

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
UKRAINIAN-AMERICAN CONCORDIA UNIVERSITY

School of Management and Business

Department of International Economic Relations, Business & Management

Bachelor's Qualification Work

Principles of cooperation between Ukraine and the EU

(based on H&M Polska case)

Bachelor's student of the 4th year study

Field of Study 29 – International Relations

Specialty 292 – International Economic
Relations

Educational program –

International Economic Relations

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Research supervisor



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(First Name, Last Name)

Ph.D. in Economics

Abstract

In this thesis, we examined the basic principles of cooperation between the EU and Ukraine and identified future directions for development. To begin with, we identified the basic principles of cooperation in the field of trade and investment, and subsequently an analysis of the principles of sustainable development was carried out. Following the example of the H&M company, its general analysis was made and its activities were investigated. We also analyzed the basic principles of company management, which are based on the principles of EU cooperation. It is the implementation of these principles on the territory of Ukraine that will allow the company to contribute to the restoration of the economy and business after the war.

Key words: Principles, governance, EU, trading activities, sustainable development, investment.

Анотація

В даній дипломній роботі нами було розглянуто основні принципи співпраці ЄС та України та визначені майбутні напрямки розвитку. Для початку нами було визначено основні принципи співробітництва в сфері торгівлі та інвестицій, згодом був проведений аналіз принципів щодо сталого розвитку. Наступним на прикладі компанії H&M було зроблено її загальний аналіз та досліджено діяльність. Також нами були проаналізовані основні принципи управління компанією, які базуються на принципах співробітництва ЄС. Саме впровадження даних принципів на території України дасть змогу компанії посприяти відновленню економіки та бізнесу після завершення війни.

Ключові слова: Принципи, управління, ЄС, торговельна діяльність, сталий розвиток, інвестиції.

PHEE-institute «Ukrainian-American Concordia University»

School of Management and Business

Department of International Economic Relations, Business and Management

Educational level: **bachelor degree**

Specialty: 292 “International Economic Relations”

Educational Program “International Business”

APPROVED

Head of Department Prof. L. Zharova

“ ” _____ 202__

**TASK
FOR BACHELOR’S QUALIFICATION WORK**

Dmytro Koltsov

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1. Topic of the work:

**“Principles of cooperation between Ukraine and the EU
(based on the H&M Polska case)”**

Supervisor of the work **Roksoliana Liubachivska, Ph.D. in Economics.**

(surname, name, degree, academic rank)

Which approved by Order of University from “22” September 2022 № 22-09/2022-3c

2. Deadline for bachelor’s qualification work submission “23” April 2023

3. Data-out to the bachelor’s qualification work_

Materials from the internship received during consultation with representatives of the company. Information from open resources on the Internet, official reporting of financial and economic activities of the enterprise.

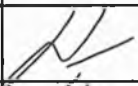
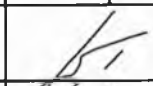

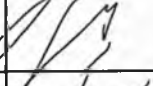
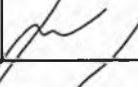

4. Contents of the explanatory note (list of issues to be developed).

There are main topics a student should develop in this work: to explore the EU's political, economic, and legal frameworks, including its trade and investment policies, to grasp the context in which cooperation between Ukraine and the EU takes place; to study the specific case of H&M Polska; to develop an effective system for the development of H&M according to the strategy of sustainable production as a key principle of the EU; to explore the key principles that guide cooperation between Ukraine and the EU.

5. List of graphic material (with exact indication of any mandatory drawings)

Graphs and figures for analysis of economical and statistical information on the company and its development, visualization of mechanism of development, etc.

6. Consultants for parts of the work

Part of the project	Surname, name, position	Signature	
		Given	Accepted
1	<i>Roksoliana Liubachivska, Ph.D. in Economics</i>		
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7. Date of issue of the assignment

Time Schedule

№	The title of the parts of the bachelor's qualification work	Deadlines	Notes
1.	I chapter	<i>31.12.2022</i>	<i>after due date</i>
2.	II chapter	<i>20.02.2023</i>	<i>after due date</i>
3.	III chapter	<i>11.04.2023</i>	<i>after due date</i>
4.	Introduction, conclusions, summary	<i>23.04.2023</i>	<i>In time</i>
5.	Pre-defense	<i>26.04.2023</i>	<i>In time</i>

Dmytro Koltsov


(signature)

Roksoliana Liubachivska


(signature)

Conclusions:

The work displayed a strong theoretical foundation, insightful recommendations, and thorough analytical analysis, resulting in a well-rounded and commendable achievement. The theoretical part of Dmytro's qualification work demonstrated a deep understanding of the principles guiding cooperation between Ukraine and the EU. He exhibited a comprehensive grasp of the European Union's structures, policies, and mechanisms of collaboration, laying a solid groundwork for the subsequent analysis. The recommendations presented in work were thoughtful, practical, and reflective of the extensive research and analysis. By exploring the H&M Polska case within the context of EU-Ukraine cooperation, Dmytro identified key areas for improvement and proposed viable strategies to enhance collaboration. In general, if successful defense, the thesis can claim to be "good".

Supervisor


(signature)

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INTRODUCTION

Since the end of the Cold War, the European Union has been gradually expanding its external relations and foreign policy and becoming a global actor in world politics. In fact, the EU has quickly become the center of a large number of inter-regional agreements with a number of regions of the world. Promoting the development of regional and interregional relations not only justifies and enhances the EU's own existence and effectiveness as a global "actor", but also contributes to the legitimacy and status of other regions, giving rise to a deepening of cross-cutting interregional relations in the trade, economic and political spheres. Today, the EU has become an international center for trade relations and a key partner for powerful states.

Therefore, partnership with the EU for Ukraine is a promising and profitable direction of development, since the financial support of this Community can contribute to the economic and social development of our state. All this means an urgent need for a more thorough study of the European integration policy of Ukraine and the definition of the main prospects for close partnership with the EU.

The works of domestic and foreign scientists Chernaya N.P., Dabrovsky M., M. Dominguez-Jimenez, G. Zahman, Carrera S., Luk N.Ch., Ortega A., Fergal O'Brien, Baranovsky F. V., Fisun O. A. and Khaladzhi V.

The topic of this thesis is relevant, since the prospects for EU membership for Ukraine today are more than real, because against the backdrop of the war in Ukraine, our country has large field of cooperation with EU and already received candidate status and will soon be able to fully integrate into the European community.

The purpose of the study is to analyze the basic principles of cooperation between Ukraine and the EU.

The subject of the study is the assessment of cooperation between Ukraine and the EU in foreign trade, investment activities and sustainable development.

The object of the study is the conditions for the formation of general principles of cooperation between Ukraine and the EU

In the course of the study, a number of tasks were set:

1. Analyze the principles of Ukraine's cooperation in the field of international trade and investment
2. Follow the basic principles of cooperation between Ukraine and the EU in the field of foreign policy and sustainable development
3. Conduct an analysis of the principles of economic assistance to Ukraine from the EU
4. Conduct an analysis of the implementation of the EU core principles at H&M
5. To characterize global clothing as a factor influencing H&M's operations
6. Evaluate the effectiveness of companies' policies in the field of sustainable development in accordance with the principles of the EU
7. Outline the prospects for the development of the Ukrainian clothing market
8. Development of an effective system for the development of H&M according to the strategy of sustainable production as a key principle of the EU.
9. See the principles of EU cooperation with Ukraine in the post-war economic recovery

The theoretical and methodological basis of the course work is the scientific works of domestic and foreign economists devoted to the problems of European integration policy. In the process of research, the following modern research methods were used: the method of comparative analysis and the method of logical generalization, system-structural analysis (when reviewing the theoretical issues of

the thesis); analytical method and method of comparative analysis (when analyzing the European integration policy of Ukraine); multifactorial analysis (when analyzing the prospects for Ukraine's accession to the EU), as well as the regulatory and legislative framework in the field of ensuring the European integration policy of Ukraine.

The course work consists of an introduction, three parts (theoretical, analytical and design), conclusions and suggestions, a list of sources used.

CHAPTER 1 THEORETICAL AND METEDEOLOGICAL PRINCIPLELS OF COOPERATION UKRAINE AND EU

1.1. Principles of cooperation between Ukraine in the field of international trade and investment

EU has quickly become the center of a large number of inter-regional agreements with a number of regions of the world. Today, the EU has become an international center of trade relations and a key partner of Ukraine in the field of international trade.

With the EU-Ukraine Association Agreement (AA), signed in 2014 and effective from 2017 after provisional application, EU-Ukraine relations have reached an unprecedented level of closeness. The overall goal of this agreement is further economic integration and political association between Ukraine and the EU. In the five years since the Euromaidan Revolution of Dignity, Ukraine has taken important steps to implement complex reforms.

On September 1, 2017, the Ukraine-EU Association Agreement came into full force. The Association Agreement, including its part on the Deep and Comprehensive Free Trade Area (DCFTA), is the main tool for rapprochement between Ukraine and the EU. DCFTA offers Ukraine a framework for modernizing trade relations and economic development by opening markets and harmonizing laws, standards and regulations across sectors. This will help bring key sectors of the Ukrainian economy in line with EU standards [1].

The DCFTA has been provisionally applied since January 1, 2016, which is an important milestone in bilateral trade relations and opens up new economic opportunities for both the EU and Ukraine. Ukrainian business receives stable and expected preferential access to the largest market in the world with over 500 million

consumers. EU companies can benefit from easier access to the Ukrainian market and forge new relationships with Ukrainian suppliers and partners.

From October 1, 2017, additional autonomous EU trade measures for Ukraine came into force. The EU regulation on measures increases the amount of agricultural products that Ukraine can export to the EU in accordance with the Association Agreement without paying customs duties.

Already, concrete results of the DCFTA implementation can be seen: Ukrainian exports to the EU have never been higher than in 2018, there is also a significant increase in exports from the EU to Ukraine (see Fig. 1.1)

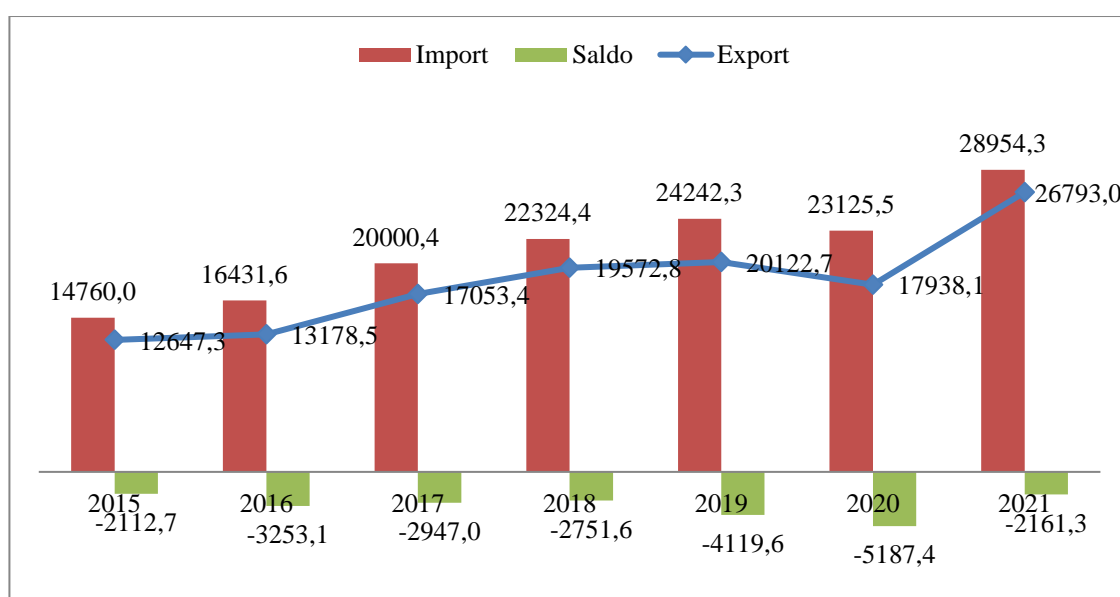


Figure 1.1 - Foreign trade in goods between Ukraine and the EU for the period 2015-2021 USD USA

Source [2]

The EU remained Ukraine's main trading partner, accounting for 42% of Ukraine's total trade, with a similar split between imports and exports. The total volume of trade between the EU and Ukraine in 2021 reached about \$55 billion, which is 34% more than in 2018. Ukraine is the 21st largest trading partner of the EU.

Ukraine's export profile is now more diversified than ten years ago, when 70% of exports were vegetable products, non-ferrous metals and mineral products. Today, other categories such as animal products, foodstuffs and equipment are much more

prominent on the export list. Exports of shoes and stone products, although relatively small, have increased by more than 50% over the past 10 years.

The geographical structure of exports is shown in Figure 1.3.

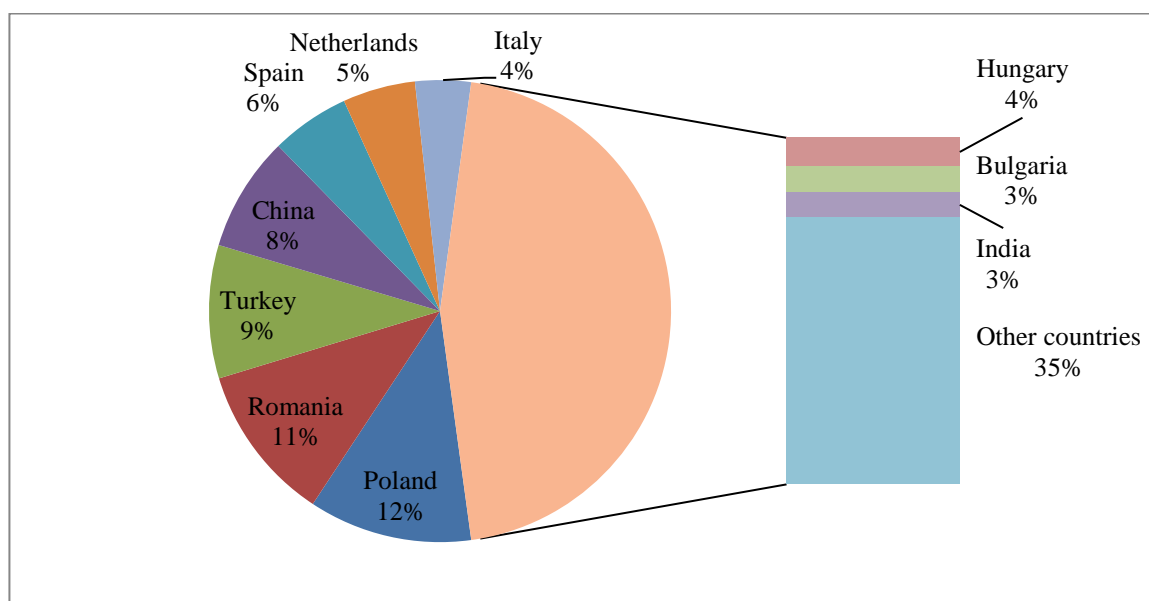


Figure 1.3 - Geographical structure of exports of agricultural holdings of Ukraine for 2022.

Source: [4]

The largest exporters of Ukrainian agricultural products were Poland and Romania, with a combined share of 33%, mainly due to the blocking of ports and exports of products through land, and these two countries are the closest in terms of territorial location.

To determine the share of Ukraine in EU meat imports, we propose to analyze the structure of beef imports for 2021 (see Fig. 1.4)

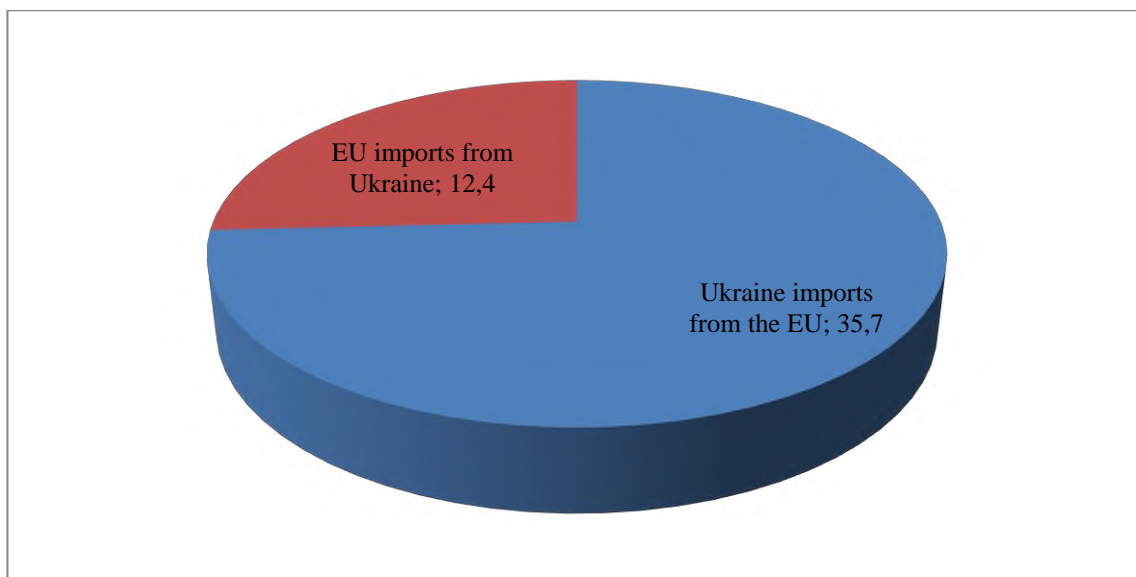


Figure 1.4 - The share of Ukraine in the import of EU countries by agricultural products as of 2021, %

Source: [5]

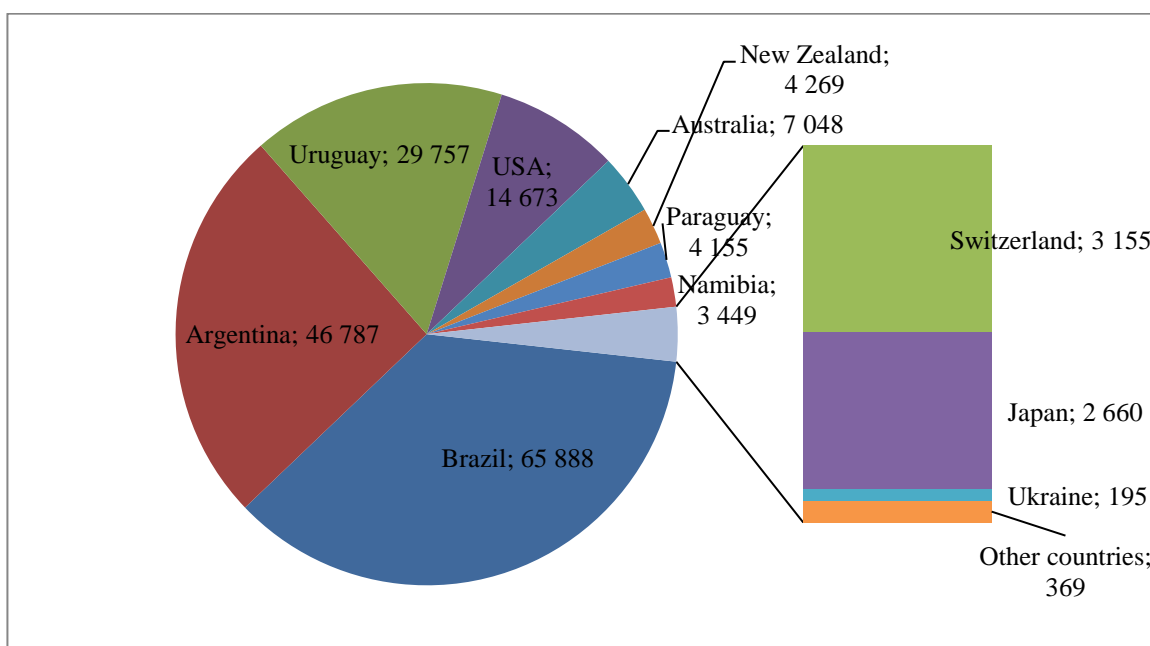


Figure 1.5 - The structure of imports of EU beef meat for 2021 by main countries, tons %

Source: [6]

As we can see, Ukraine occupies a tiny share in the structure of imports of the EU countries, however, it has great potential for growth, since its main advantages are its favorable logistical location and relatively lower prices. One of the reasons

preventing the EU from buying meat from Ukraine is significant restrictions and quality requirements, which, unfortunately, are difficult for our exporters to meet.

Foreign trade and investment is vital for both the Ukrainian economy and the EU economy in terms of growth and job creation, lower prices, better quality and more choice for consumers through increased competition and so on. Unfortunately, foreign direct investment remains low, pointing to the need to improve the business climate and encourage investment, in particular through the rule of law and the fight against corruption. In 2019, the volume of direct investment (own capital) in the economy of Ukraine from EU countries amounted to 24.7 billion US dollars (see Fig. 1.6)

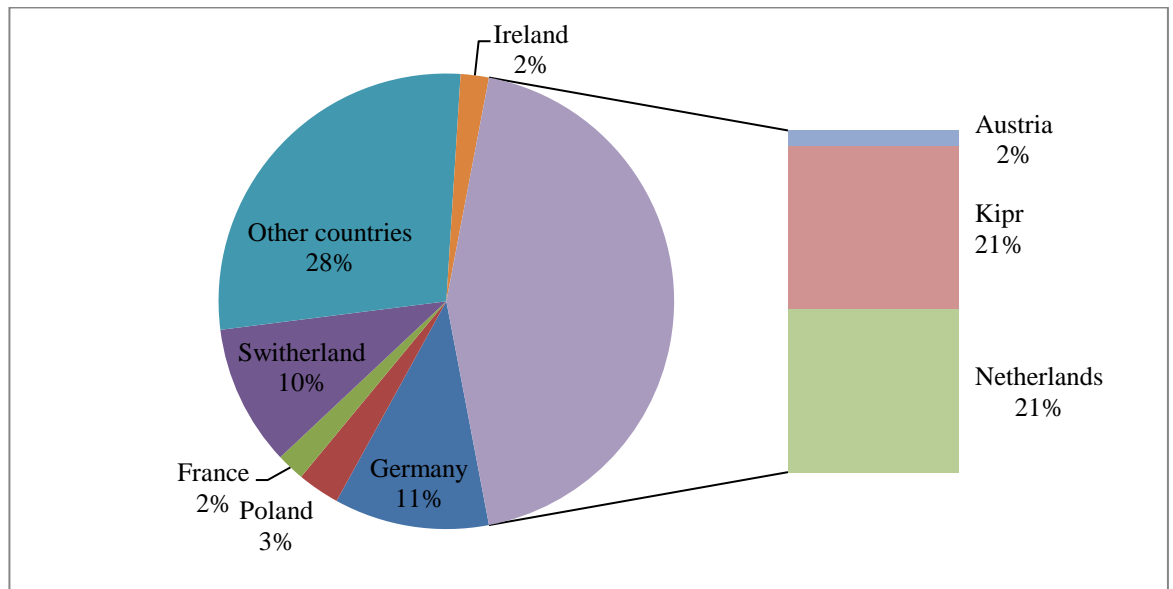


Figure 1.6 - The structure of foreign direct investment in Ukraine by country as of 2021, %

Source: [3]

Significant volumes of direct investments from the EU countries are concentrated in industrial enterprises (34.4%), wholesale and retail trade enterprises, car and motorcycle repair accumulated 13.8% of direct investments, organizations engaged in real estate transactions, 12.8% and financial and insurance organizations accumulated 10.5%.

In recent years, Ukraine has gained access to various programs of the European Union, becoming, for example, the leader of Erasmus + among the countries of the Eastern Partnership; full participation in the EU research and

innovation program Horizon 2020; and participation in the Creative Europe program supporting the cultural, creative and audiovisual sectors.

The EU is also cooperating with Ukraine within the Eastern Regional Dimension of the European Neighborhood Policy, the Eastern Partnership. Overall, the EU and financial institutions (European Investment Bank ([link is external](#)) and European Bank for Reconstruction and Development ([link is external](#))) have mobilized more than €13 billion in loans and €2 billion in grants from 2014 to date to help . . . stabilize their economy, implement comprehensive reforms and improve the lives of their citizens. This includes substantial bilateral financial and technical assistance under the European Neighborhood Instrument (more than 1.4 billion euros). Ukraine benefits from Twinning and TAIEX, as well as, in addition to bilateral support, ENI's regional and multilateral action programs for the Eastern Partnership countries.

After three years of partial economic and trade recovery, Ukraine has been hit by a new economic crisis caused by the COVID-19 pandemic. At the time of writing, it is impossible to foresee the duration and depth of the crisis, while many other uncertainties remain: the speed of economic and institutional reforms to promote economic recovery and increase the international competitiveness of the Ukrainian economy; and prospects for resolving the conflict with Russia. The future of economic relations between Ukraine and the EU is also uncertain. For example, the completion of the Nord Stream 2 gas pipeline project will weaken Ukraine's position in the gas transit market between Russia and the EU, and the introduction of an EU carbon tax adjustment will negatively affect the export of Ukrainian metals and chemical products to Europe.

Since the establishment of the FTA with the EU, the following changes have taken place for Ukrainian exports:

- 1) gradual reduction of import duties and customs duties to EU countries
- 2) tariff quotas were established for agricultural and food products, providing for duty-free export within the specified volume

3) duty-free tariff quotas were established for pork, poultry and sugar products.

According to the study, we have identified the following benefits from the creation of a free trade area with the EU for Ukrainian producers:

- our producers have received duty-free access to one of the most powerful and largest markets in the world, since from the first year of the agreement, entry duties for most product groups have been abolished.
- created equal competitive conditions and, accordingly, an increase in the volume of exports of products to the EU.
- the quality and safety standards of Ukrainian products have been significantly raised in the domestic market as well;
- Ukrainian brands began to be recognized in Europe, which accordingly increased the image of our country
- in the domestic market there was an expansion of the range of goods
- increased demand for Ukrainian products, mainly due to the introduction of European product quality standards
- in the structure of Ukrainian exports, there was a decrease in the raw material component and an increase in the share of high-tech goods with a high share of value added

Since today the Ukrainian market noticeably sags, exports, on the contrary, are growing. The key advantage of working with European clients is stability and openness, which will allow the Ukrainian company to ensure uninterrupted work and constant wages for employees.

We found that during the period of establishing a free trade area with the EU, Ukraine has made significant progress towards becoming a dynamic, knowledge-based economy and managed to implement new rules to cope with the governance challenges associated with the onset of a currency crisis and a pandemic. To date, the share of the EU in trade with Ukraine is approximately 40% in exports and imports, which confirms the EU as a key partner of our state. Along with the United States and China, the EU plays an important role in Ukraine's international trade and

is the center where the most important events of both economic and political nature take place.

1.2 Basic principles of cooperation between Ukraine and the EU in the field of foreign policy and sustainable development

Today, for Ukraine, the main problem of its security and future is the Russian war, which began on February 24, 2022, is forever imprinted in our history as one of the most painful events, and in the economy, the beginning of a new stage.

So, we propose to consider the complex mechanism of the integration policy of Ukraine against the background of modern events in the history of not only our state, but also of all mankind.

EU member states can offer Ukraine the prospect of membership, recognize it as a candidate for accession and even, albeit symbolically, enter into accession negotiations.

By doing so, they express their solidarity with the Ukrainian struggle for sovereignty and democracy and implement Ukraine's accession to the EU as soon as it fulfills the conditions. Thus, the main difference between this policy and the pre-war policy towards Ukraine is that it is not about whether Ukraine will become a member of the EU, but about when it will become one.

To date, the outlook for Ukraine is very positive, and the current circumstances may open prospects for Kyiv to join the EU, which would mean revisiting the pitfalls of enlargement policy with lasting implications for the EU27.

Therefore, the EU may consider it appropriate to define, within the European treaties, a new status of partial or partial membership, or to create a new European political and economic space with a strong political security component. This may be an alternative to full membership.

If the EU were to open the prospect of accession for Ukraine, it would be very far from being a promise. Its preservation will require a sound strategy that takes into account aspects of foreign policy, security policy and integration.

The EU must quickly clarify where the enlargement strategy for the Eastern Partnership countries stands in relation to NATO and its open door policy. The Atlantic Alliance officially adheres to this policy, supported by EU states that are also members of NATO [7].

The accession of the EFTA countries to the EU in 1995 and the Mediterranean countries of Cyprus and Malta in 2004 was the last round of enlargement involving non-aligned countries. Since the Russian invasion of Ukraine, Sweden and Finland have been more serious than ever about joining NATO. If, in the case of Ukraine, EU membership were to continue, or even NATO membership would be de facto ruled out, this would mean that the EU would accept a geopolitically extremely vulnerable country that is in an unstable security situation.

Even if the EU and its members had stronger capabilities of their own, they could not do so without NATO guarantees. Going forward, member states' mutual assistance and assistance will need to be understood more in terms of military and security policy than the current wording of the article in the CFSP chapter suggests. Regardless of membership, NATO and the EU should closely coordinate security and defense cooperation with Eastern Partnership countries. In the Yugoslav wars of the 1990s, the disbanding of the Western European Union (WEU) as an organization subordinate to the EU established a new associate partner status for the non-aligned countries of Central and Eastern Europe. This did not mean that the WEC was ready to help them, as well as its members, all of whom were members of NATO and the EU. However, the associated partner countries thus regularly participated in the security alliance, which served, inter alia, for the purposes of consultation and defense planning. In addition, there was the Eurocorps, a brigade under the dual command of the EU and NATO, serving with the Stabilization Force (SFOR) in Bosnia [8].

The EU and NATO could, for example, create a joint organization for security policy cooperation with the countries of the Eastern Partnership. The main group of this branch will be the countries that make up the European pillar of NATO. At best, they would include Great Britain, which, after all, was one of the guarantee states of

the 1994 Budapest Memorandum on Security Assurances. The range of topics can include all aspects of security, including cyber threats and the protection of critical infrastructure. Above all, however, the new organization will have to deal with Ukraine's security guarantees and longstanding conflicts in the secessionist territories and de facto states of the Associated Trio. The EU will need to link this Euro-Atlantic branch to other formats of cooperation and integration, especially the Energy Union, and link the initiative to political and economic measures to strengthen the resilience of the Eastern Partnership countries. This new organization will be a security policy contiguous to EU enlargement and could be a preliminary stage of NATO membership for the countries of the Eastern Partnership.

The inclusion of Ukraine as an accession candidate will have serious implications for the medium-term development of the EU. Even if enlargement is seen primarily as a foreign policy tool, which is likely to prevail in the case of Ukraine, it is absolutely necessary to take into account the implications of the EU governance system and individual policy areas. During the years of the polycrisis, the EU was already struggling with centrifugal tendencies of various kinds. In policy making and decision-making, it exhibits clear symptoms of overstretching, caused not only by the number of members, but also by the heterogeneous nature of their strengths and starting positions. However, the ability to solve complex problems, crises and overcome conflicts of goals and priorities in the EU27 does not increase accordingly. This is why there is much reason to believe that the EU should only accept a new member after it has reformed its institutions and decision-making processes. With existing and new guarantees for ten countries, the EU is coming up with a scenario far beyond its ability to absorb even with the next two decades. It is not yet completely ruled out that the accession of Ukraine (population about 44 million) and Turkey (population about 84 million) would also remove the EU's geographic focus on its current periphery. The core of Europe around France, Germany and the founding countries may prove less and less able to hold together such an overstretched EU. Countries could join an EU that was arguably even more integrated than it is today and bring with it the enduring sense of 19th century

national sovereignty, taken to the extreme of controversy, made them feel as dominated by Brussels as they once were. then Moscow [9].

Today and in the near future, the EU is not ripe for the admission of the countries of the Eastern Partnership as new members. To effectively defend its borders with Russia, it needs to significantly increase its military capabilities under the Common Security and Defense Policy (CSDP) and deepen cooperation with NATO.

The European Commission and Council will not simply ignore Kyiv's request to join. However, the EU will probably not take the time to prepare its response carefully, weighing different points of view in the process of internal clarification. The President of the European Council, Charles Michel, immediately noted the differences between member states on this issue. European Commission President von der Leyen called for a "moment of truth for Europe"[10].

The EU has at least two combined ways to consider an application for membership. First, the European Council could, on the recommendation of the Commission, grant Ukraine candidate status directly, so to speak, without prior waiting. This will remain until further notice a purely symbolic act and will temporarily gain the moral standing of the EU.

This step will surely put not only Ukraine, but also Georgia and Moldova on the path of very lengthy accession negotiations. Georgia and Moldova have already joined this initiative and submitted their applications for EU membership in early March. Candidate countries in the Western Balkans are also likely to increase pressure on the EU to see ongoing or lengthy negotiations through.

At an informal EU summit held in Versailles in early March 2022, the heads of 27 states and governments agreed on the second option. Diplomatically confirming the application of Kyiv and stressing that the Rada acted quickly, and invited the Commission to present its opinion. This triggers the standard procedure of Article 49 TEU [11]. In addition, 27 national parliaments and the European Parliament have been informed about the application. But the answer to the request has been de facto postponed until the end of the war and hostilities in Ukraine. A

detailed examination or verification of the application by the Commission, concerning mainly an assessment of a country's readiness for accession in the light of the Copenhagen criteria, cannot be meaningfully carried out as a result of the war and its aftermath. That is why, at the Versailles summit, the 27 EU countries also announced their intention to further deepen their relations with Ukraine until the Commission's conclusion is published. The starting point is still the Association Agreement (DCFTA) [12].

Regarding Ukraine's membership in the EU, 27 countries have assured that it "belongs to our European family." In general, formulas are used that dampen the high expectations of pro-accession forces, including Ukraine, now aggressively advocating candidate status for Ukraine. They certainly mean solidarity with Ukraine, but at least Poland and Hungary, more restrained in their support for Ukraine, could use the EU securitization momentum to clash with Brussels over the rule of law. and democracy fell off the agenda as irrelevant.

The EU should also, given the course set at Versailles, ask how sustainable the prospect of accession to Ukraine is if a balanced calculation of the costs and benefits of individual member states is countered, while still unforeseen geopolitical consequences are taken into account. As with eastward enlargement in 2004, the EU risks falling into the mold of its political rhetoric if it espouses President Zelenskiy's moral argument. He called on EU Heads of State and Government and MEPs to support the prospect of his country's accession. Such devotion would allow decision makers to show themselves as Europeans and demonstrate that they are on the side of Ukraine fighting for their rights, their freedom and their lives, and become an equal member of Europe. Thus, he appealed to the normative foundations of the EU as a peaceful community and exerted moral pressure on it. Since Ukraine is a victim of Russia's aggressive war and, by resisting it, defends the values on which the EU, as well as NATO, is based, it "deserves" the status of a candidate. The more the EU accepts this line of reasoning, the more difficult it will be to oppose other points of view and interests. invoke the technocratic logic of accession negotiations [13, 14].

As a result, we propose to depict the course of events in Ukraine from the war to obtaining the status of a candidate for EU membership (Table 1.1).

The EU has long underestimated the geopolitical implications of enlargement and the Eastern Partnership. This was demonstrated in 2013 when Russia's intervention in Kyiv's association agreement with the EU was intended to prevent Ukraine from returning to Western concepts of international order and its institutions.

Table 1.1

Historical events in Ukraine from the beginning of the war to obtaining the status of an EU candidate

Date	Event	Thesis
24 January 2022	Russia attacked Ukraine	Already today, the results of these sanctions indicate that industrial production, consumption and investment will decrease, and Russian GDP will contract by -12.5% to -16.5% in 2022. Such figures are quite real, because almost the whole world has proclaimed its resistance to Russia by rejecting the country as a partner and excluding Russia from membership in world communities. The number of sanctions that have been applied against Russia since February 24, 2022 is almost equal to the sanctions against Iran in recent decades
		The total losses of Ukraine in the war as of the end of March 2022 reach about 500 billion dollars. USA, of which 80 billion is a loss of business, which these funds could have invested in the development of the economy and which will take years to recover.
31 March 2022	Terror in Bucha	News of the horrendous violence in Ukraine and new allegations of Russian war crimes are causing some European leaders to use harsher language. Charles Michel, president of the European Council, said in a Sunday tweet that new European Union sanctions were "in the pipeline" but did not specifically mention oil or gas. French President Emmanuel Macron told France Inter radio that what happened in Bucha should lead to "a new series of sanctions and very clear measures", including those aimed at coal and oil.
		As of April 6, the EU has proposed a fifth package of sanctions against Russia, including: - a ban on coal imports;
		- Sanctions for freezing the assets of the four largest Russian banks;
		- a ban on Russian ships visiting EU ports with some exceptions;
		- further targeted export bans targeting Russia's technology and industrial sectors;
		- bans on the import of a number of goods, including timber, cement and spirits; - a general ban on the participation of Russian companies in public procurement in the EU countries

		The President of America told reporters that he “demands new sanctions” in response to the image from Bucha and called Putin a “war criminal”
9 May 2022	Lend Liz Law	The Lend-Lease Act simplifies the arms supply process and will expedite the transfer of weapons and equipment and other critical supplies to Ukraine and other Eastern European countries by reducing bureaucratic processes. “I signed the Law on Lend-Lease and Protection of Democracy in Ukraine in 2022.
		This bill is another important instrument of our support for Ukraine and its people in their struggle to defend their country and democracy from Putin's brutal war.
		Ukraine received more support from the United States in the amount of 10.3 billion euros and is one of the main Ukrainian opponents in the war against Russia.
23 June 2022	Candidate status	According to Prime Minister Denys Shmygal, this is also "securing the European future" of the country. "This means that Ukraine is not just potentially one day able to join the EU, but that the process has been launched," he wrote on his Facebook page.
		Candidate status gives Ukraine a number of advantages, one of which is the full membership of EU programs and initiatives and the availability of financial assistance

Made by the author

There are many reasons to believe that the EU continues to pursue a policy of enlargement in the formation of a new bloc in Europe in order to consolidate its membership promises. Emergency admission is unlikely, and regular accession is a very distant prospect for Ukraine. Therefore, the EU must develop mechanisms for integration and cooperation below the level of EU membership and improve its own ability to act in all areas in order to be able to uphold its values. As long as Russia is pursuing an aggressive and imperial policy towards its neighbors, the EU, together with the US, must counteract it by all means and in the long term.

One of the important components of the implementation of the sustainable development goals is the ecologization of the economy, which is a process of consistent introduction of new equipment and technology, implementation of managerial and other decisions with an increase in the efficiency of the use of natural resources, the use of new forms of production organization, conservation and improvement of the natural environment.

Ukraine's accession to the Energy Community Treaty contributed to the further adaptation of Ukrainian environmental legislation to EU environmental standards [15].

Currently, the main environmental reforms in Ukraine are carried out mainly with the aim of implementing the environmental component of the agenda of the Ukraine-EU association. Cooperation between Ukraine and the EU, including in the environmental sphere, is carried out within the framework of the Association Agreement. Environmental issues of the Ukraine-EU Association Agreement are traditionally enshrined in "Other areas of cooperation" and relate to the preparation for the implementation of "acquis communautaire" and support to Ukraine in the following areas: development and implementation of legislation, plans and strategies in environmental protection, especially in assessing the impact on environment, public access to environmental information; development of national implementation tools in accordance with multilateral agreements in the field of environmental protection; implementation of road maps to achieve water protection targets using national policy dialogue within the framework of EU action on water; strengthening administrative capacity in the field of environmental protection[16].

On the basis of Annex XXX to the EU-Ukraine Association Agreement, Ukraine has committed to adapt its legislation to 29 directives and regulations in the field of environmental protection. To fulfill this obligation, Ukraine amended its legislation[17].

It can be noted that in recent years Ukraine has made significant progress in bringing national environmental legislation closer to EU standards. To implement the principle of integration of environmental problems, specific strategies and concepts have been developed. A number of documents aimed at implementing the principles of sustainable development have been adopted: the Sustainable Development Strategy "Ukraine - 2020", the Concept of balanced (sustainable) development of agroecosystems of Ukraine for the period up to 2025, the Energy Strategy of Ukraine until 2030. and so on.

In order to get closer to European legislation in the field of monitoring the degree of environmental pollution and ensuring the public's right to a safe environment, in 2017 the Law of Ukraine "On Environmental Impact Assessment" was adopted. This law has improved the mechanism of participation of citizens in the process of assessing the impact on the environment. The new mechanism obliges the enterprise to assess the impact of its activities on the state of water bodies, air, natural objects before the decision-making stage and ensure that public participation is an integral part of this procedure.

A positive step is the participation of citizens in assessing the impact of projects on the environment. Public participation provides several advantages for both the enterprise and the executive body, which decides whether to permit activities that may harm the environment. Public participation can help to better understand environmental issues [18].

The application of EU environmental legislation in Ukraine is necessary not only for the implementation of the Association Agreement, but also for improving the state of the environment and, as a result, the health of citizens. But it should be noted that such a change in legislation is not enough. It should be actually implemented by all business entities, local governments, state bodies and especially controlling bodies.

Also, the first steps were taken to adapt Ukrainian environmental legislation to EU legislation. Significant progress has been made in the area of environmental impact assessment and strategic environmental assessment, which are important environmental policy tools to analyze potential environmental damage and prevent or minimize it.

Significant work has already been done in the field of adaptation of Ukrainian water legislation to European standards. An important step is the introduction of the principle of basin management. Using the example of the EU member states in Ukraine, it is advisable to develop and implement a strategy for the implementation of the Nitrate Directive, research and development programs for farmers, developed and implemented in almost all EU countries.

1.3 Principles of economic assistance to Ukraine from the EU

The EU countries were among the first who supported our country and opened the borders for Ukrainian refugees, which indicates the desire of the EU countries to help our countries. Ukraine receives support from all sovereign and conscious countries of the world, which not only morally but also financially support our country in this difficult time for us. Financial development institutions and international financial institutions are already actively cooperating with the EU and the European Commission to attract foreign direct investment to help Ukraine.

Therefore, before moving on to assessing the economic support of the EU countries, we propose to examine the overall damage caused to the Ukrainian economy and infrastructure (see Fig. 1.7 and Fig. 1.8).

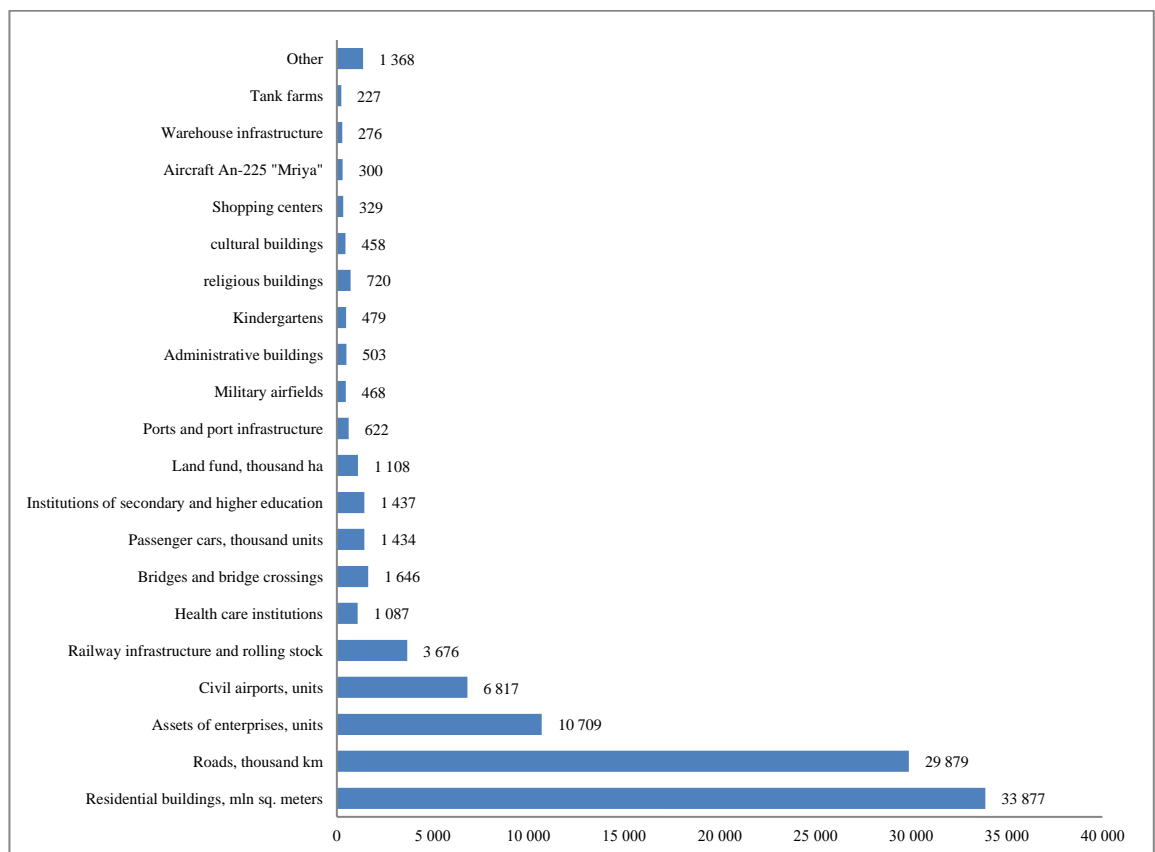


Figure 1.7 - Total losses of Ukrainian infrastructure from Russian military aggression as of May 2022, millions dollars USA

Source: [53]

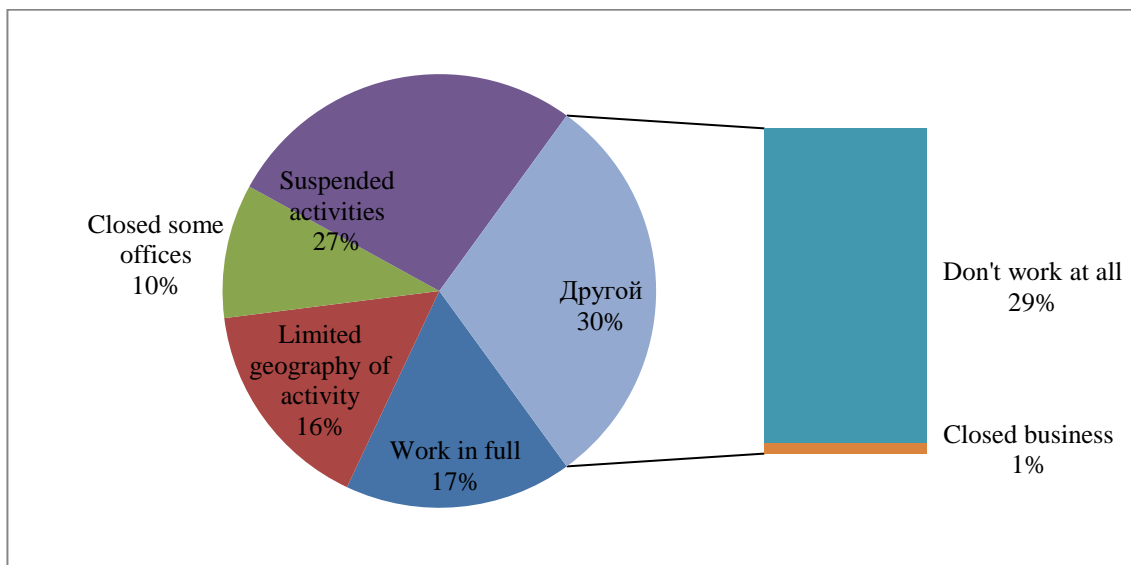


Figure 1.8 - The structure of the activity of Ukrainian enterprises during the war in 2022, %

Source [54]

So, analyzing Figure 3.8 we see that since the beginning of the war, 17% of enterprises have been operating, mainly exporting products and working in the food sector, since these business areas were not affected by the war. Many Ukrainian companies have closed their offices in the uncontrolled territories and moved their assets to other safe regions. However, companies located in the occupied territories were forced to completely suspend their activities.

Therefore, on the basis of statistical data, we will determine the EU countries that will help Ukraine in the purchase of weapons and help financially (see Fig. 1.9).

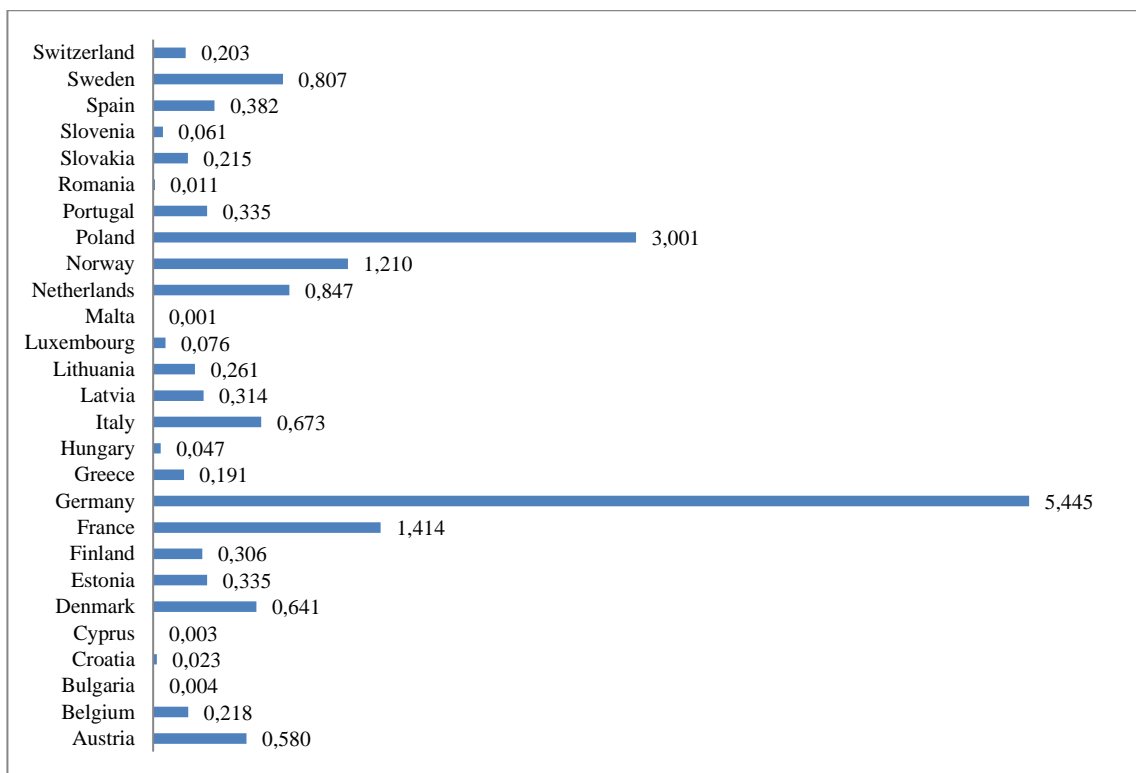


Figure 1.9 - State support of Ukraine by EU countries, for the period from January 24 to November 8, 2022 billion euros

Source [55]

So, based on the analysis of Figure 3.9, we see that Germany and Poland provide the greatest support, both financial and armed, to Ukraine, the amount of financial assistance which, as of November 8, 2022, amounted to 5.445 billion euros and 3.001 billion euros, respectively. No less significant is the support of other EU members, who, despite the small volumes of their GDP, support our state and help it financially.

Next, we propose to determine the share of the EU countries among other countries of the world in the total support for Ukraine (see Fig. 1.10)

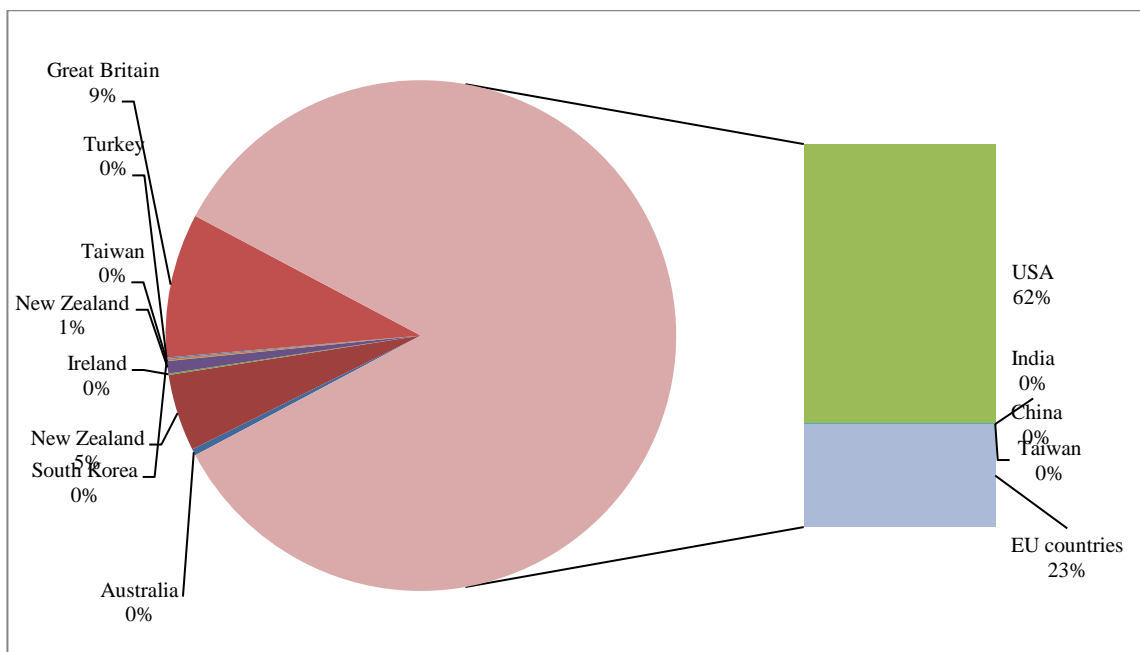


Figure 1.10 - The share of EU countries in the total support of Ukraine by the countries of the world, for the period from January 24 to November 8, 2022 billion euros

Source [55]

So, we see that the share of EU countries is 23% of the total amount of aid received by our country during the period under review. As for the leader in support, the largest share of the United States in the amount of 47.82 billion euros (63%) is one of the main Ukrainian opponents in the war against Russia. For the period February-November 2022, the countries of the world provided total assistance for 108 billion euros. The countries of the world support not only the Ukrainian economy of the population, but also make every effort to ensure that Ukraine wins the war with Russia.

Next, we analyze the share of the EU in bilateral support for the “Stand up for Ukraine” event, which was joined by residents of all countries of the world (Fig. 1.11).

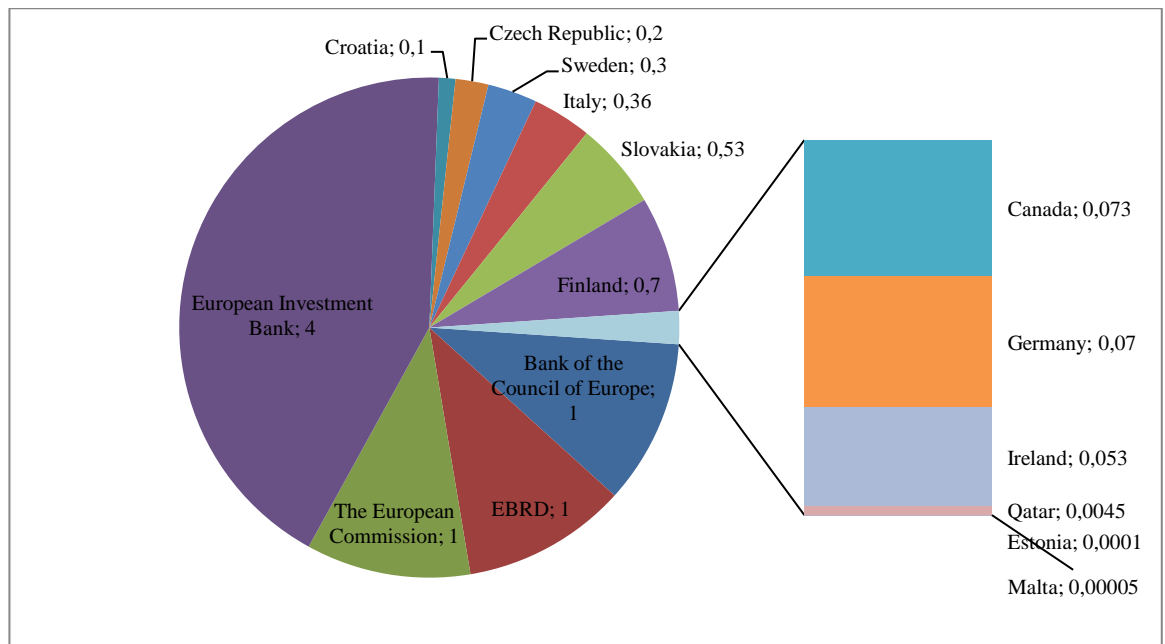


Figure 1.11 - The structure of financial support to Ukraine by countries of the world of the event "Stand up for Ukraine", billion euros

Source: [55]

The largest proceeds in support of the "Stand up for Ukraine" event were received from European banks - 6 billion euros out of a total amount of 10.2 billion euros, which is approximately 60%.

The EU is one of the key investors in the post-war development of our country and will use billions of euros to integrate it into the Marshall Plan for the restoration of Ukraine [56].

Under the plan, the EU will send 1.5 billion euros a month to Kyiv in 35-year interest-paying loans from the bloc to support the Ukrainian government ahead of the Russian invasion. Financial assistance must be stable, structured and predictable.

The loan package has yet to be approved by the EU member states, although some of which are skeptical about taking responsibility for Ukraine's growing debt, most countries are positive about providing such financial assistance. These funds will help cover a significant part of the budget deficit, which, as of December 2022, is \$38 billion. USA.

Today, Europe can do the same for Ukraine and not wait until peace is established in the country: the recovery must be prepared now. Last week, the Center

for Economic Policy Research think tank published an excellent plan for just such a plan.

Chapter 2. Application of the main principles of EU policy in the activities of H&M

2.1. Analysis of implementation main EU principals in H&M

H&M is a company based on solid foundations, its business concept - "Fashionable and quality clothes at the best price" - is articulated as clearly as the values based on respect for each person and including a strong belief in our people.

These values constitute the "spirit of H&M" and have remained unchanged since the company was founded by my grandfather Erling Persson in 1947.

In its activities in Ukraine, H&M embodies the principles of the EU and adheres to them in its work in all store [30].

The financial condition of the enterprise depends on the results of its production, commercial and financial and economic activities, and therefore it is affected by all types of activities of the enterprise.

According to table 1.2, the total value of H&M assets during 2017 - 2021 increased by UAH 272,571 thousand, or 8.3 times from its amount at the beginning of 2017.

Table 2.1

Key indicators of the financial and economic activities of H&M for the period from 2017 to 2021, thousand UAH

Indicators	Year					Change, +/-	
	2017	2018	2019	2020	2021	2021 / 2017	2021 / 2017
1. Capital							
1.1. Equity	18642	30235	69692	64673	48422	29780	-16251
1.2. Loan capital	18716	37688	142860	202531	261507	242791	58976
2. Property							
2.1. Fixed assets	14803	30696	38784	132574	173023	158220	40449
2.2. current assets	22546	37188	173455	134051	136233	113687	2182
3. General economic indicators							
3.1. Balance currency	37358	67923	212552	267204	309929	272571	42725
3.1. Income from product sales	176529	249125	334680	498716	389648	213119	-109068
3.2. Net income from product sales	147106	207630	279233	415770	324814	177708	-90956
3.3. Cost of goods sold	108779	153087	202639	319725	250384	141605	-69341
3.4. Net income (loss)	10998	11593	15457	-54007	-16251	-27249	37756

In 2020, the size of non-current assets increased sharply due to the start of investment in the construction of new production. In the structure of the property of the enterprise, 44% are mobile (circulating) funds, in value terms, the size of current assets in 2021 amounted to UAH 136,233 thousand, which is UAH 113,687 thousand. more than in 2017

The cost of equity for the analyzed period increased by UAH 29,270 thousand. or 2.6 times, mainly due to an increase in the size of the authorized capital. During 2020-2021 there was a decrease in the cost of equity by UAH 16,251 thousand. as a result of inefficient management of financial resources.

In terms of capital raised, its share in the total cost of capital at the end of 2021 was 84.38%, which indicates the dependence of H&M on borrowed funds and the deterioration of the financial condition.

Next, we propose to analyze staffing and utilization dynamics (see Table 2.2).

Table 2.2

H&M Staffing and Utilization Dynamics 2019-2021

Personnel categories	2019	2020	2021	Change, -/+	
				2021/ 2019	2021/ 2020
Number of personnel, total, people	650	689	700	50	11
including managers	132	135	139	7	4
including workers	518	554	561	43	7
of which: main	420	429	432	12	3
auxiliary	98	125	129	31	4
Leaders	56	58	59	3	1
Specialists	76	77	83	7	6
Worked per year by one employee, days	252	251	253	1	2
Hours	2016	2008	2024	8	16
Average working time, hour.	8	8	8	0	0
Fund of working time, hour.	1310400	1383512	1416800	106400	33288
including overtime hours worked, hour.	1034	1050	1090	56	40

H&M's headcount has increased by 50 people in three years, indicating the opening of one of the production departments in 2020.

Summing up, we note that H&M is one of the leaders in the market for the production of men's suits in Ukraine. Analysis of general economic indicators of the economic activity of the enterprise for the period 2019-2021 showed the dynamic development of society, as evidenced by the expansion of production capacities, the increase in production and sales, the active renewal of the product range and the improvement of its quality.

Next, let's explore the basic management principles applied in the management of H&M and oriented towards EU policy.

Principle 1 (hierarchy). The control system has, as a rule, a hierarchical structure. It must correspond to the functional structure of the managed system and contradict the hierarchy of adjacent (horizontally and vertically) systems. The tasks and resources that ensure the operation of the managed system must be decomposed in accordance with the structure of the latter.

Principle 2 (unification). Managed and control systems and subsystems of all levels should be described and considered within the framework of uniform principles (both in terms of the parameters of their models and in terms of performance criteria), however, not excluding the need to take into account the specifics of each particular system. Most real management situations in H&M are reduced to a set of typical ones, in which the corresponding typical solutions are optimal. In addition, management inevitably gives rise to specialization (diversity restriction) of both management subjects and managed subjects [31].

Principle 3 (purposefulness). Any influence of the control system on the controlled system in H&M is purposeful.

Principle 4 (openness). The functioning of the management system is open to information, innovation, etc.

Principle 5 (efficiency). The control system at H&M implements the most efficient control actions that can be taken.

Principle 6 (responsibility). The control system is responsible for the decisions made and the efficiency of the controlled system.

Principle 7 (non-intervention). The intervention of the governing body of any level of H&M occurs when the elements directly subordinate to it do not provide (at present and / or taking into account the forecast) the implementation of a set of necessary functions.

Principle 8 (Public Administration, Participation). Management of the social system in H&M aims to involve all stakeholders (society, public authorities, individuals and legal entities) in improving the functioning of the managed system and the management system itself.

Principle 9 (development). One of the control actions is a change in the control system itself (which, being induced from within, can be considered as self-development) [32].

Principle 10 (completeness and forecasting). The proposed set of control actions in H&M ensures the achievement of the set goals (completeness requirement) in an optimal (and/or acceptable) way, taking into account the possible reactions of the controlled system to certain control actions in predicted external conditions.

Principle 11 (regulation and resource provision of management activities). Management activity in H&M is regulated (standardized) and complies with the restrictions set by the metasystem (the system of the highest level of the hierarchy).

Principle 12 (feedback). For effective management, as a rule, information is needed about the state of the controlled system and the conditions for its operation, and the implementation of any control action and its consequences must be monitored and controlled by the subject of management.

Principle 13 (adequacy). The control system (its structure, complexity, functions, etc.) is adequate to the structure (respectively, complexities, functions, etc.) of the controlled system. The tasks facing the controlled system are adequate to its capabilities.

Principle 14 (Speediness). This principle requires that when managing in real time, the information necessary for making decisions arrives on time, that management decisions themselves are made and implemented promptly in

accordance with changes in the managed system and the external conditions of its functioning. In other words, the characteristic time for the development and implementation of management decisions should not exceed the characteristic time for changes in the controlled system.

Principle 15 (pre-imaging) - A complex adaptive system predicts possible changes in significant external parameters. Therefore, when developing control actions, it is necessary to provide for and prevent such changes.

Principle 16 (adaptability). If the principle of leading reflection expresses the need to predict the state of the controlled system and the corresponding actions of the governing body, then the principle of adaptability states that, firstly, when making management decisions, it is necessary to take into account the available information about the history of the functioning of the controlled system, and secondly, decisions once made (as well as the principles for their adoption) should be reviewed for a period in accordance with changes in the state of the managed system and the conditions for its operation [33].

Principle 17 (rational centralization) states that in any complex multi-level system there is a rational level of centralization of control, authority, responsibility, awareness, resources, etc. Rational centralization, among other things, implies an adequate decomposition and aggregation of goals, tasks, functions, resources, etc.

Principle 18 (Democratic Governance). It is sometimes referred to as the principle of anonymity. This principle, which has limited applicability, is to ensure equal conditions and opportunities for all participants in the H&M managed social system without any a priori discrimination in obtaining information, material, financial and other resources.

Principle 19 (consistency). This principle reflects the requirement that the control actions within the existing institutional constraints should be maximally consistent with the interests and preferences of the controlled entities.

Principle 20 (ethics, humanism) - when making management decisions, taking into account existing in society, organizations, etc. Ethical standards take precedence over other criteria.

It should be noted that the listed management principles are for the most part universal for H&M (with the exception, perhaps, of the principles of participation, democratic management, anonymity and consistency, which hardly make sense when managing technical systems). Applying the above researched principles will help H&M management to manage their staff more effectively.

2.2. Characteristics of global clothing as a factor influencing H&M activities

Today, the global fashion industry is formed under the influence of various external factors that affect its growth. Fashion trends are dictated by designers, advertising is created by marketers, well-known brands are promoted, and everything eventually forms a certain flow of information to the end consumer, who is directly a client of the fashion industry.

The global fashion industry grew by 18.1% at current prices in 2020-2021, to US\$1.71 billion in market value as of 2021.

For the period 2021-2022, there was an increase to 1.84 billion dollars, and in 2023 an increase of 1.95 billion dollars is planned, the dynamics is shown in more detail in Figure 2.1

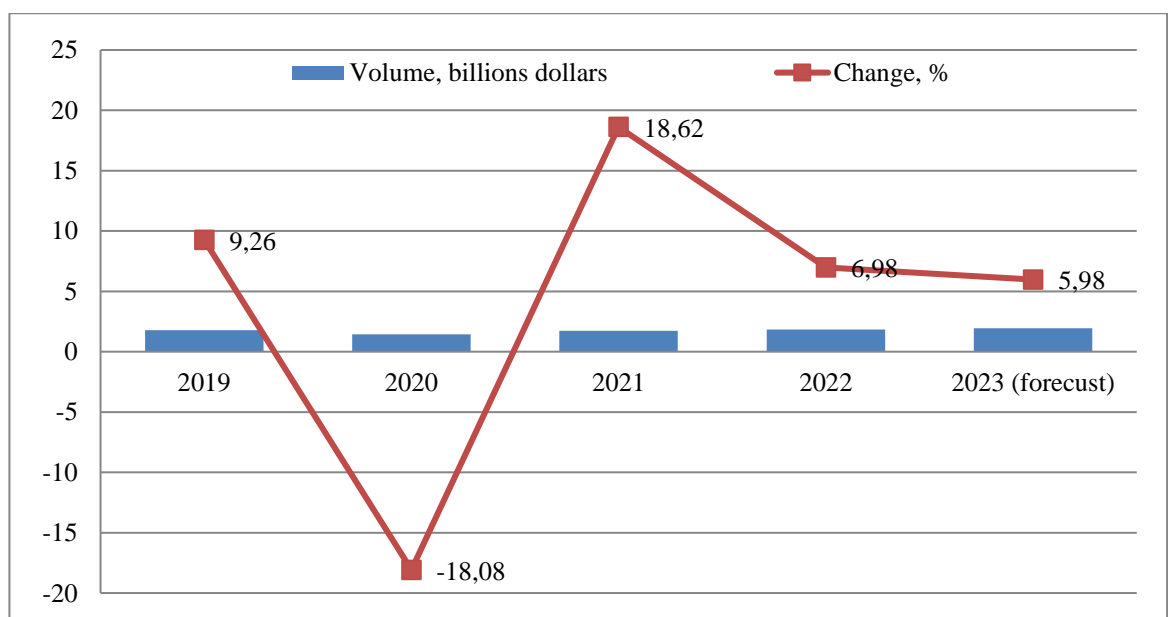


Figure 2.1 Growth dynamics of the global fashion market for the period 2019-2022

Source: [34]

Based on the analysis of Figure 2.1, it can be seen that the value of the global clothing market in 2019 was \$1.77 billion, which is 9.26% more than a year earlier. The compound annual growth rate of the market was 4.55% between 2019 and 2022.

It has been researched that the United States and China account for the majority of the world's demand for clothing, because these countries are the largest consumers of clothing, primarily because of the population and living standards. So, we propose to study the structure of the largest fashion industry markets as of 2021 (Fig. 2.2)

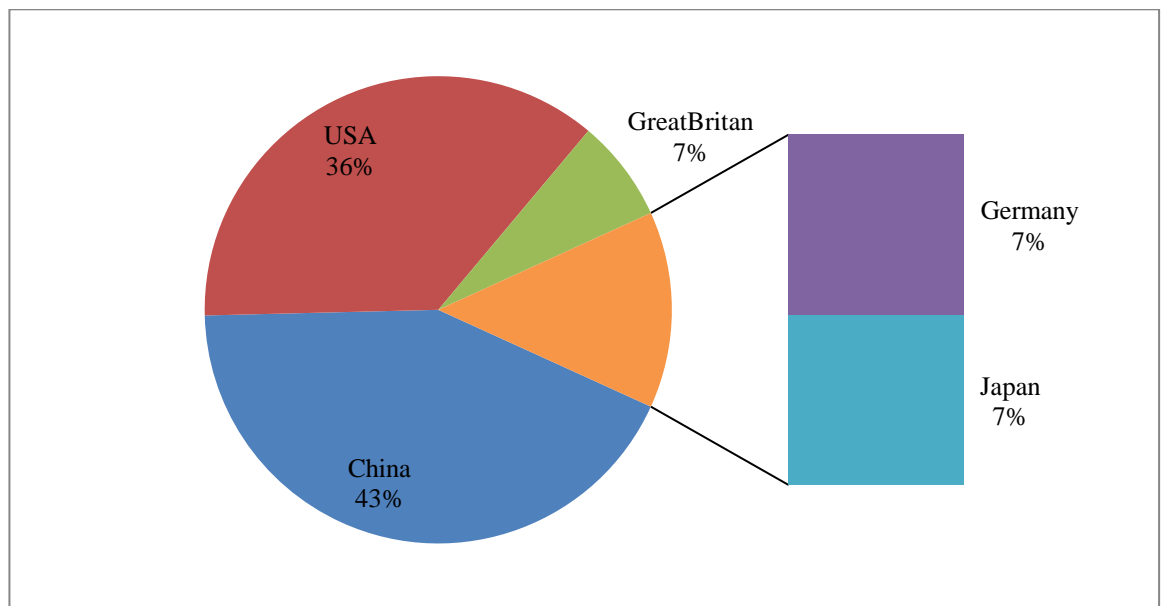


Figure 2.2 - The structure of the global fashion market as of 2021,%

Source: [34]

Here, analyzing Figure 2.2, we see that the share of China was 43%, and the United States 36%, therefore, in aggregate, these countries are monopolists in the clothing market with a total share of 79%.

The income generated from the women's clothing market is much higher than from the sale of men's or children's clothing. As of 2021, womenswear

accounted for more than half (53%) of global fashion retail spending, while menswear accounted for 31% and childrenswear 16%.

The Covid-19 pandemic impacted global industrial merchandise exports in 2020 with an annual percentage change of -5.2%, resulting in a 9.1% decrease in apparel sales.

The following are invited to explore the world's largest exporters and importers of clothing as of 2020 and the data are shown in tables 2.1 and 2.2. according.

Table 2.1

The largest clothing exporters in 2020

Countries	Export, billions dollars	Share in world export, %	Change, %
China	142	31,6	-7
EU countries	125	27,9	-8
Vietnam	29	6,4	-7
Bangladesh	28	6,3	-15
Türkiye	15	3,4	-6
India	13	2,9	-24
Malaysia	10	2,2	73
Great Britain	8	1,9	-7
Hong Kong, China	8	1,8	-33
Indonesia	8	1,7	-12

Source: [35]

As we can see, the largest exporter is China, whose export share in 2020 was 31.6%, followed by the EU countries with a share of 27.9%. As for the pace of change, it was extremely negative, as the Coronavirus pandemic had a negative impact on the purchase of clothing and its consumption, as it led to the closure of stores for a 2-month period.

It was studied that the largest importer of clothing in the world is the EU country with a share of 34.1%, the US accounts for 16.8% of world imports. Also, with shares of 5.3%, the third and fourth places are occupied by the UK and Japan. Both exports and clothing imports in 2020 were negatively affected by the Coronavirus pandemic, which led to a drop in its volumes, which averaged 7.8% for the countries studied.

Table 2.2

The largest clothing importers in 2020

Importers	Import, billions dollars	Share in world import, %	Change, %
EU countries	168	34,1	-7
USA	86	16,8	-14
Japan	82	5,3	-12
Continue table 2.2			
Great Britain	26	5,3	-1
Canada	10	2,1	-6
Korea, Republic	10	2	-12
China	9	1,9	6
Switzerland	8	1,6	4
Hong Kong, China	8	1,6	-31
Russia	8	1,6	-5

Source: [35]

To meet the needs of the large \$3 billion textile and clothing industry, new companies enter the market every day. Most of these companies remain obscure to the consumer audience, but the well-known individual brands that make up these global fashion companies are well known in the global fashion industry.

It is proposed to study the top global fashion companies in terms of capitalization as of 2021 (Fig. 2.3).

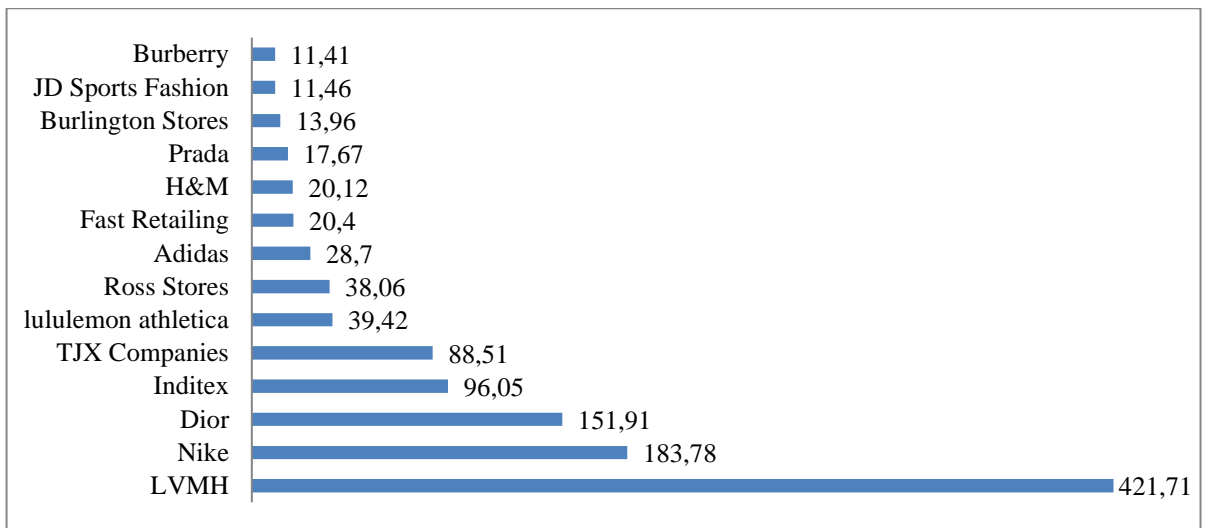


Figure 2.3 - Rating of fashion industry companies by capitalization as of 2022, mln.

Source: [36]

As of 2022, LVMH Group ranked first in the ranking of companies with the highest market capitalization - \$421 million. That's \$150 billion more than second-place Nike, with a market capitalization of \$183.78 million. Dior ranked third with a market capitalization of \$151.91 million, followed by Inditex with a market capitalization of \$96.05 million. These companies are key market players and main trendsetters.

Next, we examine the ranking of companies by the value of their brands (Fig. 2.4).

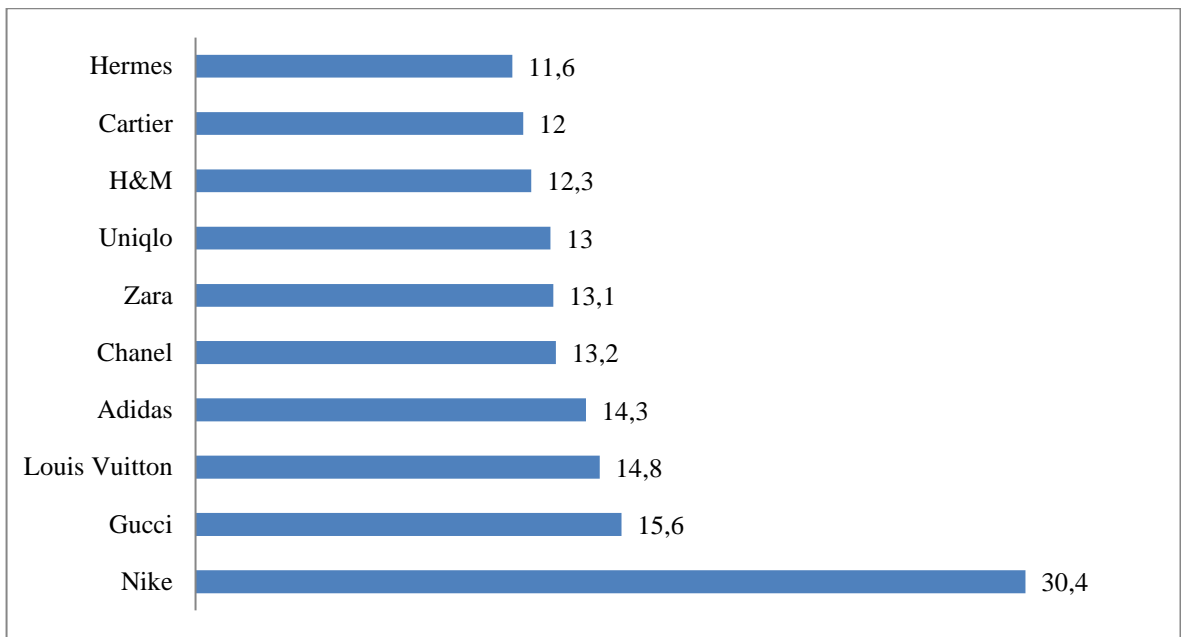


Figure 2.4 - Ranking of fashion industry companies by brand value as of 2020, mln.

Source: [37]

Sportswear giant Nike has been claiming the title of the world's "most valuable" clothing brand for seven years now. Nike is well ahead of second-placed Gucci, which has a brand value of \$15.6 million, down 12% from 2020. Notably, the total value of the world's top 50 luxury clothing brands has dropped 8% as the sector grapples with the effects of the Covid-19 pandemic.

The global apparel and textile market is fragmented and diverse, ranging from fabrics to ready-to-wear clothing from world-famous suppliers, and includes all types of retailers, even home textile stores. The main clothing manufacturers in the world are Christian Dior, Nike and Inditex.

Currently, there are four main trends in the fashion industry market (Fig. 2.5).

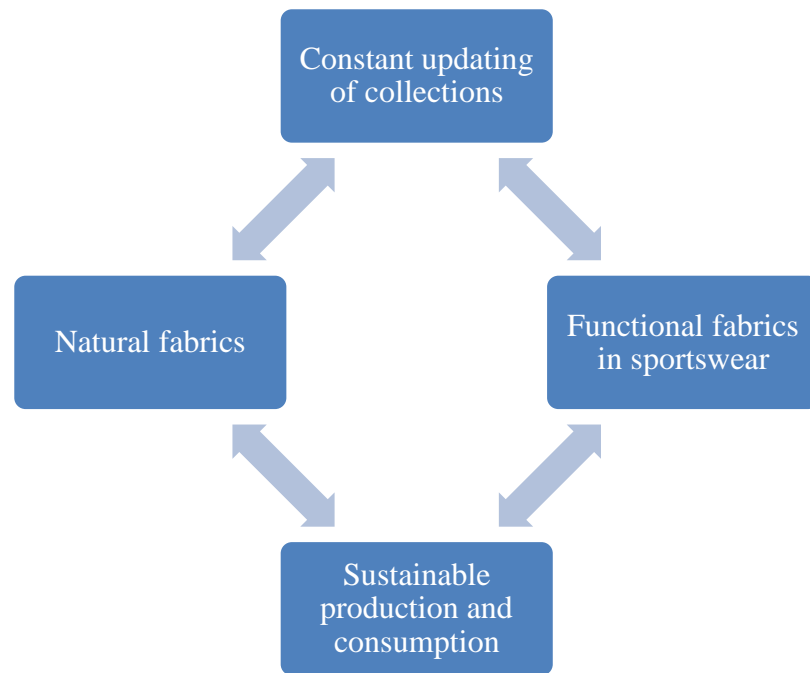


Figure 2.5 - Main trends in the fashion industry market

Source: Created by the author

Customers are increasingly demanding that street stores offer new looks and fashion for all categories of clothing: women's clothing, men's clothing, and even underwear and children's clothing. With the ever-evolving new trends in fashion shows, this trend is a significant challenge for clothing manufacturers.

Clothing companies must take advantage of improved computer-aided design and 3D printing technology to produce faster and more accurate prototypes. To reduce lead times, manufacturers must also strengthen and expand their supplier base and participate in collaborative sourcing plans. This will reduce supply dispersion and promote reliable and timely sourcing.

The market for high-tech or functional clothing is one of the fastest growing sectors in the apparel industry. It includes clothing that offers added performance for a specific function such as sports or work. Examples include antimicrobial fibers and fabrics for sporting goods, flame retardant or high tenacity fibers and moisture wicking fabrics, UV protective fibers and fabrics, and waterproof breathable fabrics. There is also an increase in the use of smart digital technologies in clothing and accessories, for example, to measure body functions.

Apparel manufacturers should invest in functional fabric technologies as this market offers higher margins than traditional clothing.

The textile and clothing industry is facing significant criticism for its environmental and ethical implications. Excessive use of water resources, chemicals and hard labor give the industry a bad reputation. To counter the criticism, manufacturers need to be more responsible and monitor factory working conditions, quality, anti-counterfeiting and waste recycling.

National governments are encouraging the development of domestically grown fiber production in order to reduce dependence on polyester materials. For example, the Indonesian government promotes the use of locally grown agricultural commodities such as silk and cotton. Fashion companies should take advantage of government incentives to produce high quality fabric at reasonable prices.

The production of clothing, footwear and accessories continues to cause significant damage to nature. These are pesticides and chemicals that enter the water when growing cotton, and then when dyeing fabrics, and emissions of harmful gases during the production of synthetics and the transportation of finished products. So, in 2015, this industry emitted 1.2 billion tons of greenhouse gases into the atmosphere - this is more than all the aircraft and ships in the world produced during the same period. The mass market accounts for one-fifth of the freshwater pollution on the planet.

The mass market is such a complex system that it is impossible to find simple and effective solutions for everyone. Of course, it would be nice if the giants of the mass market improved production conditions and thought more about the environment. They started doing it, but the process can be lengthy. You probably shouldn't expect quick positive changes. The only thing we can do now is take charge of our family's wardrobe.

2.3. Evaluation of the effectiveness of the company's policy in the field of sustainable development in accordance with the EU principles

One of the main principles of the EU is sustainable development, which H&M uses in its activities. The company is taking all necessary actions in order to adhere to sustainable development in both the production of clothing and its consumption.

The philosophy of H&M embodies the creation of quality clothing and its implementation at the best value. An invariable condition of H&M quality is that the products must be manufactured under the right conditions. The company is responsible for its actions to the environment and the population, so the company's team is working on the creation and implementation of numerous measures within the "ecological" fashion.

“Eco-clothing is produced in such a way that the level of harmful impact on the environment during its production is minimized. The idea of sustainability always covers the entire life cycle of products: from the supply of raw materials to the disposal of clothing.

H&M's commitment to product quality and safety begins at the design stage and continues throughout the manufacturing process. The product always undergoes a series of checks: product testing is carried out both in our own and in independent laboratories.

H&M is constantly working to improve its products and pays great attention to all stages of development - from material selection, versatility and durability to recycling. By updating quality and durability standards every year, the company strives to continually increase the life of its products. Further analysis is carried out on the basis of information that is freely available, in particular, information from the Sustainability Report [38].

As part of the Make Fashion Circular initiative, H&M and Weekday launched their first denim collections, made in accordance with the Ellen MacArthur Foundation's guidelines for redesigning jeans that are 100% recyclable and produced using a screened chemistry method of choice.

The H&M Group continues to expand its use of digital tools - such as 3D design software and virtual showrooms and stores - to streamline design processes.

These tools reduce the need to manufacture and transport physical samples, saving time and resources.

One of the main goals in this direction is to scale up the use of 3D software for design prototyping and testing optimization of pattern cutting for ARKET and Monki. Template cutting optimization has a huge potential for minimizing production waste.

The H&M Group continues to increase the share of more sustainable and recycled materials for all brands, even with the unpredictable changes caused by COVID-19.

As of 2020, only recycled cotton, organic cotton, or cotton sourced through the Better Cotton Initiative is shipped. In 2010, the company joined BCI to help make cotton production more socially and environmentally sustainable.

By the end of 2025, all wood used in product manufacturing and packaging will be made from Forest Stewardship Council (FSC) certified materials or fibers from alternative sources such as agricultural residues and post-consumer textiles. Forest Stewardship Council (FSC)

H&M launched the Conscious Exclusive collection using Circulose®, an MMC fiber made from recycled cotton waste. Building on this success, the H&M Group has agreed to a five-year partnership to increase the use of Circulose® across all of its own brands.

Weekday has also created a collection (launched February 2021) using Infinna™, an MMC fiber made from recycled cotton waste.

By 2025, the company plans to source MMC fibers only from recycled or FSC-certified sources, as well as agricultural residues. Through the CanopyStyle initiative, the company is partnering with the NGO Canopy and nearly 200 brands to control the origin of raw materials and prevent them from disappearing forests.

By 2025, they plan to source wool and cashmere only from farms with Responsible Wool Standard (RWS) and Good Cashmere Standard (GCS) certification, respectively, otherwise they will replace wool with other resistant, non-animal fibers. Since 2016, they have been using all virgin down in their products

from Responsible Down Standard (RDS) certified farms. Starting in 2020, only mohair certified according to the Responsible Mohair Standard (RMS) is supplied.

By 2025, all genuine leather will be free of chromium. Key tanneries are carefully monitored through a supplier evaluation program. Since 2019, leather from Brazil has not been used due to the high risk of indirectly contributing to the clearing of the Amazon rainforest.

Taking into account all stages of the leather product chain, the company is actively looking for alternatives such as bio-based materials. For example, & Other Stories launched VEGEA semi-vegetal leather sandals during 2020.

The H&M Group's goal is to use 30% of its materials from recycled sources by 2025. Management believes the collaboration is key to accelerating the use of recycled materials within the H&M Group and in general [39].

H&M uses 100% recycled polyester in its spring and fall collections.

The H&M Group is actively using new materials for the production of its products, including:

- MadeofAir: New plastic material tested, partly made from bio-waste, designed to combat climate change (trademark H&M).
- Naia Renew: an acetate fiber made partly from waste plastic (H&M created the world's first collection using this fiber).
- Texloop RCOTTM: recycled cotton from textile waste (trademark ARKET and H&M).
- Agraloop BiofibreTM: a natural fiber made from low cost agricultural waste (H&M created the world's first collection using this fiber).
- Renu polyesterTM: recycled polyester fiber made from textile waste (trademark H&M).

Launch of the Monki collection using results from the Green Machine, the world's first machine developed by HKRITA and the H&M Foundation that can process mixed fiber textiles.

In 2020, the H&M Group achieved 64.5% recycled and sustainable materials, up from 57.1% in 2019. According to the Textile Exchange's 2019 Material Change

Insights Report, H&M Group is one of the top 16 companies out of 173 analyzed. Leads the use of organic cotton, MMC fibers and RDS certified down, and continues to be one of the world's largest producers of recycled cotton, wool, nylon and lyocell. Ranked third in the 2020 Sustainable Cotton Ranking.

The H&M Group pays a lot of attention to the issue of water conservation, realizing that water is an integral resource at every stage of production. In 2011, cooperation with the World Fund Organization begins, with the issue of water being the main one.

As of today, the H&M Group has exceeded its 2022 target with 17.6% recycled water. This was made possible by the high level of recycling in countries such as India, China and Indonesia. After a successful pilot study, we partnered with 19 suppliers in Bangladesh to recycle indoor water for washing denim. The study enabled wastewater treatment plant recycling facilities to discharge wastewater with minimal post-treatment while reducing freshwater consumption.

The H&M Group has been recognized as one of the most water-conscious in production and has achieved a B rating (CDP) of the measures taken. Suppliers supported an 8.5% reduction in production water consumption compared to the 2017 baseline. Pandemic COVID-

19 resulted in plant closures and capacity issues for many of our suppliers in 2020. This has forced the facilities to operate with lower capacity equipment but the same water consumption, affecting progress in water efficiency. 39% of the facilities in the H&M Group's supply chain have implemented a rainwater harvesting system where possible. The goal is to increase this value to 50% by 2022, while exploring options to maximize the use of rainwater in production. Water-efficient equipment was installed at 85% of own stores.

H&M is an embodiment of the principles of the EU, because it is based on the respect of nature and the efficient use of resources. Ukraine after the attitude of its economy H&M operating principles will be a good start for the sustainable development of the economy.

Chapter 3. Prospects for the development of H&M in the Ukrainian market in the context of European integration

3.1. Prospects for the development of the Ukrainian clothing market

Leading textile exporters worldwide are ranked based on statistics reported by the World Trade Organization (WTO) and other acting bodies. The most recent review presented by the World Trade Organization - WTO as the World Trade Statistical Review in 2019 shows that the value of global textile exports in US dollars was \$492 billion in 2017 and was 2.8% less than its value in 2019 year. year, which amounted to 479 billion dollars. For these two years in a row, textile exports showed a negative growth in the total margin. After the financial crisis in 2009, the decline in textile exports was first observed in 2015. The WTO explained this negative growth by stating that declining oil prices and slowing economic activity across countries are the mobility factors behind this vague negative trend (see Figure 3.1 and 3.2).

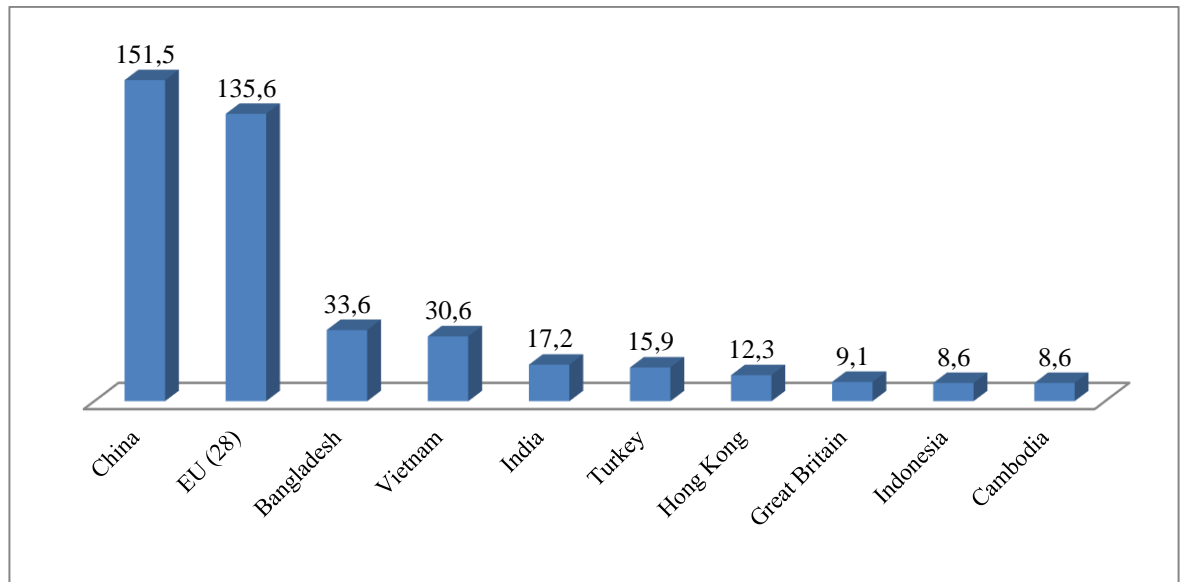


Figure 3.1 - TOP-10 countries of the largest exporters in the world (commodity groups 61 and 62), billion dollars USA

Source: made by the author based on the analysis of the source [40]

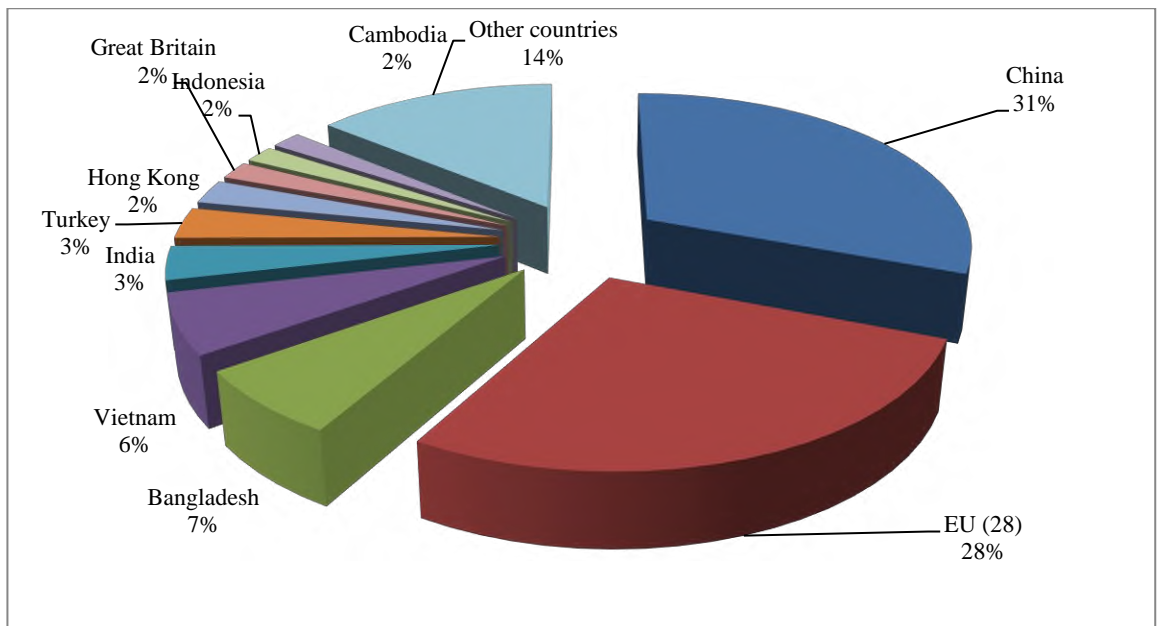


Figure 2.9 - Structure of world exporters of clothes, %

Source: made by the author based on the analysis of the source [40]

The structure of global clothing exports reflects the changing strategies of fashion companies to reduce supplies from China. China, the European Union (EU-28), Bangladesh and Vietnam consistently remained in the top four global apparel exporters in 2021. Overall, these four largest apparel exporters accounted for up to 71.4% of the global market share in 2021.

China exports less clothes and textiles to the world. Notably, China's market share of global apparel exports fell from a peak of 38.8% in 2014 to a record low of 31% in 2019 (31.3% in 2018).

Although apparel exports from Vietnam (up 7.7%) and Bangladesh (up 2.1%) showed strong growth in absolute terms in 2019, their market share growth was quite limited (i.e. without changes for Viet Nam and slightly increased by 0.3 percentage points from 6.8% to 6.5% for Bangladesh). This result shows that due to limited capacity, no country has yet emerged to become the "next China". Instead, China's lost market parts in clothing exports have been completely filled by a group of Asian countries.

Despite the current uncertainty in trade, the fashion industry continues its clear course towards globalization. In 2005, the ten largest clothing importers accounted for 90.8% of total purchases; in 2019, its share fell to 71.3% [40].

The share of the top 10 apparel importers on the planet has declined even though they have continued to increase their imports (see Figures 3.3 and 3.4).

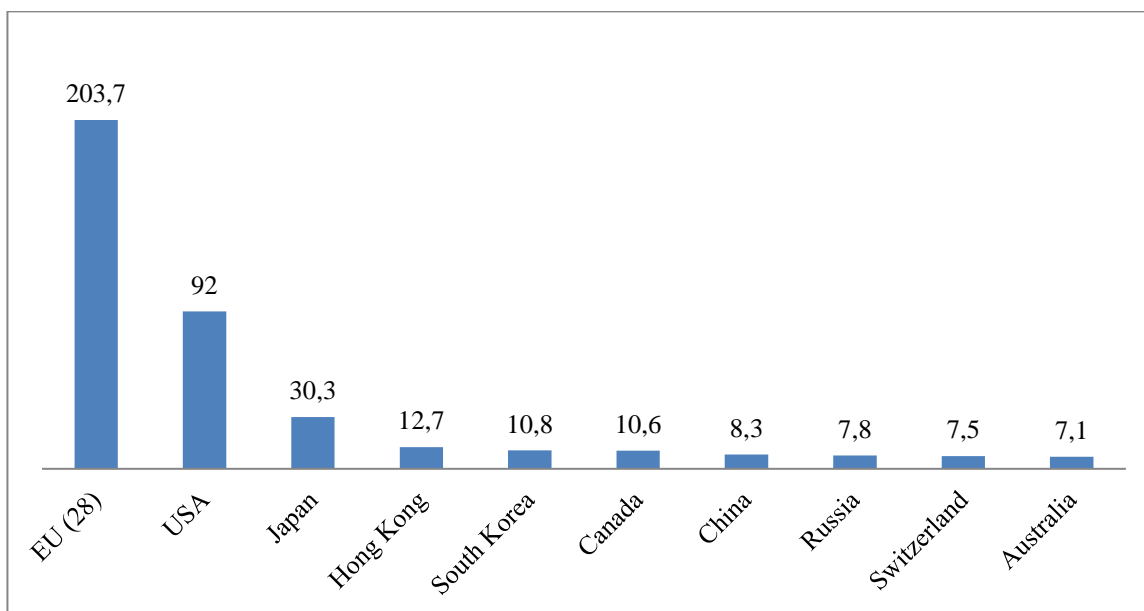


Figure 3.3 - TOP-10 countries of the clothes largest importers in the world, bln. USA

Source: made by the author based on the analysis of the source [4]

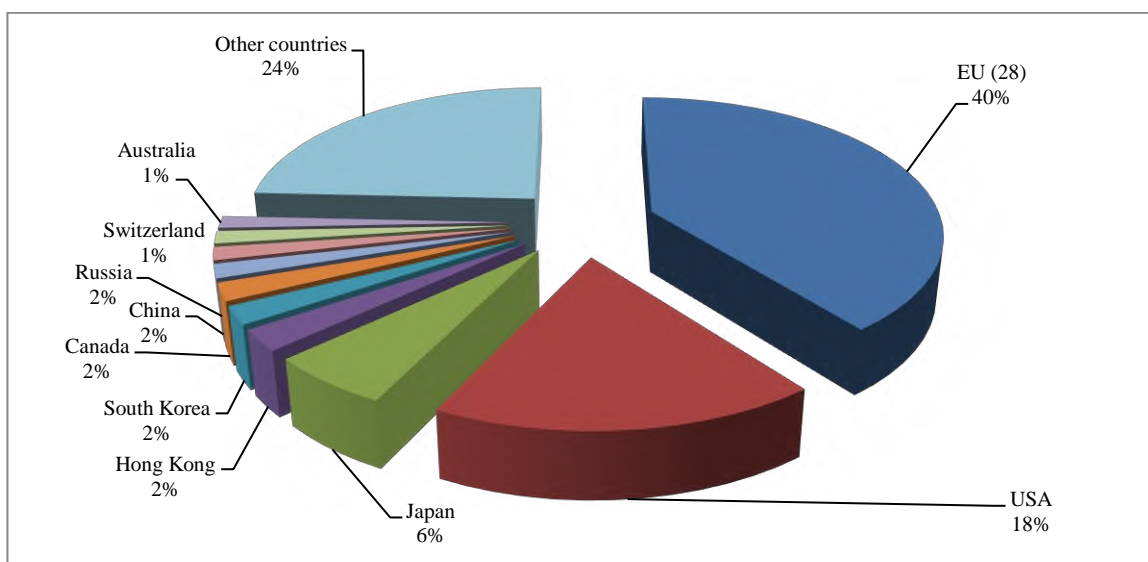


Figure 3.4 - Structure of world importers of the clothes%

Source: made by the author based on the analysis of the source [40]

Europe continues to be the biggest buyer of apparel after a 3% increase in imports in 2021 to \$204 billion. The United States, the world's second largest apparel importer, increased its purchases by 1% last year to \$92 billion. Closes the top three favorites Japan. Last year, he increased clothing imports by 8% to \$30 billion.

Despite continued growth in imports, Europe has reduced its global share from 47.3% in 2005 to 40% in 2019; At the same time, it increased from 28.7% to 18% in the USA, and from 8.1% to 6% in Japan.

In addition to major global buyers, South Korea, China and Switzerland were the countries that increased their imports the most in 2019, registering double-digit growth. South Korea, ranked fifth in this classification, increased its purchases by 16% last year to \$11 billion, the same as Canada's.

So, analyzing the situation in the global clothing market, we see that its growth is slowing down due to the volatility of fashion. H&M needs to think about producing more sustainable collections, as is becoming popular these days, which could increase demand for the company's clothing and increase its productivity.

Let's analyze the import activities of the enterprise for 2018-2020. (Fig. 3.5).

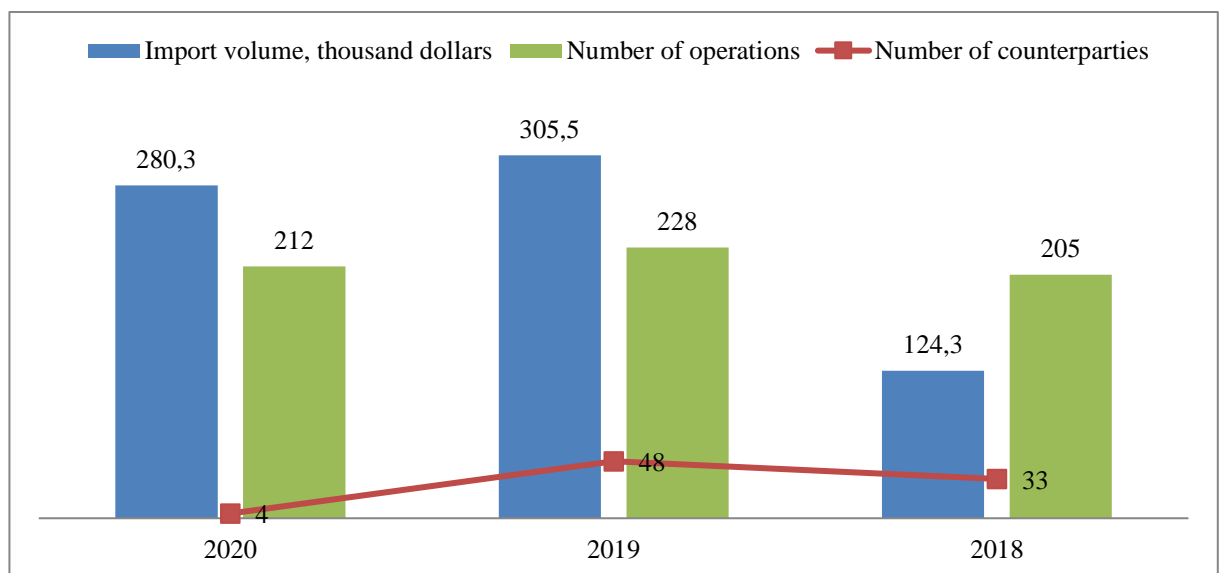


Figure 3.5 - Dynamics of import activity at H&M for the period 2018-2020

Source: [33]

The subject of H&M's foreign economic activity is the import of finished products (clothes, shoes). At the present stage of development, H&M has established

cooperation with about 10 foreign partners. Foreign economic activity of H&M is focused on imports; the company sells finished imported products to the territory of Ukraine by reselling them in physical stores in the country. The main basic conditions for the delivery of imports of goods used by H&M and partners from abroad are DAP, using mainly road transport.

As can be seen from the table, the most import operations were carried out in 2019 in the amount of 305.10 thousand US dollars with the largest number of counterparties - 48, and in 2020 it was carried out by 9.09% less compared to 2019 - 280.3 thousand dollars . United States, and the number of counterparties has significantly decreased to the number - 4.

Let's analyze the geography of imports to H&M. We see that by the time of 2020 the number of countries is not large. Spain occupies the main percentage, followed by the Netherlands and other European countries. (Figure 3.6)

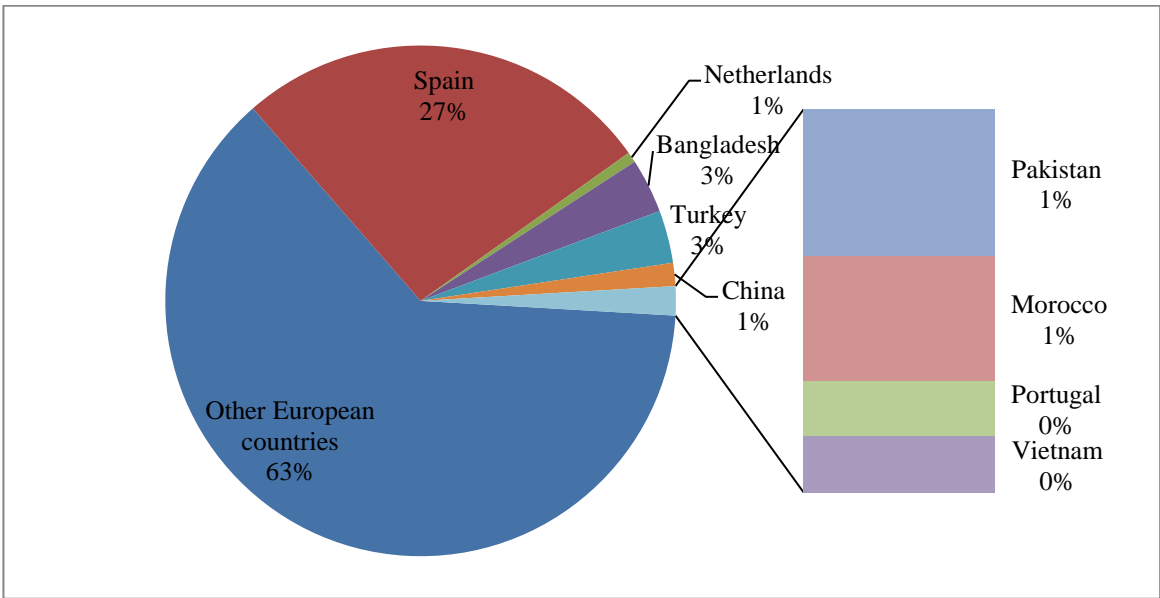


Figure 3.6 – Geographic structure of H&M import for 2020, %

In the final analysis of H&M's foreign economic activity, we propose to analyze the company's import profitability, which best characterizes the feasibility of an import operation and the profitability of the import of goods itself. The H&M company is one of the largest mass market companies not only in Ukraine, but throughout Europe and imports goods from different countries, it is the profitability

analysis that is the main indicator of the effectiveness of the company's foreign economic activity as a whole (see Fig. 3.7)

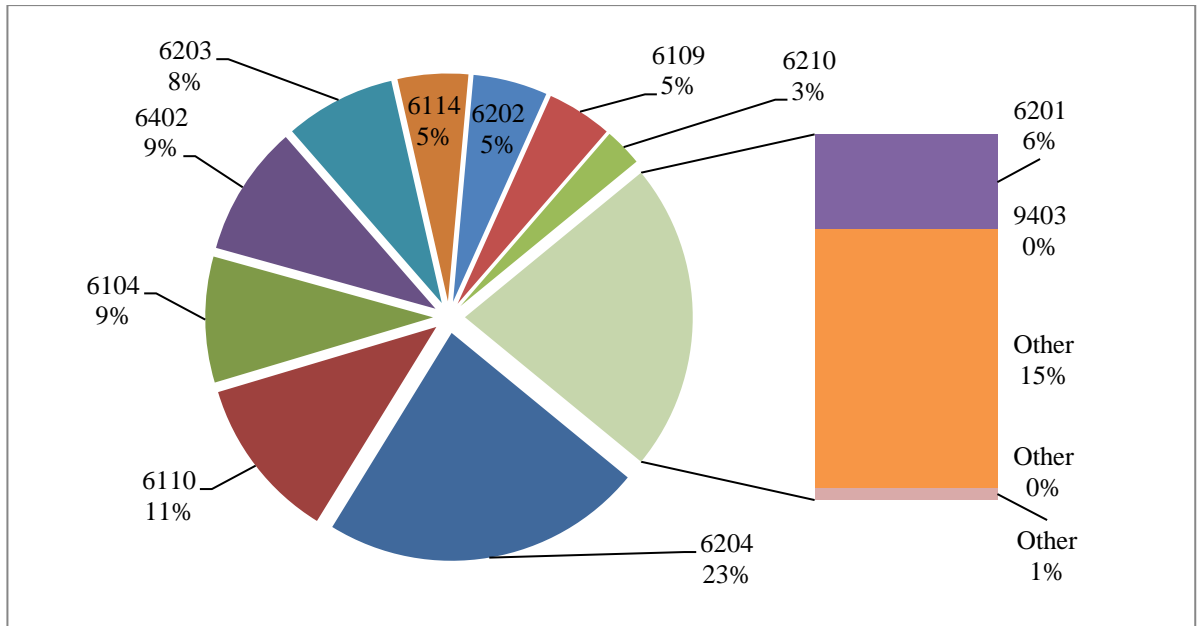


Figure 3.7 – Category structure of H&M import for 2020, %

Source [33]

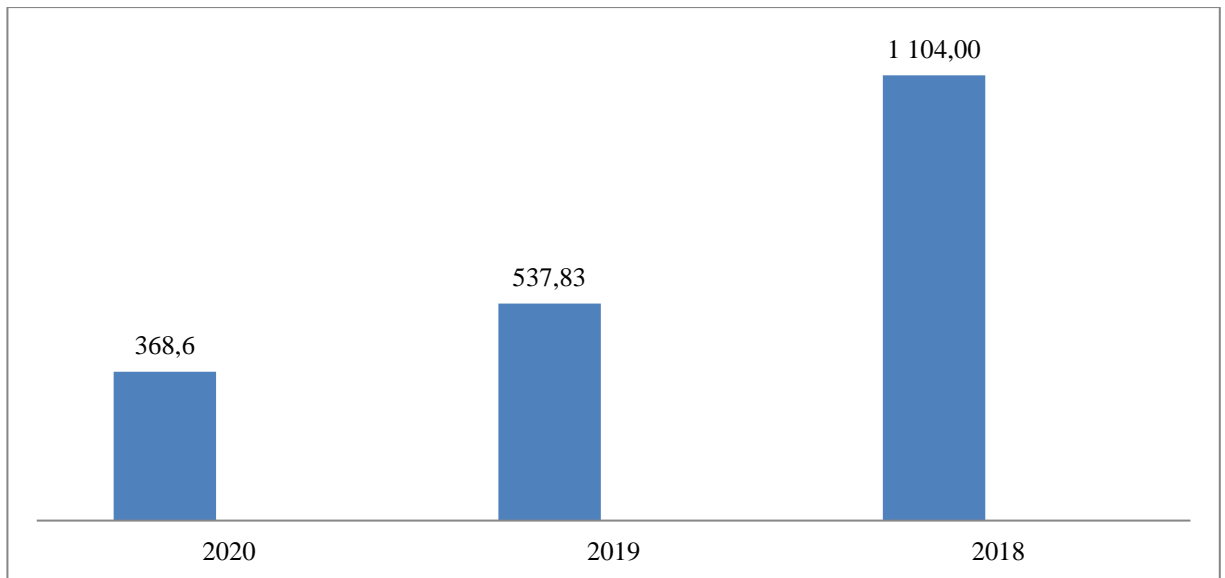


Figure 3.8 – Dynamic of import profitability of H&M for the period 2018-2020, %

Source [33]

The dynamics of the profitability of imports of the H&M showed that, due to the lowest cost of imports in 2018, the profitability reached such a figure as 1104%. Meanwhile, in 2019, it fell by 566.17% due to an increase in the cost of imported

goods, as there was a certain revaluation of goods and a change in the company's pricing policy. In turn, in 2020 it decreased by another 163.23%, the reason for this was the pandemic and the decrease in circulation and sales of production.

After calculating the profitability and overall foreign economic activity of the H&M, it is possible to conclude that its foreign economic activity is conducted effectively. The presence of a large number of counterparties, volumes of imported products indicate active import activity. But, taking into account the sharp decline in profitability in 2020, the reduction of contractors, we assume that this could have happened due to the introduction of quarantine throughout the world, and not only in Ukraine.

Since the establishment of the FTA with the EU, the following changes have taken place for H&M:

- 1) Gradual reduction of import duties and customs duties to EU countries
- 2) Tariff quotas were established for agricultural and food products, providing for duty-free export within the specified volume
- 3) Duty-free tariff quotas were established for pork, poultry and sugar products.

According to the study, we have identified the following benefits from the creation of a free trade area with the EU for H&M (Figure 3.3.)

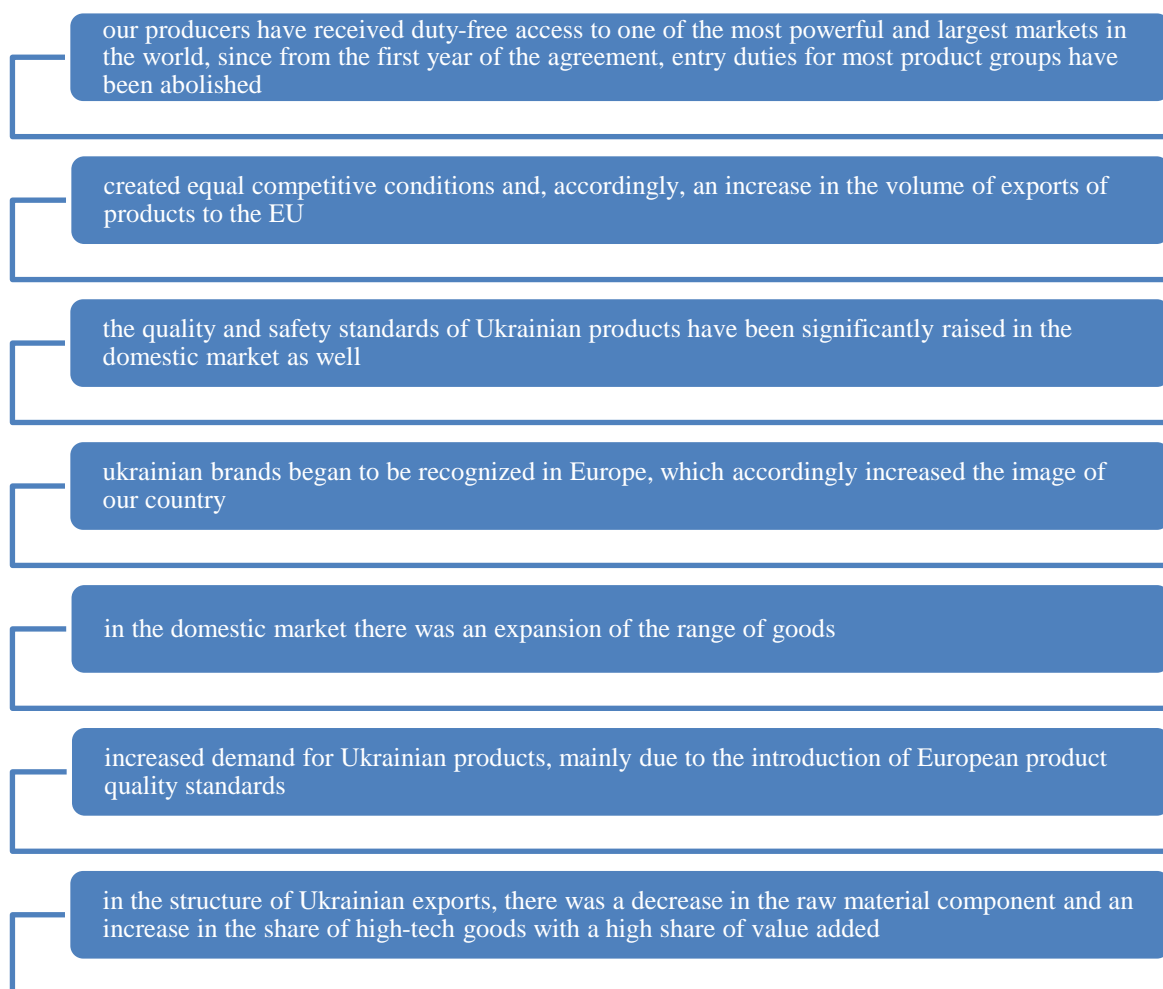


Figure 3.8 – Benefits for H&M from the creation of a free trade area between EU and Ukraine

Source: Made by author

Since today the Ukrainian market noticeably sags, exports, on the contrary, are growing. The key advantage of working with European clients is stability and openness, which will allow the Ukrainian company to ensure uninterrupted work and constant wages for employees.

3.2. Development of an effective system for the development of H&M regarding the strategy of sustainable production as a key principle of the EU

It can be noted that in recent years Ukraine has made significant progress in bringing national environmental legislation closer to EU standards. To implement the principle of integration of environmental problems, specific strategies and concepts have been developed. A number of documents aimed at implementing the principles of sustainable development have been adopted: the Sustainable Development Strategy "Ukraine - 2020", the Concept of balanced (sustainable) development of agroecosystems of Ukraine for the period up to 2025, the Energy Strategy of Ukraine until 2030 and so on.

A striking example of a company that adheres to the goals of sustainable development is H&M [41].

H&M CSR considers its priorities to be:

- Fulfillment of obligations for the protection of atmospheric air and climate protection by investing in the development of renewable energy and reducing the carbon footprint of thermal generation.
 - Compliance with the principles of the circular economy, including the use of industrial waste.
 - Protection of biodiversity and work on the conservation of ecosystems.
- Compliance with high social standards.
- Ensuring safe working conditions and a holistic healthcare system for employees.
 - Compliance with the best practices of corporate governance, risk management and compliance.

Accordingly, the company's management identifies five key sustainable development goals in its activities:

- Goal #3 Good health and well-being;

- Goal #8 Decent work and economic growth;
- Goal No. 9 Industrialization, innovation and infrastructure;
- Goal #11 Sustainable cities and communities;
- Goal #17 Partnership for sustainable development.

H&M ranked seventh in the Corporate Sustainability Index and fifth in the Transparency Index. It was founded in 2005 to efficiently manage the energy assets of the SCM Group, bringing together disparate loss-making enterprises that were previously state-owned into a single system. H&M positions itself as a "Ukrainian dynamically developing company striving for leadership in the European energy markets", whose success is based on people, efficiency and advanced technologies.

In total, the company claims to follow the 12 UN Sustainable Development Goals, which, in its opinion, are the most critical in the daily activities of the enterprise (Table 3.1).

Table 3.1

H&M's work to achieve the UN Sustainable Development Goals

UN Sustainable Development Goals	Commitments made at the level of the company's ESG strategy
Goal #3 Good health and well-being	The H&M Group pays great attention to healthcare issues, ensuring that all employees have access to timely and high-quality medical care.
Goal #4 Quality Education	The H&M Group supports a number of projects aimed at increasing access to education. Educational programs for external and internal stakeholders are being implemented.
Goal #5 Gender equality	The H&M Group provides a level playing field for all employees to reach their full potential and promotes career development regardless of gender.
Goal #6 Clean water and sanitation	The H&M Group is committed to the optimal and efficient use of water in all of its own production facilities. Current or future projects are aimed at improving water management to ensure optimal water consumption on an ongoing basis.
Goal #7 Affordable and clean energy	To support the ecological balance, the H&M Group systematically modernizes its plants in order to ensure production reliability and compliance with European environmental standards. H&M Group develops new business lines to reduce environmental impact
Goal #8 Decent work and economic growth	The H&M Group promotes full employment and decent work for all employees, creating a safe and secure working environment.
Continue table 3.1	

Goal #9 Industrialization, innovation and infrastructure	The H&M Group implements social partnership programs to ensure sustainable development. The programs have five main areas: energy efficiency in the public sector, healthcare, development of socially significant infrastructure, support for the business environment, etc.
Goal #11 Sustainable cities and communities	The H&M Group creates sustainable social partnerships with communities and local authorities in the regions of operation with the aim of improving the quality of life in these cities. The H&M Group raises the level of energy efficiency education and promotes responsible consumption.
Goal #12 Responsible consumption and production	The H&M Group is working to implement circular economy approaches to recycle large amounts of industrial waste.
Goal #13 Combat climate change	The H&M Group makes significant efforts to minimize the negative impact on the environment at all stages of the production process.
Goal #15 Preserve the terrestrial ecosystem	The H&M Group's environmental activities are focused on preventing and minimizing negative impacts on biodiversity and the environment. H&M businesses plant trees and reclaim areas with a focus on protecting biodiversity and ecosystems.
Goal #17 Partnership for sustainable development	The H&M Group develops partnerships with international organizations - donors, state funds for the implementation of joint sustainable development projects in the areas of operation. H&M is a member of the UN Global Compact and produces an annual report.

Source: [42, 43]

Sustainable business development is possible only in a socially favorable environment. For its part, society quite understandably requires businesses to adhere to universal human values (environmental protection, legal forms of ownership, positive economic and social impact of enterprises, etc.), and not to stay away from complex issues. Stakeholders - groups of society with which a business organization interacts directly or indirectly, form these needs and are increasingly active in establishing channels of communication and cooperation with business.

For a successful and effective CSR policy, it is important for us to identify priority stakeholders and influence groups for H&M, clarify their expectations and propose effective forms of interaction ranging from dialogue to possible joint actions and programs. A list of H&M's key stakeholders is shown in Table 3.2.

Table 3.2

Characteristics of H&M stakeholders

Shareholders and investors	Have a direct stake in H&M's long-term and sustainable value growth, its proven ability to manage and mitigate risk, and the integrity and integrity of corporate governance principles and practices.
State bodies and local governments	We are interested in the completeness and stimulating nature of taxation, an adequate role of H&M in the implementation of priority strategies for economic, social and cultural development at the national and regional levels, the introduction of business approaches and modern management technologies in the social sphere.
Consumers	Interested in both products, improvement of legal mechanisms for protecting their own rights, investment growth and innovation.
Employees	Expect full compliance with legislative norms on labor relations, the provisions of individual and collective labor agreements; respect by management for individual rights and human dignity; H&M's daily concern for minimizing the harmful effects of production on health and the environment; targeted assistance in improving their qualifications and the direct impact of business success on wages and the size / nature of the social package.
Business partners	We are interested in the widest possible application of the principles of transparency, impartiality and fairness, observance of moral standards supported by legal acts and codes of corporate ethics.
Non-Governmental and Civil Society Organizations	Interested in adequately and timely informing the company about the expectations and concerns of local communities, increasing the transparency and efficiency of public authorities and local governments, ensuring the independence of civil society groups and increasing their expert potential. Because of the importance of the full range of environmental issues we face, H&M singles out environmental NGOs as a separate stakeholder group. We need to start and develop an expanded dialogue with them, which will allow us to develop a set and sequence of actions to gradually bring the company's environmental policy and practice to the level of relevant international standards.

The development of a structured dialogue and effective interaction with stakeholders based on a balance of interests is carried out subject to certain conditions and restrictions: stakeholders must also be aware of their responsibility

to society and observe the principles of ethics in relations with business and among themselves [44].

In accordance with generally accepted principles of the CSR, H&M is outside of politics and outside of religion. The political preferences and religious beliefs of employees are their own business, but the company itself refrains from participating in political life and in no case interferes in religious matters.

The H&M Corporate Center is responsible for preparing recommendations for the development of the CSR policy and the implementation of the CSR Strategy; decisions in certain areas and aspects of the CSR are the responsibility of the companies of the H&M Group. The companies of the H&M Group are also responsible for the feasibility of how to implement the principles set out in the Policy, which is a policy document [45].

The H&M Corporate Center and H&M Group companies must comply with the Policy when planning. The allocation and approval of the funds necessary for the implementation of this Policy is carried out in accordance with the planning processes established in H&M and in the enterprises of the H&M Group

Compliance with this policy is the responsibility of every H&M employee, regardless of position. No H&M employee or manager is authorized to take or approve any action contrary to this Policy.

H&M leaders at all levels should set an example of law-abiding and ethical behavior, lead and actively support the implementation and implementation of this Policy [46].

H&M is one of the first companies to start implementing the Sustainable Development Goals in its production, thereby not only enhancing its image in the international arena, but also improving the ecology of our country.

3.3. Principles of EU cooperation with Ukraine in the post-war economic recovery

The achievement of the Marshall Plan is to make Ukraine even more prosperous than it was before the war. As the authors of the Marshall Plan write, “The basis of Ukraine’s success is the radical modernization of the country,” and in order to achieve this, six principles must be followed [56] (see Fig. 3.9)



Figure 3.9 - The main principles of the Marshall Plan for the restoration and reconstruction of Ukraine

Source [56]

Physically rebuilding what Putin destroyed would require waiting for his war to end, but other aspects of reconstruction are not needed. For example, an inventory can be drawn up, contracts with suppliers signed. With the right support, enterprises that were forced to leave the occupied territories can continue to operate in a safe part of Ukraine. All this can be a trial practice for larger projects.

If the basic rules of the Marshall Plan are followed, its implementation will kill two birds with one stone: prepare Ukraine for membership and solve its pre-existing governance problems. It will also benefit the economy: the prospect of

settling investment disputes within the EU legal framework should attract more risk capital.

In our opinion, the plan is right, as it calls for a completely green transport infrastructure, housing rebuilt to high standards of efficiency, and redesigning Ukraine's ruined cities for a zero-carbon economy.

Following the plotted plan, Ukraine may even surpass the EU. It can manage the capital inflows associated with reconstruction in order to have a predominantly equity-based financial market and avoid overdependence on banks. The plan rightly supports open contracting for renovations; similar transparency should be adopted for property registries and (as in the Scandinavian countries) taxation.

The plan puts the reconstruction costs at 200-500 billion euros, but the EU, which should bear the bulk, should not see this as a cost. Companies with the EU will enter into contracts for infrastructure, housing, transport and more, but transfer skills and technologies to Ukrainians.

In addition, it is an investment in the values of Europe and its security. This will bring 44 million people into the fold of liberal democracy and the social market economy, a historic achievement that rivals the reunification of the continent after the Cold War and the Marshall Plan itself.

The tacit goal of the modern Marshall Plan is to protect the European countries from the imperialist dictator in the Kremlin. It is through the joint actions of the EU countries and the rest of the world that Ukraine will win this war, and moreover, the renewed economy of our state will have to be so strong that not only all emigrants will return to Ukraine, but also the EU countries will be proud that Ukraine is a member of the Union .

It is important not to give Ukraine any intermediate option for EU integration, since this only happened when the citizens of the countries voted against EU accession, and the Ukrainian public, according to polls, wants full membership. It is important to constantly emphasize in the EU institutions and countries' societies that this is not the first Russian aggression against Ukraine. The first war began in 2014, when the Ukrainian people gave their government a mandate to sign an association

agreement and a more comprehensive free trade agreement with the EU. Then Ukraine has already chosen the European path. It is worrying that so far the big political statements have been focused on practical actions. The human cost of such a decision should also be considered. Every day, as a result of this decision, the population of Ukraine is dying, and this fact should also be used as an argument. The case with Ukraine is exceptional, and in this situation we are trying to avoid unnecessary bureaucracy, which can cost thousands of lives. Some lives are taken away by hunger because the enemy does not allow the delivery of food and water to certain areas.

The status of a candidate does not necessarily give guarantees, and, in the opinion of some experts, follow a step-by-step approach to reach a consensus among the other member powers. Moreover, the country can mother the status of a rich fate without any further actions, which is shown in the prevailing precedents in other countries. That is why it is necessary to make Ukraine a “de facto candidate”, irrespective of its legal status, in such a rank, it is possible to oppose Ukraine’s membership in the EU. Importantly, there are three priorities for the middle-line period before joining the EC: admission of Ukraine to the single market of the EC (that is, the admission of Ukraine to the European Economic Zone or the creation of minds for the European Economic Zone); creation of an integrated energy partnership; increasing resilience to cyber threats, critical infrastructure, readiness to manage risks is too thin. It is important to encourage that you can demonstrate leadership, but not to take action. After the war in Ukraine, it will be easier to reform, lower earlier, to that the people, and the political leaders have already shown that they can achieve great changes.

It is important that Ukraine felt that it should be put up as a possible member of the EU. Ukraine chooses its own life, as it is necessary for the security of the EU. As if Ukraine is not alive, the security of the split is to lean on food. Wanting, in the opinion of experts, among the country-members of the EU to establish the identity of the entrants before looking at the application of Ukraine for membership, there is

a good idea that it is necessary to work a little further away from it directly support for expedited procedures.

In our opinion, Ukraine already deserved membership in the EU, going along the path of blood paving and human expenses, and fighting for the security of not only Europe, but the whole world, we would call ourselves not a candidate for membership, but a full member of the European family.

Ukraine needs hundreds more billions of dollars to reconstruct the destroyed infrastructure, however, the EU support mechanism has already been launched and the entire world community, together with the Ukrainians, sincerely believes and hopes that the EU will be able to implement its plan to restore Ukraine and, after winning the war, help our country as quickly as possible rebuild their infrastructure and raise the economy.

CONCLUSION

In the course of writing the term paper, a comprehensive analysis of the European integration policy of Ukraine was carried out and the main prospects for its integration against the backdrop of current events were identified.

In the first chapter, we studied the theoretical and methodological principles of the European integration policy of Ukraine. We found that the path to European integration is a complex, long-term process that involves significant internal transformations in the country, in accordance with the principles, standards and values adopted by the integration community, which accelerates the development of European countries in the economic, political, social, cultural spheres, achieves both external and internal goals of the state and its importance in the international arena is growing. The European integration policy of Ukraine is considered as a complex activity of the state to determine the ways of Ukraine's integration into the EU, to solve the problems that arise in the implementation of this course and to promote the consistent development of the Ukrainian state in the direction of European integration.

Having studied the legal, institutional and organizational support for the implementation of the European integration policy, we determined that in Ukraine there is a fairly extensive system of authorities implementing this policy. However, an appropriate coordinating body has not yet been created, which would deal with the solution of the main strategic European integration tasks, and there is no effective mechanism for the process of implementing the adopted legislative acts.

H&M is a company based on solid foundations, its business concept - "Fashionable and quality clothes at the best price" - is articulated as clearly as the values based on respect for each person and including a strong belief in our people.

Summing up, we note that H&M is one of the leaders in the market for the production of men's suits in Ukraine. Analysis of general economic indicators of the economic activity of the enterprise for the period 2019-2021 showed the dynamic development of society, as evidenced by the expansion of production capacities, the

increase in production and sales, the active renewal of the product range and the improvement of its quality.

It should be noted that the listed management principles are for the most part universal for H&M (with the exception, perhaps, of the principles of participation, democratic management, anonymity and consistency, which hardly make sense when managing technical systems). Applying the above researched principles will help H&M management to manage their staff more effectively.

The mass market is such a complex system that it is impossible to find simple and effective solutions for everyone. Of course, it would be nice if the giants of the mass market improved production conditions and thought more about the environment. They started doing it, but the process can be lengthy. You probably shouldn't expect quick positive changes. The only thing we can do now is take charge of our family's wardrobe.

H&M is an embodiment of the principles of the EU, because it is based on the respect of nature and the efficient use of resources. Ukraine after the attitude of its economy H&M operating principles will be a good start for the sustainable development of the economy.

H&M is one of the first companies to start implementing the Sustainable Development Goals in its production, thereby not only enhancing its image in the international arena, but also improving the ecology of our country.

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