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DŮVĚRA A MEZINÁRODNÍ OBCHODNÍ JEDNÁNÍ

TRUST AND INTERNATIONAL BUSINESS NEGOTIATIONS

Soňa Gullová¹

Důvěra je nedílnou součástí každého jednání, vyvíjí se v procesu vyjednávání mezi jednajícími stranami a ovlivňuje nejen samotný proces jednání, ale zejména konečný výsledek. Roste význam důvěry při dosahování ekonomického růstu, synergických efektů a při efektivitě spolupráce. Tento text se pokusí zanalyzovat roli důvěry v mezinárodních obchodních jednáních a v mezinárodním podnikání. Klade si za cíl zodpovědět následující otázky: Co je důvěra a proč je nedílnou součástí vyjednávání? Jak probíhají procesy budování důvěry, ztráty a znovu získání důvěry? Jak kultura ovlivňuje vztahy důvěryhodnosti mezi zúčastněnými partnery i samotné jednání? První část textu je věnovaná důvěře v podnikání, další pak důvěře a pravdě v mezinárodním obchodním jednání.

Klíčová slova: důvěra, mezinárodní obchodní jednání, mezinárodní podnikání

Trust is an integral part of every negotiation, it develops in the negotiation process between the negotiating parties and affects not only the negotiation process itself, but especially the final result. The importance of trust in achieving economic growth, synergy effects and in the effectiveness of cooperation is growing. This paper will try to analyze the role of trust in international trade negotiations and in international business. The paper aims to answer the following questions: What is trust and why is it an integral part of the negotiations? How are the processes of building trust, losing a regaining trust? How does culture affect the trust relationship between the negotiating parties and the negotiation process itself? The first part of the paper is devoted to trust in business, the next to trust and truth in international business negotiations.

Key words: trust, international business negotiations, international business

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1 Úvod

Důvěra je rozsáhlý, tudíž obtížně uchopitelný pojem. Navzdory zrychlujícímu se tempu rozvoje je téma důvěry v mezinárodních vztazích, teoreticky i empiricky, stále ve fázi zrodu. Teprve v současnosti se postupně stává objektem zájmu vědců z různých vědeckých oblastí, mimo jiné i ekonomických, přestože se pro tento obor důvěra může zdát jako neatraktivní koncept především kvůli její obtížné měřitelnosti (Zawojka 2010, s.266-283).

Ve velkém sociologickém slovníku charakterizují Jiří Linhart a kol. důvěru jako „postoj a mezilidský vztah, který vyvolává pocit jistoty plynoucí z přesvědčení, že partner komunikace (osoba či instituce) splní určitá očekávání“. (Linhart a kol. 1996). Na důvěru tedy můžeme pohlížet jako na očekávání určitého etického chování, morálně korektního rozhodování nebo na aktivity založené na etických principech. Nezanedbatelný význam důvěry je reflektován zejména v souvislosti se sdílením strategických informací a s komplexním rozhodováním na úrovni horizontální spolupráce mezi aktéry“. Niklas Luhmann (2000, kap.2., s. 94-107) ve své publikaci tvrdí, že důvěra umožňuje aktérům kognitivně snížit nebo eliminovat celkovou míru rizika a nejistoty.

Při analýze důvěry v mezinárodním obchodním jednání nutno rozlišovat dva termíny: důvěru a důvěryhodnost. Důvěra není totéž jako důvěryhodnost. Důvěryhodnost (v angl. trustworthiness) znamená vlastnost, stav nebo skutečnost, kdy je jedinec považován za hodného důvěry a můžeme se na něho spolehnout. Důvěra se týká trustora, důvěryhodnost se týká trusteeho. Čím je trustee více důvěryhodný, tím spíše se u trustora objeví důvěra (Hardin 2002, s. 64-87).

V období změn, krize, pandemií, všudypřítomné nejistoty apod. je největším aktivem a devízou každého lídra, každého obchodního jednatele, každého státu, každého podniku i manažera důvěryhodnost. Jeho nejspolehlivější měnou je důvěra, kterou vůči němu ostatní chovají. Velmi důvěryhodní obchodníci se staví k problémům čelem, i když musí řešit náročné (často i pro ně nepřijemné) záležitosti. Manažeři si musí být vědomí toho, že zejména v období krize je jejich nejdůležitější stránkou právě transparentnost ve vyjednávání.

Důvěra je kognitivní kategorie, která se odvíjí od vzájemného vnímání jednotlivců. Je velmi složité důvěru určit, popsat její povahu a učinit závěry týkající se existence nebo neexistence důvěry v mezinárodních obchodních vztazích.

Při vyjednávání je však také důležité rozlišovat důvěru od nedůvěry. Levicky a kolektiv (Lewicki – McAlklister – Bies 1998, s. 358-438), ve svém díle definovali důvěru jako „sebevědomé pozitivní očekávání ohledně chování partnera“ a nedůvěru jako „sebevědomé negativní očekávání ohledně chování partnera“.

Pokud náš styl jednání signalizuje druhé straně, že k ní máme nedůvěru (důvodem může být např. strach z neznámého rizika), dáváme tím obvykle najevo, že jim nevěříme, že danou operaci zvládnou a často jim ani nedáme možnost to zkusit.

Nedůvěra je ale reciproční, hlavní důvod proč manažeři ve většině organizací nedůvěřují svým obchodním partnerům je i to, že partneři nedůvěřují jim. Naštěstí funguje reciprocita důvěry. Důvěra plodí další důvěru. Dokazuje to i výzkum Paula J. Zaka, který tvrdí, že: „nedůvěra je nakažlivá, ale stejně to platí i pro důvěru“. (Zak 2017, s. 84-90).

Sinaceur ve své stati (2010, s.543-550) uvádí, že je také nutné si uvědomit, že nedůvěra se liší od podezřívavosti. Podezřívavost ve svém díle definuje „jako vnímání nejednoznačnosti o motivech jiného“ tj. druhé strany ve vyjednávání. Podezřívavost však může vyjednávači ve skutečnosti za jistých okolností přinést větší užitek (lepší podmínky ve smlouvě), než když obě strany „automaticky“ důvěřují druhé straně, poněvadž podezřívavost vede vyjednávače k rozsáhlejšímu hledání, zkoumání a prověřování faktů týkajících se důvěryhodnosti toho druhého (Luhmann 2000, s. 94-107).

Shapiro et al. (1992, s. 365-377) uvádí, že k získání důvěry se často v praxi používá zastrašování: „v kontextu jednání musí často strany důvěřovat tomu, že druhá strana dodrží sliby dané během jednání např. pokud prodávající slíbí, že dodá zboží kupujícímu, musí tento slib dodržet, jinak mu kupující hrozí silnými negativními důsledky“. Lewicki a Bunker (1995, s. 133-173) poukazují na to, že důvěra a její dodržení by měla být motivována pozitivními odměnami mezi obchodními partnery. Trustor druhé straně důvěřuje ne proto, že se bojí negativních dopadů, ale proto, že chce dosáhnout pozitivních důsledků“ tj. prodávající by měl dodat zboží nejen proto, že se bojí sankcí, ztráty kupujícího či ztráty zisku, ale hlavně proto, aby obchodní vztah pokračoval a kupující od něho kupoval i v budoucnu.

Důvěře se dnes přisuzuje čím dál tím větší význam při dosahování hospodářského růstu, synergických efektů a při efektivitě spolupráce. Důvěra je nedílnou součástí každého jednání, vyvíjí se v průběhu procesu vyjednávání mezi jednajícími stranami, ovlivňuje nejen samotný proces vyjednávání, ale zejména konečný úspěch či neúspěch jednajících stran. Tento text se pokusí zanalyzovat roli důvěry v mezinárodních obchodních jednáních a v mezinárodním podnikání. Klade si za cíl zodpovědět na otázky: Co je důvěra a proč je nedílnou součástí vyjednávání? Jak probíhají procesy budování důvěry, ztráty a nápravy důvěry? Jak kultura ovlivňuje vztahy důvěryhodnosti a vyjednávání? První část textu bude věnovaná důvěře v podnikání, další části pak důvěře a pravdě při mezinárodním obchodním jednání.

2 DŮVĚRA A PODNIKÁNÍ

Při vymezování nebo definování pojmu důvěra v co nejobecnější poloze se nejčastěji objevují výrazy čestnost, charakter (jako souhrn vlastností osoby), spoléhání se na osoby, subjekty nebo na věc. Užší vymezení ve vztahu k hospodářským

činností je zřejmé z vazby: spoléhání se na úmysl a schopnost dodržovat nebo plnit závazky. Při konkretizaci pojmu důvěra v ekonomických činnostech nelze vycházet

z jiných než ze zcela obecných principů. Proto i ve sféře ekonomické se důvěra definuje ve spojení s čestností, ve schopnosti osob dodržovat závazky nebo jako víra nejen v osoby, ale i ve výrobky, firmy, organizace nebo služby. Jistá úroveň důvěry je nezbytná pro jakékoli vztahy mezi hospodářskými subjekty, zejména mezi takové, jež jsou založeny na smluvních ujednáních.

Konstatování „důvěra je nezbytná pro podnikání“ obsažené ve statích ze sféry etiky podnikání je nutno brát seriózněji než obdobná tvrzení obsažená v marketingových materiálech. Důvěra patří mezi základní principy etiky podnikání, které se projevují čestností, poctivostí a kompetentností, nikoli pouze zdvořilým chováním. V podnikatelské sféře se důvěra objevuje v několika okruzích upravujících vztahy mezi subjekty. Uvnitř hospodářských subjektů to jsou vztahy mezi majiteli a managementem, vztahy mezi zaměstnavatelem a zaměstnanci, mimo subjekt vztahy k jiným subjektům. Hospodářský subjekt uzavírá ujednání různého druhu a s různými druhy subjektů ujednání explicitně, tj. v písemné formě nebo implicitně, ústně založená pouze na důvěře. A zde základní nezbytnou podmínkou pro to, aby ústní ujednání bylo účinné, je, aby se zúčastněné strany chápaly stejným způsobem.

Důvěra má také přímý dopad na hospodaření firmy. Například panuje-li mezi firmou a dodavatelem důvěra, vše funguje rychle a nízkými náklady. Smlouvy jsou stručné, rámcové, problémy při realizaci obchodní operace vyřizují firmy telefonem, emailem či rukoupořádáním. Pokud mezi obchodními partnery panuje nedůvěra, smlouvy jsou dlouhé, podrobné, provádí se mnoho kontrol, právních konzultací, uzavírá se mnoho různých druhů pojištění, komunikace je složitá, vše je pomalé, nákladné.

Stojí za zaznamenání, že papežská encyklika „Caritas in veritate“ z června roku 2009 se také vyslovuje jednoznačně k otázce důvěry v ekonomice, když v článku 35 konstatuje: „Bez vzájemné důvěry nemůže trh plně vykonávat svou ekonomickou funkci. Tato důvěra se dnes na mezinárodní úrovni ztratila a ztráta důvěry je ztrátou závažnou“. (Benedict XVI 2009, čl.35).²

Obecný pojem „důvěra“ lze tedy ve sféře ekonomické a speciálně podnikatelské konkretizovat takto:

- důvěra je dlouhodobou záležitostí, získává se pomalu, ztrácí se rychle, nebo řečeno jinak ztrácí se také jen jednou,
- důvěra může existovat pouze pokud je oboustranná,

² Caritas in Veritate (česky Lásky k pravdě) je 3 encyklika papeže Benedikta XVI. Podepsána byla 29.6.2009, vyšla 7.7.2009. Týká se „všestranného rozvoje ve světle lásky v pravdě“. Do českého jazyka přeložil Milan Glaser. Dostupné na stránkách české sekce vatikánského rozhlasu www.radiovaticana.cz.

- v podnikání je vedle získání důvěry významnější důvěru udržet,
- pro subjekt je významné, jaké důvěře se těší v okolí, v daném oboru, ve kterém působí, v podnikatelském prostředí obecně, u veřejnosti, u obchodních partnerů
- důvěra je především otázkou etickou, současně je však i otázkou podnikatelské kultury,
- důvěra není měřitelná,
- ve vztahu dvou subjektů je důvěra výsledkem činnosti — výsledkem jednání osob, nikoli výsledkem firemních sloganů,
- ve vzájemném vztahu stran prochází důvěra procesem trvalého posuzování a hodnocení jednajících nebo smluvních subjektů.

Existuje mnoho způsobů, jak velmi lehce ztratit důvěru druhé strany včetně např. použitím podvodu, využíváním lži a úmyslného zkreslování faktických informací, uplácením nebo vyhrožováním, pomlouváním. Druhá strana obvykle o další spolupráci ztratí zájem. Lze získat ztracenou důvěru zpět? Někdy ano, ale není to snadné, a jde o velmi pomalý proces. Je však diskutabilní, zda znovu získaná důvěra je stejná, jako nikdy neporušená důvěra. Znovuzískání důvěry závisí také na fázi vývoje vyjednávání, ve kterém byla důvěra přerušena – ztracena. (Dirks et al, 2009, s.401-422). Je také otázkou, proč došlo ke ztrátě důvěry? Jestliže k tomu došlo záměrně, s cílem druhou stranu oklamat, úmyslně poškodit, používat lhaní, nedodržet záměrně sliby a závazky atd., pak získání důvěry zpět nemusí být vůbec možné a často je z pohledu druhé strany spíše nežádoucí.

3 DŮVĚRA A MEZINÁRODNÍ OBCHODNÍ JEDNÁNÍ

Jednání můžeme definovat jako lidskou činnost, při které se setkávají, resp. střetávají, dvě nebo více stran k posouzení obecné nebo konkrétní problematiky. Jedna z nejnámějších definic uvádí, že: „jednání je základním prostředkem k tomu, abyste od druhých získali to, co chcete. Je to forma komunikace vedená tak, aby umožnila dosáhnout dohody při jednáních, při nichž obě strany mají nejen společné, ale i rozdílné zájmy.“ (Fisher – Ury – Patton 1994, s. 7). Sauer ve své publikaci definuje jednání jako: „proces, v němž se dvě nebo více stran snaží nalézt dohodu, která by ustanovila to, co každý z nich může získat či dát, nebo vykonat či získat ve vzájemné transakci mezi nimi“ (Sauer 2000, s. 15)

Každé jednání je vedeno, nebo má být vedeno, s určitým cílem. Výsledek jednání může být rozdílný. Jednání může vyústit v dohodu, v zásadní neshodu, v nedohodu (například i proto, že jedna strana se od začátku vůbec dohodnout nehodlala), v dohodu o pokračování v jednání nebo v kontaktech, v dohodu o odložení

se stanoveným termínem dalších kontaktů nebo na neurčito, v dohodu o tom, že „jsme se dohodli“ (pactum de contrahendo) nebo i v jiné varianty.

Výraz „jednání“ lze považovat za pojem širší a obecnější, „vyjednávání“ za pojem konkrétnější, při němž se dvě nebo více stran pokoušejí vyřešit své protichůdné zájmy. V praxi se oba pojmy často zaměňují, neboť jednoznačné rozdíly nebo hranice mezi nimi nejsou stanoveny.

Jednání se vyskytuje v různých lidských činnostech, je neoddělitelnou součástí lidského života. Užší pojem „obchodní“ jednání vyžaduje stručné vysvětlení resp. upřesnění:

- jednak jde o jednání mezi subjekty (zejména hospodářskými) bez ohledu na právní formu nebo vlastnické vztahy.
- výraz „obchodní“ je míněn v co nejširším slova smyslu, a nezahrnuje pouze obchod, nýbrž jakékoli podnikatelské činnosti. Odpovídá nejspíše pojetí výrazu „business“.

Obecnou definici jednání lze v případě obchodního jednání doplnit a konkretizovat tak, že jde o proces, při kterém dvě nebo více stran posuzují problém nebo konflikt, který mezi nimi existuje a hledají dohodu prostřednictvím výměny názorů a informací. Obchodní jednání tedy charakterizují tyto skutečnosti:

- jednání se vede osobně, písemně nebo prostřednictvím technických komunikačních prostředků,
- jednání sestává z vyjednávacích kroků,
- výsledek jednání je nejistý,
- strany jednání mají nebo mohou mít na začátku jednání protichůdné zájmy,
- strany mají na jednání zájem proto, že předpokládají, že z případné dohody budou mít prospěch,
- strany v průběhu celého jednání sledují vlastní cíle,
- výsledkem jednání (pokud neskončí bez dohody) jsou podmínky budoucí vzájemné závislosti,
- strany vycházejí z vlastního kulturního prostředí (firemního, národního) a přihlížejí nebo nepřihlížejí ke kulturnímu prostředí druhé strany

Obchodní jednání je nástrojem nebo prostředkem k dosažení různorodých cílů, jimiž může být:

- snaha dosáhnout něčeho, čeho jedna strana sama o sobě dosáhnout nemůže,
- snaha vyřešit problém, konflikt nebo jeho hrozbu mezi stranami,
- jednání vedené pouze za účelem získání informací o záměrech druhé strany,
- blokování dohody se třetí stranou.

Strany jednají proto, že se domnívají, že je pro ně výhodnější jednat než proti sobě bojovat nebo než kapitulovat, nebo než chtít, aby konflikt řešila třetí strana.

V souvislosti s obchodním jednáním se velmi často hovoří i další kategorii – o smlouvání. Tento pojem je často stavěn do protikladu k jednání, kde základní rozdíl (proti jednání) spočívá v tom, že smlouvání je charakterizováno jako „proces, při němž je zisk jedné strany jednoznačnou ztrátou pro druhou stranu bez jakékoliv formy kompenzace. Koláč na stole, o který se smlouvá, nemění velikost“. (Godefray, Robert, 1994, str.68). Naproti tomu při jednání mohou získat všechny strany.

Zejména na akademické půdě, v konzultačních firmách a ve vědeckých kruzích se dnes v době pandemie Covid-19 (v období omezeného osobního kontaktu) často hovoří o využití tzv. chytré důvěry. Chytrou důvěru je možné definovat jako způsobilost jednatelů jednat způsobem, jež minimalizuje rizika a maximalizuje všechny dostupné možnosti, je to schopnost poučeného, hlubokého posouzení a analýzy konkrétní situace schopného jednatele všech okolností a vyvození správného závěru. Je to tedy schopnost zalarmovat všechny své i „skryté síly“ a poznatky získané pro provedení důkladné analýzy s cílem „chtít důvěřovat“. Rozhodne-li se vyjednávač jednat podle pravidel „chytré“ důvěry“, měl by se držet 5 základních pravidel:

- Rozhodněte se mít víru v důvěru
- Začněte u sebe
- Deklarujte své záměry a předpokládejte, že i druzí mají pozitivní úmysly
- Dělejte to, co hodláte udělat
- Rozšiřujte sféru důvěry a veďte tomu všechny svým příkladem (Covey S.M.R. 2007 s.30)

Obchodní jednání na národní úrovni může a nemusí být odlišné od jednání na mezinárodní úrovni. Je ovšem nutno počítat s rozdíly mezi kulturami. Odlišnosti nebo rozdíly se neprojevují vždy, a navíc globalizace má tendenci je někdy stírat. Praxe ovšem musí předpokládat, že obchodní jednání ovlivňovat budou. Být schopen mezikulturní komunikace v mezinárodním obchodním vyjednávání je dnes konkureční

výhodou každého obchodního manažera. Tato schopnost není vrozená a je nutno se na jednání připravit. „Kulturní determinanty ovlivňují celý proces komunikace natolik, že ve srovnání s procesem komunikace v rámci jednoho kulturního systému nabývá komunikace mezi příslušníky odlišných kultur zcela novou kvalitu. U prosté komunikace, která se uskutečňuje v rámci jednoho kulturního systému, existuje určitý konsenzus jako její předpoklad, tj. soubor sdílených významů. Na základě tohoto konsenzu jsou lidé schopni se vzájemně dorozumívat. Tento konsenzus v případě mezikulturní komunikace neexistuje, ale vytváří se až jako její výsledek.“ (Lehmannová 1999, s. 114-115).

Výraz „kultura“ je v dalším chápán v souvislosti s hodnotami, zvyklostmi, tradicemi, jednáním, způsobem komunikace, které si osvojují a sdílejí osoby, jež jsou součástí určité skupiny. (Šroněk, 2000, s.9). To potvrzuje i klasik této disciplíny (uznávaný nejen v Evropě) nizozemský profesor Geert Hofstede. Podle Hofstedeho je kultura také vždy kolektivním jevem, protože jej alespoň částečně vždy sdílejí osoby, které pocházejí nebo žijí ve stejném společenském prostředí. „To, co odlišuje členy jedné skupiny nebo kategorie od lidí jiné skupiny, je kolektivní programování myslí. Kultura je naučená, nikoliv zděděná. Je odvozena od společenského prostředí, nikoliv od genů, a je nutno ji odlišit od lidské povahy i od charakteru jednotlivých osob“ (Hofstede 1991, s. 5)

Kultura v tomto pojetí není hmotná. Představa, že kultury určité geografické oblasti jsou stejné nebo podobné vede k nepříjemnostem. Stereotypní přístup k jednotlivým kulturám je zjednodušující a nesprávný. Mezinárodnímu obchodnímu jednání nesvědčí kulturní imperialismus ani etnocentrismus. Kulturní rozdíly nebo odlišnosti se v mezinárodním obchodním jednání projevují zejména ve verbální komunikaci, při neverbální komunikaci, v rozhodovacím procesu, v individualistickém a skupinovém pojetí, v jednacím stylu, v odlišnostech v pojmání hodnot, ve vztahu k času nebo v obchodním protokolu. Rozdíly mezi kulturami „západními“ a např. „východoasijskými“ jsou zřejmé i v způsobu myšlení, v rozhodovacím procesu, a v individualistickém (západním) a skupinovém (zejména japonském) přístupu k jednání.

Předpokládejme, že důvěra se projevuje na národní i na mezinárodní úrovni bez zřetelných rozdílů. Existuje-li nedůvěra mezi obchodními partnery v rámci jedné kultury, je přirozené, že nedůvěra, možná jinak a ve větší míře, bude apriorně existovat v případě jednání mezi subjekty, resp. osobami, z kultur odlišných. Určitý stupeň důvěry je nezbytný pro úspěch obchodního jednání kdekoli. Důvěra v mezinárodním měřítku je jiná než důvěra v měřítku národním pouze tím, že ji ovlivňují některé jiné okolnosti, které se doma nevyskytují. V obchodním jednání se důvěra získává postupně, na základě konkrétních jednotlivých situací. Důvěru budují jednotlivci a důvěra panující mezi osobami se postupně rozšiřuje a přenáší na subjekt, pro který pracují.

Konkrétní prohršky proti porušení důvěry se posuzují individuálně s tím, že malé se podle okolností mohou i ponechat stranou, velké ovlivňují vztahy mezi stranami zásadně. Knapík ve své publikaci „Obchodné rokovanie“ uvádí, že často se zkoumají dimenze vzájemných vztahů mezi partnery tj. zejména „shodné postoje a názory“ a „důvěra“. Pokud si partneři důvěřují, směřují k názorové shodě, a pokud jsou ochotni hledat a směřovat ke shodným názorům, pak budují důvěru. Dle Knapíka existuje několik druhů dimenzí, které se odvozují od těchto vztahů. Jsou to:

- a) Velká míra shodných názorů (postojů), velká důvěra – jde o spojení, vzájemně vše konzultují a podporují se
- b) Malá míra shodných názorů (postojů), malá důvěra – obě jednající strany jsou nedůvěřivé, opatrné.
- c) Žádné shodné postoje, malá důvěra – jednající strany jsou protivníci. Každá strana se snaží posilnit svoji pozici, nepřiznává nároky a nechápe pozice druhé strany. Každá strana prosazuje své cíle a plány včetně svých postupů.
- d) Malá míra shodných názorů, velká důvěra – partneři se chovají jako oponenti, snaží se potvrdit si kvalitu vzájemného vztahu, upevnit tento vztah. Oponování je zaměřené na spolupráci, ne na soupeření. (Knapík 2010, s. 30-31)

V této publikaci pro posouzení zkoumaných otázek budeme vycházet z předpokladu, že obchodní jednání obvykle sestává ze tří fází:

- fáze předcházející jednání tzv. seznamovací neboli orientační fáze
- fáze vlastního jednání,
- činnosti po skončení jednání.

Důvěra má dynamickou a transformační povahu. Důvěra se prolíná všemi fázemi obchodního jednání, přičemž nejvýznamnější je fáze první, v jejímž průběhu se účastníci seznamují a vytvářejí formální i věcné předpoklady pro vlastní jednání. Tato počáteční část kontaktů může být důležitější než samotné jednání, protože její průběh může mít vliv na vytváření, resp. získávání důvěry jednak mezi jednajícími osobami, ale také na získávání důvěry mezi subjekty. Předběžná fáze jednání je poměrně dlouhá u dálněvýchodních zemí a také u některých arabských nebo latinskoamerických zemí. Snaha západních vyjednávačů, kteří ji mnohdy z neznalosti považují za ztrátu času, tuto část zkrátit, se obvykle obrátí proti nim právě v otázce získání nebo nezískání důvěry. Důvěru nelze nadiktovat, ale prostředkem, jak ji získat je citlivost vůči jiným. V průběhu celého jednání jde vedle vytváření důvěry o její udržování, které je

nezbytné pro vztahy mezi subjekty po skončení jednání. V této fázi se mění personální obsazení smluvních partnerů a namísto vyjednávačů nastupují osoby, které výsledky ujednání realizují.

V pojetí významu a úlohy důvěry jsou zřetelné některé odlišnosti mezi kulturami při přístupu k obchodnímu jednání. Západní způsob jednání (a to nejen anglosaský) směřuje k závěru jednání formou závazné dohody, zatímco východoasijský styl je orientován na vzájemný vztah, jehož je dohoda pouze součástí. V prvním případě je dohoda vyvrcholením procesu vytváření důvěry, v případě druhém je důvěra jedním z elementů dlouhodobější harmonie mezi stranami, jejíž součástí je dohoda — ústní nebo písemná. Pro západní kultury je nezbytným závěrem jednání podrobné písemné ujednání, kultury východoasijské předpokládají často spíše úmluvu ústní, jejímž základem je důvěra. Písemné ujednání by podle nich mělo být proklamací, plánem nebo výchozím bodem pro další vztahy s tím, že vše je založeno na důvěře. Uvedené odlišnosti nejsou příznačné pro všechna jednání, je však nutno s nimi počítat.

Moderní komunikační prostředky do značné míry omezily nezbytnost osobních jednání a zmenšily časový prostor pro poznávání a hodnocení partnera a tedy i pro vytváření důvěry. Týká se to především počátečních fází jednání. Namísto osobních kontaktů nabývají na významu více kontakty neosobní. Pokud se vyjednávači znají osobně určitou dobu, nemusí moderní technika výrazněji ovlivňovat důvěru jako součást vzájemných vztahů. Toto konstatování se týká zejména firem v „západních“ zemích. Z literatury, publicistiky i z výzkumu u firem však lze soudit, že např. partneři z Číny a Japonska dodnes dávají přednost osobnímu jednání.

Závěrem této části je možné položit otázku, zda rozdílné kultury mají nebo mohou mít vliv na formování důvěry v mezinárodním obchodním jednání. V jednom rozdíly mezi kulturami nejsou, a to v negativním vymezení počáteční nedůvěry vůči „jiným“ obecně a vůči „cizím“ zvláště. Naopak, existují rozdíly v celkovém pojetí obchodního jednání mezi stylem „západním“, a v jeho rámci specifickým stylem americkým a na druhé straně stylem východoasijským a zcela specifickým stylem japonským.

Důvěra je významným elementem při jednání představitelů rozdílných kultur, nelze ji však posuzovat samostatně nebo odděleně od jejich celkového pojetí jednání. Zmíněné odlišnosti se mohou vyskytovat ve větší nebo menší míře, je však třeba v každém případě počítat s možností jejich existence.

4 DŮVĚRA A PRAVDA V MEZINÁRODNÍM OBCHODNÍM JEDNÁNÍ

Důvěra a pravda jsou dva pojmy, které v souvislosti s jednáním úzce souvisejí, nejsou však totožné. Filozofie nebo monoteistická náboženství hledají absolutní pravdu. Osoba v soudní síni má povinnost hovořit „pravdu a nic než pravdu“. Obecně

lze konstatovat, že pravda je shoda tvrzení se skutečností. Pravda a důvěra jsou úzce spojeny s podnikáním a jsou jeho nezbytnou součástí.

Literatury k tématice pravdy ve spojitosti s obchodním jednáním je málo a k tématice pravdy a důvěry v obchodním jednání minimum. Diskuse se odvíjí několika směry s tím, že mezi autory převažují osoby z akademických kruhů se zaměřením na etiku. V posuzování tematiky pravdy a důvěry v mezinárodních obchodních jednáních se v literatuře střetávají představitelé dvou názorových skupin. Jednu představují zastánci výlučně etického přístupu. Jako příklad lze uvést velmi známý názor, že „lež a podvod jsou stejně špatné jako vražda nebo porušení slova“, druzí sice odmítají lež a klamání, „v některých nezbytných případech“ však připouštějí možnost ústupku od úplné pravdy do polopravdy ať lži. Představa, že kultury určité geografické oblasti jsou stejné nebo podobné vede k nepřijemnostem. Stereotypní přístup k jednotlivým kulturám je zjednodušující a nesprávný. Mezinárodnímu obchodnímu jednání nesvědčí kulturní imperialismus ani etnocentrismus.³

Obecná představa, nejen u nás ale celosvětově je, že podnikání je založeno na lži, ač v praxi tomu tak u naprosté většiny běžných podnikatelských činností, včetně obchodního jednání, není.

Pro účely diskuse k této problematice považujeme za opak pravdy lež. Lež je typ klamu mající formu nepravdivého výroku, zpravidla s vědomým záměrem oklamat druhé za účelem získání nějaké výhody či vyhnutí se trestu. (Vybíral 2003, s. 20). Pojetí rozsahu pojmu lži se liší v různých kulturách i mezi jednotlivými lidmi – týž výrok může být označen i při správné interpretaci za lživý i pravdivý. Jak uvádí Vybíral, lži se zpravidla rozlišují na „velké“ a „malé“ podle toho jakou škodu způsobují (Vybíral 2003, s. 40).

Podnikání, jehož je obchodní jednání nedílnou součástí, vyžaduje takový přístup, který vylučuje lež nebo podvádění. Lež je udržitelná krátkodobě, nikoli dlouhodobě. Podnikání založené na lži by se zhroutilo, jednání by nemohlo dojít do konce, lež jako nástroj těchto činností by znemožnila realizaci výsledků. Obecně platí, že důvěru hledám u jiných, pravdu u sebe. Lze se ovšem tázat, zda moje pravda je stejná nebo odlišná od pravdy druhé strany, a s tím souvisí i odpověď na zásadní otázku, zda mohu věřit druhé straně (a naopak), že bude plnit přijaté závazky.

³ V tomto ohledu hraje velkou roli Právnická fakulta Harvardovy university, která se ve svém projektu „Program vyjednávání“ zaměřuje nejen na rozvoj teorie oboru, ale i na praktický výzkum. Velký důraz klade na vzdělávání odborníků pro praxi, organizuje řadu výukových programů pro manažery z praxe. Významnou roli sehrává i United States Institute of Peace, který vydal na toto téma řadu publikací, které se zaměřují na vyjednávání s představiteli různých kultur. V Evropě se do této tematiky zapojil např. Mezinárodní institut pro aplikovanou systémovou analýzu v rakouském Laxenburgu a Moskevský státní institut mezinárodních vztahů.

Praxe jednání je ovšem trvale konfrontována s etickým problémem a to, že úplnou pravdu nelze vždy zveřejnit nebo sdělit protistraně. V případě uvedení pravdy by se stal vyjednávač bezmocným a dostal by se zcela do rukou protistrany. Strany počítají s tím, že budou v průběhu jednání používat polopravdu, neúplnou pravdu, přičemž rozhodující je její rozsah. Vedle toho, že lež je nepřípustná eticky, existují praktické důvody pro to, aby se nepoužívala. Jakmile totiž jedna strana zjistí, že v podstatných věcech druhá strana lhala, má to za následek ztrátu důvěry a velmi často i konec jednání. Lhát nelze nikdy, jde-li o fakta a také v případě přímého dotazu vztahujícího se k faktům. Obě strany by měly ve vlastním zájmu znát pravdu o předmětu smlouvy, jeho vlastnostech včetně všech dalších nezbytných informací. Jednání o smluvních podmínkách je ve skutečnosti jednáním o informacích týkajících se možností, které strany v jednání mají a které před sebou střeží. V odborné mluvě se používá výraz „negociační limity“. Patří k vlastnostem vyjednávače, aby z chování druhé strany poznal, zda jednání může v rámci limitů skončit či nikoli. To, že jedna strana chrání své informace vůči straně druhé, může být považováno za neetické. Vyjednávači stojí při jednání před dilematem, zda mluvit pravdu, nelhat a nedosáhnout ničeho, zda se vyhnout krajním postojům (ani pravda ani lež) nebo volit střední cestu, což se také v praxi nejčastěji děje. Taková je realita obchodu a obchodního jednání.

Jak však poznat komu věřit? Jak partnery, kteří lžou odhalit? K nejvýraznějším projevům takového způsobu chování a jednání patří například zjištění, že:

- lžou sami sobě. Např. partneři dobře vědí, že kvalita zboží, které nabízejí, neodpovídá skutečnosti
- obviňují ostatní obchodníky z toho, co sami dělají tj. obviňují ostatní z jednání, kterými se vyznačují sami. Např. firma obviňuje jinou firmu z něčeho, co není pravda
- porušují důvěrnost
- trpí nedostatkem empatie (např. nevnímají porušení svých závazků, bagatelizují problémy, nechťejí chápat, že druhé poškodí, často druhé straně vůbec nenaslouchají, jednají nadřazeně)
- jsou emocionálně nestálí (např. časté změny emocí, mění své sliby, často se litují, nejsou si jisti svým rozhodnutím, jsou snadno ovlivnitelní).

V mezinárodní praxi vycházejí velké firmy nebo firmy z velkých zemí nebo firmy se silným postavením v dané sféře z předpokladu, že pravdou je něco, co lze ověřit a mají tendenci, považovat své postoje nebo své argumenty zejména faktografií, jako statistiky nebo empirické poznatky, za jedinou pravdu. Pokud se druhá strana s tímto předpokladem neztotožňuje, dostává se často v jejich očích do pozice nečestného partnera. U kultur, kde hrají při jednání jistou úlohu emoce nebo kde i činnost jako

obchodní jednání je ovlivněna náboženstvím, věkem jednatelů či jejich pohlavím, mohou být názory na pravdu subjektivnější. Jednoznačné rovnítko mezi pojetím pravdy mezi firmami ze západních kultur a z jiných kultur však není možné. Jakékoli stereotypy v této oblasti, obdobně jako u jiných stereotypů jsou nereálné a nesprávné.

Otázkou je, v čem — v případě obchodního jednání — se odlišuje důvěra od pravdy. Důvěra je obecnější, pravda konkrétnější. Důvěru hledám u jiných, pravdu u sebe. Pravda se vztahuje k informacím, faktografii a měřitelným dílčím částem jednání, zejména ke konkrétním podmínkám jednání, k ceně, placení, dodacím podmínkám apod. Důvěra je dlouhodobější, subjektivnější, vztahuje se ke druhé straně a k předmětu jednání včetně plnění smluvních závazků. Pravda a lež mají významnou úlohu při vytváření důvěry při obchodním jednání. Obě strany jsou si sice vědomy, že v průběhu jednání neříkaly vždy plnou pravdu, důvěřují si však v tom, že i takto sjednané ujednání budou plnit.

5 ZÁVĚR

Tato stať se pokusila prozkoumat, co je známo o klíčové úloze důvěry v procesu mezinárodního obchodního jednání. Bylo naznačeno i potvrzeno, že důvěra hraje při jednání klíčovou roli. Za prvé, obchodní jednání se uskutečňují o výměně informací a o snaze přesvědčit druhou stranu, a každá strana musí být schopná věřit, že informace druhé strany jsou přesné a ověřitelné. Za druhé, vyjednávači musí být schopni důvěřovat tomu, že druhá strana dodrží všechny závazky, které učinila během jednání. I když písemné dohody a smlouvy mohou pomoci při řešení této otázky, je velmi neefektivní (a často nemožné) specifikovat ve smlouvách všechny možnosti a nepředvídané události související s jejich nedodržením (porušením).

Cena není v současné době tím jediným, co v očích zákazníků určuje hodnotu výrobků, služeb nebo čehokoliv jiného. Tuto hodnotu utváří také trvalost a udržitelnost vztahů, vědomí toho, že firemní transakce jsou důvěryhodné, že naše značka si zaslouží nejen domácí ale i zahraniční důvěru, že organizace či stát si zaslouží důvěru. Subjekty musí jasně definovat své poslání a dlouhodobě je ve vztazích se zainteresovanými stranami realizovat. Pokud to dělá zodpovědně, vytváří se důvěra. Ztráta důvěry, které jsme v poslední době svědky, vyžaduje, abychom se zamysleli nad tím, co musíme udělat pro její „znovunastolení“ a „obnovu“, a abychom si uvědomili, že důvěra se stává novou „měnou“ současné globální ekonomiky. Důvěra je dnes mnohem více než společenská ctnost. Je chápána jako významná konkureční výhoda. „Udělám-li, co je třeba k vybudování důvěry, dokonce i uprostřed krize (a já bych zdůraznil zejména v této době), budeme agilnější, kreativnější, inovativnější a dokážeme lépe spolupracovat“ (Covey 2020).

Obchodní jednání je součástí podnikání, v němž nelze vždy uplatňovat úplnou pravdu, ale kde nelze používat lež. Určení rozdílu mezi neúplnou pravdou a lží je

záležitostí etickou i praktickou. Úplnou pravdu nemůže obvykle sdělit nikdo, neúplnou každý vyjednávač. Jeho osobní etické pochybnosti mohou být částečně uspokojeny vědomím, že se nedopouští lži. Teorie, která se domnívá, že v jednání je možné se obejít bez lži nebo klamání, pouze s pravdou, nemůže být v praxi uplatněna. Není sice nutné pro podnikání, resp. jednání hledat „jinou etiku“, je však nutno smířit se s tím, že praxe se v tomto případě nemůže přizpůsobit teorii.

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EKONOMIKA ZDIEĽANIA A RUSKÁ MENTALITA: KONTRADIKCIE A VÝHLADY

SHARING ECONOMY AND RUSSIAN MENTALITY: CONTRADICTIONS AND PROSPECTS

*Yuliya Karpovich*¹

K získaniu popularity niektorých oblastí hospodárstva, ktoré zapadajú do moderného konceptu trvalo udržateľného rozvoja, patria aktívne skúmané modely, ako napríklad model obehovej ekonomiky, zelenej ekonomiky, ekonomiky zdieľania alebo jednoducho „zdieľanej“ ekonomiky. Cieľom výskumu je odhaliť postoj ruských občanov k modelu ekonomiky zdieľania a poskytnúť obraz o zmene tohto trhu za posledných niekoľko rokov. Výsledky výskumu naznačujú, že prístup a popularita modelu zdieľania zdrojov sa líši v závislosti od veku jednotlivca. V Rusku čím je človek starší, tým má širšie možnosti zdieľania tovaru, ale menšiu ochotu. Charakterizovaná je možná úloha štátu v regulovaní ekonomiky zdieľania v Rusku.

Kľúčové slová: ekonomika zdieľania, efektívne využívanie zdrojov, ďalší predaj, zdieľanie automobilov

The gaining popularity of certain areas of the economy that fit into the modern concept of sustainable development includes such actively researched models as the circular economy model, green economy, the economy of sharing or simply "sharing" economy. The goal of the research is to reveal the attitude of Russian citizens to the model of sharing economy, to give the picture of changing this market over the last several years. The results of the research show that the attitude and popularity of sharing resources model varies depending on the age of the individual. The older a person, the wider his or her opportunities to share goods, but the lower the willingness to do it in Russia. Possible role of state in regulation sharing economy in Russia is characterized.

Key words: sharing economy, effective use of resources, resale, car sharing

JEL: O13, P14, P36

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1 INTRODUCTION

The sharing economy is a rather complex issue, and the processes of sharing can both “shake up” and reinforce “business as usual” by continually reconfiguring its diverse spectrum of economic activities. At the same time, the sharing economy creates new forms of inequality and polarization in property relations. At the same time, wider access to digital technologies expands the possibilities of using those resources that were not previously involved in the economy and, in fact, were ineffectively used.

Also, the paradox of the sharing economy lies in the fact that, on the one hand, it is considered by scientists as an integral part of the modern market economy, in the classical model of which private property dominates, but on the other hand, it can be considered as its alternative. This duality requires focusing on the characteristics of the resource sharing economy and answering the questions: "How does it simultaneously create different types of economic activity, and also contribute to the deconstruction of the continuing practice of market dominance?"

2 DEFINITION OF THE CONCEPT

The interpretation of the concept of "sharing economy" differs depending on how extensively the author looks at this phenomenon:

- the sharing economy means the economy where more and more consumers prefer renting rather than buying things through Internet technologies (Birdsall 2014);
- the sharing economy is the economy that centers around activities carried out through digital platforms that provide equitable access to goods and services (Richardson 2015);
- the sharing economy is a phenomenon that provides full access to goods and services that are not used by their owners or are used very rarely. In this way, accessibility becomes more important than ownership. The sharing economy is based on the use of information technology to provide people with information on optimising resources by moving surplus goods and services (Fang, Ye and Law 2016).

3 PROBLEM OF RESEARCH

At present, the opinions of scientists about the importance of the sharing economy and the need for its development in Russia are divided into two opposite camps. Some believe that this model has many advantages, and that is why it is in demand in Russia and requires support. They include the following key advantages:

- low cost of joint use of property per individual;
- people are not afraid to share the same things with others. The b2b segment is growing - companies prefer to lodge business travelers in apartments for rent, rather than in hotels. Many travelers with children and pets choose apartments because there is a larger area, there is an opportunity to cook something. Hotels are often full on days of major events, and the likelihood of finding a vacant apartment for a few days is higher;
- an economic model that opens up a potentially new path to sustainable development and environmental protection. Repeated use of, for example, a car can change the volume of production in the automotive industry and reduce the burden on nature, since fewer non-renewable resources will be consumed, while the volumes of personal consumption will not decrease, but will also increase due to repeated transactions with the same objects of consumption. (Heinrichs 2013);
- the opportunity of obtaining additional income for households.

The other group of experts call the sharing economy "the economy of poverty", believing that it contradicts the Russian mentality, is alien to Russia due to the country's unpreparedness to use the mechanisms of sharing resources proposed by this model. In addition, the high risks of personal data leakage as a result of widespread digitalization and the need to exchange them for the implementation of joint property rights, stop some citizens from adopting this method of saving resources. In addition, when sharing resources, there is also a risk of not only information leakage, but also theft and damage to property, while the mechanism for covering damage in case of joint ownership of property or digital exchange of information is not regulated in modern legislation. A number of users have a negative attitude towards sharing services due to the fact that they have a fear of damaging someone else's property and being liable for compensation.

If sharing companies "disloyal" to the consumer enter the market, a liability vacuum arises, because neither the car rental companies, nor the companies that bring together the customer and the contractor do not want and will not be responsible primarily for criminal situations. This is the most important aspect of security. And insurance products that would be suitable for sharing services have not yet been invented in Russia. The current regulatory problem in Russia is that the traditional regulation of analogue industries is trying to extend to sharing services. Relatively speaking, they are trying to tie and oblige to follow the standards of hotels on the Airbnb service, which provides services for short-term rental housing around the world

- which is not only difficult to do, but this is a different model. Actually, no work of the service will be possible.

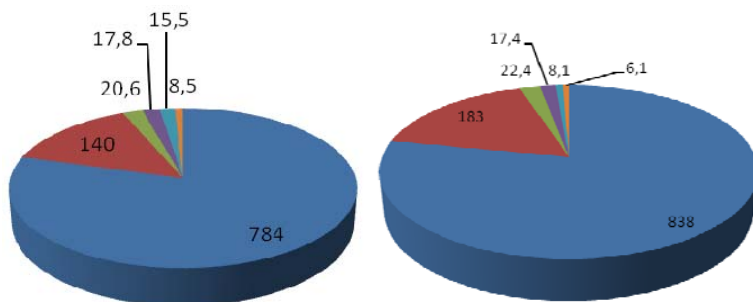
This contradiction in approaches is primarily due to the conflict of generations. Millennials (people of generation Z) do not strive to make crazy money, own apartments and cars, or acquire luxury goods. They value the flexibility and freedom that joint consumption, rent and other mechanisms of the sharing economy provide. The active process of digitalization of economic relations greatly facilitates, firstly, the exchange of information on the possibilities of joint ownership of property for people who are not only in different regions of one country, but even in different countries, and, secondly, the process of joint property management itself.

People of the older generation who grew up in the era of the Soviet Union, on the contrary, are very wary of the sharing economy. This can partly be explained by the fact that for them the presence of their own home, car and other property is a sign of solvency and success. And sharing for them is something akin to public property in a planned economy - common means no one, and, unfortunately, it is associated with the low quality of housing (student dormitories, non-privatized middle-rise houses) and services (free medicine).

4 SURVEY

Active development of the sharing model of the economy in Russia was stimulated by pandemic and post-pandemic restrictions. Thus, according to statistics, the sharing economy in Russia in 2020 grew by 39%, exceeding 1 trillion rubles. The three leading market segments have remained unchanged: reselling things from hand to hand, looking for a part-time job and car sharing. The sharing economy includes c2c sales - both through Avito, Yula and others platforms, and through ads in social networks - as well as all kinds of services for short-term rental of goods and services: online freelance exchanges, car sharing, co-working, etc. etc. The structure of the sharing economy market in the Russian Federation in millions of rubles is shown in Figure 1.

Figure 1. Structure of the sharing economy market in Russia



Source: processed by author using RBC, 2020.

The hand-to-hand resales market (c2c commerce) remains the main driver of growth in the sharing economy. Its share in the entire Russian sharing economy grew over the year from 73% to 78%, or to 838 billion rubles. The main reasons for this are not only the expansion of the number of players and the list of services provided, but also the fact that delivery is taken into account in this segment, which has become especially in demand with the onset of the coronavirus pandemic.

The need to adjust the family budget introduced the c2c model to new users. The crisis introduced the old ones to delivery. The user base has grown and will continue to buy more with the economic recovery, supporting the growth in gross volume of c2c transactions.

The second largest segment of the sharing economy was services for finding a part-time job - 183 billion rubles against 140 billion rubles a year earlier. Tax breaks for the self-employed established last year could be named as one of the reasons for such growth.

Thus, these two segments of the sharing economy have become almost the only ones that should be grateful to the pandemic and its consequences for favorable conditions for development. The rest of the segments, on the contrary, were seriously affected by the virus. Thus, the third largest segment of the sharing economy – car sharing – due to the suspension of services at the beginning of the pandemic in the spring of 2020, decrease the total number of trips per year from 78 million to 70 million. The revenue of car-sharing services in 2020, however, still increased by 9% to 22.4 billion rubles. The reason was both an increase in the average rental period for a car and an increase in tariffs.

Three segments of the sharing economy experienced a strong drop in income in 2020: carpooling (travel companion search services, a 36% decrease in revenue to 11.4 billion rubles), co-living (short-term rental housing, a 48% drop to 8.1 billion rubles) and co-working (short-term office lease, a 28% decrease to RUB 6.1 billion).

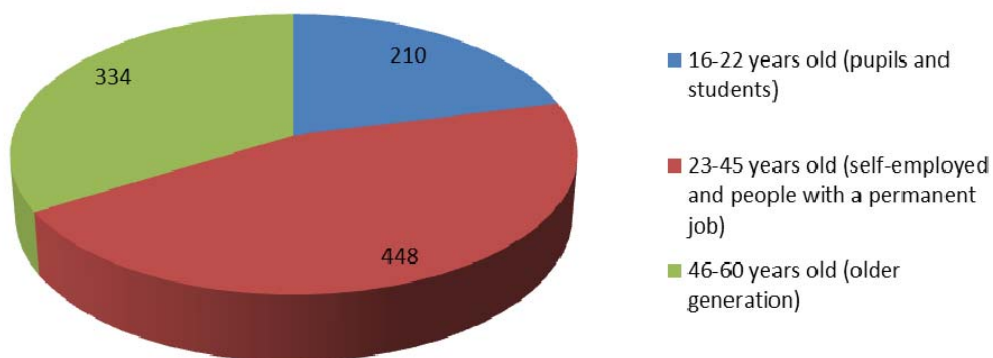
Carpooling has not yet penetrated into city trips. The practice of intra-city co-op travel is largely based on long-term offline agreements between neighbors and colleagues, although platform solutions for short trips are currently being tested in various countries. Its unpopularity is due to the issue of trust (carpooling can seem risky (traveling with strangers) and low traffic in small towns (Maynard 2018).

However, while the sharing economy is gaining popularity in the country's largest metropolitan cities, the rest of even large millionaire cities are not adopting the so actively popular European tendencies of resource sharing. Experts explain this by the unwillingness of cities “on the periphery” to involve citizens in co-working, co-living and car sharing, as well as the unwillingness of local entrepreneurs to take on all the risks of such a business.

The outstripping development of the sharing economy in Russian cities with a population of over one million is due to the fact that it is easier for sharing communities to collect in them a critical mass of supply and demand - this is an important condition that makes joint consumption really convenient and reliable. But the involvement of small towns in the sharing economy is inevitable. This is especially true for the two main industries of sharing economy – C2C-commerce and self-employed services. Cross-border B2C commerce has developed trust in escrow-secured prepayments and has given rise to a national logistics ecosystem that can now be used for domestic shipments of oversized second-hand goods, among other things. In the service sector, virtual orders are steadily gaining volume: translations, design, development, etc. – for which the relative location of the customer and the contractor does not matter.

To answer the question about the readiness of residents on the example of the Perm city with a population of over one million people, a statistical study was carried out, in which about 1000 people took part in three main categories (Figure 2).

Figure 2. The age structure of respondents



Source: processed by author.

The respondents were asked the following questions:

- How old are you?
- Do you have unnecessary things, goods? What is it? Do you want to exchange it? Sell?
- Could you offer your transport / apartment for a joint trip / exchange?
- Do you think that the theory of shared consumption has a future? Why?

An essential prerequisite for the development of a sharing economy in Russia is the National Digital Economy Program (2017). Digital platforms are an alternative to traditional models that gain a competitive advantage due to the Internet. Despite the absolute awareness of the possibilities of platforms for exchanging goods, only 56% of respondents had used them.

Students and pupils from Perm are more likely to apply for the purchase or sale of goods through a C2C platform. One third of the respondents had used several digital platforms to buy or sell items. Among those who had sold something, 45% used the Avito platform, 29% – Yula, 15% – VKontakte, 6% – Instagram, 5% – other sites.

Perm citizens over the age of 60 did not participate in the survey, since when trying to involve this category in the study, it turned out that in order to participate in joint consumption and receive information about the possibilities of the sharing economy, people of retirement age do not have enough skills to use modern digital platforms (Avito, Yula, etc.).

European countries show a more even distribution of sharing economy followers by age due to the higher level of digital literacy and economic activity of the older population: 56% of users over the age of 55 use diverse platforms to exchange resources.

If we look at the portrait of a Russian user of sharing services, we see a slight preponderance in favor of men (55%). In Europe, the prevalence in favor of men among users of sharing economy services is even smaller (52% and 48%, respectively) (Exploratory Study of consumer issues in peer-to-peer platform markets 2017). In the United States, researchers record a complete gender balance in this area (Smith 2016).

5 RESULTS AND DISCUSSION

Main results of the research. Potential issues and flaws of methods used. Questions for further research. Contributions.

Participants of the first group in the majority (52%) would prefer to exchange their old sports equipment left over from school days (skis, ski poles and boots, etc.), 39% would like to exchange their wedding dresses and some clothes, the rest of Perm citizens (9%) who participate in this research would be ready to exchange their apartments for someone else's, in another city of the country, but not for the rest of their life, but only during the holidays. After all, they say, it is very difficult to find shelter in a foreign place.

The respondents also believe that the exchange would be most beneficial for them, since old things take up a lot of space, not bringing the proper benefit. This is the opinion of the 67% of participants. Others say that used items are not something to strive for. They consider it easier than making money on new items, but not a source of pride. Such a judgment is easily explained by the youth and fervor of the people of this

group. The most popular directions of sharing economy for them are exchange and rent of things, goods or services.

People from second group have already managed to start a family, children, get an education and a job.

In this group, people most often would like to exchange old children's things (36%), many who have a car and go on vacation for the summer would like to go on a new trip with a cheerful company, and residents of their own apartments for the New Year holidays were not averse to exchanging houses and live outside the city.

Many respondents (52.3%) argued that concept of sharing economy could help us save on many things that are now expensive in stores. Also, thanks to sharing, people would save resources, not only natural, but also human.

The most popular ways of sharing resources for them are exchange / rental of things, car sharing, co-working and co-living.

3rd group includes older people, wise by experience of trial and error, who know a lot about this life. They are more pragmatic and executive than the two previous groups, they are more careful about goods they own.

Such things fell into the field of their action: books, interior items, antiques. People here are ready to make joint routes with colleagues or neighbors, but they are not ready to exchange / rent out their apartment or any personal belongings, wardrobe items. People in this group are ready to provide space for others to work for a few hours.

The opinion of this group was unequivocal. They say that the theory of sharing economy is needed to save money, resources and time. Every new thing produced in the modern world is costly. Exchange and rent will help to protect the world from clutter and improve the environmental component.

The most popular directions for this group of people are car sharing, co-working and food sharing. It is noteworthy that food sharing was not mentioned by any respondent from other groups. However, this can be partly explained by the fact that older people are more often fond of gardening compared to other categories of respondents, and, as a result, they have surplus crops of their own production. For this reason, seasonal food sharing may become one of the popular areas of the sharing economy in the near future. This will overcome distrust of the sharing economy model among older people.

As Sherunkova (2020) notes, about 17 million tons of food waste is generated in Russia which is 28% of the total solid municipal waste. Moreover, most of it goes to landfills. In addition to the garbage crisis, such projects can help improve the quality of life for part of the population.

In order to smooth out the shortcomings of this approach to assessing the applicability of the sharing economy model in Russia, it is advisable to modify the model for partial sharing of resources owned not only by private owners, but also by the state.

If we are talking about the function of the state, we are discussing carpooling, discussing cars, discussing food, but we must also look at education, we must also look at the possibilities of spending time together, we must look at the possibilities of increasing or improving the quality of longevity and health.

Even when no other means of “building trust” are available, Internet platforms manage to achieve sustainability through the institution of online reputation (reviews). This system can be strengthened by creating state cross-platform tools for controlling reputation and blocking fraudsters. Today, sharing companies practice the exchange of data on fraudsters and violators, but as a rule only within their own industry (for example, among car-sharing operators). In China, the unified social rating of the user is being tested, which is influenced by all his transactions. An important factor in the development of shared consumption is trust between the parties to the transaction. As a rule, sharing deals are concluded remotely between users unfamiliar with each other. Therefore, sharing communities especially need tools to screen users and provide financial guarantees.

The creation of an aggregated rating of an sharing economy participant user in Russia would also allow companies to optimize risks and increase the level of user confidence. At the same time, it is advisable for users to provide incentives in exchange for agreeing to provide personal data: discounts for working with services, priority ranking. State participation in regulating sharing economy helps to control taxation system. As far as the sharing economy is digital, all this business goes into "digital". And it will become much easier to control taxes, because we are moving away from analogue business to digital. And here, on the contrary, the trend is towards the fact that tax collection should only be higher.

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MEDZIREGIONÁLNE OBCHODNÉ VZŤAHY MEDZI EURÓPSKOU ÚNIOU – LATINSKOU AMERIKOU – KARIBIKOM A ICH ŠTRUKTÚRA

INTERREGIONAL TRADE RELATIONS BETWEEN THE EUROPEAN UNION – LATIN AMERICA – THE CARIBBEAN AND THEIR STRUCTURE

*Peter Jančovič*¹

Medziregionalizmus sa stal dôležitým nástrojom zahraničnej politiky EÚ na nadviazanie a upevnenie vonkajších vzťahov s Latinskou Amerikou a Karibikom. Cieľom tohto článku je preskúmať vývoj obchodných vzťahov EÚ s Latinskou Amerikou a Karibikom pred a po vstupe medziregionálnych obchodných dohôd do platnosti. Zameriavame sa na analýzu zmien komparatívnych výhod v medziregionálnom obchode uplatňujúc Lafayov index medzinárodnej špecializácie. Dospeli sme k záveru, že v medziregionálnych obchodných vzťahoch existuje niekoľko asymetrií. Subregionálne zoskupenia alebo štáty Latinskej Ameriky a Karibiku naďalej vykazujú silnú komparatívnu nevýhodu vo vývoze priemyselných výrobkov do EÚ a zároveň tradične vysokú komparatívnu výhodu vo vývoze primárnych komodít. Na základe vypočítaných hodnôt Lafayovho indexu konštatujeme, že medziregionálne obchodné dohody v dostatočnej miere neprispeli k diverzifikácii vývozu krajín Latinskej Ameriky a Karibiku, a to smerom k výrobkom s vyššou pridanou hodnotou.²

Kľúčové slová: Európska únia, Latinská Amerika a Karibik, medziregionálny obchod, Lafayov index

Inter-regionalism has become an important EU foreign policy tool for establishing and consolidating its external relations with Latin America and the Caribbean. The aim of this paper is to examine the development of EU's trade relations with Latin America and the Caribbean before and after the

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entry into application of interregional trade agreements. We focus on the changes in comparative advantage of interregional trade, employing the Lafay index of international specialization. We conclude that there exist several asymmetries in EU-Latin America and the Caribbean trade relations. Latin American and Caribbean subregional groupings or countries continue to have a strong comparative disadvantage in export of manufactured goods, whereas they have a positive comparative advantage in export of primary commodities. To sum up, the values of Lafay index indicate that interregional trade agreements have not contributed much to export diversification of LAC countries towards products with a higher added value.

Key words: European Union, Latin America and the Caribbean, interregional trade, Lafay index

JEL: F10, F15

1 INTRODUCTION

The European Union (EU) maintains external relations with Latin American and Caribbean countries at bilateral, as well as interregional level. The concept of inter-regionalism plays an important role in terms of the European Union's foreign policy towards Latin American and Caribbean (LAC) region. It is important to note that there is no unified definition of this phenomenon. Söderbaum (2012) defines inter-regionalism as the interaction between the two specified regions. However, according to Hänggi (2000), inter-regionalism does not only refer to region-to-region relations, but it consists of three different forms of interregional arrangements. First, relations between two regional groupings that are sometimes referred to as a pure inter-regionalism, such as the EU-Mercosur, EU-Central America and CARIFORUM-EU relations. Second, trans-regionalism which refers to a group of countries from two or more regions in which states act as the individuals, such as the EU-Latin America and the Caribbean relations before the establishment of the Community of Latin American and Caribbean States (CELAC). Third, hybrid inter-regionalism, also known as quasi-interregional relations, which arises from the interaction between regional groupings and single countries, like for instance relations between the EU and Chile, Mexico and Cuba. According to Ayuso et al. (2018), inter-regionalism has prevailed in bi-regional relations since the first EU-LAC Summit of 1999 in Rio de Janeiro. Inter-regionalism, therefore, has become an important EU foreign policy tool for establishing and consolidating its relations with Latin America and the Caribbean.

The European Union's external relations with Latin American and Caribbean countries have intensified since the 1990s for several reasons. In general terms, interregional relations were encouraged by the implementation of neoliberal policies and democratic consolidation in many Latin American countries, the creation of Mercosur as the region's largest trading bloc, the emergence of 'open regionalism' in Latin America, and the accession of Spain and Portugal to the European Communities in 1986 (Jančovič 2020). This has resulted in the establishment of a strategic partnership between the EU and Latin America and the Caribbean at the first bi-

regional Summit held in Rio de Janeiro in 1999. Currently, the EU-CELAC strategic partnership comprises 60 sovereign states, excluding the United Kingdom, with over one billion people and almost one quarter of world GDP (World Bank 2021). The European Union's external relations with Latin American and Caribbean countries are determined by many factors such as economic, political and geostrategic interests in LAC region, normative and ideological motives, historical, colonial and cultural ties between the two regions, as well as environmental and sustainable development challenges.

Latin American and Caribbean countries, taken together, have remained the EU's fifth largest trading partner and represent a developing region with which the EU maintains close economic relations and political dialogue (European Parliament 2019). From a LAC perspective, the EU ranks among the three largest trading partners of Latin America and the Caribbean. However, the EU has experienced the decline in market share in Latin American and Caribbean trade due to the increasing economic presence of Asian countries, notably China, in LAC region during the last two decades. The aim of this paper is to examine the development of extra-EU trade relations with Latin America and the Caribbean before and after the entry into application of interregional trade agreements, focusing on the changes in comparative advantage of interregional trade flows. To analyse the developments in comparative advantages of interregional trade flows, we employ the Lafay index.

The remainder of this paper is organized as follows. Section 2 presents an overview of the agreements governing trade relations between the European Union and Latin American and Caribbean countries at bilateral or interregional level. In Section 3, we present methodology and the data. Section 4 deals with the evolution of interregional trade flows between the EU and LAC subregional groupings or individual countries before and after the entry into application of interregional trade agreements. Subsequently, Section 5 analyses the commodity structure of interregional trade flows over the last two decades using the Lafay index. Section 6 concludes the present paper with the main findings.

2 AGREEMENTS GOVERNING TRADE RELATIONS BETWEEN THE EU AND LATIN AMERICA AND THE CARIBBEAN

In general terms, there exist three main types of European Union trade agreements concluded with third countries or other regional groupings. First, customs union agreements which eliminate customs duties in bilateral trade and establish a joint customs tariff for foreign importers. Second, association agreements, stabilization agreements, (deep and comprehensive) free trade agreements and economic partnership agreements that aim at removing or reducing customs tariffs in mutual trade. Third, partnership and cooperation agreements that provide a general framework for bilateral economic relations, whereas customs tariffs remain as they are (European

Commission 2021a). An overview of the agreements governing trade relations between the EU and Latin American and Caribbean countries at bilateral or interregional level can be found in Table 1.

Table 1: Overview of EU-Latin America and the Caribbean trade agreements

<i>Agreement</i>	<i>Non-EU member countries</i>	<i>Entry into force</i>
CARIFORUM-EU Economic Partnership Agreement (EPA)	Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago	Provisionally applied since 2008 (except Haiti)
EU-Central America Association Agreement (with a strong trade component)	Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama	Provisionally applied since 2013
EU-Colombia, Peru and Ecuador Trade Agreement	Colombia, Peru, Ecuador	Provisionally applied since 2013 (Ecuador since 2017)
EU-Mercosur Association Agreement	Argentina, Brazil, Paraguay, Uruguay	Not yet
EU-Chile Association Agreement	Chile	2003 (in modernization process since 2017)
EU-Mexico Global Agreement	Mexico	2000 (in modernization process since 2016)

Source: European Commission, 2021a.

Commercial relations between the European Union, on the one hand, and Latin American and Caribbean countries or regional groupings, on the other, are governed by different regimes and types of trade agreements. Despite the fact that Latin America and the Caribbean belong to developing regions, there are only two LAC countries with non-reciprocal unilateral preferential access to the EU market under the Generalised Scheme of Preferences (GSP). Bolivia, as a lower-middle income country that has implemented 27 international conventions, benefits from the GSP+ special arrangement for sustainable development and good governance (European Commission 2021b). On the basis of strict criteria, the GSP+ scheme grants full removal of tariffs on over 66% of tariff lines covering a wide range of products (European Commission 2019a). Other lower-middle income countries in LAC region,

such as El Salvador, Honduras and Nicaragua, are not granted the benefits of the GSP as they are part of another arrangement providing them with preferential access to the EU market (see Table 1). In 2019, Paraguay was removed as a beneficiary country of the GSP+ scheme since the World Bank classified Paraguay as an upper-middle income country. Haiti, classified as a least-developed country, benefits from the 'Everything But Arms' (EBA) initiative that grants underdeveloped countries full duty- and quota-free access for all their exports to the EU except arms and ammunition (European Commission 2021b).

The Caribbean enjoyed preferential access to the European Union from the early years of the European integration. Caribbean states became a part of the African, Caribbean and Pacific (ACP) group of countries with which the EU concluded partnership agreements over the years since the first Lomé Convention in 1975 (European Commission 2021c). Therefore, the economic relations between the EU and the Caribbean were governed by the Lomé Convention in the twentieth century. Subsequently, the Lomé Convention was replaced by the Cotonou Agreement in 2000, which governs the current EU-ACP relations. In 2008, however, the comprehensive CARIFORUM-EU Economic Partnership Agreement (EPA) between the EU and fourteen Caribbean states (except Haiti) entered into provisional application (Table 1). The EPA introduces the principle of reciprocity in the EU-Caribbean interregional commercial relations by moving away from the EU's non-reciprocal trade preferences (Schmiege 2015). Thus, the CARIFORUM-EU EPA creates a more equal partnership, while taking into consideration different levels of development among trading partners. This may be supported by an asymmetric process of trade liberalization, since the EU grants duty- and quota-free access for all CARIFORUM exports from the first day of provisional application of the EPA, and CARIFORUM countries will gradually remove their import tariffs on 87% of EU exports by 2033, except for sensitive products (European Commission 2020). Therefore, the EPA is asymmetric in favour of Caribbean states. The EPA also covers trade in services and other trade-related matters, such as competition policy, transparency in public procurement or support for export diversification of Caribbean states.

Table 1 reports that current external economic relations between the EU and six Central American countries are governed by the EU-Central America Association Agreement. The trade pillar of the Association Agreement has been provisionally applied since 2013 (Table 1). The trade part of the Association Agreement thus replaces the unilateral preferential access of Central American countries to the EU market granted under the GSP schemes. There are some elements of differential treatment in the EU-Central America agreement, which arise from different levels of economic development and structural asymmetries between the regions and countries (EUR-Lex 2021a). Upon the entry into force of this agreement, the EU removed almost all of its import duties on industrial products and fisheries, while Central

America agreed to eliminate the tariffs on those products by 2025. Additionally, the EU removed tariffs for 73% of its agricultural tariff lines and Central America removed tariffs for 67% of its tariff lines related to agricultural products (European Commission 2021d). In general terms, the trade pillar of the Association Agreement aims at promoting international trade between the EU and Central America, supporting diversification of Central America's export and strengthening the process of regional economic integration in Central American subregion.

Trade relations between the EU and the three countries of the Andean Community (CAN) are based on a multi-party trade agreement, which has been provisionally applied since 2013 in terms of Colombia and Peru, and since 2017 in terms of Ecuador (Table 1). As mentioned above, Bolivia is a beneficiary of the GSP+ scheme, and therefore it cannot benefit from another preferential trade agreement. The European Union eliminates tariffs on almost all imports coming from Colombia, Peru and Ecuador, except for certain vegetables and fruits. There also exist tariff rate quotas that limit the amount of some sensitive products with tariff-free imports to the EU, such as sugar, rum, bananas, bovine animals and others. On the other hand, the three Andean countries remove import tariffs gradually over a period of up to 17 years, recognizing the asymmetry in the levels of development among trading partners (European Commission 2021d). After a transitional period, all EU industrial and fishery products, as well as most of its agricultural products, will be exported duty free to Colombia, Peru and Ecuador, but under certain conditions and with some exceptions.

The EU has concluded bilateral trade agreements with Chile and Mexico. The EU-Chile Association Agreement includes a comprehensive free trade agreement, which entered into force in 2003 (Table 1). However, the EU and Chile agreed to modernize, broaden and deepen the trade part of the Association Agreement in 2013 and the negotiations were launched in 2017. The modernization of the trade pillar aims at adjusting the agreement to the new reality of economic relations between the EU and Chile, as well as to global economic developments over the last two decades (European Commission 2019c). The agreement's modernization concerns further liberalization of trade in goods and services, removal of non-tariff barriers, updating the rules of origin and other trade-related matters. Bilateral economic relations between the European Union and Mexico are currently governed by the trade pillar of the EU-Mexico Global Agreement that entered into force in 2000 (Table 1). It has resulted in a partial liberalization of trade in goods and services, as many customs duties have remained in trade between the EU and Mexico. Given the new realities of global trade, geopolitics, trade and investment policy developments in the EU and Mexico, the parties launched formal negotiations on the Global Agreement's modernization in 2016 (European Parliament 2021). An agreement in principle on the trade part of a modernized agreement was reached in 2018 and complemented in 2020.

The European Union's interregional approach to external relations with Mercosur was preceded by bilateral framework cooperation agreements concluded with the individual Mercosur founding countries in the first half of the 1990s. Current trade relations between the EU and Mercosur are governed by the Interregional Framework Cooperation Agreement (IFCA) that was signed under the Spanish presidency of the EU in 1995 and entered into force in 1999 (European Commission 2021a). The IFCA and bilateral framework agreements for cooperation concern, amongst others, trade-related and economic matters, whereas the trade relations are presently based on the principles of the multilateral trading system without a preferential trade agreement. The IFCA's main objective is to strengthen existing relations between the EU and Mercosur and to lay the foundations for an interregional association between these two regional entities (EUR-Lex 2021b). In 2000, the EU and Mercosur launched negotiations on a free trade agreement (FTA) as part of a wider bi-regional Association Agreement, which also includes a political dialogue pillar and a cooperation pillar. Over the next two decades, the interregional negotiations were temporarily suspended and resumed several times for a number of economic as well as political reasons. A political agreement on the trade pillar of the wider bi-regional Association Agreement was reached in June 2019. The FTA is currently in a difficult process of ratification that is accompanied by several obstacles, such as environmental concerns and different agricultural interests. If ratified, the FTA would eliminate customs duties on 91% of EU goods exports to Mercosur and the trade agreement would remove import duties on 92% of goods exported from Mercosur to the EU (European Commission 2019b).

Therefore, after the ratification and entry into force of the EU-Mercosur Association Agreement, the European Union would strengthen its geopolitical position and promote its geo-economic interests in Latin America and the Caribbean, as Mercosur constitutes the largest and highly protected market in LAC region. In addition, the EU would have the trade agreements with almost all Latin American and Caribbean countries except Bolivia, Cuba, Haiti (has not ratified nor is it provisionally applying the CARIFORUM-EU EPA) and Venezuela. It seems that the trade agreements, in particular those based on the interregional approach, belong to the most important tools of EU foreign policy in terms of developing its external economic relations with Latin American and Caribbean countries.

3 METHODOLOGY

Very little research has been conducted on interregional trade relations between the EU and Latin America and the Caribbean and their commodity structure. The commodity structure of a country's foreign trade may be described from various perspectives. According to ECLAC study (2012), the commodity structure of Latin American and Caribbean exports to the EU had not diversified much over the 2000-

2009 period. The study used the Herfindahl-Hirschman index (HHI) that measures the level of diversification or concentration of goods exported from one country to another. A higher HHI indicates a lower degree of export diversification or, in other words, a more concentrated export basket of a particular country. The results show that the largest exporters, Brazil and Mexico, had relatively diversified commodity structure of exports to the EU in 2009, while countries such as Panama, Venezuela, Honduras and Caribbean states had highly concentrated export baskets (ECLAC 2012). From a comparative perspective, Estevadeordal (2020) argues that Latin American and Caribbean exports to the EU are less concentrated than exports to China, since mining and agricultural products account for 28% of LAC exports to the EU as compared to 64% for China.

The extent to which a region is specialized in producing and exporting certain goods is strongly influenced by its industrial characteristics and location economies (Cordes et al. 2015). Regional specialization patterns are determined by many economic, political, institutional, cultural and other factors, which are sometimes harder to measure or even detect. In general terms, a country (or region) strives to specialize in the production and export of those products for which it has a comparative advantage (Ignjatijević et al. 2013). On the one hand, Latin American and Caribbean countries specialize in production and export of commodities or medium-low- and low-technology-intensive goods and many of LAC countries have highly concentrated export baskets. On the other hand, the EU exports to Latin America and the Caribbean manufactured goods or high-technology-intensive goods. The asymmetries in the commodity structure of interregional trade flows may result in some difficulties, such as the deterioration in South America's trade balance with the EU after the sharp decline in commodity prices following 2012 (ECLAC 2018). García-Herrero and Chiacchio (2017) argue that fully reaping all benefits from stronger economic ties between the EU and Latin America and the Caribbean depends in particular on diversification of Latin American exports to the EU.

The aim of this paper is to examine the development of extra-EU trade relations with Latin America and the Caribbean before and after the entry into application of interregional trade agreements, focusing on the changes in comparative advantage of interregional trade flows. We analyse comparative advantages using the index of international specialization which was proposed by Lafay (1992). In comparison to some other measures of trade specialization, such as the original Revealed Comparative Advantage index (RCA) introduced by Balassa, the Lafay index (LFI) takes into consideration both exports as well as imports, and thus allows to control for intra-industry trade processes (Zaghini 2003). The Lafay index is defined as follows:

$$LFI_j^i = 100 \left(\frac{x_j^i - m_j^i}{x_j^i + m_j^i} - \frac{\sum_{j=1}^N (x_j^i - m_j^i)}{\sum_{j=1}^N (x_j^i + m_j^i)} \right) \frac{x_j^i + m_j^i}{\sum_{j=1}^N (x_j^i + m_j^i)} \quad (1)$$

where x_j^i and m_j^i represent export and import of a product group j of a country or group of countries i to and from the world or specific region, respectively, and N stands for the number of items. A positive value of the LFI indicates the existence of comparative advantage in a product group or specific sector, whereas a negative value of the LFI indicates the presence of comparative disadvantage of given product or sector. This implies that a higher index value suggests a higher level of trade specialization and comparative advantage (Zaghini 2003).

To analyse the commodity structure of external trade between the EU and Latin America and the Caribbean, we use the Standard International Trade Classification (SITC), Revision 4, at the one-digit level. The main categories of SITC are:

- Food, drinks, tobacco and live animals – Sections 0 and 1,
- Raw materials – Sections 2 and 4,
- Energy products – Section 3,
- Chemical products – Section 5,
- Machinery and transport equipment – Section 7,
- Other manufactured goods – Sections 6 and 8 (Eurostat 2021a).

In general terms, Sections 0, 1, 2, 3, and 4 are made up of commodities (primary products) and Sections 5, 6, 7 and 8 consist of manufactured goods or, in other words, industrial products with a higher added value. Data used in this paper comes from Eurostat database.

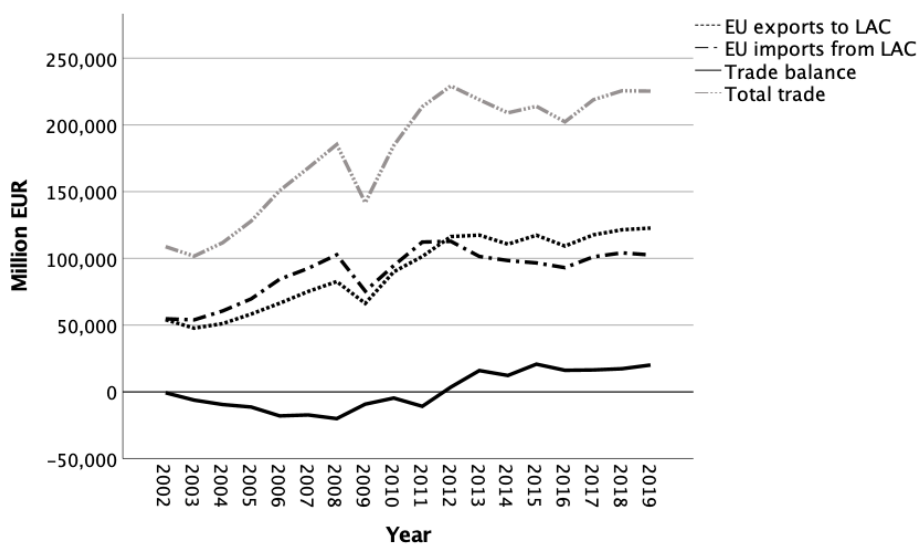
4 EVOLUTION OF EU-LATIN AMERICA AND THE CARIBBEAN INTERREGIONAL TRADE FLOWS

Latin American and Caribbean region may be divided into four subregional groupings with which the EU maintains interregional trade relations, such as Mercosur, the Andean Community, Central American states and CARIFORUM, and two individual countries with EU's bilateral approach to external economic relations – Mexico and Chile.

Collectively, total trade in goods between the EU and Latin America and the Caribbean almost doubled in the 2000s, except for the 2009 global financial and economic crisis (Figure 1). Closer examination reveals that the EU had a trade deficit with Latin American and Caribbean region between 2002 and 2011. Figure 1 also reports that EU imports from Latin America and the Caribbean grew faster than EU

exports to that region until 2008. However, EU-Latin America and Caribbean total trade in goods decreased between 2012 and 2016 (Figure 1). A significant drop in the volume of LAC exports to the EU between 2012 and 2016 was mainly due to the low prices of commodities, which constitute the principal components of Latin American and Caribbean exports to Europe (ECLAC 2018). Since 2016, interregional trade flows have slightly increased, especially in terms of EU exports to LAC countries as EU imports from Latin America and the Caribbean have remained rather stagnant. Figure 1 reports that the EU has a positive trade balance with LAC region from 2012 onwards. Therefore, 2012 seems to be a turning point in EU-LAC interregional trade relationship as total trade between these two regions has decreased, interregional trade flows have slowed down substantially, and the EU's trade balance with Latin American and Caribbean region has turned positive. There are, however, several external factors influencing the volume of interregional trade such as the price volatility of primary products, trade tensions and changes in international demand.

Figure 1: Trade flows between the EU and Latin America and the Caribbean from 2002 to 2019 (million EUR)



Source: author's own on the basis of data from Eurostat 2021b.

The share of Latin America and the Caribbean in extra-EU trade has changed marginally over the last two decades, varying between 5.5% and 6.6% of total extra-EU trade (Eurostat 2021b). From 2002 to 2012, the share of LAC in extra-EU trade had an increasing trend, except for the 2009 global financial crisis. Since 2012, however, Latin American and Caribbean market share in extra-EU trade has slightly decreased from 6.58% in 2012 to 5.50% in 2019 (Eurostat 2021b). On the other hand,

the share of the European Union in total Latin American and Caribbean trade ranges from 11.3% to 14.2% over the last two decades (UNCTAD 2021). Whereas in 2008 the EU accounted for 14.16% of LAC trade, this share has decreased to 11.32% in 2019 (UNCTAD 2021). This is especially due to the increasing market share of emerging markets, mainly China, in LAC trade, and geopolitical and trade policy changes (European Parliament 2019). Since the early 2010s, both the EU and Latin America and the Caribbean have seen the gradual decline in their mutual share of total trade, despite the entry into provisional application of the CARIFORUM-EU EPA in 2008, the EU-Central America Association Agreement and the EU-Colombia and Peru Trade Agreement in 2013.

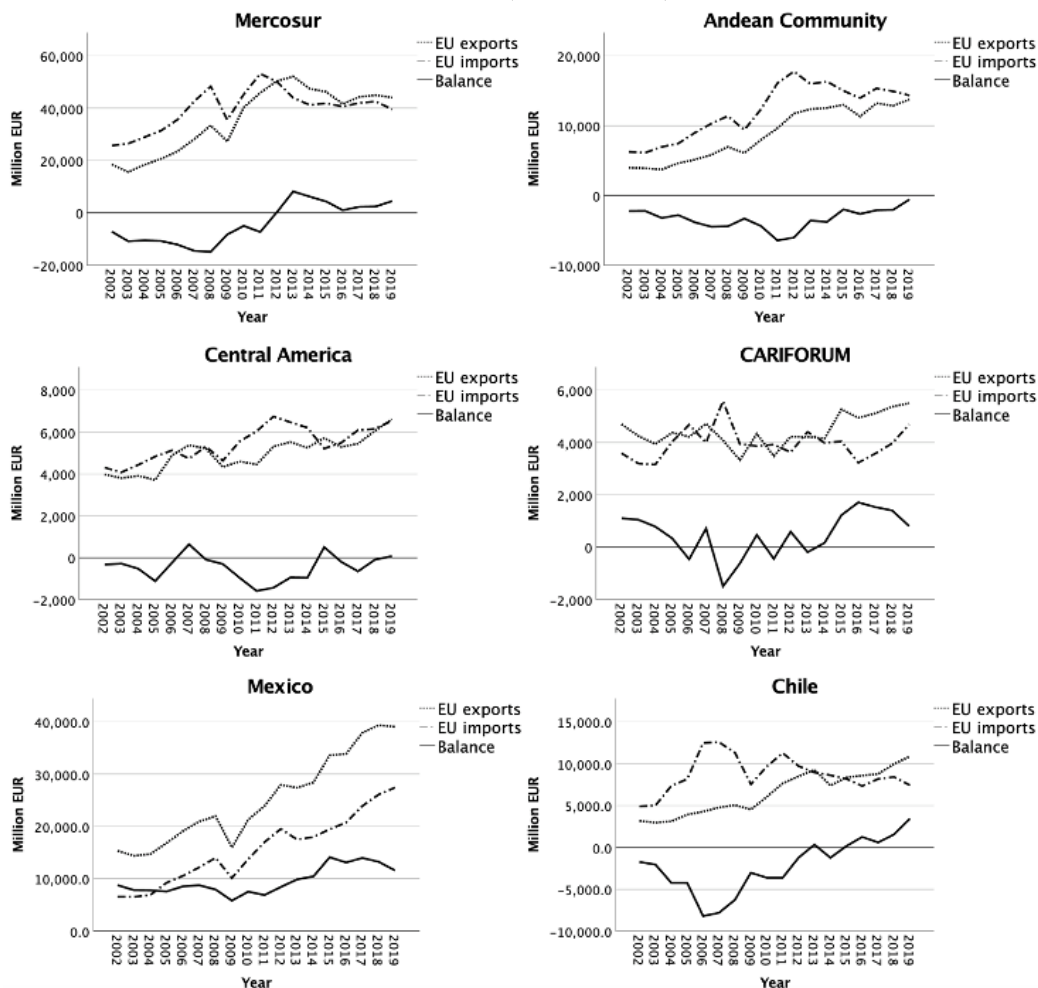
The European Union's trade relations are especially significant with the largest Latin American economies such as Mercosur, particularly Brazil, and Mexico. The Mercosur countries and Mexico accounted for 66.6% of total LAC trade with the European Union in 2019 (Eurostat 2021b). Figure 2 reports that trade flows between the EU and Mexico have the fastest growing dynamism in terms of the EU's foreign trade with LAC region between 2002 and 2019. The main explanation consists in the commodity structure of the EU-Mexico trade and Mexico's economic integration with more advanced North American countries. Roughly half of the EU exports to as well as imports from Mexico is made up of machinery and transport equipment (Figures 3 and 4). Mexico imports from the EU a broad range of intermediate goods, which are subsequently used to produce final manufactured goods intended for re-export to other markets, especially to the United States (ECLAC 2018). Krakowski (2008) asserts that the position of Mexico in EU-Latin America interregional trade relations is special as Mexico serves as a platform for re-exporting to the United States for many European companies. This is especially true for the automotive industry. Mexico is the Latin American country with the highest and long-term trade deficit to the EU (Figure 2).

Despite the absence of a preferential trade arrangement, Mercosur represents the largest Latin American trading partner of the EU. In 2019, Mercosur accounted for 36% of EU total exports to LAC region and 39% of EU total imports from that region (Eurostat 2021b). However, trade flows between these two regional entities do not show an increasing tendency. Interregional trade between the EU and Mercosur have been rather stagnant since 2014. Therefore, the entry into application of the trade part of the EU-Mercosur Association Agreement may bring a new impetus for interregional trade flows. The EU's trade balance with Mercosur has turned positive since 2012.

Figure 2 reports that Chilean exports to the EU increased significantly in the first years after the trade pillar of the EU-Chile Association Agreement entered into force in 2003. In the same period of time (2003-2006), however, the prices of copper, as Chile's main export commodity, rose rapidly. The volume of Chilean exports to the EU mostly showed the downward trend over the period 2012-2019. On the other hand, EU exports to Chile have steadily increased during the period examined. Since 2015,

the European Union has been running a trade surplus with Chile (Figure 2). Interregional trade flows between the EU and four countries of the Andean Community have not shown a growing dynamism since 2013, particularly in terms of EU imports from the Andean countries (Figure 2). However, the Andean Community is the only LAC subregional grouping that has a long-term trade surplus with the European Union.

Figure 2: Evolution of EU trade in goods with LAC subregional groupings and individual countries between 2002-2019 (million EUR)



Source: author's own on the basis of data from Eurostat 2021b.

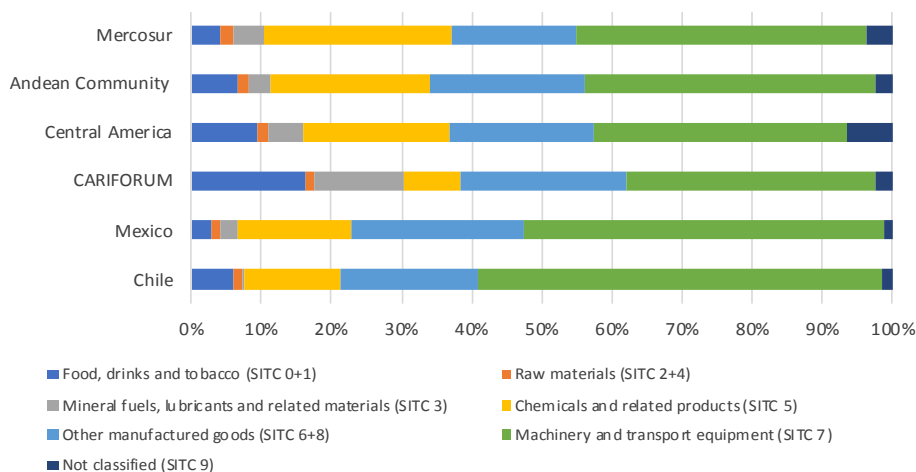
Figure 2 shows that trade flows between the EU and Caribbean countries are subject to many year-to-year fluctuations. The volume of Caribbean exports to the EU has sharply decreased following the 2008 global financial crisis, even though the CARIFORUM-EU EPA entered into provisional application in the same year. Since

2014, CARIFORUM has been running a trade deficit with the EU. This indicates that the main beneficiary of the interregional trade agreement has been the European Union. The overall trade between the EU and Central American states has changed little since the EU-Central America Association Agreement entered into provisional application in 2013. Between 2012 and 2015, EU imports from Central America decreased, whereas EU exports to that region were rather stagnant. Since 2016, interregional trade flows between the EU and Central America have moderately increased. Central American subregion experienced a trade deficit with the EU in 2019.

5 COMMODITY STRUCTURE OF EU-LAC INTERREGIONAL TRADE

The commodity structure of interregional trade between the EU and Latin America and the Caribbean is heterogeneous. Figure 3 reports that the EU exports to Latin America and the Caribbean are dominated by machinery and transport equipment (SITC 7) and other manufactured goods (SITC 6+8). In 2019, machinery and transport equipment accounted on average for 43.86% of EU exports to LAC subregional groupings or individual countries. It was followed by other manufactured goods with an average share of around 21.43%, and chemicals and related products with an average share of 18.02%. Therefore, the European Union exports to LAC subregional groupings and countries mainly manufactured goods. As shown by Figure 3, the structure of EU exports to Caribbean states seems to be the most diversified, since the share of other categories such as food, drinks and tobacco, and mineral fuels is relatively high.

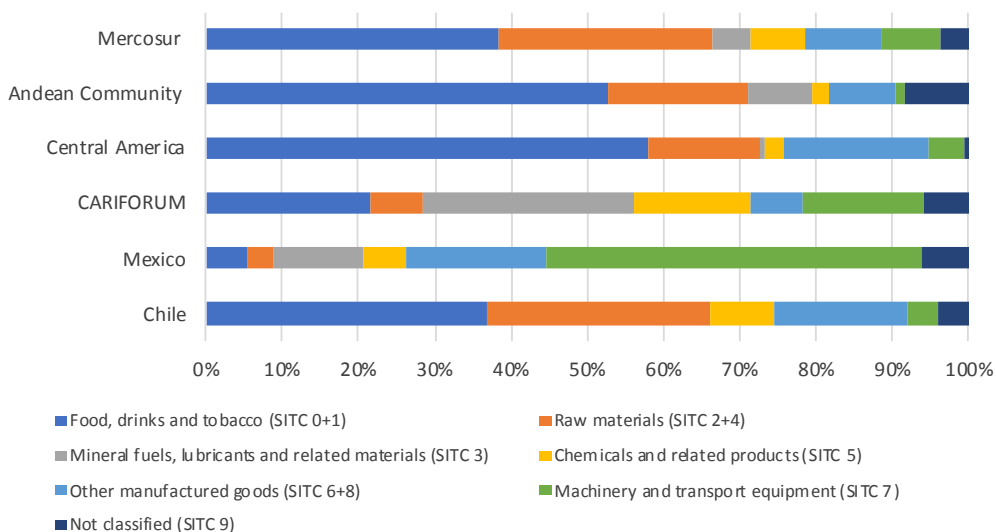
Figure 3: Commodity structure of EU exports to LAC subregional groupings or countries according to SITC in 2019 (percentage of total)



Source: author's own on the basis of data from Eurostat 2021b.

The composition of Latin American exports to the EU is moderately concentrated. However, there are differences among individual countries as well as subregional groupings. Figure 4 reports that the EU mostly imports from Latin America and the Caribbean food, drinks and tobacco (SITC 0+1) and raw materials (SITC 2+4). In 2019, food, drinks and tobacco accounted on average for 35.42% of EU imports from LAC subregional groupings or individual economies. According to ECLAC (2018), Latin American and Caribbean exports to the EU remain concentrated in few commodities, such as soybeans and soybean cake, bovine meat, copper ore and concentrates, crude petroleum oils, bananas, plantains and coffee. Therefore, primary products continue to dominate in EU imports from LAC region, whereas the EU exports mostly to Latin America and the Caribbean manufactured goods with a higher added value. This implies that the trade exchange between these two regions remains unequal. However, this is not the case for Mexico, since the commodity structure of its exports to the EU is dominated by manufactured goods such as machinery and transport equipment (49.15%) and other manufactured goods (18.41%).

Figure 4: Commodity structure of EU imports from LAC subregional groupings or countries according to SITC in 2019 (percentage of total)



Source: author's own on the basis of data from Eurostat 2021b.

The results of interregional comparative advantages, reported in Table 2, confirm the existence of asymmetry in external trade between Latin American and Caribbean subregional groupings or individual economies and the European Union. A closer analysis of the structure of interregional trade flows between Mercosur and the EU reveals that in the products at lower processing stage, in particular food, drinks

and tobacco (SITC 0+1) and raw materials (SITC 2+4), Mercosur has a strong comparative advantage. On the other hand, the EU has the largest comparative advantage in machinery and transport equipment (SITC 7) in terms of European exports to Mercosur countries. Andean countries also have strong comparative advantages in export of primary products to the EU, especially in the product category food, drinks and tobacco (SITC 0+1). The Andean Community shows a long-term comparative advantage in exports of energy products, but with the downward trend since the end of the commodity price boom. In general terms, the EU has a comparative advantage in all manufactured goods exported to Andean states. The largest positive comparative advantage of export in food, drinks and tobacco (SITC 0+1) within the LAC region is evident in Central America, as the LFI has the value of more than 24 in 2019 (Table 2). Central American countries also have a positive comparative advantage in the export of raw materials to the EU (SITC 2+4). However, Central America has a comparative disadvantage in export of all the other product categories (SITC 3, 5, 6+8 and 7). Central America's comparative disadvantage in other manufactured goods has decreased, but its comparative disadvantage in exports of machinery and vehicles has increased considerably over the last two decades.

In terms of Caribbean countries, relatively moderate positive comparative advantages are achieved in exports of food, drinks and tobacco (SITC 0+1), raw materials (SITC 2+4) and energy products (SITC 3). CARIFORUM is the only LAC regional grouping that shows a positive comparative advantage in exports of chemicals (SITC 5) to the EU. Furthermore, its comparative disadvantage in exports of machinery and transport equipment (SITC 7) and other manufactured goods (SITC 6+8) is lower as compared with other LAC subregions. Mexico has a comparative advantage in exports of all primary goods, but its level of trade specialization in categories such as food, drinks and tobacco (SITC 0+1) and raw materials (SITC 2+4) is relatively low. Mexico shows the highest comparative advantage in exporting energy products (SITC 3) to the EU. Despite the high share of machinery, transport equipment and other manufactured goods in Mexican exports to the European Union, the LFI values suggest that Mexico has a comparative disadvantage in exports of manufactured goods. Chile also has a comparative advantage in food, drinks and tobacco (SITC 0+1), and raw materials (SITC 2+4). Until 2017, Chile had a comparative advantage in exporting other manufactured goods (SITC 6+8) to the EU. On the other hand, the EU has a strong comparative advantage in terms of exports of machinery and transport equipment (SITC 7) to Chile. To sum up, the European Union has, with some exceptions, a comparative advantage in the categories such as chemicals and related products (SITC 5), other manufactured goods (6+8), and machinery and transport equipment (SITC 7). On the contrary, Latin American and Caribbean countries or subregional groupings have a strong comparative disadvantage in exports of

manufactured goods, whereas they have a positive comparative advantage in export of primary commodities (SITC 0+1 and 2+4).

Table 2: Values of the Lafay index of interregional trade between LAC subregional groupings or individual countries and the EU in the period 2002-2019

<i>Subregional grouping/ country</i>	<i>Product category</i>	<i>2002</i>	<i>2005</i>	<i>2008</i>	<i>2011</i>	<i>2014</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>
Mercosur	<i>SITC 0+1</i>	18.34	16.70	16.49	15.50	18.13	17.07	16.24	17.04
	<i>SITC 2+4</i>	12.25	12.50	14.05	15.33	15.02	13.34	13.51	13.05
	<i>SITC 3</i>	-0.03	0.54	1.17	0.43	-0.09	-0.89	0.02	0.33
	<i>SITC 5</i>	-8.15	-7.87	-6.96	-6.47	-9.20	-9.81	-9.18	-9.76
	<i>SITC 6+8</i>	-0.91	-1.52	-2.93	-4.19	-4.07	-2.97	-3.29	-3.79
	<i>SITC 7</i>	-20.45	-19.21	-20.24	-20.31	-19.65	-17.15	-17.04	-16.81
Andean Community	<i>SITC 0+1</i>	18.94	20.33	17.76	14.43	15.60	20.51	20.84	22.98
	<i>SITC 2+4</i>	3.96	7.12	7.51	8.25	6.56	9.30	9.44	8.44
	<i>SITC 3</i>	6.24	8.14	10.66	14.01	16.77	8.03	6.56	2.72
	<i>SITC 5</i>	-11.05	-8.70	-7.92	-8.24	-8.66	-9.81	-10.74	-10.22
	<i>SITC 6+8</i>	-5.36	-3.98	-5.26	-4.68	-6.79	-6.47	-7.07	-6.87
	<i>SITC 7</i>	-18.33	-21.28	-22.14	-23.26	-23.26	-21.25	-19.47	-20.10
Central America	<i>SITC 0+1</i>	17.64	16.37	20.37	20.15	19.16	26.34	25.17	24.16
	<i>SITC 2+4</i>	2.39	1.73	1.87	1.56	3.10	6.43	5.74	6.59
	<i>SITC 3</i>	-1.49	-1.80	-3.09	-2.77	0.10	-1.29	-1.44	-2.10
	<i>SITC 5</i>	-8.59	-8.30	-6.77	-10.65	-10.42	-11.18	-9.67	-9.16
	<i>SITC 6+8</i>	-8.47	-7.47	-5.12	-7.01	-7.78	-4.22	-2.82	-0.69
	<i>SITC 7</i>	-0.80	0.38	-6.74	-0.43	-3.59	-15.29	-16.53	-18.01
CARIFORUM	<i>SITC 0+1</i>	10.06	6.68	2.74	3.57	4.17	5.34	3.35	2.53
	<i>SITC 2+4</i>	4.61	4.51	4.53	2.75	2.61	2.44	2.90	2.89
	<i>SITC 3</i>	2.36	2.58	16.33	14.65	8.00	2.48	3.50	7.44
	<i>SITC 5</i>	0.07	-1.63	-0.31	0.19	0.60	3.15	6.04	3.55
	<i>SITC 6+8</i>	-4.09	-4.67	-6.21	-7.88	-6.76	-7.43	-8.03	-8.44
	<i>SITC 7</i>	-12.82	-8.09	-17.63	-16.54	-12.82	-11.06	-10.67	-9.71
Mexico	<i>SITC 0+1</i>	1.33	0.93	1.19	1.21	1.15	1.15	1.16	1.08
	<i>SITC 2+4</i>	-0.24	0.83	0.79	1.25	1.58	1.65	1.29	1.16
	<i>SITC 3</i>	9.37	11.20	4.16	4.83	9.40	5.64	6.46	4.58
	<i>SITC 5</i>	-2.89	-4.37	-5.46	-5.28	-5.18	-5.10	-4.76	-5.23
	<i>SITC 6+8</i>	-4.98	-1.64	-2.13	-3.93	-2.57	-2.46	-3.11	-2.94
	<i>SITC 7</i>	-2.91	-6.43	0.53	-0.47	-6.21	-1.84	-1.78	-1.06
Chile	<i>SITC 0+1</i>	11.69	8.78	8.25	8.65	11.55	13.20	13.52	14.87
	<i>SITC 2+4</i>	8.54	11.57	10.07	11.62	14.24	15.25	14.16	13.56
	<i>SITC 3</i>	-0.15	-0.22	-0.26	-3.18	-1.27	-0.46	-0.17	-0.19
	<i>SITC 5</i>	-4.51	-3.08	-4.63	-3.66	-4.84	-3.47	-2.74	-2.53
	<i>SITC 6+8</i>	7.07	8.47	8.92	12.87	4.83	0.46	-1.50	-1.08
	<i>SITC 7</i>	-25.03	-24.48	-22.84	-26.58	-24.56	-24.47	-24.66	-25.85

Source: author's own calculations based on Eurostat data 2021b.

6 CONCLUSION

The agreements concluded between the EU, on the one hand, and Latin American and Caribbean countries or subregional groupings, on the other, are generally comprehensive and involve not only commitment to liberalize trade in goods, but also commitments on trade in services, investment, competition policy, transparency of public procurement, trade and sustainable development and many other issues. There are some elements of asymmetry or differential treatment in EU-LAC trade agreements, such as the asymmetric process of trade liberalization between the EU and Caribbean as well as Central American states, which arises from different levels of development between trading partners. Many agreements also include commitments to promote the process of regional economic integration and support export diversification of Latin American and Caribbean countries. After the ratification and entry into force of the EU-Mercosur Association Agreement, the European Union would have the trade agreements with almost all Latin American and Caribbean countries except Bolivia, Cuba, Haiti (has not ratified nor is it provisionally applying the CARIFORUM-EU EPA) and Venezuela. Therefore, trade agreements, especially those based on interregional approach, have become an important tool of EU foreign policy in terms of developing external economic relations with LAC countries, as well as promoting its geo-economic and geostrategic interests in a given region.

The aim of this paper was to examine the development of extra-EU trade relations with Latin America and the Caribbean before and after the entry into application of interregional trade agreements, focusing on the changes in comparative advantage of interregional trade flows. An analysis of changes in interregional trade flows between the EU and Latin American and Caribbean subregional groupings or individual economies shows that since the trade agreements have entered into (provisional) application, the trade flows between regional entities have not increased, except for Mexico. Regarding the commodity structure of interregional trade, the EU exports to Latin America and the Caribbean are dominated by machinery and transport equipment and other manufactured goods. On the other hand, primary products, with the exception of Mexico, continue to dominate in EU imports from LAC region. The results of the Lafay index of international specialization confirm the existence of asymmetry in external trade between LAC subregional groupings or individual economies and the EU. The European Union has, with small exceptions, a long-term comparative advantage in the categories such as chemicals and related products, other manufactured goods, and machinery and transport equipment. Latin American and Caribbean countries or subregional groupings have a strong comparative disadvantage in exports of manufactured goods, whereas they have traditionally a positive comparative advantage in export of primary commodities. It seems that the application of trade agreements has not affected comparative advantages significantly.

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NIEKTORÉ SMERY V INTERPRETÁCII REGIONALIZÁCIE

SOME DIRECTIONS IN THE INTERPRETATION OF REGIONALIZATION

*Vitalii Stashuk*¹

Cieľom článku je preskúmanie určitých smerov interpretácie regiónu a regionalizácie ako teoretického základu pre ďalší výskum procesov regionalizácie na Ukrajine. V práci je navrhnutá definícia regiónu ako územia, na ktorom sa prejavuje odlišná od štátnej moci a od iných území, pôsobnosť regiónu ako subjektu. V článku sa navrhuje vychádzať z konceptu regionalizácie ako nezávislého procesu formovania a rozvoja regiónu. Pomocou analýzy sa skúmajú klasické i nové produktívne vedecké paradigmy regionálnych štúdií. Jeden z dôležitých prístupov je považovať regionalizáciu nie za dôsledok niektorých primárnych procesov, ale naopak, za ich hlavnú príčinu. Regionalizácia je v zásade novým základným fenoménom a oslabovanie štátov a dokonca aj súčasná fáza globalizácie je dôsledkom rozvoja regionalizmu. Tento prístup môže byť produktívny pre pochopenie podstaty udalostí, ktoré sa odohrávajú na Ukrajine.

Kľúčové slová: Ukrajina, región, regionalizácia, globalizácia

The article explores individual areas in the interpretation of the region and regionalization processes as a theoretical basis for further studies of regionalization processes in Ukraine. The paper formulates definitions of the concepts of the region as a territory on which subjectivity appears different from state power, and from other territories. The article proposes to proceed from the concept of regionalization as an independent process of formation and development of the region. Critical analysis examines the traditional as well as new productive scientific paradigms of regional studies. One of the important approaches is to consider regionalization not as a consequence of some primary processes, but rather, as their root cause. Regionalization is a fundamentally new basic phenomenon, and the weakening of states, and even the modern stage of globalization, are the consequences of the development

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of regionalism. Such an approach can be productive for understanding the essence of events taking place in Ukraine.

Key words: Ukraine, region; regionalization; globalization

JEL: F50, F59, H79

1 INTRODUCTION

The events in Ukraine in 2014 are part of the most important stages of current transformation of Ukrainian society. The processes that took place then posed quickly a number of research problems for social sciences. It was necessary to answer questions about the causes and consequences of the crisis, about the main actors of these events. But what belongs to main topics of those events and their consequences? Some authors believe that it was the so-called Euromaidan and related events and processes; others say that this is Russian aggression against Ukraine and the destruction of the 1945 Yalta security system in Europe. We believe that the most significant essence of events since the end of 2013 year in Ukraine is regionalization, and regionalization of a new type. The regionalization of Ukraine determines political and economic situation from 2014 to the present day. Other events are only related – certainly important, but still secondary phenomena.

Scientific works on the problem of regionalism within the framework of independent Ukraine began to appear in the mid-90s years. Early on they were only few and the discussion about them was weak and it included mainly the negative impact of regionalization. The well-known Ukrainian historians Kuras and Soldatenko in their 2001 paper "Cathedrals and Regionalism in Ukrainian State making (1917-1920)" wrote: "Regarding the problem of the peculiar antipode of collegiality-regionalism, today it remains practically terra incognita. For rare with the exception, this topic is hardly raised" (Kuras and Soldatenko 2000, p. 4). The insufficiency and narrow focus of the analysis led to the fact that the Ukrainian researcher of regional problems Y. Vermenych was forced to publicly urge the Ukrainian scientific community to pay attention and legalize the regional problems in scientific discourse (Vermenych 2001, p. 3-5).

Investigations of regionalism until 2004 were unsystematic and they focused not on regionalization, but on unification, collegiality, and the creation of a single nation. There was a threat of a new type, such as the fragmentation and polarization of Ukrainian society. So, spontaneous regionalization, separatism and the collapse of the country had occurred. It became the reason for a deeper analysis in the area of regionalism investigations in Ukraine. An active scientific discourse on regionalism began only during and after the political crisis of 2004, known as the "Orange Revolution".

2 LITERATURE REVIEW, RESEARCH GOAL AND METHODOLOGY

Regional issues were addressed by Nagorna (2008), Stegny (2005), Kuras and Soldatenko (2000), Kononov (2007), Malgin (2005), Vermenych (2001), Datsyuk (2010), Shepelev (2017), Keating (2003) and others. Comprehensive investigations of the regions problems were carried out by the Ukrainian Center for Economic and Political Studies which is named of A. Razumkova, Kiev International Institute of Sociology (KIIS), Institute of Political and Ethnic Studies of I. F. Kurasa of the National Academy of Sciences in Ukraine.

After 2014, the number of regional studies has increased, but no tangible scientific breakthroughs have been observed. The most famous researchers of the topic recognized that some regional processes are taking place in Ukraine, but an adequate instrument, methodology and conceptual framework have not yet been developed for them. In addition, regional studies have acquired many tendentious features and have become largely a political tool.

The foundation of Ukrainian regional studies was laid in the middle of the 19th century. The overwhelming majority of Ukrainian intellectuals lived in great measure in the paradigm of modernization of Ukraine and now there is the same situation. Ukraine and the whole world have visibly changed and the paradigm of modernization had exhausted itself in the 70s of the twentieth century.

In the world and Ukraine, a new post-modern reality has become fully developed, for the scientific description of which fundamentally different approaches are needed. Our study consists of the necessity for a scientific description of the processes of Ukrainian regionalization in modern conditions and the finding effective approaches. Therefore, the object of the study is regionalization as a concept, and the direct subject of study is the characteristic features and basic laws of regionalization.

The main goal of the work is to find new approaches in the research of regionalization. Achieving this goal involves a review of the main theoretical approaches to the study of regionalization used by Western scientists as a theoretical basis, highlighting the most effective ones for describing modern reality.

The methodological basis is based on the following approaches: comparative analysis, with the help of which we study the existing theories of regionalization, the logical method and synthesis, which allows us to formulate general conclusions on the problems.

The theoretical and practical significance of the study consist of the fact that in an era when regionalization becomes one of the determining factors in world politics, and scientists simply do not have time to analyze this dynamically developing process. Our scientific article can be useful to improve understanding of the fast-moving processes taking place in Ukraine and in the world.

Studying these processes, one of the methodological problems surfaced. The majority of studies of regionalization turned out to be unproductive in general as a theoretical basis for further research and justification of the current situation in Ukraine. One of the reasons for this condition, in our opinion, is the outdated and often not clarified theoretical foundations of regional studies. Therefore, there was a need for a critical analysis of the traditional and the search for new productive scientific paradigms of regional studies. This article is devoted to a review of these problems.

3 THE INTERPRETATION OF „REGION“

The term "region" is very ambiguous. There are more than a hundred definitions of "region" today, which makes the situation even more confusing. Despite the abundance of works and despite the numerous definitions, theories and approaches, a general picture of the study of regions and everything related to it looks quite blurred. One of the reasons for this situation is the sheer vastness of the subject of study. As follows from works by Walter Isard, a prominent scholar of regional science, definition of the term "region" directly depends on the concrete problem of study (Isseman 1993, p. 5).

The magnitudes of the perceptions of region also vary. For some scholars, a region is, first of all, a set of countries having "all or some of the following features: commonness of historical fates; existence of cultural features (material and spiritual) specific for that particular group only; geographic unity of territory; similar type of economy; joint participation in regional international organizations" (Yesin 2009, p. 170). Thus, for example, Deutsch (1981, p. 2-8) defines region as a group of countries more interrelated with each other than with other countries by many parameters.

For others (Markusen 1987, p. 17), a region is a "compact territorial community containing a physical surround, socioeconomic, political and cultural environment, and also, spatial structure different from other regions and territorial units, such as city or nation". Therefore, regionalism could be intrastate or international, or mixed.

Scholars distinguish geographical, political, economic, environmental, cultural and other approaches to classification of regions. Consequently, a practice has been established whereby a special definition of region is made depending on the approach and area of study.

Considering a broad range of definitions of region and in order not to focus excessively on any of the existing concepts of what a region is, we will define "region" as follows: *a territory that has subjectivity different from government authority and from other territories.*

A number of additional, clarifying attributes are usually added to the general definition of region stated above, for example: "firstly, a certain territory

geographically standing out of the country's entire territory; secondly, population living in that territory and having certain special characteristics vis-à-vis other population of that country; thirdly, self-identification or self-consciousness of the existence in that group of people of certain features that make them different from others. This indicator envisages domination of *regional* over *national* self-identification" (Minenkova 2017). The foregoing is a typical set of attributes found in established approaches to region. We deliberately discard all attributes except geographical, and even then, we leave the notion of geographic territory in its most general sense, without tying it to any additional geographical attributes. Ukrainian regionalization showed an unexpected ambiguity, being detached from seemingly obvious bases and attributes. Therefore, our definition of "region" and other related notions appears to be extremely formal.

The next feature of regional studies is domination of Marxist approaches, when politics of a region is regarded only as a form of economic relationships lying at the core of any region. Thus, in the 1950s Walter Isard introduced the notion of "regional science" and published his book *Methods of Regional Analysis: an Introduction to Regional Science* (1966), in which he reviews the economic and mathematical aspect of regions in the context of space. Isard saw his regional science, first of all, as an analogue of economic geography and sociology. However, historical experience of regionalism in the 20th-21st centuries shows that economy does not always serve as the basis for regional transformations.

To be sure, the political science-based analysis of region came into being later, closer to the end of the 20th century, appearing as a response to the demand for scientific analysis of a new phenomenon in political life: the advent, amid increasing globalization, growing influence of supranational (international organizations and associations) and non-state (first of all, transnational corporations) formations and the weakening of traditional nation states, of fundamentally new political actors – regions (first of all, via the growing powers of local self-government or regional formations in the administrative system of states). Therefore, regionalization in this case is the "process of redistributing government powers in favor of regions, and accommodation of regional interests and needs in politics, economy, management and planning" (Budygina and Yakharoca 2009, p. 189), while regionalism is a "society development trend envisaging weakening powers of a centralized state and increasing public authority of legally formalized (or not formalized) territorial communities of various types" (Yesin 2009, p. 172). A new term has also been coined, intended to emphasize the specificity of regions amid globalization: localism.

A more formal approach to regionalization via the notion of "regionness" has also appeared. Any political region is undoubtedly a dynamic formation. Björn Hettne and Fredrik Söderbaum (2000, p. 12) presented dynamics of region's development (in

the context of understanding mainly interstate regions) as "regionness". Regionness is, in other words, a process whereby a geographic area transforms from a passive object into an active subject (actor). Therefore, regionness means that a region could be a region "to a greater or lesser degree". The degree of regionness may increase or decrease. Regionness is outlined and suggested as a comparative analytical tool for understanding the emergence and construction of regions and the formation of relevant actors in a historical and multidimensional perspective. In turn, the authors call the process of growing regionness a regionalization. The authors describe five generalized levels of regionness defining a particular region from the viewpoint of regional coherence and community: regional space, regional complex, regional society, regional community to region-state (Hettne and Söderbaum 2000, p. 29).

Again, due to the same reasons as when defining a "region", we will give an extremely formal definition of "regionalization" as an *independent process of the construction and development of a region*. In this context, one has to distinguish between a region as an objective phenomenon and regionalization as an objective process and regionalization as an ideological tool used as part of a political program which, for instance, may have as its goal separatism of a particular region, calling this separatism by a scientific term "regionalization". However, one has to remember that the aforementioned definition of regionalism as the 'trends in development of a society' toward regionalization does exist, and it is quite widespread.

4 THE INTERPRETATION OF „REGIONALIZATION“

The most universal classification of regionalisms and the related regionalizations represents their relation to other actors and processes. Generally speaking, there are three paradigms in interpretation of regionalization. The *first* paradigm states that regionalism or, in other words, localism is a natural *reaction* of resistance both to unification within a nation state and in the conditions of globalization. The danger of losing distinctiveness prompts the emergence of regions. Interpretations of regionalization as a reaction of territorial minorities to the pressure from nation state were popular until the 1990s.

With the growth of globalization and the weakening of nation states in the 1990s, the concepts of regionalism as a reaction to globalization began to emerge. In the opinion of Ukrainian scholar Volodymyr Derhachov: "In today's world, globalization is accompanied by the processes of regionalization – redistribution of the government's authoritative competencies onto supranational or subnational (regional) level. In the conditions of globalization, regions become less controllable at national level" (Derhachov 2014, p. 111).

The foregoing requires explanation. Many scholars believe that today, regionalization represents a negative response to, and a fear of, globalization. Ukrainian regional science theorist Nahorna wrote: "As a rule, localization trends

emerge in the form of "the other side" of globalization as a sort of defensive reaction to standardization and unification. They reflect the process of growing functional differentiation, which ideally must ensure equal existence of various segments of society" (Nahorna 2008, p. 32). Altermatt (2000, p. 217) maintains: "In Western Europe, regions attained great significance after 1970. Similarly to nationalism in Eastern Europe, regionalism in Western Europe draws upon its traditions related to its origins. What was regarded by many as provincialism of local lore museums, folklore and regional attitude toward language is, in fact, a Western European reaction to leveling trends. The more often people stand on the premise of the same civilizational preconditions, the more they care about their specific identity and draw upon their ethnic, linguistic or religious traditions".

Other scholars maintain that regionalism is a positive response to the weakening and/or ineffectiveness of states. That's how the *second* paradigm emerges, according to which, regionalism is a new *method* of sociopolitical life in the conditions of globalization and declining effectiveness of states. When creating regions, people, however, do not close themselves to globalization but on the contrary, are opening themselves up to global cooperation while bypassing states: "Firstly, whereas the old localism was "subordinate", the new one became a result of free will and conscious choice; the old one was "natural and indispensable", and the new one voluntary and international. Secondly, the old localism strived to minimize contacts with the outside environment and keep its boundaries firmly shut, while the new one wants to establish relations with the rest of the world" (Mlinar 1995, p. 148). Speaking about regionalization of European states, Altermatt (2000, p. 217) whom we mentioned earlier notes: "European integration and regional movements are closely intertwined. At the same time, regionalists are often very friendly toward united Europe, because they expect its support in the fight against centralization in their own nation state".

Keating's theory of "new regionalism" gained popularity. He reduces regionalization from the changed global political conditions: "The state has transformed itself, and when doing so, it lost its former ability to cope with spatial changes and development. Its power and authority have been diluted from three directions: by internationalization from above; by regional and local claims from below; and by development of market and civil society from aside, weakening its role in economic management, social solidarity, culture and formation of identity, and also, in institutional structure." (Keating 2003, p. 81). According to Keating, the new regionalism is not conservative, provincial or negatively reactionary toward globalization, but by responding to its challenges, it moves forward.

In all of the aforementioned approaches, regionalization is viewed at as a derivative phenomenon, as a consequence, as a response (positive or negative) to the effect from other processes. However, we cannot agree with these approaches. When

regarding regionalization as something secondary (whether positive or negative), scholars thus lose the basis for understanding and further study of this phenomenon. When regarding regionalism as a derivative of some primary processes, scholars actually study not the regionalism itself but the processes that invoked it: the state, or globalization. That, in particular, explains why the level of regional studies in Ukraine is so low today.

We, on the other hand, adhere to another, third approach. We regard regionalization not as a consequence of some primary processes but, on the contrary, as their prime cause. Regionalization is a new fundamental phenomenon, and the weakening of states and even the present stage of globalization are the consequences caused by development of regionalism.

Regionalization is not a reaction to globalization but "the other side" of it. Regionalization is what development of globalization is – it's new, modern form. In the past, globalization went through by uniting and unifying states, limiting their sovereignty and creating supranational organizations. Today, globalization takes place via interaction of not states and supranational, vertically oriented organizations but regions, connected into a horizontal network of interrelations (including macro-regions containing the territory of several countries, meso-regions representing parts of particular countries, and micro-regions comprising individual cities and districts).

It was probably Brzezinski who first offered such a view of regionalization in the context of globalization. Back in 1970, Brzezinski emphasized in his book *Between Two Ages: America's Role in the Technetronic Era* the decisive role of information technologies and communications in the process of regionalization in the unity with globalization. The effective integration of much smaller, more cohesive units into much larger wholes is becoming increasingly possible because of new technologies (Brzezinski 1972, p. 308).

Brzezinski introduced the notion of "new nationalism", when small nations regionalize out of large ones: "Because he finds himself living in a congested, overlapping, confusing, and impersonal environment, man seeks solace in restricted and familiar intimacy. The national community is the obvious one to turn to, and a definition of what a national community is may well become more restrictive as broader transnational cooperation develops. For many peoples the nation state was a compromise dictated by economics, by security, and by other factors. An optimum balance was eventually struck, often after centuries of conflict. Today the balance is becoming unsettled, because newer and larger frameworks of cooperation are emerging"² (Brzezinski 1972, p. 308).

Brzezinski not only offered a technological substantiation of the new regionalization but already made a forecast in 1970: "the Flemings and the Walloons in

² ensured by new information technologies.

Belgium, the French and English Canadians in Canada, the Scots and the Welsh in the United Kingdom, the Basques in Spain, the Croats and the Slovenes in Yugoslavia, and the Czechs and Slovaks in Czechoslovakia are claiming – and some of the non-Russian nationalities in the Soviet Union and the various linguistic-ethnic groups in India may soon claim – that their particular nation-state no longer corresponds to historical need. On a higher plane it has been rendered superfluous by Europe, or some other regional (Common Market) arrangement." (Brzezinski, p. 308-309). As we can see, globalization events in the form of active defragmentation of traditional states in the late 20th – early 21st century take place largely according to Brzezinski's program.

In connection with this interesting example, the concept of the *regulatory state* of Majon (1994) and King (2007) which was quite popular in the years 1990-2000, was created, obviously, under the influence of successful integration processes in the EU.

According to this approach, states in the postmodern era de-politicize most administrative functions and transfer them to non-state factors. The political role of the state consists of only in mega-regulation and coordination of the activities of these non-state managerial factors.

The process of becoming a regulatory state occurs through fragmentation into a multi-level network of managerial factors. It is believed that most of the development of the regulatory state occurred in the UK in the last third of the twentieth century (Moran 2007).

Accordingly, developing the theme of the regulatory state, the concept of regulatory regionalism was proposed, according to which non-state factors of different states, who received powers from them for this or that management, cooperate and internationalize. As a result of this, on the one hand, universal supranational regional government bodies are formed, and on the other hand, these factors begin to play an independent role bypassing the level of political regulation of nation states. A typical example of translating regulatory regionalism into practice is the EU regional policy.

5 CONCLUSION

Investigations of regionalism in Ukraine until 2004 were unsystematic and concentrated on issues of unification, collegiality, and the creation of a single Ukrainian nation. But it is precisely the threats of a new type. It is the fragmentation and polarization of Ukrainian society, and with this associated spontaneous regionalization, separatism and the collapse of the country. These prerequisites have become the reason for revising the basis of research and a deeper analysis of regionalism in Ukraine. Therefore, we can state that the most significant essence of events since in the end of 2013 in Ukraine is regionalization, and regionalization of a new type, which is associated with the weakening of states, which is the root cause of

new trends. Regionalization in the modern world is a fundamentally new basic phenomenon, and the modern stage of globalization is a consequence of the development of regionalism. Regionalization can be called the next stage of globalization, its new, modern form. Globalization begins to occur through the interaction not of states and supranational vertically oriented structures, but of regions connected into a horizontal network of interconnections.

Regionalization is not only the foundation of modern globalization, but also a single set of processes, the different manifestations of which in practice can look different, but, however, have one common root and engine. So, only this approach can provide a productive description of modern regionalization in Ukraine and many characteristics in Europe.

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REFORMA TRHU PRODUKCIE ELEKTRINY NA UKRAJINE: KĹÚČOVÉ ASPEKTY

ELECTRICITY GENERATION MARKET REFORM IN UKRAINE: KEY ASPECTS

*Mariya Kuznetsova*¹

Článok sa zaoberá otázkou procesu prechodu k zavedeniu novej štruktúry trhu s výrobou elektriny na Ukrajine. Trh s elektrickou energiou bol poznačený post-sovietskym „pozadím“, mal tendenciu demonštrovať monopolné vlastnosti a absenciu konkurenčných síl. V súlade s európskymi predpismi a požiadavkami, ktoré Ukrajina musí dodržiavať, je princíp unbundlingu (oddelenia) vyhlásený za dominantný, pričom sú rivalita a zabezpečenie kvality stanovené ako záruky trvalo udržateľného rozvoja energetického sektora v budúcnosti. V rámci tejto štúdie sa zameriame na načrtnutie charakteristických črt starého aj nového trhového modelu a opísanie niektorých základných historických a sociálno-ekonomických predpokladov. Osobitná pozornosť sa venuje otázke právnej a štrukturálnej konzistentnosti reformy trhu s výrobou elektriny v súlade s medzinárodným právom a globálnymi rozvojovými cieľmi. Záver je venovaný aspektu účinnosti nového modelu fungovania trhu podľa zásad unbundlingu a trvalej udržateľnosti.

Kľúčové slová: výroba elektriny, energetika, reforma trhu, udržateľnosť, unbundling

The paper deals with the issue of transitional shift to the establishment of the new structure of electricity generation market in Ukraine. Being predetermined by gradual post-soviet background, electricity market tended to demonstrate monopoly features and absence of competitive forces. Following the European regulations and requirements Ukraine is to adhere to, the unbundling principle is proclaimed as dominant, whereas rivalry and quality assurance are set as guarantees of sustainable energy sector development in the future. Within the current study significant focus was placed on outlining the distinctive features of both old and new market models, describing some underlying historical and socio-economic

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prerequisites. Special attention was paid to the issue of legal and structural consistency of electricity generation market reform in accordance with the international law and global development goals. The conclusion is dedicated to the efficiency aspect of new market operation model following unbundling and sustainability principles.

Key words: electricity generation, energy sector, market reform, sustainability, unbundling

JEL: O13, P28, Q43

1 INTRODUCTION

This paper aims at discussing the role of comprehensive energy sector transformation for the sustainable development of regions and countries, including Ukraine. Over years, the sustainability context, mainly declared at World Commission on Environment and Development (1987) and World Summit on Sustainable Development (2002), has been successfully incorporated into modern business practice, despite the global imperative status. However, positive point shifts within some energy companies, if any, are insufficient for complex market-based changes in structural forces and competitive advantages on the intergovernmental level.

Energy industry is one of the most required following the modern consumerism trends. The continuous transformation of global energy markets is mainly based on the restructuring of energy balance which occurred in response to gradual shifts in world energy consumption centers. Tremendous technological progress with lots of innovative advances has also contributed to the ongoing transition from traditional fuel-based production to clean and conscious energy generation. This matter is inextricable linked to sustainability. Indeed, renewable energy base with solar energy, wind power, and biofuels as well as energy efficiency are the twin pillars of sustainable energy (Prasad et al. 2019, p. 179).

Historically, the global energy system has already undergone several main deployment stages, ending up focusing on the parallel vertically-integrated value-added chains that purposefully link resource and end-user centers within the energy structure. Following this system logic, petroleum products are broadly used in transport industry, whereas heat and electricity are generated from coal and natural gas. One more crucial point is unbundling (Dubois 2009, Fuentes-Bracamontes 2016), which is aimed at establishing electricity and gas networks with independent operating processes. Moreover, unbundling of the network stage intends to eliminate incentives for price discrimination against rivals and to foster competition in the retail segment (Heim, Krieger and Liebensteiner 2020). Thus, new market rules are becoming more sector-oriented with specific procedures and codes (separate value chains, infrastructure, planning etc).

Ultimately, the urgent need for a coordinated policy in order to support such synergies led to the publication on 8 July 2020 of the European Commission's Communication on an EU Strategy for Energy System Integration. The new strategy is

particularly designed to strengthen the multi-sector transition towards a climate-neutral economy, including specific policies and legislative measures to move to a more integrated energy system.

The world community as well as the European Union have finally reached the understanding of insufficiency of this separation model, taking into account quite ambitious climate goals and preliminary directions. Moreover, achieving climate neutrality by 2050 in a cost-effective way is in danger of being failed due to the existing circumstances. The very first approach to be thoroughly investigated is *sector coupling*, is being discussed at the EU level since October 2018. It is painstakingly focused on the broad integration of electricity and gas markets by means of new ways on how to use the already present synergies in production, transportation and distribution. Thus, in combination with other industries it is considered as the concept of *sector integration* – the coordinated planning and operation of the energy system ‘as a whole’, across multiple energy carriers, infrastructures, and consumption sectors. It is the pathway towards an effective, affordable and deep decarbonization of the European economy in line with the Paris Agreement and the UN’s 2030 Agenda for Sustainable Development (European Commission 2020).

Following the green policy recommendations, provided by The International Renewable Energy Agency (IRENA 2018, p. 3), the most significant areas of intensive international collaboration in the future are:

- innovation in the integration and operation of the energy system (systemic innovation), which is key to integrating more variable renewable energy and electrifying end-use sectors;
- innovation in industrial processes – particularly cement, iron and steel, and chemicals, which together account for 17% of current carbon dioxide (CO₂) emissions;
- innovation in transport – particularly in freight and aviation, which together account for 11% of current CO₂ emissions.

Climate change and local air pollution are among the key drivers for energy transition worldwide. Local air pollution is a main driver in countries such as China and India. But also, in Europe, there is increasing attention for the harmful health effects of air pollution, largely related to energy supply and use. As projected, renewable energy and energy efficiency, combined with electrification of end-uses, make up 94% of the emission reductions (Gielen et al. 2019). The challenge, of course, is that even though the outlines of a new environment have begun to emerge, the power industry operates with time horizons in the decades. The implication is high-stakes strategic decision making under uncertainty, from utilities, regulators, and investors, and an innovation imperative that will vary considerably by market and company

(Finkelstein, Frankel and Noffsinger 2020, p. 5). Energy transition will require a holistic innovation approach tailored to the needs of each renewable energy and energy efficiency technology since a wide range of approaches will be required across all sectors of the energy system. While aiming at increasing investment in R&D for low-carbon technologies benefits the energy transition, more attention can be paid to monitoring and verifying that those investments have the desired impact and R&D budgets and priorities are impact driven (Gielen et al. 2019).

The abovementioned facts as well as directive goals for the international development and compliance of Ukrainian energy sector, several gradual changes are required in order to provide Ukrainian energy industry with modern competitive advantages within the new normal platform, particularly in electricity generation.

2 COMPARATIVE ANALYSIS OF OLD AND NEW ELECTRICITY MARKET MODELS

The model of the electricity market, existing for a long time in Ukraine, was built on the principle of wholesale purchase of this energy from its various producers for resale at prices set by the National Commission for Electricity Market – the *single buyer* model. The only trading platform for the interaction of all market participants was the wholesale electricity market, the operation of which was ensured by *Energorynok*.

According to the *single buyer* model, the load schedule was determined by directive, and the forecast balances of the system and the volumes of dispatching were established. It formed the value of the electricity generation volume as a whole. *Oblenergo* combined the functions of distribution and supply and was able to buy electricity from the wholesale market at a regulated tariff, whereas independent suppliers – at free prices, due to the peculiarities of the functioning of these participants within the existing model. *Oblenergo* provided electricity to both domestic and industrial consumers, while independent suppliers served mainly the industrial sector. *Oblenergo* operated only within the assigned territory and engaged in the transmission and distribution of electricity at a regulated tariff. According to the unregulated tariff, the relevant activities could be carried out by other independent suppliers without owning their own networks.

Relations in the field of pricing were also regulated. In particular, for generation companies, the price of energy was determined separately for each entity. *Oblenergo*, buying electricity in the *Energy Market*, mainly selling it to consumers at a regulated tariff, while only a few companies operated at an unregulated tariff (contract prices). It should also be clarified that the population received electricity at prices that were significantly lower than the market (actual) and the existing difference was repaid by the industrial sector. These tariffs were formed based on the weighted average energy consumption in a particular area per hour, regardless of the operating modes during peak periods or around the clock. Within the framework of this market

model, the process of cash flow is also clearly defined, from consumers to *Oblenergo* and *Energorynok* and then distributed to generators and *Ukrenergo* – the main network operator.

Comparative analysis of the old (*single buyer*) and new (*separation of monopolies*) market models are presented in Table 1.

Table 1. Comparative analysis of old and new electricity market models

<i>Single buyer model</i>	<i>Competitive market – Separation of Monopolies</i>
Requires targeted government regulation	Self-regulation, leveling of system imbalances
Contributes to corruption and lobbying	Restricts the access of individual participants to the levers of influence in the market
Weakens the financial mechanism of transaction control	Causes relatively higher short-term costs associated with the long-term contract terms
Does not require the participation of third parties	Provides system transparency due to the multiplicity of relationship agents
Creates a surplus of capacity, balance regulation and policy influence	Facilitates the system balance (planned and actual volumes)
Sets tariffs and prices for electricity, depending on the national development priorities of individual industries	Enables pricing flexibility due to competitive market mechanisms
Categorizes consumers with subsequent fixing of tariffs, eliminating the need for qualitative changes in the structure of the cost of products (services)	Increases the role of economic incentives and competition for the rationalization and efficient operation of enterprises

Source: processed by author.

In the real absence of market liberalization for the interaction processes between market participants, any incentives to establish competition or improve the quality of services were also absent. To replace this inefficient model, a new model of the electricity market was introduced in July 2019, aimed at ensuring the functioning of six separate markets under the conditions of effective interaction of different types of suppliers and consumers. In particular, the new energy policy of Ukraine provides the launch of the following components within the competitive market model:

- intraday market (continuous trading within the current day of physical electricity supply);
- day-ahead market (short-term contracts regime);

- balancing market (provides the introduction of financial liability for violation of the balance of real and projected consumption to ensure sufficient capacity);
- market of bilateral agreements (long-term agreements outside the represented market segments);
- market of ancillary services (ensuring the reliability of the system by purchasing the operator of the transmission system of relevant ancillary services from existing suppliers).

The new market model is based on the process of property unbundling (Pollitt 2007) provided by the Third Energy Package (Kanapinskas and Urmonas 2011). As the part of Ukrainian implementation of agreements with the European Union in the energy sector, the function of energy production should be separated from the function of its transfer.

The reform in the framework of corporate unbundling in Ukraine provides for a clear separation of functions of electricity distribution and supply in order to form a retail electricity market. The latter covers the range of relationships between the final consumer and the electricity supplier, as well as the entities involved in the process of providing the relevant services. In particular, the legislative regulations clearly enshrined the legal status of the functional division of *Oblenergo* into two independent entities:

- distribution system operators (electricity distribution and network operation);
- electricity suppliers (provide only supply).

The reform also stipulates that the supplier formed as a result of the separation of distribution functions will perform the universal service supply functions formed as a result of the separation of the electricity supply function for two years. In each of the regions the state will designate one electricity supplier for household and small non-household consumers (universal service provider).

Another difference between the old and new market models is a radical change in the approach to the organization of system management processes. If the old model preferred a *top-down* approach with a centralized regulatory impact and a high level of monopolization, the new market is built on the principle of *bottom-up*, which stimulates demand for electricity from by different groups of consumers and the intensification of the development of the competitive environment, provided that the interests of the consumer take precedence.

3 NEW ELECTRICITY MARKET MODEL: PRICING ISSUES

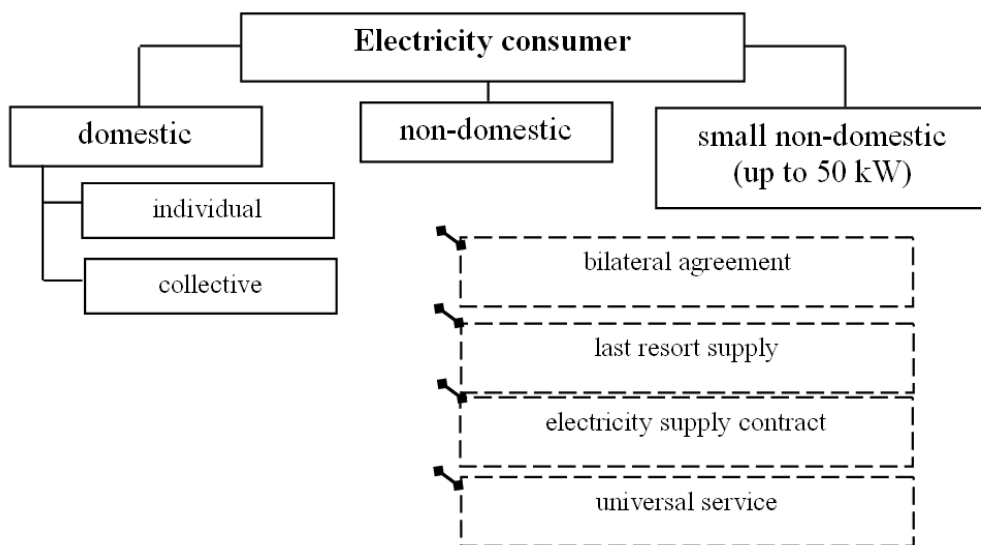
One of the determining factors of qualitative transformation of the electricity market is pricing. As the legislation provides the possibility of new entrants to the

market and overcoming monopoly factors in the process of new market functioning, the development of competition will not only improve quality standards and range of services, but also lead to a possible price increase under the contract. Despite the volatility of the pricing process, this kind of flexibility in the wholesale market allows the consumer to choose a service provider and gradually change both their own demand and increase energy efficiency in general. The two-way effect of the relationship enables the consumer to influence suppliers and manufacturers, latently encouraging them to innovate and modernize, as well as transform the entire generation structure.

It is the consumer who has the opportunity to choose between the average daily and hourly price, depending on the mode of own consumption. The efficiency of the system as a whole will be ensured by gradually reducing the energy consumption of networks, overcoming imbalances and regulating generation capacity through price containment during peak periods.

The classification process of electricity consumers according to the new market model has become complex. Thus, instead of the two generally accepted categories – domestic and industrial consumers – there are already three groups of consumers. The general characteristic of the last is given in Figure 1.

Figure 1. Classification of electricity consumers and contract options for electricity purchase within the new electricity market model



Source: processed by author.

The *universal service* supplier contract is appropriate for small non-domestic consumers, consumers with a capacity of up to 150 kW, as well as budgetary

institutions. In general, the supply of electricity to household and small non-household consumers will be carried out at retail prices set by the National Commission for State Regulation of Energy and Utilities. The contract is standard and special conditions of interaction are defined in the commercial offer.

Under an *electricity supply contract* that is relevant to large consumers and industrial facilities, the terms of interaction and price are negotiable, whereas the consumer only chooses the option offered by the supplier.

Ukrinterenergo last resort supply for those consumers who have lost their own electricity supplier or did not choose it in time provides a much higher price compared to other sales contracts by establishing a large margin for the services provided.

A *bilateral agreement* is a specific form of interaction between the consumer and the supplier, as it provides its conclusion between two independent market participants outside certain segments, causing high risks of such cooperation. The peculiarity is the fact that it is necessary to conclude an agreement on the settlement of electricity imbalances, as the level of responsibility of these participants from such independent interaction is much higher than under other agreements.

Market of bilateral agreements allows a certain supplier to buy electricity directly from the power plant. The day-ahead market and the intraday market, operating on the basis of the reformed energy market (the so-called *Guaranteed Buyer*) create conditions for the generation and sale of a certain part of the energy produced in order to maintain the efficiency of the system as a whole. The balancing market provides a daily balance of supply and demand for electricity to avoid possible system imbalances.

Given the opportunities for the development of different markets and the activities of participants, special focus within the new model is to establish mechanisms in order to ensure a high level of competition, free pricing and moderate power concentration in the electricity market. Due to the artificial distortion of prices in terms of different types of generation, when domestic thermal electricity is much more expensive than European, and the price of nuclear is significantly understated, the key priorities for creating a competitive model in Ukraine are, first, free imports and access to new generation.

6 CONCLUSION

The complex and comprehensive transformation of different energy sector, including electricity generation, is the undoubted basis for the sustainable growth of Ukraine. Given the long way of nullifying the political and economic setback, existing shifts in the structure of energy production, supply and consumption, Ukraine has successfully chosen the path of energy sector integration in accordance with the European requirements. Such broad cooperation and long-lasting collaboration with

the European Union are aimed to increase the level of energy security as well as improve the competitiveness and stability for market integration in the energy sector.

Ukraine as a reliable neighboring country for the European Union has already identified key tasks and mechanisms to ensure the transition to a carbon-neutral economy proclaimed within the European Green Course. Current direction is extremely important following the priority of foreign and domestic policies compliance. This applies to the energy sector reformation, sticking to the prevalence of ownership unbundling, efficient energy resource usage, state security, continuous transition to circular economy, resource intensity reduction, social support, climate change prevention etc.

The energy strategy of Ukraine for the period up to 2035 – *Security, energy efficiency, competitiveness* (Cabinet of Ministers 2017) – reflects the necessity of multi-sector complex relations provision in order to regulate different markets within the unified scenario. It declares a shift from a fossil fuel energy sector, inefficient networks and non-transparent markets to a new model that provides equal market opportunities and competitiveness for the sustainable development of all types of energy production. Huge emphasis is placed on the importance of constant improvement of energy efficiency and the use of energy from renewable and alternative sources. In particular, Ukrainian government is to focus on the creation of modern infrastructure to reduce costs and advance energy management, as well stick to ownership unbundling and technological progress imperative for all types of energy markets.

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