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FEATURES OF MANAGEMENT OF EXPORT-IMPORT OPERATIONS OF ENTERPRISES IN UKRAINE

Access to the international level of subjects of foreign economic activity should ensure the strengthening of their financial and economic position and the position of the state as a whole. This should be facilitated by modern approaches to the management of the enterprise's export-import operations, which are based on the economic justification of each operation, assessment of the effect and efficiency of its implementation. At the same time, both the interests of the participant and the state, which often require compromise decisions, must be taken into account.

The experience of Ukrainian enterprises in the foreign market confirms the need to take into account its features when assessing the profitability of foreign economic operations and projects. It is necessary to take into account prospective changes in demand for products and the possibility of changes in the volume of production, fluctuations in world prices for resources and finished products, changes in production costs with changes in the volume of output. It is extremely difficult, and in many cases impossible, to take into account all factors. But with an increase in the number of factors taken into account, the reliability of the calculation results increases.

The year 2022 could become a record year for Ukraine in terms of export volume for the entire history of independence. Even at the beginning of the year, in January-February 2022, Ukrainian exports showed positive growth dynamics compared to the same period last year – the increase in exports amounted to 34%. However, already in March there was a striking collapse of supplies abroad – the reduction was 50%. The slow recovery of exports began in May, and the best results were shown in recent months thanks to the unblocking of Ukrainian ports. In general, for 9 months of 2022, Ukraine exported goods worth 33 billion US dollars, which is 31.5% less than the volume for the same period in 2021 (Fig. 1) [1].

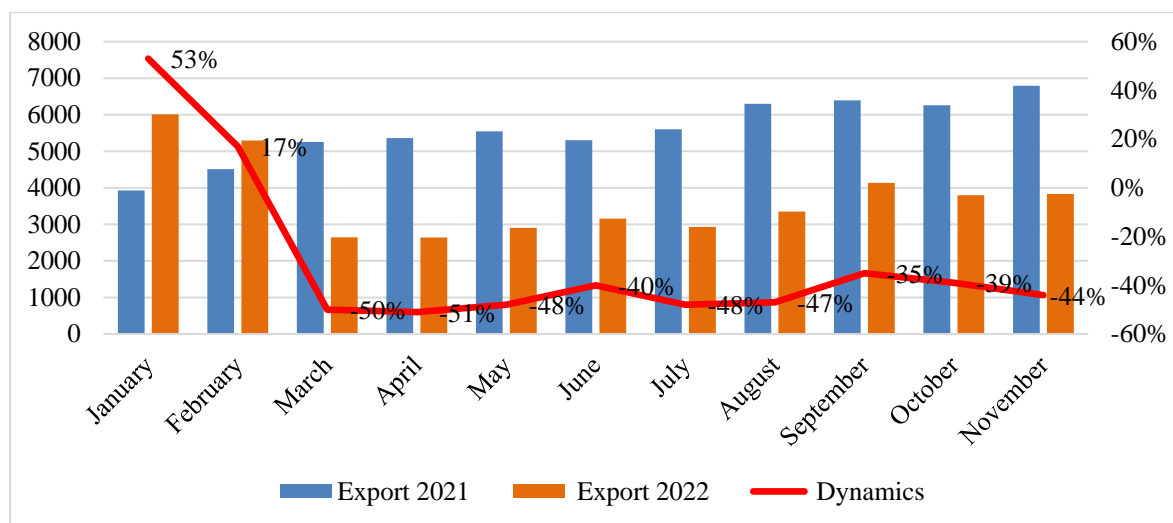


Figure 1. Exports of Ukraine (million dollars USA)

Exports for September 2021 amounted to 4 billion 144 million dollars and became the best result since February 2020. For comparison, in August 2022, the volume of exports amounted to 3 billion 363 million dollars [1].

The following categories of goods were most imported to Ukraine [1]:

- machines, equipment and transport – 10.9 billion dollars;
- fuel and energy products – 9.7 billion dollars;
- products of the chemical industry – 7.1 billion dollars.

The main factors of import growth were petroleum products, which imported 672,000 tons – 111,000 tons more, and generators, on which Ukrainians spent \$119 million – 2.5 times more than in October. Despite the negative pressure on the trade balance, these indicators testify to the intensive supply of goods necessary to get through the winter in the conditions of a potential blackout. The three most exported goods from Ukraine included [2]:

- food products – 16 billion dollars;
- metals and their products – 5.1 billion dollars;
- machines, equipment and transport – 3.3 billion dollars.

In 2021, the leader among Ukraine’s trading partner countries was China, while 85% of our exports to China were iron ore, corn, metallurgical products, barley and sunflower oil. As of September 2022, China occupies the 4th position in the ranking of importers of Ukrainian products. This happened mainly due to problems with the logistics of agricultural crops and significant losses in the metallurgical sector of Ukraine.

Instead, the EU countries – Poland and Romania – became the leaders, which together account for about 23% of Ukrainian exports in 2022 (Fig. 2) [1].

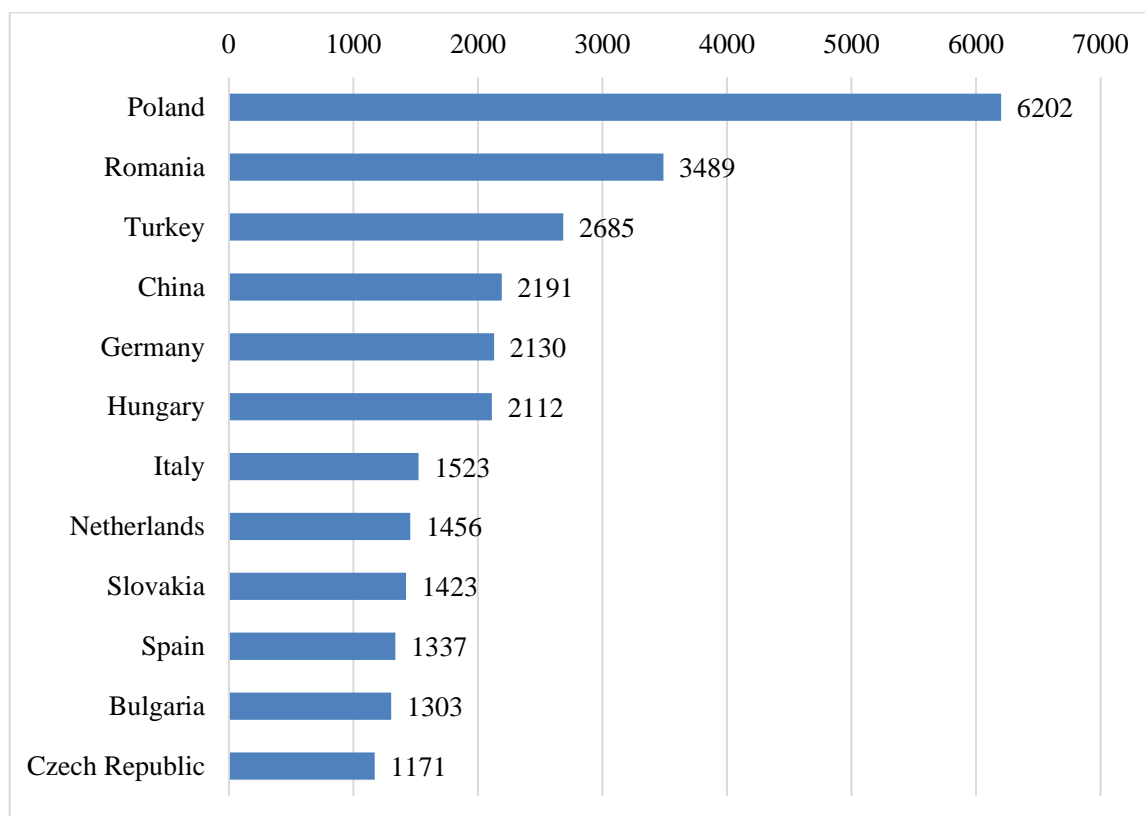


Figure 2. Exports from Ukraine by country (million dollars USA)

It is interesting that as early as 2021, Russia was one of the five leaders in terms of Ukrainian export volumes. In 8 months of 2022, Russia fell to 18th place and will lose even more positions by the end of the year, because at the end of September, the

Government of Ukraine completely banned the export of Ukrainian goods to the Russian Federation. Regionally, in 2022, we observe a reduction in the shares of all other regions of the world in favor of EU countries. In 2021, the EU was also the largest partner of Ukraine, but its share was 41%. [1]

In 8 months of 2022, the share of the EU has already reached 62%. Outside the EU, most exports go to Turkey, China, and India. In general, the share of Asia decreased from 32% to 22%, the CIS – from 13% to 6%, Africa – from 9% to 5%, America – from 4 to 3% (Fig. 3) [2].

In 2021, ferrous metals took first place among the export categories of goods, in 2022 they gave way to grain crops. In general, the war had a significant impact on Ukrainian metallurgy. The reduction in the export of metallurgical products for 8 months of 2022 amounted to 54% (in monetary terms).

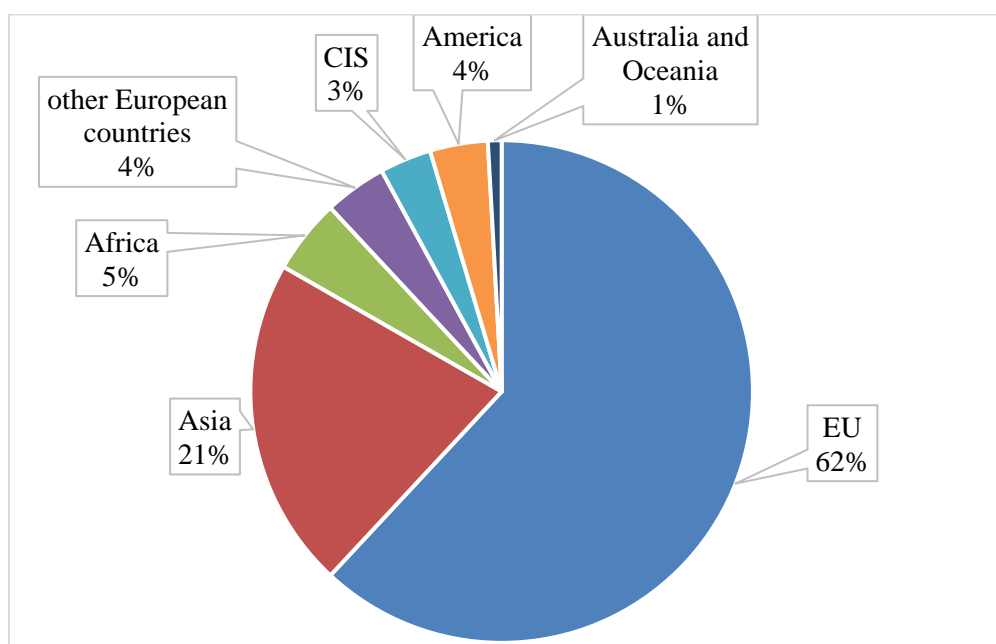


Figure 3. Exports of Ukraine by region (January-September 2022)

Other sectors that experienced significant reductions in exports in 8 months of 2022: chemical products – 51%, mechanical engineering – 18%, furniture – 18%, agricultural and food products – 11%, clothing and footwear – 10% [3].

Thanks to the unblocking of Ukrainian Black Sea ports from August 2022, it has become much easier to export agricultural products. The share of agricultural and food products in the total export of Ukraine increased from almost 36% in 2021 to 46% (in monetary terms). At the same time, almost 79% of the export of agricultural and food products falls on grain and oil crops. The share of metallurgical products decreased from 24% to 16%, and mechanical engineering remained practically unchanged.

In order to successfully withstand competition on world markets, Ukraine must:

- to increase the efficiency of the economy, which is based on the development of market relations;
- comprehensively increase the export orientation of foreign economic activity;
- ensure transition to settlements with foreign partners in freely convertible currency;
- to improve the concept of development of export-import operations.

In order to avoid negative circumstances in the struggle for sales markets, subjects of foreign economic activity need to constantly monitor the changes occurring in the mechanism of foreign trade regulation, to know the differences in national customs regimes, norms and rules introduced by international agreements. That is, the essence of

state regulation of foreign economic relations is contained in ensuring the harmony of interests of subjects of foreign economic activity.

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