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Ukrainian-American Concordia University
Department of International Economic Relations, Business & Management

Bachelor's Qualification Work

INTERNATIONAL ECONOMIC ASSISTANCE
(on the basis of LLC “CLARS”)

Bachelor's student of
Field of Study 29 – Interna-
tional Relations
Specialty 292 – International Eco-
nomic Relations
Educational program – Interna-
tional Business

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Abstract:

Over the years, backwardness and inequality in both income distribution and access to basic opportunities have been a problem of socio-economic development for all countries without exception, which in recent decades, despite intensive scientific and technological progress, has become global and both nationally and internationally. The multifaceted problem of balanced economic development and the country's problems need to be addressed comprehensively, using not only effective internal mechanisms to improve the well-being of citizens, but also involving external mechanisms, among which international economic assistance plays a significant role.

The aim of this work is to develop theoretical principles and develop scientific and practical recommendations for attracting and using international economic assistance as a mechanism for achieving the development goals of countries.

Key words: economic development, international economic assistance, socio-economic assistance.

Протягом багатьох років відсталість і нерівність у розподілі доходів і доступі до основних можливостей були проблемою соціально-економічного розвитку всіх без винятку країн, які в останні десятиліття, незважаючи на інтенсивний науково-технічний прогрес, стали глобальними і як на національному, так і на міжнародному рівнях. Багатогранну проблему збалансованого економічного розвитку і проблем країни необхідно вирішувати комплексно, використовуючи не тільки ефективні внутрішні механізми поліпшення добробуту громадян, але і залучаючи зовнішні механізми, серед яких значну роль відіграє міжнародна економічна допомога.

Метою роботи є розробка теоретичних засад та розробка науково-практичних рекомендацій щодо залучення та використання міжнародної економічної допомоги як механізму досягнення цілей розвитку країн.

Ключові слова: економічний розвиток, міжнародна економічна допомога, соціально-економічна допомога.

На протяжении многих лет отсталость и неравенство как в распределении доходов, так и в доступе к основным возможностям являются проблемой социально-экономического развития всех без исключения стран, которые в последние десятилетия, несмотря на интенсивный научно-технический прогресс, стали глобальными как на национальном, так и на международном уровнях. Многогранную проблему сбалансированного экономического развития и проблемы страны необходимо решать комплексно, используя не только эффективные внутренние механизмы повышения благосостояния граждан, но и привлекая внешние механизмы, среди которых важную роль играет международная экономическая помощь.

Целью этой работы является разработка теоретических принципов и научно-практических рекомендаций по привлечению и использованию международной экономической помощи в качестве механизма достижения целей развития стран.

Ключевые слова: экономическое развитие, международная экономическая помощь, социально-экономическая помощь.

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**TASK
FOR BACHELOR’S QUALIFICATION WORK**

Kosiakov Michailo

1. Topic of the work

**INTERNATIONAL ECONOMIC ASSISTANCE
(on the basis of LLC “CLARS”)**

Supervisor of the work

Associate professor, Dr. Nataly Amalyan

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2. Deadline for bachelor’s qualification work submission **“19” May 2022**

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

Materials received during the internship and consultations with the representatives of LLC “CLARS”

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

There are three main topics for research while writing the thesis:

- Theoretical approach to the phenomenon of international economic assistance including definition of the role of international economic assistance in achieving development goals;
- Analysis of countries’ international competitiveness and its accumulation of inward Foreign Direct Investment (FDI) stock.
- Evaluation of the role of international financial assistance in funding regional and national projects of the country, using Ukraine as a case study.

5. List of graphic material (with exact indication of any mandatory drawings)
 Tables, demonstrating: completed projects of the CLARS group during years 2011 – 2013 and 2013-2021, Major donors and official development assistance and Ukraine's foreign trade in goods and services with countries of the world, including the European Union in 2016-2021.

6. Consultants for parts of the work

Part of the project	Surname, name, position	Signature, date	
		Given	Accepted
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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	14.02-13.03.2022	
2.	II chapter	14.03-10.04.2022	
3.	III chapter	11.04-24.04.2022	
4.	Introduction, conclusions, summary	25.04 – 01.05.2022	
5.	Pre-defense	07.06.2022	

Student _____
 (signature)

Supervisor _____
 (signature)

Conclusions: The bachelor qualification work was designed according to the requirements, it contains all the necessary parts of scientific research and the practical recommendations. The paper was written on the basis of thorough analysis of specific aspects of the operations of the company LLC “CLARS” (the base of internship); this provided the student the data, needed to make a linkage between country’s international competitiveness and its accumulation of inward Foreign Direct Investment.

The practical recommendations were formulated correctly; of special interest are the suggestions of how to increase the efficiency of providing international economic assistance to Ukraine and optimize the policy of involvement and use of Ukraine international economic assistance.

Supervisor 
 (signature)

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INTRODUCTION

Over the years, backwardness and inequality in both income distribution and access to basic opportunities have been a problem of socio-economic development for all countries without exception, which in recent decades, despite intensive scientific and technological progress, has become global and both nationally and internationally. The multifaceted problem of balanced economic development and the country's problems need to be addressed comprehensively, using not only effective internal mechanisms to improve the well-being of citizens, but also involving external mechanisms, among which international economic assistance plays a significant role.

International economic assistance is the process of providing capital in monetary or commodity form by the subjects of one country in the ownership of the subjects of another country on the terms of gratuitousness, non-return, and no waste.

One of the elements of the modern system of international cooperation is the mechanism of assistance to developing countries in their socio-economic and political progress. This mechanism, in particular, is implemented through technical assistance, which is designed to fully promote the development of the capacity of recipient countries in public transactions. The experience of reforms, particularly in Central and Eastern Europe, shows some inconsistencies in the implementation of international technical assistance, as in some countries foreign aid has significantly accelerated socio-political, socio-economic reform, in other countries, despite significant support, there is the effect of slowing down reforms.

Theoretical bases of preconditions of granting and formation of the economic help concerning realization of the purposes of development of the

countries are investigated in works of foreign and domestic scientists such as: O. Arias, A. Atkinson, N. Beardsall, O. Belarus, F. Bourguignon, J. Wolfensohn, W. Geets, O. Gelor, D. Dollar, S. Yerokhin, J. Zhalilo, D. Zeira, J. Corres, A. Krai, S. Kuznets, N. Lusting, A. Lewis, J. M. Mayer, W. Mau, M. Melamed, S. Mocherny, W. D. Nordhaus, A. Papadascalopoulos, R. Perotti, J. Polychronopoulos, M. Porfenenko, J. E. Rauch, D. Rodrick, J. Rawls, J. Sachs, Paul A. Samuelson, A. Sen, J. Soros, P. Thousand, M. Todaro, N. Franklin, Y. Shishkov, T. Schultz, and others.

The purpose and objectives of the study. The aim of the work is to develop theoretical principles and develop scientific and practical recommendations for attracting and using international economic assistance as a mechanism for achieving the development goals of countries, taking into account world experience.

Based on the purpose of the study, the following tasks are set in the paper:

to analyze theoretical approaches to the content of the phenomenon and the concept of international economic assistance and distinguish its types;

to reveal the content of official assistance as a functional tool for achieving the development goals of countries;

determine the role of international economic assistance in the world economic system;

to analyze the world experience in providing and using international economic assistance;

to establish the main directions and principles of formation and direction of international aid;

to determine the role of international financial assistance from donors in financing national projects of the country;

to form ways to increase the efficiency of the provision and use of international economic assistance;

make recommendations on optimizing and coordinating Ukraine's use of international economic assistance.

The object of research is international economic assistance in the world economic system. The subject of the study is the mechanism of providing and coordinating international economic assistance as a strategy for achieving the development goals of countries.

Research methods. The information base of the study consists of official data of the State Statistics Service of Ukraine, Eurostat, the World Bank, the United Nations, the Organization for Economic Cooperation and Development, the work of domestic and foreign scientists, special periodicals, information data from the Internet.

In this paper I use such research methods as:

system analysis - in the analysis of the essence of international economic assistance and its use;

historical and logical analysis - to identify the causes and consequences of attracting international aid from donor countries to developing countries;

comparative analysis - to determine the specific features of attracting international economic assistance;

static analysis - to study the volumes and directions of volumes and directions of attraction and use of international economic assistance in Ukraine;

qualitative analysis - to assess the effectiveness of international economic assistance in Ukraine.

The scientific novelty of the obtained results is that based on the identification of the specifics of the use of international economic assistance, practical measures are proposed to increase the effectiveness of attracting foreign financial and technical assistance to achieve the goals of the country's development.

The practical significance of the results of the study lies in the possibility of applying the developed theoretical and practical approaches and recommendations for attracting and using international economic assistance in Ukraine and its coordination in the implementation of technical assistance programs and projects.

CHAPTER 1. THE CONCEPT OF INTERNATIONAL ECONOMIC ASSISTANCE

1.1. The concept of international economic assistance and its classification

International economic assistance is the provision of capital in cash or in kind by the subjects of one country in the ownership of the subjects of another country on the terms of gratuitousness, non-return, ie no waste. Such assistance is most often provided to countries, regions affected by natural disasters, military conflicts and economic hardship.

The current state of international relations requires a comprehensive approach to analyzing the behavior of international actors in global society. Changing configuration of the role of the world's leading countries gives rise to new approaches to foreign policy, among which progressive is development policy and foreign aid as its main tool. The issue of development aid is relevant to Ukrainian scientific thought.

Today in various branches of domestic scientific thought there is a certain knowledge base in the field of foreign aid research. In the theory of international relations we can distinguish the works of O. Koppel, R. Krivonos, M. Shepelev, M. Malsky, M. Matsyakh, which explore the emergence and evolution of international cooperation, the activities of international organizations and more. Economists O. Belarus, A. Galchynsky, V. Geets, L. Kistersky, T. Lypova, O. Palyukh, K. Rybalchenko, I. Yena, N. Komar in their works pay attention to the problems of Ukraine's integration into international structures, the role of assistance by the

international community in reforming the socio-economic sphere of Ukraine. In the field of political science we can highlight the work of M. Vasilieva, K. Dergacheva, which explored the basic principles of foreign aid in the foreign policy priorities of individual countries, identified the role of international assistance in implementing the concept of sustainable development and more.

In international economic relations, a significant phenomenon is the cross-border movement of money and material resources, as well as services, capital, carried out as economic, humanitarian assistance, without material compensation (or on preferential terms, such as soft loans).

The "assistance" pursues both the goals of overcoming economic backwardness, adverse effects of force majeure, meeting specific limited needs, and the goals of introducing its products to foreign markets, a certain impact on the recipient country.

The subjects of legal relations in the implementation of international economic assistance are material and monetary funds, services, investments.

Based on international economic law, the sources of law of international economic assistance are: international customs, international agreements on economic, industrial, scientific and technical cooperation, economic and technical assistance, military-technical cooperation, credit agreements, grant agreements, agreements in form of exchange of notes, various confidential arrangements [8, p.45-47].

Specially created state bodies serve as organizational and legal mechanisms of international economic assistance in donor countries.

Economic aid is classified according to various criterias, respectively, it can be presented in the following types of aid:

- one-time (in cases of natural disasters);
- regular (developing countries); bilateral (interstate);
- multilateral; private; state.

Financial assistance is provided in the form of loans, including concessional, financial subsidies, grants, export credits, grants, guarantees, and is mostly used to finance projects:

Development of the economy of the recipient country, including to solve the problem of poverty. Within the framework of financial assistance, programs of budget (commodity) assistance, balance of payments, structural and sectoral lending, etc. are implemented.

Technical assistance (or "technical cooperation") has been provided since the implementation of the Marshall Plan and is of great importance today. If the purpose of financial assistance is to partially or completely compensate for the lack of domestic resources of the recipient country due to lack of savings and foreign exchange deficit ("two constraints" model), technical cooperation is designed to supplement and increase the level of knowledge needed for socio-economic development of recipient countries. production skills and qualifications of personnel - both technical and administrative.

Unlike financial, technical assistance is provided in the form of consultations, seminars, research, specialized courses, training and retraining in the recipient country or abroad, exchange of specialists, training of students and scholarships abroad, transfer of intellectual property rights, equipment, advanced technologies, computer technology, electronic accounting and management systems, directing experts to increase productivity and capital, as well as to implement projects and development programs.

A resident (individual or legal entity) who is a recipient can receive technical assistance directly. The recipient is a resident of Ukraine defined in the program, project of international technical assistance, who receives international technical assistance.

Beneficiary - a central or local executive body, which is responsible for the implementation of public policy in the relevant industry or region, which is interested in the results of the project.

According to the level of the recipient's participation in the technical assistance program, it is traditionally divided into: technology grants (so-called "independent technical cooperation"), the essence of which is to transfer technology, equipment, training and retraining, high-tech goods or financial resources for technology , equipment, training and retraining, and all this is carried out free of charge, and the recipient country is required only to ensure compliance with the organizational conditions of its receipt and placement; co-financing of technical assistance (so-called "investment technical cooperation") - the recipient country, in addition to organizational issues related to technical assistance, finances a certain part of the implementation of international technical assistance programs and projects, although this is a smaller share of project cost. In fact, co-financing is more effective than this type of technical assistance compared to grants, because the outcome of the project (program, strategy) depends largely on the participation of the recipient in this process [7, p.25-26].

GGE including financial and technical assistance, includes project assistance, which is mostly provided by international organizations and collective donors in the form of loan guarantees in certain amounts, provided that the recipient country fulfills its obligations and grants to accelerate the project implementation in practice. also extra-project assistance, which is most often provided on a bilateral basis in the form of export concessional loans, grants to support state reforms of the recipient country, non-credit instruments (consultations, research, discussion of socio-economic development strategy of the recipient country, etc.)

Humanitarian aid is provided free of charge. In the UN system, humanitarian issues are dealt with by: the World Health Organization (WHO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Children's Fund (UNICEF), the Office UN High Commissioner for Refugees, United Nations Development Program (UNDP), International Organization for Migration, International Committee of the Red Cross and others. For many years, developmental backwardness and inequality in both income distribution and access

to basic opportunities have been a problem for the socio-economic development of all countries without exception.

The multifaceted problem of balanced economic development and the country's problems need to be addressed comprehensively, using not only effective internal mechanisms to improve the well-being of citizens, but also involving external mechanisms, among which international official assistance plays a significant role.

Economic assistance is often based on UN decisions. Funds allocated in the form of aid to developing countries are usually provided on more favorable terms than conventional commercial loans.

The phenomenon of economic aid to developing countries emerged after the Second World War in the context of the collapse of colonialism, coexistence and competition of two socio-economic systems for influence in the development of the Third World. The USSR and other socialist countries helped developing countries to create industry (provided technical assistance in the construction of metallurgical, machine-building, chemical and other enterprises of heavy and light industry), erected large irrigation facilities (Aswan Dam in Egypt, Euphrates Dam in Syria and Syria). etc.). Loans allocated for these projects were issued at a low interest rate and with a grace period. As a form of assistance to developing countries, lending for supplies of Soviet equipment to these countries also served as a form of stimulating domestic exports. With the collapse of colonialism and the growing influence of socialist ideas on developing countries, industrialized countries have gone on to significantly increase the amount of aid to their former colonies.

At the first stage, considerable funds were allocated as free aid (subsidies), aimed at the formation of national statehood, including the army, infrastructure, etc. In the future, loans granted on concessional terms began to predominate. In statistical publications, ordinary commercial export credits to developing countries were sometimes added to the total amount of economic aid. Various forms of aid

financed a significant part of the exports of industrialized developing countries [9, p. 32-36].

Developing countries in the struggle for a new international economic order have sought to ensure that "official development assistance", ie assistance to developing countries at public expense, amounts to 0.7% of the GDP of industrialized countries. However, only a small part of the industrialized countries provided such assistance. Large sums of aid were provided by the United States, former metropolises (Great Britain, France) to their former colonies, as well as Germany and other Western European countries. Significant amounts of economic assistance were directed to the construction of infrastructure facilities, in recent years to a greater extent to production facilities, as well as the maintenance of technical specialists.

The most difficult problem for the world community is to help the least developed countries, which do not have natural resources and have extremely low living standards. With the assistance of this group of countries, special UN decisions were made. The activities of industrialized countries in the field of assistance to developing countries are coordinated by the Development Assistance Committee of the Organization for Economic Development and Cooperation.

International economic policy, one of the main tasks of which is to promote the development of the world's poorest countries, is based on three main principles: freedom, equality and mutually beneficial exchange. These principles are formulated in various international documents. Their concentrated expression and full disclosure was reflected in the Special Session of the UN General Assembly adopted in May 1974

"Declaration on the Establishment of a New International Economic Order (NMEP)" (Resolution 3201) and the relevant Program of Action. In December 1974, the 29th session of the UN General Assembly adopted the Charter of Economic Rights and Duties of States (resolution 3281). Both the Declaration and the Charter contain principles that should govern economic relations between states. These principles also form the basis of official development assistance

policy, while not exhausting its content and various forms of manifestation. The basic principles of the IEP were substantially supplemented by other important documents adopted within the UN, its economic units, at the meetings of Group 7 (8), and then the Group of 20 most developed and influential countries in the world. Some aspects of the declared principles are reflected in the activities of the GATT-WTO, the IMF, the World Bank and others. The real practice of modern international economic relations shows that there is still a huge gap between the proclaimed principles and their implementation, as evidenced by the socio-economic situation in the world's poorest countries. International economic assistance is one of the channels aimed at promoting the economic development of the world's least developed countries and solving acute social problems (hunger, disease, illiteracy, etc.).

In general, in one form or another, international economic assistance, especially in the context of the coexistence of two world systems, has played a significant role in accelerating the development of third world countries.

Thus, international official assistance is an effective mechanism aimed at eradicating poverty and improving prosperity in developing countries. Increasing its provision is a necessary challenge for developed countries.

1.2. Official assistance as a functional tool for achieving goals development of countries

Global transformation processes in the economies of different countries are heterogeneous, due to differentiation in their development. The complex of social, demographic, cultural, economic problems that have accumulated in developing countries cannot be solved only with their own funds, so there is a problem of attracting external sources of investment in the form of international aid.

The current state of international relations requires a comprehensive approach to analyzing the behavior of international actors in global society. Changing the configuration of the role of the world's leading countries gives rise to new approaches to foreign policy, among which progressive is development policy and foreign aid as its main tool.

Various aspects of development policy in their works have been studied by the following scholars: D. Degterev, E. Degtereva, L. Kapitsa, N. Kasimova, Y. Zaitsev, and foreign P. Preston, P. Mosley, B. Cracknell, R. Peet, A Lewis, N. Hermes, R. Lensink and others. Using structural-functional and institutional methods from the category of international development assistance, the study singles out and analyzes official development assistance provided by donor-authorized bodies and agencies, its elements and interrelationships between them [4, p. 85- 87].

which:

1. Under official development assistance, we analyze grants and loans, were provided to countries or territories included in the list of recipients of the Committee on Development Assistance (DAC) of the United Nations Economic Cooperation and Development (OECD);
2. Are carried out at the official level, ie are officially authorized bodies of the donor state, excluding pensions, reparations or insurance payments to individuals, as well as grants or loans for military purposes;
3. Are designed to promote the growth of the economy and welfare of the recipient; are provided on a preferential basis, where the grant element (the share of the loan that does not require repayment) is not less than 25%.

The Development Assistance Committee classifies aid flows into three broad categories:

- Official Development Assistance (ODA) is the most common, consisting of assistance provided by donor governments to low- and middle-income countries;
- Official Aid (OA) is aid provided by governments to richer countries with per capita incomes above \$ 9,000 (eg the Bahamas, Cyprus, Israel and Singapore), as well as countries that were formerly part of the Soviet Union. Union;
- Private voluntary assistance includes grants from non-governmental organizations, religious groups, charities and foundations.

In addition to ODR and other official flows, private market flows and private grants are sent from donor countries to recipient countries. Private market-based flows include financial resources directed to the recipient country from the DAC list by the private sector of the donor countries. These include foreign direct investment, which involves long-term ownership of at least 10% of the company's capital; bank loans and private export credits; purchase of bonds of the recipient country or securities by companies and individuals in the recipient country.

The list of DAC recipients consists of middle- and low-income countries, which are determined by the World Bank using GNI per capita without involving the G8 and EU member states. The list is expanded by the least developed countries, according to the UN - 12% of the world's population, which accounts for less than 2% of world GDP.

Development assistance is a categorically multifaceted concept for theoretical and methodological epistemology.

Thus, development assistance is a resource base provided for the reconstruction of infrastructure, institutions, and the economy in order to overcome the consequences of conflict (war). The main requirements are the restoration of property and infrastructure, the transaction of power and government structures, the democratization of public relations, the rule of law, and the promotion of a stable macroeconomic environment. A characteristic feature of development assistance is its longevity. By comparison, humanitarian aid is provided on a short-term basis as a rapid response to emergencies. If the post-crisis recovery process is protracted, then development assistance projects and programs begin to be implemented. Long-term is defined as the use of grants and foreign loans for more than one year.

International official assistance is provided on a multilateral basis by international financial organizations, foundations, integration associations that act as foreign donors, as well as on a bilateral basis - directly from industrialized countries [6].

Historically, the Marshall Plan was the first manifestation of international aid. One of the greatest achievements of the Marshall Plan is the integration of Western European economies. The Marshall Plan was, in essence, a joint venture. During the first two years, 80-90% of investments in domestic European countries were made from domestic sources. Assistance under the Marshall Plan facilitated the import of basic commodities, stimulated investment and helped curb inflation. All this, in turn, contributed to the growth of production, improved trade conditions and ultimately led to the longest period of social peace and prosperity in the history of modern Europe and further assistance in international aid for the development of needy countries.

Official Development Assistance (ODA) is one of the channels aimed at promoting the economic development of the world's least developed countries and addressing acute social problems (hunger, disease, illiteracy, etc.). As of 2010, 925 million people worldwide were suffering from hunger. By parts of the world, their numbers were distributed as follows:

Developed countries - 19 million (2.1%).

Middle East and North Africa - 37 million (4.0%). Latin America and the Caribbean - 53 million (5.7%).

Sub-Saharan Africa - 239 million (25.8%). Asia and the Pacific - 578 million (62.5%).

In developing countries, the number of hungry people is 98% of the total number of this group of people in the world. Bangladesh, China, the Democratic Republic of the Congo, Ethiopia, India, Indonesia and Pakistan have two-thirds of the world's starving people. According to the FAO, over the past half century, the proportion of hungry people in the general population of the world is gradually declining:

1969-1971 - by 26%;

1990-1992 - by 16%;

2005-2007 - by 13%;

2010 - by 13.2%.

2022 – by 9.9%

The share of people living on less than \$ 1.25 per day decreased from 43.1% in 1990 to 22.2% in 2008. At the same time, the last financial the crisis has negatively affected the process of poverty reduction and in 2010 there was even a slight increase in this indicator compared to 2007.

Despite this progress, millions of people in sub-Saharan Africa remain in poverty in South Asia, without access to education, health care, productive employment, and so on.

International official development assistance is one of the priorities in international development assistance policy. It was established by the Organization for Economic Co-operation and Development (OECD) in 1969 to define a formal form of international assistance to developing countries. Official assistance is provided by various donors and donor groups at the multilateral or bilateral levels. At the present stage, assistance is provided through programs that are implemented on a bilateral basis. However, there are development assistance issues that governments cannot address bilaterally, when joint efforts come into play and assistance is provided through multilateral structures. That is, donors can use international organizations to provide official development assistance at the bilateral level [8].

Official multilateral development assistance is a set of activities implemented by states through international organizations or other donor institutions, in which a group of countries officially representing their state implements joint projects to improve the living standards of the poor in poor countries. Donors make contributions to relevant organizations. In 2000, in order to reduce extreme poverty at the UN General Session, 189 member countries signed the Millennium Development Goals Declaration, which was to be implemented by 2015. This concept is presented at the multilateral level of

development policy by specialized agencies of the UN, the EU, the World Bank Group and other international institutions. The World Bank Group is one of the most powerful multilateral development agencies. The group consists of five international organizations: the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency and the International Center for the Settlement of Investment Disputes. The organization provides loans, implements various projects and with the help of indicators issues an annual report. The Development Assistance Committee (DAC), as the authorized body of the UN OECD, has 24 members and is a unique international forum for many of the largest donors. DAC brings together donor efforts to ensure sustainable development, growth of economically backward countries, reduce poverty, and improve living standards in developing countries. The committee provides analytical information on program development, generates annual reports on donor activities. The share of assistance provided through the Development Assistance Committee in 2011 was 40% (\$ 55 million) of total assistance.

In the implementation of international development assistance on a bilateral basis, donor countries provide loans and grants from the budget and strictly control their spending. Donor countries should allocate 0.7% of GNP to MDR, which is enshrined in a number of international documents. However, the leading donor countries provide funds in the amount of 0.25-0.35% (USA, Japan, Germany, UK).

The main criteria for the distribution of official development assistance: the level of economic development of the recipient country; military-strategic, political, socio-economic considerations.

Most of the allocated resources are tied to the financing of specific facilities. On preferential terms, lending is provided for the construction of infrastructure facilities (transport, communications, energy), social programs (education, health care), agriculture. Food aid also plays an important role.

In the implementation of international official development assistance on a multilateral basis, funds come from international financial organizations: the IBRD, regional development banks, the IMF, various funds within the UN, the EU.

International financial organizations provide assistance to developing countries in the following main areas:

1. lending to specific infrastructure facilities, economic reform programs aimed at stimulating market relations, adaptation to the world economy (IBRD, International Development Association);
2. promoting the inflow of private investment. Loans are provided on an intergovernmental basis or under government guarantee (IBRD, International Finance Corporation);
3. lending to regional facilities, development strategy based on regional specifics (regional banks: Inter-American Development Bank, African Development Bank, Asian Development Bank, EBRD);
4. providing loans (for 3-5 years) to cover balance of payments deficits (IMF).

The 2005 Paris Declaration set out five main principles of partnership for official development assistance:

- developing countries develop their own development strategies, improve their institutions, fight corruption;
- donor countries provide assistance in line with these strategies and use local systems;
- donor countries coordinate their actions, simplify procedures, exchange information in order to avoid duplication;
- developing countries and donors focus their efforts on production and results;
- Donors and partners from developing countries evaluate overall development results.

These principles were developed in a document entitled Accra Agenda for Action 2008. In particular, donors emphasized the use of national systems of recipient countries and the priority of providing assistance programs to the public (public) sector; to promote the implementation of leading reforms in developing countries; the need for joint assessments of how the funds are used, etc. [6]. The UN General Assembly adopted a resolution agreeing that the world's economically developed countries will provide official annual development assistance to developing countries. It must reach at least 0.7% of the donor country's gross national income within five years. However, in 2010 the average number of members of the Development Assistance Committee was 0.49%. Only five countries were able to reach 0.7%, including Norway (1.1%), Luxembourg (1.09%), Denmark (0.9%), Sweden (0.97%) and the Netherlands (0.81%). It is noteworthy that the United States continues to contribute the largest amount compared to other countries, but it does not reach the agreed 0.7% of GNI.

Therefore, summarizing the definition of the essence of official development assistance (ODA), it should be noted that it must meet certain requirements, namely:

- 1) come from official sources and from official foreign donors;
- 2) provide for poor countries in order to support their socio-economic development;
- 3) not to be considered by donors as a commercial transfer and to provide preferential terms (gift equivalent as an indicator of the level of benefits should be not less than 25% of loans).

1.3. The role of international economic assistance in achieving goals development

International assistance programs are a relatively old and widely used instrument of economic influence on IEA member states. The first actual historical act of the financial aid program should be considered the French contributions to the United States during the revolution and the proclamation of the republic (1760-

70's). Interestingly, as contributions to the then-young United States grew, the Bourbon Empire itself declined financially, leading to the infamous 1789 events in the Bastille. International aid programs developed rapidly in the second half of the twentieth century, and the main catalyst for this process is the postwar Marshall Plan. Developed almost half a century ago, the Marshall Plan remains a successful example of a systematically integrated attraction of the movement of capital in monetary and commodity form from rich to poor countries for the common good of both. It has given rise to new bilateral aid plans from other countries and their alliances, and has given impetus to the creation of various organizations in the field of aid to poor countries. And while the emergence of the Marshall Plan is fraught with historical difficulties, it is still an important aspect of effective international cooperation.

The Development Assistance Group (DPA), established on 13 January 1960 and transformed into the Development Promotion Committee (DAC) since the inception of the OECD, has become the first institutional archetype of modern official development assistance (ODA). It seems natural that the leading developed countries, which today are considered the foundation of the famous "Big Seven", formed the basic principles of the GSR. Back in the 1970s, developing countries initiated a debate on the need to restructure international economic relations in the field of development assistance. The essence of perestroika was reduced to the requirements of ensuring full and permanent sovereignty of each state over its natural resources and all economic activities, including the unconditional right to nationalization. It was also about assisting in the transfer of new equipment and technologies needed to modernize production in these countries, to counteract unfavorable changes in world prices for developing countries, to establish effective control over the activities of multinational corporations. The need to carry out reforms was confirmed by the unanimous adoption of the "Declaration on the Establishment of a New International Order" at the 1974 plenary session of the UN General Assembly. However, donor countries have long adhered to the doctrine

"Satisfaction of primary needs", proclaimed in the framework of the Second International Development Strategy. Between 1968 and 1975, the worst droughts in the Sahel in Africa, Ethiopia and Bangladesh caused mass famines. Between 1973 and 1975, OECD DAC donor countries allocated significant resources to address these disasters. Among the motivating factors for changing the position of donor countries on the concept of "accelerated growth" on

"Primary needs" highlight the effects of the global energy crisis and the inability of developing countries to break out of the "poverty trap" exacerbated by the population explosion in Africa, Asia and Latin America.

It should be noted that there is a lack of unanimity in the interpretation of the concept of "assistance". As a rule, foreign aid is a necessary means of promoting economic development in the least developed countries. The goal of the foreign aid program for the least developed countries is to accelerate their economic development to the point where satisfactory growth rates can be achieved through self-support. Thus, the overall goal of foreign aid is to provide for the least developed

positive incentives for the country to realize the maximum efforts of the country to increase its growth rate.

The standard definition of foreign aid is based on the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD), which defines foreign aid as financial flows, technical assistance and goods that are designed to promote economic development and prosperity. thus excluding assistance to the military sphere and for other purposes that do not help development); provide grants or soft loans [10].

Grants and soft loans are called soft loans, while loans that are market-oriented or close to market conditions (and therefore not foreign aid) are classified as non-soft loans.

According to the above-mentioned classification of the Development Assistance Committee of the Organization for Economic Co-operation and Development

(OECD DAC), official development assistance is assistance to countries and territories on the DAC recipient list and to multilateral development institutions that:

- is provided by official bodies, including state and local governments or their executive bodies;
- is aimed primarily at stimulating economic development and prosperity;
- is preferential in nature, with the terms of financing at least 25% more favorable than the market at a discount rate of 10%.

The degree of preferential terms of international loans and borrowings is determined by the so-called grant element or integrated indicator, which is used to compare the terms of loans and borrowings, which compares the terms of individual loans on three main parameters - loan term, grace period and interest rate. Thus, it shows what part of the payment to repay the debt is not received by the lender in terms of lending on more favorable terms than the market.

At the same time, it should be emphasized that the above historical aspects, as well as the substantive context of the OCDR, are closely correlated with the UN Millennium Development Goals set in 2000. It should be noted that the following goals were unanimously recognized by OCDR donors financial transactions in favor of the least developed countries and debt-laden countries. Eradicating unacceptably high levels of poverty and hunger globally; ensuring the availability of secondary education in the planetary dimension; promoting gender equality and increasing the social role of women; reduction of infant mortality; promoting maternal health; fight against AIDS / HIV, malaria and other dangerous diseases; reducing pressure on the environment to promote sustainable development; building an international partnership for development. Although significant progress has been made toward fulfilling several of the MDGs even before the 2015 deadline, success has been unequal between nations. The United Nations Secretary-General launched the "UN System Task Team on the Post-2015 UN

Development Agenda" in 2012, bringing together over 60 UN agencies and international organizations to focus on and work on sustainable development.

In addition to financial assistance, the ODR also includes technical assistance, which includes: grants to citizens of the recipient country for education and training both in their country and abroad; payments to consultants, counselors and other staff, as well as teachers and administrative staff working in the recipient country. Assistance of this kind, provided to facilitate the implementation of capital projects, is included as part of bilateral projects and cooperation programs [8].

To achieve the Millennium Development Goals (MDGs), including halving global poverty by 2015, donor countries have identified the need to allocate 0.7 percent of their GNP to official development assistance. However, in this regard, some economists, including B. Clemens, S. Gupta, O. Pivovarsky and E. Tiogson, question the form in which this assistance should be provided - in the form of loans or grants. Researchers say that since the 1960s, recipient countries have been more supportive of grants, as loans are a burden on future payments.

From a macroeconomic point of view, this is an incentive to use resources wisely and mobilize taxes, or at least to maintain current levels of revenue. Instead, grants are seen by them as free resources and therefore a possible substitute for domestic revenue. Moreover, if a significant proportion of loans are provided on extremely favorable terms, and arrears are often restructured, officials in the recipient country begin to consider such loans as an analogue of grants.

At the same time, if we take into account the work of scientists such as M. Nisanke and E. Torbeke, according to which in addition to the channel of "economic growth" there are other important channels through which globalization affects poverty. The list of channels of influence, which, among other things, the authors involve technology, mobility of factors of production, the structure of labor migration, inspired by globalization; increasing economic openness and, as a result, the vulnerability of poor families to economic and financial shocks; the asymmetry of information and differences in the levels of institutional

development in developed and developing countries, which ultimately mediate the impact of the above-mentioned channels on the poor, convinces the inability of economic aid to significantly solve one of humanity's global problems. Moreover, changes in the historical context since the launch of official assistance programs give us reason to interpret aid in the current context of international economic relations as a kind of act of compensation for accelerated liberalization of trade and capital markets, which has exacerbated the least developed countries. fluctuations.

1.4. World practice of providing and using international economic assistance

Today, international economic assistance is seen as an integral part of global and national development programs, as well as a means of strengthening human capacity and creating the necessary conditions for accelerated development. Official Development Assistance (ODA) must meet certain requirements, namely:

- 1) come from official sources and from official foreign donors;
- 2) provide for poor countries in order to support their socio-economic development;
- 3) not to be considered by donors as a commercial transfer and to provide preferential terms (gift equivalent as an indicator of the level of benefits should be not less than 25% of loans).

Analysis of the world experience of using international aid allows us to assert the existence of both advantages and disadvantages of almost all types of economic assistance.

The most large-scale and successful, according to most experts, example of bilateral assistance is the Marshall Plan developed half a century ago, the implementation of which provided a transfer of capital in cash and in kind from rich to poor (then) countries for the common good of both. One of the greatest achievements of the Marshall Plan is the integration of Western European economies. American leaders wanted to rebuild Europe on the principles of American neo-capitalism, which meant combining capitalism with free trade (rather than state control) and free market forces. But such an order required close

cooperation for all levels - from producers and owners of capital and ending with governments. This approach has been called "corporatism." Thus, the Marshall Plan laid the foundations for an integrated European market that was able to absorb Germany's power, boost productivity, raise living standards, lower prices, strengthen the security base and rebuild the continent.

In addition, it led to the emergence of new plans for bilateral assistance from other countries and gave impetus to the creation of various organizations in the field of assistance to poor countries [13].

Regarding the advantages of this plan, we can highlight: timeliness of assistance; avoid dictating conditions on US assistance and direct interference in the internal affairs of recipient countries; promoting the liberalization of European trade and the stability of European currencies, market integration, etc .; taking into account the full range of problems in Western Europe and trying to activate the internal resources of recipient countries for their economic development; assistance in established democracies and market economies; mutual benefit for both parties; assistance in the development of reforms and strategies of their national interests of the recipient countries; distribution of responsibilities and control due to the appropriate institutional support (creation of a special budget account allowed to control the use of foreign financial assistance, to avoid "Eating" aid and stabilize the level of external debt in order to minimize dependence on donors).

However, such assistance precedes not only the economic development of recipient countries, but also the individual interests of donor countries, in particular: the desire to make a profit or other benefit outweighs the urgent needs of poor countries and does not always take into account all strategic priorities; bilateral assistance is provided on the terms related to the implementation of the recipient country of economic and social programs developed by donors; Bilateral assistance is often provided in amounts that correspond to the resources available to them, rather than to the goals of the recipient country's poverty reduction strategy.

Most donor countries provide mostly "tied aid" with economic benefits. In particular, the Canadian International Development Agency (CIDA), Canada's main source of assistance, pays back about 70 cents for every dollar spent on poor countries by buying Canadian goods and services. Only in emergencies does the CIDA allow developing countries to use Canadian funding to purchase food in other countries, but such expenditures should not exceed 10% of the Agency's annual budget and the rest should be spent on food from Canada alone. "Untied" assistance from the CIDA is based on the principle of geographical discrimination (for example, in the sub-Saharan region, aid should not exceed 50%, and in other developing countries - 33.3%).

In order to accumulate resources to help the newly formed poor former colonies, developed countries have joined the Organization for Economic Cooperation and Development (OECD), which has launched the Development Assistance Committee (DAC). According to the organization, each OECD member country should allocate 0.7% of GDP to the needs of recipient countries.

Official development assistance did not always yield the expected results, largely due to the unwillingness or unwillingness of recipient countries to use the funds to reform development and develop new strategies, and led to a gradual 3% reduction in US aid (at the beginning of the Marshall Plan). up to 0.22% of GDP in 2005 and France, the United Kingdom and other developed countries. However, in the same year 2020 the total amount of aid was 0.33% of total GDP, which is much more than in 2001 and 2003 - respectively 0.22% and 0.25% of GDP, mainly from the Scandinavian countries, which exceeded the plan. Despite the almost complete lack of historical ties with third world countries, the Scandinavian countries in the 1960s became pioneers in providing significant assistance to these countries. Together with the small countries of Europe, especially the Netherlands, they took on an incomparable burden of aid to underdeveloped countries.

These states were also the initiators of major reforms in international economic policy in this area (Table 2. 1).

Table 2.1

Donor countries of the Development Assistance Committee	The amount of official assistance for the purposes Development (ODA) in % of GDP			
	1990	2001	2003	2021
USA	0,21	0,11	0,15	0,22
Japan	0,31	0,23	0,20	0,28
Germany	0,42	0,27	0,28	0,30
Great Britain	0,27	0,32	0,34	0,47
France	0,60	0,32	0,41	0,47
Netherlands	0,92	0,82	0,80	0,82
Spain	0,20	0,30	0,23	0,27
Sweden	0,91	0,77	0,79	0,94
Denmark	0,94	1,03	0,84	0,94
Italy	0,31	0,15	0,17	0,29
Canada	0,44	0,22	0,24	0,34
Norway	1,17	0,80	0,92	0,94
Switzerland	0,32	0,34	0,39	0,44
Australia	0,34	0,25	0,25	0,25
Belgium	0,46	0,37	0,60	0,53
Austria	0,11	0,29	0,20	0,52

Source: Major donors and official development assistance (ODA), [11]

However, such optimistic forecasts are questionable, due to the problem of control by the EU and the US on the targeted use of budget funds to help poor countries, more than \$ 1 billion annually.

Despite the above-mentioned problems and shortcomings, bilateral assistance is mostly reduced to financial, technical, military assistance to

developing countries. Multilateral assistance is much more diverse in form and more theoretically sound:

- 1) when it is provided by international organizations, the economic, political motives and personal interests of donors are much less pronounced;
- 2) developed more rational schemes for providing and controlling the use of resources and sufficiently effective means of achieving goals;
- 3) assistance is provided with less interference in the internal affairs of recipients;
- 4) receiving assistance from international organizations, the recipient country has the right to vote on its distribution and use, so it is easier to agree to certain conditions of international institutions of which it is a member on political, economic, social reforms than to individual donor countries [23].

The leading international institutions in the fight against global poverty and backwardness are the World Bank Group and the International Monetary Fund (IMF). The peculiarity of the policy of these organizations is that they provide assistance (financial and technical) mainly not to immediately overcome acute social problems, but to create an environment to improve the welfare of the population in the long run, mostly by the poor (improving the investment climate, gender equality). , structural reform of the economy of the recipient country, liberalization of the monetary and external sectors, reduction of external debt, etc.). Assistance (primarily in the form of loans) is provided subject to a range of requirements that often do not meet the criteria of ODR and usually have positive dynamic rather than static effects, and therefore its donors experience a lot. Multilateral assistance from international organizations helps rich countries exploit poor countries through greater control, power and the right to vote for the latter and impose free market ideas on "backward" societies, which strengthens the peripheral nature of individual countries and regions of the world.

The use of the OPIC Index (assessments of the country's policy and institutions) as a criterion for selecting a recipient has significantly reduced the

number of loan terms, including the IMF under the Poverty Reduction and Growth Facility.

As for the World Bank, since 2004 it has been working to simplify and modernize lending principles and procedures to make it easier for customers to borrow. At the same time, the Bank has significantly expanded its operations in middle-income countries, home to about 70% of the world's poor, while significantly reducing and even phasing out assistance to the most backward countries with low OPIC indices. Other donor organizations are working with the latter, focusing on increasing domestic demand, carrying out the simplest reforms, exploring innovative mechanisms for providing social services.

Another important area of reforming approaches to multilateral assistance is the move away from credit to grants. Accordingly, international banks must be transformed into multilateral development agencies designed not to lend but to help poor countries overcome obstacles to economic development, while all risks (including political and other credit functions) must be taken over by the global private capital market. . The performance of such development agencies should be transparent for evaluation by independent observers [27].

After the World Bank and the IMF, the largest donor of multilateral technical and so-called "pre-investment" assistance is the United Nations Development Program (UNDP), which helps developing countries implement projects in information and communication technologies, energy conservation and environmental protection, education and human security. , ensuring human rights and good governance, the fight against HIV / AIDS. The effectiveness of international assistance from the Development Program is slightly higher than that of other organizations (albeit significantly smaller in size), as it has the advantages of "project assistance": higher level of specialization, clearly defined objectives, a single administrative unit in the recipient country, donor responsibility for allocating aid resources and establishing its proportions, stricter control over the use of funds by recipient countries, clearly defined obligations of donors and recipients, the ability to evaluate the project and determine the expected results,

confirming or denying its viability before implementation. The effectiveness of international (bilateral and multilateral) assistance as one of the external mechanisms of economic development depends not only on the resources, motives and tools of donors, but also (and to a greater extent) on the rationality of approaches to its use by the recipient country. The problem of corruption and embezzlement at the government level is the main cause and at the same time a manifestation of inadequate institutional support for the use of international economic assistance, especially financial in the desired direction, and is common to almost all developing countries. A special threat is the use of "extra-project" aid in countries with an oligarchic system of public administration, as it involves direct funds to the state budget, rather than special projects to combat poverty, ie financial flows are virtually devoid of targeting and purpose.

The use of financial resources allocated by donors to developing countries is one of the key aspects of developing effective aid management systems and is as important as attracting additional foreign aid resources from donors and international financial institutions (IFIs).

CHAPTER 2. COUNTRIES' INTERNATIONAL COMPETITIVENESS AND FDI (case study of LLC "CLARS")

2.1 Analysis of the company's environment, organizational structure, company's results.

Nowadays, there are many companies that build and utilize solar power plants and CLARS is one of them. I was lucky to get a chance to work in this company for quite some time and acquire practical knowledge of how solar power businesses work and what they are like within.

Here in this section, we take a look at renewable power and energy sector and related industry which has much potentiality to expand. From this study we can learn how renewable energy, technology, systems and consultancy is made and

what are the prospects and problems at present and what are the guidelines for solving the problems, meeting the demand for electricity, and expanding the business.

CLARS Group was founded in 2008. Its team consists of highly-qualified employees who have a great experience in alternative energy. During the period from 2008 to 2021, the company's specialists developed and deployed solar power plants with a total capacity of more than 700 MW, as well as a combination of the construction of more than 30 solar power plants of different capacities

Today, CLARS is actively working in the renewable energy market, offering services for the design and construction of solar power plants as well as providing Energy Saving products while promoting save energy around the country.

The main objective of CLARS is to become the business premium in solar business sector of Ukraine. The organization sets a complete set of objectives, which will help obtain its main business mission, which is efficient contribution in economic and social development. To attain the goals the organization sets two major objectives, which are:

Business Objectives:

- Contribution to reducing unemployment problems.
- Providing diversification in its business.
- Motivating consumers of the product to obtain quality products.
- Increasing profit margin to have greater leverage in their business.
- Considering each and every unit of the organization as a family.
- Increasing the market share of their business.

Marketing Objectives:

- Increasing the number of sales.
- Rendering optimum sales services and after sales service to the consumers.

- Keeping up-to-date record of their business competitors and their sales activities.
- Reducing the expenses with a view to increasing profit margin.
- Nurturing the new customers.

CLARS LLC engages 13 full time employees. The company is planning to expand its business through Dealers & Distributors all around the country step-by-step. This indicates more employment opportunity in the organization.

Promoting Energy saving products with sustainable beneficiary relationship with customers are the main duties that are being performed in everyday work schedule. The company is responsible to provide quality products and assure that it really helps the customer to reduce the power consumption as well as reducing pressure on national power grid.

CLARS has more than a thousand of customers including retail corporate clients. More specifically it has 10 Exclusive Distributors & 15 Dealers. Major Corporate clients include Active Solar and Clean Energy, LLC Pliskov Energy, and LLC Bilashki Energy.

Organizational hierarchy and Designations are in ascending order:

Top management	Chairman Managing director
Executive Level Management	Officer Senior Assistant Vice-President Assistant Vice-President
Mid-Level Management	Manager Associate Manager Assistant Manager
Junior Level Management	Officer Junior Officer Trainee assistant

The CLARS group of companies was formed by specialists who had previously worked as part of DTEK, Active Solar, Center Group, Clean Energy, Todaks EE, which were mainly responsible for implementing projects in the energy sector and solar energy in particular. The company’s specialists have developed and commissioned more than 690MW of solar power plants in total, and have played supporting roles in the construction of more than 29 different solar power plants since 2009.

List of completed projects: years 2011 - 2013

№	Name	Power, MW	Commissioning date	Project role
1	Rodnikovoye SPP	7,5	01/02/2011	Search for land plots, paperwork. Equipment procurement and logistics. Commissioning. Legal Service
2	Okhotnikovo SPP	82,65	04/10/2011	
3	Perovo SPP	105,56	01/12/2011	
4	Mityaevoye SPP	31,55	03/04/2012	
6	Starokozachye SPP	42,95	02/07/2012	
5	Danube SPP	43,14	01/11/2012	
7	Voznesensk SPP	29,3	04/02/2013	
8	Priozernaya SPP	54,8	01/03/2013	
9	Limanskaya SPP	43,4	01/03/2013	
10	Bolgrad SPP	34,14	01/07/2013	
11	Nikolaevka SPP	69,7	01/08/2013	



Okhotnikovo SPP



Danube SPP



Mityaevoye SPP



Priozernaya SPP



Starokozachye SPP



Rodnikovoye SPP



Voznesensk SPP



Limanskaya SPP



Bolgrad SPP



Nikolaevka SPP

Among the recent projects that CLARS have accompanied in 2021, can be mentioned such power plants as LLC “Pogrebishche Solar Park”, LLC “Pliskov Energy”, LLC “Bilashki Energy” in the Vinnitsa region (26 MW in total) and LLC “Arbuzinka Solar Park”, LLC "Aleksandrovka SPP " (a total of 27 MW, in which CLARS acted as a developer).

List of completed projects: years 2013 – 2021

No	Name	Power, MW	Commissioning date	First year generation, MW/h	Tariff received, Euro / MWh	Actual revenue in the first year, Euro	Project role
1	Station 1	4,495	31.01.2013	5 438,6	465,3	2 530 583,4	Buy-side consultant. Due diligence. Transaction structuring
2	Station 2	4,921	31.08.2013	5 869,2	339,2	1 990 835,0	Buy-side consultant. Due diligence. Transaction structuring
3	Station 3	7,745	31.08.2013	9 592,7	339,2	3 253 836,4	Buy-side consultant. Due diligence. Transaction structuring
4	Station 4	3,848	31.12.2013	4 731,7	339,2	1 604 998,1	Buy-side consultant. Due diligence. Transaction structuring
6	Station 6	7,982	31.05.2014	9 971,3	339,3	3 383 271,6	Buy-side consultant. Due diligence. Transaction structuring
5	Station 5	3,882	31.03.2016	4 773,5	178,1	850 207,0	Project manager. Construction, financing, commissioning
7	Station 7	6,818	01.06.2016	8 366,0	159,9	1 338 008,9	Project manager. Construction, financing, commissioning
8	Station 8	3,180	01.07.2016	3 669,7	159,9	586 914,8	Project manager. Construction, financing, commissioning
9	Station 9	9,209	01.06.2016	11 437,8	159,9	1 829 303,0	Project manager. Construction, financing, commissioning
10	Station 10	7,229	01.12.2016	8 233,8	159,9	1 316 873,6	Project manager. Construction, financing, commissioning
11	Station 11	16,988	01.08.2017	20 623,9	159,9	3 298 475,9	Own development. Attracting an investor, sale of a project
12	Station 12	19,982	01.11.2017	25 696,9	159,9	4 109 813,2	Own development. Attracting an investor, sale of a project
13	Station 13	19,671	01.12.2017	25 080,5	159,9	4 011 241,2	Own development. Attracting an investor, sale of a project
14	Bilashki	7,166	01.07.2019	8 241,1*	150,2	1 238 152,3*	Own development. Attracting an investor, sale of a project
15	Pliskov	7,079	01.05.2019	8 140,9*	150,2	1 223 097,6*	Own development. Attracting an investor, sale of a project
16	Pogrebische	11,100	01.07.2019	12 764,8*	150,2	1 917 802,8*	Own development. Attracting an investor, sale of a project
17	Arbuzinka	4,459	01.09.2019*	5 573,4*	150,2	837 355,0*	Own development. Attracting an investor. Own contract. Customer service. Financing.
18	Berezneguvate	2,335	01.11.2019*	2 918,8*	150,2	438 518,8*	Own development. Attracting an investor. Own contract. Customer service. Financing.

Note: The names of some stations were not disclosed. * - expected figures

The company's development in the energy sector for the next 3 years:

1. Production of transformer substations;
2. Production of rotary solar systems to increase the efficiency of SPP;
3. Development of industrial wind parks (wind farms);
4. Supply of equipment for wind farms;
5. Organization of financing wind farm projects;
6. Organization of production for the assembly of batteries for solar power plants and wind farms;
7. Organization of battery assembly for Tesla and Nissan Leaf.

SWOT Analysis

Strengths

1. Unlike other sources of energy, solar power is an infinite source. It cannot be exhausted. That factor has made the product the most preferred globally

as they also utilize clean energy or what is now referred to as green energy in India. Most countries have been pushing for the improvement and use of green energy because of the growing concerns of pollution attributed to other forms of energy sources. Companies producing devices using the renewable power sources are now at an advantage.

2. As mentioned above the increased environmental degradation characterized by global warming and massive air pollutions green energy has been adopted as the alternative source of energy. This recent development is opportunities for the solar power equipment and machines.

Weaknesses

1. The installation and maintenance of these products are a bit hard. A factor that can be attributed to this problem is that fact that there are few solar experts who can repair or maintain the devices, this element has also made innovation and growth of the new and efficient products quite slow. People needed training on installation, operation and supported the latest technologies. They require an operating experience on climate before performance can be optimized.
2. Despite being in the market for long the company has not been successful in attracting many customers. Little developments have been made to promote the products, especially in urban areas. The products have done significantly well in remote regions where it is expensive to connect to the national grid.
3. The seasonal nature of the product market creates barriers in manufacturing and cash flow, these exerts excessive pressure on personnel and strains the facilities.

Findings:

- The company does not use all the promotional tools like as sales promotion, personal selling, advertising, neon sign billboard etc. That's why customers don't get actual information.
- Competitors frequently change the policy in this industry which is also considered as another major marketing problem.
- The most difficult job for the most marketing executives is to create faith on customer mind. They always hesitate to make such purchase decision. So, it is marketing problem of the company. Because the company cannot create faith on customer mind.
- Sometimes the Company fails to hand over the project within the specific period due to several factors like shortage in raw materials, natural calamities.
- Lack of financial support like loans. That's why the company can't fulfill customer target and lose the customers.

Today Renewable solar is recognized the world over as the main engine that runs the economy, creating work not only for managers, accountants and architects, but also for makers and sellers of solar materials. The demand of energy is very high, so, the prospect of solar business is very high. Now if the solar companies run their business according to the demand of middle class, lower middle class, and higher middle-class people, the business must be profitable. From the study, which I have conducted at CLARS I found that they are using all the possible policies to run the business. One month is too short to understand every aspect of a company and overall market condition of this sector. Actually, it takes more time to determine the overall market size, conditions, opportunity, and business activities of the company. Within the short time, I have tried to show the overall scenario of solar market sector and its marketing activities and actual market image of the company through direct interviews from different customers based on market-

ing activities of CLARS and finally, I had retried my best to analyze the company's market image and position on the basis of my surveys results.

2.2 The relationship of a country's international competitiveness and its accumulation of inward Foreign Direct Investment (FDI) stock.

Global FDI inflows have increased dramatically during the previous decade. Increased international competitiveness, improved business environments in many countries around the world, including emerging economies, macroeconomic growth and technological changes, as well as the search for a better location for companies, lower costs, new markets, and competitive high qualifications, all contributed to this trend (UNCTAD, 2006). In these circumstances, competitiveness becomes a top priority for many governments.

The term "national competitiveness" has come under fire. In terms of competitiveness, the company and the environment in which it works remain critical. Businesses are expected to compete for markets and resources on a global scale. In this way, the strategy and efficacy of competition may be objectively determined and evaluated. The idea of competition is becoming less defined at the country level. Countries and corporations compete in a variety of ways. At the same time, they compete with one another to attract investment, and they give special attention to preserving economic activity inside their corporate environment in response to global processes. Governments, in particular, impact the country's physical and human infrastructure and establish business rules, such as the framework for firm competition, the institutional structure of labor relations, and the limits on the environmental impact caused by enterprise activities, among other things. The government is also in charge of taxing and provides a wide variety of products and services support through the operation of numerous state companies. In this perspective, FDI accumulation is one of the most efficient strategies to integrate and boost the economy's competitiveness in global markets.

The degree of FDI depends on the Location (L) influence of the country's business climate, according to the literature of International Business (IB). In other

words, the L effect determines "where the actions of adding value occur" (for example, in which countries and/or sectors) by keeping sustained level factors constant, and may, for example, refer to the availability of raw materials or other assets (e.g., rich and/or cheap labor, intermediate markets, technological expertise), international transportation and communication costs, less stringent legislation, and a more favorable environment for domestic (including organizational structure and resource allocation). Because these resources and opportunities are distributed unevenly, certain enterprises of one nationality and/or situated in specific nations will have an edge over other firms headquartered in other countries.

To compete advantageously with other corporations to invest in a specific nation, a company must have the benefits of Ownership (O). O advantages are used to select "who will manufacture overseas" and include technology, marketing, and managerial abilities, as well as competence in international action coordination. These advantages should be transferrable and even more economically viable for application in other countries when combined with some of the host country's advantages L. Different L effect configurations can improve a firm's competitiveness; nonetheless, L assets are spatially included. IMD's World Competitiveness Yearbook (WCY) is one of the most comprehensive and insightful yearly evaluations for worldwide measurement and evaluation of country and economic system competitiveness. The WCY assesses and ranks the capabilities of nations taking part in the yearly survey to establish and sustain an environment that encourages entrepreneurship and improves firm competitiveness in order to attain well-being and profit.

The national environment, according to WCY, is separated into four primary competitive factors: economic performance, government efficiency, business efficiency, and infrastructure.

ECOP - economic performance: is the macro-economic evaluation of the domestic economy. This factor has been aggregated from the following five sub-factors: domestic economy, international trade, international investment, employment and prices.

GOVEF - government efficiency: the extent through which government policies are conducive to competitiveness: public finance, fiscal policy, institutional framework, business legislation and societal framework.

BUSEF - business efficiency: the extent to which enterprises are performing in an innovative, profitable and responsible manner: productivity and efficiency, labour market, finance, management practices and attitudes and values. INFR - infrastructure: the extent to which basic, technological, scientific and human resources meet the needs of business: basic infrastructure, technological infrastructure, scientific infrastructure, health and environment and education.

The fundamental idea is that internationally competitive enterprises are more likely to be found in geographically favorable nations and/or groups of countries. As a result, given global competitiveness and the ownership advantages of globally competitive enterprises, the existence of L advantages would have an impact on FDI levels. This, however, would depend on the sort of FDI. The size and expansion of the market, the amount of competition, and cost issues are among the primary L variables for markets seeking FDI. Investors seeking resource-seeking FDI will go for nations with abundant and low-cost resources. Economies of scale and scope are critical for efficiency seeking FDI differential costs. FDI investors seek competitively excellent talents, technology, and other assets in strategic assets.

Input pricing, market size, market growth, and relative richness of natural resources are the "traditional" L advantages that influence FDI. The size of the host nation market, as well as the country's economic performance, which is linked to current and predicted profitability, are decisive factors for market seeking FDI.

FDI is also influenced by government efficiency. Government efficiency facilitates all types of FDI but mostly market seeking. Successful implementation of economic reforms by the host country government not only links the country to the global business environment but also facilitate growth in domestic and foreign firms. Concerning foreign investors, a history of manageable fiscal deficits signals how committed and credible the government is. The total general government debt (TOTALGEN) is used as an indicator of government efficiency and commitment

to the Lisbon strategy and it is expected to be negatively related to FDI. The cost of doing business in a host country is mainly influenced by taxation. According to the European Commission relocation is influenced only to a lesser extent by corporate tax rates and therefore the impact of taxation should be assessed. Country differences in corporate tax rates on profits (CORPORAT) should be mirrored in FDI levels. Therefore, a negative relationship between FDI and CORPORAT is expected. The cost of doing business in a host country consists not only of the actual costs of inputs but also non-economic costs such as bureaucracy and transaction costs in dealing with local authorities. Government efficiency can affect business conditions in the host country by influencing the legal and regulatory environment (LEGALAND) and bureaucracy (BURREAUC) which both should negatively affect FDI.

According to theoretical predictions and evidence from previous empirical studies one should expect a positive relationship between productivity (PROD) and FDI. Multinational enterprises also search for better locations with competitively high skills in order to maximize the returns of their investment strategies (as in the case of efficiency seeking FDI). Therefore, SKILLEDL should be positively related to FDI. The degree of economic integration of a country to the global marketplace has economic but also social determinants. The attitudes of citizens and foreign investors should decisively influence FDI. Hence a positive relationship between FDI and ATTITUDE is expected. Availability of good infrastructure is a necessary and sufficient condition for foreign investors to operate business locally regardless of the type of FDI.

The role of government in affecting international competitiveness and, as a result, the levels of FDI are more essential in SMCs than in NMCs is an intriguing consequence on the competitiveness topic. Governments in these nations should place a greater priority on increasing their efficiency by adopting the Lisbon agenda, notably in terms of improving their regulatory and business environments, decreasing bureaucracy, and addressing taxation difficulties.

CHAPTER 3. PROVISION OF INTERNATIONAL ECONOMIC ASSISTANCE (case study of Ukraine)

3.1 Basic principles of provision of international economic aid for Ukraine

The past period of independence has been marked by profound changes in the economic system of Ukraine, which are associated with a significant reduction

in the share of state ownership, the concentration of significant volumes of production. Favorable conditions in world markets after 2000, with the excessive openness of the Ukrainian economy, created the conditions for a relatively small but steady increase in GDP in 2000-2020, increasing gold and foreign exchange reserves and the stability of the national currency. However, the global crisis of 2008 and subsequent years revealed the hidden shortcomings of the current system of regulating economic development, especially in terms of formation, the ratio of levels of accumulation and consumption. which led to the attraction of external financial assistance from most donor countries in the world.

The largest sources of external financing for Ukraine are the United States, Canada, Germany, the Netherlands, the United Kingdom, Sweden, Switzerland, Japan, Denmark, Korea, the EU, the United Nations, the World Bank (IBRD), the IMF and the EBRD.

Ukraine widely attracts financial assistance in the form of loans from the International Bank for Reconstruction and Development, as they have advantages over loans from commercial banks and are more in line with the specifics of Ukraine than interest-free loans and grants from the International Development Association. The main sectors of the economy that receive this form of assistance are the public, private and financial sectors, agriculture, the fuel and energy sector, as well as the environment and the social sector.

Of great potential importance as a mechanism for implementing the strategy of economic development in Ukraine is the assistance provided in the framework of technical and economic cooperation of Ukraine with more than 20 countries (European countries, USA, Canada, Asia) and international institutions - the European Commission, the United Nations Development Program (UNDP), the IBRD, the EBRD and others. Since 1992, donors have allocated more than \$ 5.8 billion for international technical assistance projects in Ukraine. The United States is the major donor. Other major donors of bilateral technical assistance to Ukraine are Canada and Japan.

In the initial stages, international technical assistance significantly influenced the transformation processes in Ukraine not in favor of national development. This is primarily due to the lack of internal financial resources, as well as the lack of qualified personnel with relevant knowledge and experience.

To date, the EBRD's loan portfolio for Ukraine consists of 293 projects, the net volume of agreements - 7.5 billion euros, the total cost of projects - 15.5 billion euros, the gross amount of disbursed funds - 5.2 billion euros, the share of projects in private sector is 66%, the rest of the projects are aimed at infrastructure development: transport, energy and utilities and are provided under state guarantees. Priority areas for loans and investments in the private sector include: industry, agriculture, financial and banking activities, development of oil transport infrastructure. The analysis of the amount and directions of invested funds by investors and the EBRD showed that both investment projects in the private sector and in the system of projects under state guarantees are financed by the bank together with partners. In some cases, the bank assumes a larger share of funding, in others - the investor. It all depends on the risks and conditions of investment.

International technical assistance is an additional source of resources for the implementation of priority projects of social and economic development, which provides ongoing support for reforms to move closer to developed economies in political and economic terms.

Regardless of the international organization, international technical assistance is aimed at qualitative structural changes in the economy and improving the social situation. Thanks to international organizations established in the 20th century, Ukraine was before the invasion overcoming the crisis in the economic and financial spheres, solving the problems of poverty, epidemics, education, and scientific development. Technical and financial assistance provided by international organizations to Ukraine is not just a "broad gesture", such assistance is more likely to increase the interest of donors themselves in the successful completion of the process of political and economic reforms [5].

In 2014, a persistent systemic crisis began, which affected the production, public finance, banking, financial and currency markets of Ukraine. According to the results of the summit in Brussels on July 8, 2014, the leaders EU bodies, member governments and international organizations have announced that the world community intends to support Ukraine on the path to economic and political stabilization and reform, as well as political association and economic integration in the EU. This meeting was a logical continuation of the European Commission's efforts to establish a mechanism for donor coordination aimed at economic and financial stabilization in Ukraine.

At the initiative of the European Commission, the donor coordination mechanism will take the form of an international platform based in Kyiv. Its participants will hold regular meetings to coordinate their own activities and take into account new problems and needs of Ukraine. The coordination mechanism is open to EU member states, the IMF, the World Bank, the EBRD, the EIB and stakeholders. The Support Group of Ukraine within the European Commission will play a key role in establishing interaction and cooperation between the headquarters of the relevant donor agencies in order to ensure the maximum degree of coherence and effectiveness of the efforts of the world community.

At a meeting in Brussels on June 5, 2014, the leaders of the G7 countries expressed support for the establishment of an international donor coordination platform that should ensure the effective provision of economic assistance to Ukraine. At the meeting, its main participants acknowledged that the private sector (including banks) should play an important role in the process of economic stabilization and Ukraine's transition to sustainable economic growth. The European Commission has expressed its readiness to convene a High-Level Investment Forum, which should bring together a large number of private and public institutions, including MFIs and Ukrainian entities, to explore investment opportunities and cooperation potential in Ukraine [7].

Official creditors and donors were expected to receive net financing in the amount of about 12.8 billion US dollars by the end of 2014. In particular,

according to the program of cooperation with the IMF, Ukraine was to be allocated almost 7.4 billion dollars. gross financing that will provide net \$ 3.7 billion in funding In 2014, Ukraine was to receive \$ 3.5 billion from the World Bank. on the development and reform of the financial sector, the social protection system and health care, as well as on the financing of investment projects in the public and private sectors of the economy (including the reconstruction of the energy system). The EU was expected to receive \$ 2 billion. in the form of grants and loans for the implementation of the annual EU-Ukraine Action Plan, macro-financial assistance, contributions from the Neighborhood Policy Investment Fund, etc. The EBRD and the EIB have pledged to finance investment projects totaling \$ 1.23 billion in Ukraine's business sector. Ukraine was to receive about \$ 1.5 billion from the Japanese government, mostly in the form of investment loans. Support from the US government took the form of guarantees for foreign bonds of the Government of Ukraine, issued at 2% per annum in the amount of 1 billion dollars. Canada has pledged \$ 220 million to Ukraine, financial assistance. Technical and humanitarian assistance projects from the governments of the United States, Poland, the Czech Republic, Hungary, and Switzerland were to receive about \$ 160 million. Based on the lessons learned from the implementation of the Marshall Plan in post-war Europe and understanding of the current challenges facing Ukraine's economy, the key principles of formation and use of external financial assistance to Ukraine have been formed:

1. Substantiation of Ukraine's needs in foreign financing, taking into account external effects for creditors and donors of our country. The financing of very important events and projects for Ukraine depends both on the willingness of creditors and donors to allocate the necessary resources, and on Ukraine's ability to justify the need for appropriate measures and the participation of external donors.
2. When mobilizing resources for the public sector, preference should be given to assistance programs in the form of grants rather than loans; It is important to convince international donors that a trust or grant fund for Ukraine should be established. Since 1985, 20 of the 34 countries in which armed conflicts have taken

place have received international assistance from development trusts or grants to which international institutions and donors have contributed on a non-repayable basis. It should also be taken into account that Ukraine is objectively unable to service the level of debt burden. Due to Russia's war, the IMF projects that Ukraine's government debt would rise to 86.2 percent of GDP in 2022. The country's budget deficit is expected to reach 17.8%. Ukraine's government debt peaked at \$181 billion in 2021, accounting for 49 percent of the country's GDP.

3. When attracting loan financing from international financial organizations, lending to self-sustaining investment projects is preferable. The expediency of such a proposal is explained by the fact that self-sustaining investment projects will eventually generate income to repay accumulated debts, which will not worsen the country's debt capacity.

4. In the framework of the program of external assistance to launch a program of preferential lending for the acquisition and renewal of fixed assets for medium and large enterprises of Ukraine. Participation of foreign institutions in preferential lending may take the form of replenishment of the authorized capital of the State Development Bank of Ukraine and active involvement of MFIs and Western banks - EIB, EBRD, IBRD, IFC, KfW (Credit Institution for Reconstruction) - to direct lending to Ukrainian enterprises [7].

The main objectives of the program of preferential lending to enterprises with the support of donors should be:

- a) increase the competitiveness and efficiency of production, preservation of jobs after the closure of the Russian market;
- b) energy saving and reduction of energy imports; c) increasing the export potential of Ukraine and restoring the balance of payments.

Such a program should be massive and accessible to all potentially competitive businesses. Businesses should be able to obtain loans for 4-10 years at low interest rates. The target group may be companies exporters of mining,

mechanical engineering, chemical industry, agriculture, fuel and energy and housing and communal services.

3.2 The role of international financial assistance in funding regional and national projects of the country

Most foreign economists and scholars believe that economically underdeveloped countries are unable to generate their own innovations and can attract them directly from developed countries, in particular through international technical assistance combined with financial (grants), to develop and support domestic research, technical potential of our state in the conditions of limited state financing of education, science, research institutions, health care and insufficient support and failure to take measures by state and local authorities to create favorable conditions for economic activity and development of small businesses .

International technical cooperation within the so-called "borrowing strategy" and focus on foreign experience, namely the attraction of technologies from other countries, including those that accompany foreign direct investment flows, are most acceptable during the development of the state, providing thus the necessary conditions for improving the quality of human capital in Ukraine. At the same time, for the leading innovation growth in our country, the "borrowing strategy" must be combined with "Strategy of internal stimulation of innovation" in the short term with the transition to the latter in the long term (which does not mean a complete abandonment of the use of innovative products developed in other countries), especially with the development of "new economy" (so-called "knowledge economy"). progress and international mobility of technologies.

International technical assistance, despite the fact that for a long time, there are certain problems and shortcomings in the system of its involvement and use, is one of the most important mechanisms for solving the problem of economic development. According to the above, attracting international financial assistance and implementing its projects will ensure a more reasonable and transparent mobilization of resources of international donors, adapted to the goals of human development in Ukraine, their balanced distribution and targeted use. Assistance

provided by donors in the framework of technical and technical-economic cooperation contributes to Ukraine's course towards European integration, provides an opportunity to attract additional resources to solve strategic development goals, reduce the burden on the state budget, create additional jobs.

Today, international technical assistance is an important tool for implementing the policy of international integration of Ukraine, the implementation of structural reforms and creation of market infrastructure, solving economic and social problems.

Overcoming the significant lag of the country with a transition economy, which still remains Ukraine, from developed countries in terms of labor productivity in all sectors of the economy, renewal of fixed assets, introduction of energy and material-saving technologies is possible only through industrial innovation. The creation of an integrated industrial-scientific-technological complex will contribute to the full satisfaction of domestic needs and exports of science-intensive products [5].

Basic financial and technical assistance to Ukraine for the implementation of assistance projects and programs is provided by major major organizations and donor countries.

The IMF, the World Bank, the EBRD, the EU and donors from EU member states (including Germany (German Society for International Cooperation - GIZ), the Netherlands, Sweden (through SIDA), etc.) are active in Ukraine. The EU has focused its assistance on developing internal public financial control. GIZ focuses on assistance in budget classification, financial sector impact assessment, internal and external audit, and the medium-term expenditure forecasting system. The Netherlands provides assistance to improve the skills of civil servants in the field of finance. SIDA focuses on reforming the budget process in the Ministry of Finance, line ministries and other government agencies, in particular on the development of a medium-term expenditure forecasting and results-based budgeting system. USAID, among other things, focuses on interagency coordination in the field of finance. The United States (USAID) and Canada

(CIDA) are active in both public sector reform and the PFM sector in particular. The Ministry of Finance, as a key state body, which is responsible for public affairs finance, is a key partner in most donor reform programs and projects in support of reforms in this area [2]

An important aspect of the market economy is regional development policy. Regional policy ensures the gradual development of all regions of the country and the optimization of resource potential, which is ensured by economic growth through the development of competition. In this aspect, Ukraine has set a course for the formation of a European market economy and close cooperation with the European Union.

The main goal of cooperation between Ukraine and the EU is to develop closer relations that go beyond the previous levels of cooperation with gradual economic integration and deepening political cooperation. EU assistance in recent years has been aimed at supporting ambitious reforms in Ukraine.

In the early 1990s, the European Union pursued a policy of active cooperation with Ukraine, which was implemented through the Partnership and Cooperation Agreement between Ukraine and the European Communities and their Member States. Later, such a policy began to deepen and began to manifest itself in the implementation of the EU-Ukraine Action Plan, the European Neighborhood Policy strategy and the creation of the Eastern Partnership.

External assistance is a foreign policy tool that provides for the non-repayable and free transfer of resources from the donor to the recipient country to support its sustainable development and prosperity. The EU is very active in using this tool in its foreign policy, including for the implementation of the Eastern Partnership.

The provision of economic assistance by the European Union facilitates reforms and adaptations, and the EU provides financial support and the opportunity to participate in and learn from EU development programs.

Table 2.6

Ukraine's foreign trade in goods and services with countries of the world, including the European Union in 2016-2021 (million USD)

	Years						
	2015	2016	2017	2018	2019	2020	2021
WTO total	129 377,6	171044,2	173701,7	160728,8	123897,3	135695,8	141884,4
including the EU	38373,3	50726,4	50703,9	51560,0	44297,4	48349,3	50132,9
Export	63189,9	82202,1	82337,4	76126,5	63890,5	61047,1	65168,4
total	16250,3	21579,7	20876,0	20361,2	20302,1	20101,0	22411,5
Including to	66187,7	88842,1	91364,30	84602,3	60006,8	74647,9	76715,5
EU	22123,0	29146,7	29827,90	31198,8	23995,3	25137,1	28182,4
Imports	-2997,7	-6640,0	-9026,90	-8475,8	-3883,7	-4814,9	-46381,6
total	-5872,7	-7566,9	-8951,80	-10837,6	-3693,2	-3519,3	-3418,4

Source: <http://ukrstat.gov.ua/>

In connection with the conclusion of cooperation agreements, economic relations between the EU and Ukraine began to develop actively in early 2012, which was characterized by an increase in trade. In the period 2018-2019. Ukraine's trade turnover with the European Union amounted to 46,674 million US dollars, compared to 2007. it increased by 10,539 million dollars. USA.

According to the State Statistics Service of Ukraine, the largest increase in turnover took place in recent years. In January-June 2018, the total turnover of trade in goods between Ukraine and the European Union amounted to 14,188.4 million dollars. US, which is 4.6% more than in January-June 2020.

Based on the above data, the volume of foreign capital investment in Ukraine in September 2016 amounted to 6 billion 373.8 million hryvnias, which is

1.93% more than in the same period of 2015 from all countries, of which the lion's share is occupied by investments Of the European Union.

The European Union is one of the largest donors of financial support to Ukraine. Donor support is manifested in the form of technical and humanitarian assistance to Ukraine.

The EU allocation to Ukraine in 1991-2021 was around € 4.2 billion, although this is a preliminary indicator of technical assistance. The final indicator of real financial assistance should be an assessment of the effectiveness of EU projects. The EU monitors and evaluates the effectiveness of its projects according to its own methodology, which does not match Ukraine's success indicators.

Today, more than 200 EU technical assistance projects worth about 262.7 million euros are being implemented in Ukraine. These projects are implemented through national and regional assistance programs.

The main areas of international economic assistance from the EU to Ukraine are:

1. Promoting socio-economic development of the country;
2. Support for the development of democracy and good governance
3. Supporting the reform of the regulatory system and building administrative capacity
4. Promoting infrastructure development
5. Support for the development of private small and medium-sized businesses
6. Development of educational and cultural programs, solving social problems of society.

In accordance with the provisions of the Paris Declaration on Improving the Effectiveness of External Assistance, the EU stressed that in the future special attention should be paid to closer coordination of donor activities, in particular in the context of preparation and implementation of broad sectoral support programs. Mainly international technical assistance is provided for the implementation of projects and reforms to restructure Ukraine's economic and political environment

The main areas of technical assistance are:

1. Increasing the level of nuclear and radiation safety, protection of the state and citizens.
2. Transformation of the Shelter facility into an environmentally safe system and environmental protection.
3. Improving regulatory policy, improving the investment climate, developing entrepreneurship and competition in the domestic market.
4. Development of the financial market and the banking sector.
5. Development of the agricultural sector.
6. Health and social protection.
7. Development of education, science, culture and tourism.
8. Modernization of municipal infrastructure and transport.
9. Development of civil society, local self-government, ensuring the rule of law, fight against corruption, support of mass media, regional development.

Implementation of programs and projects is carried out at various levels of public administration. Assistance programs are implemented through public administration bodies at various levels. Sectoral projects or regional programs are implemented at the regional level and are directly implemented by governments at that level. Instead, infrastructure projects are implemented at the ministry level through the ministries themselves.

Depending on the nature of the programs, the latter can be implemented on a commercial, organizational, non-governmental or public-private basis.

The implementation of projects is the basis for the implementation of reforms in the country for the policy of international economic convergence and development.

Today in Ukraine the main development strategies are being reformed, namely: deregulation and enterprise development, decentralization, renewal of power and anti-corruption reform, tax and customs reform, energy independence

and energy reform, industrial law reform, public procurement reform, education reform, law enforcement reform , judicial reform, reform in the medical sphere, reform of agriculture and the financial sector, development of trade and investment.

According to the Ministry of Economic Development and Trade of Ukraine, the 10 largest donor assistance projects to Ukraine have been identified: Core Credit for SMEs and Medium-Capital Institutions, Grant Agreement (Chernobyl Shelter Fund: Licensing Consultant) between the European Bank for Reconstruction and Development and the Ministry's Nuclear Regulatory Administration Environmental Protection and Nuclear Safety of Ukraine, Implementation of the Consolidated Program for Improving the Safety of Ukrainian NPPs, Unrelated Financial Credit, Chernobyl Nuclear Safety Project, US Military Equipment, Property and Services Financing Program (FMF), Hydropower Rehabilitation, Development Program of Municipal Infrastructure of Ukraine, Construction of 750 kV Overhead Line Zaporizhzhya NPP-Kakhovka, Monitoring of Chernobyl Projects.

3.3 Ways to increase international economic assistance to Ukraine

Before the invasion of Ukraine there was a boom in international aid, in the last two years alone, according to the Ministry of Economic Development and Trade (MEDT), the amount of grant projects and technical assistance amounted to almost 1 billion dollars. In comparison, for the previous five years, from 2008 to 2021, Ukraine received one and a half times less. At the same time, loans of international financial organizations for the previous two years were allocated in the amount of 3.5 billion. USD US at a meager interest rate.

However, Ukraine is not using these revenues effectively for the development of the state and currently the proceeds are in the form of reduction assistance, as the funds presented have not yet been used and no additional assistance needs to be forgiven.

In recent years, MEDT has registered more than 130 donor projects for Ukraine worth \$ 920 million. USA. Assistance provided free of charge comes to Ukraine in the form of cash grants, advisory or expert support. There were more "gifts" only in 2007 amid the unfolding economic crisis, but then Ukraine signed an agreement to receive \$ 1.1 billion for the New Safe Confinement project in Chernobyl.

A total of 302 international aid projects are currently operating in Ukraine, with a total value of \$ 3.7 billion. Some of them began in the early 1990s. Since 1992, donors have allocated more than \$ 5.8 billion for international technical assistance projects to Ukraine, 3 billion of which came from The United States, exceeding the total aid of other donors. According to the Organization for Economic Cooperation and Development (OECD), Ukraine ranks 45th among the top 50 largest recipients of international aid in the world. In 2014, Afghanistan, Vietnam and Syria were among the top three recipients of aid, receiving a total of more than \$ 13 billion. USA. But among developing countries in the European region, Ukraine ranks second after Turkey: \$ 1.4 billion in 2014, or 16% of all aid to the region. This is twice as much as in 2013, but less than in 2015-2020.

The Organization for Economic Co-operation and Development, unlike the Ministry of Economic Development and Trade, takes into account not only grants and technical assistance, but also development loans from MFIs, which have a grant component of at least 25% of the loan amount. larger. At the same time, not all grants are registered, 30-40% of projects are not registered in the Ministry of Economic Development and Trade. Large grants and those in need of VAT and customs benefits are mainly registered.

In Ukraine, there is no final consolidated database on the implementation of international assistance projects and their entry into the agency, ie the OECD evaluates the entire implementation of projects based on data from donor agencies, but the organization does not break them down into projects. However, the Ministry of Economy, on the other hand, has hundreds of volumes describing and reporting on donor projects. Yes, there is an electronic database for the

implementation and description of projects - Open Aid, for the coordination of international assistance to Ukraine.

At this stage of development, international organizations, foreign governments and agencies have provided significant financial support to Ukraine. Assistance has increased to an unprecedented level in line with Ukraine's development goals. Successful implementation and coordination of this assistance has become a top priority of the government and is the basis of progress and development in all sectors of the economy. The Ministry of Economic Development and Trade of Ukraine was tasked with developing the proper implementation of assistance in the Government Action Plan for 2015 and acting as the Single Donor Coordination Center in Ukraine.

Donors not only invest in this situation, but also help directly, in particular, invite experts to write bills and their implementation, advise the government and officials on project implementation, also pay and invite officials to attend seminars and trainings in Ukraine and abroad, for proper coordination of government activities. Evaluation of previous attempts and efforts to implement international economic assistance in Ukraine has shown various shortcomings in the lack of coordination of the flow of information between the parties, which ultimately led to irrational spending of resources. There was no state control as there was no responsibility for the distribution of aid. There were limitations on monitoring the effectiveness of aid implementation and transparency of projects. The aid distribution process was non-transparent, non-strategic and often overshadowed by corruption. One of the most successful reforms is the Prozorro public procurement system - implemented as a donor project of German Transparency International, GIZ and other donors worth more than \$ 750,000. The goal of this reform is to significantly reduce corruption in public procurement, achieve maximum efficiency and economy. Successful implementation of the project should restore business confidence in the state and encourage it to participate in government tenders.

The creation of projects to improve the financial side and infrastructure of Ukraine was paid for by the German Society for International Cooperation GIZ and the Renaissance Foundation. The National Reform Council and the Business Ombudsman are funded by several member states of the European Bank for Reconstruction and Development, and the bank itself coordinates this assistance.

These projects are not relatively large and reach several hundred thousand dollars. On the other hand, it is a completely different matter to finance the payroll of officials, which began to be discussed in 2020. At that time, the European Union was ready to set up a fund to pay officials' salaries and invest more than 96 million euros in it and to implement civil service reform. However, the fund was never set up due to a failure to finalize the civil service reform strategy with sources of further funding from the Ukrainian government, and the EU has earmarked the money for decentralization reform.

This situation with the salary fund is due to the fact that many projects are canceled, resources are used inefficiently, officials who are responsible for the implementation of projects do not fully complete them due to unwillingness or inability, and sometimes with deliberate inhibition. Another reason is low institutional capacity. Officials often lack the skills, abilities and knowledge to implement and work with donor assistance projects [51].

Ukraine is inefficient in its use of MFI assistance, grants and loans, and if grants are relatively small and are provided on a gratuitous basis, MFI loans can reach several million dollars. Therefore, assistance needs to be properly coordinated and distributed.

An example of inefficient use of the loan is the project of the World Bank and the Ministry of Social Policy "Improvement of the social assistance system".

The main goal of the project was to simplify the process of submitting documents for payment to socially vulnerable groups. It was planned to spend \$ 99.4 million. The United States to re-equip 756 local managed works, and the rest of the loans to spend on the creation of information and analytical system of social

protection. This project came into operation in 2006 and was supposed to be completed in 2008, but it ended five years later, but the project was not fully implemented.

Today, the World Bank and the Ministry of Social Policy are implementing a new project worth \$ 300 million. USA, which aims to overcome poverty and social security of the population of Ukraine [5].

The effectiveness of the implementation of a project and coordination can be influenced by the creditors themselves and the Ukrainian ministries, as well as intermediaries and consultants in donor projects.

The impact and role of consultants in donor assistance projects or MFI loans may vary. Sometimes the intermediary between the government and the donor can administer the project, receiving part of the total project funds, and the percentage may be different.

Intermediaries can also be involved in a certain part of the project, ie writing a law, providing certain knowledge and skills to project officials. In addition, the lack of knowledge in the field of international assistance from government officials has often led to situations where the needs typically met by technical assistance grant projects have been used as basics for credit programs. However, some economists believe that it is not necessary to cooperate with intermediaries and consultants, but only with donors, because this is an additional cost. Effective coordination of donor and credit assistance is a major challenge for any developing country, and Ukraine is no exception. The main thing is that the responsible body tries not to slow down the projects, but on the contrary to introduce measures for their implementation and implementation and action.

To address these key challenges and increase the impact of the country's rapidly growing international aid flows, the MEDT's International Aid Coordination Department has set the following four goals for reforming donor aid coordination in Ukraine:

1. Ensuring the attraction of aid to Ukraine, for the sake of national reform priorities;
2. Transparency and mutual accountability, monitoring and monitoring the effectiveness of the implementation and use of international assistance;
3. Improving the flow of information between stakeholders and effective coordination of international assistance;
4. Assistance and facilitation in the administration of international partner processes, including registration of technical assistance (TA) and accreditation of performers.

The establishment of the Department for the Coordination of International Assistance as the sole body responsible for international assistance was the first necessary step. Its main goal is to study violations in past unrealized projects and on this basis to create new standards and elements of accountability and efficiency for donors and government bodies, with the main priority - transparency. As a result, the Department has built a strong, credible reputation among donors and international financial institutions (IFIs).

For transparency and efficiency, the Open Aid Ukraine web portal was created, which contains information on all development projects in Ukraine with the support of international financial organizations and donors. You can track and monitor international aid flows and register your own projects.

All of these aspects minimize the possibility of corruption, increased transparency, and increased government confidence.

Regular semi-annual and annual meetings with the donor community are also important, at the strategic, operational and technical levels. These meetings allow government officials and donor representatives to discuss achievements, challenges and solutions. Open communication is a fundamental principle of the Department of Aid Coordination.

The Paris Declaration on External Effectiveness emphasizes that building sustainable capacity in the planning, management and implementation of strategies, as well as in reporting on the results of strategies and programs, is crucial to achieving development goals through analysis and dialogue in implementation, monitoring and estimates. Capacity development is the responsibility of partner countries, and donor countries must provide support. Capacity development should be based not only on careful technical analysis. This indicator must clearly respond to the social, political and economic situation, including the need to increase the use of human resources [7]

Effective use of donor financial resources to Ukraine is one of the key aspects of developing effective aid management systems and is as important as attracting additional foreign aid resources from donors and international financial institutions (IFIs). With regard to their effective use, the definition of the source (or sources) of funds and their movement are crucial in determining the strategy for effective growth and the strategy for the development of transition economies.

Without adequate strategic planning at the national and sectoral levels, involving the provision (and optimal use) of sufficient financial resources to implement national or sectoral development strategies, or from national (budget) or international sources (donor and MFI revenues), regardless of from quality and efficiency, the use of these revenues (national or international), overall national development, in general, will not function effectively and will be delayed, backward or lead to collapse. To ensure the optimal impact of financial resources (both national and international), the "cash flow" mechanism should provide a basis for improving the use and management of existing finances to achieve maximum efficiency of available financial resources. Effective use of financial flows requires initiatives to be taken in conjunction with other mechanisms to maximize the return of financial resources and donor funds, just as effective aid management and the development of strategic and planning documents will affect the efficient use of these financial resources [5].

In this regard, comprehensive measures, including cash flow analysis, effective aid management structures, databases of information management project and donor projects, integrated national and sectoral development strategies, etc., are critical and must be developed in tandem. In addition, the direct relationship between donor resources and, in particular, broader development strategies needs to be well understood, as technical and external financial assistance resources are commensurate with political preferences.

Balancing strategies and programs to ensure maximum return on available financial resources is the basis for defining a sustainable system of foreign (technical) assistance management, while the maximum use of available funds depends only on effective financial management. In this regard, it is advisable to consider a two-pronged approach to establishing an adequate financial management system assistance both in terms of activity management and management of donor resources allocated for the development of Ukraine. The additional (and critical) level includes an effective link between technical assistance and national policy (provided through the Central Policy Unit (CPU)).

Traditional funding mechanisms used by donors operating in Ukraine use a standard sectoral approach, where allocations are made by individual donors, primarily on a sectoral basis in the areas where they are most competent or in the areas of most interest to them. (For example, the Swedish International Development Agency (SIDA) provides resources, among other sectors, for the public finance management sector). The basic approach to allocating funds to a specific project / sector requires effective donor coordination at both national and sectoral levels to meet the needs of the Government of Ukraine and to minimize the possibility of duplication of projects or activities.

The development of comprehensive funding options for wider transition activities (including, but not limited to, policy development, strategies, legislative and approximation, meaningful multi-year implementation plans, and risk reduction strategies) is very important. . Without resources to implement the proposed measures, without adequate targeting of available finances, without clear

and transparent funding to ensure maximum efficiency, without proper oversight - any process of national development will fail. This direct and causal relationship must be taken into account from the very beginning of any analysis, as the irrational allocation of financial resources can indeed be much more dangerous than the scarcity of financial resources [5].

Most international best practices define the general principles of management and control of international financial resources assistance. These rules set out a number of important elements that any management and control system must meet, including:

1. determination of allocated funds;
2. distribution of funds;
3. procedures to ensure proper cost declaration; reliable accounting, control and reporting;
4. monitoring and reporting for delegated tasks; audit measures;
5. audit consequences;
6. reporting of violations.

These components are very important in all contexts, as they define the foundations and expectations of any fund or financial structure for the management of technical assistance, and establish an effective basis for analyzing cash flows. In general, the analysis of cash flow begins with determining the optimal approach. The most common approach to cash flows is the use of the System of National Accounts (SNA), which provides a comprehensive framework for developing cash flows and cash-to-ear funds, as its underlying principles ensure that economic and financial linkages are fixed. measures and financial implications in the economy. However, the application of the SNA is not intended to show cross-sectoral linkages (which are crucial for development systems or transition economies, where economic assistance programs are usually sector-based).

3.4. Directions for optimizing the policy of international economic assistance deployment in Ukraine

The provision of international economic assistance is carried out through the conclusion of agreements. Such agreements are of a civil nature, as there is a need to establish clear criteria and definitions of agreements. Regarding the definition of clear tasks, conditions, subject and other elements.

All the problems that exist in the field of attracting and using Ukraine's international economic assistance are of a legal, organizational and strategic nature.

Strategic issues:

- 1) Lack of establishing a single framework for transformation that would facilitate the coordination of legal, institutional and legal reforms in Ukraine;
- 2) The use of international economic assistance is almost not aimed at building effective democratic institutions, forming the necessary skills and abilities of key actors in the democratization process - government, private business, civil society;
- 3) As a rule, the main goal of most projects and programs is rarely the development of infrastructure in the social and economic aspects, which could provide a favorable investment climate to attract investment from high-tech countries.
- 4) Donor programs and projects do not take into account the domestic situation in Ukraine, and therefore there is an irrational use of international aid resources;

Attracting international assistance in practice is not related to the implementation of the tasks and objectives of the Partnership and Cooperation Agreement with the EU;

Organizational problems:

- 1) Lack of a specially authorized body to guide and coordinate the implementation of Ukraine's state policy on attracting and using international economic assistance;
- 2) Lack of definition of criteria for the implementation of international economic assistance and the national system for attracting, using, effective and efficient foreign aid;

- 3) Imperfection of certain infrastructure at the central and regional levels, which could contribute to the effective coordination of projects, projects and programs of international assistance, and monitor the effectiveness of use and involvement;
- 4) Lack of the necessary specialists in international development and aid implementation, instead mediators and representatives of donor countries are involved in coordinating international economic assistance projects;
- 5) Inconsistency of actions of representatives of executive bodies and government officials regarding the process of preparation of procedures for submitting applications for assistance projects;
- 6) Insufficient justification of invitations of foreign experts without defining the selection criteria, tasks for them and schedules of their work.

Legal issues:

- 1) There is no basic legislative act that would define the concept of international economic assistance, its types and forms; the main participants in the process of attraction and use
- 2) Lack of relevant bylaws of the Cabinet of Ministers that would determine the procedure, preparation and approval of project proposals;
- 3) Imperfectly established norms in bilateral agreements, which in turn lead to the fact that the Ukrainian side can not fully influence the definition and implementation of certain projects in terms of their content, choice of project executor and Ukrainian recipient.

The above shortcomings and problems in attracting and implementing international economic assistance show why the implementation of some projects and programs does not give the expected results, and sometimes even canceled. There are also a number of issues related to donors' approaches to economic assistance and its implementation process:

- 1) There are no clearly defined actions and established criteria for attracting international economic assistance;

- 2) Insufficient consultation by Ukraine on the programming process;
- 3) Lack of institutional mechanisms to clarify the effectiveness of economic assistance.
- 4) The need for civil servants with knowledge of the elements of international development and the elimination of nuances that may arise during the implementation of projects;
- 5) Lack of exchange of experience between the Ukrainian side and donors on the effective implementation of projects, consultations.

All these shortcomings in attracting economic assistance to Ukraine give rise to a number of negative phenomena and problems that the domestic government is currently facing.

International economic assistance programs in Ukraine are implemented in isolation from each other, and therefore do not lead to the desired results in all spheres of human life in Ukraine and do not show the state restructuring of the economic system.

Donor countries do not take into account the fact that all programs and projects are implemented in unstable conditions, as most institutions are imperfect in nature and need to be restructured within themselves [4].

This situation shows that the Ukrainian side lacks knowledge and skills on the procedures for effective implementation of international economic assistance, its distribution and definition of the main objectives of its provision and implementation, lack of preparation for project implementation, discussion of solutions and problems that may arise. As the practice of other countries shows, it is the development and implementation of old-fashioned goals in the activities of central government that should be the main tasks of economic assistance projects. Failure to take these facts into account in the implementation of reforms and perestroika leads to stagnant development at the economic, political and social levels of the country. Undefined the concept of international economic assistance,

its forms, types and features often create a situation with the difficulty of trying to register international technical assistance projects for tax evasion.

Given the lack of clearly defined procedures for the preparation and approval of project proposals at the governmental level, potential beneficiaries are isolated from both the resources to make the transformations they need and the finished products potentially intended for them [5].

The Ukrainian side does not have an appropriate position on the directions of implementation of international economic assistance, which in turn leads to the fact that donor countries and organizations work unilaterally. own political visions and achievements of own political goals. As a result, there may be a conflict with the Ukrainian authorities and aid donors. The lack of coordination on the part of Ukrainian institutions and the lack of a system of objective evaluation of implemented international economic aid projects does not allow to clearly assess the results of programs, which in turn deprives them of conclusions about the effectiveness of individual projects and Ukraine's use of international aid.

Despite the above shortcomings, donors have announced plans to increase assistance to support further economic growth in Ukraine, as given the recent positive dynamics of economic growth in the country, we can say that the lion's share of donor assistance projects and their effectiveness and efficiency will benefit further restructuring of the country's market system and the entire economic and social climate of the country.

To this end, donors, in particular the EU, the IBRD, and UNDP, have adopted a number of new strategic and framework programs to assist Ukraine in the medium term, with donors identifying the main reason for the ineffectiveness of some programs, namely: unwillingness of the government machine to make political decisions on reforms.

Structurally, the areas of responsibility for programming, managing and reporting on international financial assistance are divided between different ministries. The Ministry of Economic Development and Trade has a leading role in

this system. Within the Government, it is responsible for general programming, coordination and monitoring issues. Technically, this means that it maintains a database of all projects. In addition, the Minister of Economic Development and Trade acts as the National Coordinator (for EU structures). The National Coordination Bureau (NCB) has traditionally functioned as a coordinating body in the Department for International Technical Assistance Cooperation (ICTY) and plays a role similar to the Central Management Unit in the WSS (Decentralized Technical Assistance Implementation System) [25].

Technically, all of these government agencies perform the following basic functions of attracting and using international economic assistance:

- development within its powers and submits to the Ministry of Finance proposals for improving public financial control;

- formation and submission to the Ministry of Finance of a list of state target programs to be implemented in the respective year with the use of international assistance;

- ensuring, within its powers, the adaptation of Ukrainian legislation to EU legislation;

- coordination and joint implementation of state policy in the field of economic and technical cooperation with foreign states and international organizations on the implementation of economic programs and projects;

- monitoring the effectiveness of these programs and projects, providing methodological support in this area;

- ensuring the formation of strategic and annual programs for attracting international technical assistance in accordance with the priority areas of socio-economic development of Ukraine and coordinating activities related to attracting such assistance;

- conducting state registration / re-registration of programs and projects of international technical assistance in Ukraine;

conducting examinations and coordinating requests of domestic enterprises, institutions and organizations for international technical assistance; accreditation of foreign organizations - executors of programs and projects of international technical assistance in Ukraine.

The issues of involvement, coordination and monitoring of TDs are also controlled by the unit in the Administration of the President of Ukraine, which takes care of European integration issues.

Experience with past and present donor coordination mechanisms shows that donor coordination in general is a potentially complex process in which international technical assistance and support is combined with the needs and requirements of a partner country. An effective donor coordination process provides a structured framework that combines donor assistance with the needs and requirements of the donor country in which the donor program is implemented. To provide such a structured framework, it also requires a specific goal, a goal to consolidate technical assistance. Without such a specific goal, assistance can very easily lose its clear link to the actual needs of the partner country, as well as lose its strategic link with other projects and programs.

Against the background of the need for an effective international donor assistance management system, the much more modest picture of the process of managing such donor assistance at the central level has led some ministries to introduce informal donor coordination systems or ignore the opportunities for effective economic assistance management (this is happening in many sectors in Ukraine). Much less effective coordination and dialogue between many donors and the Government has led to many lost opportunities.

In a broader context, the international community has agreed to specific commitments on aid effectiveness set out in two major agreements: the Paris Declaration and the Accra Agenda for Action. At EU level, additional and even more ambitious commitments have been agreed, as set out in the EU's Key Strategy on Technical Cooperation and Project Implementation Units. The key

strategy is to respond to both the lessons of the past and the new demands for assistance in the context of the transition to sectoral and programmatic approaches and the approval of government action programs.

In its 2020 analysis of donor coordination systems in Ukraine, the OSCE assessed the main criteria for improving the effectiveness of international economic assistance, namely [5]:

- 1) Involvement: weak link between national strategies and the budget process;
- 2) Coordination: limited use of national systems; low level of budget assistance;
- 3) Harmonization: limited use of software approaches;
- 4) Results-oriented management: most elements of results-oriented management do not exist;
- 5) Joint responsibility: lack of a formal mechanism of mutual accountability.

Successful economic development largely depends on the ability of the Government of Ukraine to implement its plans and dispose of public resources through its own institutions and systems. In the Paris Declaration, the recipient countries pledged to strengthen their systems and the donors to use such systems as much as possible. However, practice shows that recipient countries and donors have not yet embarked on these commitments. The level of progress in improving the quality of systems varies considerably from country to country.

While there are many mechanisms and systems for coordinating the management of international financial assistance and donor coordination, the most effective system that would meet the basic requirements mentioned above is the Decentralized System for the Implementation of Technical Assistance in particular. The implementation of this system is a rather complex and time-consuming process and requires a lot of effort on the part of the Government of Ukraine.

CONCLUSIONS

At this epic restructuring of economic, political and social development of Ukraine, an important component is the provision of international assistance from developed countries and international organizations, due to the reforms that are essential for our country at this stage.

As noted above, such assistance may take the form of cash receipts, property, equipment, services and information, and the transfer of intellectual and technological know-how.

Although the provision of international economic assistance stimulates the country's development, there are some shortcomings in its use and involvement. The effectiveness of such assistance directly depends on the implementation of programs and projects that are often incomplete in line with the strategic goals of economic and social reforms. This situation is due to external and internal factors, unclear coordination of projects, lack of transparency and accountability of the government for the implementation of programs and their results.

Countries and organizations do not always take into account the interests of the Ukrainian side, such assistance is often provided to achieve their own goals and

objectives, imposing on the Ukrainian side their own projects, which do not always work in the domestic arena.

At the same time, the Ukrainian side is not entirely focused on achieving the result of such cooperation and accepts aid as charity and wastes money.

This thesis generalizes, substantiates the importance of the role of international economic assistance as a mechanism for achieving development goals of countries (including Ukraine), increasing the level of involvement and use of both financial and technical assistance and improving the institutional framework for rational use of international assistance and coordination of its projects. The results of the study allowed us to draw the following conclusions:

1. International economic assistance is one of the channels aimed at promoting the economic development of the world's least developed countries and solving acute social problems. Defining the content of the phenomenon and the concept of international economic assistance is an interdisciplinary problem: it concerns the areas of public administration, law, economics, international relations. The "assistance" pursues both the goals of overcoming economic backwardness, adverse effects of force majeure, meeting specific limited needs, and the goals of introducing its products to foreign markets, a certain impact on the recipient country.
2. International official development assistance is one of the priorities in the policy of international development assistance. It was founded by the Organization for Economic Cooperation and Development. Official development assistance is a resource base provided for the reconstruction of infrastructure, institutions, and the economy to overcome the consequences of conflict (war). A characteristic feature of development assistance is its longevity. Such assistance is provided on the basis of grants and loans from donor countries and international financial organizations.
3. The study of the causal chain of the phenomenon of international assistance suggests that this process is a relatively old and widely used instrument of economic influence on the states-subjects of international economic relations.

International official assistance is an effective mechanism aimed at eradicating poverty and improving prosperity in developing countries. Increasing its provision is a necessary challenge for developed countries.

4. Analyzing the process of providing international donor assistance, we can identify that the world's largest donor of international economic assistance is the United States. However, the provision of official Development aid did not always yield the expected results, which led to a gradual decline in aid not only from the United States but also from other developed countries.

5. Based on the world experience of using international economic assistance, we can identify the main principles of formation and direction of international economic assistance to Ukraine: justification of the country's needs in foreign financing, taking into account external effects for creditors and donors of our country; give preference to assistance programs in the form of grants rather than loans; attracting loan financing from international financial organizations, it is preferable to lend to self-sustaining investment projects, which over time will generate income to repay accumulated debts

6. Analysis of the effectiveness of attracting and using international economic assistance (both financial and technical) in financing regional and national projects revealed: low initiative of the Ukrainian side in project development; inconsistency of goals and domestic policy in Ukraine with the tools, goals, opportunities and activities of international donors; lack of proper control, accountability and financial reporting on both sides for the foreign resources used.

7. In order to improve the efficiency of the provision and use of international economic assistance, it is necessary to identify four goals of reforming the coordination of donor assistance in Ukraine: ensuring the attraction of assistance to Ukraine for the implementation of reforms at the national and regional levels; establishing transparency and mutual accountability, monitoring and monitoring the implementation and use of international assistance; promoting the improvement of the flow of information between stakeholders and the effective coordination of international assistance.

8. Based on the analysis, it can be argued that the process of coordination of international economic assistance has an organizational, strategic and legal nature. An effective donor coordination process provides a structured framework that combines donor assistance with the needs and requirements of the donor country in which the donor program is implemented. Therefore, in order to optimize the policy of attracting and using international economic assistance, it is necessary to reform state institutions and the system of coordination of international financial assistance management and introduce the most effective system that meets the basic requirements, such as the Decentralized system.

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