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**ANALYSIS OF THE RELATIONSHIPS BETWEEN INTERNATIONAL FINANCIAL ORGANISATIONS AND UKRAINE**

At the current stage of the intensification of the processes of integration and globalization of the international community, the influence of supranational organisations on regulating international, and in particular, inter-States relations, becomes more significant. Cooperation with the IFO will provide support for the Ukrainian Government's reform plan in order to restore macroeconomic and financial stability in the country, to ensure structural modernization of the national economy, as well as to create a reliable basis for further economic growth.

Although Ukraine has started cooperation with the IFO in 1992, the current period has given rise to absolutely new opportunities of economic cooperation between our country and the world community, which is due to the intensification of international relations between the modern Ukraine and international organizations. The development of our country’s economy is currently mostly dependent not only on its internal capacities, but also on its involvement in the international economic processes. Therefore, at the current stage of its economic development, Ukraine strongly needs to be more actively involved in the international economic activity, which implies its participation in or cooperation with the IFO.

While loans provided by the IMF aim at ensuring macroeconomic stabilization through the provision of access to foreign currency resources in exchange for the national currency, resources of other international financial organisations, in particular the World Bank Group, aim at implementing structural reforms and supporting the private sector. These directions have a key-importance for Ukraine, since their implementation can ensure sustainable economic growth due to endogenous factors and, consequently, enhance the economic security of the country in the long term.

The current status of implementation of the projects of socio-economic development of Ukraine performed with support of the IFO has revealed the inefficiency of the use of the IFO’s resources provided in that regard in 2004-2014 [1]. After two years of a "pause" in relations with Ukraine, the IMF Board of Directors approved, on 30 April 2014, a new joint program "stand-by" for the next two years at the amount of $17.1 billion. In 2014, Ukraine was provided with two instalments: $3.2 billion on May 7, and $1.4 billion on September 4. The IMF Board of Directors has approved a new 4-year credit program Extended Fund Facility (EFF, mechanism of expanded lending or Extended Fund Facility) at the amount of $17.5 billion, a part of said loan at the amount of $5 billion was provided immediately [2].

A large part of the projects that was financed by the resources of these loans was not implemented in full, and some of them were suspended at the initial stage due to significant shortcomings during the implementation. As regards the vast majority of the projects, either terms of implementation were not met or loans were not absorbed completely. Only every third project has achieved its objective in full.

The current structural development of the national economy of Ukraine meets neither today challenges nor the most important world trends. Moreover, the mechanisms regulating the foreign economic activity in our country distort the business environment, which results in constraining the development of export potential of the country. Fixing said inconsistencies should be one of the main priorities of economic policy of the Government.

In the economic sphere, the activities of the World Bank Group in Ukraine is aimed, in particular, at stabilising the banking sector, contributing to a deeper financial cooperation and placing loans to the real sector on a sustainable basis, promoting deeper reforms in the business environment to ensure support and further growth of the private sector, to attract new investments and to develop the export sector of Ukraine through credit instruments. Among the international credit and financial organisations, the World Bank is the second, after the IMF, lender of Ukraine. The portfolio of the projects of Ukraine supported by the World Bank aims to support key areas of economic reform, namely: the structural reorganisation of the basic sectors of the economy, the reform of the financial and banking sectors and the protection of the environment. In addition, the World Bank’s resources are used to finance investment projects in the electricity sector, housing and public services and the social sector.

In 2014, the portfolio of the projects of Ukraine supported by the World Bank was completed with investment projects aimed to develop the transport, municipal and energy infrastructure following the conclusion of a series of loan agreements between Ukraine and the IBRD for a total amount of more than $3 billion. The World Bank has furthermore restored system loans for the purpose of development policy, which is an instrument both to ensure strategic reforms of Government and to provide financial support to the General Fund of the State budget.

The current portfolio of the projects of Ukraine supported by the IBRD contains 15 investment and 2 system projects for a total amount of about $3.3 billion. Amongst said projects, 12 investment projects for the amount of $1.72 billion are currently at the stage of implementation, and 3 investment projects for the amount of $0.76 billion and 2 system projects for the amount of $0.85 billion are currently at the stage of preparation [3].

In order to improve living standards, activities of the World Bank Group in Ukraine are aimed, in particular, to improve the system of social assistance in Ukraine, to enhance the performance of the system of social services, to support the development policy, to reform the health care system, and to address other problems, in particular, low level of internal mobility of workforces, high informal employment and mismatch of professional skills – in order to contribute to the improvement of work productivity, to the economic growth and to enhance living standards in the country.

Therefore, defining the role of international financial organizations at the current stage is a live issue, especially for Ukraine, and particularly in the light of the intensification of the cooperation between our country and international organizations such as the International Monetary Fund and the World Bank Group. The intensification of this cooperation gives rise to the need to explore and to implement significantly new approaches to ensure the effectiveness of the cooperation as well as the need for a significant improvement of existing mechanisms of cooperation.

List of used sources:

1. Furman I.V. Status of Ukraine's external debt to international lenders: assessment and ways for settlement.// Financial dimension – 2013. – No. 2 (10). – pp. 43-44

2. <http://www.worldbank.org/> - the World Bank Group official website

3. <http://www.imf.org/> - the IMF official website