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SOCIAL AND ECONOMIC DETERMINANTS OF POST-WAR RE-EMIGRATION

Introduction. After the full-scale invasion of the Russian Federation a large number of citizens left Ukraine. Most of them have chosen European countries as their place of residence, whose government have shown interest in the assimilation of Ukrainian refugees, and some of the migrants plan to return home.

Problem. The departure of a significant number of Ukrainian citizens abroad had a negative impact both on the state of the domestic market due to a significant drop in demand, and on the labour market, in particular in the service sector, which suffered significantly during the war. In the future, for some families, the question of reunification may arise not in Ukraine, but abroad.

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СОЦІАЛЬНО-ЕКОНОМІЧНІ ДЕТЕРМІНАНТИ ПОВОЄННОЇ РЕЕМІГРАЦІЇ

Вступ. Після повномасштабного вторгнення РФ Україну залишила велика кількість громадян. Більшість з них обрали місцем проживання європейські країни, уряди яких виявили зацікавленість в асиміляції українських біженців, а частина з мігрантів планує повернутись додому.

Проблема. Виїзд значної кількості українських громадян за кордон негативно позначився як на стані внутрішнього ринку через відсутнє падіння попиту, так і на ринку праці, зокрема й у сфері послуг, яка значно постраждала в умовах війни. У перспективі для частини сімей може постати питання про об'єднання не в Україні, а за кордоном.



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The aim of the study is to determine the factors that will influence the return of Ukrainian refugees after the end of the war.

Methods. The research was conducted using methods of systematic and comparative analysis, sociological method in combination with cultural and behavioural methods.

Results. Despite the strong "sense of home" many parents have, their decision to return home to Ukraine is influenced by the desire to ensure a stable life for their children in countries that guarantee social protection, security and transparency of business, opportunities for social growth.

Conclusions. At the beginning of Russia's full-scale invasion, mostly representatives of small and medium-sized businesses and/or their relatives or friends left Ukraine. The possible threat to their lives and health during hostilities keeps them from returning. The availability of housing is a determining motivational factor for return for a relatively small number of respondents, the most important factor is the opportunity to work or manage legitimate business structures.

Keywords: migration policy, population migration, population employment, external labour migrations, national security.

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Метою дослідження є визначення чинників, які впливатимуть на повернення українських біженців після завершення війни.

Методи. Дослідження проведено із застосуванням системного, компаративного, соціологічного аналізу у поєднанні із культурологічним та поведінковим методами.

Результати дослідження. Попри сильне "почуття дому" у багатьох батьків на їхнє рішення повернутися додому в Україну впливає бажання забезпечити своїм дітям стабільне життя в країнах, які гарантують соціальний захист, безпеку та прозорість бізнесу, можливості для соціального зростання.

Висновки. На початку повномасштабного вторгнення рф Україну залишили переважно представники малого та середнього бізнесу та/або їхні родичи чи друзі. Можлива загроза їхньому життю та здоров'ю під час бойових дій утримує їх від повернення. Наявність житла є визначальним мотиваційним фактором повернення для порівняно невеликої кількості респондентів, найбільш важливим чинником є можливість працювати або керувати законними бізнес-структурами.

Ключові слова: міграційна політика, міграція населення, зайнятість населення, зовнішня трудова міграція, національна безпека.

Introduction. Due to the full-scale invasion of the troops of the Russian Federation into Ukraine, according to the UN, 7 891 977 Ukrainian citizens (as of the end of November 2022), about 90% of whom were women with children [1], were forced to leave Ukraine, and almost 4.8 million of them received temporary protection [2]. The explanatory note to the draft Law of Ukraine "On the State Budget of Ukraine for 2023" stated that the negative balance of migration in 2022 could amount to 9.43 million people [3]. The vast majority of Ukrainian citizens who left the country did so during the first weeks after Russia's full-scale attack. However, already in the summer of 2022, a significant part of those who left returned home. And later, even the aggressor's massive missile attacks on infrastructure facilities in Ukraine did not cause new migration waves. The vast majority of citizens decided to spend the winter in their homeland, avoiding moving abroad. Thus, 67 % of respondents did not even plan to go abroad, and another 20 % of respondents emphasized that they did not plan to leave, but could change their opinion if there was no electricity or heating for a long time [4].

By the end of 2022, hopes for a relatively quick end to hostilities proved futile, and it became clear that the war could continue indefinitely. This, in turn, actualized the question of the further fate of Ukrainian forced migrants with the determination of the prospects and nature of re-emigration.

It is extremely important to understand the scale of future re-emigration in conditions where it is necessary to ensure the reconstruction of industrial and infrastructure facilities destroyed by the enemy, to ensure the growth of the domestic market of goods and services for further economic development. An increase in demand for domestically produced goods due to re-emigration would make it possible to stimulate production and improve the work of the service sector. Therefore, determining the measures that could positively affect the growth of re-emigration rates is an important task of ensuring the national security of the state.

Analysis of recent research and publications. Some aspects of the selected research topic are presented in the scientific works of E. Libanova [5; 6]. The researcher has repeatedly emphasized the possibility of reunification of Ukrainian families abroad after the war in case of prolonged hostilities. In her opinion, a significant number of Ukrainian citizens will be forced to look for ways of socialization abroad due to the impossibility of ensuring their own safety in Ukraine. I. Gerlach, O. Ryndzak [7] emphasize the importance of choosing a method of socialization of Ukrainian citizens abroad for their subsequent decision on re-emigration. The scholars have expressed their conviction that the successful migration policy of the recipient countries can become an important obstacle to the return of Ukrainian citizens to their homeland. C. Greenaway, G. Fabreau, K. Pottie [8] studied this policy in connection with the Russian-Ukrainian war, emphasizing the importance of the Canadian government introducing a three-year visa for refugees from Ukraine in order to accelerate their socialization. The importance of state support for the socialization of Ukrainian refugees in Europe is discussed in the work of G. Bosse, and the role of foreign educational institutions in preventing re-emigration is revealed by L. Morrice [9]. In general, foreign scholars try to analyse the attractiveness of economic programs for the socialization of forced migrants, while domestic scholars try to analyse the influence of the "homeland factor". However, both of them are united in the fact that in the conditions of the war, the struggle for Ukrainian labour resources developed, which can become a significant factor influencing the development of the economy of the countries concerned.

The aim of the article is to determine the prospects for the return of Ukrainian refugees after the end of the war.

Methods. The findings of the study were obtained by using the sociological method in combination with cultural and behavioural methods. This combination allowed us to obtain verified knowledge about Ukrainian refugees' assessments of the prospects of returning to their homeland. The comparative analysis allowed us to compare the attitudes of different categories of refugees to returning to Ukraine. The use of the behavioural research method made it possible to determine the attitude of the political leadership of the EU and Ukraine to the problem of returning Ukrainian refugees, as

well as the expected steps of the governments of the EU states in assimilating them. The method of systematic analysis made it possible to form a holistic picture of the migration crisis after the beginning of Russia's full-scale invasion into Ukraine.

Results. The full-scale invasion of the Russian Federation into Ukraine, according to the conclusion of the Office of the United Nations High Commissioner for Refugees, has created the largest migration crisis since the Second World War. In the first days after Russia announced a "special military operation" against Ukraine, Russian troops advanced relatively quickly in the southern direction, capturing Kherson and approaching Kharkiv and Sumy. Such actions led to a sharp increase in the number of refugees, some of whom were moving to the western border of the state with the intention of leaving Ukraine [10]. Only as of March 3, 2022, a week after the Russian invasion, more than 1 million refugees (2.3% of Ukraine's population) were forced to move to neighbouring European countries [11]. In total, according to the UN, more than 7.9 million citizens were forced to leave the country [2]. At the same time, the Director of the Ptoukha Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine, E. Libanova, considers the figure of 7 million refugees from Ukraine, which is most often used in assessments of migration processes, to be significantly overestimated. In her opinion, about 5 million citizens left Ukraine because of the war [12].

Such scales of foreign migration pose a significant threat to the state's economy. The loss of a significant part of employees and the resulting narrowing of domestic demand will negatively affect the stability of the development of certain sectors of the economy and the service sector [13]. With large-scale external migration at the end of February – beginning of March 2022, the aggregate domestic demand decreased by almost 25% [14]. The total number of jobs lost during the war is estimated at 4.8 million [15]. In addition, the departure of the able-bodied population abroad will certainly complicate the implementation of innovative projects, the reconstruction of production facilities destroyed during the hostilities, and may become a strong argument against the restoration of some of the destroyed mono-functional settlements in the East and South of Ukraine. Ukraine is already experiencing a shortage of medical workers, educators, and service sector employees. The departure of a significant number of children abroad will be increasingly noticeable in the future. It is possible that some of them will refuse to return due to security or other reasons. This can cause uneven filling of schools with students and a decrease in the number of potential applicants.

The authors of the study "Ukrainian refugees 2022 in Europe – teenagers" [16] determined that the majority of children over the age of 14 left for Poland (47%) and Germany (31%). Among the respondents, 77% had no plans to migrate abroad before Russia's invasion, and 81% of respondents plan to return home, while only 12 % have no such intentions. At the same time, the intentions of adults are somewhat different in the direction of an increase in the number of those who want to return to Ukraine.

Thus, almost 90% of adults intend to return, while 7 % have refused to return. 21% of the surveyed adults are ready to return to Ukraine under any conditions, 15% – if they have a job, 7% – if their hometown/village is rebuilt, 2% – if they receive new housing. As a condition for returning, 56% of adults named safe living conditions, 40% – cessation of shelling, 25% – a quick end to the war. Teenagers were more categorical in this case: 59% of them named security at their place of residence as a condition for return, 58% – cessation of shelling, 39% – end of the war [17]. At the same time, according to the results of telephone surveys in 2022, adult respondents had a more pronounced "sense of home"[18; 19], and the desire to return to the usual rhythm of life and established forms of economic activity remained noticeable, even despite the threat of enemy shelling.

In favour of the decision to return to Ukraine in the summer and early autumn of 2022, there were successes of the Armed Forces of Ukraine, which not only stopped the enemy, but also forced him to retreat in a number of important directions. The decision on re-emigration was also facilitated by the expectation of an end to active hostilities, the lack of funds for staying abroad, difficulties in social adaptation at the new place of residence, the desire to reunite with family and friends who remained in Ukraine, and the conviction that the war would not affect the central and western regions of Ukraine.

However, in the fall and winter of 2022, it became increasingly clear that the previously predicted terms for the end of the war were far from reality. It became more and more obvious that the warring parties were preparing for a protracted military campaign. Great damage was caused to Ukraine by Russian strikes on critical infrastructure facilities, which led to long-term blackouts of electricity, water and heat supply in many cities. In some cases, it was not possible to restore the full operation of utility enterprises, and disconnection of consumers from electricity supply became a common phenomenon due to the destruction of thermal power plants and equipment intended for the transmission of electricity. The need to balance the Ukraine's energy system under hostile attack led to the use of emergency and stabilization blackouts. This negatively impacted the ability of employers and employees to provide remote work, which led to certain changes in the labour market. Some employees lost the opportunity to work remotely. And this is despite the fact that on the eve of the massive rocket attacks, about 40% of migrants could not keep their previous place of work, even if they could work remotely [20].

Therefore, for some migrants, the issue of employment abroad was already on the agenda in late summer and fall of 2022. And for many, lack of knowledge of a foreign language became the main obstacle. On the other hand, 60–70% of migrants were people with higher education [21], which allowed them to adapt to new working conditions abroad if they wished. That is why appropriate language courses have been organized in the countries that received the most Ukrainian migrants (primarily Poland and Germany).

Some EU countries have shown interest in socializing Ukrainian migrants. The reason for this was the reduction in the number of the population due to the decrease in birth rates, and therefore they tried to solve this problem thanks to external migrants [22]. Germany has established the highest payments for Ukrainian citizens fleeing the war among the EU countries, and Poland has increased the number of vacancies in those industries where the employment of Ukrainian citizens was the most noticeable.

The greatest chances for legal employment in the EU countries were given to persons with the appropriate level of professional and qualification training, knowledge of modern information and communication technologies, knowledge of at least two foreign languages, who showed a high level of adaptation to the culture of the host country. Educational migrants who received their first or second education abroad with the possibility of further employment also had advantages. For other migrants, official employment usually meant a lower professional status and significant difficulties in finding a legal job. Knowledge of the features of the labour market of EU countries and the ability to adapt to the conditions of long-term residence proved to be insufficient for the majority of Ukrainian migrants.

However, in Poland, which experienced a shortage of workers in certain sectors of the economy, it was Ukrainian migrants who saved the situation on the labour market. While in 2020–2021 the main reason for Ukrainians to work in Poland was a higher level of wages, then in 2022, 45% of respondents surveyed as part of the OTTO Work Force study "How do Ukrainians evaluate work and stay in Poland in 2022?" emphasized the importance of their own security, 37% – the opportunity to earn money, and 29% – the desire to provide a better life for their families. A significant part of Ukrainian forced migrants in Poland (43%) answered that they want to wait and see how the situation in Ukraine would develop in the future. At the same time, 38% of respondents announced plans to learn the Polish language. And 21% of the surveyed Ukrainian workers in Poland said they wanted to find their own apartment. In addition, about 20% of respondents expressed their intention to bring their family to Poland, 25% stated that they do not intend to return to Ukraine from Poland after the end of the war, and almost the same number of respondents are still undecided about this. Therefore, according to the OTTO Work Force study, only about half of Ukrainian migrants retained their intention to return to Ukraine at the end of 2022 [23]. And this figure is close to the results of a study by the Kyiv International Institute of Sociology, where it was stated that 42.9% of Ukrainians are ready to plan the future for their children and grandchildren in Ukraine [24]. But even if we take as a guide the indicator of the end of 2022 of about 50 percent of those who plan to return to Ukraine after the war, then this indicator is lower than the expected indicators that were published in the summer of 2022. Thus, at the end of August 2022, according to the results of the survey of the Razumkov Center, almost 71% of respondents planned to return to Ukraine after the war and in case of improvement of the security situation [25].

The decrease in the number of potential re-emigrants can be explained primarily by the influence of two factors: the desire to protect children from war and ensure a higher standard of living in the EU countries, which guarantee social protection, security, transparency of doing business and opportunities for social growth. This desire encourages them to learn the language of the host country, educate their children in local schools, and decide whether to purchase or rent housing for a long time.

By that time, the tools used by European countries for the socialization of migrants may become more and more effective: retraining for professions in demand on the labour market, encouraging employers to hire migrants, part-time and temporary employment programs, the practice of creating programs for the development of self-employment among immigrants, providing legal and information support for their business [26, p. 28].

On the other hand, for some refugees, the difficulty of adapting to living conditions in the EU countries can be a determining factor for making a decision to return to Ukraine. Despite a relatively long stay outside Ukraine, not all migrants (even children) have been able to get used to new living conditions. Some Ukrainians are not satisfied with the working conditions in the service sector, healthcare, and purchase of housing. Those who planned to leave Ukraine even before the war are more adapted to such conditions. Their total number can be about 10 % of migrants [27].

The massive shelling of Ukraine's critical infrastructure in the fall and winter of 2022 did not cause a new wave of migration from Ukraine. Most respondents did not want to leave the territory of Ukraine in winter.

However, the duration of hostilities and the extent of settlement destruction are most likely to be among the most determining factors for external Ukrainian migrants. The optimistic forecast about the end of the war in 2023 is most likely to come true no earlier than the fall.

Ukrainian legislation does not provide a solution to the entire complex of problems that may arise in conditions of large-scale re-emigration. This primarily concerns determining the conditions for rebuilding destroyed housing and providing temporary housing to those who have returned to Ukraine. The terms of restoration of destroyed commercial premises, including the procedure for compensating entrepreneurs for losses, also require settlement. Assignment of responsibility on the aggressor country cannot ensure expedited refunds and compensation for losses. Therefore, it is important that returnees receive the right to participate in the local distribution of funds allocated by foreign partners for the reconstruction of Ukraine. This is also important taking into consideration that a significant number of those who return may prefer to live in regions that have been less affected by hostilities. This is likely to lead to significant changes in the settlement structure of the population, and therefore it is important to take this fact into account when providing assistance and compensation payments to re-emigrants.

Conclusions. At the beginning of Russia's full-scale invasion, mainly representatives of small and medium-sized businesses and/or their relatives and friends left Ukraine. A significant number of migrants had enough money

to ensure their own residence abroad for a certain period of time. At the same time, there were many enterprising citizens among the migrants who were able to adapt to different business conditions, and the general level of education of the migrants turned out to be quite high, which made it easier for them to find employment if they were ready to master the language of the recipient country.

In most cases, migrants live abroad on their savings, and the possible threat to their lives and health in the hostilities keeps them from returning. The availability of housing is a determining factor for returning for a relatively small number of respondents. The possibility of free economic activity after the end of hostilities is much more important. The opportunity to work in business structures or to manage them acts as the biggest motivating factor for the return to Ukraine of the interviewed citizens of Ukraine who became forced migrants.

At the same time, slightly better business conditions, particularly in Poland, attract those who refuse to return to Ukraine. Thus, in order to encourage the return of business representatives, Ukraine needs to ensure an attractive investment climate and the possibility of stable economic development. The fulfilment of these conditions can be a significant incentive for those who plan to return in the future but have not yet decided on a possible time of return.

Ukrainian scholars somewhat exaggerate the influence of the "sense of home" as a decisive factor in re-emigration. And foreign scientists tend to exaggerate the possibility of earning more on the territory of the EU compared to Ukraine as a decisive factor in the decision not to return to Ukraine.

The end of hostilities will become a decisive factor in determining the pace of re-emigration. If in the spring of 2022, the absolute majority of respondents, expressing hope for a quick end to hostilities (perhaps by May 9), hoped to quickly return to Ukraine, then over time a growing number of respondents expressed the opinion about the forced necessity to stay abroad for permanent residence. The change in the respective moods was already noticeable in the summer of 2022 and became dominant in the autumn. At this time, a significant number of Ukrainian migrants who planned to return to Ukraine have already done so, and mostly women with children remained abroad, for whom security issues as a condition for returning became dominant. Realizing that they would have to stay outside Ukraine for an indefinite period of time, Ukrainian migrants began to think more and more about the prospects of economic activity outside their home country. The duration of the hostilities and the nature of the war with rocket attacks on the civilian population led to the migrants' awareness of the difficulties of resuming economic activity in the field of private entrepreneurship in Ukraine.

Enterprising citizens among the re-emigrants will become the object of confrontation between Ukrainian local officials who will want to concentrate such citizens as much as possible on the territory under their control. The presence of enterprising businessmen can contribute to the revival of production, intensify entrepreneurial activity, and create new jobs in the regions. And this, in turn, can stimulate demand, which will then become a driving

factor in the development of production. Therefore, the creation and implementation of regional programs to support entrepreneurial activity can become a significant factor in ensuring re-emigration.

Such programs may include quantitative and qualitative components. The quantitative component may involve an increase in the number of benefits for running a private business, and the qualitative component may include the deferral of tax payments and payments determined by local authorities for certain types of business activity. The problem of allocating land plots for the development of business projects will also become quite acute. The impossibility to resume business activities in the de-occupied territories and in the combat zone in the near future (including due to the need to demine these territories) will contribute to the growth of demand for land plots in regions where there have been no direct hostilities, where the energy infrastructure has been preserved after enemy shelling, and where there are intact transportation routes. Therefore, it will be important for the local authorities to restore the road connections as soon as possible, which can be a significant factor in business development in the region and, at the same time, a motivator for re-emigration, as the restoration of logistics will provide an opportunity to quickly restore the business environment.

After the end of hostilities, it is possible to recommend to local authorities in Ukraine to offer migrants to decide on their place of residence due to restrictions on remote work for public sector employees. At the same time, such a decision should not be made in the conditions of war, as it could harm re-emigration in the future. It is also worth preserving the possibility of distance learning in Ukrainian higher education institutions, as in the future the desire to obtain a relevant diploma may become decisive in choosing a permanent place of residence.

The vast majority of Ukrainian migrants in the EU countries do not call the de-occupation of their native settlement a condition for returning to Ukraine, as for many of them, the cessation of hostilities is enough for return. For a large part of forced migrants, their possible participation in the post-war reconstruction and ensuring Ukraine's economic leap is important. Awareness of the need to provide foreign assistance to rebuild the destroyed cities and villages of Ukraine may also be important for returnees in terms of their own participation in the distribution of funds allocated for local reconstruction. In this case, their business experience can serve to increase the efficiency of the using local resources.

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SECURITY IN THE SYSTEM OF ECONOMIC INTERESTS OF THE ENTERPRISE

***Introduction.** In the conceptual foundations of the theory of economic security of the enterprise, which determine the strategy, tactics and tools of its provision, one of the main places belongs to the economic interests of the enterprise.*

***Problem.** In the conditions of a full-scale military aggression of the Russian Federation*

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БЕЗПЕКА В СИСТЕМІ ЕКОНОМІЧНИХ ІНТЕРЕСІВ ПІДПРИЄМСТВА

***Вступ.** У концептуальних засадах теорії економічної безпеки підприємства, що визначають стратегію, тактику та інструменти її забезпечення, одне з основних місць належить економічним (господарським) інтересам підприємства.*

***Проблема.** В умовах повномасштабної військової агресії РФ в Україні підтримання*



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in Ukraine, maintaining the necessary and sufficient level of economic security is one of the main problems of any domestic enterprise. The above mentioned determines the expediency of their in-depth study, in particular by constructing modern classifications of the economic interests of the enterprise.

The aim of the article is to supplement the classification features of the economic interests of the enterprise in the theory of economic security.

Methods. General scientific and special methods of cognition are used: abstract-logical and comparative; analysis and synthesis, analogy and system approach; theoretical generalization and formulation of conclusions.

Results. The main classifications of the economic interests of the enterprise, presented in the scientific literature, were studied, and certain shortcomings of the features of the classification of economic interests proposed by the authors were revealed. The author's classification of the economic interests of the enterprise was proposed. Supplementing the classification of economic interests of T.V. Sak with indicators according to the following characteristics: according to the national form of ownership of the capital of stakeholders, according to the level of social utility, according to the level of materiality of the influence on the economic processes and economic security of the enterprise, according to the potential of achievement, according to the level of need for implementation, according to the dynamics of increasing relevance.

Conclusions. The study made it possible to clarify and supplement the main characteristics of the classification of the economic interests of the enterprise. The use of the proposed signs will contribute to deepening the understanding of the economic interests of the enterprise in the modern concept of economic security.

Keywords: economic security of the enterprise, economic interest of the enterprise, classification, bearer of interests, sign of classification.

необхідного та достатнього рівня економічної безпеки є однією з головних проблем будь-якого вітчизняного підприємства. Зазначене обумовлює доцільність їх поглибленого вивчення, зокрема шляхом побудови сучасних класифікацій економічних інтересів підприємства.

Метою статті є доповнення класифікаційних ознак економічних інтересів підприємства в теорії економічної безпеки.

Методи. Використано загальнонаукові та спеціальні методи пізнання: абстрактно-логічний, порівняльний, аналізу та синтезу, аналогії, системного підходу, теоретичного узагальнення, формулювання висновків.

Результати дослідження. Розглянуто основні класифікації економічних інтересів підприємства, представлені в науковій літературі, виявлено певні недоліки запропонованої авторами класифікації економічних інтересів. Запропоновано авторську класифікацію економічних інтересів підприємства. Класифікацію економічних інтересів Т.В.Сака доповнено показниками за такими ознаками: національна форма власності на капітал стейкхолдерів; рівень суспільної корисності; рівень суттєвості впливу на економічні процеси та економічну безпеку підприємства; потенціал досягнення; рівень потреби у реалізації; динаміка зростання актуальності.

Висновки. Дослідження дало змогу уточнити й доповнити основні ознаки класифікації економічних інтересів підприємства. Використання запропонованих ознак сприятиме поглибленню розуміння економічних інтересів підприємства в сучасній концепції економічної безпеки.

Ключові слова: економічна безпека підприємства, економічний інтерес підприємства, класифікація, носій інтересів, ознака класифікації.

JEL Classification: L20; L21; M20.

Introduction. In the conditions of military actions of the Russian Federation against Ukraine, which have been ongoing for more than a year, and the legal regime of martial law on the territory of our country, the activities of domestic enterprises take place under complete uncertainty and the constant influence of a large number of threats, both internal and, above all, of external origin. This, more than ever, actualizes the issue of formation and maintenance of the necessary and sufficient level of their economic security by domestic business entities.

Problem. Taking into account the provisions of scientific works [1; 2] the economic security of an enterprise is interpreted as a state of security of its economic system and economic processes, which provides the ability to prevent the occurrence, minimize and overcome the consequences of internal and external threats, the ability to implement priority economic interests as efficiently as possible in the conditions of the variability of the external business environment, using the available resource potential, reserves of stability and self-improvement. Therefore, the concept of "economic interest of the enterprise" is an integral component of the formation and scientific substantiation of the modern concept of economic security of enterprises (ESE) in Ukraine, which is a necessary condition not only for ensuring the sustainable pace of development of domestic economic entities, but also for their survival.

Thus, within the framework of the development of the conceptual foundations of ESE research in modern conditions, it is appropriate to consider the types of economic interests of enterprises (EIE) according to the main classification features.

Analysis of recent research and publications. A significant contribution to the formation of the conceptual apparatus of the modern concept of ESE was made by domestic and foreign scientists, among whom it is appropriate to single out the works of T. Zubko [1] and A. Yaroslavskiy [3]. These scientists comprehensively researched the conceptual principles of ensuring economic security at enterprises, in particular, studied the content of economic security, systematized and summarized the essential features of the main components of the definition of "economic security of an enterprise", indicated the features of the classification of ESE, considered the features of economic security management, etc.

The theoretical and methodological foundations of the definition of EIE were reflected in the works of such domestic and foreign scientists as: Ye. Mishchuk [4], S. Romanenko [5], T. Andreieva, O. Bohdan, P. Walras, F. Wieser, A. Kirik, O. Liashenko, S. Mil, A. Mykhaylov, S. Mykhailiuk, N. Novikova, T. Sak, V. Smiesova, A. Filipchenko, N. Chernetsova, and others. In particular, in the context of economic security, the nature of economic interests was investigated in the mentioned scientific works, and the main types of EIE and its stakeholders were also considered.

Despite the importance of the scientific contribution of modern scientists, currently the theoretical basis for the formation of the modern concept of ESE in Ukraine requires more thorough research, in particular, in the field of studying the economic interests of the enterprise (elements of ESE) according to the main classification features, one of which is EIE, which can supplement and expand opportunities for systematic research of the issues of ESE provision.

The aim of the article is to supplement the classification features of the economic interests of the enterprise in the theory of economic security.

Methods. The issues of the theoretical substantiation of the classification of the economic interests of the enterprise in the theory of economic security are based on such general scientific and special methods of cognition as: abstract-logical and comparison – during the consideration of the classifications of the economic interests of the enterprise proposed by individual scientists. Methods of analysis and synthesis, analogy, system approach were used to formulate the author's classification features of the economic interests of the enterprise, which complement the theory of economic security of enterprises. The method of theoretical generalization and formulation of conclusions was used to formulate conclusions.

Results. Many scientists pay attention to the problems of economic interests at different levels (household, enterprise, region, state, society), studying their content and essential features, as well as looking for effective tools for their implementation. In the context of our research, *the economic interests of the enterprise* are considered as needs realized by their carriers (enterprises), which they believe can be satisfied thanks to economic activity and prompt them to directly or indirectly influence the components of the internal economic system in order to obtain a certain benefit.

The complexity of the definition of "economic interest of the enterprise" determines the scientific and practical necessity of systematizing its structural elements into classification features. In turn, the construction of the author's classification of economic interests at the level of enterprises determines the need to study the currently existing main features of the classification of the definition under study.

The results of the analysis of foreign sources prove that scientists mainly focus either on the study of economic interests at the mega-level [6]; or they study separate aspects of the theory of EIE, such as the content and essential properties of economic interests [7] or the assessment of the level of satisfaction (coherence) of the interests of participants in economic relations [8], etc., without resorting to considering the types of economic interests at the level of enterprises; or consider individual types of EIE without building their classification [9].

For the most part, domestic researchers of economic interests at the micro level focus on the study of their content, elements, essential features, and only some scientists pay in-depth attention to the study of types of economic interests at the enterprise level with the construction of author's classifications.

Thus, O. Bohdan and S. Mykhailiuk classify types of EIE according to four classification features [10, p. 37]:

- nature of occurrence: natural and forced;
- degree of significance: global, priority and secondary;
- time of implementation: current and strategic;
- localization: branch, regional and functional.

However, in our opinion, the coercive nature of EIE is a debatable point, because the interest as a perceived need by the bearer is always aimed at obtaining various kinds of benefits, which calls the possibility of its coercion into question.

Regarding the second sign, we believe that the priority interest of the enterprise can be global and vice versa, because the position of the enterprise on the market directly affects the amount of profit it receives. Regarding the last feature, the question remains open, why the authors are limited only to the meso-level of economic interests of enterprises, without taking into account the scale and volume of activities of various enterprises, macro- and mega-level interests.

Emphasizing the possibilities of ensuring ESE through constant monitoring of EIE, G. Savina and O. Zaitseva classify the economic interests of the enterprise based on the business environment into external (interests of various groups of external stakeholders) and internal (to which they propose to introduce the social status of employees, personnel, financial, resource, technological and information support) [11, p. 230]. However, in this case, it is not entirely correct to talk about the economic interests of the enterprise only, to a greater extent it concerns the economic interests of the enterprise and its stakeholders in the context of ensuring economic security.

A fairly extensive classification of EIE is proposed by O. Liaschenko [12, p. 57]. However, in this classification it is difficult to clearly separate the actual economic interests of the enterprise from the economic interests of its stakeholders, which should not be identified.

Ye. Mishchuk [4, p. 136] divides EIE into *current* and *strategic* ones, which, in turn, into the appropriate number of basic components, which makes it possible to talk about the specific structure of EIE, but not about their classification.

We consider the classification of economic interests developed by T. Sak to be the most successful, which proposes to distinguish EIE according to seven classification features:

subject level: interests of the enterprise in general; interests of the structural unit; interests of "responsibility centres";

type of economic activity in the field of: operational activity; financial activity; investment activity;

object of interest: finance; personnel; technology; information; enterprise image, etc.;

ownership interest: owner's interest; interest of the manager; interests of employees;

significance: main; priority; secondary;

implementation period: strategic; tactical; operational;

direction of interests: domestic economic; external economic [13, p. 68].

Accordingly, as the basis of the author's classification of EIE in the concept of economic security, we have taken T. Sak's classification [13], which, based on the results of the conducted research into the essence of the specified scientific definition, is proposed to be supplemented with the following classification features:

by national ownership of the capital of interest holders: interests of national enterprises; interests of foreign enterprises. The necessity of distinguishing the specified feature is due to the essential difference between the interests of national enterprises, the owners of which are interested in the

unlimited existence of the state, and foreign enterprises, the owners of which are not citizens of Ukraine, so they can only have short-term or purely hostile interests aimed at undermining the economy. We consider it impractical to single out the economic interests of joint enterprises on this basis due to the predominance of the national capital in the latter's capital, therefore, we consider their interests to be identical to the economic interests of national enterprises;

according to the level of social utility: socially useful; socially dangerous. During the formation and implementation of economic policy at the level of a separate region and state in general, it is important to recognize the content of the EIE in a timely manner in relation to the threats or benefits inherent in them for society, since these parameters directly affect the national, including economic, security of the relevant territory (state);

by the level of influence on economic processes and economic security of the enterprise: global influence; moderate impact; insignificant impact. This criterion determines the share of financial resources, which should be used to satisfy this or that economic interest, or the level of influence of the results of interest realization on ESE;

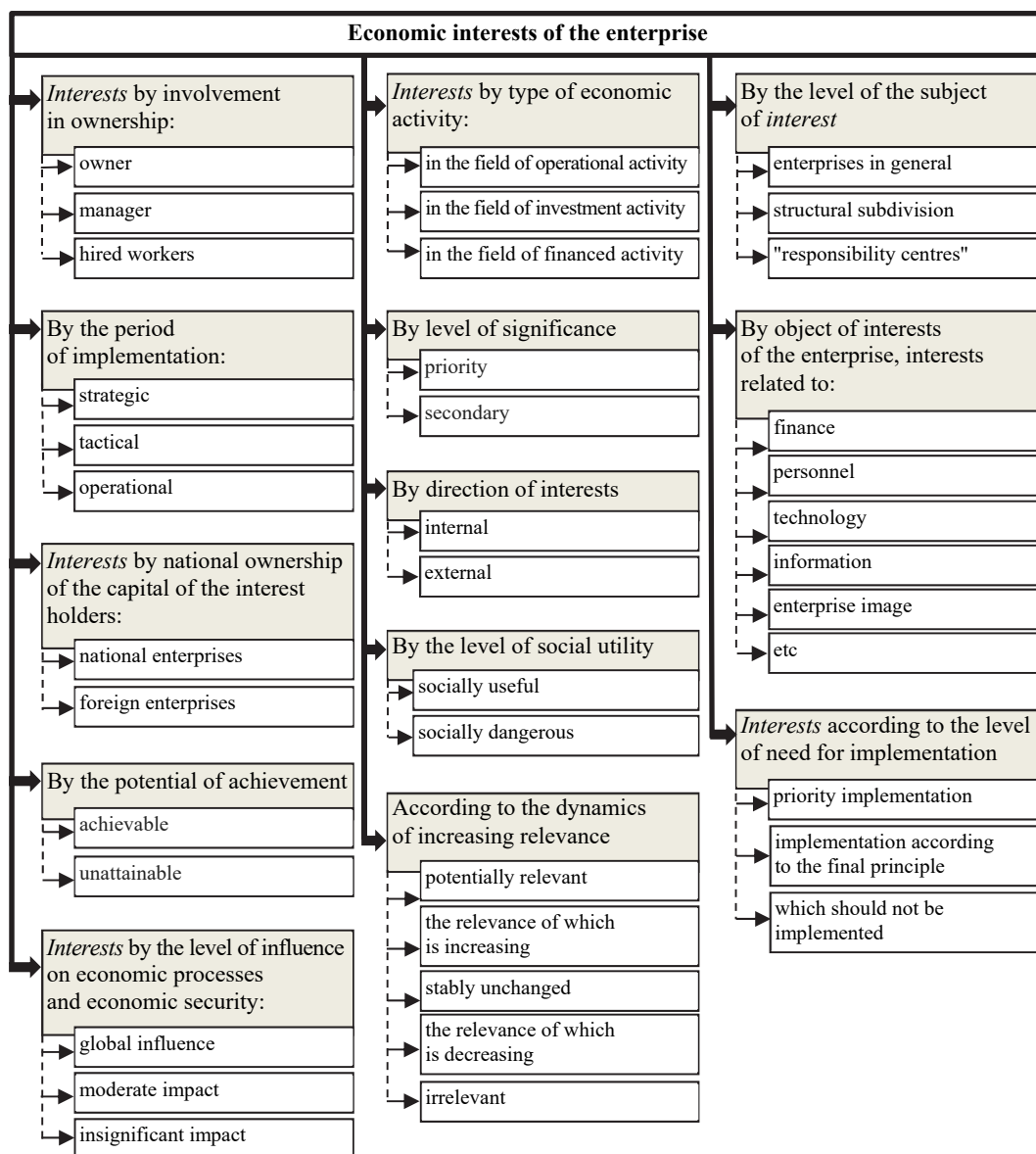
by achievement potential: achievable; unattainable. Thus, the enterprise in the person of the owners can have an unlimited number of economic interests, some of which, in turn, can have a utopian character and cannot be realized at this stage of the development of society due to various objective reasons;

according to the level of need for implementation: priority implementation; implementation according to the final principle; which should not be implemented. The economy represents the realization of the economic interests of their holders in conditions of limited resources. The limited resources require the priority of satisfying the economic interests of the holders, therefore, there is an important scientific and practical need to analyse the potential utility of economic interests for the enterprise in the short-, medium- and long-term period with the aim of the most effective distribution of limited resources;

according to the dynamics of increasing relevance: potentially relevant; the relevance of which is increasing; stably unchanged; the relevance of which is decreasing; irrelevant (relevant in the past). The ability to recognize the relevance of economic interests in relation to their significance for the enterprise over time in the process of forming and implementing economic policy determines the development prospects of the appropriate enterprise, the presence or absence of conflicts, threats to economic security at the current moment of time or in the future.

At the same time, in the classification based on "by significance", we consider it expedient to leave only priority and secondary interests, taking into account the impact on the amount of the company's net profit, because it is not clear what is the fundamental difference between the main interests of the company and its priority interests.

These classification features are capable of deepening the understanding of the content of the economic interests of the enterprise in the modern concept of ESE. The proposed classification of the economic interests of the enterprise is shown in the *Figure*.



Classification of economic interests of the enterprise

Source: constructed and supplemented by the authors based on generalization [13].

The author’s proposed classification will contribute to the deepening of the understanding of the meaning of the definition "economic interest of the enterprise" as one of the basic components of the scientific justification of the modern concept of economic security of enterprises in Ukraine, as a necessary condition for ensuring not only the development, but also the survival of domestic business entities.

Conclusions. One of the main concepts in the issue of economic security is the concept of "economic interest of the enterprise". In turn, the multifacetedness and complexity of this concept determines the expediency of systematizing its structural elements into classification features.

The results of the study of classifications of economic interests show that scientists mostly systematize them at the state level, instead, insufficient attention is paid to the construction of classifications of economic interests at the level of enterprises. Therefore, on the basis of the generalization of the classification of economic interests by T. Sak, the author's classification of the economic interests of the enterprise was built, which was supplemented with classification features, according to: the national ownership of the capital of the interest holders; the level of social utility; level of impact essentiality on economic processes and economic security of the enterprise; achievement potential; the level of need for implementation; dynamics of increasing relevance.

The prospect of further scientific investigations is the formation of an author's classification of threats to the economic security of the enterprise.

Conflict of interest. The authors certify that they have no financial or non-financial interest in the subject matter or materials discussed in this manuscript; the authors have no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript. Given that one of the authors is affiliated with the institution that publishes this journal, which may cause potential conflict or suspicion of bias and therefore the final decision to publish this article (including the reviewers and editors) is made by the members of the Editorial Board who are not the employees of this institution.

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**CONTENT MARKETING
 AT TRADE ENTERPRISES**

**КОНТЕНТ-МАРКЕТИНГ
 НА ПІДПРИЄМСТВАХ ТОРГІВЛІ**

Introduction. The development of digital technologies is stimulating businesses to adopt creative approaches to managing marketing communications. Content marketing is becoming a relevant tool for presenting valuable content to the target audience. In times of war, it changes according to the demands of society to strengthen market positions and improve brand interaction.

The problem. The use of content marketing at trade enterprises requires the development of an effective implementation strategy and its stages, that harmoniously combines the practice of digital marketing of trade enterprises with the classic principles, methods, functions and tools of content marketing.

The aim. To substantiate the current trends in the use of content marketing in the digital communication environment and to develop stages of implementation of content marketing strategy at trade enterprises.

Methods. The methods of theoretical generalization, analysis and synthesis, system structural analysis, comparison, and grouping were used.

Results. The approach to content creation by trade enterprises is substantiated and a strategy for the implementation of content marketing is developed. The peculiarity of its use is to ensure

Вступ. Розвиток цифрових технологій стимулює підприємства торгівлі до використання креативних підходів в управлінні маркетинговими комунікаціями. Контент-маркетинг стає релевантним інструментом представлення ціннісного контенту для цільової аудиторії. В умовах війни він змінюється відповідно до запитів суспільства з метою зміцнення підприємствами ринкових позицій та посилення взаємодії з брендом.

Проблема. Використання контент-маркетингу на підприємствах торгівлі потребує розроблення дієвої стратегії та адаптивних маркетингових рішень, які сприятимуть гармонійному поєднанню практики цифрового маркетингу підприємств торгівлі з класичними принципами, методами, функціями, інструментами контент-маркетингу.

Мета. Розкриття сучасних напрямів використання контент-маркетингу в середовищі цифрових комунікацій та обґрунтування етапів реалізації стратегії контент-маркетингу на підприємствах торгівлі.

Методи. Використано методи теоретичного узагальнення, аналізу та синтезу, системно-структурного аналізу, порівняння та групування.

Результати дослідження. Розкрито підхід до створення контенту підприємствами торгівлі та обґрунтовано етапи реалізації стратегії контент-маркетингу. Особливістю



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consistency of content with marketing goals and objectives, selection of adaptive techniques for content creation, distribution, promotion, consideration of the relevant norms and restrictions of the respective target audience, and ensuring the strengthening of brand loyalty by increasing the value of content throughout the consumer journey.

Conclusions. As trade enterprises reduce their territorial coverage in the online format, content marketing is becoming the basis for successful digital marketing communications. It helps to expand target audiences, improve personalized and targeted online interaction with consumers, and optimize business processes. The use of content marketing by trade enterprises requires creation, distribution, promotion of content according to an appropriate algorithm, and introduction of an adaptive content-marketing implementation strategy.

Keywords: content marketing, digital tools, promotion, value.

використання є забезпечення узгодженості контенту з маркетинговими цілями та завданнями, підбір адаптивних прийомів щодо створення, розповсюдження, просування контенту, врахування релевантних норм та обмежень відповідної цільової аудиторії, забезпечення посилення лояльності до бренду на основі підвищення цінності контенту впродовж усього шляху споживача.

Висновки. В умовах скорочення підприємствами торгівлі територіального охоплення в онлайн-форматі основою успішних цифрових маркетингових комунікацій стає контент-маркетинг. Він сприяє розширенню цільових аудиторій, посиленню персоналізованої та таргетизованої онлайн-взаємодії зі споживачами, оптимізації бізнес-процесів. Використання контент-маркетингу підприємствами торгівлі потребує створення, розповсюдження, просування контенту за відповідним алгоритмом та впровадження адаптивної стратегії контент-маркетингу.

Ключові слова: контент-маркетинг, цифрові інструменти, реклама, цінність.

JEL Classification M31.

Introduction. The evolution of digital technologies is forcing trade enterprises to re-evaluate the effectiveness of traditional marketing communications. This requires the development of creative approaches to implementing marketing solutions in both offline and online environments. In times of war, digital marketing communications are especially important as they become the focus for achieving strategic marketing objectives and business goals. Content marketing is becoming an alternative and a complement to traditional advertising campaigns, allowing to take into account social and political factors in building the brand and image of companies.

In the context of Russian aggression in Ukraine, content marketing can ensure the entry and consolidation of Ukrainian business in the international environment, increase interest in the country, popularization of domestic producers, brand strengthening and a more sensitive internal marketing environment. The effectiveness of content marketing in commerce should be ensured by adhering to the principles of the Marketing 5.0 concept, which involves the use of technologies that mimic human behavior to create, communicate, deliver and enhance value throughout the customer journey. It combines elements of the previous two concepts: Human-Centered Marketing 3.0 and Technology-Centered Marketing 4.0. This concept requires flexibility and adaptation to the changing world and its trends. [1, p. 320].

The problem. It is important to develop a content marketing strategy that can ensure sustainable contact with potential consumers, interest in the company's products, while avoiding advertising blindness and strengthening the social position. It is necessary to disclose the principles, methods,

functions and tools of content, to ensure its consistency with marketing goals and objectives, to select adaptive techniques for creating, distributing, promoting and increasing its value.

Analysis of recent research and publications. Today, scholars pay attention to the theory and practice of developing "content" and implementing "content marketing". In most English-language works, the authors, providing definitions, refer to Joe Pulizzi, the head of the Content Marketing Institute [2]. The essence of the concept was also studied by M. Stelzner, a well-known author of books on content marketing [3], K. Zemlik [4], as well as researchers such as J. Rowley [5], P. Bokariya [6]. Among domestic scholars, Z. Dvulit, K. Zybina, E. Krykavskiy, O. Kapral, S. Sapigura, G. Saidova, G. Radchenko, I. Dyachuk made a significant contribution to the study of content marketing [7-9]. With the popularization of content marketing in the world and in Ukraine, the number of journalistic articles, blogs and tips on the use of content marketing is increasing. However, there are no scientific works that would reveal the essence of this concept and the peculiarities of its implementation at trade enterprises. There is also a lack of research on the practical aspects of content marketing implementation by trade enterprises operating under martial law.

The aim of the article is to reveal the current trends in the use of content marketing in the digital communication environment and to substantiate the stages of implementation of the content marketing strategy at trade enterprises.

Methods. The methods used are theoretical generalization, analysis and synthesis, system-structural analysis, comparison and grouping.

Results. Today the use of content marketing is important in the activities of trade enterprises. In connection with military operations in Ukraine, content marketing is able to ensure the formation and maintenance of the state's image in the international community and the marketing environment. It is an effective tool to increase the interest and loyalty of citizens of different countries. In addition to improving the image of Ukraine in the global community, the increased interest is supported by the growing demand for domestic products on the global market, which helps to increase the inflow of foreign currency to Ukraine. Another important advantage of content marketing in times of war is a more sensitive approach to the presentation of a product or service, which avoids the annoyance sometimes associated with classic advertising campaigns. The need to use content marketing is also caused by the saturation of the Internet space with advertising, which has led to the so-called "ad blindness". When a network user identifies certain information as advertising (by the way the message is presented, its appearance, or keywords), he or she often turns his or her attention to other content without even trying to delve into the content of the advertising offer [10, pp. 46-47]. "Ad blindness" requires marketers to look for other approaches to "ecological" contact that would not cause automatic ignoring and would allow them

to build stronger relationships with potential consumers. An example of such an approach is content marketing, a strategy for finding contact with consumers and attracting their attention not to an advertising offer, but to information that is relevant to the company's business and relevant to the consumer. Over the past twenty years, content marketing has gained wide popularity around the world. Domestic companies use content marketing to some extent, but in general, as of 2023, the tool is not yet commonly practised in Ukraine.

The term "content marketing" consists of two elements: "content" and "marketing". Therefore, the adaptation of its tools to the peculiarities of practical activities of trade enterprises in today's conditions requires a primary study of the essence of "content" and "marketing", as well as existing theoretical approaches to their use.

Scientists and practitioners have formulated a wide range of interpretations of the essence of the concept of "marketing". One of the most widely accepted is that of the American Marketing Association: "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" [11]. This approach is best suited to the specifics of marketing management in both online and offline environments.

The essence of the concept of "content" has been revealed by many researchers in the last decade. However, it is characteristic of modern research that this concept is increasingly emphasized in the field of digital communication. In the English dictionary, the word "content" is defined as the physical substance, subject matter, or theme of a work, as well as something expressed through speech, writing, graphics, or other art [12].

In everyday communication, content is defined as any information on websites, blogs, or social networks, regardless of the purpose for which the information is published. However, the existing definitions have one thing in common: from a marketing perspective, information can be called content if the purpose of its publication is to influence the consumer. The key characteristic of content is its focus on achieving the goals of a particular organization.

At this stage, it is very difficult to clearly identify the characteristics that make certain information content. After all, all content is a tool for developing the personal brand of its author, which is an important component of business development and promotion. This is especially true for the commerce, which is a highly competitive industry. The impact of published information on the reader and the potential to leverage that impact to achieve business goals is difficult to measure. Therefore, it is impossible to think of content only as information that a company publishes for a specific purpose. All of the company's contacts with potential consumers can have a positive impact and the potential to increase customer loyalty. Therefore, when analyzing the effectiveness of content marketing, general indicators are usually measured for all content published over a certain period of time.

The definition of content is given by S. Macera in her work "Content Management in Marketing Communications", where she states that content is "multi-format materials represented by text, photo, audio, video, etc." [13, p. 91-94]. The definition focuses on the form of the content created and does not take into account the specifics of how content is used by a company to achieve its goals.

In her monograph "Methodological Aspects of Internet Marketing" I. Lytovchenko defines content as "the filling of a web-site; it includes graphics, text, multimedia, sound" [14]. The definition describes in detail the possible forms of content, but does not provide sufficient information about who is the subject of content placement and what goals are expected to be achieved by placing content on a web page.

A more complete definition of content as a marketing tool can be found in the article "Content Marketing: Advertising without advertising" by E. Krykavsky and N. Figuna. It is noted that content is "a set of useful information about a product, company, event, etc., which does not contain advertising appeals, offers to purchase goods" [7, p. 474-483]. The definition emphasizes the difference between content and advertising, but does not reveal the purpose of publishing such information.

C. S. Sapigura argues that content is "light information that allows to keep the attention of the reader of the corporate site" [15, p. 186-191]. In the definition, the researcher focuses on the purpose of using content, but does not consider the forms of content presentation that can be used depending on the specifics of the target audience and the goals of the enterprise.

M. Stelsner, author of works on the practical use of content in business, provides an informal definition of content, noting that content serves as "fuel for a company-rocket. According to the researcher, the main task of content is to inform, engage, encourage the audience and refute certain ideas about products and companies [3].

In his research, V. Dovbenko emphasizes that the creation of content requires an individual approach and there are no general recommendations, as it depends on the objectives set by the company, the goals of communication with customers, and the characteristics of the channels used to distribute content [16, p. 99-109].

M. Grant emphasizes the impossibility of formulating a universal definition of "content marketing". This is due to its excessive abstractness and breadth of goals and methods of information transfer. The researcher believes that content is a general term for "form as such", which can take a physical form or be a traditional media form, video, show, essay, blog posts [17].

In order to identify the main components of the concept under study and the characteristic features of its application by commercial enterprises, it is advisable to conduct a content analysis of 34 definitions. Some definitions contain more than one characteristic feature. *Figure 1* shows the frequency of use of individual content features among the total number of definitions.

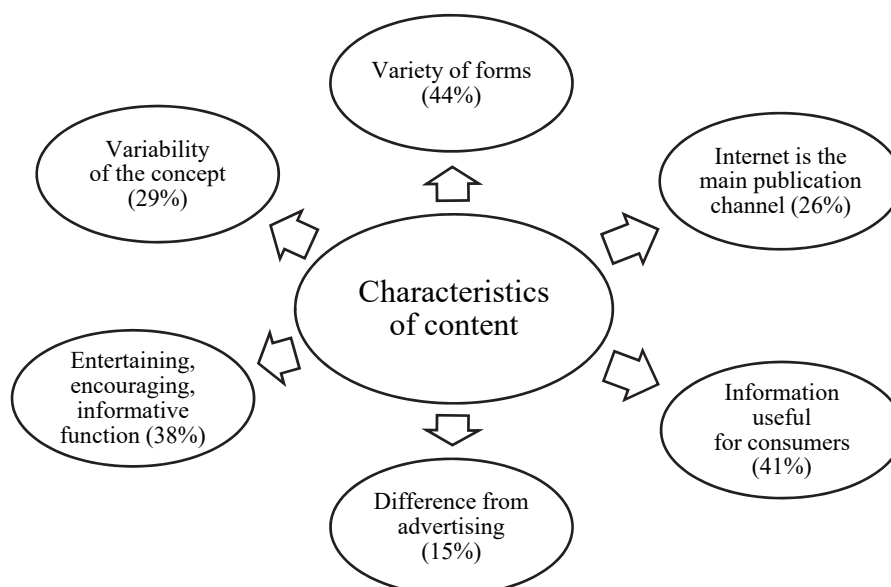


Figure 1. Characteristics of content in the works of scholars and practitioners

Source: compiled by the authors.

So we can conclude that:

- Today, content is one of the most important digital tools for attracting consumers;
- Content is distributed through social networks, websites, email newsletters and other digital channels, but can also be delivered to consumers through newspapers, magazines, outdoor and indoor advertising, etc;
- Content is a broad term that encompasses a variety of forms of information presented to the consumer. The main forms of content are text, graphics, video and audio;
- Content helps to avoid the rejection that readers experience after recognizing an advertisement, because content does not involve a direct offer of a product or service, but rather aims to provide a conditionally free benefit to the reader;
- The benefit of consuming content can be expressed not only in the reader's acquisition of practical knowledge in a field related (but not necessarily related) to the company's goods or services, but also in the reader's positive emotions;
- Depending on the field of activity, size and type of company, content as a tool will vary, take different forms, be aimed at achieving different goals, etc.

The obtained results are the basis for formulating a modern definition of "content". *Content* is useful or entertaining information in textual, graphic or multimedia form published by a trade enterprise to attract, inform and increase consumer loyalty. In this case, the concept of content is studied specifically for implementation at trade enterprises, although it can be considered typical for enterprises of various types of economic activity.

Content marketing is the main tool for planning, creating and distributing content. The tool has gained popularity relatively recently. Therefore, its implementation in order to achieve the goals of the marketing strategy and

ensure an effective marketing policy in the digital environment requires a clear understanding of its nature, principles, functions, tasks and tools. The basis for understanding the essence of content marketing is a clear, comprehensive and understandable formulation of the concept of "content marketing" itself, which will form the basis for further research of implementation tools and promote the spread of its use among trade enterprises.

I. Lytovchenko in her monograph "Methodological Aspects of Internet Marketing" notes that "content marketing is a tool by which a manufacturing enterprise, by placing relevant and quality information on information resources (websites, social networks, webinars, round tables, books, media, etc.), can position itself in a favorable light among potential consumers" [14]. According to this approach, content marketing is presented as an activity aimed at positioning the manufacturer among consumers, although the same goal is also relevant for trade enterprises.

The founder of the *Content Marketing Institute*, J. Pulizzi, whose definition is used by most foreign researchers, defines content marketing as "a strategic marketing approach focused on creating and distributing valuable, relevant, and continuous content to attract and retain a clearly defined audience – and ultimately increase profits" [2]. In this definition, the purpose of creating and using content is to attract and retain an audience to generate profit, which is relevant to both manufacturing and trade enterprises.

According to G. Saidova and G. Radchenko, "content marketing is a strategic marketing approach that involves the creation and distribution of content to attract and retain a specific audience, as well as to stimulate customers to take profitable actions, and content marketing is an effective component of business promotion" [8] (similar to the approach of J. Pulizzi). This approach shows the universality of this definition for both digital and traditional content promotion channels. An important point is the authors' emphasis on the key characteristic of content marketing, which is the absence of offering goods and services, but offering consumers relevant and useful content that can even create demand in the future [8, p. 144-149].

O. Tertychnyi offers his own approach to content marketing, noting that this tool has become the most popular Internet marketing tool in recent years. The researcher considers content marketing as a set of marketing techniques based on creation and distribution of useful information for the consumer in order to gain trust and attract potential customers [18, p. 382-385]. The definition is exhaustive, although it does not mention other functions of content marketing, except for building trust and attracting new customers.

The authors of the article "Content Marketing: Advertising without advertising" E. Krykavskiy and N. Figuna define content marketing as a tool for influencing the formation of long-term partnerships with consumers through e-marketing tools and using text, audio, photo and video information of a cognitive and review nature [7, p. 474-483]. This definition, unlike the previous one, emphasizes the increase in the duration of the customer life cycle with the help of this tool, rather than the attraction of new customers. In fact, if trade enterprises consider the customer lifecycle and ways to influence

each stage of the sales funnel, they can increase customer value across the entire customer base as a result of a timely response to customers' interests and needs. Thus, content marketing is a fairly versatile tool that can achieve different goals depending on the needs of the company.

Among foreign researchers, it is also worth mentioning the Polish researcher K. Zemlik, who defined content marketing as "a technology for creating and distributing content (a set of information) aimed at finding customers or stimulating sales". As she noted, "the distributed information should be unobtrusive and not contain offers to purchase or get acquainted with the product, and therefore does not require additional push in the market, it is attracted by consumers and spread among them independently" [4].

M. Stelzner defines content marketing from a different perspective, stating that content marketing should be understood as the promotion of free values that are tangentially related to the company. By free values, he means the benefit that the reader can receive by consuming the content provided by the company [3].

Numerous definitions of the concept under study can be found in manuals and articles with tips and instructions on how to use content marketing. However, these approaches are of less scientific value because they do not claim to be exhaustive and are rather a metaphorical representation of this tool and its potential benefits.

Given the proposed definition of content, let's analyze the definition of content marketing in a similar way. Researchers who study content marketing use different approaches to define this concept. Scholars classify content marketing as a tool, a strategic marketing approach, a set of techniques, a technology, and even advertising of free values. These definitions are fully revealed when looking at the purpose of content marketing: the delivery of content to the direct consumer. As for the other characteristics, their analysis allowed us to identify certain differences. Using content analysis methods, we will determine the frequency of use of content marketing characteristics based on a study of 30 definitions. Some of them include several content marketing characteristics. The results are shown in *Figure 2*.

Thus, content marketing:

- is a tool or a set of techniques for all the different content formats available and strategies for creating them, depending on the resources available, the amount of content required, and the goals of the organization;
- includes content planning, preparation, selection of distribution channels, and finding ways to increase the reach of content to potential audiences;
- is useful and relevant information that allows the reader to feel the consumer's gain by receiving free value from the company, which can be expressed in both utilitarian useful content and emotionally entertaining content [19];
- created for a specifically defined audience to build loyalty, brand awareness, and attract a specific set of potential consumers rather than casual network users;
- different types of trade enterprises use content for very different purposes, with different strategies for creating and distributing content.

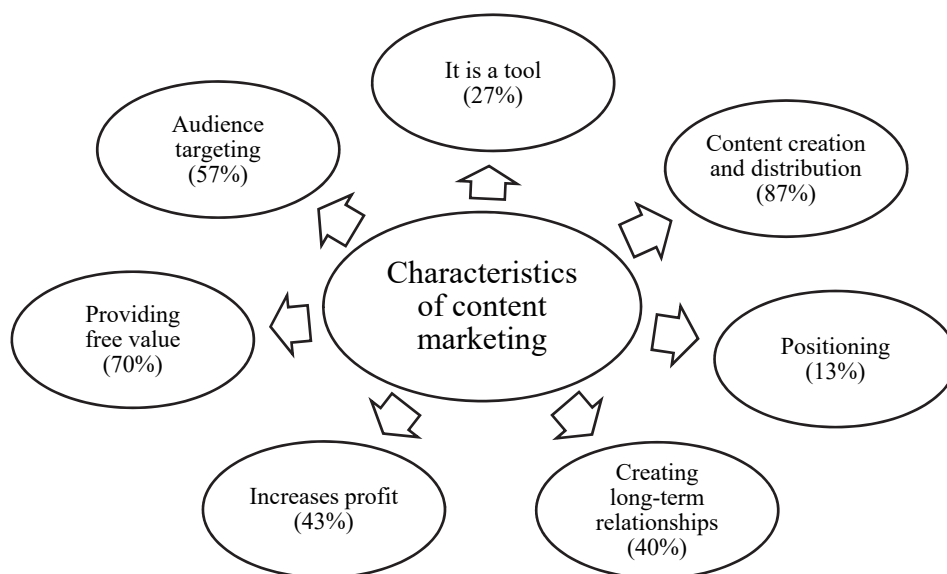


Figure 2. Characteristics of content marketing in the works of scholars and practitioners

Source: compiled by the authors.

The results of the analysis reflect the need to reveal the modern essence of content marketing for trade enterprises, taking into account the specifics of their functioning. We consider the following definition to be the most acceptable: a set of techniques for creating, distributing and promoting relevant content that ensures the implementation of the digital marketing strategy of the trade enterprise by increasing its value throughout the customer’s journey.

The clarified essence of content marketing shows that in modern conditions any business can increase the effectiveness of marketing activities if it uses a strategic approach to the implementation of content marketing (*Figure 3*).

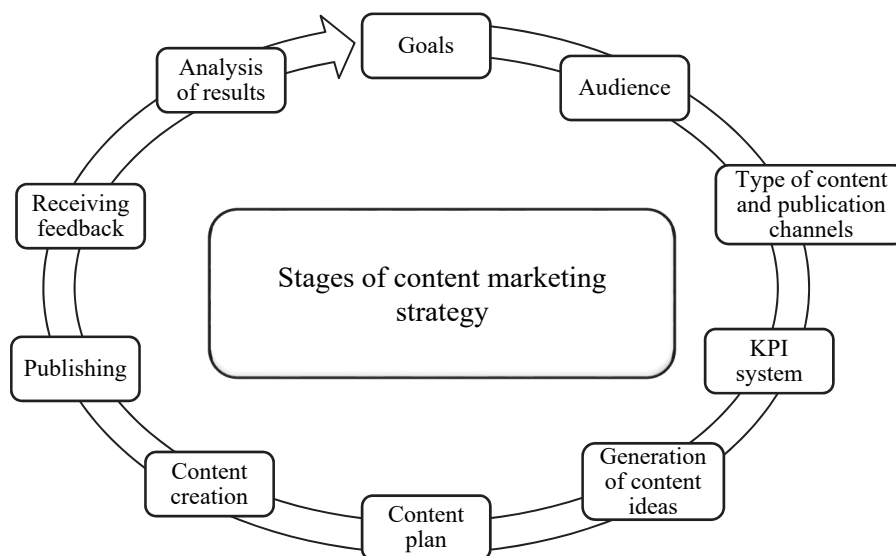


Figure 3. Implementing a content marketing strategy

Source: developed by the authors.

As part of the stages of implementing a content marketing strategy, each trade enterprise should develop its own marketing goals in accordance with the chosen overall marketing strategy, make marketing decisions, and use acceptable tools and technologies.

Establishing company's goals. This component of the content marketing strategy includes consideration of goals such as increasing sales, increasing customer loyalty, increasing brand awareness, etc. The goals should be specific, measurable, and achievable, which will allow to effectively implement content marketing in the company.

Identifying the main audience that would benefit from the content created. This stage involves identifying a group of people who make up the company's core audience based on market analysis and consumer behavior research. A qualitative definition of the target audience is essential for creating content that meets their needs and interests.

Determining the type of content and publication channels. This step implies choosing the type of content that meets the needs and interests of the target audience: text content (blog posts, articles), video content, infographics, photo and audio content, etc. At this stage, one also chooses the channels for publishing content, such as the company website, social networks, blogs, forums, media resources, partner sites, etc. Each channel has its own characteristics and requires a different approach to content creation and publishing.

Implementing a system for measuring content quality and audience response. This phase identifies key indicators for assessing content quality and establishes metrics for tracking results, such as the number of views, ratings, comments, reviews, social media shares, and link clicks. It is necessary to analyze the established metrics on a regular basis to understand which indicators best reflect the quality of audience interaction.

Generating content ideas for each of the identified business objectives. In this phase, a list of topics and ideas for creating content that addresses the business objectives is developed based on the previously identified audience interests and the selected content type. Generating ideas may include such steps as conducting competitive analysis, reviewing industry trends, collecting data on target audience behavior, etc. Content ideas should be selected based on their uniqueness, value to the audience, feasibility, and the resources the company is willing to invest in creating and distributing the content.

Creating a content plan. At this stage, a content plan is created – a document that contains a list of planned publications for a given period of time. The content plan typically includes publication dates, titles, content descriptions, formats, and distribution channels. The content plan ensures a systematic and consistent flow of information to audiences and helps track the effectiveness of content marketing activities.

Content creation is a key step in implementing a content marketing strategy. Content is created according to the ideas generated and the prescribed content plan. At this stage, it is important to take a creative approach

and create unique content that will interest the audience. It is important to follow a style and tone that is appropriate to the goals and target audience. Content creation can be done using internal company resources as well as external specialists, which will allow to get diverse and high-quality content. When creating content, it's advised to use keywords and terms to improve SEO optimization.

Publishing content. In this stage, the content is published to the designated distribution channels. It is important to ensure the optimal publishing schedule for each channel. To do this, it is necessary to conduct research on the best times and dates to publish. To ensure effective content promotion, it is important to use search engine optimization techniques and work with influencers, as they have a large audience and can help attract new customers. Another promotion tool can be the use of paid traffic to attract the target audience to the website and increase conversion. This requires the use of a variety of advertising platforms and formats (contextual advertising, banner advertising and social media advertising).

Obtaining feedback and measuring key indicators of goal achievement. At this stage, it is necessary to collect data on audience interaction with content using previously defined indicators and metrics, as well as track audience feedback on content and maintain active communication with them to improve the experience of interacting with content and increase brand loyalty.

Analysis of results. This stage involves the analysis of the collected content performance indicators determined at the stage of implementing the content quality measurement system and audience feedback. Both statistical and data visualization methods can be used for this purpose. After analyzing the data, it is necessary to draw conclusions about the achievement of the set goals, as well as possible ways to improve the effectiveness of future iterations of the content marketing strategy.

Thus, with each cycle, the consistency of the implemented content marketing with the company's goals improves, and the published content is adjusted according to the audience's reaction.

When implementing content marketing, it is necessary to take into account the specifics of trade enterprises. Given the identical assortment of competing trade companies, the task of content marketing is to create an emotional connection and increase the commitment to a particular trade company, its service and after-sales service [20]. In the presence of the same range of goods and a small difference in price, the position of a trade enterprise in the market can be determined by a certain psychological barrier associated with the tendency of consumers to save their time and convenience of choice. In the case of regular consumption of content from this company, customers may avoid searching for alternative outlets. A similar effect can be achieved even with a one-time contact of a potential consumer with the company's content, if the content helped to make a decision on choosing a specific product from a set of relatively identical alternatives, especially if the choice was not obvious to the consumer before reading an article or watching a video [21].

Trade enterprises vary in size, pricing and assortment strategies, and target different consumer groups. Accordingly, content marketing is used as a tool to achieve the goals of a particular business and its specifics. Obviously, an online store that ships products to multiple regions can more easily realize the potential of content marketing. For small stores that are not represented by a large network within a city or district, content strategies are less effective, but all trade enterprises can use content marketing to increase brand awareness among potential consumers in a neighborhood or settlement [22].

The national specificity of using content marketing in Ukraine can be seen in the choice of channels for content distribution depending on the chosen audience of potential consumers. For example, one of the most common channels for distributing information is a website of a trade enterprise, but such interaction will be episodic, as the consumer will come into contact with the content only when he or she decides to visit the site. A more sustainable interaction might be an email newsletter, but large articles sent by email may become too resource-intensive to read, and a large number of short messages sent this way may cause irritation. Social media sites and Telegram channels can be an alternative. Such interaction is more stable, has more variability in the company's choice of content formats, and is more favorable for the distribution of entertaining and light content aimed at increasing awareness and creating an emotionally positive connection with the brand [23]. According to the *Digital 2023 Ukraine* report, as of January 2023, 26.7 million people (more than 70% of the population) will use social media in Ukraine. Compared to 2022, this number has increased by almost 10% due to a decrease in the number of people in the country due to the ongoing military combat. The most popular social networks in 2023 will be YouTube (about 26.7 million users), TikTok (13 million), Facebook (about 12.85 million), and Instagram (11 million). In addition, the use of messengers such as Viber and Telegram and the LinkedIn network for business communication is increasing [24]. To reach an audience that is not encouraged to subscribe to additional sites or newsletters, one can collaborate with bloggers who are known to potential consumers to create articles or videos related to the product range of trade enterprise and the problems solved by its goods. For larger content marketing projects with significant funding, TV or radio programs on related topics with trade enterprise as a sponsor may be a good option.

In most cases, trade enterprises do not manufacture products, so creating content about the production of goods is complicated by the need to contact the manufacturer. Given the wide range of products, it is also difficult to choose the product for which such content will be created. A possible way out of this situation is to develop a set of content dedicated to the production of various products. Implementing such a project can be costly in terms of both time and resources. Determining the effectiveness of such an initiative requires further research and evaluation.

Conclusions. In order to popularize the content marketing tool among domestic trade enterprises, an accurate, clear and comprehensive definition

of the concept of "content marketing" is necessary. In colloquial usage, content is any published information, and in marketing it is information published to influence the consumer.

The study revealed the variability of the terms "content" and "content marketing". Based on the content analysis, the main key statements are outlined and own definitions are proposed. Content should be interpreted as useful or entertaining information in textual, graphic or multimedia form published by a trade enterprise to attract, inform and increase consumer loyalty. The author proposes to define content marketing as a set of techniques for creating, distributing and promoting relevant content that ensures the implementation of the digital marketing strategy of the trade enterprise by increasing its value throughout the customer's journey.

The use of content marketing at trade enterprises should be carried out through the development and implementation of an appropriate strategy. Reasonable stages of content strategy implementation include the following components: establishing the company's goals; identifying the main audience, determining the type of content and publication channels; implementing a system for measuring content quality and audience response; generating content ideas; creating a content plan; content creating; publishing content; obtaining feedback and measuring key indicators; analysis the results. Their interaction and coherence ensure that, with each cycle, the alignment of content marketing with the company's goals improves and the published content can be adjusted according to the audience's response. As a result, it will increase the effectiveness of marketing campaigns of trade enterprises, increase conversion, strengthen the impact on the audience in the online environment, which will ensure an increase in sales by expanding the customer base. Consistency of the proposed stages of the content marketing strategy will allow the company to effectively use the resources available to it, save time and reduce efforts to plan and implement marketing campaigns.

In the context of martial law, trade enterprises should take into account the principles of socially responsible marketing and the concept of Marketing 5.0 when developing their content marketing strategies. This will ensure proper positioning of the company as a socially responsible brand, create favorable conditions for strengthening consumer loyalty, and identify a potential target audience for long-term interaction. Taking these factors into account will help companies maintain their competitive advantage in an unstable environment and determine the success of their marketing strategies.

Conflict of interest. The authors declare that they have no financial or non-financial conflicts of interest in relation to this publication; they have no relationships with government agencies, commercial or non-profit organizations that could be interested in presenting this viewpoint. Given that the authors are employed by the institution that publishes the journal, which may give rise to a potential conflict or suspicion of bias, the final decision to publish this article (including the selection of reviewers and editors) was made by those members of the editorial board who are not affiliated with this institution.

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SOCIAL MEDIA MARKETING IN THE BUSINESS INTERACTION SYSTEM OF THE ENTERPRISE

Introduction. The digital economy is developing very quickly in the world, so all businesses understand the need to use modern interactive technologies in predicting consumer behavior and are ready to adapt the informational potential of campaigns to the conditions of global digitalization.

Problem. The digital economy accelerates changes in marketing communications and requires new relevant channels of digital interaction.

The aim of the article is to substantiate the selection and implementation of modern digital marketing communications in the business environment of the campaign in order to predict consumer behavior and develop entrepreneurial information potential.

Methods. Methods of systematization, grouping and comparison, analytical and epistemological methods (for assessing the state and

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СОЦІАЛЬНИЙ МЕДІАМАРКЕТИНГ У СИСТЕМІ БІЗНЕС-ВЗАЄМОДІЇ ПІДПРИЄМСТВА

Вступ. Розвиток цифрової економіки у світі відбувається з безпрецедентною швидкістю, тому бізнес усвідомлює необхідність застосування сучасних інтерактивних технологій у прогнозуванні поведінки споживачів.

Проблема. Цифрова економіка прищвидшує зміни у маркетингових комунікаціях і вимагає нових релевантних каналів цифрової взаємодії.

Метою статті є обґрунтування відбору та імплементації сучасних цифрових маркетингових комунікацій у бізнес-середовище компанії з метою прогнозування поведінки споживачів і розвитку підприємницького інформаційного потенціалу.

Методи: абстрактно-логічний аналіз; систематизації та гносеологічний; групування і порівняння, аналітичні – для оцінювання стану та перспектив застосування соціальних



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prospects of the use of social networks), graphic and analytical methods (for illustrating research results), abstract-logical analysis (for researching the evolution of marketing communications), and Internet monitoring (to determine the effectiveness of the most relevant channels of digital marketing communications, their ranking by popularity) were applied in the paper.

Results. The authors determined that social networks during the war became the fastest, most effective and most accessible channels of communication with the audience. Social media marketing channels and their rating were analyzed; the most relevant for the enterprise – B2C and B2B consumers – were justified in the context of the development of the information potential.

Conclusions. The necessity of increasing the monetization of digital marketing communications and strengthening their communicative effectiveness in the context of a two-way approach is proven. On the one hand, it is necessary to improve the quality of content and its delivery methods to consumers, commercial activities that ensure the finalization of acts of purchase and sale and delivery of goods and receipt of services. On the other hand, monitor the existing and potential channels of digital marketing communications, respond to their popularity among different types of consumers, scale the use of digital technologies, facilitate the accessibility of their use, improve the information infrastructure, strengthen the digital trust and technological competence of specialists, as well as form a new digital business culture.

Keywords: digital economy, information potential, digital marketing communications, digitalization of business processes, forecasting consumer behavior.

JEL Classification: M31, M37.

мереж; графоаналітичні; інтернет-моніторингу – для визначення результативності найбільш релевантних каналів цифрових маркетингових комунікацій, їх рейтингування за популярністю.

Результати дослідження. Визначено, що соціальні мережі під час війни стали найшвидшими, найрезультативнішими та найдоступнішими каналами комунікації з аудиторією. Проаналізовано канали соціального медіа-маркетингу, їх рейтингування; обґрунтовано найбільш релевантні для B2C і B2B споживачів у контексті розвитку інформаційного потенціалу підприємства.

Висновки. Доведено необхідність підвищення монетизації цифрових маркетингових комунікацій і посилення їх комунікативної ефективності в контексті двостороннього підходу. Необхідно, з одного боку, покращити якість контенту і способів його донесення до споживачів, вдосконалити комерційні напрямки діяльності, що забезпечують фіналізацію актів купівлі-продажу й доставки товарів та отримання послуг; з іншого – відстежувати наявні та потенційні канали цифрових маркетингових комунікацій, реагувати на їх популярність серед різних типів споживачів, масштабувати використання цифрових технологій, полегшувати доступність їх використання, вдосконалювати інформаційну інфраструктуру, посилювати цифрову довіру і технологічну компетентність фахівців, а також формувати нову цифрову підприємницьку культуру.

Ключові слова: цифрова економіка, інформаційний потенціал, цифрові маркетингові комунікації, цифровізація бізнес-процесів, прогнозування поведінки споживачів.

Introduction. Digital economy continues to evolve at an astounding pace in the world. More than half (63%) of the world's population actively uses the Internet, it is quite easy to navigate in the virtual business space. The UNO has recognized access to the World Wide Web as one of the basic, inalienable human rights along with the right to education and freedom of speech. The possibilities of digital platforms are expanding, new ways of communication are emerging. Learning, buying, starting a business and declaring its uniqueness has become easier, cheaper and more profitable than in the industrial age. According to the data of the Razumkov Centre [1], the trajectory of sustainable growth will be accompanied by shocks for those countries, regions and industries that have not created the economic prerequisites for the realization of the benefits of technological and digital innovations in time; there is a danger of digital inequality and backwardness for

them. Therefore, almost all conscious businesses understand the need to use modern interactive technologies in predicting consumer behavior and they are ready to adapt the informational potential of campaigns to the conditions of global digitalization.

There are many barriers in the transition of business to "digital footing", such as gaps in the degree of availability of digital technologies and the scale of their use; lack of digital corporate culture; shortage of digital solutions that take into account the specifics of business; underdevelopment of the information infrastructure; lack of standards regarding the use of IT technologies and their high cost; lack of digital trust; shortage of specialists who implement and maintain digital technologies; technological incompetence of users and different levels of digital knowledge [2; 3]. However, entrepreneurs have already taken the first steps towards a fundamentally new technological reality, and digitalization is being implemented in almost all business processes: from consumer behavior research, production, external and internal communications to the promotion and sale of goods and services. In this regard, marketing interaction systems are being transformed with contact audiences, they are changing from declarative (traditional and industrial) to client-oriented (service and digital). This transition takes place at an extremely fast pace, in fact for several decades.

The evolution of marketing communications took place in accordance with the chronology of changes in the types of economy. Horizontal single-channel communications were used with the unbranded goods offer of a simple assortment in the unsaturated market of crop production, animal husbandry, handicrafts, and primitive processing industries in the agrarian economy. In the industrial economy, the first brands appear, the promotion of brands is intensified, the market is saturated, and there is competition at the level of rational consumer preferences, reputational crises of brands appear. Most marketing communications take place through a monologue aimed at declaring brand values and propaganda which is directed to disseminating facts, arguments, rumors and other information to influence consumer behavior in favor of a particular brand and position of the manufacturer. Industry 4.0 era is characterized by a human-centric economy of impressions and a relational economy, which fundamentally transform communications into a dialogue (a two-way exchange of information): bringing information to consumers and receiving feedback on them. The relational economy establishes cooperation and certain personal relationships between consumers and producers; a loyal target audience is formed through trust and the creation of "live", honest brands that meet customer expectations; a conscious culture of consumption, charity, partnership co-creation, exchange of social capital is formed [4]. The logic of closed information does not work and the paradigm of open innovation appears, when companies use external ideas for their own development and become system integrators of technologies from the position of creating consumer value and inter-firm partnership mutual benefit [5].

Problem. The digital economy accelerates changes in marketing communications, responds to the need for flexibility, convenience and proximity to consumers. The events related to the pandemic and full-scale military operations facilitated online shopping [6]. Therefore, modern scientists, marketers, communication managers and brand strategists are constantly looking for fundamentally new relevant channels of digital interaction; these factors have determined the choice of the topic of this paper, its purpose, tasks and methodological guidelines.

Analysis of recent research and publications. The scientists and practitioners study existing channels of digital marketing communications (DMC) and find new ones. The dual approach (from the Latin *dualis* – double) of most researchers to the digitalization of marketing communications management is convincing: on the one hand, it complicates the control of communication support for a product or service, on the other, it has greater opportunities to increase the involvement of potential consumers and additional coverage of the target audience [7–9]. DMC are communications on the basis of digital technologies and have two-way communication, which can be initiated by both the marketer and the consumer [10]. M. Oklander defines DMC as a set of activities for the promotion of goods using Internet technologies [11]. Z. Ivanova and V. Ivanov [4] consider that DMCs function on the basis of the application of modern IT technologies with the involvement of the target audience in the online environment through traditional and digital media channels with the subsequent development of integrated communications that correspond to individual consumer needs [12]. The authors have identified the advantages of modern DMC tools (3D technologies), *augmented reality (AR)*, *virtual reality (VR)*, *QR code*, which are based on the works of well-known experts. The authors of the paper emphasized that systematic sales promotion with the development of a specific communication program will enable the company to substantiate a marketing plan and effective strategy for the future. A. Rizaldi, H. Hidayat, O. Marchuk [13; 14] emphasize that it is important to take into account the fact that campaigns strive to make the most available channels and ways of informing consumers in order to obtain a synergistic effect from the setting of marketing communications, as their availability may be limited by the budget and expertise of marketers, IT and PR services. All the authors agree that the realization of the campaign informational potential is possible through the modernization of DMC tools. This will help to retain loyal and devoted consumers, and to attract new ones outside the traditional target market. Such strategies will have to focus on solving today's problems, as well as prepare business for the post-war recovery after victory. Under these circumstances, the online space will become the most effective environment for business interaction with consumers and partners.

The aim of the article is the scientific justification of the selection and implementation of modern digital marketing communications in the business environment of the campaign for forecasting consumer behavior and the development of entrepreneurial information potential.

The purposes of this paper are: (a) to identify possible barriers in the digitalization of marketing business processes; (b) to investigate the available and tested channels of the DMC; (c) to substantiate the choice of the most appropriate channels for forecasting consumer behavior and the development of the digital potential of the enterprise in the conditions of military operations and consequences corona crisis.

Methods. Induction, deduction and dialectical methods, analysis and synthesis, abstract and logical analysis were used to study the evolution of marketing communications in accordance with the chronology of changes in the types of economy and consumer requests; methods of systematization, grouping and comparison, analytical and epistemological methods (for assessing the state and prospects of the use of social networks), graphic and analytical methods (for illustrating research results), abstract-logical analysis (for researching the evolution of marketing communications), and Internet monitoring (to determine the effectiveness of the most relevant channels of digital marketing communications, their ranking by popularity) were applied in the paper.

The theoretical basis of the paper includes relevant articles of domestic and foreign scientists who study issues related to the use of DMC in predicting consumer behavior and developing the informational potential of the campaign.

Results. The volumes of DMC are constantly increasing, cover various businesses and broad segments of the population, and the possibilities of the virtual space are expanding. There are many ways to promote a company in the digital world, but it is important for marketers to understand how digital channels work, which options are the most suitable for certain products and types of consumers, and how to develop a clear strategy that will achieve business goals and measure results.

Websites, electronic catalogs of local companies, mobile applications, *email* newsletters, digital television, search engines, and social media marketing are used to present a company online. Social networks have become the fastest and most accessible channel of communication with the audience during the war. There is no general approach to choosing social networks for business, *SMM* specialists should consider each business separately. Different platforms for solving different business tasks and consumer requests are presented in the *Table*.

Table

Classification of SMM communications depending on the types of business tasks and end consumers

Type	Classical	Multimedia	Creative	Business	Specific
<i>SMM</i> -communication	<i>Facebook, Instagram</i>	<i>YouTube, TikTok</i>	<i>Twitter, Pinterest, Snapchat</i>	<i>LinkedIn, Twitter</i>	<i>Viber, Telegram</i>
Consumers	<i>B2C</i>	<i>B2C/B2B</i>	<i>B2C/B2B</i>	<i>B2B</i>	<i>B2C/B2B</i>

Source: compiled by the authors

The *Facebook* audience is the most open and sociable. It is a simple and convenient channel to build marketing communication, but lately it has turned into a political battleground of bots, and most consumers have immigrated to *Instagram*. This platform is also classified as a classic selection of social networks, and it seems quite simple and clear, modern consumers need very high-quality content and visuals, which affects the overall communicative monetization and requires additional work from designers, photographers and other professionals.

YouTube and *TikTok* are channels of quality multimedia content, the preparation of which takes more time, and this should be taken into account. To achieve efficiency in working with these sites, it is better to contact creative professionals or hire a separate specialist who will develop these pages.

The *Twitter*, *Pinterest*, and *Snapchat* platforms are more popular abroad, but they can also work in Ukraine. The range of business tasks that they help to solve is narrower than of classic platforms. For example, *Twitter* becomes a good business tool if the team has a copywriter with a bright and ironic presentation, and then this social network builds a strong connection with the audience and strengthens consumer loyalty to the brand.

LinkedIn is more relevant for the B2B segment: a business page, a private entrepreneur or an individual specialist will become an online business card and help in the search for partners and sales.

Viber and *Telegram* channels as tools are not always suitable for business, they should be used if the brand has constant and daily updates. Messengers are used to solve marketing tasks: sending promotional offers, quick response to unsatisfied demand and complaints, as well as corporate chats. It should be noted that experts from communication agencies note *Twitter* and *Telegram* as the most effective digital channels, and this should be taken into account in predicting consumer behavior.

World trends in the use of *SMM* communications are similar to Ukrainian ones, but have consumer differences. According to [15], Western marketers have systematically abandoned *Facebook* as a platform for engaging and predicting consumer behavior since 2019; their commitment fell from 67% in 2018 to 47% in 2022. Only 41% of brand strategists plan to increase organic marketing on the platform. *Instagram* is the second most important marketing social platform, 79% of marketers use it, and 61% of professionals plan to increase their organic activity in the next 12 months.

It should be noted that interest in *YouTube* is increasing: 67% of marketers plan to increase video content. Commercial adoption of *TikTok* is growing rapidly, interest in it has tripled in the last two years and 37% of marketers plan to increase their activity on the platform, and 47% are interested in learning more about *TikTok*'s target audiences professionally. However, Facebook dominates consumer engagement (*Figure 1*).

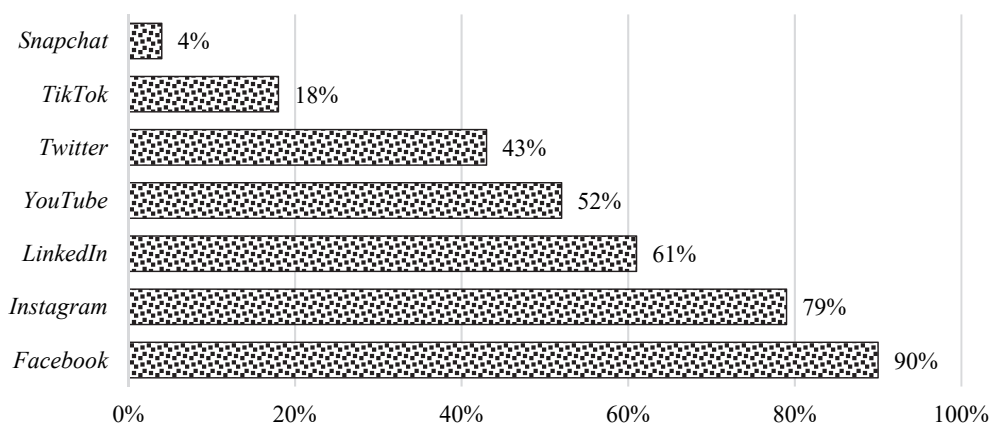


Figure 1. General indicators of the popularity of social media marketing channels

Source: summarized and adapted by the authors based on [15].

Modern marketers believe that it is necessary to use integrated communications in several networks. They identified the benefits of social media marketing, 85% of respondents reported that *SMM* presence and advertising efforts increased business visibility and consumer engagement. Increased traffic is the second biggest benefit, 75% of respondents reported positive results; 66% of respondents noted generation of leads and potential customers; 58 % of respondents stated the increase in consumer loyalty and 57% in sales. We should take into account consumer differences when choose certain social networks. Almost all *B2C* marketers use *Facebook* and *Instagram*, *Snapchat* accounts for the minimum of their interest (*Figure 2*).

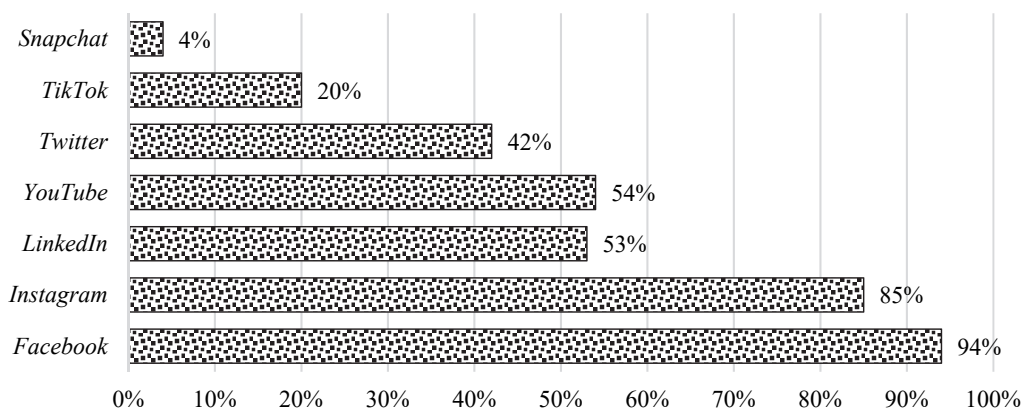


Figure 2. Popularity of B2C social media marketing channels

Source: summarized and adapted by the authors based on [15].

There are characteristic differences between *B2B* and *B2C* marketers. While *Facebook* clearly dominates in the *B2C* space, *B2B* marketers are more interested in *LinkedIn*, which takes the second place by usage importance (*Figure 3*).

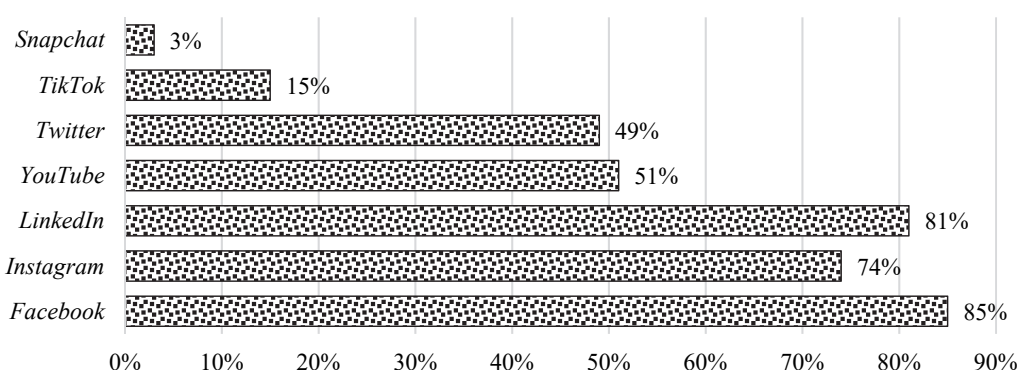


Figure 3. Popularity of B2B social media marketing channels

Source: summarized and adapted by the authors based on [15].

Thus, the popularity of social media marketing channels for different types of consumers is constantly changing. A two-way approach is appropriate to increase their monetization and communication efficiency. On the one hand, it is important to improve the quality of the content and delivering methods to consumers, as well as all commercial activities that ensure purchase finalization and sale acts, including comfortable delivery of goods and modern channels for obtaining services, the use of *e*-banking and the minimization of all risks, including reputational. On the other hand, it is necessary to systematically monitor the existing and potential channels of the DMC, respond to their popularity among various types of consumers, expand the scope of digital technologies use, facilitate the degree use of their accessibility, improve the information infrastructure, strengthen the digital trust and technological competence of specialists, develop a digital corporate culture of companies.

Conclusions. There are many barriers to the digitalization of marketing business processes, but entrepreneurs are adapting to the new technological reality and looking for new digital channels that are most suitable for promoting certain products among different types of consumers. Social networks became the fastest and most accessible channels of communication with the audience during the war. The choice of the most relevant social media marketing channels for B2C and B2B is substantiated depending on the types of business tasks and end users. The proposed approach will make it possible to use modern virtual technologies more effectively, increase the conversion of digital brand activities, strengthen the communicative effectiveness of interaction with the target audience, and increase the enterprise’s information potential.

Our further research will be aimed at the analysis of the implementation of the provided recommendations regarding the largest introduction of relevant channels of social media marketing as fast and accessible digital communications in order to develop the information potential of the enterprise.

Conflict of interest. The authors certify that they have no financial or non-financial interest in the subject matter or materials discussed in this manuscript; the authors have no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript. One of the authors is working for the institution that publishes this journal, which may cause potential conflict or suspicion of bias and therefore the final decision to publish this article (including the reviewers and editors) is made by the members of the Editorial Board who are not the employees of this institution.

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**MEDIA TRANSFORMATION
 OF SOCIALLY RESPONSIBLE
 PROJECTS**

**МЕДІАТРАНСФОРМАЦІЯ
 СОЦІАЛЬНО ВІДПОВІДАЛЬНИХ
 ПРОЄКТІВ**

Introduction. In the conditions of uncertainty against the background of the state of war in Ukraine, the analysis of socially responsible projects, their adaptation to the media space, support of spheres that initiate social changes is relevant.

Problem. Wartime significantly affected the development of all spheres, especially sports, reduced the level of activity of enterprises, actualized the need to transform mass media and strengthen socially responsible projects.

The aim of the article is the development of recommendations on measures to strengthen mass media activities in terms of socially responsible marketing for Ukrainian enterprises, using the example of football clubs, in the conditions of martial law.

Methods. General scientific methods such as synthesis, comparison and generalization are applied.

Results. The media transformation of socially responsible projects during the military aggression of the Russian Federation against Ukraine was studied, the dynamics of the level of influence of social media platforms on brand popularity were analyzed, measures were proposed to increase media activity in the direction of socially responsible marketing, today, using the example of football clubs in the field of sports, recommendations for further work were developed and adaptation to realities.

Вступ. В умовах невизначеності на тлі воєнного стану в Україні актуальним є аналіз соціально відповідальних проєктів, адаптація їх до медіапростору, підтримка сфер, які ініціюють соціальні зміни.

Проблема. Воєнний час суттєво вплинув на розвиток усіх сфер, особливо спорту, зменшив рівень активності підприємств, виокремив необхідність медіатрансформації та посилення соціально відповідальних проєктів.

Метою статті є розроблення рекомендацій щодо заходів з посилення медіаактивностей у частині соціально відповідального маркетингу для українських підприємств, на прикладі футбольних клубів, в умовах воєнного стану.

Методи. Застосовано такі загальнонаукові методи, як синтез, порівняння та узагальнення.

Результати дослідження. Досліджено медіатрансформацію соціально відповідальних проєктів під час військової агресії РФ проти України, проаналізовано динаміку рівня впливу соціальних медіаплатформ на популярність бренду, запропоновано заходи для посилення медіаактивностей у напрямі соціально відповідального маркетингу, розроблено рекомендації подальшої роботи та адаптації до реалій сьогодення на прикладі футбольних клубів у сфері спорту.



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Conclusions. Structural changes and peculiarities of media transformation of socially responsible projects during the military aggression of the Russian Federation on the territory of Ukraine caused a reorientation of the strategic goals of all spheres of activity. The results of the analysis of the activities of media sector enterprises using the example of the sports sphere allowed us to determine the approach by which media transformation increases the importance of social initiatives. It has been established that football brands must find a balance between commerce, social utility and consumer needs. Media enhancement measures combined with marketing technologies remain an integral part of business as they facilitate social communication.

The prospect of further research is seen in the systematization of scientific and methodological principles and the construction of a strategy for socially responsible marketing of enterprises in the field of sports.

Keywords: socially responsible marketing, media platform, media transformation, media space, socially oriented activity, crisis conditions, martial law, football club, sports field.

JEL Classification: D47, L1, L82, M31.

Висновки. Структурні зміни та особливості медіатрансформації соціально відповідальних проєктів під час військової агресії РФ на територію України спричинили переорієнтацію стратегічних цілей всіх сфер діяльності. Результати аналізу діяльності підприємств у медіапросторі на прикладі сфери спорту надали можливість визначити підхід, за якого медіатрансформація підсилює значення соціальних ініціатив. Встановлено, що футбольні бренди мають знаходити баланс поміж комерцією, соціальною корисністю та потребами споживачів. Заходи для посилення медіаактивностей у поєднанні з маркетинговими технологіями залишаються невід'ємною частиною бізнесу, оскільки полегшують соціальну комунікацію.

Перспективи подальших досліджень вбачаються у систематизації науково-методологічних засад та побудові стратегії соціально відповідального маркетингу підприємств у сфері спорту.

Ключові слова: соціально відповідальний маркетинг, медіаплатформа, медіатрансформація, медіапростір, соціально орієнтовані активності, кризові умови, воєнний стан, футбольний клуб, сфера спорту.

Introduction. In the conditions of uncertainty and the influence of the martial law in Ukraine, the analysis of socially responsible brand projects, their adaptation to the media space, support of any sphere that initiates social projects is quite relevant. The development of socially responsible projects takes place thanks to the responsibility of business to society.

Media transformation of socially responsible projects creates a halo of opportunities for strengthening the market position of the brand, its competitiveness and sustainable development. Thus, using the example of the professional activity of football clubs, which in itself is socially oriented, the tools of promoting a healthy lifestyle and promoting the identification of the brand's corporate culture are highlighted.

Problem. The wartime singled out the need for media transformation and strengthening of socially responsible projects of football clubs, information coverage, vital activities of economic and social initiatives. The implementation of socially responsible projects increasingly requires a strategically thought-out management approach, which determines the relevance of this study.

Analysis of recent research and publications. Issues of social responsibility of brands, aspects of their implementation and coverage in the media space are reflected in scientific works A. Carroll [1], M. Kramer [2]. In their works, I. Gamova [3] focus on the brand's marketing communications in social networks as a trend in its awareness. Marketing research in the

field of sports is covered in articles by M. Maslyukivskyi [4], in which the essence and role of marketing activities in the in the promotion of socially responsible initiatives

Analytical aspects of the influence of social media platforms on brand formation remain relevant and require theoretical deepening and justification as an important marketing category in the communications system.

The aim of the article is a development of recommendations on measures to strengthen mass media activities in terms of socially responsible marketing for Ukrainian enterprises, using the example of football clubs, in the conditions of martial law.

Methods. The study is based on the analytical method of data on the influence of media platforms on brand popularity, statistics, expert forecasts and analysis of media platforms. Such general scientific methods as synthesis, analysis, comparison and generalization are used; systematization, decomposition and graphical presentation of the results – to substantiate the media transformation of socially responsible projects. Materials and data from reports of the Statista platform – a research investment database, official analytical and research materials in the analyzed area were used.

Results. The digitalization of everyday life in society and the new conditions of today, the full-scale invasion of the Russian Federation on the territory of Ukraine affects the structural changes and features of the media space, contributes to the diversification of the manifestations of socially responsible marketing, introducing new projects of social direction in all spheres of the population's life.

Research by scientists has proven that a modern person spends a lot of time on the Internet using social media platforms. On average, Internet users spend 147 minutes per day (as of 2022) on social networks and messaging applications [5].

Today, social networks are a strategic element of popularization and improvement of the harmonization of relations in society, and it is the media transformation tools of any sphere that play a leading role. No event can be imagined without informational support. The attention of millions of viewers is focused on national championships every day, and events such as the Olympic Games, World Championships or other major tournaments unite billions of fans from all over the world. Today, the field of physical culture and sports, which is a factor in preserving the country's gene pool, is in the process of modernization. The commercialization of professional sports, on the one hand, brings financial investment in the industry, and on the other hand, it gives an impetus to the implementation and realization of the socio-economic development of the state.

According to the 2022 Social media marketing industry report, 85 % of all surveyed marketers said that their social media efforts contribute to business growth. An analysis of the level of popularity of social media platforms makes us understand that Facebook and Instagram are the two most popular platforms used by marketers (*Figure 1*) [6].

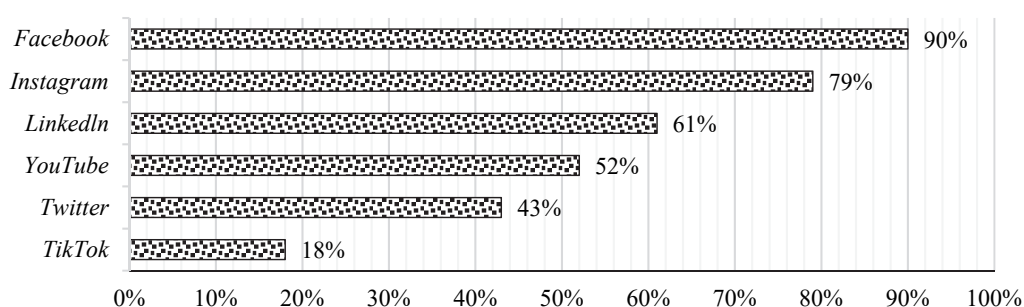


Figure 1. The level of popularity of social media platforms

Source: compiled by the author based on [6].

Among the main trends of SMM promotion, the following can be distinguished:

Dominance of the social network Facebook: 90 % of marketers use Facebook. However, Facebook is in decline: marketers are moving away from Facebook starting in 2019. Only 47 % of marketers consider Facebook the most important platform in 2022, down 20 % from 67 % in 2018. 13 % of marketers will reduce their marketing activity on Facebook in the next 12 months and only 41 % of marketers plan to increase their activity on the platform.

Instagram social network: 79 % of marketers use this platform to cover events. It is the second most important social platform for marketing (after Facebook). 61 % of marketers plan to increase their Instagram activity in the next 12 months.

The popularity of looping short videos is growing. Almost every fourth marketer believes that it is the most important video format.

High interest in the YouTube channel: 67 % of marketers plan to increase the use of YouTube videos in their work to cover events [6].

Social networks help modern people perceive sports. With millions of users, they are practically the perfect tool to promote a company's product. All conditions are created in social networks to increase brand recognition, consumer loyalty to it, as well as informing users about manufactured products [4].

Sports brands are founders of social initiatives through social media platforms. Thus, sports practice unites a whole pantheon of successfully tested and implemented social projects in accordance with the needs and requests of society. This type of activity is the prerogative of marketing, because you need to be an artist to combine sports and business.

According to analytical data [7] and data from the Association for the Promotion of the International Movement "Sport for All" (TAFISA), which represents the permanent working group of the IOC "Sport for All" commission, soccer is the largest and most popular sport in the world, so the emphasis is on precisely at the football clubs of the highest championship of Ukraine – the Ukrainian Premier League (UPL) [8]. It is worth noting that the association of professional football clubs of Ukraine "PREMIER-LEAGUE" was created in 2008. UPL is a collective member of the Football Federation of Ukraine. For the 2022/2023 season, 16 football clubs are fighting for victory.

Today, theorists and practitioners are increasingly talking about the dominant role of social networks as the main communication tool in the system of integrated marketing communications. Social networks level the assimilation of information and significantly level the index of information democracy. The positive attitude of society towards sports has caused the process of growth in the number of people who are involved in sports activities. The development of information technologies increases the spread of social network tools and applications that are related to sports topics, they are the ones that develop society and attract the population to sports in an offline environment.

Therefore, today every football club, regardless of sports ambitions and level of play, entering the markets, both domestic and foreign, conducts systematic marketing work: first of all, the creation of its own corporate website and pages in the most common social networks. The scale of audience coverage in social networks by football clubs of the UPL of Ukraine is presented in *Figure 2*.



Figure 2. Social media platforms of UPL football clubs*

*Data as of 01/22/2023.

Source: developed by the author according to [9–24].

So, the football map of the highest Championship of Ukraine is quite extensive and is represented by football clubs from different regions. An analysis of the number of followers in the most popular social networks singles out two leaders, constant duelists for the golden awards of the national championship, FC Shakhtar and FC Dynamo. The Donetsk club already has

more than 1.5 million followers on its Facebook page – this is a decent result even for European clubs. In turn, Dynamo Kyiv has more than 111.5 million views on its YouTube channel. These indicators show that the clubs are constantly working on updating their communication components and taking care of attracting and increasing their fans all over the world. All other clubs are at the stage of formation and development of digital communications and are making the first successes in conquering social networks.

A football club today is a node of objective-virtual and associative-emotional components of a brand. In turn, each component of the brand is constantly intertwined with other interested parties: fans, stakeholders, mass media, club members (players and employees), state or regional authorities, shareholders.

The brand of a football club correlates a specific set of associations used to identify the product (football, atmosphere and stadium, specific emotional state of fans), thanks to the unique characteristics of the identity, appeals of individual players (football players) and promises made publicly to fans.

The social phenomenon of sports is the everyday development and strengthening of health of all age groups of the country's population, their involvement in sports. Marketing activities in symbiosis with social responsibility form hidden investments, which in the future turn into worthy rewards. At the same time, the most important goal of a marketer is to build such a relationship with the informal owners – fans, that regardless of the ups and downs of the club – from birth to death, they continue to be with the team.

The socially responsible orientation of the leading football clubs of Ukraine is united by exceptional modifications of social work and is implemented in the following areas:

sports (development and popularization of mass football in Ukraine; opening of own football academies, which unite different age groups of the population);

barrier-free programs (creating conditions to encourage children with special needs to play football);

preventive (promoting a healthy lifestyle, giving up bad habits);

commercial (sale of souvenir products under the football club brand);

civil (events of expressing a civil position, appeals of players against the war and for the unity of the country);

information and communication (constant communication with the mass media; updating social networks, the corporate website about the life and activities of the club, holding conferences and briefings, autograph sessions);

technical (building and maintaining in proper condition the necessary infrastructure under the football club brand);

charitable (carrying out patronage and implementation of charity initiatives with the involvement of players and club employees, in particular the club president);

educational (creating training courses);

corporate (open corporate reporting);

humanitarian (supporting the population affected by the war);
fair play (respect for players, coaches, club staff);
gender equality (increasing the role of women's football).

The influence of martial law factors emphasized the strong patriotic positions of brands in Ukraine and forces them to strengthen with the help of marketing tools and socially responsible projects, conveying to the consumer their mission, purpose, views and attitude to the surrounding events.

Football brands use and combine marketing technologies in the implementation of business social responsibility tasks. Shakhtar football club is the undisputed leader in the introduction of a socially responsible policy in the field of sports in Ukraine.

In 2018, the non-profit foundation "Shakhtar Social" was created for the implementation of social and charitable projects of the club, as well as for the development of mass children's football in Ukraine. The main tasks of the foundation are the formation of the values of a healthy way of life and the creation of equal opportunities for everyone who loves football and is engaged in it. During 4 years of operation, the fund implemented projects worth about UAH 43 million. More than 8 thousand children took part in social programs. Every year, Shakhtar Social organizes an average of 10 projects and 50 events – offline and online [9].

Shakhtar Social works within 3 goals in the field of sustainable development of the UN (*Figure 3*). Brand strategy is an example of successful marketing through the years and a great case study for young marketers. On its website, the brand itself talks about its social responsibility, what it is aimed at and in which areas it seeks to contribute to people and the planet. The integrated plan of regular socially responsible activities is shown in *Table*.



Figure 3. UN Sustainable Development Goals "Shakhtar Social"

After the beginning of the full-scale invasion, Shakhtar continues to work unceasingly (before the beginning of the full-scale invasion of the Russian Federation, the geography of the socially responsible project "Let's Play" included 43 settlements of Ukraine and more than 74 sports grounds) in 2022, within the scope of the "Let's Play" project, sports classes were held in 13 settlements. As of June 30, 2022, more than 1,000 children have joined the program.

Table

Integrated plan of socially responsible activities of FC Shakhtar

Strategic directions	Content/direction
Health	In order to improve children’s health and popularize football, the "Let’s Play" project was created – the largest social program for the development of children’s amateur football in Ukraine. More than 6000 children took part in this project, which began to be implemented in 2013, and the geography includes 43 settlements of Ukraine and more than 74 sports grounds. Young people between the ages of 7 and 12 have the opportunity to practice for free with all the necessary equipment and under the supervision of trainers
Social engagement	Inclusive education for children with physical or mental disabilities took place in 9 cities of Ukraine with the support of partners UNFPA Ukraine, Special Olympics Ukraine and DTEK
Education	In 2022, Shakhtar, with the support of EFDN and the UEFA Foundation for Children, continued the implementation of the STEM (science, technology, engineering, mathematics) educational program started a year earlier, which allows children to learn the basics of programming with the help of football. Children learn three types of programming: drawing, block coding and text, similar to JavaScript. Another educational project is Shakhtar Smart – this is a series of three lessons: English with a football bias, proper nutrition and a healthy lifestyle, as well as physical education with an Academy coach and a Shakhtar player. A physical education lesson is basically an adapted soccer training in which both boys and girls take part, regardless of the level of physical fitness
Gender equality	Shakhtar Social supports the development and popularization of women’s football. As part of the partnership with the United Nations Population Fund (UNFPA Ukraine), "Shakhtar" in 2018 created a girls’ team in Kharkiv. The Shakhtar women’s national team constantly allocates time for training with girls with special physical and mental development. More than 200 girls took part in the "Let’s Play" project during the year

Source: developed by the author according to [9].

The most significant socially responsible achievements of Shakhtar FC are shown in *Figure 4*.

FOOTBALL FOR PEACE

25,6 million ₴

FC Shakhtar and the club's partners were involved for a charitable purpose, and then split this amount, here is a text message above from where who gave how much

13,2 million ₴

The Shakhtar Global Tour series of games for Peace series has generated a total of income

7,2 million ₴

Joint charity auctions with Sorare and Binance

4 million ₴

To accumulate Shelter Center "Shakhtar at the Lviv Arena

1,2 million ₴

By getting the Shakhtar Social Foundation

Figure 4. FC Shakhtar charity programme "Football for peace"

Source: developed by the author according to [9].

As we can see from the given data, the members of a large team are engaged in charity work and make a great contribution to the common victory. The Ukrainian brand "Shakhtar" is associated throughout the world with willpower, indomitable spirit and boundless courage. And despite all the

difficulties, air strikes and power outages, FC Shakhtar continues to raise funds to support Ukraine.

After the start of the war on February 24, 2022, the most popular post was a photo of the flag of Ukraine with the slogan "We will endure" (reach – almost 11 million users, 214 thousand likes and 16.5 thousand retweets [9]).

In addition to supporting socially responsible projects, it was established that Shakhtar FC is aware of its role as a communicator for the development of Ukraine. Analysis of marketing communications of Shakhtar FC is presented (Figure 5). In total, more than 3 million users from all over the world are subscribed to the football club’s social networks. The total audience reach for the 2021/2022 season was more than 494 million 584 thousand views. The football club successfully uses social media platforms to increase public awareness of the social problems of modern Ukraine. The brand successfully combines the implementation of its social projects with the support of sports media.

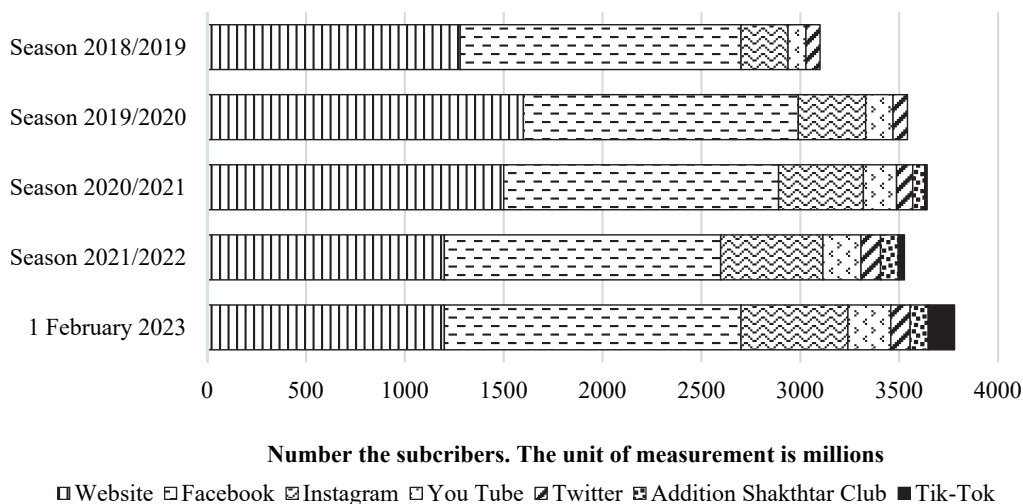


Figure 5. Marketing communications FC Shakhtar

Source: developed by the author according to [9].

The main criteria for evaluating the socially responsible activity of a football club are continuity, long-term and obtaining specific results. This requires large capital investments, media transformation of socially responsible projects of Shakhtar FC increases audience loyalty, serious attitude towards the brand, respect, attracts investments and a solid foundation for the future.

Conclusions. Structural changes and peculiarities of media transformation of socially responsible projects during the military aggression of the Russian Federation on the territory of Ukraine caused a reorientation of the strategic goals of all spheres of activity. The results of the analysis of the activities of media sector enterprises using the example of the sports sphere allowed us to determine the approach by which media transformation increases the importance of social initiatives. It has been established that football

brands must find a balance between commerce, social utility and consumer needs. Media enhancement measures combined with marketing technologies remain an integral part of business as they facilitate social communication.

The prospect of further research is seen in the systematization of scientific and methodological principles and the construction of a strategy for socially responsible marketing of enterprises in the field of sports.

Conflict of interest. The authors certify that they have no financial or non-financial interest in the subject matter or materials discussed in this manuscript; the authors have no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript. Given that one of the authors is affiliated with the institution that publishes this journal, which may cause potential conflict or suspicion of bias and therefore the final decision to publish this article (including the reviewers and editors) is made by the members of the Editorial Board who are not the employees of this institution.

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STATE WARTIME BUDGET: 2022

Introduction. Increasing the quality level of implementation of the State Budget of Ukraine requires a systematic approach in view of the importance of the development and adoption of mutually agreed decisions of financial and budgetary institutions under martial law.

Problem. It is important to ensure dynamic budget balance, take into account the principles that determine the basic model of the budget regulation mechanism in the conditions of large-scale military operations, which significantly influenced the change in the trend of economic development.

The aim of the paper is to identify the main principles of implementation of the State Budget of Ukraine under martial law.

Methods. Complex analysis, scientific generalization, comparison and analogy; specification, generalization of theoretical and practical material, sampling; scientific abstraction, induction, deduction and dialectical, abstract-logical, economic and statistical methods were used in the paper.

Results. The role of the State Budget of Ukraine in ensuring the financial and budgetary security of the country was defined. The peculiarities of the budget toolkit were revealed. An analysis and assessment of revenues and expenditures

ДЕРЖАВНИЙ БЮДЖЕТ ВОЄННОГО ЧАСУ: 2022

Вступ. За воєнного стану підвищення якісного рівня виконання Державного бюджету України потребує системного підходу з огляду на важливість розвитку та прийняття взаємоузгоджених рішень фінансово-бюджетних інституцій.

Проблема. Важливим є забезпечення динамічної бюджетної збалансованості з врахуванням принципів, які визначають базисну модель механізму бюджетного регулювання в умовах широкомасштабних військових дій, які значно вплинули на зміну тренду економічного розвитку.

Мета. Розкриття основних засад виконання Державного бюджету України в умовах воєнного стану.

Методи. Використано загальнонаукові та спеціальні методи, засновані на системному вивченні економічних явищ і процесів, а саме: діалектичний, абстрактно-логічний, комплексного аналізу, наукового узагальнення, порівняння та аналогії; конкретизації, узагальнення теоретичного та практичного матеріалу, вибірки; наукової абстракції, індукції та дедукції; економіко-статистичний.

Результати дослідження. Визначено роль Державного бюджету України в забезпеченні фінансово-бюджетної безпеки країни. Розкрито



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of the State Budget of Ukraine was carried out. The author developed approaches to the use of financial and budgetary tools and substantiated strategic directions of the budget policy of Ukraine under martial law.

Conclusions. An effective revenue mobilization mechanism is an important prerequisite not only for increasing budget revenues, but also for restoring economic balance in the country. At the same time, under martial law, considerable attention should be paid not only to the task of ensuring an effective mechanism of revenue mobilization, but also to the observance of the principles of fairness of taxation, related to the rational redistribution of the level of tax burden among taxpayers. Important tasks of budget policy are to increase the efficiency of budget expenditures and ensure a balance between financing the most critical items of the state budget and stimulating the recovery of the economy.

Keywords: budget policy, budget regulation, budget mechanism, budget, budget revenues, budget expenditures.

JEL Classification: E62, G28, H 61.

особливості бюджетного інструментарію. Проаналізовано та оцінено доходи і видатки Державного бюджету України. Розвинуто підходи до застосування фінансово-бюджетного інструментарію та обґрунтовано стратегічні напрями бюджетної політики України в умовах воєнного стану.

Висновки. Ефективний механізм мобілізації доходів є важливою передумовою не лише для збільшення бюджетних надходжень, але й відновлення економічної рівноваги в країні. Водночас, в умовах воєнного стану велика увага має приділятися не лише завданням забезпечення ефективного механізму мобілізації доходів, а й дотриманню принципів справедливості оподаткування, пов'язаних із раціональним перерозподілом рівня податкового навантаження між платниками податків. Вагомими завданнями бюджетної політики є підвищення ефективності бюджетних видатків та забезпечення балансу між фінансуванням найбільш критичних статей державного бюджету та стимулюванням відновлення економіки.

Ключові слова: бюджетна політика, бюджетне регулювання, бюджетний механізм, бюджет, доходи бюджету, видатки бюджету.

Introduction. Validity of the budget policy is one of the most important factors in ensuring financial and budgetary security of the country. Increasing the quality level of implementation of the State Budget of Ukraine requires a systematic approach, considering the fact that the development and adoption of mutually agreed decisions by financial and budgetary institutions under martial law are very important. All the above-mentioned facts emphasize the significance of finding ways to ensure dynamic budget balance, taking into account the principles that determine the basic model of the budget regulation mechanism in the conditions of large-scale military operations on the territory of Ukraine, which influenced the change in country's trend of socio-economic development.

Problem. It is important to develop tools for the formation and implementation of the state budget to ensure the appropriate level of funding for defense needs, social support measures for the population and critical infrastructure facilities. A meaningful discussion continues regarding the selection and application of financial and budgetary instruments in order to achieve macro-economic stabilization, restore economic balance, rethink the role of the state budget and strengthen its regulatory influence on the socio-economic development of Ukraine under martial law. Development of basic principles and improvement of the quality level of implementation of the State Budget of Ukraine became urgent.

Analysis of recent research and publications. The issues of improving the regulatory mechanism of budget policy in the sphere of formation and implementation of the state budget have been studied by scientists domestic and foreign scientists. J. Buchanan has made a significant contribution to the development of this issue. He has emphasized that "the political aspect of budget policy in the area of formation and implementation of the budget (the choice and adoption of certain decisions and development directions) is based on the implementation of public choice" [1]. E. Abbott, F. Jones, B. Lin and J. Zhu have studied cause and effect relationships between the system of formation and implementation of the state budget [2; 3].

The issues of improving regulatory mechanism of the budget policy in the field of income and expenditure, the basis of its coordination with other components of the financial policy of the state are very important; S. Kachula, L. Lysiak, I. Chugunov have studied these issues [4; 5]. I. Chugunov, M. Pasichnyi and A. Nikitishin emphasized that "the state should strengthen the quality of formation and execution system of the state budget and its coordination with monetary policy in order to maintain macroeconomic stability under martial law" [6].

The issue of increasing the fiscal significance of tax and non-tax revenues of the state budget has been studied by such scientists as N. Bak, V. Pritchard, P. Salardi, P. Sigal, K. Sefa-Nyarko, I. Okafor-Yarvuda, E. Boadu, B. Davis, M. Arkayi, D. Williams, N. Krieger, K. Lahir, K. Yan [7–11].

While acknowledging the achievements of scientists in the field of formation and implementation of the state budget, it should be noted the insufficient level of research and validity of the specified issues under martial law. There is a need for a qualitative assessment of the implementation system of the State Budget of Ukraine, fiscal risks related to changes in the macroeconomic environment, and taking measures to minimize their impact on the formation of budget revenues, finding additional sources of financing the needs of the Armed Forces of Ukraine, social protection of the population, critical infrastructure facilities.

The aim of the article is to reveal the basic principles of implementing the State Budget of Ukraine under martial law.

Methods. General scientific and special methods (dialectical, abstract-logical, complex analysis, scientific generalization, comparison and analogy) based on the systematic study of economic phenomena and processes were used in the paper to examine the works of domestic and foreign scientists on the implementation of state budget, highlight its role in ensuring country's financial and budgetary security. Concretization, generalization of theoretical and practical material, sampling methods were applied to solve the tasks of displaying the peculiarities of the implementation of the budgetary policy of Ukraine under martial law. Methods of scientific abstraction, induction and deduction were used for substantiating the strategic priorities of the budget policy of Ukraine

under martial law. Economic and statistical methods were used to assess the revenue and expenditure part of the State Budget of Ukraine and increasing efficiency of the financial and budgetary tools.

Results. Validity of the implementation of the state budget in the process of realization of the budget policy provides an opportunity for effective harmonization of the financial and budgetary tools, orienting the participants of the budget process to achieve specific results. The driving force of structural changes is the coordination of strategic management in the state sector of the economy with budget policy, ensuring its adaptability to economic and socio-political processes in the conditions of large-scale military operations on the territory of Ukraine. The tasks of strengthening financial and budgetary discipline, increasing the level of predictability of budget revenues and reasonableness of budget expenditures, mutual coordination of the actions of the participants in the budget process have become important. The conceptual foundations of the formation of the revenue part of the state budget should be developed as they ensure an increase in the level of tax revenues and minimize the risks of expanding the shadow sector of the economy.

The *key challenges of budgetary policy under martial law* are: a) a decrease in the economic activity of economic entities, the destruction of economic potential (which causes economic decline and a significant decrease in the level of tax revenues to the state budget); b) a change in the place of registration (residence) of a significant number of economic entities and households, which changed the needs of state authorities, local governments and their financial capabilities and increased the need for additional financial resources; c) growing differentiation of incomes of local budgets of various administrative and territorial units; d) insufficient internal financial resources, unpredictability of the economic situation and impossibility of high-quality budget forecasting [12].

The revenues of the State Budget of Ukraine in 2022 compared to the previous year increased by 37.82% through the increase of official transfers from the European Union, foreign governments, international organizations, donor institutions of 370 times; value added tax on goods (works, services) produced in Ukraine, taking into account budget compensation by 37.29%; personal income tax by 7.85%; part of the net income of state or communal unitary enterprises and dividends accrued on shares of economic companies, in the authorized capital of which state or communal ownership is 64.56% (*Table 1*). Tax revenues of the State Budget of Ukraine decreased by 14.21%, including revenues from value added tax on goods imported into the customs territory of Ukraine by 33.52%, revenues from corporate income tax by 20.77%, revenues from excise tax on manufactured goods of excise goods in Ukraine by 26.78%, revenues from excise tax from excise goods imported into the customs territory of Ukraine by 47.61%.

Table 1

Revenues of the State Budget of Ukraine in 2020–2022, billion UAH

Revenues	2020	2021	2022	2022 to 2021, %
Total	1076.0	1296.9	1787.4	137.82
<i>Tax revenues</i>	851.1	1107.1	949.8	85.79
Value added tax on goods (works, services) produced in Ukraine, taking into account budget compensation	126.5	155.8	213.9	137.29
Value added tax on goods imported into the customs territory of Ukraine	274.1	380.7	253.1	66.48
Personal income tax	117.3	137.6	148.4	107.85
Corporate income tax	108.7	147.8	117.1	79.23
Rent and fees for the use of other natural resources	52.5	80.7	83.4	103.35
Excise tax on excise goods produced in Ukraine	80.5	82.9	60.7	73.22
Excise tax on excise goods imported into the customs territory of Ukraine	57.8	79.6	41.7	52.39
<i>Non-tax revenues</i>	212.9	175.3	346.3	197.55
Part of the net profit of state or communal unitary enterprises and dividends accrued on shares of economic companies, the authorized capital of which includes state or communal property	70.7	28.5	46.9	164.56
Income from capital transactions	79.4	0.3	0.6	200.00
Official transfers from state administration bodies	10.7	12.6	9.5	75.40
Official transfers from the European Union, foreign governments, international organizations, donor institutions	1.0	1.3	481.1	by 370 times

Source: calculated by the author based on data [13–15].

Expenditures of the State Budget of Ukraine increased significantly in 2022 compared to the previous year (*Table 2*). Increase in expenditures of the State Budget of Ukraine exceeded by almost 8 times the increase in the total amount of its revenues in the first half of 2022. Decrease in the level of tax revenues affected the reduction of their role in financing state budget expenditures. Tax revenues in 2022 covered only 35.11% of state budget expenditures (63.73% in 2021, 66.08% in 2020).

Table 2

Expenditures of the State Budget of Ukraine in 2020–2022, billion UAH

Expenditure article	2020	2021	2022	2022 to 2021, %
State functions	163.8	206.6	202.0	97.77
Defense	120.4	127.5	1142.9	by 9 times
Public order, security and judiciary	157.7	174.4	443.3	by 2.5 times
Economic activity	168.9	181.0	95.4	52.71
Environment protection	6.6	8.2	4.7	57.32
Utilities	0.9	0.2	0.5	by 2.5 times
Health care	124.9	170.5	184.3	108.09
Spiritual and physical development	9.8	16.0	11.1	69.38
Education	52.9	63.8	58.5	91.69
Social protection and social security	322.7	339.3	425.9	125.52
<i>Total</i>	1288.0	1490.3	2705.4	181.53

Source: calculated by the author based on data [13–15].

As a result of the increase in expenditures of the State Budget of Ukraine and simultaneous decrease in the level of tax revenues, the deficit of the state budget in 2022 increased more than four times compared to the previous year, and the state and guaranteed state debt doubled (*Table 3*).

**Deficit of the State Budget of Ukraine, state and guaranteed state debt
in 2014–2022**

Year	Deficit		Debt	
	billion UAH	% to GDP	billion UAH	% to GDP
2014	78.1	4.92	1 100.8	69.4
2015	45.2	2.27	1 572.2	79.1
2016	70.3	2.95	1 929.8	80.9
2017	47.9	1.61	2 141.7	71.8
2018	59.3	1.66	2 168.4	60.9
2019	81.0	2.04	1 998.3	50.2
2020	217.6	5.15	2 551.9	60.4
2021	198.8	3.65	2 672.1	49.0
2022	914.9	18.96	4 071.7	84.39

Source: calculated by the author based on data [13–15].

Support of the State Budget of Ukraine by the National Bank is a necessary measure under martial law considering significant needs for financial resources of the security and defense sector, social needs. In 2022, a significant share of financing of the State Budget of Ukraine was carried out at the expense of the issue through the purchase of military bonds by the National Bank of Ukraine from the government. However, this support from the regulator cannot be the main source of financing budget expenditures, as it causes a rapid increase in the level of inflation (the consumer price index was 126.6% in 2022, 110% in 2021; 105% in 2020; 104.1% in 2019; 109.8% in 2018) [10].

In view of the above, *stimulation of market demand for relevant securities* is an important task today. The National Bank of Ukraine "allows foreign investors to transfer funds abroad, which will be received in connection with the repayment or income payment of domestic state loan bonds; a new accounting model for non-resident securities has been introduced; the approaches to assessing the value of domestic state loan bonds, which are accepted as collateral for refinancing loans, have been softened" [16].

Strengthening of the fiscal potential of taxes and improving methodology for assessing fiscal risks; increasing the effectiveness of the tax administration mechanism, which minimally distorts the economic decisions of business entities; optimization of the expenditure part of the state budget, which involves reducing the level of funding of the part of costs that have the least impact on the provision of basic types of budget services; formation of budget programs for the reconstruction of the national economy in accordance with public priorities have become extremely important tasks.

The budget policy should be implemented in accordance with the needs of the real economy, which determines strengthening of the connection between budget financing and strategic plans for the socio-economic development of the country under martial law. It is important to optimize public spending in general, but the level of funding for important programs should be sufficient in the medium term. In order to intensify the budgetary policy, it is necessary to develop the institutional foundations of state support for

business entities, which is a significant prerequisite for the post-war recovery of the national economy. The need to find additional internal sources of financing budget expenditures is growing, it actualizes the issue of introducing extraordinary fiscal instruments to increase budget revenues.

It is advisable to develop a budget strategy that will contribute to the strengthening of the purposeful influence of the formation system and implementation of the state budget on the economic growth rates in order to ensure the post-war recovery of Ukraine's economy. The substantiation of the adaptive toolkit of the formation system and implementation of the state budget will contribute to increasing the level of financial and budgetary security of the country [17].

Conclusions. The state budget execution system is a powerful tool for influencing socio-economic processes in countries with developed and transformational economies. In the conditions of large-scale military operations on the territory of Ukraine, the own revenues of the state budget have significantly decreased, while expenditures have increased for defense, public order, security and judiciary.

An effective revenue mobilization mechanism is an important prerequisite not only for increasing budget revenues, but also for restoring economic balance in the country. Considerable attention should be paid not only to the task of ensuring an effective revenue mobilization mechanism, but also to the observance of the principles of fairness of taxation, related to the rational redistribution of the level of the tax burden among taxpayers under martial law. Efficiency increasing of the budget expenditures and ensuring a balance between financing the most critical items of the state budget and stimulating the recovery of the economy are important tasks of the budget policy.

Our further research will be aimed at achieving the set tasks and substantiation of new approaches that would ensure their implementation.

Conflict of interest. The author certifies that they haven't financial or non-financial interest in the subject matter or materials discussed in this manuscript; the author has no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript. Given that an author is affiliated with the institution that publishes this journal, which may cause potential conflict or suspicion of bias and therefore the final decision to publish this article (including the reviewers and editors) is made by the members of the Editorial Board who are not the employees of this institution.

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CRITERIA FOR THE EXPEDIENCY OF MUNICIPAL-OWNED ENTERPRISES BUDGET SUPPORT

Introduction. Municipal-owned enterprises are important providers of vital services to the population, companies and institutions, including those that ensure the implementation of key social functions of the state inside communities.

Problem. There is a contradiction in the theoretical and the practical terms regarding the justification of the municipal-owned enterprises feasibility of financial support with budget funds.

The aim of the article is the budget financing process of municipal-owned enterprises that provide socially significant services, and justification of the effective forms of financing for socially significant municipal-owned enterprises.

Methods. Systematic approach (with the calculation and analytical method with tabular and graphical presentation of data), methods of comparative analysis and synthesis and generalization were applied in the paper.

Results. The role of municipal-owned enterprises in the system of providing services of a social direction was studied. The dynamics of budgetary financing of social expenditures in Ukraine as a whole and the dynamics of budgetary financing of Kyiv municipal-owned enterprises that provide social services were analyzed. Disproportions in the distribution of budget funding of municipal-owned enterprises performing a social function were established.

Conclusions. The author demonstrated the uneven distribution of financing forms on the example of the analysis of various forms of budget financing of Kyiv municipal-owned enterprises that provide socially significant services.

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КРИТЕРІЇ ДОЦІЛЬНОСТІ БЮДЖЕТНОЇ ПІДТРИМКИ КОМУНАЛЬНИХ ПІДПРИЄМСТВ

Вступ. Комунальні підприємства (КП) є важливими постачальниками життєво необхідних послуг населенню, компаніям та установам, забезпечуючи виконання ключових соціальних функцій держави всередині громад.

Проблема. У теоретичному та практичному плані виникають протиріччя щодо обґрунтування доцільності фінансової підтримки підприємств комунальної власності за рахунок бюджетних коштів.

Метою статті є встановлення особливостей бюджетного фінансування комунальних підприємств, що надають соціально важливі послуги, та обґрунтування ефективних форм фінансування соціально значущих комунальних підприємств.

Методи. Використано системний підхід із застосуванням розрахунково-аналітичного методу з табличним та графічним представленням даних, методи порівняльного аналізу та синтезу, узагальнення.

Результати дослідження. Досліджено роль КП у системі надання послуг соціального спрямування. Проаналізовано динаміку бюджетного фінансування соціальних видатків в Україні загалом та динаміку бюджетного фінансування підприємств комунальної форми власності м. Києва, що надають соціально значущі послуги. Встановлено диспропорції у розподілі бюджетного фінансування КП, які виконують соціальну функцію.

Висновки. На прикладі аналізу різних форм бюджетного фінансування комунальних підприємств м. Києва, що надавали соціально значущі послуги, продемонстровано нерівномірність їх розподілу. Також встановлено,



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She also found out that the financing of socially significant municipal-owned enterprises was not a priority in the capital compared to the sphere of construction, repair and maintenance of roads. Optimizing the number of municipal companies can be one of the ways to solve the problem. Another way to solve the problem is to develop scientifically based financial and non-financial criteria for decision-making on financing and means of control over the funds distribution.

Keywords: municipal enterprise, municipal finance, social function, budget financing.

JEL Classification: G32; H72; L97.

що фінансування соціально значущих КП не є пріоритетним у столиці порівняно зі сферою будівництва, ремонту та утримання доріг. Одним із шляхів вирішення проблеми може стати оптимізація кількості КП. Іншим шляхом може бути розроблення науково обґрунтованих фінансових і нефінансових критеріїв для прийняття рішень щодо фінансування та засобів контролю за розподілом коштів.

Ключові слова: комунальне підприємство, місцеві фінанси, соціальна функція, бюджетне фінансування.

Introduction. One of the crucial tasks of local public finance is to ensure living standards for community residents and to provide financial support for critical needs, primarily of a social nature. As is known, even in the time of the Ancient World, the local finance social component had its origins in the scientific concept of the welfare state, its theoretical justification was initiated and received its development in the works of representatives of the classics, neoclassicists, socialists and Keynesians. Therefore, it is developing nowadays. For many centuries scientists, philosophers, and economists justified the expediency of government institutions to take responsibility for financing the urgent needs of specific segments of the population and/or particular social groups. These views can be found in antiquity: Plato described the ideal society where the state took care of all the citizens' needs. Christian scientists also had slightly socialist considerations based on religious ethics. Similar views on the common good were expressed by modern utopian philosophers (Thomas More, Tommaso Campanella). Moreover, at the end of the Age of Enlightenment, after the Great French Revolution, the newest doctrine of socialism was systematically formed in the works of Fourier, Saint-Simon, and Owen.

In general, the development of the welfare state financial component concept was manifested in various models of the financial relations organization in society according to the level of GDP state's centralization [1]. Thus, the Continental and Scandinavian models provide for a relatively high share of the state presence both in the distribution of GDP and, accordingly, in the financing of social expenditures at the expense of budget funds (up to 70%). In comparison, the Anglo-American model is characterized by a minimal share of the state's presence in GDP. The results of the Ukrainian budgetary legislation evolution analysis regarding the local budgets' expenditures composition regulation indicate a tendency towards the Western European model of local expenditures without appropriate financial support from own and fixed revenues prior to the decentralization reform. The situation began to change only after the introduction of budget decentralization which caused an increase in the local budgets revenue base. At present, the total share of

tax revenues, together with the inflows of the Unified Social Tax in Ukraine, is about 39% of the GDP, which is slightly higher than the average European level of 34.3% [2; 3].

Problem. Municipal-owned enterprises (MOEs) are essential providers of vital services to the population and companies with institutions, including those that provide an on-site performance of vital social functions of the state. In addition, certain areas of commercial utilities independently implement a social function through the provision of such services as water and heat supply, garbage removal and disposal, school nutrition, extracurricular education services, medical and pharmacy services. The organizational and legal form of MOEs (which do not have signs of non-commercialism), provides for their operation on a market basis. At the same time, the social importance of such enterprises for the community make them applicants for funding from the local budget on a par with budgetary institutions and organizations. Therefore, there is a contradiction about justification of the feasibility of financial support for municipal-owned enterprises with budget funds in the theoretical and practical spheres.

Analysis of recent research and publications. The problematic issues of MOEs' financial support are covered in the scientific papers of Ukrainian scientists. They emphasized the significant underfunding of this economic sector for the period up to 2016. After the decentralization reform, the financing of MOEs was significantly improved, primarily in some communities. Scientists paid attention to the financial relations optimization between socially significant MOEs and local authorities. These questions have been studied by such scientists as V. Lukianov, O. Petruk, O. Kotsiurba, E. Balatskyi, V. Lavryk, D. Zahirniak, O. Zhulina, O. Andrenko [4–11] and others. However, the analytical and applied aspects of capital formation of the municipal-owned enterprises and performers of social functions are not properly described in the professional literature.

The aim of the article is to establish the peculiarities of the budget financing process of municipal-owned enterprises that provide socially essential services and to substantiate effective forms of socially significant municipal-owned enterprises funding.

Methods. Calculation and analytical method with a tabular and graphical presentation of data were used to systematize the social expenditures of the budget and assess Kyiv's MOEs financing; comparative analysis and synthesis were applied to examine the peculiarities of the municipal-owned enterprises financing. Generalization method was used to draw the conclusions based on the research results.

Results. The social orientation of local Ukrainian budgets remains high, which is legally enshrined in the Articles 89–91 of the Budget Code of Ukraine [12]. These articles provide for the social needs provision of the community through appropriate expenditures of local social budgets. They include expenditures according to the following functional classification:

social protection and social security; education; spiritual and physical development; health care; housing and communal services. *Social expenditures* (SE) are essential for ensuring the proper standard of community living and meeting social needs. They belong to current consumption expenditures. On the one hand, the growth of the share of SE in the community budget indicates the so-called "eating away" resources that could be directed to economic development; on the other hand, effectively distributed SE creates a comfortable and attractive environment for life in the community, which may encourage the relocation of new residents, the opening of new businesses, etc. and growth of local budget revenues. Therefore, the issue of optimizing SE in the system of local finances in general and expenditures on the communal sector in particular deserve special attention due to the high level of decentralization in Ukraine compared to European countries.

The dynamics of the SE structure in the total expenditures of the Ukrainian local budgets until 2017 were studied in the paper [13]. The dynamics of the SE structure in the following years is shown in the *Table 1*.

Table 1

Social expenditures in total inflows of local budgets of Ukraine, %

Indicator	2018	2019	2020	2021	January- November 2022
Share of SE in the total expenditures of local budgets	79.46	77.0	68.66	69.25	74.75
Including expenditures on housing and communal services	5.27	6.07	6.72	9.96	8.01
The share of expenditures on housing and communal services in the SE	6.63	7.88	9.79	14.38	10.72

Source: compiled by the author according to the data [14].

Thus, from 2012 to 2018, the average share of SE in local budgets was 88.2% [13, p. 222–223], which indicated the priority of social direction of local budget expenditures. From 2018 to 2022, the share of the SE in the budget significantly decreased; instead the share of expenditures on housing and social housing and economic activity increased (the increase in the social component in 2022 was due to martial law). As part of expenditures on economic activity, there is a gradual increase in expenditures on municipal services other than housing and communal services, particularly local transport. That is, an increase in the share of communal services financing in local budgets' expenditures characterizes the analyzed period.

At the same time, the multi-year underfunding of MOEs, along with their irrational use of the equity and borrowed capital, prompted local authorities to increase the amount of budget financing. The unsatisfied need for MOE capital was emphasized by practically all Ukrainian scientists researching the issue of MOEs financing.

In addition, Ukrainian scientists mostly adhered to the position of the need to preserve the budget financing of municipal companies at the same time as developing other forms of financing, taking into account the social

importance of municipal companies for the community and the social functions inherent in specific categories of municipal-owned enterprises. These studies proved the ineffectiveness of budget funding and raised the question of its feasibility, appeared after the decentralization reform when the number of funds to cover the MOEs equity needs increased. And the state subsidies mechanism for utility services payment for underprivileged sections of the population was implemented, which made it possible to partially solve the problem of receivables for tariff MOEs.

The question of the MOEs' budgetary financing expediency arose in connection with the publication of empirical evidence of their activities ineffectiveness, as well as numerous reports about the facts of financial abuse and corruption. Thus, according to the State Audit Service of Ukraine, from January to October, 2019, non-targeted expenses and shortages of communal resources amounted to more than UAH 414.2 million, which was 36.8% of the total amount of resources that were used in violation of legal acts. In addition, the loss of revenues from local budgets amounted to more than UAH 210.7 million, almost UAH 60 million of which were funds for municipal-owned enterprises, institutions, and organizations. The most significant violations in the use of municipal resources at enterprises, institutions, and organizations were recorded in Kyiv and the region (UAH 46.8 million), Mykolayiv region (over UAH 43 million), Zaporizhia region (over UAH 33 million), Dnipropetrovsk region (over UAH 28.8 million), Chernihiv (almost UAH 28.6 million) and Cherkasy (almost UAH 25.4 million) regions, where the number of local budget funds and municipal property losses from January to October, 2019 totaled about UAH 177 million [15].

European analytical documents also emphasize the need for the justification of MOE financing, in particular, OECD reports on state-owned and municipal-owned enterprises [16], as well as foreign scientists [17; 18]. At the same time, researchers see the expediency of MOE functioning in the social significance (importance and necessity of MOE for society) and/or social functions performed by such enterprises. Those functions are mostly of no interest to private business.

Thus, the general opinion of scientists and government officials regarding the need for budgetary financing of MOEs, along with the urgency of developing alternative forms and methods of their financing, draw attention to the issue of substantiating the decision-making criteria regarding the formation and replenishment of MOE capital. *The key criteria* for decision-making regarding the policy of MOEs' capital formation and replenishment from the local budget should be the social importance of such enterprises at the local level and the social function they perform for the community.

At the same time, we understand the critical importance and need for a specific MOE for all the community residents, as well as for enterprises, institutions, and organizations located in this community (the *social significance* of MOE), and the activity aimed at solving social problems of the community to ensure acceptable social standards of living the *social function*).

FINANCE

The expediency and necessity of MOE financing in both forms, such as capital replenishment and income, but excluding the form of covering losses, is determined by one or both criteria. According to the specified criteria, we recommended classifying MOEs according to the primary type of activity. We developed a MOE financing matrix that can be applied by local authorities when determining priority candidates for budget funding among MOEs [19]. Firstly, allocation of budget funds to those municipal-owned enterprises that do not perform social functions distorts competition; secondly, it can potentially deprive more important funding recipients of budgetary support.

We will demonstrate visually the level of MOEs funding that perform social functions, on the example of Kyiv, where 128 MOEs operate. These MOEs do not have non-commercial status; therefore, they work to make a profit. *Table 2* shows data on the MOEs' invested capital (statutory and additional) growth from 2017 to 2020, which is usually replenished by the expense of budget allocations. Also, *Table 2* demonstrates data on budget participation in financing MOE's capital investments.

Table 2

Financing of Kyiv municipal-owned enterprises, which perform a social function, UAH million

MOE group	Increase/decrease in invested capital in 2017–2020	Budget funding of capital investments			Budget participation in revenues		
		2018	2019	2020	2018	2019	2020
Kyivteploenergo	0.543	28.90	354.63	472.18	0	0	0
Kyivcomunservice	3.07	45.01	23.71	1.64	0	0	0
Kyivpastrans	5.64	1174.93	842.76	1162.83	572.09	925.42	1079.13
Kyiv Metropolitan	1612.05	351.87	225.15	247.16	0	780.76	364.61
Sportcomplex "Start"	90.30	0	0	0	0	1.07	0
"SportComlex"	-40.85	12.40	10.72	34.37	0	10.09	9.26
Kyivvodfond	322.20	25.55	41.62	32.41	0	33.48	42.56
MOEs in the field of school meals (data aggregated for 9 MOEs)*	3.054	0	0	0	0	0	0
Darnytskyi Medical Center	0.09	0	0	0	0	0	0
Pharmacia **	61.05	0	0	0	0	0	0
Kyiv City Hospital of Veterinary Medicine	-5.774	1.85	26.38	1.91	0	23.26	25.20
Crematorium	-0.076	31	1.70	10.90	0	0	5.42
Spetscombinat	0.213	10.10	17.05	29.78	0	42.40	68.14
<i>Total</i>	2051.50	1650.64	1543.73	1993.18	572.09	1816.48	1594.31

*MOEs that provide services in the field of school nutrition have a budgetary share in the structure of revenues, since the city finances school lunches for junior classes pupils, but do not reflect these revenues separately in the report on the financial plan implementation.

** MOE "Pharmacy" sells part of the goods to healthcare institutions financed from the budget, therefore indirectly it also has a budget share in revenues.

Source: compiled by the author according to the data [20].

Since the city budget, can indirectly capitalize MOEs through direct participation in revenues, ordering services from them, in addition to capital funding, or indirectly through creating conditions for the provision of MOE services to budget institutions, it is advisable to present data on Kyiv's budget funds participation in MOEs revenues.

Table 2 shows that budgetary participation in ensuring the activities of socially significant MOEs in Kyiv is present but distributed unevenly. The largest recipients are public transport MOEs. The healthcare sphere is financed from the budget only for non-commercial enterprises and budgetary institutions. MOEs that provide pharmacy and school food services indirectly receive budget funds and do not report on them. A significant increase in budget participation of socially substantial MOEs revenues has been observed since 2019, which may be caused by changes in the financing policy after the change of authority.

Thus, tariff enterprises providing heat supply and waste removal and disposal services receive budget funding for capital investments. Considering the fact that the revenues of these MOEs are formed under the influence of the local authorities through the establishment of tariffs, the tariff policy for both enterprises can be called successful: MOE "Kyivcomunservice" is the most profitable Kyiv's MOE, and MOE "Kyivteploenergo," which has been returned to the municipal property in 2016, after four years from a state of the absolute crisis reached solvency.

The largest recipients of funds from Kyiv's budget were passenger transport enterprises. Despite the presence of budget funding both in income (about 50%) and in the capital replenishment, it is insufficient, due to which enterprises receive losses. The quarantine period and the subsequent introduction of martial law led to a significant deterioration in the financial condition of these largest MOEs in Kyiv.

Enterprises in the maintenance of recreation areas and the funeral services sector have relatively equal financing and participation in revenues. In sports, the priority in financing is given to MOE "SportComplex," while MOE "Sportcomplex "Start," having budget funding in the plans, did not receive it in fact (Figure 1).

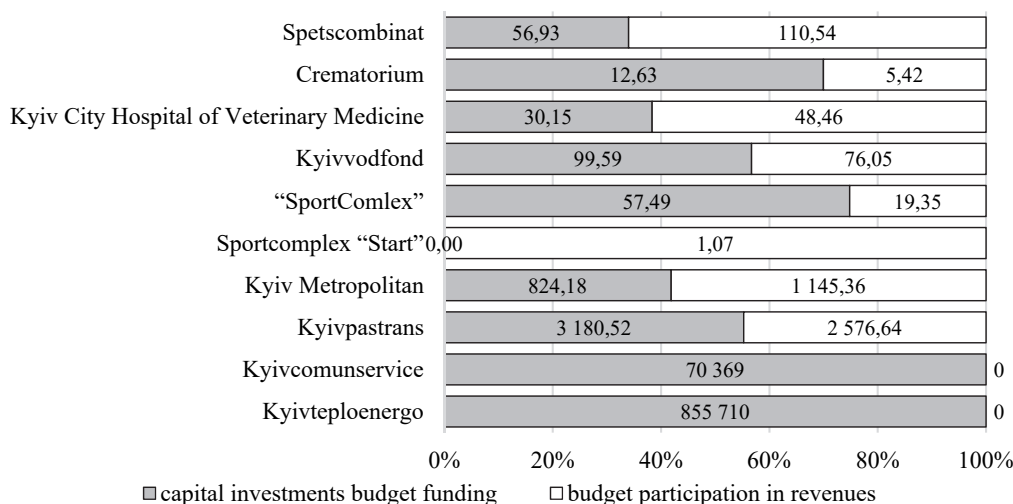


Figure 1. Budgetary participation structure of Kyiv's socially important MOEs from 2018 to 2020, UAH million

Source: developed by the author according to the data [20].

The assessment of the priority level of social functions financing in the general budgetary funding of Kyiv’s commercial MOEs in the part of capital investments is presented in *Figure 2*.

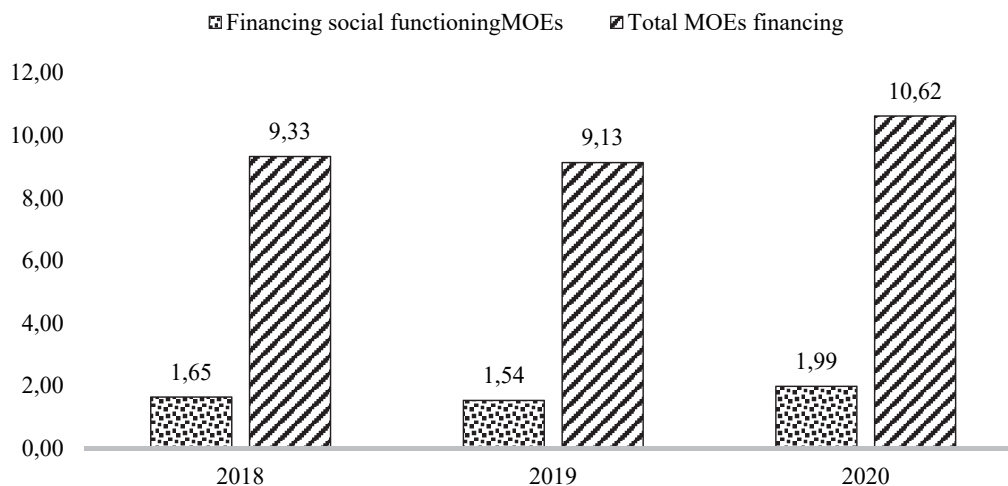


Figure 2. Dynamics of Kyiv’s MOEs capital investments budget funding, UAH billion

Source: developed by the author according to the data [20].

The share of capital investments budget funding in socially significant MOEs of Kyiv is 17–18%. In total, 65–69 commercial MOEs are financed annually (about a half of them). At the same time, construction enterprises and structural divisions of the municipal corporation "Kyivavtodor" were the priority recipients of Kyiv’s budget funding from 2018 to 2020. These recipients received annually about 60–62% of the total amount of budget funding for Kyiv’s capital investments.

The total amount of budget funding of capital investments in MOE is 16–18% of Kyiv city budget expenditures. Annually, about 75 MOEs received full or partial income at the expense of the city budget; in general, about 20% of the city budget is directly or indirectly distributed through commercial MOEs of the city [21]. We consider this structure of the city budget distribution as inefficient since the reason for the stay of a commercial enterprise in municipal ownership in countries with a market economy should be precisely the provision of those important services that have a social component and are mostly not of interest to the private sector.

Performance of the donor functions for the budget can be a good reason for the MOE municipal ownership. That is a strategic goal for two MOE "Kyiv-reklama" and "Transparkservice" in Kyiv, which were created to supplement the revenues to the city budget. The remaining MOEs were exempted from paying dividends to the city budget from 2017 to 2020. Accordingly, they performed the function of a budget donor only partially.

The issue of optimizing the number of MOEs under the financing of the primary social component has been solved in some Ukrainian regional centers, in particular, there are 15 MOEs in Sumy and Lutsk and 14 MOEs

in Zhytomyr, which provide services only for socially important spheres of community life. The rest of the regional centers, cities, and other communities are in the process of optimizing the number of communal enterprises.

Conclusions. The need for state budget funding of social services and enterprises and organizations performing social functions was formed evolutionarily based on the socialist orientation theories evolution. The problem of providing budget support to business entities in a market economy remains relevant throughout the entire period of Ukraine's independence, both at the state and local levels. This problem becomes especially urgent during the period of martial law when funding priorities change, and there is an objective lack of budgetary resources.

Financing the primary social needs of Ukrainian communities traditionally relies on budgets, as evidenced by the structure of their expenditures at the local level. The expediency of life support functions and additional social needs financing remains debatable. On the example of the various forms of Kyiv MOEs budget financing analysis, which provided socially significant services, the unevenness of the financing forms distribution was proven. We found out that financing socially significant MOEs is not a priority in Kyiv compared to construction, repair, and road maintenance. Even though about 18% of city budget expenditures go through the municipal-owned enterprises of the capital, the total financing of socially significant MOE is about 17% of all MOEs capital investments financing.

Since losses were observed during the analyzed period in the largest MEs of critical infrastructure, despite the availability of budget funding, it is possible to ascertain the inefficiency of priorities in the distribution of budget funding of MOEs in Kyiv. One of the ways to solve this problem can be optimization the number of municipal-owned enterprises, as it has been done in some regional centers. Our further research will be aimed at developing scienti-fically based financial and non-financial criteria for decision-making on financing and means of control over the funds' distribution.

Conflict of interest. The author certifies that she has no financial or non-financial interest in the subject matter or materials discussed in this manuscript; the author has no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript. The author is working for the institution that publishes this journal, which may cause potential conflict or suspicion of bias and therefore the final decision to publish this article (including the reviewers and editors) is made by the members of the Editorial Board who are not the employees of this institution.

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FINANCIAL PLANNING IN THE MANAGEMENT OF THE INDUSTRIAL ENTERPRISE

Introduction. Strengthening the responsibility of enterprises for the timeliness of all calculations raises the question of the availability of well-founded financial plans and methods of their calculations.

Problem. Ensuring timely settlements with the financial and credit system, employees, suppliers, fulfillment of basic financial tasks and achieving a stable financial condition requires a scientific organization of financial planning at every enterprise.

The aim of the article is to strengthen the scientific validity of financial planning at industrial enterprises, which will contribute to the adoption of effective management decisions.

Methods. A set of methods and approaches are applied: dialectical, synthesis, balance.

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ФІНАНСОВЕ ПЛАНУВАННЯ В УПРАВЛІННІ ПРОМИСЛОВИМ ПІДПРИЄМСТВОМ

Вступ. Посилення відповідальності підприємств за своєчасністю здійснення всіх розрахунків гостро ставить питання про наявність обґрунтованих фінансових планів та методики їх розрахунків.

Проблема. Забезпечення своєчасних розрахунків з фінансовою, кредитною системою, своїми працівниками, постачальниками, виконання основних фінансових завдань та досягнення сталого фінансового стану вимагає наукової організації фінансового планування на кожному підприємстві.

Мета статті – посилення наукової обґрунтованості фінансового планування на промислових підприємствах, що сприятиме прийняттю ефективних управлінських рішень.

Методи. Застосовано сукупність методів та підходів: діалектичний, синтезу, балансовий.



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Results. An attempt was made to reveal theoretical and practical issues regarding the procedure for calculating the financial plan, separate recommendations were developed for its preparation and ensuring balance.

Conclusions. On a specific example it was developed the financial plan of an industrial enterprise, the procedure for balancing income and expenses and it was shown the determining the volume of loans as a tool for eliminating the shortage of cash. Further areas of improvement of the financial plan are the development of tax planning methods.

Keywords: financial plan, income and expenditure balance, cash-flow.

JEL Classification: E9; H3.

Результати дослідження. Розкрито теоретичні та практичні питання щодо порядку розрахунку фінансового плану, розроблено окремі рекомендації щодо його складання та забезпечення збалансованості.

Висновки. На конкретному прикладі розроблено фінансовий план промислового підприємства, показано порядок збалансування між доходами та витратами, визначення обсягу кредитів як інструменту усунення дефіциту грошових коштів. Подальші напрямки удосконалення фінансового плану полягають у розробленні методики податкового планування.

Ключові слова: фінансовий план, баланс доходів та витрат, грошові потоки.

Introduction. Strengthening the responsibility of enterprises for the timeliness of all calculations actualizes the issue of having sound financial plans. How economically justified the financial plan will be drawn up and how it will be executed depends largely on the financial situation of enterprises, the timeliness of salary payments, the fulfillment of obligations in terms of settlements with suppliers and payments to the budget, financing in the full amount of capital investments, creation in the necessary amounts reserve funds. The management decisions are made on the basis of the financial plan, in particular regarding the volume and terms of lending to enterprises, the implementation of capital repairs, revision of contracts regarding payment terms for products, etc. In fact, the quality of the enterprise's business plan and the influence of finance on all aspects of its production and economic activity largely depend on the quality of the development of financial plans.

Problem. Ensuring timely settlements with the financial and credit system, its employees, suppliers requires a scientific organization of financial planning at every enterprise. Only in this case it is possible to maneuver rationally the monetary resources, balance income and expenses, and have an active influence of financial instruments on production. The solution to this issue will be facilitated by the development of the form of the financial plan and the methodology of its preparation.

Analysis of recent research and publications. The theoretical and practical principles of developing financial plans are devoted to the works of I. Blank, G. Sytnyk, S. Kalambet, O. Bilousova, H. Semenov, V. Buhai, A. Semenova, A. Buhai, T. Holovko, N. Kovalchuk, A. Mykhailiuk and others. Among earlier foreign studies it should be noted the works of L. Hitman, L. Rue, M. Erhard, E. Brigham, and S. Schwenk [1–4]. As it was noted by M. Erhard and E. Brigham, strategic plans help to effectively manage financial resources [3, p. 127]. However, not all issues of this complex problem have been studied completely.

In the works of V. Stepura, V. Rudyk, L. Dokienko, O. Nestor, L. Tiesheva, T. Zhukova, N. Kovalchuk [5–11] and others there is no procedure for calculating individual items of the financial plan, their relationship with other plans of the enterprise, determining the need for loans. The principles of building and functioning of the financial planning system at the enterprise were developed by V. Rudyka and D. Shpirna [6], they are contradictory and incomplete. Among the defined principles, there is no principle of balance, availability of reserves. In the works of V. Rudyk [6], V. Varenyk, and G. Nikolaicheva [12], there is no analysis of the mechanism of balancing financial plans, assessment of their quality in terms of ensuring the adequacy of financial resources. The statement about the purpose of the financial plan is false. Thus, clause 3 of Order No. 205 states that the financial plan should ensure an increase in the indicators of the profitability of the enterprise, assets and equity compared to the planned and forecasted indicators for the current year [13]. However this contradicts the theory of the financial plan. On the basis of the financial plan it is impossible to determine the profitability of the enterprise and its own capital. The main purpose of the financial plan is to check the correspondence between income and expenditure of financial resources.

Mistakes were made during the formation of elements of the financial plan developed for economic entities of the state sector of the economy [13]. In fact, the form of the financial plan largely duplicates form No. 2 "Report on financial results". A number of revenues are not included in the composition of income, in particular, advance payments, value added tax, etc. The inclusion of the indicator "cost of sold products (goods, works, services)" in the financial plan is erroneous. This contradicts the theory of financial planning, since only a part of the costs is included in the cost price. Costs for the formation of production stocks, finished products, etc. are not included in the cost price. In addition, amortization deductions are part of the cost price. But amortization does not cause a real outflow of cash, so it is not included in the financial plan. Thus, there are still many "white spots" in financial planning, and there is room for its further improvement.

The aim of the article is to strengthen the scientific validity of financial planning at industrial enterprises, its stability and continuity over time, which will make it possible to make effective management decisions.

Methods. During the development of the financial plan, not only special value indicators are used, but also specific methods: standard, balance sheet, ratio. The initial data when drawing up a financial plan are: contracts for the supply of products, cost estimates for production and sale of products, estimates for the maintenance of non-production areas, tax rates, interest on loans, etc.

Results. Financial plan (FP) (balance of income and expenses of the enterprise) is a system of indicators characterizing the comparison of income and receipts of funds of the enterprise with expenses and deductions, as well as payments of the enterprise to the budget with appropriations received from the budget. The balance of income and expenses is a synthesizing section of the business plan, it reflects the results of all its other sections in value

terms. All aspects of the production, economic and financial activity of the enterprise are reflected in the FP: the main activity, capital construction, capital repair, all types of auxiliary works, non-production sphere. In the process of developing the FP it was established the amount of funds, methods of mobilizing financial resources and financing expenses, and the ratio between own and borrowed funds.

FP is based on the cost form of the movement of material resources (capital) of the enterprise and uses only cost indicators. At the same time, the flow of money in the financial institution does not completely coincide with the flow of material resources. The specifics of the preparation of the FP is that it does not contain a value reflection of those material resources that are not related to the opposite movement of cash (flows). At the same time, financial planning includes all distribution processes related to the formation and distribution of funds.

The FP of the enterprise includes: drawing up perspective, current and operational financial plans, developing and bringing to the structural divisions (branches) individual financial indicators and monitoring their implementation. The form of financial statements at industrial enterprises is the balance of income and expenses which reflects the results of their economic activities, the relationships of enterprises with the budget, banks, other enterprises and organizations, as well as with workers and employees.

In order to build a balance sheet of income and expenses, the enterprise additionally prepares: a plan for the production and sale of commercial products; an estimate of production costs; estimate of administrative expenses and sales expenses; capital investment and capital repair plan; cost estimate for research and development works, cost estimate for personnel training; tax payment plan (tax planning); loan repayment schedule (plan). These types of plans are the basis for drawing up the company's financial plan. Let's consider the order of its assembly.

The method of drawing up the balance of income and expenses of an industrial enterprise. The financial plan (balance of income and expenses of the enterprise) reflects all income and expenses of the enterprise and consists of four subdivisions: income and receipts; expenses and deductions; relations with the budget; relations with the credit system. In each of the sections, the main articles are provided, the list of which changes and is supplemented, based on the specifics of the production and economic activity of the enterprises and the tasks to be solved in the planned period. There is a close connection between the FP sections, because each type of expenditure is covered by certain sources.

The first section "Income and inflow of funds" consists of the following elements: balances of funds at the beginning of the year in the cash register and on current accounts; income from the sale of products (goods, works, services); Other operating income; income from financial and investment activities; deferred income; other income and resources of the enterprise (proceeds from the sale of abandoned property; income from housing

and communal services; under contracts for scientific and research works; income from construction work; from parents for the maintenance of daycare centers; other income).

The main part of the income and receipts of the industrial enterprise is the income from the sale of products. Therefore, we will consider in more detail the procedure for determining this article of the FP. The article "Income from the sale of products" includes sums of money from the sale of products, goods, works or services, taking into account the discounts provided, the return of previously sold goods and indirect taxes and fees (value added tax, excise duty, etc.). Income from the sale of products includes all cash receipts that will be received by the company during the planned period, regardless of the volume of product deliveries. Income from the sale of products can be divided into two parts: income from the sale of products of the reporting period; income from the sale of products of past periods. The cost of products sold by barter is not included in the composition of income

Income from the sale of products of the reporting period includes receipts for products produced and sold and for which the company received funds from buyers. The basis for determining income from the sale of products of the reporting period is the terms of contracts.

Income from the sale of products (goods, works, services) of past periods includes the amount of repayment of receivables for sold products. Revenue volumes are planned in accordance with the terms of the contracts, and in their absence – in the total volume according to the data of the reporting period.

An example of calculating income from product sales is given in *Table 1*.

Table 1

The procedure for calculating income from the sale of products

Indexes	January	February
Sales volume, pcs.	93	111
Sale price, hryvnias per unit.	2 700	2 700
Revenues from sales, hryvnias	251 100	299 700
Buyers' debt at the beginning of the period, hryvnias	–	50 220
Income from sales, hryvnias:		
products of the reporting period	200 880	239 760
products of the past period	–	50 052.4
Total cash receipts, hryvnias	200 880	289 980
Buyers' debt at the end of the period, hryvnias	50 220	59 940

Source: compiled by the authors.

As can be seen from the data in the *table. 1*, the income from the sale of products will be attributed to the FP: in January 200,880 UAH, in February – 289,980 UAH. These amounts correspond to cash receipts from the sale of products. As part of income from the sale of products, it is advisable to distinguish the main products, the production of which the company specializes in and the secondary products.

"*Other operating income*" includes other income from the enterprise's operational activities in the reporting period, except income (revenue) from the sale of products (goods, works, services).

Revenues from financial and investment activities include company revenues received from financial and investment activities. They include: income from equity participation; other financial income; other income. Equity income includes income from investments made in associated, subsidiary or joint ventures and accounted for using the equity method. Other financial income includes income arising in the course of the company's financial activities, in particular dividends, interest and other income from financial activities, which are not recorded in account 72 "Income from equity participation".

Deferred income includes the amounts of income received in the reporting period, which are subject to inclusion in income in future reporting periods. In fact, these revenues belong to advance payments and are not included in the income when determining the financial result.

Other incomes include incomes that arise in the course of activity, but are not related to the operational and financial activities of the enterprise: incomes from the non-production sphere (fees for a dormitory, parents' contributions to the maintenance of kindergartens, etc.).

The list of incomes, which are included in the section "Incomes and receipts of funds", is given in the *Table 2*.

The second section "Expenses and deductions" includes all monetary expenses of the planned year for production purposes, including wages as well as expenses for financing the non-production sphere. The following expenses and deductions are provided for in the expenditure part of the financial plan.

Table 2

Composition of the section of the financial plan "Income and inflow of funds"

Type of income	Composition of income
Income from the sale of products	Income from the sale of products (goods, works, services) of the reporting period; income from the sale of products (goods, works, services) of past periods
Other operating rooms income	Income from the sale of foreign currency; income from the sale of other current assets (except financial investments); income from operating lease of assets; income from the operational exchange rate difference for operations in foreign currency; amounts of fines, fines, penalties and other sanctions for violation of economic contracts, which are recognized by the debtor or in respect of which decisions of the court or commercial court have been received on their collection; income from write-off of payables for which the statute of limitations has expired; reimbursement of previously written-off assets (receipts of debts written off as bad); sums of free circulating assets and subsidies received; other income from operating activities
Income from financial and investment activity	Income from equity participation (income from investments in associated enterprises, income from joint activities, income from investments in subsidiaries); other financial income (dividends received, interest received, other income from financial transactions)
Deferred income	Prepayment amounts for products (goods, works, services); income in the form of received advance payments for leased fixed assets and other non-current assets (advance lease payments), proceeds from the sale of tickets of transport and theater and entertainment enterprises
Other income	Income from contracts for research works; income from construction works; incomes of housing and communal services; income from parents for the maintenance of kindergartens, etc

Source: compiled by the authors.

Costs related to the main activity (costs for the production of products). Production costs include all costs of primary and secondary production, which are related to the production and sale of products, as well as external services. Costs are determined in the estimate without depreciation deductions¹, payroll taxes², intra-factory turnover and the cost of the side services. The amount of expenses is determined on the basis of the data of the estimate of production costs for the planned period, taking into account the adjustment.

Administrative costs and sales costs (non-production costs). Administrative expenses include expenses related to the management and maintenance of the enterprise. Sales costs include costs related to the sale (realisation, sale) of products, goods, works and services. Sales costs, in turn, can be divided into three types – costs for packaging and sorting, costs for storing finished products and the so-called net costs of circulation.

Expenditures on capital investments, which include costs for the acquisition or production (creation) of tangible and intangible non-current assets.

Expenses for financial investments, which include expenses for the purchase of certain types of financial assets (units, shares, bonds, deposits in banks, etc.).

Costs for research, training, and development of new technology.

Expenses for meeting the cultural and household needs of the team (maintenance of kindergartens, nurseries, camps, sports clubs, covering losses of housing and communal services).

The list of expenses that are included in the section "Expenses and deductions" is given in the *Table 3*.

The excess of income over expenses is shown in the balance of income and expenses of the enterprise after Chapter II "Expenses and Deductions".

Table 3

Composition of the section of the financial plan "Expenses and deductions"

Type of expenses	Composition of expenses
For the production of goods	Material costs (costs of raw materials and materials; costs of purchased semi-finished products and components; fuel and energy costs; costs of packaging and packaging materials; costs of building materials; costs of spare parts; other material costs); labour costs (basic and additional wages); other expenses
Administrative	Expenses for the maintenance of administrative and managerial personnel, expenses for their business trips, expenses for the maintenance of fixed assets (costs associated with the use of their own service vehicles; costs for renting service vehicles), other non-current material assets for general purposes (rental, repair, utilities), security, legal, insurance, auditing, transportation services, postal and telegraph services, office expenses

¹ Depreciation is excluded from the cost estimate for the production of depreciation due to the fact that the turnover of fixed assets in physical and value terms does not coincide. Depreciation deductions, which are included in production and circulation costs, are one of the components of the cost price of manufactured products. After its implementation, the sums of money, which express the value of the worn-out part of fixed assets, are returned to the enterprise and can be used in the future for the purpose of their partial (repair) or full (purchase, construction) compensation. That is, there are no direct receipts and expenditures of monetary funds in the amount of depreciation deductions.

² According to the legislation of Ukraine, payroll taxes include: personal income tax, military levy, a single contribution to mandatory social insurance. The exclusion of payroll taxes is explained by the fact that these taxes are included in the third section of the financial plan "Relationships with the budget". Including them would result in a recalculation

End of the Table 3

Type of expenses	Composition of expenses
For sale	Expenses for packaging materials, transportation of products and goods under the contract, marketing and advertising expenses, expenses for wages and commissions to salespeople, trade agents, employees of the sales department, repair and maintenance of fixed assets, other non-current assets used to support the sale of products, goods, works, and services
Capital investments	Capital construction (expenses on construction and installation works); acquisition of fixed assets (equipment, both assembled and unassembled, vehicles, etc.); acquisition of other non-current tangible assets; acquisition of intangible assets (acquisition of rights to use natural resources and property, software and databases, rights to commercial designations, industrial property objects, copyright and related rights, patents, licences, concessions, etc.)
Financial investments	Purchase of stocks, securities, units, shares, etc.
To maintain the non-production sector	Salary, heating, costs of materials, electricity, and other resources related to the maintenance of non-production areas of the enterprise

Source: compiled by the authors.

In the third section of the FS "Relationships with the budget" (the composition is shown in *Table 4*), on the one hand, there are reflected all types of payments to the budget, including taxes on employees and financial sanctions that are paid into budget income (income tax, tax on added value, single tax, excise tax, environmental tax, single contribution to mandatory state social insurance, etc.), and on the other hand, the above mentioned are in the form of appropriations from the budget (state capital investments, loan interest compensation, budget subsidies, etc.). The procedure for calculating and payment terms for individual taxes is carried out in accordance with the tax legislation of Ukraine.

Table 4

Composition of the section of the financial plan 'Relations with the budget

Payments to the budget	Allocation from the budget.
I. National taxes: 1. Corporate income tax. 2. Personal income tax. 3. Value-added tax. 4. Excise tax. 5. Environmental tax. 6. Royalty. 7. Customs duties II. Local taxes and fees: 1. Property tax. 2. Single tax. 3. Parking fee. 4. Tourist tax III. Military fee. IV. Single contribution for mandatory state social insurance. V. Financial sanctions for violations of tax legislation (penalties, fines). VI. Other taxes, fees, and payments	I. Targeted budget financing: 1. Capital investments. 2. Current expenses (already incurred or future) II. Direct and targeted budget subsidies. III. Preferential lending: 1. Provision of loans. 2. Partial compensation of interest rates for loans provided for the implementation of entrepreneurship projects IV. Preferential subsidising. V. Financial support for the implementation of energy-saving and environmentally friendly technologies. VI. Other types of state support
Total payments to the budget	Total budget appropriations

Source: compiled by the authors.

Considering the procedure for calculating basic taxes (*Table 5*). The summary of relations with the budget (state and local) is defined as the difference between payments to the budget and appropriations from the budget and is shown at the end of Chapter III "Relations with the budget".

Tax payment terms determined in accordance with the Tax Code of Ukraine. For example, in 2023, a group 3 company pays a single tax in May (22.05), August (21.08), November (20.11) and February (19.02). The deficit or surplus of funds received is balanced by mutual relations with banks.

The fourth section "Relationships with the credit system" provides the data of obtaining loans in the established order (long- and short-term), as well as repayment of loans. The amount of repayment of long-term and short-term loans is established taking into account the arrears on loans at the beginning of the planned period, their repayment terms, as well as the future receipt of new loans and the establishment of repayment terms for them.

Table 5

Procedure for calculating tax liabilities when paying basic taxes

Tax	Calculation formula	Designation	Data source
personal income tax ($\Pi\Delta\Phi O$)	$\Pi\Delta\Phi O = \Phi_{3m} \cdot \frac{C_{\Pi\Delta\Phi O}}{100}$	Φ_{3m} – planned salary fund $C_{\Pi\Delta\Phi O}$ – tax rate (18%)	Labour plan
Single contribution for mandatory state social insurance (ϵCB)	$\epsilon CB = \Phi_{3m} \cdot \frac{C_{\epsilon CB}}{100}$	$C_{\epsilon CB}$ – tax rate for mandatory state social insurance (22%)	
Tax on profit (Π_{np})	$\Pi_{np} = \Pi \cdot C_n$	Π – profit before taxation C_n – income tax rate (18%)	Profit plan
Value Added Tax (VAT) ($\Pi\Delta B$)	$\Pi\Delta B = \Pi B - \Pi K$	ΠB – Tax liability ΠK – tax credit	Production program; cost estimate; investment plan
Unified Tax Group 3 is not a value-added tax payer ($\epsilon \Pi$)	$\epsilon \Pi = \mathcal{D} \cdot \frac{5}{100}$	\mathcal{D} – income included in the tax base; 5 – tax rate	Production program

Source: compiled by the author.

The difference between loan payments and the amount of loans received determines the sum of financial relations with banks and is reflected in the fourth section – "Relationships with the credit system".

Financial statements of enterprises are compiled for the year with a breakdown by quarters (months). All parts of the balance sheet, as well as the main indicators given in the summary, are organically interconnected.

The content and structure of the enterprise's balance of income and expenses can be illustrated by the example of "Vertical" LLC (*Table 6*). The company is a single taxpayer of group 3 (not a VAT payer) and specialises in production of electrical equipment.

Table 6

Balance of income and expenses LLC "Vertikal", hryvnias

Line No	Cash flow balance indicator	Mounth											
		1	2	3	4	5	6	7	8	9	10	11	12
1	I. Income and receipt of funds	250800	299404	380281	446791	469915	439190	463898	487485	410638	388614	407084	366357
1	Cash balance at the beginning of the period	45000	9424	29988	141021	159548	156168	146974	168178	27223	66333	60474	54415
2	Receipts of funds	205800	289980	350293	305770	310367	283022	316924	319307	383415	322281	346610	311942
3	Funds received from its main operating activities	200800	289980	347093	305770	310367	283022	316924	319307	383415	322281	346610	311942
4	Revenue from the sale of products (row 5 + row 6), including:	200800	289980	347093	305770	310367	283022	316924	319307	383415	322281	346610	311942
5	from the realisation of the current period	200800	239760	287153	246480	248770	220172	261882	253837	319965	259790	251650	248780
6	from the realisation of the previous period		50220	59940	59290	61597	62850	55042	65470	63450	62491	94960	63162
7	Other operating income	5000		3200									
8	II. Expenses and deductions (row 9 + row 13 + row 18 + row 22)	216680	215340	240257	232654	225140	239388	239700	491107	235479	228490	225181	216356
9	Payments for the main activity (row 11+row 12):	128980	132140	132057	139954	141940	156188	156500	153407	152279	145290	141981	133156
10	materials	32600	34500	38750	46820	32860	41678	40250	38621	39574	38265	32523	29657
11	semi-finished products	25840	28650	24500	22860	37800	48640	42400	44500	41840	44100	48000	42450
12	salary	70540	68990	68807	70274	71280	65870	73850	70286	70865	62925	61458	61049
13	Administrative expenses:	66000	61500	61500	66000	61500	61500	61500	66000	61500	61500	61500	61500
14	maintenance of buildings and structures	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000
15	salaries of administrative and management personnel	45000	45000	45000	45000	45000	45000	45000	45000	45000	45000	45000	45000
16	communication costs	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500
17	business travel expenses	4500			4500				4500				

End of the Table 6

Line No	Cash flow balance indicator	Mounth												
		1	2	3	4	5	6	7	8	9	10	11	12	
18	Selling expenses:	21700	21700	21700	26700	21700	21700	21700	21700	21700	21700	21700	21700	21700
19	delivery by own transport	500	500	500	500	500	500	500	500	500	500	500	500	500
20	salary of employees of the sales department	21200	21200	21200	21200	21200	21200	21200	21200	21200	21200	21200	21200	21200
21	the cost of vehicle repairment				5000									
22	Expenses for investment activities:			25000					250000					
23	purchase of equipment			15000										
24	payment for installation services			10000										
25	capital repair of the building								250000					
26	III. Relations with the budget (row 27 - row31)	54696	54076	-997	54590	88607	52828	56020	89154	54826	51650	85488	50900	
27	Taxes (row 28+ row 29+ row 30+ row 31):	54696	54076	54003	54590	88607	52828	56020	89154	54826	51650	85488	50900	
28	single tax					33615			34560			34425		
29	single social contribution	30083	29742	29702	30024	30246	29055	30811	30027	30154	28408	28085	27995	
30	income tax	24613	24334	24301	24565	24746	23773	25209	24567	24672	23243	22978	22905	
31	target-based budgeting			55000										
33	IV. Relations with the credit system (p. 34-p. 36)	30000							120000	-54000	-48000	-42000	-36000	
34	Total received credits	30000							120000					
35	Short-term loans	30000							120000					
36	Total repayment of loans and interest for the use of loans:		36000							54000	48000	42000	36000	
37	repayment of short-term loans		30000							30000	30000	30000	30000	
38	interest payment		6000							24000	18000	12000	6000	
39	Surplus (+), deficit (-) of cash	9424	29988	141021	159548	156168	146974	168178	27223	66333	60474	54415	63101	

Source: compiled by the author.

As evidenced by the data of the FP (see *Table 6*), in general, for all months of the planning period, revenues exceed expenses and deductions, that is, the financial plan is balanced in terms of expenses and revenues. In some months, there was observed a shortage of financial resources, which was covered by short- and long-term loans. In particular, in January, the company will have a deficit of financial resources in the amount of UAH 20.576. To cover it, the company will need to take a short-term loan in the amount of UAH 30.000. This measure taken will make it possible to fully finance expenses and ensure a certain reserve of money (9424 UAH).

With the help of credit planning, there is carried out a mutual connection of income and expenses and there is ensured a coverage of the deficit of financial resources (*Table 7*). The need for a bank loan for production purposes and its repayment are determined by comparing the income part of the plan with the expenditure part for each month (quarter). The amount of the excess of expenses over the receipts of funds for a particular period determines the size of the loan required for the corresponding month (quarter), and the excess of income over expenses – the amount of loan repayment.

Table 7

Calculation of credit needs (UAH)

Indexes	Mounth					
	7	8	9	10	11	12
Balance of funds at the beginning of the year (quarter)	146974	168178	27223	66333	60474	54415
Receipt of funds	316924	319307	383415	322281	346610	311942
Expenses	295720	580261	290305	280140	310669	267256
Exceeding income over expenses	168178					
Exceeding expenses over income		92777	120333	108474	96415	99101
Credit needed		120000				
Loan repayment			54000	48000	42000	36000
Balance of funds at the end of the year		27223	66333	60474	54415	63101

Source: compiled by the author.

In the given example, spending of funds in August exceeded their receipts by UAH 92.777. In addition, at the end of the month, a minimum balance of funds required is provided within the amount that must be in the current account and in the cash register of the enterprise. For the enterprise, this amount is estimated at UAH 27.2 thousand. In general, in this way, it is determined that in July there will be a need for a short-term loan in the amount of UAH 120.000.

To determine the costs of repaying and servicing loans, draw up an appropriate schedule (plan) (*Table 8*).

Table 8

Loan repayment schedule (UAH)*

Mounth	Loan amount at the beginning of the month	Repayment of the principal amount of the loan	Payment of interest	Repayment amount and interest payment**	The balance of the loan at the end of the term
1	120000	30000	24000	54000	90000
2	90000	30000	18000	48000	60000
3	60000	30000	12000	42000	30000
4	30000	30000	6000	36000	0

*Lending terms: loan amount – UAH 120.000, loan term – 4 months, interest rate – 20%.

**In addition to loan repayment and interest payments, the amount of expenses also includes other payments, in particular, cash service fees, loan insurance, etc.

Source: compiled by the authors.

At the same time, the FP of an industrial enterprise must contain the necessary financial reserves. The purpose of the financial reserve is to ensure the financial stability of enterprises during the period of temporary deterioration of production and financial indicators. Their availability makes it possible to cover unplanned expenses arising in the process of production and sale of products, or to compensate for a reduction in income for any reason.

Conclusions. There is developed the content of the main articles of the financial plan of an industrial enterprise, for example, the financial plan of a specific industrial enterprise, the procedure for balancing income and expenses, determining the amount of loans as a tool for eliminating the shortage of cash is shown. There is a form of FP with distribution of totals by month which can be recommended for medium and large enterprises. The development of certain issues of the financial planning methodology will partially contribute to the successful solution of tasks in the field of planning improvement and management decision-making. Further improvement of financial planning requires the development of a tax calendar, which will make it possible to transfer payments to the budget and extrabudgetary funds in a timely manner. One of the main areas of improvement of financial planning should be the consideration of financial risks.

Conflict of interest. The authors certify that they have no financial or non-financial interest in the subject matter or materials discussed in this manuscript; the authors have no association with state bodies, any organizations or commercial entities having a financial interest in or financial conflict with the subject matter or research presented in the manuscript.

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PREREQUISITES FOR THE IMPLEMENTATION OF E-AUDIT IN UKRAINE

Introduction. Remote forms of control are becoming widespread and popular. In order to effectively introduce e-audit tools into the real sector of the economy, special attention is required for its comprehensive research, analysis and understanding.

Problem. The article presents the author's generalization of the development and implementation of e-audit in foreign countries and provides possible ways of its implementation in domestic practice. The transition of the world's leading countries to the implementation of electronic audit in their practice indicates that control and verification work has reached a qualitatively new level.

The aim of the article is to outline the ways of e-audit development in domestic practice, based on advanced international experience.

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ПЕРЕДУМОВИ ВПРОВАДЖЕННЯ Е-АУДИТУ В УКРАЇНІ

Вступ. Дистанційні форми контролю набувають поширення та популярності. Для ефективного впровадження інструментів електронного аудиту в реальний сектор економіки особливої уваги потребують його комплексне дослідження, аналіз та розуміння.

Проблема. Представлено авторське узагальнення розвитку і впровадження е-аудиту в зарубіжних країнах та наведено можливі шляхи його імплементації у вітчизняну практику. Перехід провідних країн світу на впровадження електронного аудиту в свою практику свідчить про вихід контрольно-перевірочної роботи на якісно новий рівень.

Метою статті є визначення шляхів розвитку е-аудиту у вітчизняній практиці, що базується на передовому міжнародному досвіді.



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Methods. General scientific and special methods of observation were used, such as system, abstract and logical analyses. The prospects and advantages of implementing the e-audit concept in modern business conditions are outlined using generalizing and prognostic methods.

Results. The essence of the electronic standardized format of providing information to tax authorities as a basis for e-audit has been considered. An author's approach to optimal ways of implementing foreign experience of e-audit functioning into domestic practice has been formed. The practical significance of this research is in the approximation of the domestic approach to conducting inspections to best international practices, thereby adding transparency to them.

Conclusions. The effective launch and skillful use of e-audit tools will allow to build verification work at a qualitatively new level, providing a risk-oriented approach to control procedures, to improve the accuracy of the performed checks, to reduce the time for checks, and in general, it will allow increasing the confidence of investors in the transparency of doing business in the country.

Keywords: audit, e-audit, control, transformation of activities, digital technologies.

JEL Classification: E62, H20, H32, H71.

Методи. Використано загальнонаукові та спеціальні методи спостереження: системного аналізу; абстрактно-логічний. За узагальнювальними та прогностичними методами окреслено перспективи та переваги впровадження концепції е-аудиту в сучасних умовах ведення бізнесу.

Результати дослідження. Розглянуто сутність електронного стандартизованого формату надання інформації до податкових органів як базису при проведенні е-аудиту. Сформовано авторський підхід до оптимальних шляхів імплементації зарубіжного досвіду функціонування е-аудиту у вітчизняну практику. Практична значущість цього дослідження полягає в наближенні вітчизняного підходу проведення перевірок до передового світового досвіду, тим самим додаючи їм прозорості.

Висновки. Ефективний запуск та вміле використання інструментів електронного аудиту дасть змогу побудувати перевірочну роботу на якісно новому рівні, забезпечивши ризик-орієнтований підхід до контрольних процедур; підвищити точність проведених перевірок; скоротити час їх проведення та загалом підвищити довіру інвесторів до прозорості ведення бізнесу в країні.

Ключові слова: аудит, е-аудит, трансформація діяльності, диджитал-технології.

Introduction. The successful implementation of e-audit as a form of control requires research, study and analysis of the international experience of electronic audit, which has shown significant effectiveness.

Nowadays, e-audit is widely used in the European Union countries, the USA and Australia during inspecting the compliance of business entities (especially large taxpayers) with tax legislation [1].

In general, in the world practice of auditing, the issue of the use of information technologies is given considerable attention, in particular, by professional organizations. This is evidenced, for example, by the constant renewal (with an interval of 1–2 years) of virtually all International Auditing Standards issued by the International Federation of Accountants, in which the most significant changes are the standard and provisions on International Auditing Practices relating to audit computerization.

Analysis of recent research and publications. Control activity is a perspective and necessary subject to transformations, which is the characteristic feature of the economic systems of many developed countries. Substantial transformations of the structure of the audit activity are due to the liberalization of financial and tax legislation, transformation to global economy,

the invention of new control instruments and the gradual universalization of control activities in general. The issue of determining and practical implementation of the concept of "e-audit" was considered by researchers at different times from the following perspectives: as the automation of the activities of the audit activity subjects (B. Mashayekhi, F. Jalali, Z. Rezaee [2], D. G. Mihret, M. Kansal, M. B. Muttakin, T. Rana [3]); in the format of digital methods of control work (R. Manita, N. Elommal, P. Baudier, L. Hikkerova [4], M. Usman, E. Ezeani, R. I. A. Salem, X. Song [5]); as a part taxes' control tools [1; 6–8]; as an integral part of financial reporting [9–12]; as a future of all audit activity [13–16].

The aim of the study is to outline the ways of development of e-audit in domestic practice, based on advanced international experience.

Methods. The following methods such as theoretical generalization and grouping (to determine the ways of development "e-audit" concept in foreign countries), formalization, analysis and synthesis (to substantiate methodological approaches to the implementation of e-audit, both abroad and local in Ukraine); logical generalization of results (formulation of conclusions and proposals) were used in the research process.

Results. An electronic audit is a computer audit in which electronic data and records are used to conduct and complete an audit of a company. It is noteworthy that the electronic audit uses the same procedures as the traditional audit. The difference is that there is a wide use of electronic means for auditing in a remote format. In practice, you can often hear that an electronic audit is called a remote audit.

It should be noted that this is a relatively new format for auditing procedures. And therefore, as you know, there is a certain resistance in society to everything new and incomprehensible. In practice, a two-fold relationship to the initiation and conduct of an e-audit is felt. There are companies that do not accept or are skeptical of remote audits. But this public concern regarding audit methods is not confirmed by the requirements of the modern world, which is converting all spheres of life into a digital format. The fact that the audit is conducted remotely does not mean that the teams do not communicate with each other and with the customer, and this should not be considered as a decrease in the quality and reliability of the audit results. Moreover, thanks to online technologies, there is constant communication of all involved parties in operational mode, there are more opportunities for testing and coverage of most operations.

E-audit, carried out in a digital environment, also involves a systematic, independent process of obtaining documented evidence using electronic means of communication in order to express a professional opinion on the compliance of activities and reporting with established criteria. Electronic auditing is gaining popularity precisely because many technologies that we use in our daily lives are carried out via the Internet. And therefore, the more authentically and widely we get acquainted with the latest technologies and their advantages – the less concern arises about its interactive use.

The use of e-auditing depends on the technologies used and on the ability of auditors to organize and moderate virtual meetings while coordinating with a remote location to search for (detect) inappropriate evidence. It is clear that such coordination of these activities is not an easy task for persons who do not have the relevant skills and knowledge in the field of IT technologies. Therefore, the main priority for external and internal auditors should be the study of technologies used in electronic audit methods. Countries and companies that invest resources in the development of e-audit allow remote offices to learn from each other. This allows for a better understanding of remote processes and thus allows them to use and standardize common processes in remote locations in their work.

Until 2005, there were several international standards and regulations from international practice, which regulated the methodology of conducting audits in the environment of computer information systems, as well as requirements for auditors' special knowledge in the field of information systems, and starting from 2005 onwards in the new editions of the ISA there were changes regarding the use of information technologies. Audit standards in the context of the application of information computer systems have been removed, and instead the de facto audit is considered computer-based. That is why comments and guidance on these issues are now contained in almost every audit standard.

The Ottawa framework conditions for the taxation of electronic commerce dated 1998 became the basis for the implementation of electronic audits in the activities of fiscal authorities of various countries. And nowadays it is an integral part of conducting audits of compliance with tax legislation by business entities [7].

The first step towards the transformation of the Ottawa framework conditions on the taxation of electronic commerce into practical management was the development by the Committee on Fiscal Issues of the Organization for Economic Cooperation and Development in Europe in 2005 of the concept of e-audit by implementing the standard of electronic reporting – Standard Audit File for Tax (SAF-T is a standardized format for taxpayers to provide accounting and financial information in electronic form to tax authorities, which contains reliable data exported from the original accounting system about the availability and state of assets, equity and liabilities, as well as changes in the financial and economic status of the taxpayer for a certain period). However, based on the request of OECD member countries, an updated version (2.0) of SAF-T was approved in April 2010 (the structure was expanded, and the original specification was improved) [7].

SAF-T 1.0 contained 4 sections: "Header", "Main files", "Journal of accounting entries" and "Primary documents"; in version 2.0, 8 subsections were added to the Main Files section: Taxonomy, Table of Measurement Units, Analysis Table, Operations Guide, Products, Inventory, Owners, and Assets, the "Primary documents" section was also expanded with information on the movement of goods and transactions with assets [7].

Due to SAF-T, tax authorities are given unhindered access to relevant data to ensure the efficiency of tax audits and reduce the number of any additional requests. File requirements are expressed using XML, but the OECD does not impose any specific file format [17].

The tax audit file is currently the most widespread basis for conducting an e-audit. This international standard for the electronic transfer of accounting data from enterprises to national tax authorities has been implemented in many countries, in particular – in Singapore (the first country that uses the tax audit file for e-audit purposes), Portugal (the first European country that implements SAF-T in practice of fiscal authorities), Germany (the first country whose government decided to develop its own audit file format), Austria, Luxembourg, Norway, Lithuania, Poland, the Netherlands, Sweden, France, the Czech Republic and other countries, which allows the fiscal authorities of these countries to obtain the data necessary for effective tax audits, perform analytical procedures in full and volume, and minimize additional document requests [1].

The main advantage of a standard tax audit file is the possibility of using the data it contains for e-auditing with the help of specialized software. Well-known GAS tools in the field of e-audit are software products developed by Audit Command Language (ACL) and Interactive Data Extraction and Analysis (IDEA), namely: ACL AuditExchange2 and IDEA Version8, as well as SESAM (ESKORT Computer Audit).

Today, ACL is used in more than 150 countries (France, Croatia, Finland, Bulgaria, Austria, Netherlands, Belgium, Great Britain, Poland). This software is also used by the "Big Four": PricewaterhouseCoopers, Ernst & Young, KPMG, Deloitte & Touche (Deloitte Touche Tomatsu International). The IDEA software product has been leading the international market for two decades. According to Case Ware IDEA data, the IDEA system is used by organizations in more than 90 countries performing financial analysis and audit tasks.

It should be noted that ACL and IDEA support the loading of any structured information from SAF-T, because this format is developed on the basis of the XML programming language, and to load it into SESAM it is necessary to use specially developed (purchased) converters.

It should be noted that simple borrowing of a standard tax audit file is impossible due to the specifics of each individual state. Therefore, it is necessary to take into account the peculiarities of the tax system and the country's administration practices, which actualizes the need to analyze the world practice of using tax audit files in order to choose the most optimal way of its implementation.

A comparison of the SAF-T electronic format of different countries of the world is demonstrated in the *Table 1*.

Table 1

**Comparison of the implementation of SAF-T in different countries
of the world**

Country	Name	Year of implementation	Structure (sections)	Software
Singapore	The fourth version of the IAF	2005 – initial version of IAF v. 1 (IRAS Audit File), 2008, 2009 and 2014 – amendments	3 ("Enterprise Information", "Main Files", "Primary Documents" (contains "Journal of Accounting Records"))	ACL
Portugal	SAF-T (PT)	2008 – on a voluntary basis only for large taxpayers, 2010 – as a mandatory measure for all economic entities that keep records in the electronic system	4 ("Header", "Main files", "Journal of accounting entries" and "Primary documents")	IDEA
Austria	SAF-T (AT)	April 2009	6 ("Header", "Main files", "Journal of accounting entries", "Inventory Balances", "Primary Documents" and "Asset Information")	ACL
Germany	E-Bilanz	2011 – pilot project E-Bilanz, 2013 – mandatory for all taxpayers who prepare financial statements in electronic form	E-Bilanz for Germany – Versions Taxonomy and E-Bilanz Sheet	IDEA
Luxembourg	FAIA (FAIA 2.01 full, FAIA 2.01 v. A and FAIA 2.01 v. B)	2008 – adoption of the regulatory act on cooperation between tax authorities, November 2009 – first edition (November 2010 – implementation), 2013 – published FAIA v. 2.01	4, based on OECD SAF-T version 2.0 (FAIA 2.01 full); v. A – less subdivisions, v. B – only 3 sections (no "Primary Documents"), fewer subsections	Program based on SAP ERP
Norway	SAF-T Financial 1.2	2014 – SAF-T Financial 1.0, June 2017 – SAF-T Financial 1.2	3 ("Header", "Main files", "Journal of accounting entries")	ACL, SESAM
France	SAF-T FEC	January 1, 2014 – a unified file format and structure was put into effect	4 different XML schemas	ACL
Sweden	Standard Import Export (SIE) XML	2014	4 types: balance; additional balance; profit; operations, transactions	ACL, SESAM
Lithuania	SAF-T	2015	Complies with the SAF-T version 2.0 framework	SESAM (IC ESKORT)
Poland	JPK	2016 – only large taxpayers had to submit JPK to the fiscal authorities; January 2017 – the obligation was imposed on small and medium-sized enterprises	7 parts (JPK VAT ("Title", "Entities", "Sales", "Tax liabilities", "Purchases", "Tax credit") – mandatory; JPK KR, JPK WB, JPK MAG, JPK FA, JPK PKPIR and JPK EWP – submitted within 3 days at the request of the supervisory authority)	ACL

Source: arranged by the authors based on [1; 7].

Despite the SAF-T in different countries has a similar format based on the OECD SAF-T SCHEMA VERSION 2.0, local legislation defines the mandatory fields to be filled in the report differently. Therefore, it is important to consider these specific rules and standards in each individual country.

World experience shows that the introduction of audited tax files was gradual and needed further correction, but none of the countries that started this process refused to implement it. Each tax office faces various challenges, such as the legislative environment, administrative practices and the tax culture of taxpayers. Therefore, the standard approach is neither practical nor desirable. It is necessary to carefully consider the country's experience and assess in detail the factors that have shaped each approach.

During studying the international experience of implementing e-audit, it is also necessary to pay attention to the fact that today one of the main international processes which taking place is the harmonization of national accounting and financial reporting systems of different countries, which is implemented through the creation of International Financial Reporting Standards (IFRS). The goal of developing and implementing IFRS was achieved by transitioning to the preparation of financial statements in a single electronic format – eXtensible Business Reporting Language (XBRL is a data markup language that allows financial or other information to be transmitted in a structured form). XBRL is used to display and provide reporting compiled using the IFRS taxonomy. IFRS taxonomy technical files can be downloaded and viewed using XBRL-enabled software and tools. The format is based on the XML language, extended through specifications that allow you to focus on the economic essence of the transmitted information. These specifications were developed by the international non-commercial consortium XBRL International [9; 12].

The first international taxonomy XBRL US GAAP was developed in 2000 (released on 2001) for commercial organizations and recommended by the American regulatory body for financial reporting. The XBRL taxonomy for IFRS (IFRS) was created in 2006 [9].

Currently, the United States and the European Union are the largest users of XBRL, but XBRL has become quite widespread not only in the European Union countries and the G20, but also beyond them. To date, more than 50 foreign organizations have implemented XBRL reporting in their activities, both for intra-departmental exchange and in terms of providing financial reporting to regulatory bodies, namely: national banks and regulatory bodies (Austria, Belgium, Germany, Spain, France, India, Japan, Lithuania, Poland, South Korea, Luxembourg); fiscal authorities (Germany, Japan, the Netherlands, Great Britain); Ministries of Finance and Treasury (Belgium, China, Spain, Singapore); stock exchanges (Belgium, China, Germany, Spain, India, Iran, Japan, South Korea, Poland) [12].

Various conditions for submitting financial statements in XBRL format and examples of countries in which these conditions apply are presented in the *Table 2*.

Table 2

Basic conditions for submitting financial statements in XBRL format

Terms of submission	Countries
Voluntary application	Sweden, Switzerland
Mandatory application	Canada, France, Germany, Italy, Japan, USA, Israel, Poland, Spain
Mandatory application under the condition of reporting according to IFRS	Australia, Great Britain, Belgium
Mandatory application under the condition of reporting according to IFRS and providing an independent audit opinion	China, India, Denmark, Netherlands

Source: arranged by the authors based on [9].

In practice, the concepts of e-audit and digital audit are often equated. This is primarily due to insufficient awareness and a certain lack of acceptance by our society of advanced methods of conducting inspections. Should be note that the main difference between these types of audit is the legislative regulation; subject, initiator and executor of the inspection. *E-audit* is an integral part of the documentary check of large taxpayers, regarding the completeness of the calculation and payment of tax obligations, while the *digital audit* is an independent check of accounting data and financial reporting indicators of a business entity, which is carried out by audit firm using advanced information systems and technologies.

It is interesting to recall European experience in the further improvement of e-audit. Such, the Single European Electronic Format (ESEF is an electronic reporting format based on ESMA's regulatory requirements for issuers on EU regulated markets to submit financial statements in the Inline XBRL format (abbreviated as iXBRL) is a significant step forward for the availability and comparability of issuers' financial information on regulated EU markets. Therefore, each EU Member State have to develop the ESEF implementation and maximize the benefits that digitization can offer [18].

The stages of ESEF implementation and their characteristics are disclosed in *Table 3*.

Table 3

Implementation phased of ESEF

Date	Obligation
January 2021	Voluntary filing of the ESEF can begin. The national depository mechanism has been updated to accept annual financial reports in the ESEF
2022	The first stage of mandatory requirements for reporting in electronic format applies to issuers included in the scope of activities that prepare consolidated financial statements in accordance with IFRS. Annual financial reports for all issuers, which must be published and submitted in an electronic format defined by technical standards. Mandatory marking of basic financial information
2023	The second stage – issuers included in the scope of activity, as indicated above, must mark the notes to the annual financial statements

Source: arranged by the authors based on [10].

Based on the analysis of regulatory and legal support of e-audit in Ukraine, we established the stages of its development which is demonstrated in the *Table 4*.

Development of E-audit in Ukraine

The stage name	Characteristic
Preparatory	Development of requirements for electronic documents, conducting electronic checks
Organizational	Adoption of the concept of e-audit in Ukraine, which defines the basics and methodology of electronic tax audit. Development and review of the draft Law of Ukraine "On Amendments to the Tax Code of Ukraine regarding the introduction of electronic audits (e-audit)" No. 6255 dated November 2, 2021
Practical	Establishment of mandatory submission: a) by large taxpayers at the request of the supervisory body during the inspection of the standard audit file (SAF-T UA) and its analysis with the help of specialized software using modern audit methods is expected from January 1, 2023; b) by large taxpayers the standard audit file (SAF-T UA) is expected from January 1, 2025 (subject to the adoption of relevant changes to the tax legislation); c) VAT payers of the standard audit file (SAF-T UA) may be introduced no earlier than January 1, 2027 (subject to the adoption of relevant changes to the tax legislation)

Source: arranged by the authors.

At the preparatory stage of the development of e-audit in Ukraine, a number of legislative acts were adopted, namely:

- Tax Code of Ukraine dated 02.12.2010, No. 2755-VI;
- Law of Ukraine "On Accounting and Financial Reporting in Ukraine" dated July 16, 1999, No. 996-XIV;
- Law of Ukraine "On Electronic Documents and Electronic Document Management" dated May 22, 2003, No. 851-IV;
- Law of Ukraine "On Electronic Digital Signature" dated May 23, 2003, No. 852-IV;
- Law of Ukraine "On Electronic Trust Services" dated October 5, 2017, No. 2155-VIII;
- Order of the Ministry of Finance of Ukraine "On approval of the Regulation on documentary support of records in accounting" dated 05/24/1995, No. 88;
- Order of the Ministry of Finance of Ukraine "On approval of the Procedure for providing documents of a large taxpayer in electronic form" dated November 7, 2011, No. 1393;
- Order of the Ministry of Finance of Ukraine "On Approval of the Procedure for Exchange of Electronic Documents with Controlling Bodies" dated June 6, 2017, No. 557;
- Decree of the Cabinet of Ministers of Ukraine "On the approval of the Strategy for reforming the state finance management system for 2017-2020" dated February 8, 2017, No. 142;
- Letter of the State Fiscal Service of Ukraine dated January 4, 2017, No. 30/6/99-99-15-02-02-15, which in turn became the basis for the formation of the organizational stage.

The organizational stage of e-audit development is characterized by the adoption of the Concept of e-audit in Ukraine, as well as further directions of its development. At this stage, consideration and adoption of the draft Law of Ukraine "On Amendments to the Tax Code of Ukraine Regarding the Implementation of Electronic Audits (e-Audit)" dated November 2, 2021, No. 6255 is proposed, which will affect the needs (requests) of interested parties (Table 5).

Table 5

Impact of the draft Law of Ukraine "On Amendments to the Tax Code of Ukraine on the Implementation of Electronic Audits (e-Audit)" on the Stakeholders Needs

Stakeholders	Impact of the act implementation on the Stakeholders	Explanation of expected impact
Taxpayers	Positive	Creation of opportunities for taxpayers to self-verify submitted tax returns; reduction of personal contacts between the taxpayer and the controlling body, reduction of the influence of the "human factor"
Controlling bodies (State Tax Service of Ukraine)		Improvement of risk-oriented approaches at the pre-verification and verification stages; improving the quality and effectiveness of tax control due to automatic analysis and testing of tax and financial reporting indicators, identifying discrepancies and risks

Source: arranged by the authors.

The practical stage is characterized by the planned introduction of e-audit for the electronic verification of certain groups of taxpayers. It will enable the state in the form of the State Tax Service of Ukraine to strengthen the control and verification work of such taxpayers, and as a result will form an effective tool that will make it possible to detect violations in the field of taxation. Along with this, the above-mentioned measures will provide additional revenues to the state budget of the country, which is a positive phenomenon that has been used in European countries for a long time and it is not appropriate to neglect it. The introduction of e-audit as a modern form of tax control of legal entities will:

- contribute to more effective performance of the functions assigned to tax authorities;
- resolution of conflict situations in the relationship between taxpayers and tax authorities;
- reduce business pressure;
- strengthen the protection of the rights and interests of taxpayers;
- increase the attractiveness of conducting business and improving the investment environment in Ukraine.

It is clear that legislative initiatives and innovations are an undoubted step towards the future of our Country. However, we must also understand that it is still too early to talk about the complete transfer of the audit to an electronic format, and perhaps it is not even advisable. We suggest that Companies should focus on the specifics of the business and consider the format of the audit case by case. The hybrid audit format, could include a combination of multivariate models, such as: onsite audits, e-audits, reviews of document information and procedures testing.

An approach where a hybrid audit format is used is relevant for organizations to fully examine internal and external issues in order to meet stakeholder requirements.

Hence, e-auditing is a progressive, effective and efficient way of thinking based on a real-time risk-based approach that allows for better understanding requirements among all stakeholders.

Conclusions. Therefore, we have much more qualitative and effective audit thanks to the use of IT technologies. That's why, the relevance and importance of e-audit implementation cannot be overestimated.

It should also be mentioned that in 2014, after signing the Association Agreement with the European Union, Ukraine undertook to reform national legislation according to European standards. This also applies to the legislative regulation of audit activities in the country.

Therefore, it can be confidently stated that the introduction of e-audit in Ukraine is a mandatory future step that is expedient and rational.

The development of e-auditing of taxpayers is an important direction in the modern activity of tax authorities. For Ukraine, several ways of developing electronic audit are possible.

One of them is the development of electronic reporting. For the successful implementation of e-audit, modern electronic reporting is necessary, which provides the possibility of automatic data exchange between the taxpayer and the bodies of the State Tax Service of Ukraine. Ukraine should continue to develop electronic reporting and ensure its interaction with the electronic audit system of taxpayers at a qualitatively new level.

Another option is the development of legislation. It is necessary to create a legal framework for the development of e-audit, which would ensure the security and confidentiality of the exchange of information between the taxpayer and the tax authorities, as well as guarantee the legality of the use of electronic documents during its implementation.

It is necessary to ensure the training of qualified personnel who have the necessary knowledge and skills to work with electronic systems and relevant software, as well as understand the specifics of e-audit implementation.

In addition, Ukraine can create its own methods and standards for the e-audit of taxpayers, which will meet the requirements of international institutions and the best practices of its implementation.

It is also necessary to create an information campaign for taxpayers and employees of tax authorities so that they learn about the advantages of e-audit and the possibility of its implementation in practice. Ukraine can cooperate with international partners to gain experience in the use of e-audit in other countries and introduce it into the Ukrainian practice of auditing taxpayers.

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