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THE EU'S ANTITRUST TRADE LEGISLATION AND ITS IMPACT ON THE INTERNATIONAL TRADE OF UKRAINIAN SMES

Ukraine's economic integration with the European Union has accelerated in recent years. As its trade policy and legislation draw closer to EU standards, key to this integration is the adoption of EU antitrust and competition rules. They are aimed at securing a level playing field in the market, which is crucial for Ukrainian enterprises as well.

Under the EU–Ukraine Association Agreement and Deep and Comprehensive Free Trade Area (DCFTA), Ukraine is approximating its laws to the EU's in key trade-related areas such as competition, food safety, customs procedures, and public procurement. As a result, the EU has become Ukraine's largest trading partner, accounting for roughly two-thirds of Ukraine's export volume. Notably, since 2022 the EU has fully liberalised trade with Ukraine by suspending all tariffs and quotas, a temporary measure that has doubled bilateral trade in goods since the DCFTA's entry into force [1].

EU competition law – often referred to as antitrust legislation – is a central pillar of the EU's Single Market governance. EU antitrust rules prohibit agreements that restrict competition (such as cartels) and abuse of dominant market positions, and they regulate mergers to prevent excessive market concentration [2, p. 3]. In parallel, the EU strictly controls state aid, allowing government subsidies to companies only under conditions that avoid distorting fair competition [2, p. 22]. These rules protect free competition for the benefit of consumers and businesses of all sizes. Effective enforcement of competition policies is especially crucial in times of crisis, as it safeguards market stability and ensures that even SMEs can compete fairly without being overshadowed by monopolistic practices [2, p. 4]. For Ukraine's export-oriented SMEs, understanding and complying with EU competition norms has become a necessary part of doing business with EU partners.

The impact of EU antitrust legislation on Ukrainian SMEs is evident in both the regulatory adjustments Ukraine has undertaken and the new

opportunities that have opened. On the regulatory side, Ukraine's Antimonopoly Committee (AMCU) has been empowered and reformed to mirror EU best practices. A comprehensive competition law reform took effect in early 2024 to align Ukrainian competition law with EU standards and introduced modern mechanisms like leniency programs and settlement procedures for cartel cases, as well as strengthening merger control thresholds [3, p. 69]. These changes improve the domestic business climate through transparency and predictability of market rules, which benefits Ukrainian SMEs seeking to expand their business abroad. Alignment with EU antitrust norms is also a prerequisite for deeper trade integration; Ukraine's progress in competition policy has been a key criterion in its EU accession candidacy evaluations. Without allowing large companies to unfairly displace small exporters, a harmonized system of competition policy creates a fairer environment for Ukrainian SMEs in the international arena.

At the same time, EU antitrust legislation imposes higher compliance standards that can be challenging for some Ukrainian businesses. SMEs entering the EU market must adhere to the same strict rules as European companies, which requires special awareness and sometimes costly adjustments as well. Practices that might be overlooked in less regulated markets (e.g. exclusive agreements, informal coordination on prices, or receiving state support) come under thorough inspection. Ukraine's ongoing reforms therefore also focus on educating SMEs and building regulatory capacity. The effort is substantial but is yielding results: Ukraine's score in the EU's Small Business Act assessments improved between 2020 and 2024, especially in internationalisation and skills development, indicating that the environment for SMEs is becoming more supportive of export growth [4, p. 58].

Current economic conditions, notably the ongoing war and Ukraine's EU candidate status, have made EU antitrust policy even more influential. The war disrupted supply chains and led to the temporary suspension of some competition controls in order to enable emergency support for businesses [3, p. 70]. Nonetheless, the overarching trajectory is toward reinstating and reinforcing competition rules as conditions allow, in line with European standards. Having provided Ukrainian companies with unprecedented duty-free access while simultaneously advocating for reforms, the EU has given SMEs the opportunity to compete in its market and the obligation to do so fairly. Those SMEs that can innovate and remain efficient stand to gain most, as they can leverage a more level playing field.

The EU antitrust trade legislation both provides stimulation for SMEs' activity and serves as their guide. It has catalyzed legal and institutional reforms in Ukraine that introduce competition principles into the economy, thereby improving SMEs' access to the EU single market on fair terms. It also assists SMEs in matters such as how to conduct business competitively and legally in a larger integrated market. While challenges remain – from ensuring full compliance to sustaining gains under the strain of war – the overall impact is positive. Empowered by a more predictable fair competition environment and supported by EU integration measures, Ukrainian entrepreneurs are better equipped to expand internationally and to contribute to Ukraine's eventual accession to the EU as equal players in the European and global marketplace.

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