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## **ENSURING THE DEVELOPMENT OF THE TRANSPORT INDUSTRY OF UKRAINE IN THE CONTEXT OF THE CRISIS**

In the difficult conditions of foreign policy and internal socio-economic processes, Ukraine needs an effective state policy in the field of transport, which will take into account geopolitical features, in particular the Euro-Atlantic direction of State Development, the peculiarities of the industry in the structure of the economy, its role in the socio-economic transformations of Ukraine and will provide an opportunity for sustainable development of the transport industry and ensure its competitiveness in the international arena.

The current level of development of the transport sector, the globalization of World Economic Relations, and the activation of trade relations in the world contribute to the integration of the domestic transport complex into the European and global transport systems. The transport industry is part of the basic, systemically important sectors of the state economy, however, today, the existing potential of industry enterprises is not applied enough, and the sphere itself is under the influence of negative phenomena, in particular caused by the global COVID-19 pandemic.

Transport infrastructure and services play an important role in improving the standard of living of society as a whole and in the potential sustainable development of domestic industry. Thus, the transport industry is one of the main areas of cooperation between the European Union and Ukraine.

In accordance with Article 368 of the EU-Ukraine Association Agreement, the main purpose of such cooperation is to support the restructuring and modernization of the domestic transport sector and gradually bring existing standards and state policies into line with existing EU provisions.

Thus, the analysis of the domestic transport complex and trends in its development, identification of problematic aspects and potential opportunities for improving the efficiency of activities, as well as the formation of practical recommendations on the functioning of the industry in the context of European and Euro-Atlantic integration of Ukraine is relevant.

Domestic scientists analyze the problems of the transport industry and development prospects. Among them: A. I. Abramov, O.M. Vovk, O.V. Arefyeva, V. N. Ivanov, V. E. Kanarchuk, E. A. Zhukov and others. These researchers comprehensively study the issues of sustainable development of the transport system of Ukraine, provide practical recommendations and suggest ways of rational functioning of this area in crisis conditions.

The domestic transport industry has an extensive railway network, a developed network of highways, seaports and river terminals, airports and a wide network of air connections, cargo customs terminals, which creates the necessary prerequisites for meeting the needs of society regarding transport and the development of the business environment.

In 2020, transport, warehousing, postal and courier activities accounted for about 7.3 percent of the national gross value added structure. As of 01.01. 2021, 975.2 thousand people work in the mentioned sector of economic activity. Thus, the transport sector is an important factor in improving the life of citizens, the qualitative development of the economy as a whole, and maintaining the state's defense capability.

The transport industry as a whole meets only the basic needs of the population and the economy in terms of transportation volumes, but not in the quality of services provided. The current state of the transport sector does not meet the requirements of the European and Euro-Atlantic course of Ukraine and the integration of national transport into the Trans-European transport network.

One of the main reasons for the unsatisfactory level of development of the transport sector in Ukraine is systemic underfunding, insufficient level of maintenance of the relevant infrastructure and Transport, Technical backwardness, which can potentially threaten the defense capability and security of the state. Today, the key is the introduction of rational principles of interaction and coordination of state policy in the industry, the creation of appropriate conditions for effective control over the quality of performance of functions assigned to the relevant executive authorities.

The transport system of Ukraine is characterized by a low rate of development of transport and logical technologies, multimodal transport facilities, which worsens the situation of the industry in competitive conditions and blocks the full entry of domestic products into the world transport market. In order to effectively use the potential of Ukraine in the field of transport, in particular as a transit state, it is necessary to form a transport system, which, first of all, will be focused on the customer base and ensure the efficient operation of the state's transport and Road complex. As a result, the positive

effect of rational synergy of the industry's potential and the capabilities of existing modes of transport based on partnership and competitive principles during transportation.

Unstable financial support for the development of the transport industry and insufficient maintenance of infrastructure facilities caused a huge level of depreciation of fixed assets. Transport requires serious capital investments, but investments are characterized by a high level of profitability and a low degree of risk due to the natural advantages of Ukraine. Stimulating investment activity in the Ukrainian economy and transport industry is an urgent and complex macro and microeconomic problem, in particular in sectors of the economy characterized by a significant presence of Public Administration, which, of course, includes the transport industry. Creating a positive investment environment is a key task of Public Administration in the transport industry, which is ensured by modernizing the regulatory framework of the sphere.

Improving the quality of governance and transparency of the transport industry is an integral part of the fight against corruption in the sector and the state as a whole. Liberalization and deregulation of the industry in the future may provide an opportunity to attract private operators, which will positively affect the development of the competitive environment and the quality of service provision.

The key challenges of the long-term development of the transport industry in Ukraine stem from the state's course towards the EU and NATO. The doctrine of transport development should be based on the tasks of compliance of the domestic sector with generally recognized international standards, challenges for the long-term development of Europe and the world. It is worth focusing on the following positions:

- ensuring the defense capability and integrity of the state;
- increased demand for transportation services;
- reform of the transport sector in accordance with European standards;
- reduction of greenhouse gas emissions into the atmosphere;
- improving transport safety in order to reduce road accident rates;
- stimulating investment activity in the transport industry;
- improving the efficiency of transport, improving the quality of service delivery;
- integration of road, rail, air and water transport into a single international logistics chain.

Thus, transport, as a branch of infrastructure, should develop at a faster pace in order to stimulate the socio-economic development of Ukraine and state participation in the international division of Labor. To improve the effectiveness of the transport system, it is worth working on creating program documents for the modernization and renewal of infrastructure, which will provide for a list of measures for legal support and creating a positive climate for investors, taking into account budget and other sources of investment.

The basis for Sustainable Development and functional growth of the transport industry in Ukraine is modern infrastructure, effective coordination of various types of transport, market competition, fair market conditions and a rational system of state regulation.

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