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BENEFITS AND CHALLENGES OF EUROPEAN INTEGRATION FOR UKRAINIAN BUSINESS

Summary. The advantages and challenges of European integration for Ukrainian business are considered. The need for Ukrainian business to enter new markets and technological development is emphasized. Difficulties of adaptation of Ukrainian business to European standards and increased competition are revealed.

Keywords: European integration, Ukrainian business, benefits of EU integration, challenges of EU integration, threats to EU integration.

The effective integration of Ukrainian enterprises into the European economic area is of particular importance in the context of modern globalization and active economic changes to ensure stable economic growth, competitiveness and sustainability of business. As a result of the signing of the Association Agreement and the establishment of a free

trade area between Ukraine and the EU [1], new opportunities are opening up for Ukrainian enterprises, such as access to one of the world's largest markets, attracting investment and introducing innovative technologies. But these processes also pose new challenges for business, including the need to meet high quality standards, increased competition, and adaptation to new legal and regulatory requirements.

Free access to EU markets is the most significant advantage of European integration for Ukrainian business. For Ukrainian businesses, this includes deepening economic cooperation with the EU through the signing of the Association and Free Trade Agreement. As a result, many customs barriers and quotas have been removed, opening up opportunities for Ukrainian companies to export their products to the European market. The EU market is one of the largest and most promising for Ukrainian companies with a population of over 400 million people [2] and a stable economy.

Meanwhile, however, Ukrainian companies will face stiffer competition from European producers, who often have better financial resources, technology, and experience in international markets. Moreover, these companies are already familiar with European standards and have developed and implemented strategies for producing goods or providing services that are profitable for them and do not violate European standards. Unfortunately, for many Ukrainian enterprises, especially small and medium-sized ones, this can be a serious problem as they are forced to compete with large multinationals.

The transition to European quality standards requires significant investments in modernization of production, staff training, and introduction of new management approaches. These costs may be too high for some companies. Additionally, adapting to EU regulatory requirements takes time, and fines for non-compliance can negatively impact a business's financial stability.

As Ukrainian companies need to comply with European standards of quality and safety of products and their production, they will have to modernize their production, improve the quality of goods and services, which will ultimately make them more competitive not only in the European but also in the global market [7]. The EU standards focus on environmental and social responsibility of business, which helps to improve the environmental situation and social conditions of employees.

Attempts to comply with all norms and standards will facilitate the introduction of advanced technologies and know-how in the Ukrainian economy. Openness to European markets means the possibility of cooperation with European companies and the use of innovative solutions to modernize Ukrainian enterprises. Such cooperation will increase productivity and production efficiency and create value-added products.

The European integration will also increase the confidence of foreign investors in Ukraine. The terms of the Association Agreement provide for stable business rules, transparent legal regulations, and increased investment security. Growing integration with the EU facilitates access to international financial resources for Ukrainian companies and promotes cooperation with European partners [3]. Programs are already being created for Ukrainian business aimed at the successful entry of Ukrainian companies into the European market [5]. Upon completion of European integration, there will be even more such programs, as investors and the state will be interested in increasing the competitiveness of Ukrainian business, which will bring significant financial revenues to the budget.

The difficulties of legal regulation are also worth mentioning in this context. The European integration requires the harmonization of national legislation with European law, which includes the introduction of new rules in the field of trade, intellectual property rights, environmental standards, labor legislation and antitrust rules [6]. This means that Ukrainian businesses need to have a deep understanding of the new rules and changes in doing business. The key challenges include insufficient information about changes in legislation and their practical application, especially in the context of entering European markets. Businesses need support to prepare Ukrainian businesses to work according to European standards, as well as to increase compliance with industry standards and legal and regulatory requirements when entering the EU market [4]. Therefore, the complexity and variability of the regulatory environment can make it difficult to adapt to new conditions.

The European integration opens up significant opportunities for Ukrainian businesses, including access to new markets, technologies, and investments. Challenges for Ukrainian businesses are primarily related to regulatory differences in the quality of goods and services and their production. The EU pays considerable attention to quality standards, packaging and labeling, which Ukrainian businesses will have to adapt to. This process may entail significant costs, which will be complemented by the need to win its place in the European market and compete with already stable European companies. Despite the challenges faced by Ukrainian businesses in the process of the European integration, new advantages and opportunities are also being created. Some of them almost completely eliminate some of the challenges, while others open up new horizons for the development of Ukrainian business and the growth of the country's economy.

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