

Developing Trade-Economic Cooperation of Ukraine and China in Modern Conditions

Alina Kushnir
Ukraine

Abstract:- Trade and economic relations between Ukraine and China largely depend on the political climate between these states. Their condition is influenced by a number of positive and negative factors, including the geopolitical climate, the degree of attractiveness of the economy for financing and lending, the completeness of joint agreements and contracts, business cooperation at the highest interstate level.

Keywords:- *Economic, Trade-Economic, International Trade.*

I. INTRODUCTION

In the conditions of the rejection of the huge sales market of the Russian Federation, the military conflict, economic instability, the loss of competitiveness of certain industries compared to the corresponding areas of the EU countries, in the conditions of the difficulty of transitioning to the European price level, the impact of the Corona Virus Disease (COVID-19) on the global economy and society in general, the partnership with the People's Republic of China is gaining more and more importance for the economy of Ukraine along with the ties with the European Union. Ukraine needs an inflow of significant amounts of foreign investment for the modernization of industry and the agro-industrial complex, the development of its own innovative technologies and the service sector, support for technology parks, and the renewal of the transport and logistics system, which, under certain favorable conditions, China can provide.

Ukraine is rich in fertile soils, favorable natural and climatic conditions, which allow it to produce high-quality and relatively inexpensive agricultural products (grain, corn, soybeans, rapeseed, sunflower, soybean and rapeseed oil), which are still competitive on the world agricultural market.

It is the products of the agro-industrial complex of Ukraine and domestic ores that make up the gross share of exports to the Republic of China. Instead, imports are dominated by electric machines, computers, tablets, smartphones, household appliances, nuclear reactors, boilers, chemical and light industry products, which have a high added value and, unlike raw materials and semi-finished products, are less dependent on the world price level. Transport services account for the largest share of all services exported to China, while Ukraine mainly imports financial services from the PRC, which are much more expensive. Due to such a situation, there is a constant predominance of Ukrainian imports of goods and services over their exports (negative trade balance) and, as a result, an outflow of currency from Ukraine.

Every year, the degree of trust of Chinese investors in the Ukrainian authorities decreases, the political and economic situation in Ukraine worsens, which may lead to a large-scale curtailment of loans and investment in our country's economy by the Chinese side. Significant development of bilateral relations is observed in the field of ferrous metallurgy (manganese ore mining), automobile industry, truck engineering, construction, high-tech cooperation, production of telecommunication equipment, provision of information and telecommunication services, agro-industrial complex.

Among the factors restraining the development of Ukrainian-Chinese trade and economic relations can be mentioned the passivity of the Ministry of Foreign Affairs of Ukraine in the Chinese direction; corruption schemes in the domestic economy; political and economic instability; war in the East; lack of justice in Ukrainian courts; raiding; extremely low level of state assistance to foreign investors; "bureaucratic red tape"; tax burden; permanent non-fulfillment of contracts by the Ukrainian side.

To overcome the mentioned problems of bilateral relations, it is necessary to stop the war; to overcome corruption; stop ignoring Chinese proposals and projects; to ensure proper staffing of the Embassy of Ukraine in the PRC and full implementation of contracts; strengthen cooperation in the field of aviation, space, medicine, telecommunications, IT services; to make fuller use of its successful economic position to deepen cooperation in the field of transport corridors and the supply of Asian goods to European countries.

An integral part of a successful partnership with the Republic of China is the accession of Ukraine to the Chinese geo-economic project "One Belt One Road". Participation in it would give our state an opportunity to increase national wealth and GDP, a chance to solve the problem of importing expensive energy resources, and an impetus for a new vector of economic development. In the space industry, the Cooperation Program for 2021-2025 is important for Ukraine. It consists of 69 joint projects with a total contract amount of more than 70 million dollars.

An agreement on the creation of a joint space science laboratory was also signed. In addition, an agreement was reached to strengthen the exchange of information on the space activities of the two countries, as well as to provide timely information on the status of implementation of the topics of the cooperation program, to solve problems arising in the process of its implementation.

II. CONCLUSION

Thus, Ukraine can become a field for the implementation of Chinese technologies, productive investment and profit-making by Chinese investors, a source of cheap raw materials and labor. The PRC, in turn, can act as a financial and credit donor for Ukraine, ensure the acceleration of economic development and rapprochement with the countries of the European Union. Therefore, by eliminating the negative factors that slow down bilateral cooperation, the partnership between Ukraine and China can be profitable, productive and effective for both states.

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