

FOREIGN TRADE ACTIVITY OF UKRAINE AND POLAND

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ABSTRACT. The article examines the state and trends of Ukraine's foreign trade activity. The volumes of export and import of Ukraine, the balance of the foreign trade balance of Ukraine during 2010-2023 were analyzed. The main foreign trade partners of Ukraine in a geographical section have been established. The share of foreign trade turnover between Ukraine and Poland has been determined. The groups of goods that dominate Ukraine's exports and the groups of goods that Ukraine imports are defined; as well as the commodity structure of foreign trade turnover between Ukraine and Poland is determined. A number of regulatory changes that Ukraine has introduced since the beginning of the full-scale invasion of Russia on the territory of Ukraine, to create conditions for the functioning of economic sectors and people's livelihoods in the conditions of war, are highlighted. The importance of Poland's foreign policy support for Ukraine, the importance of ensuring the security of world civilization and the further development of economies on an innovative basis was noted. The main problems and threats of further cooperation between Ukraine and Poland are outlined. The main prospects for further constructive foreign trade interaction have been defined.

Keywords: foreign trade activity, commodity structure, state regulation, Ukraine, Poland, innovations, competitiveness, cooperation.

INTRODUCTION. Ukraine and Poland cooperate in various sectors of the economy, in social, cultural and humanitarian spheres. From the first days of the full-scale invasion of the Russian Federation on the territory of Ukraine, Poland opened its borders for Ukrainian refugees, provides them with comprehensive support and assistance, including a number of social and medical services. At the beginning of the war, Poland passed legislation that allowed Ukrainian refugees to obtain Polish identification numbers, thereby giving them access to a range of social and medical benefits normally only available to Polish citizens.

The evolution of the development of Ukrainian-Polish relations is characterized by the centuries-old cooperation of peoples, the development of cultural traditions, as well as tragic pages of history. Separate historical periods of the development of relations between the peoples of Ukraine and Poland are characterized by different interpretations and assessments of events. It is important to note that under the prism of time, real historical events and facts were described / presented by researchers under the prism of their subjective visions, and also a significant part of the facts was deliberately distorted. A new page of cooperation between Ukraine and Poland, intensive development of political ties between Ukraine and Poland began in 1991, when Ukraine's independence was restored. On December 2, 1991, the Republic of Poland was the first country to recognize the independence of Ukraine after its referendum, which was held the day before, on December 1. In recent years, Ukrainian-Polish foreign policy relations have demonstrated effectiveness, saturation, and improvement in the dynamics of relations. Poland supports the European integration vector of Ukraine's development, Ukraine's foreign policy initiatives (such as the Crimean platform, the creation of a special tribunal for Russian war criminals, etc.). There are many institutional mechanisms of bilateral cooperation between the two countries.

According to the authors, it is extremely important to state and realize that the circumstances of the time and conditions, global factors and many local aspects determined the events and results that are already history. And history cannot be changed. Therefore, it is important to live with dignity today, to shape a peaceful and prosperous future, to develop cooperation and good-neighborly relations between the two countries. **The aim of the study.** Analyze the foreign trade turnover of Ukraine and Poland; types and directions of cooperation between the two countries. Identify threats and further prospects for the development of cooperation. **The information base of the research** is data from the State Statistics Service of Ukraine [1], most of which are presented without taking into account data for 2022-2023. The partial publication of data on the website of the State Statistics Service for 2022-23 is related to the full-scale invasion of the Russian Federation into the territory of Ukraine 24 February 2022, the introduction of martial law in Ukraine.

Presentation of the main research material. In the conditions of globalization and integration processes, the foreign trade activity of the countries of the world plays an important role in the development of their national economies. The countries of the world carry out foreign trade activities, which are determined by a large number of factors: the presence or absence of certain types of resources, the presence or absence of established certain types of activities, established foreign economic ties, etc. Natural conditions, the level of development of production, technologies, organizational and managerial activity determine the directions of development and the volume of foreign trade activity; membership of countries in international

institutions/associations also determines the terms of cooperation within the associations and coordinated foreign trade policy with respect to third countries.

Export-import activity contributes to increasing competitiveness. Processes of continuous improvement of production are taking place, progressive equipment and technologies are being introduced, innovative organizational and management approaches, marketing approaches, etc. are being improved. Business entities try to organize and maintain their production at the level of global requirements, which are also transformed under the influence of global influence factors and requests of individual individuals.

The export of goods provides an opportunity to expand production, earn profits for innovative development. A positive sign of export is that it is on the foreign market that added value is realized and foreign exchange earnings "flow" into the country.

On the other hand, imports force national manufacturers to "keep their finger on the pulse", monitor industry trends, trying to be competitive with imported goods in the relevant sectors of the economy, trying to keep market niches in the domestic market. Necessary goods arrive in countries thanks to imports. The arrival of critical import goods, that is, those that are not produced (not mined from the subsoil, etc.) on the territory of the country, is especially important; or their production at the country level is insufficient to meet domestic needs. In this aspect, the policy of diversification is important, because dependence on one importer can carry certain threats for the country.

The data of the State Statistics Service of Ukraine indicate that the volume of imports exceeds exports, which causes a negative balance of the foreign trade balance in most years of the studied period (table 1).

Table 1. Foreign trade balance of Ukraine, 2010-2023, billion USD

Year	Export	Import	Foreign trade balance
2010	51,40	60,70	-9,3
2011	68,41	82,61	-14,2
2012	68,81	84,66	-15,85
2013	63,31	76,96	-13,65
2014*	53,90	54,43	-0,53
2015*	38,13	37,52	+0,61
2016*	36,36	39,25	-2,89
2017*	43,26	49,61	-6,35
2018*	47,34	57,19	-9,85
2019*	50,05	60,80	-10,75
2020*	49,19	54,34	-5,14
2021*	68,07	72,84	-4,77
2022*	44,14	55,30	-11,16
2023*	36,19	63,56	-27,37

* Data without taking into account the temporarily occupied territories of Ukraine.

Source: compiled by the authors based on the data [1].

The foreign trade activity of all countries of the world is influenced by foreign economic ties between countries, the level of integration between countries and the agreed level of cooperation within the framework of associations, foreign political turbulence.

The Russian Federation has had a significant influence on Ukraine's foreign policy intentions for a long time. We note the long-term pressure of the Russian Federation, the obstruction of Ukraine's European integration aspirations, the annexation of Crimea and parts of the territories of Donetsk and Luhansk regions since 2014. The decrease in export and import volumes occurred mainly due to the reduction of foreign trade activities of Ukraine with Russia against the background of the annexation of Crimea and military operations in Donbas since 2014. In addition, from 2016 to 2019, the export-import ratio worsened, as the growth rates imports were dominated by growth rates of Ukrainian exports. In 2016, the foreign trade balance of Ukraine amounted to -2,89 billion USD; in 2019, it deteriorated to -10,75 billion USD. In 2020, the negative impact of the pandemic caused by Covid-19 was reflected in the volume of foreign trade turnover. The recovery of the positive dynamics of exports and imports took place already in 2021. However, the full-scale invasion of the Russian Federation on the territory of Ukraine caused unprecedented challenges for Ukraine, for the functioning of the national economy and people's livelihoods. After a certain post-Covid recovery of foreign trade activity and supply chains in 2021, the volume of Ukraine's foreign trade activity has significantly decreased since 2022; the types and directions of foreign trade activity also changed under the influence of the war. The balance of the foreign trade balance of Ukraine in 2023 deteriorated to the level of -27,37 billion USD.

In the context of understanding the scale of foreign trade cooperation between Ukraine and Poland, we will present the volume of foreign trade of Ukraine in the global geographical dimension in 2019-2021 (table 2).

Table 2. Foreign trade turnover of Ukraine by geography, 2019-2021, million USD

	Total	Europe	EU countries (27)	Asia	Africa	America	Australia and Oceania
Exports							
2019	50054,6	26739,5	20122,7	16646,1	4971,5	1467,9	59,0
2020	49191,8	23736,1	17938,1	19699,0	4048,0	1548,9	67,1
2021	68072,3	34213,6	26793,0	24762,1	5626,8	3258,5	73,9
Imports							
2019	60800,2	38001,9	24242,3	17394,5	819,2	4397,7	116,8
2020	54336,1	32811,9	23125,5	16390,0	810,3	4239,0	45,8
2021	72843,1	44327,7	28954,3	22244,6	1213,1	4833,1	178,1

*Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and a part of temporarily occupied territories in the Donetsk and Luhansk regions.

Source: compiled by the authors based on the data [1].

The data in Table 2 show that Ukraine has the largest foreign trade turnover with European countries. In geographical terms, the volume of Ukrainian exports to European countries amounted to 50,3% in 2021; of them, a larger share is accounted for by Ukrainian exports to EU countries (78,31%). Goods from Europe also occupy the largest share in the total volume of imports of Ukraine. The volume of goods received from European countries to Ukraine amounted to 60,9% in 2021; the largest share of them is imported from EU countries (65,32%).

The geographical structure of export and import of Ukraine in 2021 is presented in Fig. 1 and Fig. 2.

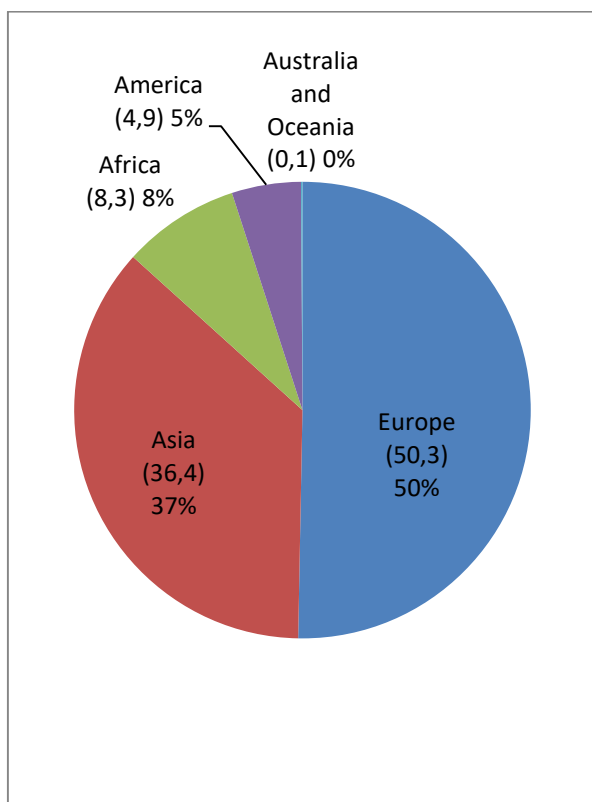


Fig. 1 Geographical structure of Ukraine's exports, 2021, %, compiled by the authors based on the data [1].

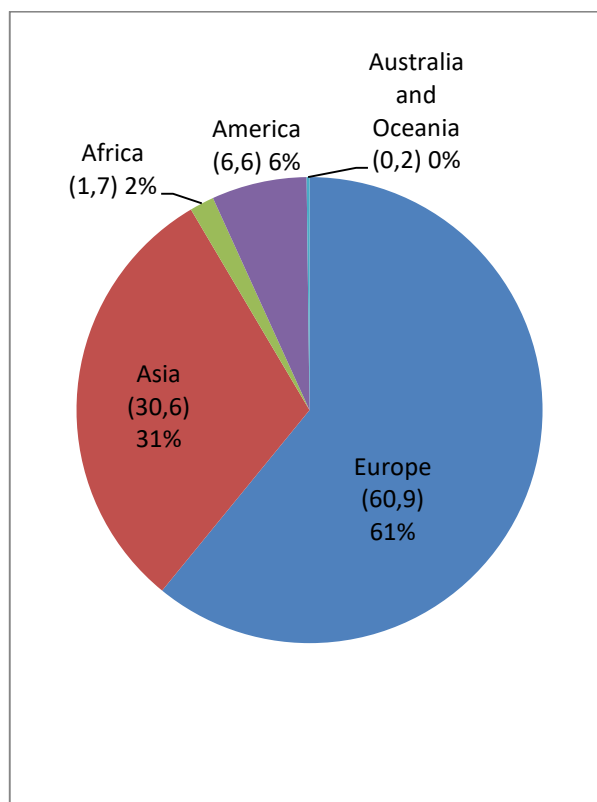


Fig. 2. Geographical structure of Ukraine's imports, 2021, %, compiled by the authors based on the data [1].

The volume of foreign trade cooperation between Ukraine and Poland is presented in Table 3. Calculations of the share of Ukrainian exports of goods to Poland in the overall structure of Ukrainian exports and the share of imports of goods from Poland to Ukraine in the overall structure of Ukrainian imports are presented in Fig. 3. Analyzing the foreign trade turnover of Ukraine with Poland (Table 3) note that in 2019 and 2020 the balance of the Ukrainian-Polish foreign trade balance was negative for Ukraine (in 2019 it amounted to -813236,6 thousand USD; in 2020 - -868228,7 thousand USD). But in 2021, the volumes of Ukrainian exports to Poland exceeded the volumes of imports into Ukraine from Poland, accordingly, the balance of the Ukrainian-Polish foreign trade balance was positive for Ukraine (it amounted to 264913,0 thousand

USD). We note that in 2021, the volume of foreign trade turnover generally increased, the supply chains of goods were restored after the problems of 2019-2020 related to Covid-19. According to the indicators of bilateral trade in goods between Ukraine and European countries in 2021, Poland ranks first according to the data of the State Statistics Service of Ukraine [1].

Table 3. Foreign trade in goods of Ukraine with Poland, 2019-2021, thsd. USD

	Exports		Imports		
	country of destination	trading countries	country of origin	country of consignment	trading countries
2019					
Total	50054605,8	50054495,8	60800173,1	60755674,4	60744235,7
of which Poland	3295846,6	3029847,3	4109083,2	5816435,2	4864048,7
2020					
Total	49191824,5	49191326,1	54336136,7	54306489,5	54298746,1
of which Poland	3272683,1	2825852,9	4140911,8	5813524,6	4655009,8
2021					
Total	68072328,8	68072159,6	72843126,6	72813346,1	72797989,5
of which Poland	5227413,1	3661506,4	4962500,1	7152727,7	5477388,9

* Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and a part of temporarily occupied territories in the Donetsk and Luhansk regions.

Source: compiled by the authors based he the data [1].

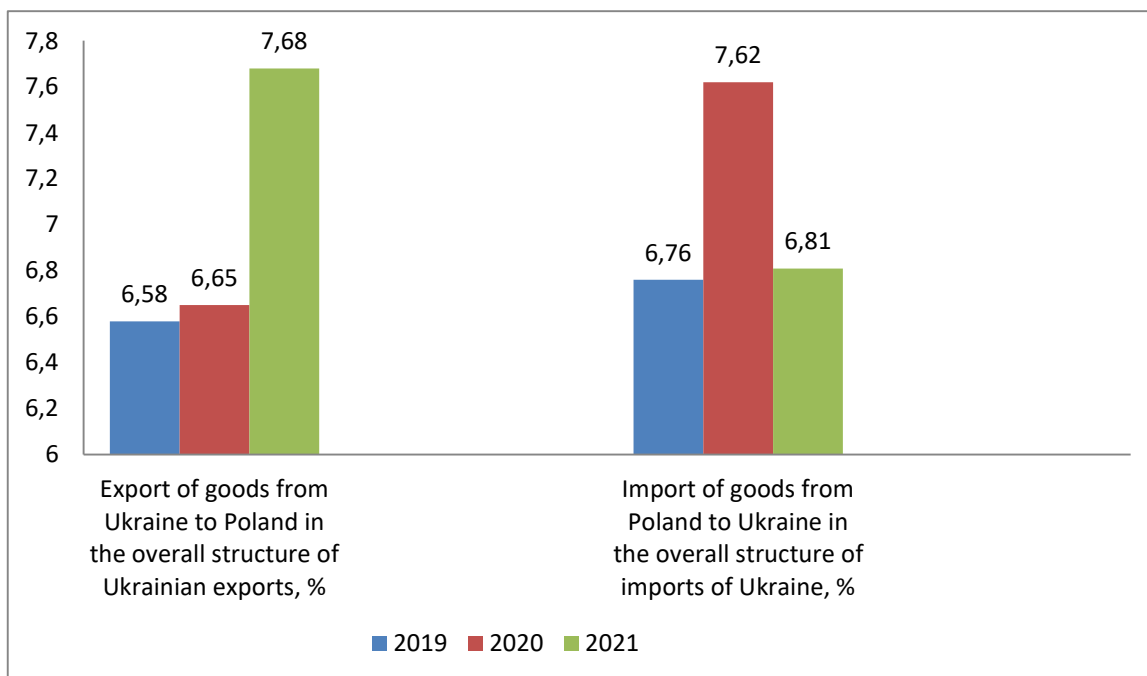


Fig. 3. Specific weight of trade turnover of Ukraine with Poland in the overall structure of exports and imports in 2019-2021, %, compiled by the authors based he the data [1].

For the analysis of foreign trade cooperation, it is important to consider the commodity structure of exports and imports; volumes of Ukrainian exports to Poland and volumes of arrivals

of Polish goods to Ukraine. The volumes of Ukraine's foreign trade turnover in terms of product groups in general and with Poland in particular are presented in Table 4.

Table 4. Commodity Pattern of Foreign Trade of Ukraine, 2021

Commodity code and title by Ukrainian Classification of Commodities in Foreign Trade	Exports		Export to Poland		Imports		Import from Poland	
	thsd. USD	% of the total volume	thsd. USD	% of the total volume	thsd. USD	% of the total volume	thsd. USD	% of the total volume
I. Live animals and livestock products	1345194,8	2,0	52008,5	1,0	1594007,5	2,2	231955,4	4,7
II. Plant products	15538028,4	22,8	235679,5	4,5	2130534,2	2,9	104391,8	2,1
III. Animal or plant fats and oils	7037234,2	10,3	394954,8	7,6	444037,8	0,6	10452,6	0,2
IV. Finished food industry products	3788474,9	5,6	298852,4	5,7	3578388,6	4,9	448170,7	9,0
V. Mineral products	8414372,7	12,4	687768,8	13,2	14968772,0	20,5	244572,6	4,9
VI. Products of chemical and allied industries	2815603,7	4,1	164539,3	3,1	9742952,9	13,4	755430,5	15,2
VII. Polymeric materials, plastics and articles of them	1104189,8	1,6	125212,1	2,4	4816743,9	6,6	552917,0	11,1
VIII. Raw leather and curry leather	165539,7	0,2	62618,6	1,2	300241,8	0,4	82785,2	1,7
IX. Wood and articles of wood	2005802,9	2,9	343275,5	6,6	442071,2	0,6	71368,7	1,4
X. Paper bulk from wood or other vegetable fibres	534033,5	0,8	52649,2	1,0	1112400,8	1,5	167447,7	3,4
XI. Textiles materials and articles of textiles	864984,6	1,3	93368,5	1,8	2661509,8	3,7	143411,7	2,9
XII. Footwear, hats umbrellas	189860,9	0,3	45787,7	0,9	576345,9	0,8	8036,1	0,2
XIII. Products from stone, gypps, cement	568403,9	0,8	94961,9	1,8	944312,1	1,3	130711,1	2,6
XIV. 71 Natural or cultured pearls, precious stones, metals and preparations thereof	128546,7	0,2	717,3	0,0	219183,2	0,3	436,0	0,0
XV. Base metals and preparations thereof	15990999,1	23,5	1645677,0	31,5	4372529,3	6,0	498112,7	10,0
XVI. Machines, equipment and mechanisms, electric and technical equipment	5260165,9	7,7	503686,9	9,6	14205993,3	19,5	763652,0	15,4
XVII. Ground, air and water transport facilities	676435,9	1,0	21611,7	0,4	7572383,8	10,4	543623,3	11,0
XVIII. Optical, cinematographic apparatus	170955,1	0,3	8 591,1	0,2	1519783,2	2,1	44902,7	0,9
XX Different industrial products	1249974,3	1,8	394077,0	7,5	1343319,0	1,8	137373,9	2,8
XXI. 97 Art articles	2671,4	0,0	25,1	0,0	6586,6	0,0	116,0	0,0
Goods purchased in (sea) ports	1685,8	0,0	24,7	0,0	126215,9	0,2	16572,7	0,3
Total	68072328,8	100,0	5227413,1	100,0	72843126,6	100,0	4962500,1	100,0

* Excluding the temporarily occupied territories of the Autonomous Republic of Crimea, the city of Sevastopol and part of the temporarily occupied territories in the Donetsk and Luhansk

regions. In some cases, the sum of the components may not be equal to the result due to rounding data.

Source: compiled by the authors based on the data [1].

The product structure in terms of the most weighty groups of goods in the total volume of exports and imports of Ukraine is presented in Fig. 4 and Fig. 5.

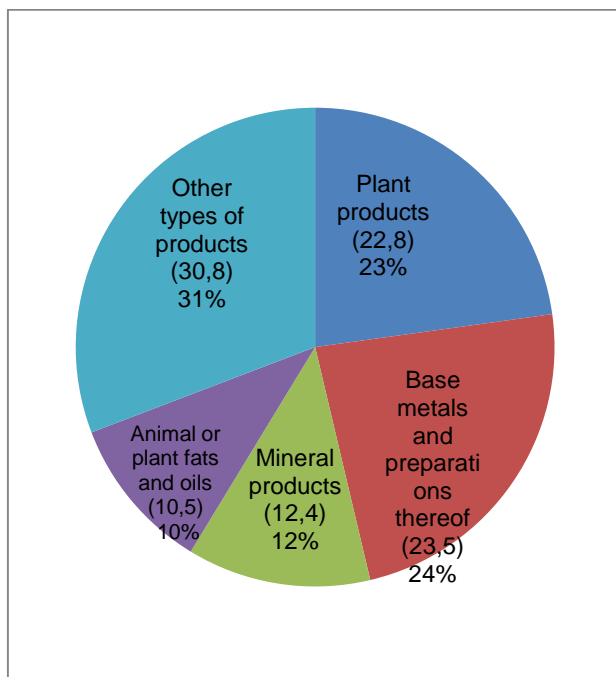


Fig. 4 Commodity structure of Ukrainian exports, 2021, %, compiled by the authors based on the data [1].

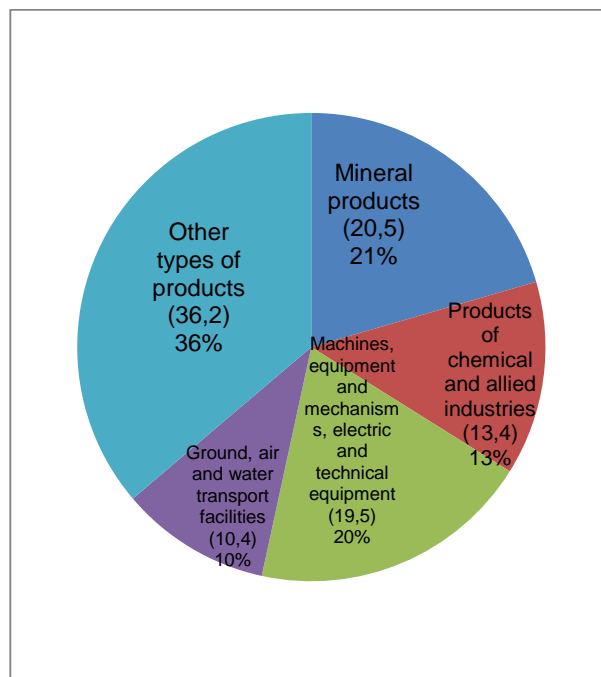


Fig. 5. Commodity structure of imports of Ukraine, 2021, %, compiled by the authors based on the data [1].

The main categories of goods, which accounted for almost half of all exports of Ukraine in 2021, were two groups of goods: "Plant products" (22,8%) and "Base metals and preparations thereof" (23,5%). Export of the group of goods "Plant products" are mostly made up cereals (18,1%), oil seeds and fruits (3,6%). Ferrous metals make up 20,5% of 23,5% of exports in the "Base metals and preparations thereof" group of goods. The third group of goods by the weight of the share in the export volume of Ukraine is "Mineral products" (12,4%). "Animal or plant fats and oils" (10,3%) also make up a significant share of Ukrainian exports.

As you can see, Ukraine's exports are low-tech. In agriculture, plant growing developed at a high rate, which attracted investors with a quick payback. At the same time, farmers achieved high profitability thanks to resource land potential, favorable natural conditions, cheap labor, sufficiently developed transport infrastructure and state support mechanisms that were implemented. But the increase in the export of agricultural products did not ensure a corresponding increase in foreign currency income to Ukraine. Similarly, with the export of the group of goods "Mineral products",

which is characterized by a low share of added value. In addition, it is worth noting the fluctuations in the prices of such goods on the world markets, which caused the failure to achieve the desired export revenue.

Therefore, in order to increase the level of competitiveness of the economy of Ukraine, it is necessary to significantly intensify innovative activity, to ensure higher rates of innovation implementation compared to other countries of the world. The state and dynamics of innovativeness of the economy of Ukraine are analyzed in the publication [2]. The stimulating effect of globalization processes on the spread of innovations, as well as the limitation of access to innovations ("dumping" of second-order technologies in developing countries) in order to maintain competitive positions by economically developed countries of the world, is noted.

The main categories of goods whose import volume accounted for the largest share in the overall structure of Ukraine's imports in 2021 were as follows: "Mineral products" (20,5%); 19,7% of goods imports in this group are mineral imports fuel, petroleum and petroleum distillation products. Group of goods "Machines, equipment and mechanisms, electric and technical equipment" (19,5%) includes import of nuclear reactors, boilers, electric machines, etc. cars to Ukraine. The third group of goods by volume of imports in Ukraine is "Products of chemical and allied industries" (13,4%). This group of imports mainly consists of pharmaceutical products, various chemical products, fertilizers. The volume of imports of the group of goods "Ground, air and water transport facilities" (10,4%) is also significant. As you can see, a significant share of Ukraine's imports is the import of high-tech equipment, machines, etc.

The specific weight of individual groups of goods in the general structure of trade between Ukraine and Poland is presented in Fig. 6 and Fig. 7.

Analyzing the export of Ukraine to Poland, we note that a significant share of the total volume of exports of goods to Poland in 2021 was made up of the following groups of goods: "Base metals and preparations thereof" (31,5%); "Mineral products" (13,2%); Fig. 6. That is, in the structure of Ukraine's exports to Poland, raw materials prevail.

With regard to imports, we note that there is no sharply expressed group of goods that would prevail in the total volume of goods arriving in Ukraine from Poland. After all, in the structure of Ukraine's imports from Poland, there are six groups of goods in the range of 9%-15,4% (Fig. 7). We note that goods with a higher added value arrive from Poland to Ukraine than in the goods that Ukraine exports to Poland.

The foreign economic activity of Ukraine has undergone significant changes since the beginning of the full-scale invasion of the Russian Federation on the territory of Ukraine. Russia's war against Ukraine affected the functioning of branches of the national economy, business entities

in Ukraine; changed the scope and direction of foreign trade activities. The consequences of the war in Ukraine are felt to varying degrees in all countries of the world.

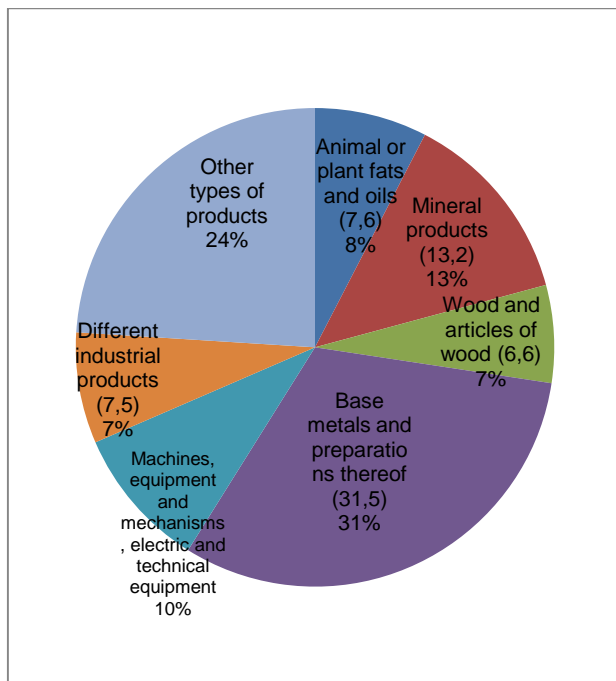


Fig. 6. Foreign trade of Ukraine and Poland; Export to Poland, 2021, %, compiled by the authors based on the data [1].

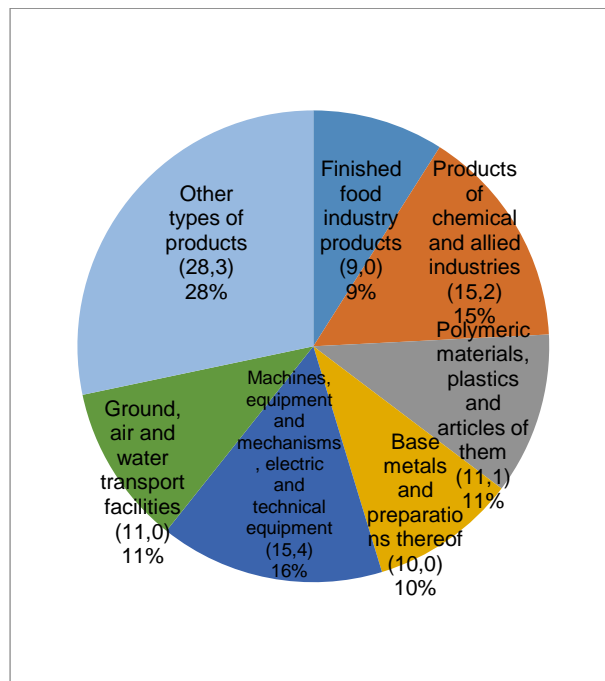


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In the context of the research topic, we note that the Basic Law of Ukraine "On the Legal Regime of Martial Law" [3] does not contain any universal rules or mandatory prohibitions

regarding import or export during the period of martial law. In particular, the Law [3] does not require the introduction of an embargo on trade with an aggressor country or even an occupying country.

In accordance with the provisions of Art. 9 of the Law of Ukraine "On Foreign Economic Activity" [4] The Verkhovna Rada of Ukraine carries out state regulation of foreign economic activity; the powers of the Verkhovna Rada of Ukraine include the power to make decisions on the application of measures in response to discriminatory and/or unfriendly actions of other states by establishing a full/partial embargo on trade, deprivation of the most favored nation treatment or preferential special treatment. At the same time, Art. 29 of the Law "On Foreign Economic Activity" also provides that in case of discriminatory and/or unfriendly actions of the aggressor state and/or the occupying state towards Ukraine, retaliatory measures may be applied by decision of the Cabinet of Ministers of Ukraine (CMU) under a simplified procedure.

Given the fact that Russia has been conducting military operations on the territory of Ukraine since 2014, the country has already implemented the above-mentioned mechanism for regulating foreign economic activity. In particular, a partial embargo was introduced on goods of Russian origin from Russia in accordance with CMU Resolution No. 1147 of December 30, 2015, which was amended in accordance with CMU Resolution No. 1354 of December 23, 2021, which entered into force on December 30, 2021 [5].

After February 24, 2022, a number of liberal decisions were adopted in Ukraine, which simplified the import of goods to Ukraine, in particular, vehicles and food products [6; 7].

Extremely important in the conditions of war (with failures of various degrees in the work of enterprises of all branches of the Ukrainian economy, destruction of industrial and civil infrastructure) is the import of goods to Ukraine, which are necessary for the functioning of spheres and branches of people's life.

Among the first in the list of issued Resolutions of the CMU regarding the regulation of foreign economic activity in wartime conditions was Resolution of the CMU No. 153 of February 24, 2022 "On the List of Critically Imported Goods" [8]. Due to requests/needs, the list of products has been changed many times. Also important in this context is the adopted Resolution of the CMU No. 289 dated March 16, 2022 [9], which contains a list of criteria for determining critical imports for four sectors: energy, security and defense, ensuring the livelihood of the population, as well as the functioning of manufacturing enterprises.

On April 9, 2022, the Cabinet of Ministers of Ukraine decided to introduce a full embargo on the import of goods from the Russian Federation. According to the assessment of the Ministry of Economy of Ukraine, the ban on Russian imports will block foreign currency receipts to the

Russian Federation by 6 billion dollars USA every year. The budget of the aggressor country will not receive these funds, and therefore its potential possibilities of financing the war will decrease. [10]

Procedures for obtaining licenses for conducting foreign economic operations during martial law have also been changed. We note that since the beginning of the war, the list of goods, the export of which is subject to licensing by the Ministry of Economy in accordance with Resolution of the CMU No. 1424 of December 29, 2021 [11], has undergone changes several times. Also, the CMU significantly simplified the procedure for economic entities to obtain the right to carry out certain types of economic activity, allowing them not to obtain permission documents, but to limit themselves only to submitting to the authorized body a declaration on the conduct of economic activity according to the prescribed form, which is regulated by CMU Resolution No. 314 of March 18, 2022 p. [12], to which a number of changes and additions have already been made.

Currency regulation plays an important role in the regulation of foreign economic activity. Therefore, on February 24, 2022, the Board of the National Bank of Ukraine issued Resolution No. 18 "On the operation of the banking system during the introduction of martial law" [13], to which changes have already been made as of today, taking into account the realities and requests of today.

It is important to note that changes in the regulation of foreign economic activity are carried out quite dynamically, because modern realities require it.

Certain regulatory measures, including the cancellation of permits for cargo transportation from Ukraine, were aimed at creating opportunities for business operations in wartime conditions.

However, the blocking of the Ukrainian-Polish border by Polish farmers and Polish carriers became a difficult test for Ukraine¹. The blockade of the export of agricultural goods from Ukraine began on November 6, 2023 and continues to this day (with the resumption of border operations for some days; subject to the agreement of certain conditions). However, such "coordinated corridors" are not a solution to the problem.

According to the authors of the article, it is advisable for European countries to pay attention first of all to the volume of exports of similar groups of goods from the Russian Federation. Russian and Belarusian agricultural products enter the Polish market in much larger volumes than from Ukraine. And this is during the war and the introduced sanctions of the European Union against Russia. The introduced sanctions against Russia are insufficient and ineffective. In addition,

¹The protests are organized and paid for by the Russian Federation (according to information from the media; at the moment, according to unconfirmed data). The basis of such information is the already initiated investigations regarding individual protesters - the so-called "farmers" who displayed pro-Russian posters and shouted appropriate slogans. It is also an open question: why the export of Russian and Belarusian agricultural products entering the Polish market is not blocked.

components from Europe and the USA were found in the missiles flying to Ukraine. Russia continues foreign economic activities with the civilized world or bypasses certain imposed sanctions through third countries.

Ukraine appreciates the military and political support of all countries, but more decisive actions of the civilized world are necessary to ensure the security of world civilization (see more details in the publications [14; 15]), because issues of security, ensuring the effectiveness of the norms of international law are global issues.

Poland provides strong military and political support to Ukraine. Military cooperation between Ukraine and Poland developed intensively even before the start of full-scale Russian aggression and has every prospect of growing into a reliable and effective military-political union. Ukrainian-Polish cooperation in the field of education and science, culture and humanitarian cooperation is regulated by the contractual and legal framework, which generally creates opportunities for the implementation and development of effective cooperation in these areas.

As of January 2023 (according to Polish estimates), there are more than 25000 companies operating in Poland (25109), where at least one of the co-owners/shareholders is a citizen of Ukraine or a Ukrainian legal entity (an increase of more than 8000 compared to the beginning 2021; more than 23% of the total number of companies with foreign capital on the territory of Poland are companies with Ukrainian capital, ahead of any other country in terms of number. Ukrainian workers pay taxes in Poland, create new jobs.

More than 1200 Polish companies want to take part in the post-war reconstruction of Ukraine, which was announced in the framework of the forum "Reconstruction of Ukraine - sectoral consultations" held in Warsaw². Other countries also express their solidarity with Ukraine and have declared patronage over the reconstruction of certain regions of Ukraine, the "Marshall Plan for Ukraine" is being discussed, and the mechanisms of Ukraine's post-war reconstruction are also described in the publication [16].

Summarizing, we can note that Polish-Ukrainian economic relations may face a number of problems due to competition for resources (including labor resources), foreign investments and sales markets.

However, the prospects for cooperation between Ukraine and Poland are broad. The unification of Ukraine and Poland into an economic cluster has already begun and continues at various levels: from state to local. First of all, such a union will contribute to the strengthening of relations between neighboring countries, speed up the economic recovery of Ukraine through the

²<https://www.ukrinform.ua/rubric-uarazom/3561620-do-vidbudovi-ukraini-hocut-dolucitisa-12-tisaci-polskih-kompanij.html>

implementation of specific projects in various fields, which are currently important and promising for both countries. It is necessary to ensure constructive foreign policy interaction, to regulate foreign economic ties and foreign economic cooperation at the level of international associations and bilateral agreements in a balanced and constructive manner. The foreign trade activities of Ukraine and Poland should be aimed at the optimal inclusion of the countries in global economic relations, the preservation and optimal use of traditional export and import markets, as well as access to new foreign markets, the rationalization of the foreign trade balance.

CONCLUSIONS. Russia's war against Ukraine affected the functioning of all sectors of the economy, business entities in Ukraine; changed the scope and direction of foreign trade activities. The consequences of the war in Ukraine are felt to varying degrees in all countries of the world.

The state and development trends of Ukraine's economy proved the low-tech status of Ukraine's economy on foreign markets, and the raw materials orientation of exports. Taking into account the temporary annexation of territories by the Russian invaders, part of the destroyed enterprises and part of the enterprises that were forced to stop their activities in the conditions of the war, the export volumes of Ukraine in 2022-2023 were significantly reduced. In the future, having a "raw" potential, Ukraine should increasingly use/direct raw materials for processing within the country, which will lead to the activation of other spheres of the economy and the social sphere, the development of innovative technologies and the growth of added value. Product manufacturers need to monitor industry trends, modernize their production, implement technical and technological, organizational and managerial, etc. innovations. Such innovations will increase the competitiveness of goods on the domestic and foreign markets. Objects of foreign economic activity of Ukraine need to certify their products in accordance with international standards in order to increase the opportunities to enter the EU and other countries' markets; increase in export volumes. Some manufacturers already produce competitive products today, therefore, in order to obtain such certificates, it is only necessary to overcome "fears" and go through the procedures for compliance with international ISO quality standards.

The analysis of foreign trade turnover between Ukraine and Poland testified to fruitful foreign trade cooperation by product groups. We also note that the level of Polish military aid is quite extensive and is accompanied by support and cooperation in the political, economic and social spheres. Moreover, taking into account the secrecy of the security sphere, we can assume that the level of military-political support of Ukraine from the Republic of Poland is much higher than what is known to us from open sources of information.

At the same time, we note that all countries implement a system of measures aimed at protecting their national interests; determine the system of customs and non-tariff regulation of

foreign economic activity, which is used by countries both to stimulate exports and to limit imports. In the system of administrative methods of regulation, quotas and licensing are actively used. Therefore, it is extremely important to form a rational division of labor, to develop the priority directions of the economy of each country as efficiently as possible.

In today's turbulent world, it is important to mention unfair competition, informational provocations and planned/paid-for actions that are disguised as slogans of democracy. Modern realities require decisive actions of the civilized world aimed at ensuring security.

Today, Ukraine defends its independence, dignity and freedom in the war against the Russian invaders with the support of its partners, in particular, Poland. Today, essentially, a new security system for Europe and the entire civilized world is being created, a new world order of civilization, which lays down great prospects for foreign trade cooperation and cooperation in various spheres of life.

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