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## **CHALLENGES AND PROSPECTS OF DIGITIZATION OF UKRAINE'S ECONOMY IN TERMS OF GLOBAL TRANSFORMATION**

The development of the modern world necessitates the transition to an information society based on the use of digital technologies in all spheres of human life and activity, or digitalization.

On the other hand, the global challenges and threats, for example, the COVID-19 pandemic or the global economic governance crisis, stimulate and spread the need for digital transformation of the economy [2].

The purpose of the research is scientific and theoretical substantiation of problems and prospects of digitalization of Ukraine's economy in the context of global challenges.

Digitalization is the introduction of digital technologies in all spheres of life. In a broad sense, it is the transition from biological and physical systems to cyber biological and cyber physical. For Ukraine, digitalization is a plan for economic development for the next 10 years.

According to The Global Knowledge Index, Ukraine is a strong competitor in terms of knowledge infrastructure. Our country ranks 61st out of 154 countries in The Global Knowledge Index for 2021 and 5th out of the 39 countries [3] with high human development. Thus, Ukraine is a promising state.

However, in the IMD World Digital Competitiveness Ranking, that was developed by the IMD World Competitiveness Center, Ukraine ranks 54th out of 64 [4]. This is a very low rate. This is due to the fact that despite the high level of the knowledge index, Ukraine has a number of problems related to digitalization and such ones that hinder it.

All challenges related to digitalization may be grouped into several part: government-institutional, infrastructural, ecosystem.

The government-institutional problems include:

1) low level of involvement of government agencies in relation to implementation of the Concept of digital economy development and society of Ukraine;

2) low level of automation and digitalization of public services;

3) inconsistency of legislation and development strategies and programs with digital opportunities and challenges.

The infrastructural problems include:

1) low level of coverage by digital infrastructures;

2) lack of certain digital infrastructures;

3) digital gaps.

The ecosystem challenges include:

1) low level of stimulation and encouragement of development of innovative economy;

2) immature investment capital market;

3) outdated education system and, consequently, lack of highly qualified staff.

To pay more attention for such issues, it is possible to intensify and accelerate the rate of digitization. Digitalization, in turn, can not only make life comfortable for the population, but also it has positive impact on the economy. Digital integration can enable:

1) to create from 10 % to 65 % of additional GDP per year;

2) to create 700 thousand new jobs;

3) to increase budget revenues by \$ 240 billion in 10 years USA [1].

Raising the level of the digital economy at the same time means opening up new opportunities for businesses and citizens not only in economic activity, but also in other spheres of social life. It is appropriate to take into account the fact that European countries are more developed in the field of digital technologies, in connection with which they are able to set before themselves sufficiently high indicators of the desired level of digitization of the economic sector. Therefore, Ukraine should still take into account best experience of EU countries to develop effective strategy of digitalization. To sum up, for Ukraine, digitalization is one of the most promising development strategy that will bring the country's economy to the growth and will ensure effective integration of Ukraine into the European community.

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