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Public Regulation Of The Domestic Consumer Goods Market On The Competition Policy Grounds

Nazariy Popadynets^{1,2}, Svitlana Hrynkevych³, Svitlana Shults² and Olha Voitenko²

¹Department of the Economy and Marketing,

Scientific-Educational Institute of Entrepreneurship and Perspective Technologies of Lviv Polytechnic National University

Horbachevskoho str, 18, 79044, Lviv - Ukraine

Address separated by commas - Country

² Department of Regional Economic Policy at M. I. Dolishniy Institute of Regional Research of NAS of Ukraine,

Kozelnytska str. 4, 79026, Lviv - Ukraine

³ Department of Marketing and Logistics, Lviv Polytechnic National University

S.Bandery str. 12, 79013, Lviv - Ukraine

Abstract— the paper aims to determine the strategic directions of forming the competition policy of Ukraine through analyzing the aspects of divergence between Ukraine and the EU in public regulation of the domestic market development. **Materials and methods:** historical-logical method, methods of theoretical generalization, system and historical-economic analysis, system approach, and methods of analysis and synthesis are used to substantiate the conceptual foundations of the domestic market development on the competition policy grounds. The paper substantiates that the factors of foreign economic cooperation and trade and implementation of public competition policy on goods and capital flows distribution have a decisive impact on the development of the Ukrainian domestic market in conditions of globalization and European integration. The paper proves that the competition policy is the system of optimal and innovative methods, tools, and measures initiated by authorities and implemented to develop and expand the socio-economic capacity of the domestic market of consumer goods that are equal to and better than the competition policies of other countries by quality and efficiency.

Keywords — public regulation, domestic market, divergence, competition policy, consumer goods

I. INTRODUCTION

Ukraine has chosen the commitment to European integration at the current stage of its socio-economic development, which was reinforced by signing in 2014 the Association Agreement

part, and Ukraine, of the other part. The Agreement replaced the Partnership and Cooperation Agreement between the European Union and Ukraine and contributed to the transition from partnership and cooperation to political association and economic integration and launching the Deep and Comprehensive Free Trade Area between the EU and Ukraine. Due to open markets and harmonization of Ukrainian legislation with the EU one, including in terms of technical standards, the trade relations have strengthened, and domestic markets of Ukraine and European countries have converged.

In addition to the political part, the Agreement also outlines economic provisions, namely Title IV Trade and Trade-related Matters, Title V Economic and Sector Co-operation, and Title VI Financial Co-operation (Proceedings of International Conference “Association Agreement: Economic Triggers”, 2015). In 2014-2020, Ukraine strategically changed the vector of foreign economic and trade cooperation from CIS countries, namely the Russian Federation, towards the EU countries. Thus, in 2013-2019, goods exports from Ukraine to Russian Federation fell from \$ 15.1 billion down to \$ 3.2 billion (4.7 times) and imports – from \$ 23.2 billion down to \$ 6.9 billion (3.4 times). In the same period, goods exports from Ukraine to the EU-28 grew from \$ 16.8 billion up to \$ 20.8 billion (by 23.8 %) (Official website «State Statistical Service of Ukraine», 2021).

Along with foreign trade intensification, relations institutionalization between Ukraine and the EU in economic



domain and convergence of legal frameworks, technical conditions, and standards of goods and economic activity overall improve the access of domestic production to the markets of the EU countries and quality, safety, and therefore – competitiveness of goods and their compliance with international standards and requirements.

II. RECENT RESEARCH AND PUBLICATION ANALYSIS

The issue of Ukrainian market development is nowadays addressed by many domestic researchers. Kolenchenko L. P. (2011) argues that the developed infrastructure of the consumer goods market is among the fundamental features of a developed market economy that is characterized by mobility of material, labor, financial, and other resources and allows the efficient solution of temporary goods deficit problems. The consumer goods market infrastructure is mainly developed at the expense of businesses without substantial financial investment of Government or local governments. T.H. Vasylytsiv et al. (2014) substantiate the organizational-economic mechanism of implementing the public structural policy of import substitution that is based on tasks and principles and stipulates the set of methods, tools, and specific measures related to the organization of economic policy implementation directed at securing the planned structural changes on the domestic market. O.A. Lipanova, (2012) explains the government's role in securing financial mechanisms of the consumer market development ecologization that should be concentrated around securing the national import substitution programs in the sectors strategically important for the national economy modernization. O.V. Panuhnyk et al. (2019) research the socio-economic nature of food provision on the domestic consumer market of Ukraine, its entities, and main macroeconomic functions oriented on production, realization, and consumption of food undertaken by the state to secure uninterrupted process of social reproduction and security in the country. L.I. Pavlyuk (2015) determines that a range of measures should be taken to improve the efficiency of regional regulating policy mechanisms that boost the domestic market development in Ukraine. The author addresses the issue of development and improvement of the system of technical regulation of the domestic consumer goods market on legal and executive levels and suggests forming the structural-institutional model of the domestic consumer goods market (Popadynets, 2017, 22-29 pages; Popadynets, 2020a, 137-144 pages). The role of domestic consumer goods market development strategy in securing sustainable development in Ukraine is determined and main tasks of implementation of domestic consumer goods market development policy are outlined in the study of I.O. Irtysheva et al. (2020).

III. RESEARCH METHODOLOGY AND METHODS

The output data of the research includes the official statistical data, analytical reports, and scientific literature on the basis of the domestic market and competition policy development.

In the process of the research, the following methods were used: historical-logical method – to examine the theoretical foundations of competition and to detect main features of the domestic market; theoretical generalization, system, and historical-economic analysis – to analyze the genesis of domestic market development based on competitive advantages, determine main obstacles, and substantiate its further development directions; system approach, analysis and synthesis – to substantiate conceptual foundations of market development; constructive method – to determine main indicators of the domestic market development.

Objective statement. The paper aims to determine the strategic directions of forming the competition policy of Ukraine through analyzing the aspects of divergence between Ukraine and the EU in public regulation of domestic market development.

IV. MAIN RESEARCH RESULTS

In the first place, in globalization and European integration, the development of Ukraine's domestic market is related to considering the factors of foreign economic cooperation and trade with the European Union countries. Secondly, the paces, directions, and quality of domestic market development depend on the efficiency of public regulation policy, with the implementation of not less high-quality and efficient tools of the trade flows and capital distribution than in the countries-competitors, which for Ukraine today are mainly the European countries (in 2019, the share of EU-28 in Ukrainian goods exports was 40.0 % and in goods imports – 41.2 %).

Economic cooperation with the EU provides substantial advantages for the country's domestic market. The positive trends include the production cost decline (due to elimination or reduction of duties) for the goods imported and sold on the domestic market, improved quality of domestic products (due to implementation of EU standards and requirements in Ukraine), and their growing competitiveness level, and, consequently, the ability to substitute import. Ukraine's European integration policy also contributes to expanding the programs and projects of foreign economic cooperation of domestic companies – domestic market entities, the capacity of which extends to the strengthening of their competitive positions. It is about new tools to search for partners and organize cooperation between them, create the alternative markets, including joint information-communication and digital segments, exchange and expand technological innovations in production, promote products, boost wholesale and retail trade, and use the EU sectoral support tools, namely for small and medium businesses on domestic goods and services markets.

Despite obvious and significant advantages provided for Ukraine by European integration in terms of the national economy and domestic market development, competition between countries for a range of very important parameters of its functioning and development is expected because national production volumes and GNP, tax revenues, jobs, trade balance, and quality and level of meeting the population's demand for

consumer goods depend on it.

Ukraine, like other countries, regulates the economic activity conditions on the markets of the country and its regions, thus forming the environment to boost the activity of both residents and non-residents. Therefore, the countries with a better environment attract more capital and foreign direct investment, innovations, advanced technologies, and better intellectual and staff resources, securing the growing domestic market capacity and production capacities. Hence, we can speak about competition between countries regarding the development of the domestic market and its strategic segments.

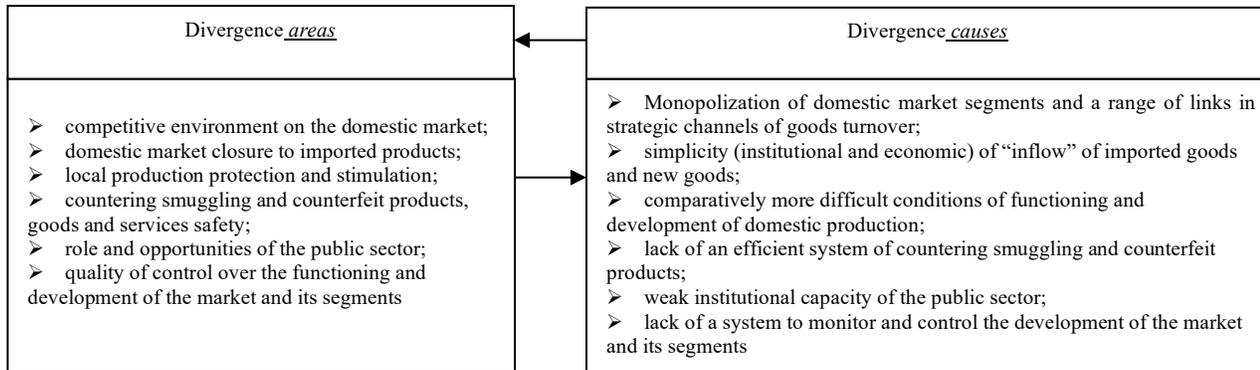
Various aspects of competition between countries are known in economic literature. For example, tax competition, regulation competition, competitiveness of capital, labour, and technologies markets, public institutions competitiveness, infrastructure development, competition in the social domain, etc. Competition in domestic market development can be considered, on the one hand, as a separate direction of economies' competition, while on the other hand, as a certain complex segment of the economy's international competitiveness.

In any approach, the task of forming and implementation of

national competitiveness strategy and tactics in the domestic consumer goods market development is quite relevant. In fact, it is a set of optimal, efficient, and innovative methods, tools, means, and measures used by the country to improve the features of the domestic market functioning and development, realize its contribution to economic development, and improve the quality of life. It should be done with compulsory consideration of leveling and improving the business conditions in Ukraine and other countries, in the first place – in the EU, improving the competitive environment and structural features of the domestic market and its segments, developing infrastructure, and improving the quality of functions and tasks accomplishment by regulating authorities.

There is good reason to insist on significant underperformance and lower investment attractiveness of Ukraine's domestic market compared to the EU countries. The divergence by main aspects of the competition policy of the domestic market regulation compared to the European Union countries is among the main reasons that have prevented Ukraine from achieving a sufficient level of domestic market development in 29 years of independence, including the consumer market (Figure 1).

FIGURE 1. ASPECTS OF DIVERGENCE BETWEEN THE COMPETITION POLICIES OF THE EU AND UKRAINE IN THE DOMESTIC MARKET DEVELOPMENT



Source: developed by authors

In the first place, it is worth emphasizing that the fair competition principle has been among the imperatives of public regulation of the processes on the EU market for many years. It stipulates guaranteeing equal conditions and opportunities for producers and trade organizations in terms of supply, promotion, and sales of their products. Therefore, the main attention is paid to legal regulation of domestic market participants' compliance with economic competition order at the background of strong protection of rights, freedoms, and economic interests of each business entity.

The development of the single European market of goods and services is addressed in many EU directives and agreements. They outline the basic freedoms regarding the movement of goods, capital, and labor, trade, provision and receiving of services, and organizations' activity. It is worth emphasizing the general spirit of EU institutional and legal frameworks regarding the issues related to the functioning of the single market, which are transpierced with the principle of elimination

of any obstacles to free trade, movement, and freedoms. For example, the following basic principles are institutionalized in the EU: non-discrimination by national principle, mutual recognition of goods and services, and free access to the market. According to them, the goods produced in a certain EU country have to be offered for sale and realized in every other EU Member State regardless of how harmonized or different are the technical standards and other parameters of products, conditions of their production and sales, and trade in consumer goods and services.

Ukraine has its specifics regarding both administrative-territorial structure and lack of customs-administrative barriers in interregional trade in consumer goods. Yet, the country has failed to create a single integrated environment, in the first place in a spatial context. There are critical socio-economic, infrastructural, logistical, resource-related, and other imbalances in the development of the domestic market and its segments. It does not contribute to qualitative market evolution,

realization of its capacity in a range of oblasts, remote areas and regions, and therefore – the impact on the socio-economic recovery of the country and its territories.

It is also worth arguing that analysis of competition on the domestic consumer goods market of Ukraine shows that its level is quite low, which is, *inter alia*, confirmed by low positions in the Global Competitiveness Index by the goods market competitiveness. Thus, following the results of 2019, Ukraine was ranked only 57th out of 141 countries by the Product Market Pillar, while by the Market Size Pillar – 47th (Official website «Smart Specialisation Platform. European Commission», 2021).

It is worth mentioning that of the two Product Market Pillar components, Ukraine's position was worse by Domestic Competition (compared to the Trade Openness component). On a 100-point scale, the rate was 49.2 points. Across the structure of the indicators, the low rate was caused by low values of such parameters as the distortive effect of taxes and subsidies on competition (40.0 points) and the extent of market dominance (43.2 points).

The abovementioned shows the monopolization of most domestic consumer goods market segments in Ukraine and the impact of other forms of competitive environment distortion, which affect qualitative competition with all its positive consequences like price optimization, goods range expansion, accessibility improvement for various population groups, quality improvement, rational distribution of added value, and positive impact on domestic production stimulation, etc.

Despite the active free competition policy, the fact that the EU countries quite often use the technical barriers in trade should be emphasized. Namely, most countries use regulations and standards on goods packaging, labeling, form, design, and size, their compliance with engineering communication parameters used in the country, etc., and mandatory procedures related to checking, testing, various additional inspections, and product certification. On the one hand, it increases importers' time and resource cost (same as domestic producers), which objectively complicates entering the EU domestic market, and on the other hand, it improves standardization level and consequently – the quality of products offered for customers – healthcare, security, and environmental protection.

In addition to the free competition principle in the EU countries, an active public policy is carried out to protect the domestic market from low-quality and / or counterfeit products and assure goods security. To accomplish this task, a specific governmental authority responsible for the development and implementation of respective EU directives was established. Meanwhile, all aspects and links of goods movement from the first producer (importer) directly to the end consumer are considered in much detail.

It is worth acknowledging that the product quality and safety system in Ukraine is not so perfect, and the activity of respective institutions is overregulated. An old over administrated system has been preserved in the domestic practice when quality and conformity certificates are issued only to goods producers or importers whose eligibility extends to the next stages of goods movement. Frequently, half-legal or

counterfeit goods are produced under existing certificates.

Moreover, the countries with a high level of economic development are increasingly addressing the development of approaches to electronic labeling (of quality and safety) and its digital control that helps not only to check and control the product quality and safety but also track their promotion stages both in trade system and in the spatial dimension. It is worth securing a similar system in Ukraine to improve the domestic market protection from low-quality and counterfeit products.

The increasing role and opportunities of the public sector is another feature of modern EU competition policy on the development and efficient functioning of the domestic consumer goods market. Generally, it includes national organizations of consumer rights and interests protection. Traditionally, these institutions aim to provide suggestions regarding the improvement of institutional and legal frameworks for securing the consumer rights on the domestic market of goods and services, trade and service conditions, and requirements to product quality and safety and related services. Yet, their competencies are extended to include the opportunity to hold independent expertise of goods, provide legal support to customers and consumers, carry out the powerful informational activity, and cooperate with associated organizations of producers, suppliers, and importers on the domestic market.

In Ukraine, the number of non-governmental organizations protecting consumer rights is limited and they usually do not have such extended competencies, especially in terms of independent verification of product quality and safety, extension of their activity to the national level, and establishment of the system of collective agreement-based regulation of relations in the public organizations – associated groupings of producers and importers – public regulating authorities' dimension.

One of the directions to converge competition policies can include legal recognition in Ukraine of the so-called five basic consumer rights: to protection of health and safety, to protection of economic interests, of redress, to information and education, of representation.

It is worth paying attention that despite consumer rights protection the EU competition policy extends to the protection of economic interests of all other entities of relations on the domestic market of goods and services – producers, trade organizations, producer representatives, importers, and domestic market infrastructure entities. In the first place, meeting the respective interests is secured by the high quality of competitive and business environment overall, well-developed legislation, and efficient judicial system. Yet, in the second place, the system of permanent control over the key parameters of the domestic market functioning and development is established. For this purpose, the structure of executive authorities includes the service responsible for supervising the domestic consumer market.

Although the EU Member States secure the organization of such supervision and control system in different ways, there are two main methods. The first one is centralized (when the activity of a single structure covers all domestic market segments), the other – decentralized (when some aspects of the

domestic market functioning are delegated to more specialized authorities, including sectoral) but there are also mixed practices. In the first place, in the supervision system, attention is paid to consumer interest and health protection, yet macroeconomic features of the domestic market development are also analyzed, along with competition, discriminating actions of some entities towards the other, quality of regulating policy, and timing of introduced changes and regulating measures, etc.

It is worth emphasizing that the control function is among the basic ones in organizing and conducting public policy. Its implementation helps to track the quality and efficiency of developing processes and identify problem areas, risks, and threats. It is mostly lacking in Ukraine. There is no immediate monitoring and detailed system analysis of the consequences of accomplishing national and regional programs on the development of the domestic market and its segments, retail and wholesale trade, production, and sales of consumer goods.

It is worth paying attention to another important aspect that significantly increases the competitive advantages of the domestic consumer goods market development policy in the EU compared to less competitive strategies of public regulation in other countries, where the governments are less active in this domain. It is about the extension of intellectualization and smart specialization based on the digital transformation of processes and relations. Therefore, the ground for the public policy includes the global Sustainable Development Goals till 2020 (UN), Europe 2020 Strategy, and the Digital Agenda for Europe (Warwick, 2013), which offer strategic and tactical provisions on digital society development, implementation of the results of research and innovative activity in digital technologies, development and access to informational communications, and expansion of digital economy and trade.

Regarding smart specialization, the practice of development and implementation of regional smart specialization strategies with the regulation and support tools based on knowledge, expansion, and adaptation of key boosting technologies, and securing smart specialization is quite common at the current stage of EU regional policy (Sung & Tinkham, 2015, 334-350 pages).

In such a way, a combination of digitalization and smart specialization has secured the synergy effects and completely new more competitive approaches to functioning and development of the domestic consumer goods market and contributed to the establishment of a powerful additional segment of the domestic market in the form of the market information segment, where all processes are much faster and more efficient.

The application of a range of measures on non-tariff import restrictions is an important aspect of the EU competition policy, which should be emphasized. In fact, the practices contradict the norms of the World Trade Organization and other international trade organizations and groupings. Through such measures, a country, in fact, largely creates “false” competitive advantages for domestic producers against imported products due to additional tools of the domestic consumer market protection. They include trade volume restrictions, introduction

of additional administrative procedures, complication of trade conditions and standards, and implementation of specific trade barriers and additional import conditions, etc.

Obviously, the convergence of competition policies of Ukraine and the EU should stipulate mirror measures and activities, which, on the one hand, slow down the quick entry of large volumes of imported products to the domestic market of Ukraine (keeping the selective approach to certain groups of goods), and on the other hand, do not contradict the norms and provisions of WTO, Association Agreement, and establishment of Deep and Comprehensive Free Trade Area between Ukraine and the EU.

It is worth noting that the promotion of “sharing economy” and “collaborative consumption” is the modern trend in regulating the development of the domestic consumer goods market in EU countries. It is about the active development of informational and internet technologies, e-platforms, online platforms, where a wide range of consumers is offered numerous consumer goods and related services, including financial ones.

We are talking not only about e-commerce but also a much wider range of issues related to digital communications of the domestic consumer market entities. It becomes increasingly possible due to the development of a technological framework for respective processes. Databases, search systems, wireless connections, and cloud and other modern ICT, etc. are being developed and the issue is being brought to the legislative level. In particular, the concept of “collaborative consumption” and legal aspects of its further development had been institutionalized in a range of resolutions of the European Parliament by 2015.

Despite positive changes in terms of improvement of the organizational-managerial system of the digital economy sector development in Ukraine generated by the establishment and activity of the Ministry of Digital Transformation of Ukraine, intensification of digitalization processes across sectors in the country is still insufficient. In this context, the institutional framework of processes digitalization on the domestic EU market looks more attractive, which has impacted their fast dissemination and contribution to main macroeconomic characteristics.

The defined aspects of divergence of Ukraine’s competition policy on consumer goods market development should be eliminated in the first place. Afterwards, the tools and means of public regulation oriented on new more qualitative changes for improved competitive advantages and investment attractiveness of Ukraine’s domestic market in the system of regional geoeconomics location should be developed.

It is worth emphasizing that the goal of the public competition policy is related to creating the specific environment that generates sustainable motivation and provides all opportunities for rational behaviour of economic agents and eliminates obstacles to the development at all stages of economic reproduction, rational distribution of resources and national income, location of product forces, realization of economic interests of all parties: customer and consumer, producer, supplier and trade organization, and market

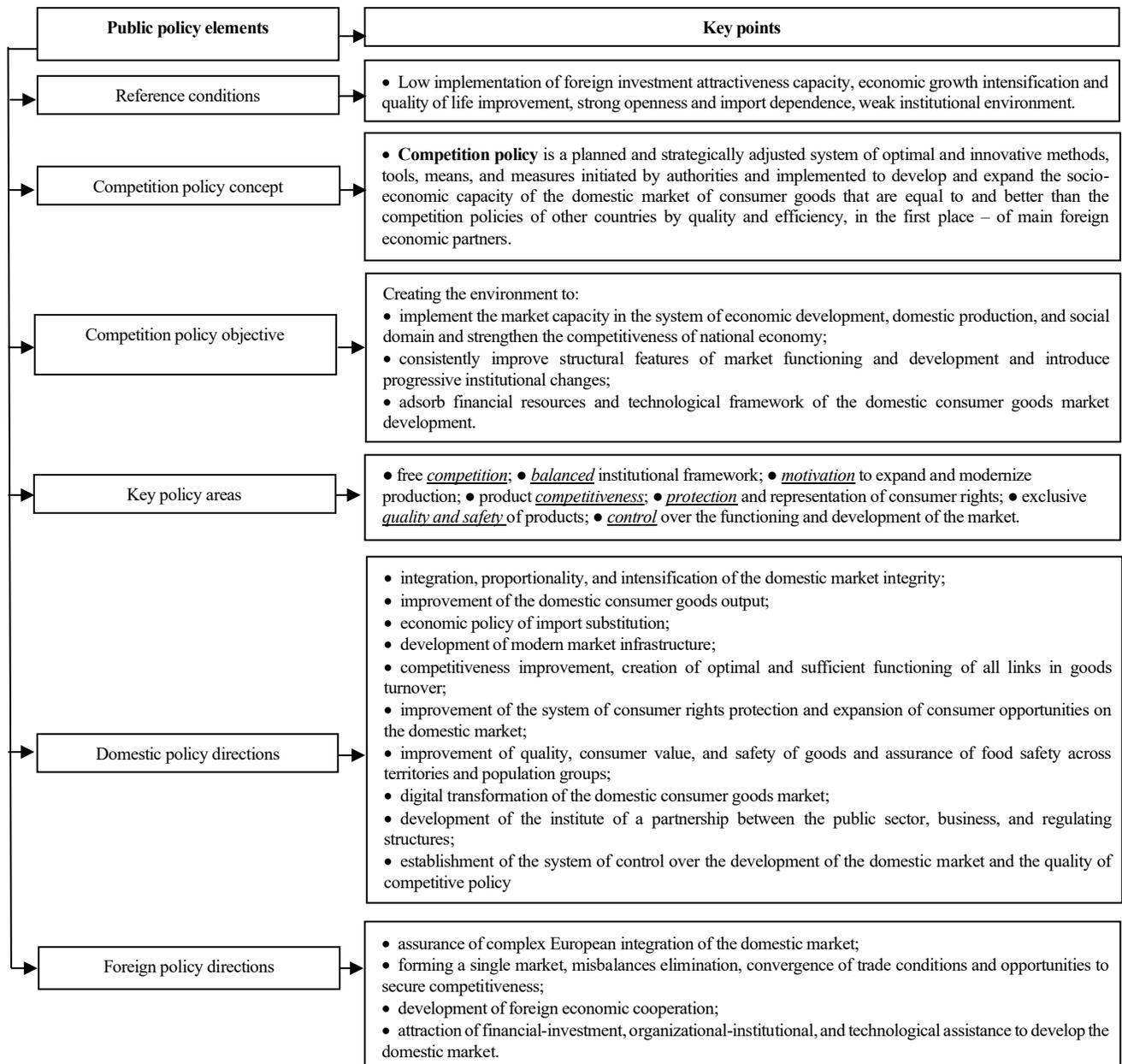
infrastructure elements.

Creating the environment to fulfil the capacity of the domestic market in the system of the national economy, improve its competitiveness, increase the quality of life of the population, secure structural reforms and institutional changes on the market, boost foreign and domestic investment, engage personnel and technological frameworks in the development of

the domestic market system is the key task of the competition policy in the analyzed domain.

Figure 2 shows the conceptual and practical provisions of the competition policy of the domestic consumer goods market development in Ukraine, the composition of the elements, and their content.

FIGURE 2. CONCEPTUALIZATION OF THE COMPETITION POLICY OF THE DOMESTIC CONSUMER GOODS MARKET DEVELOPMENT IN UKRAINE



Source: (Popadynets, 2020b)

Meanwhile, securing the implementation of the defined goal and achieving the high quality and efficiency of public policy requires compliance with a range of basic principles in the domain.

They include, in the first place, the free competition principle as the basic principle of the most rational accumulation and use of domestic growth reserves. The full-scale movement of the country's domestic market towards the cohort of the most competitive domestic markets won't be possible until the hidden monopolization of most domestic market segments is eliminated, including in fuel and energy sector, transport and communication, television, production and sales of mineral fertilizers, ferroalloys, metallurgy, the market of light oil and aviation fuel, coal industry, sector of storage and processing of agricultural products, and housing and other consumer services for the population.

Obviously, most monopolized sectors in Ukraine belong to the primary industry – the production of which serves as raw materials for the production of other goods, including final goods. It means that producers' access to such goods is also limited, extending monopolization to secondary and even tertiary industries.

Therefore, it is impossible to secure a high level of public policy's competitiveness without the domestic market demopolization and development of healthy competition.

These conclusions also cover the access of qualitative imported products to the domestic market of the country. It should be the same as that for domestic producers of the same products. The forced closedness of the domestic market is the modern global anti-trend.

Global experience proves that granting artificial benefits to domestic output in the course of import substitution policy implementation is the way to even stronger import substitution in the strategic perspective because ideal conditions help to reduce the companies' requirements to quality and competitiveness of their products. Reaching the critical gap in the quality of goods and services leads to consumers' refusal to buy domestic products and the development of alternative channels of foreign products' penetration into the domestic markets.

Such circumstances show the efficiency of the free competition strategy and the use of "smart" forms and practices of non-tariff import regulation like requirements to specific labelling of products, their size, and technical features, etc. Such measures create certain organizational and financial obstacles for importers, so they provide a certain time lag for producers – competitors regarding the improvement of quality and competitiveness characteristics.

The principle of institutional framework balance covers the three most important aspects in the institutional-legal domain and two aspects in institutional-organizational domain. Regarding the institutional-legal domain, the first aspect is the absence of relations areas not regulated by the country's legislation. The second one is related to the sufficiency of the legal framework for the aspects of the domestic market development and functioning regulated by the domestic legislation. The third one consists in complete compliance of

national legislation in production and trade industries to the European one. Regarding the institutional-organizational domain, it is about, in the first place, the creation of comprehensive market infrastructure of the domestic market and its entities and participants. Customers and consumers of goods, companies – producers, logistics and trade organizations, and structures responsible for the market development regulation are the major among them. Secondly, it is about the sufficient expansion of opportunities of infrastructural institutions for their further active participation in the improvement of economic and legal conditions and business environment on the country's domestic market.

It is very important to comply with the principle of securing the motivation of economic agents to create new and modernize existing production capacities during elaboration and further implementation of the domestic consumer goods market development policy. For example, currently, the principle is violated both in a range of existing and not yet approved regulating acts. It is about preserving a high fiscal burden on business, difficulties in passing permitting and approval procedures in construction and opening of production, rent-seeking, lack of proper legally established tools of financial support to domestic production, tax preferences for development and introduction of technological innovations and business relations informatization by enterprises. All these issues and other ones demotivate the domestic market entities in Ukraine to focus on investment in the modernization of production, trade, and infrastructural facilities.

Contemporary competition policy of the domestic market development is oriented on strengthening the competitiveness of domestic production both inside the country and on external markets. The accomplishment of the tasks closely correlates with innovations introduction and technologies commercialization, provision of new consumer features to goods and services, and added value growth, which includes the factors of creativity and cost capacity. Therefore, all managerial decisions should undergo preliminary verification to not contradict and even actively support the changes.

It is worth admitting that domestic legislation on consumer protection is quite qualitative and compatible with the best foreign practices. But it does not mean that it shouldn't be improved. Improvement of the system of consumer rights representation is the major direction of necessary changes. If a customers' rights are relatively protected, the representation of their interests is not. It requires public support of establishing civil society organizations to promote and protect consumer rights with much wider competencies in terms of participation in forming and implementation of public policy in the domain. The establishment of respective structures should be initiated by authorities at all levels including the preparation of key-ready civil society organization with office premises and technical equipment with the further appointment of the manager on a competitive basis. Collective organizations should be the members of advisory bodies under authorities, with voting rights in discussions and decision-making regarding various aspects of functioning and development of the domestic market.

Moreover, there is an urgent need to demonopolize the functions of the state in terms of technical supervision and control over product quality and compliance. The legislation must be amended to allow civil consumer organizations to check the quality of products offered for sale on the domestic consumer market. Foreign experience shows that such practice is much more efficient.

The principle of exclusive product quality and safety means full convergence of domestic and EU legislation in terms of guaranteeing and control of the quality and safety features of products sold on the domestic market for consumers. Meanwhile, it is important to not only introduce all the norms but also secure their consistent observance.

Compliance with the principle of the market functioning and development control is no less important (for improving the competitiveness level of the domestic market development national policy). Currently, such control is absent and is reduced to the provision of most general data on trade and services by statistical offices. Yet, even statistical observation is insufficient. For example, Eurostat and other Internet resources show very detailed statistics regarding the goods production and sales across regions, countries, and other important criteria. In Ukraine, the data is limited, substantially worsening the informational-analytical framework of qualitative managerial decisions on public regulation of the domestic market development.

However, control is not only about statistical data. As far as domestic consumer goods market is among the leading links in the general economic system of the country where the demand and supply of consumer goods are harmonized and consumer needs are met, thus securing economic reproduction, its role in functioning and development of economy and improvement of the quality of life of the population is of utmost importance. On this basis, it is worth arguing that authorities responsible for the domestic consumer goods market development should have more operational information of both quantitative and qualitative nature. The data should be structured in a spatial-sectoral context – across territories, groups of consumers, sources of deliveries and sales, and sectors of the consumer market. In other words, it should be the information necessary to detect the dynamics and trends of the domestic consumer goods market development, generate conclusions following the implementation of the objective and strategic goals of public policy in this domain, identify problem aspects and bottlenecks, and make strategic and operating decisions on public regulation of securing the domestic market development overall.

V. DISCUSSION

The key monitoring features will be reduced to tracking the volumes and trends of goods production, deliveries, sales, and consumption across all possible classification features and market segments. It is the quantitative side of the case. The qualitative one stipulates the monitoring of the environment created on the domestic market of the country. The most important aspects here include the quality of relations between the country, producers, importers, and trade organizations,

customers and consumers, and other participants of the domestic consumer goods market. The system of indicators shown in Table 1 can be used as the basis to monitor the quality of the relations.

TABLE. 1. INDICATORS TO MONITOR THE PUBLIC POLICY ON THE REGULATION OF THE DOMESTIC CONSUMER GOODS MARKET ENTITIES' RELATIONS

Market entities	Entities' economic interests
1. Authorities	
Interaction between economic entities and authorities	<ul style="list-style-type: none"> • Minimum public registration cost; • opportunity of adaptation when launching the business and entering the market; • private ownership right protection; • economically sound payback period and sufficient level of the use of production and trade capacities; • break-even and economically sound efficiency of financial-economic activity.
Getting access to business rights	<ul style="list-style-type: none"> • Absence (economic feasibility) of transaction costs when: <ul style="list-style-type: none"> - opening trade, production, services, etc. facilities; - undergoing licensing procedures, obtaining trade patents; - obtaining permits and approvals; - registering and certifying technological processes, products (services); - obtaining other permits and rights.
Public monitoring and control over economic activity	<ul style="list-style-type: none"> • Absence (minimum) financial costs, losses, and interruption of technological process in the course of and after undergoing inspections by public control authorities, including partner companies and subsidiaries; • absence of time losses, pressure on managers, and negative impact on moral and psychological situation among the staff after inspections; • preservation of customer and partner database after inspections.
Interaction with authorities when entering the market and conducting business	<ul style="list-style-type: none"> • Getting equal rights of access and functioning on all markets (including public procurement) by compliance with the rule of law, quality of all economic entities, competitive environment, and absence of corruption and administrative pressure; • opportunity of proper adaptation (without or with acceptable losses) to economic conditions when changes are made to the legislation; • absence of discrimination and unfair competition.
2. Market infrastructure entities	
Interaction with other economic entities	<ul style="list-style-type: none"> • Proper financial-economic efficiency of the cooperation; • attraction of investment and resources; • preservation of assets and resources; • information confidentiality; • guarantee of property rights; • absence of losses from non-competitive actions, distortion of information; • absence of products (goods) stealing.
3. Elements of institutional (including civil) environment	
Interaction with civil society organizations, other elements of institutional environment	<ul style="list-style-type: none"> • Access to labor market and employment; • improvement of the quality of life; • social and environmental security; • representation and meeting the consumer needs; • impact on public opinion; • prevention of implementation of lobbying decisions inappropriate for society; • development of useful decisions on improving the entrepreneurship environment and public regulation in the domain.
4. Staff	
Interaction with the staff	<ul style="list-style-type: none"> • Maintenance of average sectoral and higher level of labor productivity;

Market entities	Entities' economic interests
	I. Authorities
	<ul style="list-style-type: none"> • efficient use of intellectual-personnel and social capital; • absence of property stealing and damaging; • securing commercial confidentiality.

Source: developed based on (Popper, 1995, 118-138 pages)

It is a known fact that public policy is implemented by applying its tools. Their composition should be determined according to (1) regulation of market deformations and externalities, (2) prevention of threats to the economic security of a person, consumption, domestic market, and national economy, (3) elimination of misbalanced (weaknesses) in the competitive policy of the country and identification of the ways to strengthen competitive positions, (4) support of strategic sectors and implementation of the domestic capacity and opportunities of the domestic market of the country, (5) current condition and difficulties with stabilization of the market and financial capacity of the country. Based on these arguments and the abovementioned aspects of the divergence of competition policies in Ukraine and the EU in terms of domestic market development, the main tools of the national policy should be related to increasing the internal integration and assuring the integrity of Ukraine's domestic market, stimulating the volumes of domestic consumer goods production, import substitutions, improving the market infrastructure and competition development, strengthening the consumer interests protection, guaranteeing the food security, developing and introducing technological innovations, digitalizing the domestic market, and creating the system of full public-private control.

In conditions of the active phase of Ukraine's European integration, attention should be paid to the issues of the external vector of competition policy, which is very important in the context of adapting the best European practices and obtaining a range of synergy effects, including financial-investment, organizational-institutional, and technological assistance to domestic consumer market entities.

VI. CONCLUSIONS

Efficient public regulation that consequently contributes to achieving the sustainable and structurally balanced long-term development of the domestic consumer goods market is based not only on correct and strategically verified managerial decisions but also the capacity of public structures to develop and implement regulation mechanisms and tools that are more innovative and qualitative in terms of creating better conditions for improvement of the market's investment attractiveness and securing its contribution to economic growth and improvement of the populations' quality of life.

As far as the European Union countries are main foreign economic partners of Ukraine in the medium and long term (and so – its competitors in public policy of the domestic market development), when forming the national competition policy in the analyzed domain, it is worth eliminating the areas and

reasons for divergence (monopolization of sectors on the domestic market and a range of links in strategic goods turnover channels, simplicity of "inflow" of imported products, more complicated conditions of functioning and development of domestic production, lack of a proper system of countering smuggling and counterfeit products, weak institutional capacity and opportunities for the public sector, and lack of the system of monitoring and control of the market and its segments' development) and strengthening the impact of factors able to implement the capacity of domestic markets' competitiveness on micro-, macro-, and global economic levels.

Taking into account the system of competition policy principles, the following are the priority tools of public regulation of the domestic consumer goods market development in Ukraine: achievement of internal integration, proportionality, and domestic market integrity intensification; improvement of the conditions of consumer goods' domestic production; implementation of import substitution policy; development of modern market infrastructure; improvement of competition and creation of optimal and sufficient links in goods turnover; improvement of the system of consumer rights and opportunities protection; improvement of the quality, consumer value, and safety of goods, and maintenance of food security; digital transformation of the domestic market; development of the institute of a partnership between the public sector, business, and regulating structures; establishment of the system of control over the development of the domestic market and quality of competition policy.

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