

Import Dependence of the Ukrainian Economy: Problems and Solutions

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Abstract. The relevance of the issue of import dependence of the Ukrainian economy is determined by geopolitical changes, processes of reformatting priorities and strategic areas of the global economy. The purpose of the study is to determine the level of import dependence of the Ukrainian economy by segments of consumption of processing industry products and substantiate the areas and mechanisms for implementing the national import substitution policy. To achieve this goal, methods of analysis, synthesis, and comparison were used. The paper provides a comparative assessment of the dependence of the economy of Ukraine and the EU countries on the import of industrial products in the context of 16 production facilities of the processing industry, classified by technological levels, in accordance with Eurostat standards. Based on the use of data from the "cost-output" matrix, the share of imports in the total consumption of processing industry products in Ukraine was determined, which in 2016 reached 52.4%, while in the EU member states the value of this indicator averaged 37.4%. The highest dependence of the national economy on imports of mechanical engineering and chemical industry products, i.e., key system-forming high-tech industries, is established. Based on the results of calculations and analytical assessments, a system of import substitution priorities in the domestic market of industrial goods in Ukraine is constructed and the basic areas for the development of import substitution industries are outlined. Structural and dynamic transformations in the intermediate and final consumption of industrial products (Ukrainian and imported), and gross accumulation of fixed capital in Ukraine, are determined. The proposed set of instruments of regulatory influence of the state (fiscal, organisational, and trade policy instruments) aimed at reducing the degree of import dependence of the national economy is of practical value

Keywords: total and intermediate consumption, gross fixed capital accumulation, products of the processing industry, production, import substitution

The Problem Statement

Geopolitical changes, processes of reformatting priorities and strategic areas of the global economy determine the actualisation of import dependence issues as one of the key factors influencing the socio-economic development of individual countries. The high dependence of any country on imports of goods and services leads to the openness (and therefore vulnerability) of its economy to external economic influences, in particular, such as price fluctuations on world markets, the unfair economic behaviour of exporting countries, etc. External economic pressure is increasingly becoming a tool in international competition

and even leads to the deployment of price wars and armed confrontations for control of strategic resources. As world experience shows, most countries at certain stages of development adopted a policy of import substitution to protect certain sectors of their economy until they reached a sufficient level of competitiveness in the world market. Moreover, the countries that have now reached the top in the world economic ranking due to the free market and free trade policy (Great Britain, USA, Germany, Japan), in the past were the most active in using protectionist measures to support national producers.

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The need for import substitution for Ukraine is conditioned by the fact that this process is a catalyst for structural changes in the economy, a prerequisite for its innovative development, an incentive to increase business activity, and a basis for increasing the export potential of Ukrainian producers. The establishment of the basic principles of import substitution policy should be preceded by an objective analysis of the level of import dependence of the national economy and, above all, its industrial sector. Next, it is necessary to outline the areas and identify objects (product groups), import substitution of which is appropriate and economically profitable for the state and society in the long term. Equally important is the choice of import substitution policy tools and methods of its practical implementation. The priority criterion should remain the principle of efficiency and economic feasibility of import substitution, which means stimulating the production of only competitive products characterised by high quality and competitive price.

Analysis of Recent Research and Publications

A thorough study on the problems of import substitution in the Ukrainian economy was conducted at the Institute of Economics and forecasting of the National Academy of Sciences of Ukraine and by researchers at KNTEU. Thus, the scientific report [1] substantiates promising areas of import substitution in the metallurgical industry, chemical industry, and agri-food sector. The importance of imports in the operation of high-tech industries of the Ukrainian economy is described in [2]. The prospects of selective import substitution in certain types of economic activity are

considered in [3]. A methodology for assessing the possibilities of import substitution in the food, textile, and chemical industries based on equations and identities of the national accounting system is proposed in [4]. The basics of forming an effective system of regulating the import of goods in Ukraine are covered in [5]. At the same time, it is advisable to pay attention to the studies by T. Vasiltsiv, R. Lupak, Yu. Osadchuk [6], H. Dong, Z. Kong [7], E. Andreeva, A. Ratner, O. Voronkova [8], A. Gnidchenko [9], S. Kotlyarova et al. [10].

Setting the Objectives

The purpose of the study is to determine the level of import dependence of the Ukrainian economy by segments of consumption of processing industry products and substantiate the areas and mechanisms for implementing national policy in the field of import substitution.

Results and Discussion

The structure of imports of goods and services in Ukraine is dominated by industrial products, the share of which during 2012-2016 decreased by 5.02 percentage points (pp), in particular, mining – by 10.01 pp (including production of crude oil and natural gas – by 8.07 pp) (Table 1). But the share of products of the processing industry in the structure of imports of goods and services in 2016, compared with the previous year, increased by 5.71 pp. For comparison, the share of industrial products in imports of goods and services to Poland in 2016 was 45.87% (which is 34.03 pp less than in Ukraine), and the highest value of this indicator among the member states of the European Union (EU) – in Hungary (55.09%).

Table 1. Share of industrial products in imports of goods and services of Ukraine, %

Indicator	2012	2013	2014	2015	2016
Industry	84.92	82.80	82.00	81.46	79.90
Processing industry	65.02	65.71	68.07	64.25	69.96
Mining and quarrying industry, incl.:	19.77	16.95	13.77	15.72	9.76
Production of crude oil and natural gas	...	13.76	9.71	10.76	5.69

Source: compiled by the author based on [11]

The high share of industrial products in the import of goods and services of Ukraine, compared with the EU member states, is conditioned by the structural features and level of development of the national economy. Considering the dominance of processing industry products in the structure of imports of goods and services, this study focuses on assessing the level of import dependence of the economy on this particular type of industrial product.

A general indicator of industrial products consumed and used in a country is the indicator of total consumption, which is defined as the sum of output and import volumes minus the volume of exports of these products. To determine the level of import dependence of the economy, it is proposed to use the indicator of the share of imports

in total consumption (the share of imports in total consumption = import of goods and services / (output + import of goods and services – export of goods and services)). The higher the value of this indicator, the higher the country's import dependence, and therefore the higher the risks to its economic security.

The Ukrainian processing industry has significant production and raw materials resources and human capital, and therefore development potential. However, the Ukrainian economy is characterised by a rather high dependence on imports of industrial goods, in particular, when compared with EU member states that are similar in key structural parameters to the industrial sector (Fig. 1).

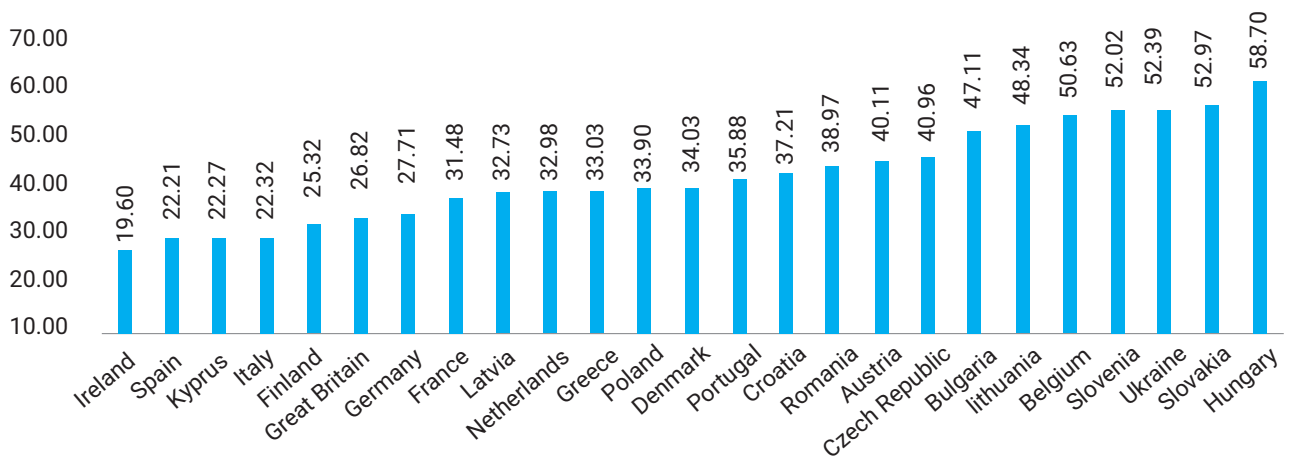


Figure 1. Share of imports in total consumption of processing industry products in Ukraine and the European Union in 2016, %

Source: compiled by the author based on [12]

In 2016, in terms of the share of imports in total consumption of processing industry products, Ukraine was ahead only of Hungary and Slovakia, losing, for example, to Poland in this indicator by 18.49 pp (52.39% against 33.90%).

The Ukrainian economy, compared with the Polish one, is much more dependent on the import of industrial products of processing industries of all levels of manufacturability (Table 2).

Table 2. Share of imports in total consumption of processing products in Ukraine and Poland, %

Group	Production	Ukraine				Poland				Deviation (+/-)			
		2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
High-tech	Production of basic pharmaceutical products and pharmaceutical preparations	72.09	71.78	65.45	66.67	42.37	43.09	44.34	42.73	29.73	28.69	21.10	23.94
	Computer manufacturing, electronic and optical products	93.57	91.48	96.96	93.37	64.16	66.19	72.58	71.72	29.42	25.29	24.39	21.64
	Total	82.41	80.09	80.04	79.75	58.48	60.38	64.60	63.00	23.93	19.71	15.45	16.75
Medium-high-tech	Production of chemicals and equipment	73.62	78.43	75.73	79.53	29.64	30.37	29.32	28.89	43.98	48.06	46.41	50.64
	Production of electric equipment	71.61	66.57	72.26	73.26	50.89	52.49	53.65	55.71	20.72	14.08	18.61	17.55
	Production of machinery and equipment, not assigned to other groups	83.18	91.80	96.53	89.78	27.45	27.56	25.62	29.58	55.73	64.24	70.91	60.19
	Production of motor vehicles, trailers, and semi-trailers	91.84	83.93	89.40	91.98	69.66	67.89	69.75	70.05	22.17	16.05	19.65	21.93
	Production of other vehicles	13.92	28.17	18.11	20.66	66.31	58.90	54.66	61.13	52.38	30.73	36.55	40.47
	Total	71.92	76.54	78.75	81.11	50.09	49.73	50.10	52.37	21.82	26.80	28.65	28.75

Table 2, Continued

Group	Production	Ukraine				Poland				Deviation (+/-)			
		2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
Medium-low-tech	Production of coke and coking products, oil refining products	56.98	67.43	66.41	62.69	44.58	47.71	43.97	40.14	12.40	19.71	22.44	22.55
	Production of rubber and plastic products	50.75	49.46	47.47	47.61	36.04	35.33	34.27	35.13	14.71	14.13	13.20	12.48
	Production of other non-metallic mineral equipment	25.28	2.31	23.78	23.57	15.97	16.16	17.09	18.92	9.31	10.15	6.70	4.65
	Metallurgical production	32.37	30.27	29.17	24.85	27.81	29.71	30.63	31.80	4.56	0.56	-1.46	-6.95
	Production of ready-made metal products, except for machinery and equipment	48.28	59.80	58.48	55.35	23.76	23.21	21.06	21.36	24.52	36.58	37.43	33.99
	Total	43.47	49.35	48.18	43.25	33.63	33.98	30.80	29.83	9.84	15.36	17.38	13.42
Low-tech	Production of food, beverages, and tobacco products	20.08	20.38	19.04	23.08	15.75	15.67	15.67	16.95	4.33	4.71	3.38	6.13
	Textile production, production of clothing, leather, and other materials	88.74	81.91	77.98	77.88	32.10	32.46	30.23	31.99	56.64	49.45	47.75	45.89
	Production of wood, paper; printing activities and replication	39.54	40.81	38.39	36.90	20.71	20.48	20.03	20.03	18.83	20.34	18.36	16.86
	Production of furniture; other products	32.53	30.10	38.76	38.55	21.18	23.45	21.66	21.89	11.35	6.65	17.10	16.65
	Total	30.06	29.91	29.58	32.31	18.28	18.47	18.20	19.14	11.79	11.43	11.38	13.17
Total processing industry		48.93	51.02	51.26	52.39	33.60	34.17	33.49	33.90	15.32	16.85	17.77	18.49

Source: compiled based on [11; 13]

The largest gap between countries in terms of the share of imports in total consumption is typical for products of medium-high-tech industries (28.75 pp in 2016), and the lowest-for products of low-tech (13.17 pp). In terms of production in 2016, Ukraine was most inferior to Poland in terms of dependence on imports of mechanical engineering products (by 60.19 pp), chemical (by 50.64 pp) and light (by 45.89 pp) industries. At the same time, both countries are characterised by the lowest dependence on imports of food products, but in Ukraine the share of imports in total consumption of these products in 2016 was higher by 6.13% points (against 4.33 pp in 2013). But the existing production potential of other vehicles in Ukraine determines a significantly lower (by 40.47 pp) level of import dependence for this type of product than in Poland. The situation is similar with metallurgical products. In general, there are positive trends in Ukraine towards the reduction of import dependence in the total consumption of processing industry products. Thus, in 2016, there was a decrease in the share of imports in the total consumption of products of such industries:

- high-tech – by 0.29 pp, in particular, the production of computers, electronic and optical products by 3.60 pp;
- medium-low-tech – by 4.93 pp (excluding the production of rubber and plastic products).

In addition, there was a decrease in the level of dependence on imports of machinery and equipment (by 6.75 pp), which are products of medium-high-tech industry, and products of such low-tech industry: textile production, production of clothing, leather, and other materials (by 0.10 pp); wood production, paper production; printing activities and replication (by 1.49 pp); production of furniture; other products (by 0.21 pp).

The decrease in the level of import dependence of the Ukrainian economy is conditioned by an increase in the rate of the total consumption of industrial products of Ukrainian production (Table 3). Thus, the growth rate of Ukrainian products of the processing industry in 2016 reached 28.82% against 1.20% in 2014, including high-tech industries – 42.16% against 23.25%. An increase in the growth rate of the total consumption of Ukrainian products

occurred in most (10) production facilities of the processing industry. It is also positive that in key industries, the growth of total consumption of Ukrainian-made products significantly exceeded the growth of imported ones. In particular, this applies to the production of computers, electronic and optical products; the production of machinery and equipment that are not classified as other groups, and metallurgical production. However, the growth rate of

the total consumption of imported products of the processing industry in Ukraine in 2016 exceeded the same indicator of Ukrainian products by 5.97 pp (against 1.17 pp in 2015). Imports of pharmaceutical products, electrical equipment, motor vehicles and mechanical engineering, and food products grew at the highest rates. At the same time, the growth rate of imports of chemical industry products, and refined products, significantly decreased.

Table 3. Dynamics of total consumption of processing industry products in Ukraine, %

Group	Production	Growth / decline rate of total consumption								
		Total			Ukrainian products			imported products		
		2014	2015	2016	2014	2015	2016	2014	2015	2016
High-tech	Production of basic pharmaceutical products and pharmaceutical preparations	21.12	14.01	33.08	22.48	39.59	28.38	20.60	3.95	35.56
	Production of computers, electronic and optical equipment	-4.34	34.72	48.23	26.85	-52.02	224.00	-6.48	42.80	42.73
	Total	8.89	22.75	40.10	23.25	23.04	42.16	5.83	22.68	39.58
Medium-high-tech	Production of chemicals and chemical products	14.80	54.35	18.45	-6.14	73.64	-0.06	22.31	49.04	24.38
	Production of electric equipment	9.10	-1.82	41.27	28.49	-18.55	36.18	1.41	6.58	43.22
	Production of machinery and equipment not assigned to other groups	-11.89	26.58	83.82	-57.04	-46.40	41.08	-2.76	33.10	70.97
	Production of motor vehicles, trailers and semi trailers	-20.47	15.65	73.28	56.57	-23.68	31.06	-27.31	23.17	78.29
	Production of other vehicles	-31.61	-13.36	25.08	-42.93	-1.22	21.18	38.40	-44.31	42.72
	Total	-5.36	28.67	44.22	-20.92	16.52	28.18	0.72	32.39	48.55
Medium-low-tech	Production of coke and coking products, oil refining products	32.15	13.57	5.32	0.05	17.13	16.97	56.40	11.85	-0.57
	Production of rubber and plastic products	11.02	35.80	29.84	13.92	41.16	29.50	8.21	30.32	30.22
	Production of other non-metallic mineral equipment	0.16	27.49	37.93	-1.23	31.87	38.31	4.27	15.22	36.69
	Metallurgical production	2.73	4.06	51.89	5.92	5.70	61.15	-3.95	0.28	29.39
	Production of ready-made metal products, except for machinery and equipment	-0.82	34.17	29.47	-22.91	38.55	39.24	22.84	31.22	22.53
	Total	12.17	18.10	27.21	0.50	20.83	39.31	27.33	15.29	14.20
Low-tech	Production of food, beverages, and tobacco products	6.73	22.24	23.46	6.33	24.29	17.31	8.34	14.20	49.59
	Textile production, production of clothing, leather, and other materials	11.70	35.59	28.99	79.49	65.02	29.58	3.10	29.09	28.82
	Production of wood, paper; printing activities and replication	13.92	22.35	30.37	11.52	27.36	33.53	17.59	15.08	25.30
	Production of furniture; other equipment	-7.06	32.71	35.44	-3.70	16.27	35.91	-14.01	70.88	34.69
Total processing industry		6.81	24.38	26.10	7.04	24.96	21.21	6.27	23.02	37.74

Source: compiled by the author based on [11]

In the structure of total consumption of products of the processing industry in Ukraine during the analysed period, the largest share was consistently occupied by goods of low- and medium-low-tech industries (a total of 65.63%

in 2016), in particular: production of food, beverages, and tobacco products (22.36%), production of coke and coking products, oil refining products (9.21%), and metallurgical production (8.48%) (Table 4). Relatively significant

in this structure are the shares of production of chemicals and chemical products (10.13%) and production of machinery and equipment (7.77%), which belong to medium-high-tech sector of industry. For its part, among these types of production, Ukrainian products dominate the

consumption of goods only in the food and metallurgical industries. But imported – in the consumption of goods of high- and medium-high-tech industries: a total of 53.01% in 2016 against 48.81% in 2015.

Table 4. Structure of total consumption of processing industry products in Ukraine, %

Group	Production	Total				Ukrainian products				Imported products			
		2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
High-tech	Production of basic pharmaceutical products and pharmaceutical preparations	3.83	4.39	4.07	4.10	2.09	2.53	2.88	2.87	5.64	6.18	5.19	5.22
	Computer manufacturing, electronic and optical products	3.54	3.21	3.51	3.94	0.45	0.56	0.22	0.55	6.77	5.75	6.64	7.03
	Total	7.36	7.60	7.58	8.05	2.54	3.09	3.10	3.42	12.40	11.93	11.83	12.25
Medium-high-tech	Production of chemicals and chemical products	8.28	9.00	11.28	10.13	4.27	3.96	5.62	4.36	12.45	13.84	16.67	15.38
	Production of electric equipment	2.59	2.68	2.14	2.29	1.44	1.83	1.22	1.28	3.79	3.49	3.01	3.20
	Production of machinery and equipment, not assigned to other groups	6.49	5.42	5.57	7.77	2.14	0.91	0.40	1.67	11.04	9.76	10.50	13.31
	Production of motor vehicles, trailers and semi trailers	5.09	3.83	3.60	4.73	0.81	1.26	0.78	0.80	9.55	6.31	6.28	8.31
	Production of other vehicles	3.24	2.10	1.48	1.40	5.46	3.08	2.48	2.33	0.92	1.16	0.52	0.55
	Total	25.69	23.03	24.07	26.32	14.12	11.04	10.49	10.44	37.76	34.55	36.98	40.76
Medium-low-tech	Production of coke and coking products, oil refining products	9.98	12.50	11.53	9.21	8.41	8.31	7.95	7.22	11.63	16.52	14.94	11.02
	Production of rubber and plastic products	3.96	4.17	4.60	4.53	3.82	4.30	4.96	4.98	4.11	4.04	4.26	4.11
	Production of other non-metallic mineral equipment	4.65	4.41	4.57	4.78	6.80	6.64	7.15	7.67	2.40	2.28	2.12	2.15
	Metallurgical production	8.95	8.71	7.36	8.48	11.85	12.40	10.70	13.38	5.92	5.17	4.19	4.02
	Production of finished metal products, except for machinery and equipment	4.21	3.96	4.31	4.23	4.26	3.25	3.67	3.97	4.15	4.64	4.92	4.47
	Total	31.76	33.75	32.37	31.23	35.15	34.90	34.42	37.22	28.22	32.64	30.42	25.78
Low-tech	Production of food, beverages, and tobacco products	23.79	24.06	23.89	22.36	37.23	39.11	39.67	36.13	9.76	9.61	8.87	9.85
	Textile production, production of clothing, leather and other materials	3.12	3.30	3.64	3.56	0.69	1.22	1.64	1.65	5.66	5.30	5.53	5.29
	Production of wood, paper, printing industry and replication	4.84	5.22	5.19	5.13	5.72	6.31	6.56	6.80	3.91	4.18	3.88	3.61
	Production of furniture; other products	3.45	3.04	3.27	3.36	4.55	4.33	4.11	4.34	2.29	1.79	2.47	2.47
	Total	35.19	35.62	35.98	34.40	48.19	50.97	51.98	48.91	21.62	20.88	20.76	21.22
Total processing industry		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: compiled by the author based on [11]

In the structure of total consumption of products of the processing industry in Ukraine during the analysed period, the largest share was consistently occupied by goods of low- and medium-low-tech industries (a total of 65.63% in 2016), in particular: production of food, beverages, and tobacco products (22.36%), production of coke and coking products, oil refining products (9.21%), and metallurgical production (8.48%) (Table 4). Relatively significant in this structure are the shares of production of chemicals and chemical products (10.13%) and production of machinery and equipment (7.77%), which belong to medium-high-tech sector of industry. For its part, among these types of production, Ukrainian products dominate the consumption of goods only in the food and metallurgical industries. But imported – in the consumption of goods of high- and medium-high-tech industries: a total of 53.01% in 2016 against 48.81% in 2015.

In terms of consumption segments of processing industry products in Ukraine, the highest share of imports in the gross accumulation of fixed capital is approximately 85% [14]. This level of import dependence poses a threat to the economic security of the state. This threat is reinforced by a critically high degree of physical depreciation of the fixed capital of the Ukrainian industry ($\approx 70\%$), in particular, processing industry ($\approx 80\%$). Hence, there is an urgent need to update and modernise the main production facilities. The implementation of these import-based processes, primarily in the public sector, requires significant investment, and therefore carries risks for the stability of the national currency and socio-economic development in general.

An alternative is to create import-substituting industries in Ukraine that will be able to produce fixed assets for the needs of the national economy. However, the organisation and further operation of such enterprises mainly involve the use of imported components. Hence, the areas of import substitution in Ukraine are obvious, which primarily concern these industries. Another argument for the need to reduce the import dependence of the Ukrainian economy on mechanical engineering, chemical and light industry products is that these industries have become priorities for the development of Poland's industry since it signed the Association Agreement and joined the European Union.

Nowadays, imported industrial products also dominate the segment of intermediate consumption – in 2016, their share was more than 52% [14]. Most of all, the Ukrainian economy depends on the materials and components of the following industries: computers, electronic and optical products ($\approx 90\%$); chemicals and chemical products ($>80\%$); mechanical engineering ($>80\%$); coke and refined products ($>60\%$); textile production, clothing, leather, and other materials ($>60\%$). In fact, this means that Ukrainian enterprises and organisations not only in production, but also in other areas (financial, social) cannot operate not only without imported goods of mechanical

engineering and chemical industry, but also without products of oil refining and light industry.

In 2016, the final consumption of products from 9 out of 16 processing industries in Ukraine was provided by imports by more than 70% [15]. Naturally, the highest import dependence in final consumption was characteristic of goods of high – and medium-high-tech industries (81.08% and 73.62%, respectively), and the need for consumer goods of two industries (computers and motor vehicles) belonging to these groups was provided by imports by more than 90%. In addition, import dependence on end-consumption goods and some medium- and low-tech industries (production of rubber and plastic products; textile production, production of clothing, leather, and other materials; production of furniture and other products) was critically high ($>80\%$).

For each of the identified areas of import substitution in Ukraine, it is necessary to make detailed calculations of the capacity of target market segments (both domestic and potentially external), the amount of capital investment required to organise the corresponding production, their profitability and payback period, and the number of newly created jobs. At the initial stage, it is economically justified to increase the domestic output of a number of goods to replace simple imports or products for which there is a significant current (and very promising) demand in Ukraine due to the development of the agricultural sector, the implementation of energy saving projects, modernisation of production and social infrastructure.

No less important is the choice of mechanisms for implementing the state import substitution policy. Here it is necessary to emphasise that in the conditions of Ukraine's membership in the WTO, and the operation of the FTA with the EU and a high degree of export orientation of the national economy, the use of restrictive instruments of the protectionist policy of the state (discriminatory or prohibiting import duties, tariffs, quotas, etc.) to protect the national producer is problematic. Violation of international obligations and artificial protection will lead to long-term negative consequences for the competitiveness of Ukrainian industrial products. Therefore, import substitution should be considered not as protectionism, but as a system of tools to stimulate the development and implementation of domestic potential in the production of industrial products of all types of consumption and fixed capital to fill potential niches in the domestic and foreign markets. This, for its part, requires the development and implementation of a comprehensive import substitution strategy. The key goal of such a strategy should be to restore and reinforce intersectoral interaction between sectors of the national economy towards increasing the volume and level of manufacturability of industrial products, expanding the range and geography of medium- and high-tech exports and meeting the demand for products of intermediate and final consumption and fixed capital in the national market. In this context, it is advisable to note that among the effective tools

of regulatory influence of the state on stimulating the development of import-substituting industries in Ukraine, the following can be distinguished:

- fiscal, in particular, preferential taxation of profits reinvested in the modernisation of fixed assets; investment tax credits (deferred tax payment) in the implementation of import substitution projects; temporary preferential taxation of enterprises engaged in the production of innovative import substitution products;
- trade policy instruments – expanding the use of non-tariff regulatory methods allowed by the WTO, in particular simplifying licensing, certification, technical regulations, phytosanitary standards, etc.;
- organisational – ensuring the mode of prompt solution of problems related to obtaining permits, allotment of land plots, connection to communications of newly created production facilities.

Government orders are an effective tool for import substitution policy. The use of this tool would allow purposefully developing strategically important production facilities in the segment of intermediate consumption and gross fixed capital accumulation. State incentives for import substitution can occur by: a) supporting enterprises in those sectors where they are able to compete for the market with foreign suppliers; b) encouraging external suppliers to create assembly plants in Ukraine with an appropriate localisation coefficient of internal potential. This requires state leasing and credit programmes that will apply only to goods produced (collected) in Ukraine. As a result, an effective import substitution policy would allow getting a significant multiplier effect: create new jobs in the industrial sector of the economy and additional effective demand within the country, and therefore significantly expand the

national market, increase GDP and tax revenues to budgets of various levels.

Conclusions

Summing up, a generally high level of import dependence of the Ukrainian economy can be noted. However, it should be considered not only as a source of threat to the sustainable economic development of the state (especially in conditions of global instability) but also as an opportunity for more effective use and capacity-building of the domestic processing industry. It is confirmed that the products of the latter will be able to fill free niches in the national market, successfully competing with imports primarily in terms of price parameters. It is proved that reducing the level of import dependence in the segments of intermediate consumption and gross fixed capital accumulation would allow overcoming the high level (>45%) of dependence of the Ukrainian consumer market on imports of industrial goods.

It is determined that in the context of local government reform, decentralisation and expansion of financial powers of local authorities, the implementation of capital investments in promising import-substituting industries can become a powerful incentive for the socio-economic development of regions. In addition, coordination and control of such projects at the regional level is easier from an organisational standpoint than the implementation of similar projects at the state level, which adds advantages for their effective implementation and achievement of their goals. Prospects for further study in this area will be devoted to the analytical substantiation of potential areas of import substitution in Ukraine and the calculation of their economic efficiency.

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Імпортозалежність економіки України: проблеми і шляхи їхнього вирішення

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Анотація. Актуальність питання імпортозалежності економіки України зумовлюють геополітичні зміни, процеси переформатування пріоритетів і стратегічних напрямків глобальної економіки. Метою статті є визначення рівня імпортозалежності економіки України за сегментами споживання продукції переробної промисловості та обґрунтування напрямів і механізмів реалізації державної політики імпортозаміщення. Для досягнення поставленої мети були використані методи аналізу, синтезу та порівняння. У роботі проведено порівняльну оцінку залежності економіки України і країн ЄС від імпорту промислової продукції у розрізі 16-ти виробництв переробної промисловості, класифікованих за рівнями технологічності, відповідно до стандартів євростату. На основі використання даних матриці «витрати-випуск» визначено частку імпорту в загальному споживанні продукції переробної промисловості в Україні, яка у 2016 році досягла 52,4 %, тоді як у державах-членах ЄС значення цього показника в середньому становило 37,4 %. Встановлено найвищу залежність національної економіки від імпорту продукції машинобудування і хімічної промисловості, тобто ключових системоформуючих високотехнологічних виробництв. За результатами проведених розрахунків та аналітичних оцінок побудовано систему пріоритетів імпортозаміщення на внутрішньому ринку промислових товарів в Україні та окреслено базові напрямки розвитку імпортозаміщувальних виробництв. Визначено структурно-динамічні трансформації у проміжному і кінцевому споживанні промислової продукції (української та імпоротної), а також валовому нагромадженні основного капіталу в Україні. Практичну цінність має запропонована множина інструментів регулятивного впливу держави (фіскальних, організаційних та інструментів торговельної політики), спрямованих на зменшення ступеня імпортозалежності національної економіки

Ключові слова: загальне і проміжне споживання, валове нагромадження основного капіталу, продукція переробної промисловості, виробництво, імпортозаміщення
