

WORLD ECONOMY AND INTERNATIONAL ECONOMIC RELATIONS

THE CURRENT CONDITION AND PROSPECTS FOR THE DEVELOPMENT OF FOREIGN ECONOMIC RELATIONS BETWEEN UKRAINE AND CANADA

Holovash B.E.

Candidate of Economic Sciences, Associate Professor,
Senior Lecturer at Department of Economic Theory,
Kyiv National University of Construction and Architecture

The purpose of this article is to study the major features of foreign economic relations of Ukraine and Canada and prospects for their development after the conclusion of Free Trade Agreement between our countries.

The paper analyses the current state of economic cooperation between Ukraine and Canada, the dynamics and indicators of foreign trade of Ukraine and Canada. Thus, there is a small amount of bilateral trade and growth deficit balance of trade for Ukraine.

It also investigates the basic provisions of the Agreement on free trade between Ukraine and Canada (Canada-Ukraine Free Trade Agreement CUFTA) and examines the positive and negative consequences of the Agreement, particularly for Ukraine.

Among the main positive effects of the CUFTA noted: abolition of duties on most Ukrainian goods; providing to Ukraine technical assistance for the promotion of Ukrainian exports; possibility of increasing the supply of goods with high added value; more competitive access to public procurement market in Canada; increase in investments from countries without free trade agreements with Canada; possibility of promotion of Ukrainian goods to other countries of North American continent in the future.

Among the major drawbacks of CUFTA noted: the lack of free access to the Canadian market for some of the most competitive products in the food industry; the presence of significant non-tariff barriers (standards, technical barriers, systems of intellectual property protection) in Canada; the lack of a mechanism of interaction between the CUFTA and the corresponding economic and trade Agreement CETA between Canada and the United States.

The article also discussed other forms of cooperation between our countries, especially in the sphere of support of regional development, small business and the export potential of Ukraine, evaluates the current state of cooperation in the aerospace industry.

Offered directions of activation of foreign economic relations of Ukraine and Canada, which are aimed at mutual attraction of direct investments, expansion of cooperation in aircraft construction and space industry, development of joint agreements of cooperation in the framework of the CUFTA and CETA agreements, the introduction of Ukraine of the state measures of support for Ukrainian producers in the Canadian market.