actual circumstances and trends. Eventually, such policy meets real European traditions.

#### **References:**

1. <http://ukraine-eu.mfa.gov.ua/en/ukraine-eu/relations>
2. <https://www.opendemocracy.net/od-russia/devin-ackles/ukraine%E2%80%99s-european-integration>
3. [http://www.confcontact.com/2008dec/2\\_virbulev.php](http://www.confcontact.com/2008dec/2_virbulev.php)
4. <http://www.heritage.org/europe/report/ukraines-economic-benefits-integration-the-euro-atlantic-community>
5. <https://www.brookings.edu/articles/external-influences-on-ukraines-european-integration/>