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DOI <https://doi.org/10.26661/2414-0287-2022-4-56-11>**EU REGIONAL POLICY: POSSIBILITIES OF IMPLEMENTATION IN UKRAINE****Hamova O.V., Pereverzieva A.V., Mikhailov D.S.***Zaporizhzhia National University**Ukraine, 69000, Zaporizhzhia, Zhukovsky str., 66*

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regional policy, budget, implementation, financing, integration, EU regional model, regionalization, self-sufficiency

The question of the possibilities of implementation of the toolkit of EU regional policy in the national economy has been studied. It is substantiated that at the current stage, the question of the possibility of implementing EU regional policy instruments is being updated, which is connected with military actions and the need to restore the infrastructure of the regions, which requires the accumulation of resources and a balanced management policy. It has been proven that in modern conditions, regional policy becomes a powerful tool for spatial regulation of socio-economic development, especially in those areas in which the effect of market levers is limited (social, environmental, scientific and technical). Attention is focused on the fact that the gradual increase in the budget allocated by the EU for regional policy indicates the importance and priority of the implementation of regional policy measures. It was determined that the concept of regional policy is based on strengthening the role of territories in managing the socio-economic and innovative development of EU member states, which involves the support of individual projects that contribute to regional development, cohesion and deepening of European integration, as well as the achievement of strategic priorities. At the same time, each member state implements its own regional development policy on its territory and provides local self-government bodies with opportunities for development. It is substantiated that the primary task for Ukraine is to improve the principles of building regional policy, taking into account the impact of global challenges, realistically assessing the possibilities of implementing positive international practices and standards that will reduce the level of economic imbalance and disproportionality. The experience of the EU countries proves that the use of effective forms of cooperation, i.e. the compatibility function of regions, is important in reducing the disproportionality of regional development.

РЕГІОНАЛЬНА ПОЛІТИКА ЄС: МОЖЛИВОСТІ ІМПЛЕМЕНТАЦІЇ В УКРАЇНІ**Гамова О.В., Переверзєва А.В., Міхайлов Д.С.***Запорізький національний університет**Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**

регіональна політика, бюджет, імплементація, фінансування, інтеграція, регіональна модель ЄС, регіоналізація, самодостатність

Досліджено питання можливостей імплементації інструментарію регіональної політики ЄС у національній економіці. Обґрунтовано, що на сучасному етапі актуалізується питання щодо можливостей імплементації інструментів регіональної політики ЄС, що пов'язано з військовими діями та необхідністю відновлення інфраструктури регіонів, що потребує акумулювання ресурсів та виваженої управлінської політики. Доведено, у сучасних умовах регіональна політика стає вагомим інструментом просторового регулювання соціально-економічного розвитку, особливо у тих сферах, у яких дія ринкових важелів є обмеженою (соціальна, екологічна, науково-технічна). Акцентовано увагу на тому, що поступове збільшення бюджету, що виділяються ЄС на регіональну політику свідчить про важливість та пріоритетність здійснення заходів регіональної політики. Визначено, що концепція регіональної політики ґрунтується на посиленні ролі територій щодо управління соціально-економічним інноваційним розвитком країн – членів ЄС, що передбачає підтримку окремих проєктів, що сприяють регіональному розвитку, згуртуванню та поглибленню європейської інтеграції, а також на досягнення стратегічних пріоритетів. При цьому кожна держава-член реалізує власну політику регіонального розвитку на своїй території та надає органам місцевого

самоврядування можливості для розвитку. Обґрунтовано, що першочерговим завданням для України є вдосконалення принципів побудови регіональної політики, враховуючи вплив глобальних викликів, реально оцінюючи можливості щодо впровадження позитивних міжнародних практик та стандартів, котрі дозволять зменшити рівень економічної розбалансованості та диспропорційності. Досвід країн ЄС доводить, що важливим на шляху зменшення диспропорційності регіонального розвитку є використання ефективних форм кооперації, тобто функція сумісності (compatibility) регіонів.

Formulation of the problem

The activation of world global processes, in which all countries are integrated, puts before each state the need for a strategic rethinking of the philosophy of its own development in order to find resources for economic growth and solving social problems. Implementation of changes at the regional level can become one of the self-sufficient sources of activation of economic and social development at the level of the national economy.

The current stage of economic development for most countries is characterized by a significant level of interregional differentiation in relation to the level of socio-economic development. That is, there is a significant disproportionality of spatial development. This calls for the need to reduce interregional disparities based on the implementation of a balanced regional policy and support for the development of regions.

Note that the problem of interregional differentiation by the level of socio-economic development is characteristic of both the world and national economies. In the national economy, there is a significant disproportionality of regional development, which is associated with resource differentiation.

So, at the current stage, the question of the possibility of implementing EU regional policy instruments is being updated, which is connected with military actions and the need to restore the infrastructure of the regions, which requires the accumulation of resources and a balanced management policy.

Analysis of recent research and publications

Theoretical aspects of regional policy are deeply researched in the works of Ukrainian scientists, in particular O. Belorus, I. Burakovsky, V. Geets, D. Lukyanenko, A. Poruchnyk, V. Rokochoa, A. Filipenko and others. Models of regional development in EU countries are presented by foreign scientists: Y. Vannop, B. Johanson, M. Keating, M. Porter and others.

Given the deepening of relations with the EU countries and the desire to increase the efficiency of the development of individual territories, the issue of the essence and tools of regional policy requires a deeper study.

The purpose of the article

The main goal of this work is to define the essence, study the experience of EU regional policy and outline the possibilities of implementing its tools in the national economy.

Presenting main material

For a deeper understanding of the regional policy of the European Union, it is advisable to carry out a theoretical analysis of the specified category.

Note that regional policy is characterized by the dominance of the economic aspect over other components of regional development. Accordingly, the concepts of «regional policy» and «regional economic policy» are used as synonyms. Scientists N. Knogler and A. Sekarev understand regional policy as «a set of measures aimed at equalizing differences in economic capacity and standard of living that are characteristic of territorially separated parts of the country» [1].

The scientist admits that in modern conditions, regional policy becomes an important tool for spatial regulation of socio-economic development, especially in those areas in which the action of market levers is limited (social, environmental, scientific and technical). Only on the basis of the effectiveness of the regional policy mechanisms, as an important element of the national strategy, it is possible to activate the internal potential of the regions for the socio-economic development of the territories and the state as a whole. It is regional policy that can become a universal means of effective use of internal regional reserves [2, p. 17].

The object of regional policy is considered to be a certain unevenness of the development of individual territories, different values of key socio-economic indicators that influence the overall development of the national economy. The regional policy of the EU (cohesion policy) is aimed at reducing socio-economic inequality in individual regions, for which one third of the EU budget is allocated annually (Table 1).

We emphasize that the gradual increase in the budget (Table 1) allocated by the EU for regional policy indicates the importance and priority of the implementation of regional policy measures.

Table 1 – Funding of EU regional policy

Years	Amount of financing, million euros
2007–2013	347
2014–2020	352
2021–2027	392

Source: grouped by authors based on [3]

The concept of regional policy is based on strengthening the role of territories in managing the socio-economic and innovative development of EU member states, which involves the support of individual projects that contribute to regional development, cohesion and deepening of European integration, as well as the achievement of strategic priorities. At the same time, each member state implements its own regional development policy on its territory and provides local self-government bodies with opportunities for development.

The formation and development of regional policy in Ukraine requires a thorough study of the mechanisms of approximation of the state regional policy to the corresponding policy in the EU with the definition of tools for combining individual principles and administrative standards of perfect governance in European countries with traditional national principles of regional governance and national characteristics [4; 5].

Given Ukraine’s accession to the EU, it can be assumed that regional policy has received new financial instruments for the development of Ukraine’s territories. A significant territory of our state consists of many territorial communities.

Accordingly, it can be assumed that Ukraine could receive significant financial resources from the regional development fund and the social development fund for the development of regional policy.

After analyzing the foundations of EU regional policy, territorial communities can get new financial opportunities for their own development. However, a possible problem for Ukraine may be a situation when a certain number of territorial communities, especially rural and townships, in the absence of properly qualified personnel, lack of ideas and experience in the formation and preparation of project applications, may not receive funds from structural funds for the development of their own territories.

At the same time, it is small communities that need funds in order to become truly self-sufficient and provide tax revenues to the budget for their own development. Accordingly, we can determine possible solutions to this problem through the provision of state financing of training programs for relevant specialists in local self-government bodies, the introduction of the position of project manager in village, settlement and city councils [4].

The formation, implementation and development of regional policy is impossible without the direct and active participation of territorial communities, especially in the field of development and implementation of regional policy. That is why it is precisely from the communities and regions of Ukraine that ideas and initiatives for the formation of the Framework of National Strategic Competences, coordinated with the Strategic Guidelines of the EU regional policy, should come. That is, the role of

state bodies should be only consolidating and mediating with functions of control over further preparation and implementation of regional policy measures and projects. At the same time, the state should also take an active part in regional politics and even centrally provide for the implementation of certain initiatives in separately defined territories that especially need financing for socio-economic development, but, again, taking into account the wishes and proposals of the relevant territorial communities [5].

Also, for the effective implementation of the regional policy of the EU on the territory of Ukraine, it will be appropriate to adopt a decision on the creation of a state institution that will be authorized to carry out state communication with territorial communities in terms of gathering information about existing needs, initiatives in the field of regional policy and implementation of projects jointly with the EU. Such a body can be the Council for the Development of Regional Policy under the Ministry of Development of Communities and Territories of Ukraine [5].

To solve the problems of the economic development of the regions, it is advisable to use the positive experience of the EU in the formation of regional policy. That is, the primary task for Ukraine is to improve the principles of building regional policy, taking into account the impact of global challenges, realistically assessing the possibilities of implementing positive international practices and standards that will reduce the level of economic imbalance and disproportionality. For example, in our opinion, the concept of identifying growth poles and centers, the economic core of the region, the development of effective regional development programs based on the principles of EU regional policy, which contribute to reducing the level of regional differentiation [6] is effective.

The regional policy of the EU provides for the performance of several functions, each of which is important for balancing spatial development (Fig. 1).

The target function of regional policy, which determines the effectiveness of economic transformations, the degree of disproportionality of socio-economic development, is important. Economic functions involve state regulation of investment activity. At the same time, the importance of state regulation is directly proportional to the importance of production factors for regional development. The economic

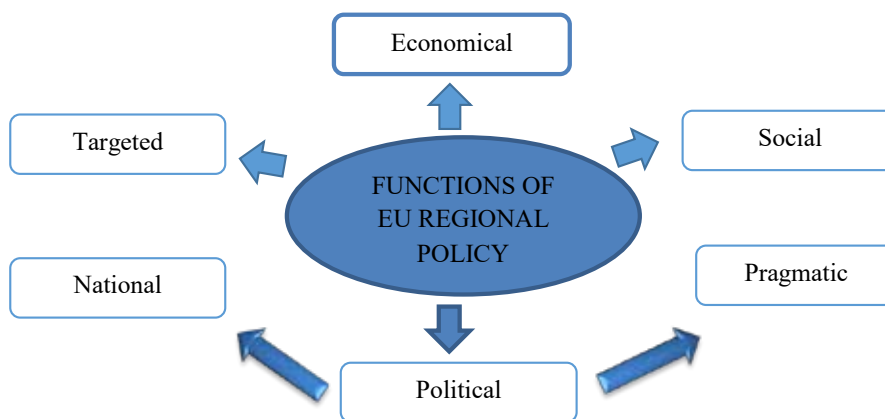


Fig. 1 – Objectives of EU regional policy

Source: compiled by the author based on [7]

function is related to the social one, which is designed to ensure justice and equality in society. Political functions are divided into two groups: national – external security, territorial integrity and pragmatic – observance of national interests, consideration of public requests, etc.

Based on the above, it can be stated that the target direction of regional policy identifies the level of economic efficiency and social justice, as well as social orientations and values.

The experience of the EU countries proves that the use of effective forms of cooperation, i. e. the compatibility function of regions [8] is important in reducing the disproportionality of regional development. At the same time, it is assumed that the size of the administrative unit is important for the state as a whole and is less significant for the region. For example, in Germany, the difference between the sizes of regions is more significant than in states in which administrative and regional planning of standardized sizes of associations is assumed. Note that for regions in decentralized EU member states, there is a smaller distance between large and small EU member states.

In connection with the above, it is customary to distinguish self-sufficient size of regions as an indicator of socio-economic and regional planning [9].

Let's emphasize that regions can increase their significance by using the advantages of horizontal cooperation and observing the principle of equality of interests.

The regional policy of the EU is also aimed at the «impulse function» of regions, which involves strengthening the influence on the local population through language, culture, historical traditions, etc. The development of the networking of regions is determined

by their ability to cooperate and interact on the basis of equality and partnership [10]. This applies both between regions within the EU and between cross-border regions. In this aspect, it is bilateral and multilateral interregional cooperation that is the basis for solving certain conflicts of interests and implementing cross-border cooperation at the horizontal level.

Conclusions and suggestions

On the basis of the conducted research, it is necessary to summarize that the implementation of the European concept of regionalism in Ukraine is possible only under the condition of consistent and purposeful implementation of its principles. Therefore, the priority tasks at the state and regional levels are:

- assessment of the state of the territories based on the determined development potential and key priorities of the smallest administrative and territorial entities;

- creation of favorable conditions for the formation of self-sufficient local budgets as a basis for realizing the potential of the region and achieving the maximum efficiency of the management system;

- introduction of training programs for representatives of state authorities, leaders of territorial communities, informal leaders, proactive youth as the main agents of change and those who implement the main principles of state policy at the local level.

The importance of the experience of the regional policy of the European Union for Ukraine is determined by the need to adapt the national regional policy to European rules and standards in order to achieve economic balance and increase the welfare of the nation.

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