

# DEVELOPMENT OF INTERREGIONAL COOPERATION IN THE CONTEXT OF EUROPEAN INTEGRATION

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Стаття присвячена розробленню теоретичних засад та практичних рекомендацій щодо розвитку міжрегіонального співробітництва в умовах євроінтеграції на засадах його концептуалізації та обґрунтуванні напрямів розширення співпраці регіонів України з країнами ЄС у реальному секторі економіки. Визначено інструменти світового сприяння розвитку регіонального (міжрегіонального) співробітництва в Україні.

**Ключові слова:** європейська інтеграція, концепція, міжрегіональне співробітництво, регіони, розвиток.

Статья посвящена разработке теоретических основ и практических рекомендаций по развитию межрегионального сотрудничества в условиях евроинтеграции на основе его концептуализации и обоснования направлений расширения сотрудничества регионов Украины со странами ЕС в реальном секторе экономики. Определены инструменты мирового содействия развитию регионального (межрегионального) сотрудничества в Украине.

**Ключевые слова:** европейская интеграция, концепция, межрегиональное сотрудничество, регионы, развитие,

European integration for Ukraine is a real opportunity of economy modernization, overcoming of the technological backwardness,

intensification of attraction of foreign investments and new technologies, creation of new jobs, enhancement of competitiveness of domestic production and entering the world markets, first of all, to the EU market.

Ukraine's proclamation of the European integration course attaches a particular importance to the development of interregional cooperation both in the middle countries and with the EU countries. Through the development of interregional cooperation that it is possible to actively implement the modern European methods of cooperation, effectively develop interagency cooperation at the horizontal level, study and translate the useful experience of other countries in the sphere of integration processes in Ukraine.

The legal basis for EU and Ukraine cooperation in the field of interregional cooperation is defined by the provisions of Article 27 of the Ukraine-EU Association Agreement "Cross-border and Regional Cooperation", which provides the introduction of a European model of new regional policy and harmonization with the European Policy [1].

The purpose of the study is to formulate theoretical foundations and practical recommendations for the development of interregional cooperation in the context of European integration.

The methodological basis of the study is a set of methods and principles of scientific knowledge, general and specific methods and techniques used during the study.

According to the Association Agreement between Ukraine and the EU, the development of interregional cooperation is one of the main effective instruments of the state regional policy of Ukraine. Contemporary forms of interregional cooperation include: clusters, urban agglomerations, regional networks, transport corridors, interregional industrial unions, interregional business associations, interregional corporations, regional agreements and projects, Euroregions, etc., which contribute to accelerating financial, labor resources and enhancing the efficiency of their use by taking advantage of the organizational and organizational legal forms of interregional (cross-border) cooperation.

Traditionally the analysis and evaluation of interregional cooperation development (single-lateral or simple cooperation) is carried out using the coefficients: participation of private business in interregional trade,

participation of private business entities in interregional investment, activity of interregional trade and interregional investment.

Economic integration can take many forms: preferential trade zone, free trade zone, customs union, common market, economic union, full economic integration, and the development of integration processes spans six stages (phases).

Interregional cooperation in the context of European integration is a multidimensional and multilateral cooperation that requires the study of world experience in order to choose the most effective organization of interregional cooperation. To this end the experience of countries in the world (Scotland, Canada, Germany, etc.) in developing interregional cooperation and promoting the development of regional (interregional) cooperation in Ukraine based on grouping of countries according to the content and objectives of the cooperation is generalized. It is established that the modern EU support instruments for the development of regional (interregional) cooperation in Ukraine include projects, programs, contracts, agreements, strategies, grants. However, the main instrument of supporting is the EU-Ukraine Association Agreement.

The development of interregional cooperation can be based on the results of empirical research and economic analysis of indicators, including those that reflect the impact of European integration on the conditions and effectiveness of interregional cooperation. To this end an approach to the comparative analysis of interregional cooperation in the context of European integration has been formed, which envisages a comparative analysis of population migration indicators by granting Ukraine a visa-free regime with the EU countries, which allowed to establish the modern trends in the development of interregional cooperation in the context of European integration. The organizational and legal forms of economic entities cooperation at the level of regions (Euroregions, clusters, industrial zones and technological parks, technology platforms, franchising), which are currently functioning in Ukraine and EU countries are determined and their characteristics are analyzed [2].

There are a number of ways and methods of assessing interregional cooperation in Ukraine, but the methodological support for evaluating interregional cooperation in the context of European integration remains

underdeveloped, including due to the lack of necessary statistical information for such evaluation. Therefore, it is proposed to improve the existing procedure for assessing the development of interregional cooperation by identifying and comparatively analyzing those indicators that reflect the European integration dimension. Analyzing the indicators of the economic, social and demographic components of the minority region, giving them the opportunity to understand the number of regions and the number of cities and regions of the world. See Table 1, the groups of Ukraine regions were submitted by the results of evaluating the development of regional cooperation in the minds of the European integration.

Table 1

Results of evaluation of interregional cooperation components in the context of European integration

<b>Regions</b>	<b>Economic component</b>	<b>Social component</b>	<b>Demographic component</b>	<b>Overall score</b>
Kyiv city	<i>favorable (F)</i>	<i>favorable (F)</i>	<i>favorable (F)</i>	<i>favorable (F)</i>
Vinnitsky	<i>favorable (F)</i>	<i>condition-ally favorable (CF)</i>	<i>condition-ally favorable (CF)</i>	<i>favorable (F)</i>
Dnepropetrovsky	<i>favorable (F)</i>	<i>favorable (F)</i>	<i>condition-ally favorable (CF)</i>	<i>favorable (F)</i>
Zaporozhye	<i>favorable (F)</i>	<i>condition-ally favorable (CF)</i>	<i>condition-ally favorable (CF)</i>	<i>favorable (F)</i>
Ivano-Frankivsk	<i>favorable (F)</i>	<i>condition-ally favorable (CF)</i>	<i>condition-ally favorable (CF)</i>	<i>favorable (F)</i>
Kyiv	<i>favorable (F)</i>	<i>favorable (F)</i>	<i>condition-ally favorable (CF)</i>	<i>favorable (F)</i>
Kropyvnytskyi	<i>favorable (F)</i>	<i>condition-ally favorable (CF)</i>	<i>condition-ally favorable (CF)</i>	<i>favorable (F)</i>

<b>Regions</b>	<b>Economic component</b>	<b>Social component</b>	<b>Demographic component</b>	<b>Overall score</b>
Lviv	<i>favorable (F)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>
Odesky	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>
Poltava	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>
Kharkivsky	<i>favorable (F)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>
Volinsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>
Rivnensky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>
Sumsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Ternopilsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Mykolaivsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Zhytomyrsky	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>
Zakarpattia	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>favorable (F)</i>	<i>conditionally favorable (CF)</i>

<b>Regions</b>	<b>Economic component</b>	<b>Social component</b>	<b>Demographic component</b>	<b>Overall score</b>
Kherson	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Khmelnitsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Cherkasy	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Chernigivsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
Chernivetsky	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>
<b>Donetsk</b>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally unfavorable (CU)</i>
<b>Lugansk</b>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally favorable (CF)</i>	<i>conditionally unfavorable (CU)</i>
<b><i>Overall assessment in Ukraine: conditionally favorable climate (CF) for the development of interregional cooperation</i></b>				

The procedure for evaluating the development of international cooperation in the minds of the European integration of transferring the development and implementation of business projects (plans), as well as the legal aspects of process had been greatly improved.

The active development of interregional cooperation in the context of European integration is possible only based on the harmonization of all participant's interests of cooperation. To achieve this goal, a hierarchy of scientific and practical instruments for the interregional cooperation development in the context of European integration has been constructed,

which reflects the logical sequence of determining the chain of mutual interests coordination of the partner regions and the state. For the state, only one form of influence on processes of interregional cooperation based solely on economic effect and voluntary principles, it is likely the reconciliation of state interests, regional authorities and business.

Taking into account official documents and different scientific points of view regarding the prospects of Ukraine's integration into the EU, a descriptive model of the development of interregional cooperation in the context of European integration has been built, which is based on a triad of basic directions of interregional cooperation development. In order to determine the directions of interregional cooperation expansion of Ukraine with the EU in the real sector of economy, a rapid monitoring of international cooperation results was carried out and the negative tendencies were identified: reduction of total volume of investments from the EU countries in industry and agrarian sector; reduction of EU share in the structure of total FDI in industry; deterioration of geographical structure of EU foreign direct investment in industry; subordination of foreign trade with the EU in order to provide EU countries with Ukrainian raw materials and to use Ukraine as a market for European high-tech sector products. Overcoming these negative trends requires the development of a qualitatively new format of cooperation with the EU, taking into account the national interests of Ukraine in the development of high-tech sector of economy, creation of new industries, ensuring sustainable inclusive economic growth.

Promising areas of interregional cooperation in the context of European integration should include the cooperation in the sectors of food industry, information and communication technologies, aircraft maintenance and repair, production of spare parts and components for the aerospace and aviation industries, mechanical engineering and tourism.

Based on obtained scientific achievements, the concept of interregional cooperation development in the context of European integration was formed based on the results of conducted research, which is a controversial union of theoretical-methodological, normative and analytical-practical blocks.

In such a way, the obtained scientific and practical results concerning the interregional cooperation development in the context of European

integration based on the coherence of participants interests of cooperation and using relevant scientific and practical instruments, will contribute the implementation of expansion directions of Ukraine cooperation with EU countries in the real sector of economy. It will be in the context of requirements between Ukraine and EU, generally contribute to the implementation of the European vector of the national economy development of Ukraine and its regions in the near term.

### References

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## UKRAINIAN TRENDS OF INNOVATION ENTERPRISE DEVELOPMENT

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Данная статья посвящена идентификации экономических факторов развития предприятий в рамках концепции Industry 4.0. В статье изложены основные характеристики проявления глобальной информационной цивилизации и формирования общества, основанного на новых знаниях. Проанализированы глобальные тенденции и переходные процессы промышленного производства в Украине к новым моделям организационно-технологического преобразования производственных процессов.

**Ключевые слова:** цифровая трансформация, инновации, инновационная экономика, экономика знаний