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The role of the EU competitiveness framework in shaping Ukraine's sustainable development strategy

Abstract. European Union (EU) competitiveness framework influences sustainable development strategy of the member states of the EU and neighboring countries aspiring to integrate to EU. The influence of the EU competitiveness framework for Ukraine's sustainable development strategy is considered in this article. There are both challenges and opportunities for Ukraine to adapt its policies and its governance structures in order to follow EU standards. Ukraine's ongoing reforms, with the aspiration for closely EU integration, are emphasizing the relevance of this study, since the EU offers economic and political benefits.

The objective of the research is to determine the main elements of the EU competitiveness framework and evaluate their relevance to Ukraine's development strategy. It studies the most important EU directives, for example European Green Deal and Sustainable Development Goals, to present how they can be used to support the activities of innovation, digital change, and ecology in Ukraine. The article applies comparative analysis to identify gaps in the current policy framework in Ukraine and the EU standards in areas of social policies, infrastructure, and regulatory alignment.

The method of research is based on a systematic review of the existing literature and case studies, as well as on policy documents of both the EU and Ukraine. The research argues that, despite major improvement in some areas (renewable energy and digital governance), Ukraine still lacks a comprehensive adjustment of its policies to EU standards. Institutional inefficiencies, economic disparities, and old infrastructure form part of these challenges. But the study also finds a number of opportunities for Ukraine to take advantage of the EU's competitiveness framework, to the Ukrainian economy's benefit: economic growth, investment in green energy and greater trade partnerships.

This work also has a practical value as recommendations for the policy actions Ukraine can take to harmonize with the EU framework are provided. Finally, these recommendations aim to enhance institutional capacity, support public private partnership and tailor investments in sustainable sectors. Ukraine's long-term development prospects, its global competitiveness, and its contribution to regional stability can be improved by aligning Ukraine with the EU framework of competitiveness

Keywords: EU competitiveness framework, sustainable development, Ukraine, green economy, innovation, digital transformation, policy alignment

Introduction

The issue of competitiveness, and especially in the framework of sustainable development, becomes an important topic of global consideration. Frameworks such as that of the EU have become crucial models for the management of economic growth, environment protection, and social equity in nations around the world that are trying to balance all three. A comprehensive

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approach to competitiveness framework adopted by the EU is underpinned by innovation, green economic transition as well as social inclusion, which are key vectors for medium term prosperity. Now Ukraine's orchestration of alignment with EU standards plays significant role of challenge and an opportunity in this context: as the country's ongoing reforms and ever stronger integration with the EU.

This article implements different studies to analyze Ukraine's potential to align with the EU's competitiveness framework on the base of sustainable development. Consequently, Moldavan et al. (2023) provide case analysis of the sustainable development of the agricultural sector of Ukraine taking into account the climate change, and identify challenges and opportunities for integration of sustainable practices, which are consistent with the EU environmental sustainability objectives. The paper by Murawska and Prus (2021) examines the management of ammonia emissions in EU agriculture providing some relevant trends and economic conditions especially in Poland to be used as a reference for Ukraine agricultural sustainability. The distribution of natural resources in Poland is studied by Dziekański et al. (2021) as a factor affecting sustainable development, considering the problem of how regional environmental factors, crucial for Ukraine to converge the local development policies with EU standards.

Structural processes of sustainable development are studied by Simkiv and Shults (2021) with an emphasis on the dynamics of economic and social factors in Europe, which the experience of which can be used by Ukraine on its way towards EU integration.

Prokopyshyn et al. (2021) argue for organizational and economic mechanisms to govern cluster development in Ukraine's agro-industrial sector, and propose regional strategies that could relate to EU frameworks for competitiveness and growth. Taking a wider viewpoint of how trade may affect sustainability, Donati and Tukker (2022) examine the environmental pressures linked to the imports and exports of the Dutch agricultural sector; a topic of supreme importance to Ukraine as it becomes more and more part of the EU economy. In the last place, Seroka Stolka and Fijorek (2020) investigate corporate sustainable development, with emphasis on the contribution of proactive environmental strategies and stakeholder pressures that form important considerations for Ukrainian firms wishing to meet the EU standards. These studies collectively offer a comprehensive understanding of how Ukraine can draw from EU practices to enhance its own competitiveness and sustainable development strategies.

The key pillars on which the EU competitiveness framework rests are mainly for long term economic growth, innovation, environmental sustainability and social equity. Examples of these are the European Green Deal or the Sustainable Development Goals, whose objective is to build a more resilient, inclusive and environmentally sustainable economy. Digital transformation, green energy and social inclusion are identified as key drivers of competitiveness by the EU framework.

Sustainability issues in Ukraine are immense; we deal with economic instability, outdated infrastructure, and degradation of the environment. Even with these obstacles in place, the country has seen good progress in areas such as renewable energy and digital governance. Nevertheless, Ukraine remains behind the EU pace of development in a few aspects, most notably the regulatory and social equity.

In a comparative analysis, the gaps between Ukraine current policy and the EU established framework are discerned. The structural inefficiencies, outmoded systems of governance, and limited financial means, hold Ukraine back from integrating the EU standards. This paper aims to fill this gap by looking at the operational alignment of Ukraine's policies to the EU framework and into the levers Ukraine can use to overcome these barriers to sustainable development.

In this paper the EU competitiveness framework is evaluated critically with particular reference to how it affects Ukraine's sustainable development strategy including its potential for a policy response to EU standards. The objectives of the research are to identify the major challenges and prospects for Ukraine, analyze its current development course against that of the EU, and make practical recommendations on further integration. By examining the implications of such alignment

for Ukraine's long-term development goals, this study contributes to the growing body of literature that addresses the question of operational alignment of Ukraine's policies with the EU framework.

The objective of this analysis is to make sense of how Ukraine can take advantage of the principles of EU competitiveness to foster sustainable development, while suggesting means for overcoming the barriers to its realization.

Literature review

To enhance sustainability through growth, countries, companies and sectors need to take up various strategies or practices, and literature on sustainable development and its relation to economic performance indicates this. Rapsikevičius et al. (2022) evaluate the impact of structural reforms on sustainable development performance between European Union countries. In addition, they show that well designed reforms, particularly in the environmental and economic sector, enhance those sustainable development outcomes markedly - a hitherto often neglected key lesson for policy makers and Ukraine as it aligns its policies with the EU. Likewise, Khorishko and Vasylichuk (2022) analyze the environmental components of Estonia's permanent development mechanisms and emphasize the significance of long-term strategies for combining environmental sustainability into national development strategy, indicating the potential paths of Ukraine's sustainable growth policies.

Busu and Trica (2019) explore the circular economy indicators' sustainability and their influence on EU economic growth. According to their findings, for more sustainable economic growth in EU countries, circular economy practices, which foster reduction, reuse, and recycling of resources, will be important. As it implements EU standards on competitiveness and sustainability, these practices could be highly relevant to Ukraine as it modernizes its economy.

As per Lehenchuk et al. (2023), the sustainability reporting has a positive effect on the financial performance of Turkish FBT and TCL sectors. In particular, the researchers highlight that those companies that reveal their sustainability practices tend to do better financially, thus persuading Ukrainian companies to adopt such reporting practices to attract investment and grow their competitiveness in the EU market. Moreover, an examination of the effects of mandatory CSR reporting in India by Oware and Worae (2023) also supports the former premise. In particular, their findings show that such reporting has a positive effect on the company, where it makes its money more transparent and stakeholders more confident, which are the very things that Ukraine will need as it forges closer ties with the EU.

Finally, Hardi and Chairina (2019) study the effect of sustainability reporting on companies' financial performance. The study demonstrates that integrating sustainability with businesses goals leads to improving environmental impact as well as financial performance for the company that makes thorough sustainability reports. Together, this body of research serves as a strong resource for Ukraine involved in harmonization of its sustainable development goals with those of EU.

Materials and methods

The main stages of the research process are described and the reasons for selecting the methods, techniques, and approaches used to obtain new scientific results are explained. The experimental basis of the research is explained, as well as the strategies and criteria for forming the sample, and in particular for the empirical part of the study.

For the purpose of the present research, the EU competitiveness framework is studied, along with its implications for Ukraine regarding the sustainable development strategy. The study takes a mixed method approach by integrating qualitative and quantitative methods in obtaining both primary and secondary data.

Research design

The study uses a comparative analysis method to assess the EU competitiveness framework in relation to Ukraine's present economic, environmental and social policies. Comparisons with Ukrainian existing initiatives are drawn in looking at a range of EU policies, practices and sector

specific strategies. A case study approach is also employed to supplement this analysis with investigation of successful instances of Ukraine's embrace of EU standards in sectors such as energy efficiency, trade, renewable energy, and agriculture.

Data collection

Secondary data was collected from official EU and Ukrainian government reports, policy documents, academic articles, and industry publications (State Statistics Service of Ukraine, 2024; National Bank of Ukraine, 2024; EUR-Lex, 2019, European Union, 2019). This is the data by which the EU competitiveness framework can be understood and its relevance to Ukraine thorough development. The economic, environmental and social impacts associated with the introduction of EU standards in Ukraine are assessed using national statistical databases and EU reports and reports. Analysis is performed on the data to extract trends and correlations between policy alignment and performance in these key sectors.

Sample and criteria for selection

A sample of Ukrainian sectors that made meaningful progress in adopting EU standards (e.g. agriculture, renewable energy, trade) as well as a sample of subjects communicating in institutional language are selected for the quantitative analysis. To ensure that results are indicative and relevant, the sample contains both public and private sector data from the past five years.

Data Analysis

Descriptive statistics are performed on the quantitative data, and thematic analysis performed on the qualitative data. Thematic analysis is used for analyzing data to identify key themes regarding challenges, opportunities, and steps adopted by Ukraine to address the challenges and opportunities, and for identifying trends and patterns in the economic and environmental impacts of EU policy convergence, using descriptive statistics.

Experimental basis

Experimental part of the research covers the study of case studies on those occasions, when Ukraine adopted successfully EU standards. It encompasses the analysis of the impact of energy efficiency programs, renewable energy projects, digital governance and agricultural export compliance with EU regulations. An understanding of the practical implications of aligning with EU competitiveness frameworks is provided by these case studies.

Based on this mixed method study, the EU competitiveness framework is comprehensively evaluated, and its potential role in boosting Ukraine's sustainable development is assessed. The methodology used makes the findings empirically grounded and can offer important insights for policymakers, businesses, and academics alike, interested in Ukraine's aligning with the EU standards.

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Results and Discussion

Results

The EU Competitiveness Framework is built upon four key pillars: The four strategic priorities of vision and strategy focus on innovation, digitalization, the green economy, and inclusivity. These reflect the EU's dedication to sustainable development and resilient and sustainable economic development in a fast-changing global environment. Together, these interconnected elements comprise a far-reaching strategy constructed for long term growth and problem-solving efforts related to environmental, social and economic issues.

The competitiveness agenda of the EU is built around of innovation. The EU therefore aims to be a world leader in remaining technological progress by putting R&D at the top of its agenda. Horizon Europe represents substantial funding for collaborative projects leading radical

breakthroughs in the field of renewable energy, healthcare or artificial intelligence, to take a few examples. The focus on cultivating an ecosystem that encourages startups, academia and industry working together showcases the EU's view that innovation is the driving force for sustainable economic development.

Another critical pillar is digitalization, trying to change the industries as well as the public services by the use of digital technologies. Advanced digital infrastructure, such as high-speed connectivity, artificial intelligence and cybersecurity are the focus of the EU Digital Strategy. The Digital Services Act and Digital Markets Act set a fair and competitive digital economy, and protect consumers. Not only do member states and regions see digital transformation as a driver of greater economic efficiency, but it is also considered to be a lever to advance social equity by closing the digital divide.

Addressing climate change and supporting environmental sustainability are at the heart of the EU's strategy for the green economy. In the European Green Deal the plan is to achieve net zero greenhouse gas emissions by 2050. It involves moving to renewable energy sources, promoting circular economy practice, and promoting sustainable agriculture. The European Union has understood that environmental sustainability is synonymous with economic competitiveness in the sense that green technologies and industries are becoming increasingly important, constituent elements of the global economy. The framework promotes green growth, and so competitiveness comes without sacrificing ecological integrity.

The other pillars come together with the need to be inclusive, to grow equitably and ensure that everyone in society benefits. The framework also includes social policies intended to reduce inequalities and raise rates of labor market participation and access to education and healthcare. For example, Programs reach vulnerable populations, so they can contribute to and benefit from economic growth. The EU is also inclusive in that it offers to base on gender equality and diversity, as the foundations of a competitive and sustainable society.

These pillars come together coherently as a framework towards EU member states achieving sustainable development goals. The EU Competitiveness Framework through the combination of innovation, digitalization, green economy initiatives, and inclusivity addresses current challenges and puts the economics and societies of Europe on the path towards future challenges.

Achieving deeper integration with the European Union, Ukraine needs to bring its aspirations of alignment with the EU Competitiveness Framework. The grounds for economic growth, environmental sustainability, and social equity appear promising, but largely dependent on this alignment, which presents a raft of challenges that need to be tackled. Lack of performance finesse misuses to exist in the governance structures, economic disaggregation, a defective structure in infrastructure and also the lack of the episode in policy implementation. These are underlying systemic obstacles and we must realize their resolution if there is going to be a successful transition. This understanding is necessary to design specific actions to achieve Ukraine's sustainable development goals (Table 1).

Table 1. Challenges for Ukraine (structural inefficiencies in governance)

№	Category	Challenge	Explanation
1.	Structural inefficiencies in governance	Weak institutional frameworks and lack of coordination between government agencies.	Inefficient administrative systems and bureaucratic hurdles hinder effective policy implementation and long-term planning.
2.	Economic disparities and outdated infrastructure	Uneven regional development and insufficient modernization of critical infrastructure.	Rural and industrial regions face significant resource gaps, while outdated infrastructure limits economic growth and mobility.
3.	Limited policy and regulatory alignment	Slow adaptation of national policies to EU standards and frameworks.	Regulatory gaps and delays in legislative reforms prevent seamless integration with the EU's competitiveness framework.

Source: author development based on data from European Union (2019)

There are high inefficiencies in Ukraine's governance structures: multiple levels of responsibilities are overlapping, coordination between the bodies of the government is insufficient, and institutional capacity is too low. These issues become bottlenecks to policy implementation and as a result lags implementation and tittle effectiveness of development programs. Take, for instance, the effort to modernize infrastructure or spur innovation, which often languish for lack of bureaucratic momentum. Corruption and a lack of transparency build upon these problems and demoralize the public while scaring off foreign investment.

Ukrainian economic development is highly uneven and an array of stark disparities exists between urban and rural areas. For instance, although cities like Kyiv and Lviv have grown technology and services sectors, rural areas remain dependent on low productivity agriculture. Compounding the problem is that the country's infrastructure - energy systems, transportation networks, and industrial facilities - is outdated. However, these deficiencies not only curtail economic competitiveness, but also prevent Ukraine from meeting the environment targets associated with the EU Competitiveness Framework.

A major challenge, however, is a slow pace of policy reform and ability to align regulations with EU standards. While there have been strides taken in, for example, trade agreements and environmental policies, the sectors of energy, digitalization and labor market reforms all lag behind. A lack of harmonized regulations is causing uncertainty for businesses and investors and, therefore, slowing down economic integration. In addition, fragmented policymaking processes lead to the missed opportunities to leverage the EU funding and support programs.

These are the challenges for Ukraine to succeed in joining the EU Competitiveness Framework. The structures of governance are structurally inefficient and would require specific reforms to improve institutional capacities, simplify administrative procedures, and increase transparency. To bridge economic disparities and modernize infrastructure, large investment and strategic regional development initiatives will be necessary. Last but not least, accelerating the pace of policy and regulatory convergence with EU standards will be of key importance to providing a stable and predictable business environment. Though these challenges are daunting, the challenges can be surmounted to position Ukraine as a competitive and sustainable economy that will fit the EU's vision for the future. Achieving these goals will be the work of a focused and collaborative effort of governments, the private sector and international partners.

Alliance with UE Framework of Competitiveness offers vast opportunities for growth and development of Ukraine's economy with implication on technological development and environment sustainability. Adopting EU standards would open for Ukraine new avenues to prosperity: boost in trade, investment to green energy and comprehensive digital transformation. Besides their capacity to enhance the country's economic resilience, they also offer Ukraine the potential to become a key partner for the EU's overall strategy on sustainable development. It is essential to recognize and make use of such opportunities for quick progress for Ukraine toward integration with the EU (Table 2).

Table 2. Opportunities for Ukraine (economic benefits of adopting EU frameworks)

№	Category	Opportunity	Explanation
1.	Economic benefits of adopting EU frameworks	Enhanced trade and market access within the EU.	Integration with EU standards facilitates easier access to the EU Single Market, boosting exports, economic growth, and job creation.
2.	Potential for investment in green energy	Attracting EU and international investments in renewables.	Ukraine's vast natural resources, such as wind and solar potential, position it as a hub for green energy development aligned with EU sustainability goals.
3.	Digital transformation	Modernization of industries through digital technologies.	Adopting EU digital frameworks provides opportunities for innovation, improved efficiency, and competitiveness in global markets.

Source: author development based on data from European Union (2019)

This would give Ukraine access to one of the world's largest and most dynamic markets - the EU Frameworks. Ukraine could greatly boost trade relations with its EU member states should it align its policies, standards and practices in line with EU regulations. Harmonization of Ukrainian goods and services in the field of technical legislation is carried out in order to reduce technical barriers and improve the competitiveness of Ukrainian goods and services on the EU Single Market. In addition, rising trade flows can lead to the creation of jobs, the attraction of foreign direct investment (FDI) and the promotion of innovation, all of which contribute to sustained economic growth.

With ample solar, wind and biomass resources, Ukraine holds great renewable energy potential and is seen as an interesting marketplace for green investment. Ukraine is prioritizing the modernization of its energy sector, as part of a larger drive to reduce its reliance on fossil fuels, a mission that the EU's focus on becoming carbon neutral also advances. Through the effective use of EU funding mechanisms, like the European Green Deal Investment Plan, Ukraine can support the development of its renewable energy projects and move toward a greener energy future. This shift is not only environmentally sustainable but can improve energy security and spur new economic opportunities in emerging green industry.

For Ukraine's economy, digital transformation is a transformative opportunity. Adoption of EU digital frameworks and standards by Ukraine will help modernize Ukraine's industries, improve public services and increase economic efficiency in general. Creative Application and the Integration of Advanced Technologies such as Artificial Intelligence, Big Data and Digital Infrastructure holds many Potential for Innovation and Growth. Moreover, digitalization enables for closing the gap in regional disparities by ensuring equal access for all to technology and ensuring that inclusion will be provided in the digital economy. In addition, as Ukraine complies with EU Digital Strategy it enhances its position as a competitive global actor in the fourth industrial revolution.

Ukraine's realignment with the EU competitiveness framework is both a tremendous and transformative opportunity. Trade integration offers an enhanced economic benefit, green energy investments are viable on a large scale, and digitalization of industries will modernize their production. But strategic partnerships with the EU and other international stakeholders that carry potential risks ought to be maximized, through active policies and development of robust infrastructure. Willingly accepting these opportunities, Ukraine can build up its resilience of the economy and move its sustainability goals forward while positioning itself as an essential player in the European ecosystem of the economy.

In fact, Ukraine has been able to achieve significant successes in implementing measures to bring national standards of many sectors into line with EU standards, which demonstrates tangible benefits of closer integration with European standards. Ukraine has enhanced both its economic resilience and sustainability by adopting EU standards in, amongst others: energy efficiency, trade, renewable energy, digital governance and agriculture. The first of these success stories offers a glimpse into how adherence to EU guidelines has spurred innovation, attracted investment and created new markets. Real world examples are highlighted to show practical application of such initiatives and how to pave way of future initiatives (Table 3).

Table 3. Case studies (successful instances where Ukraine adopted EU standards)

№	Category	Case study	Details	Companies/organizations
1.	Energy efficiency programs	Energy efficiency in public buildings initiative	Ukraine adopted EU energy efficiency standards to modernize public buildings, reducing energy consumption.	GIZ (German Corporation for International Cooperation), Ukrainian Energy Efficiency Fund
2.	Trade partnerships	Deep and comprehensive free trade agreement (DCFTA)	Enabled Ukrainian companies to expand exports to EU markets by aligning with EU trade and product quality standards.	Roshen, MHP (Myronivsky Hliboproduct)

Continued Table 3.

№	Category	Case study	Details	Companies/organizations
3.	Renewable energy development	Solar and wind energy projects	Ukraine attracted EU investments to develop large-scale solar and wind farms, boosting renewable energy capacity.	DTEK Renewables, Scatec Solar (Norway)
4.	Digital integration	E-Governance transformation	Implementation of EU-aligned digital governance platforms to improve public service delivery and transparency.	Diia (Ukraine's e-government platform), EU4Digital
5.	Agricultural exports	Compliance with EU sanitary and phytosanitary standards	Enabled Ukrainian agricultural exports, especially grains and sunflower oil, to access EU markets.	Nibulon, Kernel Holding

Source: author development based on data from State Statistics Service of Ukraine (2024)

Ukraine is working with the Ukrainian Energy Efficiency Fund, and with the German Corporation for International Cooperation (GIZ), to modernize public infrastructure using EU energy efficiency standards. This has shown the economic and environmental benefits of such projects, for example projects such as the retrofitting of public buildings have resulted in significant energy savings and a reduction of greenhouse gas emissions.

Deep and Comprehensive Free Trade Agreement (DCFTA) has been the driving force in nudging forward trade between Ukraine and EU. For example, companies such as Roshen and MHP (Myronivsky Hliboproduct) have already found ways to bring their production processes in line with European quality standards, and thus penetrated the competitive European markets. This compliance increases export revenues of Ukraine, and improves the image of Ukrainian products around the world.

Ukraine is committed to EU sustainability targets reflected in the development of large scale solar and wind farms renewable energy projects. Ukraine has been able to attract EU investment to expand its renewable energy capacity through EU investments in companies like DTEK Renewables and Scatec Solar. Apart from diversifying energy sources of the country, these initiatives also step up energy security and environmental sustainability by reducing dependence on fossil fuels.

The launch of the Diia e-governance platform and this Sector Profile supported by EU4Digital has transformed the way public services are delivered, and has improved access, transparency, and efficiency. Ukraine has come far in eliminating bureaucratic obstacles and encouraging citizen involvement by opting to adhere to EU digital frameworks. This success demonstrates that digitalization can be a driver of transformation when combined with European best practices.

Ukrainian agricultural firms like Nibulon and Kernel Holding have succeeded in exporting their grains and sunflower oil to EU markets as their compliance with EU sanitary and phytosanitary standards has enabled them to do so. In addition to boosting Ukraine's agricultural trade, this alignment has resulted in encouragements for innovation in food safety and quality management systems so that the sector can compete globally.

This has brought to the fore huge potential, if Ukraine becomes part of the common European space and adopts EU standards, as is under consideration at present. Benefits of that alignment show through energy efficiency programs, trade partnerships, renewable energy projects, digital integration and agricultural exports. However, the successes of Roshen, DTEK Renewables and Nibulon has shown that adherence to EU frameworks will spur economic growth, enhance sustainability and facilitate international cooperation. From here, these examples can be a blueprint for future scaling up of such initiatives and addressing remaining challenges. On the basis of these successes, Ukraine will be able to strengthen its position as a leader of a competitive and sustainable economy based on European values and standards.

Integrated into the EU competitiveness frame, and sustaining development, Ukraine is obliged to a set of strategic actions. The short term requires instant strengthening of institutional capacity

and alignment of regulatory frameworks with the EU standards. Modernisation of governance structures, and transparency and efficiency in decision making, form a part of this. At the same time, it is an opportunity to catalyze green and digital transitions using private sector expertise and investment through the building of public–private partnerships.

In the medium and long term, Ukraine should invest selective buy in renewable energy, sustainable agriculture and advanced technology. In addition to being able to align with the EU's sustainability goals, these sectors offer large skilling potential for long term economic growth and environmental resilience. In addition, there is a need to promote education and workforce development programs in accordance to the EU objectives, to provide Ukraine with competitive and future ready labor market. Trade agreements and innovation initiatives will improve cross border cooperation in order to increase Ukraine's integration into the ecosystem of EU, which in turn will provide new growth and collaboration opportunities.

A robust monitoring and evaluation framework are imperative to track these initiatives. The guidance should consist of a clear set of performance indicators allowing measurement of progress in the process of adherence to EU standards in different fields while the implementation of such strategies will be to its expected standards and will be able to adjust plans quickly and timely as necessary.

Ukraine's sustainable development can be transformed by adopting an EU competitiveness framework. Harmonizing with EU standards can improve market access, attract foreign direct investment and spur innovation which leads to strong and sustained economic growth. From an environmental perspective, a focus on renewable energy and sustainable practices can also help to fortify Ukraine's resilience to climate change, lower its carbon footprint, and improve resources optimization.

From a social point of view, the EU can guide Ukraine in handling disparities between regions and achieving higher degree of social cohesion, fostered in part by inclusivity and equity. Alliance with EU principles meets Ukraine's opportunities to develop policies, which provide fair access to the chance and resources to all citizens and thereby elevate the general well-being of the society.

From a geopolitical perspective, this strategy is a pivot toward the integration of Western institutions, as closer alignment with the EU is chosen. The alignment with Ukraine not only endorses its sovereignty, but equally identifies Ukraine as a crucial partner in regional stability and a provider to the EU's wider strategic goals. These implications taken together illustrate the necessity of taking the EU competitiveness framework as a basis for the development strategy of Ukraine for sustainable development.

Discussion.

As discussed in academic studies across various researches, the current research also widely discusses the exploration of sustainable development strategies and their implications for economic growth and environmental well-being. In reference, Semenenko, Sieriebriak, and Halhash (2019) study how regional development in Ukraine has been affected before and after the outbreak of the conflict. Their research provides important insights into the problems and possibilities for sustainable development in a disrupted socio-political landscape. This mirrors the goal of discussion on how sustainability can be executed in regions in conflict. However, the findings of this study also point to the complexities of sustaining growth in the face of external pressures that might make a unique contribution to the analysis of the role of the EU in enabling Ukraine to realize long term sustainable development.

On the other hand, Dorosh and Horobets (2019) look into sustainability reporting through organizational and standardization. Standardized sustainability reporting is key in their work to ensure transparent and successful management of resources in Ukraine. This accords with the broader body of research which argues for the necessity of sustainability frameworks, like those adopted by the EU, to track progress towards SDGs. Moreover, their emphasis on reporting may align with the EU alignment discussions in this study but instead support the hypothesis that

regulatory and reporting frameworks are some of the essential preconditions that drive sustainability outcomes.

In fact, in the work of Zhu, Zhuang, Lv, and Yang (2021), an attempt to explain the relationship between pandemic uncertainty and socially responsible investments goes along these lines. The authors claim that the external shocks such as pandemics may affect the sustainability investment patterns. It is equally important for countries such as Ukraine, confronted with internal and external challenges, and this research emphasizes the need for resilience within sustainable strategies. While they focus on investments, their study is yet also consistent with the view that sustainable development efforts must have an adaptive element, capable of dealing with emerging risks.

Rodríguez-Antón et al. (2022) empirically compared the EU's transition towards a circular economy in the face of SDG's. The findings suggest that the circular economy is a core part of sustainable development and that circular economy is of paramount importance to EU policy. This perspective is also in line with the belief that Ukraine could profit from implementing a circular economy driven by the EU, leading to more sustainable environment and economic growth, as it is discussed in this article now.

Skrinjarić (2020) provides a quantitative evaluation of sustainable development outcomes in different European countries by reexamine sustainable development in Europe from a data envelopment angle. It was suggested that this approach could be a methodological basis for assessing the effectiveness of various sustainability strategies in the EU and possibly Ukrainian regions. The benchmark of comparison of outcomes of sustainable development in the EU countries is used as a basis for assessing Ukraine.

In Ketels and Porter (2020), the role of the EU in raising European competitiveness is critically discussed. They assert that sustainable development can be improved by indirectly boosting the EU's competitiveness with targeted reforms. This fits with the current research's perspective of the potential role of the EU in economic development and sustainability in Ukraine, whereby there is scope for Ukraine, through strategic EU policies, to improve competitiveness while promoting sustainability.

This means that Sgambati and Gargiulo (2022) give a bibliometric account of the evolution of urban competitiveness studies over the past three decades. The authors discuss the transition taking place in sustainability being incorporated in the urban competitiveness models. This is highly relevant to the discussion of sustainable development strategies of Ukraine especially in urban contexts when competitive advantages have to be matched with environmental considerations.

The study conducted by Dagilienė et al. (2023) highlights the involvement of the circular economy in small open economies and the fact that the utilization of circular economy strategies in advanced economies could play a large role in achieving sustainable development. In that regards, Ukraine is especially relevant, as the practice of circular economy might serve as an effective tool for modernization and approximation to EU sustainability standards.

The thesis set forth by Kuzior, Koldovskiy, and Rekenenko (2024) investigates the role of artificial intelligence (AI) in seeking financial market stability via risk management. Although the application of their work is for financial markets, their insights provide important implications on how AI can best to incorporate in a sustainable development strategy, especially in light of managing environmental and economic risks. As Ukraine works towards becoming a more resilient economy, integrating AI into future risk management might be one of the paths.

Mazur et al. (2023) propose a rational model for managing the construction company capital structure. As the focus of management at field and headquarters within the construction sector extends to capital structure, the significance of financial sustainability in supporting broader sustainability efforts is underscored. Their work may be useful in the formation of financial strategies to provide for the sustainable development of specific key economic sectors in Ukraine, such as construction.

Prokopenko et al. (2024) study the innovative models of green entrepreneurship and its social and local economies impact on sustainable development. Green entrepreneurship plays an important role in economic strategies for achieving sustainability, according to their research. Based on this, the authors argue that green entrepreneurship can generate new market opportunities; foster environmental stewardship; and provide social benefits that are important for local economies seeking to achieve long term sustainability. The perspective of the current research supports this idea that the role of innovative business models in economic growth and sustainability is important. This focus on green entrepreneurship social impact, particularly in local economies, is particularly pertinent because it underscores the requirement of context-based strategies for both environmental and social dimensions of sustainability.

Finally, the current research sits well with literature on sustainable development from EU perspective such as in the adoption of circular economy practices, sustainability reporting and the influence of external shocks on investment. The findings of these studies serve as a solid basis to derive the directions of Ukraine's use of EU frameworks and best practices in order to improve sustainable development. Yet it is undeniable that the geopolitical puzzle of Ukraine demands tactics specific to its outsides and insides.

Conclusions

This analysis shows that EU competitiveness framework could be used as a whole-of-government approach to Ukraine's sustainable development strategy. Ukraine has a chance to achieve sustainable economic growth, environmental responsibility and social justice by concentrating on the major economic directions like innovation, digitalization, the green economy, and inclusiveness. Examples of good practice in energy efficiency, renewable energy, digital models of governance, and trade partnerships show that cooperation with EU standards is profitable. The examples given in this paper illustrate the concept that Ukraine can achieve both immediate and lasting results from specific reform and investment measures. It is therefore important that future research explores sectoral level approaches that build on the EU guidance. For instance, the analysis of the growth potential of renewable energy projects or assessing the integration of digital technologies can offer recommendations for decision-makers and other parties. These focused analyses can help Ukraine come up with more effective strategies for the key sectors that are important to attain the EU's agenda while dealing with local issues. Finally, the correlation of Ukraine's policies with the EU competitiveness strategy is the win-win option. For Ukraine, this alignment promotes modernization, increase in the country's endurance and cooperation with the international community. For the EU it is an opportunity to reinforce relations with a strategic partner in the eastern part of the continent bringing stability and spreading the principles of sustainable development and inclusiveness. Thus, adopting this approach, Ukraine is not only contributing to the achievement of its development objectives, but also strengthening its role as a strategic and sustainable partner in the international community.

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Conflict of Interest

None.

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Роль системи конкурентоспроможності ЄС у формуванні стратегії сталого розвитку України

Анотація. Конкурентоспроможність Європейського Союзу (ЄС) впливає на стратегію сталого розвитку держав-членів ЄС та сусідніх країн, які прагнуть інтегруватися до ЄС. У статті розглядається вплив системи конкурентоспроможності ЄС на стратегію сталого розвитку України. Для України є як виклики, так і можливості адаптувати свою політику та структури управління відповідно до стандартів ЄС. Реформи, що тривають в Україні, з прагненням до тісної інтеграції в ЄС, підкреслюють актуальність цього дослідження, оскільки ЄС пропонує економічні та політичні переваги.

Метою дослідження є визначення основних елементів системи конкурентоспроможності ЄС та оцінка їх відповідності стратегії розвитку України. Стаття вивчає найважливіші директиви ЄС, наприклад Європейську зелену угоду та Цілі сталого розвитку, щоб показати, як їх можна використовувати для підтримки інновацій, цифрових змін та екології в Україні. У статті застосовано порівняльний аналіз для виявлення прогалин у поточній політиці України та стандартах ЄС у сферах соціальної політики, інфраструктури та нормативно-правового регулювання.

Метод дослідження базується на систематичному огляді наукової літератури та тематичних досліджень, а також на політичних документах як ЄС, так і України. У дослідженні стверджується, що, незважаючи на значні покращення в деяких сферах (відновлювана енергетика та цифрове управління), Україні все ще бракує комплексної адаптації своєї політики до стандартів ЄС. Інституційна неефективність, економічна диспропорція та стара інфраструктура є частиною цих проблем. Але дослідження також виявляє низку можливостей для України скористатися перевагами конкурентоспроможності ЄС на користь української економіки: економічне зростання, інвестиції в зелену енергетику та розширення торгових партнерств.

Ця робота також має практичну цінність, оскільки надаються рекомендації щодо політичних дій, які Україна може вжити для гармонізації з рамками ЄС. Нарешті, ці рекомендації спрямовані на підвищення інституційної спроможності, підтримку державно-приватного партнерства та адаптацію інвестицій у стійкі сектори. Довгострокові перспективи розвитку України, її глобальна конкурентоспроможність та її внесок у регіональну стабільність можуть бути покращені шляхом приведення України до системи конкурентоспроможності ЄС

Ключові слова: конкурентоспроможність ЄС, сталий розвиток, Україна, зелена економіка, інновації, цифрова трансформація, гармонізація політики