

**Ministry of Education and Science of Ukraine
State University of Trade and Economics
International Management Department**

FINAL QUALIFYING PAPER

on the topic:

**«ORGANIZATION OF IMPORTS OF CONFECTIONERY AND
BAKERY PRODUCTS FROM EU COUNTRIES (TO THE MATERIALS
OF THE CONFECTIONERY COMPANY CHIPITA 7 DAYS)»**

Student of the 4th year, group 5am,
specialty 073 “Management”,
specialization “Management of
Foreign Economic Activity”

Yankovska Yana

(student's signature)

Supervisor
PhD (Economics),
Associate Professor

Molchanova Ellana

(signature of a scientific adviser)

Guarantor of the educational
program
PhD (Economics),
Associate Professor

Piankova Oksana

*(signature of the head of the
project team)*

Kyiv 2022

ABSTRACT

Yankovska Y. «Organization of imports of confectionery and bakery products from EU countries». *Manuscript.*

Graduate qualification work on specialty «management» on specialization «management of foreign economic activity». Kyiv National University of Trade and Economics, Kyiv 2022.

Graduation qualification work is devoted to practical aspects of the organization of imports of confectionery and bakery products from the EU, which includes: a study of the functioning of the enterprise FEA, market analysis of confectionery and bakery products EU, analysis of the feasibility of importing the goods under study, organization and forecast assessment of the import of confectionery and bakery products.

Key words: Subject of FEA, import, EU market for confectionery and bakery products, import organization, import valuation, Chipita 7 DAYS.

TABLE OF CONTENTS

INTRODUCTION	4
CHAPTER 1. CHARACTERISTICS OF THE CONFECTIONERY COMPANY CHIPITA INTERNATIONAL (BRAND 7 DAYS) AND ITS IMPORT ACTIVITIES	6
1.1 Characteristics of the confectionery company Chipita International (brand 7 Days)	6
1.2 Foreign economic activity of the confectionery company Chipita International (brand 7 Days).....	16
CHAPTER 2. ANALYSIS OF THE MARKET OF CONFECTIONERY AND BAKERY PRODUCTS OF THE EU AND THE POSSIBILITY OF IMPORTING THE GOODS UNDER STUDY	22
2.1 Analysis of the EU market of confectionery and bakery products	22
2.2 Analysis of the feasibility of importing the goods under study	29
CHAPTER 3. ORGANIZATION OF SUPPLY AND FORECAST ASSESSMENT OF IMPORTS OF CONFECTIONERY AND BAKERY PRODUCTS	36
3.1 Organization of ensuring the import of confectionery and bakery products	36
3.2 Forecast assessment of imports of confectionery and bakery products	45
CONCLUSION	50
REFERENCES	53
APPENDICES	57

INTRODUCTION

Relevance. The modern world economy is a ramified, complex mega economic system, which integrity is provided by the developed international division and cooperation of labour, interaction of a set of intensive international markets, currency and financial and credit relations. The enormous scale of world trade turnover, financial and technological resources, on the one hand, testifies to the increasingly important role of external economic factors in the economic advancement of individual countries. On the other hand, the vulnerability of national economies, especially medium and underdeveloped countries, to the turbulent processes and financial crises that have recently swept the planet is increasing.

Exchange between producers in different countries takes place through foreign trade transactions. In order for the exchange to take place, it is necessary to carry out relevant interrelated activities: find a buyer; sign an agreement with them to discuss all the conditions (goods, their quantity and quality, price, delivery dates, etc.); execute the contract, i.e. prepare the goods for delivery, deliver them to the buyer, make payment for the delivered goods.

The aggregate of these actions constitutes the content of the foreign trade transaction. Thus, a foreign trade transaction should be understood as a set of actions of counterparties from different countries aimed at carrying out a trade exchange.

Such actions are commercial in nature, so exchange transactions become commercial. As such, they are essentially management activities. The content of exchange management, that is, the performance of exchange operations, consists in organizing, directing, regulating the various activities of the counterparties engaged in the exchange of material goods and services.

A foreign trade transaction as a guiding activity implies that there are actors carrying out these activities and objects to which these activities are directed.

Purpose of the research: To analyse the organisation of imports of confectionery and bakery products from EU countries.

In order to achieve the objective, the following **tasks** were formed:

- to provide a characteristic of the confectionery company Chipita International (7 Days brand);
- to study the foreign economic activity of the confectionery company Chipita International (brand 7 DAYS);
- to analyze the market of confectionery and bakery products;
- to analyze the feasibility of importing the goods under study;
- to investigate the organization of import provision of confectionery and bakery products;
- to give a forecast assessment of the import of confectionery and bakery products.

Object of the study: the importation process of confectionery and bakery products.

Subject of the study: organisation of imports of confectionery and bakery products from EU countries.

The information support consisted of: legal acts, monographs, textbooks, dissertations, scientific manuals, scientific articles and other sources of information.

Practical significance lies in the fact that a characteristic of the confectionery company Chipita International (brand 7 DAYS) is given and its foreign economic activity is studied; the market of confectionery and bakery products and expediency of import of the studied product is analyzed; a forecast assessment of import of confectionery and bakery products is given.

Research methods: analysis, synthesis, induction, deduction, content analysis, equation, generalisation and other methods of scientific knowledge.

Structure: The study consists of an introduction, three CHAPTERs, a conclusion and a list of references.

CHAPTER 1. CHARACTERISTICS OF THE CONFECTIONERY COMPANY CHIPITA INTERNATIONAL (BRAND 7 DAYS) AND ITS IMPORT ACTIVITIES

1.1 Characteristics of the confectionery company Chipita International (brand 7 Days)

Chipita was established in Greece in 1973 as a company for the production and promotion of salty snacks. At the time, the main products were cheese-flavoured corn snacks, followed by crisps in 1988.

In 1991, the company launched the croissant brand 7 DAYS, an individually wrapped baked snack with a long shelf life. Shortly afterwards, the 7 DAYS mini croissants were launched on the market. A few years later, in 1996, the innovative Bake Rolls became hugely popular on the market and quickly established themselves as consumers' favourite snack.

Simultaneously with the development of the product range, Chipita started to successfully build its international positioning, which it has kept to this day. Expansion into other countries has taken place through the establishment of its own subsidiaries and strategic partnerships with major international or local companies with high growth and development rates.

Thus Chipita has been operating outside Greece since 1996, setting up production facilities first in Bulgaria, then in Poland, Romania and Saudi Arabia, and more recently in Turkey, Malaysia, Mexico, India and Slovakia (2020). Today, Chipita also has commercial presence in 11 countries - the Czech Republic, Germany, Hungary, Serbia, Slovakia, Croatia, the Baltic States, Georgia, Ukraine, Belarus and the UK.

Currently Chipita represents internationally 3 main product categories - croissants and similar pastries, bread snacks (Bake Rolls) and other products.

Products are manufactured at 14 production facilities in 11 countries and then delivered to consumers from a total of 56 countries either directly or via intermediaries through strategic partnerships.

7 DAYS is an international brand currently present in markets in 47 countries.

It comprises a range of flour products, both sweet (mainly individually wrapped and mini croissants, various pastry products and cakes) and savoury (Bake Rolls, Pizzeti, Fruit & Nuts). Company mission: «We constantly strive to develop, manufacture and sell safe, innovative products of high nutritional value at the best possible price-performance ratio». Company objective: «To provide added value to the company's partners by maintaining and strengthening the company's leading position in the market».

The company's values are shown in Table 1.1.

Table 1.1

Chipita International's values

«Our values are reflected in the responsibility we take towards our employees, consumers and the environment in every decision we make and in the development of our business»	
Quality	«We use only the highest quality raw materials to provide our consumers with products of high nutritional value. We apply strict control systems certified internationally by reputable international organisations».
Trust and honesty	«We strive to build relationships of mutual trust, both with our customers and with our partners, internally and externally. We demonstrate integrity and respect towards our investors and partners, which plays an important role in building and maintaining stable and enduring relationships».
Business ethics	«40 years ago, when we founded the company, we took as our foundation the standards of an entrepreneurship that strives for transparency, meritocracy and ethical correctness at all levels of business».
Innovation and continuous improvement	«Our company was founded and continues to be built on innovation. We create innovative products in response to new tastes and modern lifestyles of our consumers. We ensure continuous improvement of our products and processes by investing in research and technology».
Social and environmental responsibility	«We rely on research and technology to support our progressive and responsible attitude towards the environment and society as a whole in our quest for continuous development».
Compliance with the law	«As our company is active in various international markets, we pay particular attention to full compliance with applicable laws in each country. We rely on our code of ethics and act with integrity and a sense of social responsibility, complying with the laws of each country and complying with all related tax obligations».

Source: Formed by the author on the basis of official site [9]

Employees are the most important asset of the company, as through them the company demonstrates its philosophy and vision on a daily basis. Chipita employs over 11,000 people, 30 different nationalities, of whom 4,700 work directly at Chipita and 6,500 at strategic partner companies [9].

Chipita believes in the skills of its people and invests in their further development. Chipita's presence in many countries enables it to identify and reward talented employees with diverse cultures, experiences, and backgrounds and deepen successful experiences that contribute to the development of the company, people, and society.

As a responsible employer, Chipita invests in the development of modern human resource management systems that are continuously updated and improved. The company recognizes and rewards efforts and results, and provides its employees with a safe and non-discriminatory environment.

In its activities in Ukraine, the company is guided by the regulations and laws of Ukraine, as well as internal documents that do not contradict the legislation. Including the Laws of Ukraine «On Consumer Cooperation», «On Joint Stock Companies», other Ukrainian laws and regulations, the decision of the congresses of the Ukrainian consumer cooperation, and the statutes.

The Board of Directors of Chipita is reflected in Figure 1.1.

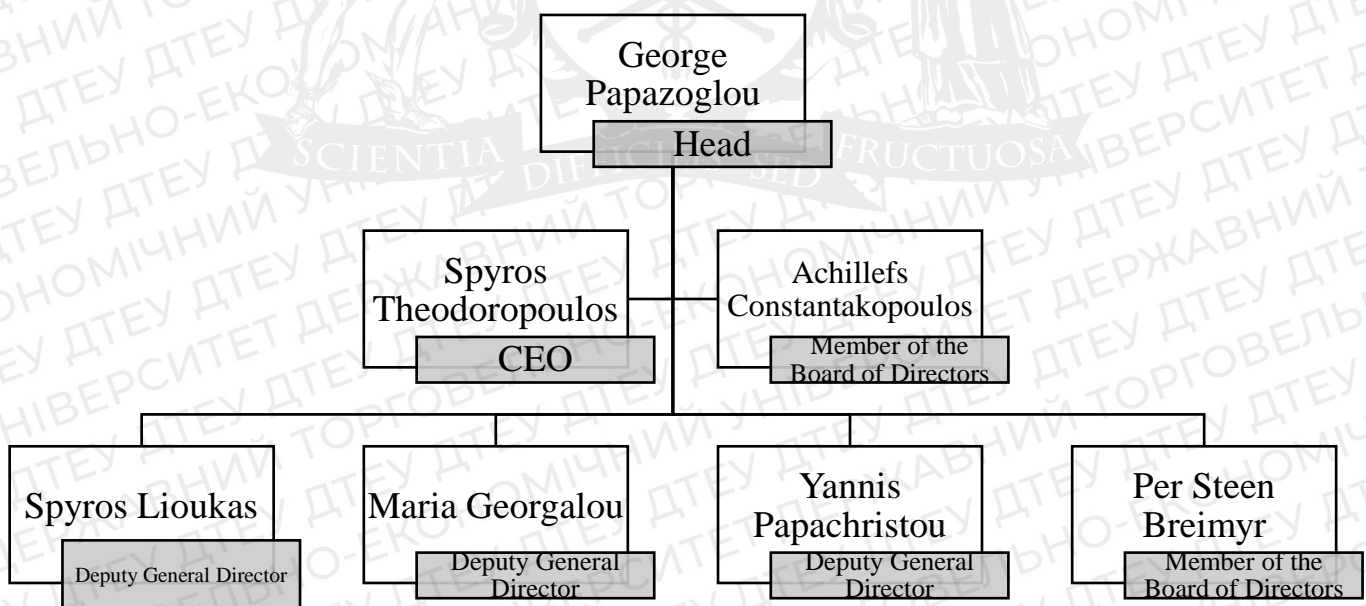


Fig. 1.1. Structure of Chipita's Board of Directors

Source: Formed by the author on the basis of [9]

A central tenet of Chipita's food safety quality management policy, in compliance with the international standard ISO 22000:2005, based on the HACCP (Hazard Analysis and Critical Control Points) principles, is customer focus.

In order to communicate its quality management policy to customers and provide them with the necessary evidence, Chipita has introduced a quality management system that meets the requirements of ISO 9001:2000.

All Chipita's confectionery factories are equipped to monitor quality control and relevant research. The development of technology and the launch of high-quality confectionery products is handled by specialists who are certified and trained in specialised foreign centres.

The confectionery products on the market are made using the most modern technologies. The use of modern high-performance equipment, strict compliance with production technology, and the use of exclusively high-quality raw materials are the key advantages of 7 DAYS products.

The formulation is constantly being improved and refined, and modern and innovative technologies are being introduced. The company's production is oriented towards the domestic market. The history of the company began recently, so the first task set by the company's management was to strengthen the position in the domestic market.

The share capital of the company represents the sum of all members' money. Depreciation and other funds are also created in the company. The entire amount of the depreciation fund is allocated to the company's development fund.

The profits that remain at the disposal of the company after the payment of all taxes and settlements with the budget in accordance with the Shareholders' Fund Regulations are used to create the funds and to pay dividends to the co-owners.

The analysis of the financial and economic condition of the company under study should begin with a structural and dynamic analysis of the sources of formation of the company's assets, i.e. analysis of the sources of cash invested in the property of the company (Table 1.2).

Table 1.2

Analysis of Chipita's liabilities for 2018-2020, UAH thousands in Ukraine

Indexes	On 31/12			Absolute deviation, thousand UAH		Relative deviation,%	
	2018	2019	2020	2018/19	2019/20	2018/19	2019/20
Capital together	1060868	1070350	1075884	9482	5534	0,89	0,52
Equity, including	530434	535175	537942	4741	2767	0,89	0,52
Registered (share) capital	175833	175833	175833	0	0	0	0
Reserve capital	3904	4455	4651	551	196	14,11	4,40
Retained earnings (uncovered loss)	350697	354887	357458	4190	2571	1,19	0,72
Debt capital, including							
Deferred tax liabilities	43652	36932	33656	-6720	-3276	-15,39	-8,87
Other long-term liabilities	0	0	170318	0	170318	-	-
Current accounts payable for:							
goods, works, services	109809	67990	25983	-41819	-42007	-38,08	-61,78
calculations with the budget	8611	3859	3410	-4752	-449	-55,19	-11,64
insurance calculations	1534	1879	2328	345	449	22,49	23,90
Current supplies	4187	4672	7253	485	2581	11,58	55,24
Other current commitments	636	1587	4414	951	2827	149,53	178,13

Source: Formed by the author on the basis of [9]

During the years 2018-2020 there is a slight increase in capital of the enterprise: in 2019 compared to 2018 by UAH 9482 th., or 0,89%, and in 2020 compared to 2019 by UAH 5534 th., or 0,52%. The capital increase was caused by increase of equity capital (by UAH 4 741k in 2019 and by UAH 2 767k in 2020, respectively), reserve capital (by UAH 551k in 2019 compared to 2018, or by 14.1% and by UAH 196k in 2020, or by 4.4%, as well as retained profit (by UAH 4 190k in 2019 and by UAH 2 571k in 2017).

In the structure of long-term liabilities, deferred tax liabilities decrease annually: in 2019 compared to 2018 by UAH 6,720 thousand, or 15.4%, and in 2020 compared to 2019 by UAH 3,276 thousand, or 8.9%. As for other long-term liabilities, they amounted to UAH 170,318 thousand in 2020.

In the structure of current accounts payable, debts for goods, works and services decreased (by UAH 41,819 thousand in 2019 compared to 2018, or by 38.1%, and by UAH 42,007 thousand in 2020, or by 61.8%), on settlements with the budget (by UAH 4,752 thousand in 2019 compared to 2018, or by 55.2%, and by UAH 449 thousand in 2020, or by 11.64%). However, the company's liabilities under insurance settlements increased by UAH 345 thousand in 2019, or 22.5%, and by UAH 449 thousand in 2020 compared to the previous year, that is, by 23.9%. Other current liabilities also increased significantly - by UAH 951 thousand in 2019 compared to 2018, and by UAH 4,414 thousand in 2020.

Having analyzed liabilities of Chipita brand 7 Days in Ukraine, we can conclude that the main source of formation of the company's property is equity, not borrowed funds.

Next, let us analyze liquidity and solvency of the company and determine unstained working capital (table 1.3).

Table 1.3

Liquidity analysis of Chipita brand 7 Days in Ukraine for 2018-2020, UAH th.

Indexes	Normative value	On 31/12			Absolute deviation, thousand, UAH		Relative deviation, %	
		2018	2019	2020	2018/19	2019/20	2018/19	2019/20
Current ratio	1,5-2,0	0,78	0,95	1,78	0,17	0,83	22,05	87,31
Rapid liquidity ratio	0,7-1,5	0,71	0,85	1,63	0,13	0,78	18,88	91,60
Absolute liquidity ratio	0,1-0,2	0,0017	0,0015	0,1293	-0,0002	0,128	-10,94	8543,60
Net working capital, thousand UAH	-	-28950	-4280	40602	24670	44882	85,22	1048,64

Source: Formed by the author on the basis of [9]

From the calculations, we can conclude that the coverage ratio and quick liquidity ratios are increasing from year to year. Coverage ratio shows the company's ability to meet its short-term obligations on the most easily realized part of assets - current assets, and the company has a rather high indicator in 2020 - 1.78 with the normative value of 1.5-2.5 compared to 2018 and 2019, where the value was significantly lower than the normative - 0.78 and 0.95 respectively.

Quick ratio shows what part of current liabilities the company is able to repay from the most liquid current assets - cash and cash equivalents, financial investments and accounts receivable, its value is considered sufficient if it exceeds 0.5, so we can conclude that the company has no problems with repayment of current liabilities, because the value of this ratio in 2018 is 0.71 and it has been growing every year. In 2019, the value increased by 18.9% to 0.85, and in 2020, the coefficient has almost doubled by 91.6% to 1.63. The value of the absolute liquidity ratio in 2018 is 0.0017, which does not fall within the normative value and means that the company would not be able to repay debts on time if it had to do so immediately. Only in 2020, the value of this ratio is normative and it can be stated that the company is managing its financial resources effectively.

Next, we will investigate the sources of financing, areas of financing and money management. The results of the calculations are presented in Table 1.4.

Table 1.4

Sources of financing Chipita brand 7 Days in Ukraine for 2018-2020, UAH th.

Indexes	On 31/12		
	2018	2019	2020
Equity, thousand UAH	530 434	535 175	537 942
Non-current assets, thousand UAH	603 036	576 387	701 314
Own working capital, thousand UAH	-28 950	-4 280	40 602
Long-term liabilities, thousand UAH	43 652	36 932	203 974
Short-term liabilities of the enterprise, thousand UAH	130 994	86 910	51999
Quo (availability of working capital)	-72 602	-41 212	-163 372
Kp (availability of permanent capital)	-28 950	-4 280	40 602
The total amount of capital for the formation of stocks and costs, thousand UAH	102 044	82 630	92 601

Three-component indicator of the type of financial stability	{0, 0, 1}	{0, 0, 1}	{0, 1, 1}
Type of financial stability	Unstable financial situation	Unstable financial situation	Normal stability

Source: Generated by the author on the basis of [9]

The next step is to conduct financial stability analysis of the studied company (Table 1.5).

Table 1.5

Analysis of financial stability indicators of Chipita brand 7 Days for 2018-2020, UAH th.

Indexes	Normative value	On 31/12			Absolute deviation, thousand UAH		Relative deviation, %	
		2018	2019	2020	2018/19	2019/20	2018/19	2019/20
Coefficient of autonomy (financial independence)	> 0,6	0,75	0,81	0,68	0,06	-0,13	7,95	-16,56
Coefficient of financial dependence	< 2,0	1,33	1,23	1,48	-0,10	0,24	-7,36	19,85
Financial risk ratio	< 1,0	0,33	0,23	0,48	-0,10	0,24	-29,72	105,63
Equity maneuverability ratio	0.1 and above	-0,05	-0,01	0,08	0,05	0,08	-85,35	-1043,77
Ratio of own working capital	0.1 and above	-0,71	-0,50	-1,76	0,21	-1,27	-29,90	253,73
Coefficient of long-term investment coverage structure	-	0,07	0,06	0,29	-0,01	0,23	-11,48	353,91
Financial leverage ratio	-	0,08	0,07	0,38	-0,01	0,31	-16,14	449,46

Source: Generated by the author on the basis of [9]

Analyzing the data in the table 1.5 we can say that the company has a fairly high value of the coefficient of financial independence: in 2018 - 0.75 with a regulatory value of 0.6. This means that the company is able to finance 75% of assets from equity, generate profits and is solvent. In 2019, the value of this indicator is 0.81, ie compared to the previous year increased by 8%. However, in 2020 the value decreased to 0.68, ie by

16.6%. This means that the company has some risk and reduced financial stability in the medium term.

At the present stage of development of world economic relations, a characteristic trend is the intensification of processes of integration of national economies, their sectors and separate regions of countries, strengthening of competition, as well as unification of its forms between the main participants of international economic relations. At the same time, the constant aggravation of competition in the world markets requires special attention from the state to the import-oriented sector of the economy, as well as a prompt response to fluctuations in the world markets and a flexible economic policy of export efficiency.

In order to investigate the qualitative and quantitative assessment of the internal and external relationships between net income from sales and selected factors (cost of sales, administrative expenses, sales and other operating costs) it is appropriate to use correlation and regression analysis. The main task of the analysis is to study the available statistical data between the attributes, as well as the presence and density of the relationship after calculating the correlation coefficients.

The input data for the analysis is presented in table 1.6.

Table 1.6

Key financial indicators of Chipita brand 7 DAYS in Ukraine for 2015-2020

Indicator	Year					
	2015	2016	2017	2018	2019	2020
Net income (revenue) from sales of products (goods, works, services), thousand UAH	683190	497620	294354	250516	232312	259205
Cost of sales of products (goods, works, services), thousand UAH	625603	455952	256178	215823	204239	228412
Administrative expenses, thousand UAH	26157	25468	20597	22385	23404	25662
Sales costs, thousand UAH	7131	5200	2930	3416	3043	3503
Other operating expenses, thousand UAH	13775	18676	8213	90009	46008	28719

Source: Generated by the author on the basis of [9]

Having analysed Chipita brand 7 DAYS in Ukraine we can conclude. Analysis of liabilities of the company in Ukraine showed that the main source of formation of the company's property is its own capital, not borrowed funds.

Having analyzed liquidity, we learned that the company is able to meet its short-term obligations from current assets and has no problems with the repayment of its current liabilities. Also, the company has adjusted its financial resource management efficiency policy during the year 2020. Liquidity ratios have been growing every year, which indicates the availability of free funds, hence, the company has high management mobility and will be able to react quickly in crisis situations.

An analysis of the company's sources and areas of financing has shown that the efficiency of the use of both own and borrowed financial resources has increased. As a result, the profitability of the company's operations has also increased. As for the analysis of business activity indicators, in 2020 the company has increased the efficiency of inventory management and adjusted the policy of accounts receivable management, as well as each year the company is more responsible for repayment of its obligations to suppliers.

However, by analysing the company's financial stability, it can be stated that in 2020, compared to the previous year, there is a risk of decreasing financial stability in the medium term. The company is becoming more dependent on borrowed resources, insufficient amount of own capital is in mobile form, so there is a risk related to financing of current assets. The company is also unable to generate its own working capital because it does not have sufficient resources for long-term financing, so dependence on external investors is increasing. At the same time, the risk of external lenders investing capital in the company increases.

Also, the study has shown that the organisation of operations of the company is not at a high level, but at a proper level, so it is advisable to develop a project to improve it. Considering the above, we can assert that the company has sufficient equity to introduce the necessary measures to improve financial stability, to get rid of dependence on borrowed resources and to generate its own working capital.

Principal CARE: 46.39 Non-specialised wholesale of food, beverages and tobacco products. Additional CARE: 46.69 Wholesale of machinery and equipment: 46.69 Wholesale of machinery and equipment; 47.29 Retail sale of other foodstuffs in specialised shops; 49.41 Road freight transport.

Thus, the characteristics of the confectionery company Chipita International indicate show a high development in the wholesale and retail trade of confectionery and bakery products, which are imported by Ukrainian trading companies to satisfy the domestic market.

1.2 Foreign economic activity of the confectionery company Chipita International (brand 7 Days)

Confectionery production, one of the most advanced areas of the modern Ukrainian food industry, has approached pre-crisis levels.

This market now has a clear, established structure of participants, a wide and tailored range of products, and dynamic brands supported by strong marketing. In 2020, companies in the confectionery industry spent over \$106 million on advertising, 10% more than in 2019. However, according to experts, further growth of this market, which goes hand in hand with tougher competition, directly depends on the general state of the economy and the level of the population's welfare.

The specifics of the industry in which the Chipita 7 Days brand operates is the timing of product sales, which is 3 months, due to which there are some transportation problems in the transfer, shipment of products. The second specificity is the saturation of this industry in terms of various products, because in terms of croissants, Chipita has no equal at the moment.

Ukraine consumes much less confectionery than Western countries, while consumption of bread and bakery products in Ukraine is the leader, exceeding for example France by 45% and Germany by 53%. The reason for this disparity is the still low average standard of living in Ukraine. Confectionery products are not basic necessities; demand for this group of products is, as experts put it, «income elastic», i.e. an increase in the latter leads to an increase in demand.

Chipita's consumer base is fairly stable, with some seasonal variations. For example, consumption of chocolate-coated croissants goes less in the summer as it melts faster and is therefore not very convenient. Overall, the consumer base is fairly stable.

Today the company has a strong distribution network across all regions of Ukraine. Its cooperation with large retail chains is growing. Its own staff of regional sales representatives is responsible for the company's main sales channels.

If we take croissants, Chipita has 91% of the market, Chipita is the leader in croissants, and all other producers are much stronger behind. Regarding other products, there is more competition when it comes to rolls [9].

Foreign economic activity is defined as foreign trade, investment and other activities of economic entities of different countries, including production cooperation, in the international exchange of goods, information, works, services, results of intellectual activity, including exclusive rights to them (intellectual property).

Under current conditions the Ukrainian economy is becoming increasingly open, and the state must take into account in its trade policy the close interconnection of processes taking place within the economy and in the sphere of foreign economic relations. A state cannot achieve a domestic economic equilibrium (e.g. full employment or stable prices) without using foreign economic and, in particular, foreign trade policy measures. Therefore, foreign trade policy remains one of the government's main areas of economic regulation.

Confectionery industry - one of the branches of food industry in Ukraine, which is currently the most dynamically developing. Domestic confectionery products from year to year is gaining popularity, competing with foreign producers in foreign markets. The success of domestic production of confectionery products is facilitated by knowledge of consumer tastes, availability and use of domestic natural raw materials, as well as relatively low price of products at a fairly high quality.

The volume of imports of Chipita 7 DAYS confectionery products into Ukraine is shown in Figure 1.2.

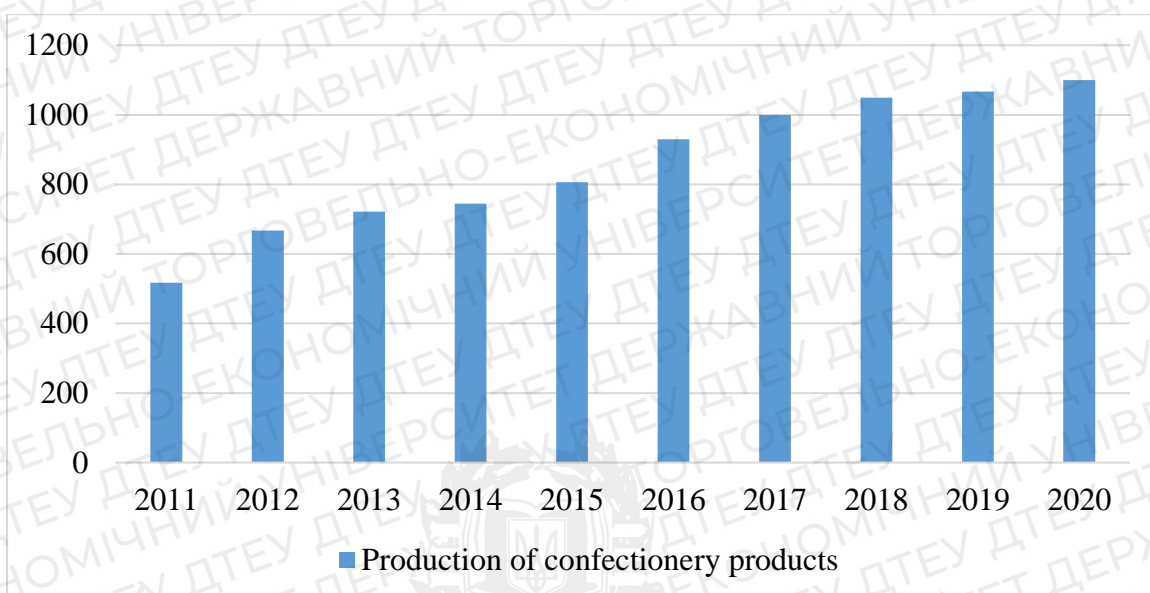


Fig. 1.2 Volume of imports of confectionery products, thousand t.

Source: Generated by the author on the basis of [9]

The Ukrainian confectionery market has completed its formation phase and is in a tough competitive environment. Retaining and attracting new consumers is possible through diversification of production, which will expand the range of products, stabilize the flow of profits, as well as help to create a market environment and strengthen competition.

The practice of establishing joint ventures for the production of confectionery products should be included among the effective measures to increase imports of 7 DAYS brand products into the market. Joint ventures absorb not only capital, modern technology and management experience, but also facilitate the entry of commodity producers into foreign markets.

Chipita 7 DAYS confectionery and bakery products are produced in 14 facilities located in 11 countries (Table 1.7) and are sold in a total of 56 countries either directly or through intermediaries through strategic partnerships.

Table 1.7

Geographical location of the plants where Chipita 7 DAYS products are manufactured

Business form	Country
Chipita subsidiaries	USA
Chipita subsidiaries	Canada
Chipita subsidiaries	Spain

Chipita subsidiaries	France
Chipita subsidiaries	Italy
Chipita subsidiaries	Austria
Chipita subsidiaries	Germany
Chipita subsidiaries	Greece
Chipita subsidiaries	England
Chipita subsidiaries	Sweden
Chipita subsidiaries	Ukraine
Chipita subsidiaries	Lithuania
Chipita subsidiaries	Latvia
Chipita subsidiaries	Estonia
Chipita subsidiaries	Slovenia
Chipita subsidiaries	Croatia
Chipita subsidiaries	Serbia
Joint ventures	Mexico
Joint ventures	Saudi Arabia
Joint ventures	India
Joint ventures	Malaysia

Source: Generated by the author on the basis of [9]

Table 1.8 shows the commodity structure of Chipita 7 DAYS confectionery and bakery imports in Ukraine.

Table 1.8

Commodity structure of Chipita 7 DAYS confectionery and bakery products imports in Ukraine

Product name	Description	Price UAH, per 1 pc.
Individually wrapped croissants	Individually wrapped croissants, unglazed or glazed with milk chocolate and various cream or jam fillings, or with no fillings.	14 UAH.
Mini croissants	Mini croissants with various cream or jam fillings.	18 UAH.
Cake Bar	Glazed sponge cake with cream	7 UAH.
Biscuit rolls	Sponge cake roll with various fillings	35 UAH.
Mini biscuit rolls	Mini sponge rolls with different fillings	8 UAH.
Sweet thing	A chocolate-glazed, delicate sponge cake with a milky filling.	8 UAH.
Biscuits	Mini sandwich biscuits with different cream fillings	14 UAH.
Bake Rolls	7DAYS breadcrumbs are made from thinly sliced bread slices and baked twice, so they are perfectly crunchy. They are flavoured with high-quality spices to give them a great taste and come in a wide range of	16 UAH.

	inimitable flavours that can be enjoyed every day on different occasions	
Bake Rolls Bran	Double-baked is excellent crunchy, rich in bran and an excellent source of fibre.	25 UAH.
Mini Bake Rolls	Mini slices that allow you to get the full experience in an instant.	16 UAH.
Pizzeti breadcrumbs	Super tasty, super-crispy, twice-baked bread crisps with natural cheese, tomato and spices.	8 UAH.
Fruit & Nuts	A new and unique snack that combines nuts, dried fruit, herbs, Greek yoghurt, honey and Grana Padano cheese.	45 UAH

Source: Generated by the author on the basis of [9]

Thus, Ukrainian retail chains import an extensive list of confectionery and bakery products from Chipita 7 DAYS.

The volume of imports of confectionery and bakery products into Ukraine by Chipita 7 DAYS as well as returns is shown in Figure 1.3.

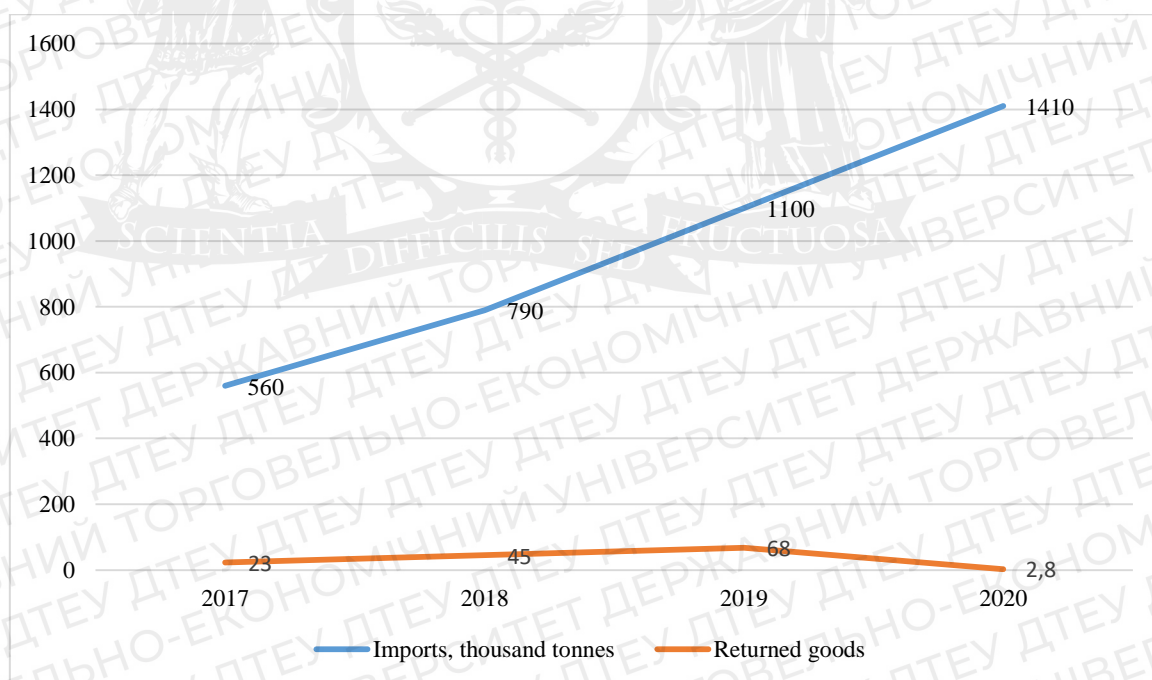


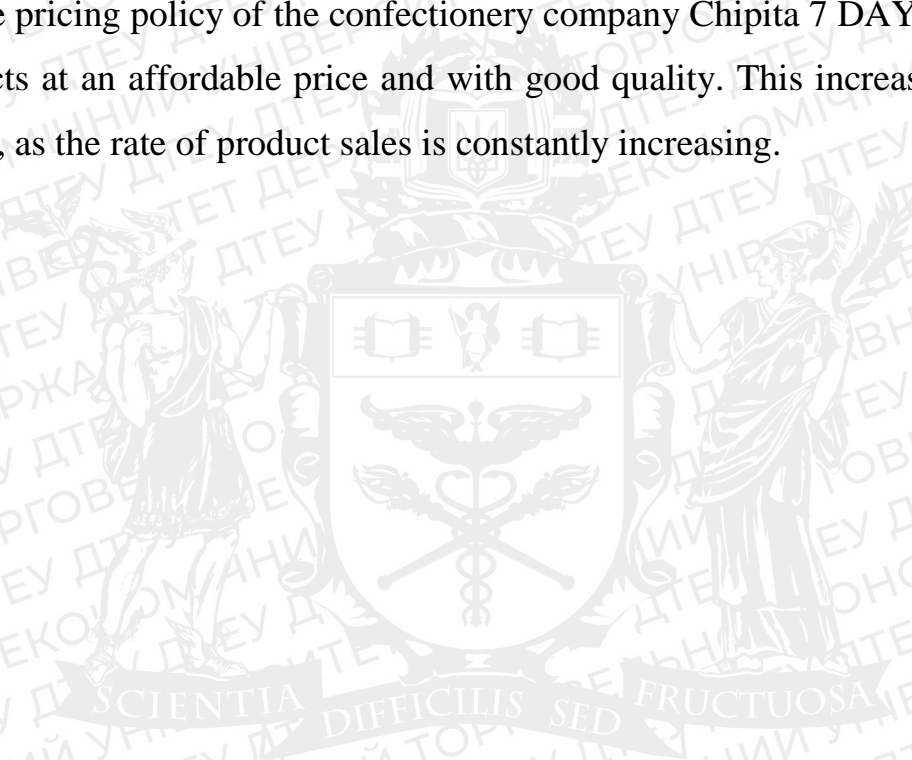
Fig. 1.2. Volume of imports of confectionery and bakery products into Ukraine by Chipita 7 DAYS as well as returns

Source: Generated by the author on the basis of [9]

Thus, the foreign economic activities of the confectionery company Chipita International (brand 7 DAYS) are characterised by the supply of a wide range of

confectionery and bakery products with various fillings to a large number of countries. Imports grow every year, the company increases the number of importing countries, expands production volumes and improves its financial situation. The company has a leading position in the market of confectionery and bakery products and the market itself is characterised by an increasing demand for this type of product, which increases the prospects for further foreign economic activities.

The pricing policy of the confectionery company Chipita 7 DAYS allows it to sell its products at an affordable price and with good quality. This increases the interest of importers, as the rate of product sales is constantly increasing.



CHAPTER 2. ANALYSIS OF THE MARKET OF CONFECTIONERY AND BAKERY PRODUCTS OF THE EU AND THE POSSIBILITY OF IMPORTING THE GOODS UNDER STUDY

2.1 Analysis of the EU market of confectionery and bakery products

The European bakery products market is expected to grow at an average rate of 3.12% over the forecast period (2020-2025). Western Europe's mature bakery markets are mature and saturated compared to the emerging markets of Eastern Europe, which are driving sales of biscuits and bread, particularly due to the high demand for convenience products.

Europeans are increasingly opting for baked goods that are low in calories but just as tasty as their traditional counterparts. Bread and rolls are the dominant category, with varieties at ingredient level, value-added and gluten-free.

The European bakery market can be divided into three main segments, e.g. by type, distribution channel and geography. By type, the bakery market can be divided into cakes and pastries, biscuits, bread, morning goods and others. On the basis of distribution channel, the bakery products market in Europe can be divided into hypermarkets/supermarkets, convenience stores, specialty shops, online shops and others. In addition, the study provides an analysis of the bakery market in emerging and established markets in the region, including the UK, Germany, France, Ukraine, Italy, Spain and the rest of Europe (Table 2.1).

Table 2.1

Three main distribution segments

By product type	By distribution channel	Geography
Cakes and pastries	Hypermarkets/Supermarkets	United Kingdom
Biscuits	Shops	Germany
Bread	Speciality shops	France
Morning goods	Online shopping	Ukraine
Other	Others	Italy
		Spain
		Rest of Europe

Source: Formed by the author on the basis of [14]

The main driving force behind the growth of the confectionery segment in European countries is the growing demand for wholemeal, high-fibre, gluten-free or healthy and fortified bread. Such products are becoming more and more popular among consumers due to the increased adoption of the concept of healthy lifestyles. In developed countries, competition is uneven due to the variety of products and the large number of informal bread channels. Moreover, sales of packaged confectionery, such as croissants, have exceeded sales of unpackaged bread in European countries (Figure 2.1).

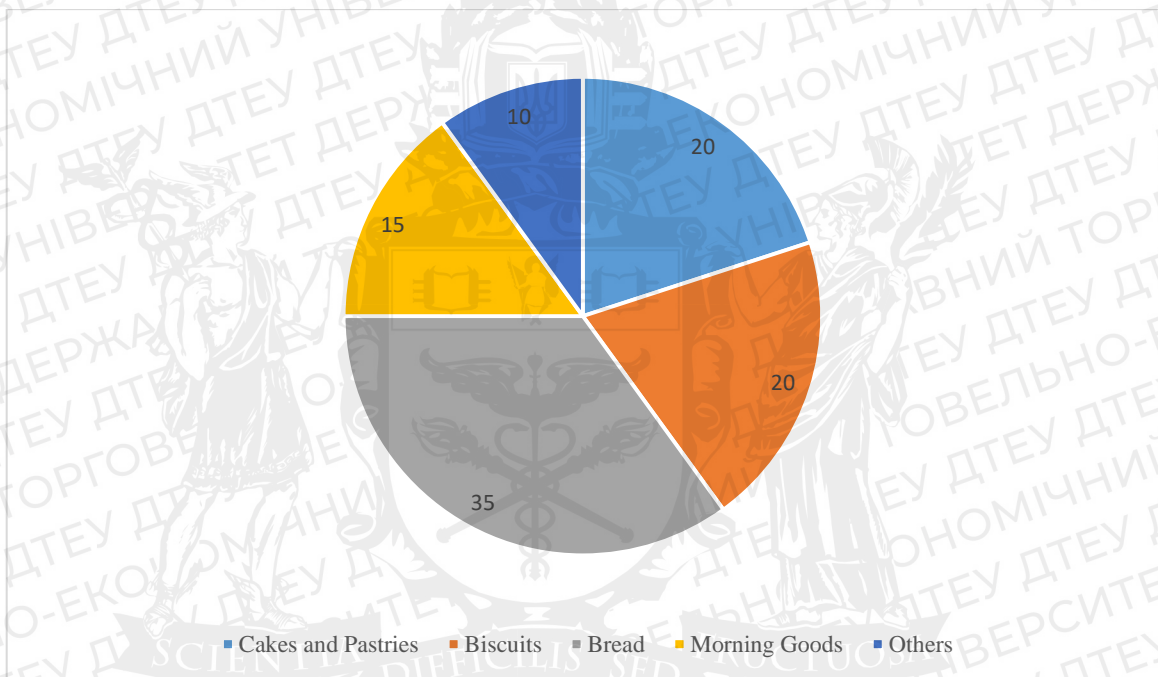


Fig. 2.1 Bakery Product-Market Share, By Product Type, 2020

Source: Mordor Intelligence [15]

Germany has a significant share of the European bakery market. Germany is considered to be the leader in the European bakery market. Bakery products from the United Kingdom enter the market at an average annual growth rate of xx%. Bakery products continue to enjoy household staple status and their sales are driven by the fact that they constitute a major part of the British diet. Although per capita bread consumption is amongst the lowest in the UK, toast/breadcrumbs are the preferred breakfast food and almost 70% of households use bread for lunch or breakfast daily. which in turn drives the bakery market in the region (Figure 2.2).

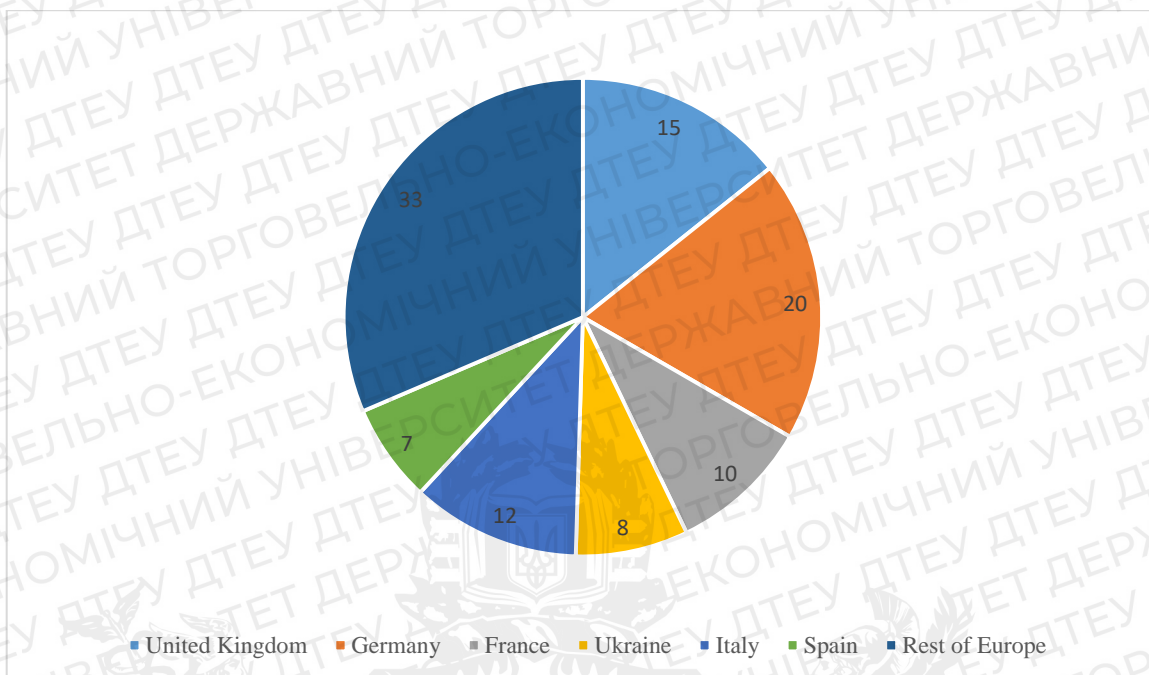


Fig. 2.2. Bakery Product Market, Market Size, By Country, Europe, 2020

Source: Mordor Intelligence [15]

The European bakery market is highly competitive, especially due to the significant presence of numerous global and regional players. Some of the major players in the European bakery market are BIMBO, Associated British Foods Plc, Mondelez International, Kellogg Company, Alpha Baking Company Inc. and others [16, p. 60].

Convenience is considered an important factor for Europeans when it comes to food choices. With women earning extra wages and single-person households, people do not have time to cook. However, the younger generation is looking for convenience in food that can be eaten on the go. For the most part, consumers are increasingly opting to buy all their groceries once a week for convenience reasons. This is leading to a reduction in conventional bakeries as consumer's shop in bakeries in shops. Europe is a refreshing concept for a publication that contains a new exploration of the latest research, innovations and developments. Technology and energy efficiency never meet in one place with all the competitiveness and the fast-changing world is changing the large-scale baking and confectionery industry in Europe.

With an aging population and a focus on health, consumers in the EU are looking for healthier alternatives such as fresh, organic, artisanal, value-added and ethnic baked

goods. Gluten-free and organic products are the latest key drivers driving the bakery market as demand for food products increases significantly. The bakery sector is dynamic in terms of innovation and rapid response to consumer demand.

In 2017, revenue from the global European bakery market was estimated at USD 226 billion, and the SGTR is forecast to be more than 3.3% between 2018 and 2023. Europe remains one of the vital markets for the bakery industry due to its penetration as a staple food in many nations. The market is well established in terms of product range, distribution channels, regulations, innovative platforms and consumer preferences [34, p. 110].

Convenience is considered an important factor for Europeans when it comes to food choices. With women earning extra wages and single-person households, people don't have time to cook. However, the younger generation is looking for convenience in food that can be eaten on the go. For the most part, consumers are increasingly opting to buy all their groceries once a week for convenience reasons. This is leading to a reduction in conventional bakeries as consumer's shop in bakeries in shops. Europe is a refreshing concept for a publication that contains a new exploration of the latest research, innovations and developments. Technology and energy efficiency never meet in one place with all the competitiveness, and a rapidly changing world is changing the large-scale bakery and confectionery industry in Europe.

With an ageing population and a focus on health, consumers in the EU are looking for healthier alternatives such as fresh, organic, artisanal, value-added and ethnic baked goods. Gluten-free and organic products are the latest key drivers driving the bakery market as demand for food products increases significantly. The bakery sector is dynamic in terms of innovation and rapid response to consumer demand.

The market is well organised and organized in terms of product range, distribution channels, consumer preferences and innovation platforms. Analysing a single sales channel such as the supermarket, whose sales are heavily dependent on artisan bakers, where an increasing number of consumers prefer baked goods, trends towards organic, free from natural ingredients, high nutritional value and sustainable packaging should influence consumer choice as well as producer product ranges and promotion strategies.

Confectionery is associated with products also known as toffees, lollipops, sweets, candyfloss and other sweets. Confectionery can be mainly classified as bakery and sugar confectionery. Confectionery can also be made from whey ingredients such as lactose and whey powder. Lactose has unique properties that provide various functional benefits in confectionery products. Varieties of ingredients are used in the production of confectionery products, which can be naturally or synthetically derived. Whey powder helps reduce sugar content, protein content and replaces other dairy products.

Increased investment in research, development and innovation by various industry players is expected to have a positive impact on the future growth of the European confectionery ingredients market. In addition, increasing consumer awareness about the health benefits of chocolate is expected to boost the European market for confectionery ingredients in the coming years. In addition, rising confectionery consumption in developed and developing countries is expected to have a strong impact on the confectionery ingredients market. It also expects a strong impact on the confectionery ingredients market as consumer lifestyles change and awareness of the various health benefits of chocolate increases. The impact of Western culture on the eating habits of consumers in developing countries is expected to increase demand for confectionery in the near future, with a significant impact on confectionery ingredient sales in Europe. Strong demand for chocolate, confectionery and bakery products will accelerate the development of this market in the coming years. The rapid growth in consumption of confectionery and bakery products has influenced the growth of the market for confectionery ingredients. Growing, seasonal and festival-related demand is expected to create unexplored opportunities for market players. In addition, factors such as increasing research and development and innovation to strengthen the confectionery ingredients market often bring new formal products such as air confectionery, caramel confectionery, fillings, glazes, etc. The market for confectionery ingredients is driven by growing industrialisation and an increasing demand for confectionery products in the region. Consumer awareness of the health benefits of eating chocolate is driving demand for confectionery ingredients [14, p. 34].

There is also increasing demand for confectionery due to changing consumer demand and the influence of Western culture on eating habits in developing countries. It has been reported that cocoa and other dairy ingredients added to chocolate are good for health. The cocoa content alleviates conditions such as high blood pressure, cholesterol and other neurodegenerative diseases. In recent years, sweets have become a staple food. In addition, increasing awareness about health, dietary habits and lifestyle changes as well as product innovations are other factors that expected to drive the growth of the European confectionery ingredients market. Growing demand for sugar-free products such as sweets and cakes for obese and diabetic sufferers, increasing industrialization, rising per capita consumption and use of naturally occurring pigments with unique colour emulsion technology expected to boost the global market for confectionery raw materials. Confectionery ingredients such as cocoa have antioxidant properties that help reduce sugar and cholesterol levels. The ingredients in confectionery offer many health benefits. Thus, the market for confectionery ingredients can grow due to various health benefits. The growing demand for natural ingredients, changes in eating habits and the growing trend towards chocolate gifts for special occasions and holidays expected to further accelerate the growth of the European confectionery ingredients market in the coming years. Confectionery ingredients such as cocoa have antioxidant properties that help reduce sugar and cholesterol levels. The ingredients in confectionery offer many health benefits. Thus, the market for confectionery ingredients can grow due to various health benefits. The growing demand for natural ingredients, changes in eating habits and the growing trend towards chocolate gifts for special occasions and holidays expected to further accelerate the growth of the European confectionery ingredients market in the coming years. Confectionery ingredients such as cocoa have antioxidant properties that help reduce sugar and cholesterol levels. The ingredients in confectionery offer many health benefits. Thus, the market for confectionery ingredients can grow due to various health benefits. The growing demand for natural ingredients, changes in eating habits and the growing trend towards chocolate gifts for special occasions and holidays expected to further accelerate the growth of the European confectionery ingredients market in the coming years.

Factors restraining the market are factors such as the regulation of raw confectionery to meet international quality standards and the volatility of cocoa prices. Harmful effects of synthetic colourings and strict FDA regulations on private label are factors that may hamper the growth of the European confectionery ingredients market.

The emergence of the COVID-19 pandemic has put the whole world on edge. The health crisis caused by the coronavirus has had an unprecedented impact on businesses across all sectors. Increased support from governments and several companies can help in the fight against this highly contagious disease and expected to boost the European market for confectionery ingredients.

Depending on the type of ingredient, cocoa and chocolate are the most profitable sectors due to the increasing consumption of these ingredients in various industries, and the benefits associated with chocolate include the antioxidants present in cocoa, which increase good cholesterol or HDL levels. Cocoa and chocolate products are a source of flavonoids, which improve vascular health and reduce the risk of cardiovascular disease. Most customers prefer natural colours because of their health awareness and increasing awareness of the effectiveness of artificial colours. In addition, natural colouring is suitable for various confectionery products such as chewy sweets, caramel, lollipops, tablets and chewing gum.

By application, the confectionery ingredients market has been divided into sugar confectionery, chewing gum, chocolate and other applications such as glazes, fillings, air confectionery, spreads, candies and cereal bars. The chocolate sector dominated the confectionery market due to high demand for chocolate due to health benefits, changes in eating habits, consumer preference for ready-to-eat products and high consumer purchasing power.

Based on source, the European confectionery ingredients market has been divided into natural and synthetic ingredients. The synthetic segment has dominated the confectionery ingredients market as confectionery ingredient manufacturers rely on this source due to its functional advantages and associated profitability.

In terms of form, the regional market has been divided into a dry and a liquid market. Of these, the liquid segment is expected to record a significant average annual growth rate for the foreseeable period.

Geographically, the European confectionery ingredients market has been divided into United Kingdom, France, Spain, Germany, Italy, Ukraine, Sweden, Denmark, Switzerland, Netherlands, Turkey, Czech Republic, and the rest of Europe. Europe is the dominant region in this market and the consumption of confectionery products such as chocolate and chewing gum reported to be higher. Europe has gained significant market share in the global confectionery market in 2021 due to increasing demand for confectionery ingredients and increasing popularity of garlic flavoured products among people. The market for confectionery ingredients in Europe driven mainly by growing demand for sweetened products, bread and ice cream in national regions such as Germany, France, UK and other European regions.

2.2 Analysis of the feasibility of importing the goods under study

Monitoring of the confectionery market in Ukraine shows that the range of products available in shops in our country is quite broad, as the market is very saturated, with a high level of competition due to the presence of both domestic and foreign companies.

The demand for confectionery products in Ukraine has an enviable stability even in times of economic downturn. The export potential of Ukraine's confectionery market is mainly realised by large operators, while medium and small businesses ensure exclusively domestic consumption. At the same time, in the sector of confectionery market in Ukraine, occupied by aerated products, the share of imports is still quite high, there is room for new domestic producers to operate [25, p. 70].

Analysis of the confectionery market in Ukraine shows that it most influence by the following factors:

- prices of raw materials and resources for production;
- trends in consumer preferences and purchasing power

- competition from international companies;
- presence and range of substitute goods;
- development and implementation of new technologies [18, p. 67].

During the study period, the market of confectionery products with whipped cream in Ukraine experienced the following problems that hindered its development:

- 1) economic recession and decline in the population's income caused by restrictive measures taken to combat the coronavirus pandemic;
- 2) the spread of healthy eating trends in society aimed at reducing the consumption of floury and sugary foods
- 3) a decline in cocoa tree yields in producing countries due to aging plantations and the resulting increase in world prices;
- 4) weakened competitiveness of Ukrainian producers in the international market as compared to the positions of transnational brands
- 5) customer distraction due to the presence of numerous substitute products in the market;
- 6) inflow of European confectionery products to our country after the establishment of a free trade zone with the EU;
- 7) linkage of sugar, flour and fruit prices to yields of respective crops [25, p. 21].

According to the statistics, a resident of Western or Central Europe eats 6 kg of chocolate a year. Confectionery market analysis in Ukraine shows that Ukrainians eat chocolate and other sweets a few times less - about 1,3-1,4 kg.

Confectionery is not a necessity in Ukraine. Sweets more often appear on the tables before the arrival of guests. The shopping peak is Valentine's Day, March 8, New Year's holidays. When people need, a quick snack and a place to replenish energy, chocolate products are the order of the day. Chocolate and other sweets also buy to elevate one's mood. Therefore, manufacturers place emphasis on emotional purchase decisions in advertisements. The country of origin plays a role in the choice of product.

The analysis of the confectionery market 2021 demonstrates that the development prospects are not very encouraging, but there is nevertheless a positive trend. New trends in confectionery production:

- a noticeable drop in imported imports, an increase in exports;
- increase in the volume of biscuit production by 8% in 2021;
- growth of chocolate products volume by 2%;
- production decrease in the «sugar confectionery» segment by 4.2%;
- decline in the chocolate segment by 6.2% [9].

The price of sweets in Ukraine has risen record high. Experts forecast that the price of confectionery will go up by up to 12 per cent because of rising gas prices.

Prices for confectionery products have risen by 25-30 per cent since the beginning of the year and there has been a record drop in confectionery production since July 2021.

Food products are an industry that focuses on meeting the basic needs of citizens, which is why they are less subject to significant fluctuations than other industries and are characterised by relatively stable demand, but are proportionally dependent on the standard of living of the population. Within the food industry, on the contrary, the confectionery industry is more oriented towards satisfying additional consumer needs, but shows a low level of vulnerability to negative downturns in the national and world economy as a whole.

In Ukraine, consumption of flour confectionery products characterizes by seasonality - more is consumed in autumn, winter, and less in summer. In addition, the demand for confectionery products increases during New Year holidays and March 8. The highest production volumes of confectionery products are in October, the lowest in May and June. In Ukraine there is a decrease in consumption of bread products as well as sugar, which is an important component of flour confectionery products (data including shade). The main reason for the drop in consumption in these categories is the trend towards healthy eating. Among bread products, it is possible to find products that fit the rules of a healthy lifestyle, so the rate of decline in the consumption of bread products is lower than the rate of decline in the consumption of sugar [44, p. 11].

The confectionery market in Ukraine is not limited to the producer-end user relationship. There is a segment that is very interesting for mini-bakeries, hotel and restaurant operators, fast food delivery services to offices and other catering businesses.

The main factors behind the development of this market sector are: the growing number of small bakeries, which can very easily change the range of products according to customer demand; the popularity of café bakeries, where you can not only buy fresh pastry products, but also taste them immediately; the widespread use of modern automated machines in product production, which enable a wide range of high quality products to be produced.

The lack of production capacity in Ukraine and the fact that the company imports its own confectionery products allows Chipita 7 DAYS to run its business successfully during the crisis in the industry, caused by rising prices of raw materials and energy resources.

The key trend in the industry is growth in demand in Ukraine and neighbouring countries, most pronounced in the chocolate and croissants segment. Imports of confectionery and chocolate products to Ukraine increased to 3.6 thousand tons in November 2021, which is 164% of average imports during the year. We can note that despite the fact that the range and quality of Ukrainian confectionery and chocolate products is impressive, and Ukrainian products are actively exported, imports do not stop growing. Total imports of confectionery products in November 2021 amounted to 2.9 thousand tons. Average imports of confectionery products in 2021 was 1.2 thousand tons, i.e. there is a 242% increase in imports in November.

Demand for confectionery and chocolate products is increasing precisely in the pre-Christmas holiday season, which is characterized by such a high rate of supply to Ukraine. The high nutritional value of the product, its bright wrapper and aroma play an important role for the domestic consumer.

Total imports of chocolate products in the eleven months of 2021 amounted to 24.7 thousand tons for a total value of 118.5 million USD, while total imports of confectionery products in the same period was 13.4 thousand tons for a total value of 41.4 million USD.

One of Ukraine's developed industries is the confectionery industry. This segment is characterised by a high level of competition, saturation, the presence of large foreign companies, which leads to a wide range of products. The modern confectionery market is one of the largest sectors of the food industry, characterized by stability and rapid growth,

and shows a low level of vulnerability to negative downturns in the economy of the country and the world at large. Large confectionery companies operate mainly in foreign markets and are constantly increasing their exports, while small and medium-sized companies work for the domestic market of Ukraine. It should also be noted that the Ukrainian domestic market does not yet have many enterprises producing products with aerated masses, jelly, marmalade, marshmallow, marmelow etc., the Ukrainian confectionery market is more oriented towards chocolate products, various types of biscuits. Therefore, the volume of imported products in the surveyed segment is quite high, but still significantly lower than production. The main competitors on the domestic market of confectionery and bakery products are: Roshen, AVK, Konti, Svitoch, Milenium.

The main factors influencing the market for whippedmould confectionery are:

- 1) the price of raw materials (both domestic and imported);
- 2) consumer attitudes and preferences;
- 3) presence of international companies in the market of Ukraine;
- 4) availability of substitute products;
- 5) purchasing power of the population;
- 6) emergence of new technologies in the industry [17, p. 66].

Another factor influencing imports are methods of foreign trade regulation, which in Ukraine can be divided into the following: tariff (customs), based on the use of customs tariffs; non-tariff - quotas, licenses, subsidies, dumping, etc.

The main challenges for the development of the whipped cream confectionery market are:

- 1) in 2020 and partly in 2021, the impact of the pandemic on the industry, the economy as a whole and, consequently, on consumer purchasing power;
- 2) rethinking of habits by consumers, a focus on healthier lifestyles and a reduction in sugar consumption;
- 3) rising cost of raw materials due to ageing cocoa plantations (Indonesia, Brazil, Ecuador, etc.)

- 4) strong competitive position of the leading brands in international markets, which weakens the position of the Ukrainian producer;
- 5) numerous substitute products in the industry
- 6) increased competition due to the establishment of a free trade zone between the EU and Ukraine
- 7) dependence of prices for domestic raw materials on the yields (sugar, fruit, flour)
- 8) dependence on imported raw materials (cocoa) [17, p. 80].

The trend in any confectionery market is to produce dietary desserts while leaving an attractive product appearance and taste. This market is characterised by the fact that it requires constant renewal of the product range, with new decoration, flavour combinations, etc.

Packaging also plays an important role on the market, because the customer needs to be interested in the product before they can consume it and this requires proper and interesting packaging design: aesthetic competence, novelty, visual perception, etc. A trend in the market is the introduction of ecological packaging, as in Ukraine, and in the world as a whole, the process of global environmental protection has begun, and everyone understands the importance of ecological packaging in the world.

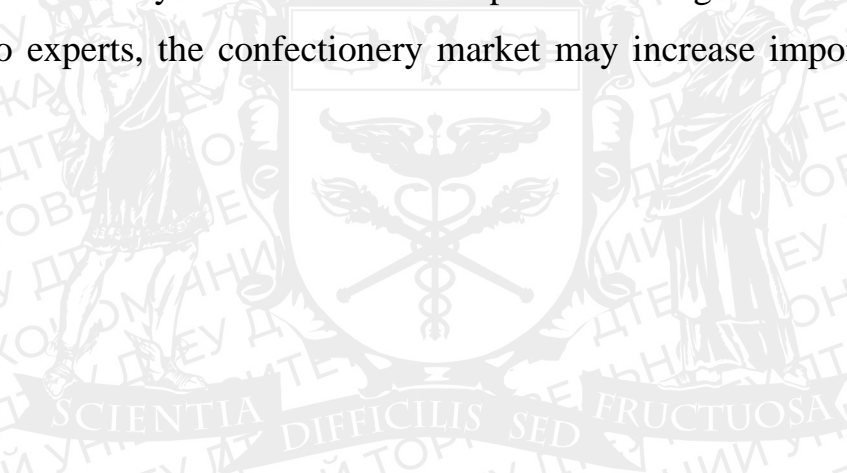
Another important global trend affecting the whole confectionery industry and sugar products in particular is the trend towards healthier lifestyles. This trend is strongest in developed and high-income countries. This trend is restraining the growth of sugar confectionery products in developed countries and shifting the focus to developing countries, especially in Asia-Pacific and the Middle East.

Manufacturers around the world are developing new formulations for traditional sweets, baked goods and pastries, not only to reduce the likely health hazards of high sugar content, but also to benefit the wellbeing of consumers, as follows:

- limit the content of added white sugar or replace it with other sweeteners (e.g. honey);
- limit the content of impurities (artificial colours, flavourings, preservatives) or use natural substitutes;
- add healthy ingredients such as vitamins, micronutrients, fibre, etc.

The 'plant-based' trend continues to develop. Consumers are demanding new formats, new plant-based proteins and interesting, sophisticated flavours.

Thus, the market of confectionery products has completed its formation stage and is in a state of tough competitive opposition. Retention and encouragement of new consumers is possible through product innovations, advertising and marketing policy, search for new markets (mainly through imports). Analysis of the market of confectionery products shows that the prospects for development are not very encouraging, since this industry depends on external factors, seasonal demand, high material intensity, but nevertheless there is a positive trend. The confectionery industry is one of the most developed parts of the food industry, providing a significant number of jobs for related sectors of the economy. The increase in imports to foreign markets looks promising. According to experts, the confectionery market may increase imports in the next two years.



CHAPTER 3. ORGANIZATION OF SUPPLY AND FORECAST ASSESSMENT OF IMPORTS OF CONFECTIONERY AND BAKERY PRODUCTS

3.1 Organization of ensuring the import of confectionery and bakery products

Import of goods into the customs territory of Ukraine in the import regime provides for:

- 1) submission of documents to the customs authority certifying the grounds and terms of import of goods into the customs territory of Ukraine;
- 2) payment of taxes and charges on which the goods are taxed when imported to the custom territory of Ukraine according to the laws of Ukraine
- 3) the observance of the requirements stipulated by the law on the measures of non-tariff regulation and other restrictions [11, p. 55].

Documents necessary for registration of goods and vehicles in the customs regime of import:

1. Payment order about payment of customs fees.
2. Payment order confirming the payment of customs terminal fees
3. Contract, specification, supplementary agreement. 4. Original invoice.
5. Certificate of origin (CT-1 if the goods come from CIS countries, form A etc.)
6. Entity record card
7. Statement on declaration of currency valuables
8. TIR Book (Tir Carnet)
9. CMR Consignment Note (AWB, Waybill, Bill of Lading)
10. Export declaration of the country of departure.
11. Permissive documents (quality certificate, sanitary & epidemiological certificate, Ministry of Health registration, Gosstandart, etc.) - if required.
12. Documents confirming the value and code of the goods (price lists, catalogues, technical descriptions, preliminary opinions on the value and classification of the goods, etc.)

13. Payment order for quarantine inspection certified by the State Quarantine Authority [23, p. 57].

In order to study and control the import operations of an enterprise, analytical and synthetic accounting has been introduced for them. Consequently, to study the mechanism of formation of the organization of operations of an enterprise it is necessary to consider synthetic and analytical accounting of import operations of the enterprise. The regulatory policy of Chipita 7 DAYS complies with the regulatory policy established by the regulations of Ukraine.

Synthetic accounting for imported goods of Chipita 7 DAYS is kept on account 28 «Goods». Imported goods record from the moment they are received at purchase or sale prices, depending on the place of their storage, that is, at accounting prices.

The accounting price for the same goods may be different, depending on the terms of delivery and the location of the goods. Thus, on delivery terms the initial accounting price will be the supplier's contract price on the accepted invoices. Upon crossing the customs border of Ukraine or when receiving the goods in the warehouse the accounting price for this product shall be increased by the amount of overhead costs incurred abroad and by the amount of fees, duties and taxes paid. Goods, including those imported from outside the customs territory of Ukraine, are inventories because they meet all the criteria of this category of assets, i.e. they are valued and accounted on the balance sheet at their initial cost, which includes [32, p. 75].

- 1) the value of the goods as indicated in the shipment documents from the supplier
- 2) the cost of procurement, loading and unloading, transportation to the place of use, including insurance of risks of transportation;
- 3) amounts of import duties and custom duties
- 4) amounts of indirect taxes not reimbursed by the enterprise;
- 5) other costs directly attributable to the acquisition of inventories and bringing them into a condition in which they are suitable for the intended use. These are direct material costs, direct labour costs, other direct costs of the enterprise to improve the quality and technical characteristics of inventories.

Based on the conducted analysis of activity of Chipita 7 DAYS we can say that import activities of the enterprise are conducted in accordance with the requirements of the current legislation of Ukraine. In general, import activities of the enterprise are effective, but they are not without certain shortcomings and need to be improved.

The general steps to increase the effectiveness of import activities of the enterprise Chipita 7 DAYS are as follows:

- establishing clear objectives and priorities for the international specialisation and activities of Chipita 7 DAYS;
- to set up the marketing activities of Chipita 7 DAYS for in-depth and comprehensive research of the product markets.
- developing and using modern international marketing programmes that effectively combine global marketing achievements with the experience of Chipita 7 DAYS export and import activities;
- identifying the strengths and weaknesses of competitors in the domestic market and in the international environment;
- preparation of a sound business plan for the enterprise;
- other [7].

Consequently, an effective import policy strategy should be based on the most profitable trade contracts to maximise profits.

To increase the efficiency and profitability of import contracts carried out by Chipita 7 DAYS it is necessary to:

- monitor suppliers in order to identify the most effective option that satisfies the enterprise in terms of value for money;
- monitor the domestic market in order to find the necessary goods;
- set up an analytical department to do a preliminary evaluation and analysis of import operations;
- carry out import activities only when they are effective according to the evaluation made [7].

No company is able to function and conduct a healthy and useful import strategy without a proper level of development of its financial and economic activities. Based on

the analysis of financial and economic activities of Chipita 7 DAYS we can say that the company has a stable financial position, its sustainability and independence from competitors is high, the company has been profitable and profitable during the analysed years. There is also a clear trend towards continuous improvement of the company's financial and economic position.

But despite a number of positive trends the company's activity, unfortunately, is not without certain drawbacks: the company is characterized by a high level of costs and as a result the cost of production is high; a relatively small amount of free cash and a significant share of borrowed capital in the capital structure of the company, which, besides positive effects, can also have negative manifestations. It means that financial and economic activity of the company should be improved.

The main measures to improve the financial position of the company Chipita 7 DAYS:

1. Decrease in the amount of finished goods in the warehouse of Chipita 7 DAYS by producing goods in the amounts necessary to meet the concluded purchase and sale contracts;
2. Reducing the cost of production of Chipita 7 DAYS: using new advanced technologies and materials in production; by searching for the most profitable suppliers of products, etc.;
3. Increase of financial stability of the company Chipita 7 DAYS by increasing its own capital, the value of this coefficient is very important because it characterizes the share of own capital in total capital, i.e. its financial stability;
4. Decrease in financial dependence of Chipita 7 DAYS on its creditors, through decrease of debt and increase of equity;
5. Increase of debt coverage ratio of the company's debt by increasing the equity of the company over its debt;
6. Increase in profitability of sales of Chipita 7 DAYS company, this can be achieved by increasing the net profit of the enterprise;

7. Increase in profitability of main activities of Chipita 7 DAYS company, this can be achieved by reducing the cost of production.
8. Low performance of foreign trade activities is largely due to insufficiently competent actions of enterprises in the foreign market, which lead to negative consequences, such as losses due to unreasonable underpricing, anti-dumping investigations and sanctions by foreign countries due to unfair competition, etc. This indicates a lack of a clear foreign trade policy, weak sales channels, insufficient experience in foreign markets, a desire for quick returns by selling products that do not require special efforts to promote them, which in turn indicates the need for further theoretical and methodological justification of conditions and directions to enhance the foreign trade activities of industrial enterprises based on strategic management [45].

Thus, as evidenced by market research conducted at Chipita 7 DAYS, the company every year increases imports of products with a rather ambiguous pricing and customs policy in Ukraine. Every year, both the list of goods subject to customs clearance and payment of customs duties and the amount of customs duties change quite frequently in our state. This affects, first of all, the buyers, for whom every two months the price of goods changes, which also includes the costs of customs clearance of imported goods.

The processes connected with the formation and entering the foreign markets of the commercialized economic subjects, put forward new tasks before the economic science and practice of economic management. The evolutionary development of the enterprises' foreign economic activity causes the necessity to improve the organizational-economic mechanism of the enterprise's foreign economic activity on the scientific basis. The prerequisite for the development of new sales markets is the implementation of measures to improve the competitiveness of enterprises' products, which, in turn, requires the development of an appropriate scientific-theoretical substantiation.

This issue has been raised quite frequently by the management team in order to develop a new methodology for carrying out the company's foreign trade activities, which

will simplify the existing Chipita 7 DAYS foreign trade system, by Chipita 7 DAYS practitioners.

This issue has been raised quite frequently by company management in order to develop a new methodology for carrying out the company's foreign trade activities, which would simplify the existing Chipita 7 DAYS foreign trade system, by leading Chipita 7 DAYS practitioners.

A well-considered state policy of regulating FEA in countries with developed market relations has become one of the main levers for turning foreign economic relations into an effective factor of development. Foreign economic relations, as a rule, promote integration processes in the world economy with maximum account of national interests.

In the practice of state regulation of FEA of highly developed countries, a wide arsenal of complementary methods - legislative, administrative-legal, economic, informal - is used, which will make it possible to achieve the set goals. Thus, the Greek practice of regulating FEA is based on a broad legal framework. The system of measures of legislative and administrative-legal regulation is a hierarchical pyramid completing the law on currency exchange and foreign trade. This law defines the general concept of state regulation and is of a generalised nature. It delegates the detailed delegation of FEA in certain areas to secondary legislation. This «division of responsibilities», according to the Greeks, will allow for better consideration and adequate response to changes in the international legislative situation and new developments in the national economy.

The «first floor» of the legislation consists of laws regulating the main blocks of FEA: export-import operations; the customs and tariff sphere; foreign trade servicing (laws on export inspection, foreign trade insurance, emergency measures to promote imports and expand direct investments, banks, insurance business, securities, exchanges, etc.); standards and technical requirements (law on industrial standardisation, etc.); intellectual property rights (laws on patents, copyrights, etc.). Customs regulation of FEAs is closely linked to the objectives of structural reorientation of the economy. A broad differentiation of customs tariff rates contributes to the solution of these tasks.

The effectiveness of state regulation of FEA is largely ensured by the development of a sound foreign economic strategy, taking into account the interests and capabilities of

the country at certain stages of its development and in the long term. A characteristic feature of the foreign economic policy of highly developed countries is their active participation in the creation and development of a new international economic order, namely:

- the development of international rules that promote the globalisation of business activities and the blurring of economic boundaries;
- formation of new norms for the movement of capital and foreign investment and technology;
- protection of intellectual property rights;
- harmonisation of standards [29].

Great importance was attached to such issues as strengthening the coordination of macroeconomic and monetary policies of developed countries, strengthening the international economic system, and resolving trade imbalances.

The application of economic levers to regulate FEA in order to increase the efficiency of lending for import operations and foreign investment is sufficiently reasonable on Chipita 7 DAYS. To this end, a system of tax incentives has been introduced to stimulate both exports and imports.

For Chipita 7 Days an important condition for successful functioning on the Ukrainian market is to find a business partner. We would recommend the following companies to be included on the shortlist of potential partners: «KÜEHNE», «DSV LOGISTICS», «FM LOGISTICS UKRAINE», «RABEN», «EKOL UKRAINE», «ZAMMLER», «AKLINE LOGISTIC», «UVK», «DB SHENKER UKRAINE».

The development of FEA is facilitated by a differentiated system of state trade and investment insurance, which reliably protects the interests of national operators against various kinds of risks. It covers general trade insurance, foreign exchange risk insurance, export bills and bonds, advance payments for imports, foreign investments, and loans to foreign enterprises.

In the Gantt chart let's create a graph of partnership building in relation to imports of goods (Figure 3.1).

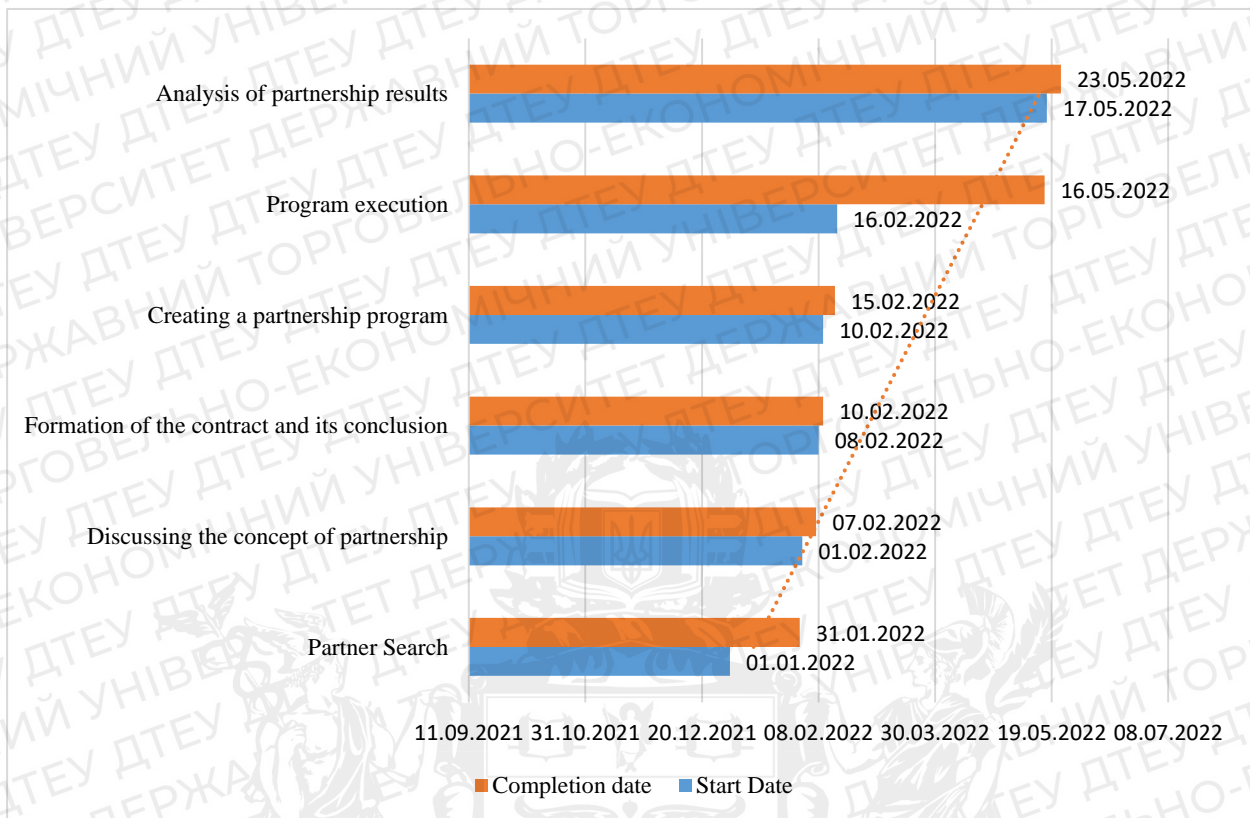


Fig. 3.1 - Import partnership program chart

Source: developed by the author in the program Xcel [32]

Individual countries also organise a system for servicing foreign economic relations and finance these activities from their budgets. The system is extensive, covering activities such as collection and analysis of marketing information, provision of information and consultancy services, organisation of promotional and exhibition work. It contributes to increasing the efficiency of foreign trade and introducing new participants to it.

In countries with developed market relations, public administrations define key directions in the planning and structural reorientation of the economy towards priority development of the domestic market, high-tech and non-manufacturing sectors, increased exports with simultaneous growth of foreign investments, expansion of production abroad, creation of a competitive information economy and reduction of dependence on imports of raw materials and energy Consistency and consistency.

Rational elements of state regulation of FEA in foreign countries can be used in Ukraine, provided that the state of its economy and national peculiarities are fully taken

into account. There is a clear need to increase the role of the state in the organisation and implementation of FEA, especially in crisis, transition and stabilisation periods. Regarding Ukrainian conditions, this does not mean a return of the state monopoly on FEA, but a strengthening of the organising and controlling role. It becomes justified to strengthen state participation in defining and implementing goals, priorities, main directions of structural policy and its close connection with foreign economic regulation.

Thus, in Ukraine, there is an urgent need to form a nationwide system of information support for foreign trade activities, financed from the state budget (possibly involving the resources of business structures) and managed by a special authorised body. A prerequisite for the effective functioning of such a system is the creation of an extensive network of information and advisory services. International experience demonstrates the importance of enhancing protection of the domestic market. It serves, in particular, to confirm that effective implementation of the functions of regulation and control in the sphere of FEA is only possible if the full range of instruments available in this sphere is employed. In Ukraine, where state authorities apply a relatively narrow set of regulatory tools, it would be useful to adopt the entire arsenal, including non-tariff, administrative methods that have a significant effect. In modern conditions, the concept of efficiency of foreign economic activity has a complex and multidimensional character. It can be expressed by means of various economic indicators, the majority of which demonstrate the advantages of foreign economic relations development. At that, it is necessary to take into account that the foreign economic relations promote the maintenance of the optimum sizes of manufacture of separate kinds of the goods, introduction of world achievements in the field of science and technology, reception of necessary raw materials and materials, expansion of the nomenclature of the production sold in the internal markets, etc. All this determines the need for careful coordination of the relevant activities, ensuring the uniformity of parameter criteria used in accordance with the real needs of the national economy.

3.2 Forecast assessment of imports of confectionery and bakery products

In order to assess its own potential capabilities in competing in the foreign market and to develop measures to increase competitiveness and maximise profits, Chipita 7 DAYS needs to conduct a comprehensive economic analysis of production and economic activities in general and foreign economic activities in particular. The effectiveness of introducing a foreign economic operation into Chipita 7 DAYS activities will include the components reflected in Table 3.1.

Table 3.1

Effectiveness from the implementation of foreign economic operation in Chipita 7 DAYS

№	Efficiency from the implementation of foreign economic operation
1.	Improving the assessment of the level and quality of performance of Chipita 7 DAYS obligations under contracts with foreign partners, the study of the effectiveness, advantages and disadvantages of concluding contracts and agreements.
2.	Improving the analysis of Chipita 7 DAYS competitiveness and competitiveness of its products and market in foreign economic activity.
3.	Improving analysis of the dynamics (development) of foreign economic activity Chipita 7 DAYS.
4.	Improve checks on the optimal use of resources to eliminate unnecessary deviations from intended goals.
5.	Improvement of analytical assessment of the implementation of operations and production and financial results of foreign economic activity.
6.	Identification of factors that positively or negatively affected the final performance of the Chipita 7 DAYS
7.	Improvement of past and current year performance evaluations.
8.	Improving Chipita 7 DAYS financial analysis

Source: Generated by the author on the basis of [27]

Most of the methodologies proposed by other authors partly based on the above calculations. Many enterprises use a system for assessing the efficiency of their foreign trade activities that looks too narrowly at the costs of exports and does not take into account opportunity costs. In view of these comments on the operating conditions of enterprises supplying products to the foreign market, the following is proposed.

The assessment of the efficiency of foreign economic activity comes down to the analysis of two interrelated activities: the investment of money in the operation, in other words, the costs; and the receipt of income from the operation.

It should be noted that, depending on the type of foreign economic operations of its scale, these processes could occur differently: simultaneously or alternately, continuously or intermittently, with different speed and intensity, thereby forming complex flows of financial payments.

Each subject of foreign trade activities has the right to receive any information necessary for the implementation of these activities that does not constitute a state or commercial secret. The scope of information constituting a state secret is determined in accordance with the laws of Ukraine.

Each subject of FEA has the right to receive any information necessary to carry out these activities that does not constitute a state or commercial secret. The scope of information constituting a state secret is determined in accordance with the laws of Ukraine.

The state authorities, departments and institutions that issue normative acts shall be obliged to officially publish them in public mass media of Ukraine, and the mentioned acts shall not come into force until their official publication. Every subject of external economy activity has the right for receiving information directly from the state authorities that are obliged on demand of the subjects of external economy activity to provide them on the compensation of the full official texts of the normative acts.

The State Statistics Committee of Ukraine (Goscomstat) summarizes the actual information about the foreign economic activity based on the data sent by the authorities that regulate the state regulation of the foreign economic activity (financial authorities, state customs control authorities, the National Bank of Ukraine and others).

According to the results of each year, the State Statistics Committee of Ukraine should compile and issue statistical data in domestic and world (foreign trade) prices on the state and structure of foreign economic relations of Ukraine.

The Ministry of Finance of Ukraine compiles information on the state and structure of the foreign trade and payment balance, the balance of accounts, the balance of foreign debt and the gold and currency reserves of Ukraine. The State Statistics Committee of Ukraine, apart from publishing statistical compilations on foreign economic activity, is

obliged to acquaint the subjects of this activity with the information at its disposal in accordance with this article.

The state authorities, legal, physical persons and other subjects of economic activity that were provided with the information that constitutes the commercial secret of the subjects of external economic activity have no right to dispose of such information without the permission of the respective subjects of external economic activity and are responsible for it according to this and other laws of Ukraine.

The rapid growth of foreign economic activity in Ukraine and the constantly changing mechanisms of customs regulation caused the need to create powerful information tools for the competent conduct of foreign trade operations. The main features of such tools is their focus on a wide range of users (from a department employee to the CEO), operational information support and use of advanced computer technologies.

Chipita 7 DAYS widely uses information technologies that ensure the speed, mobility and accuracy of storage, transmission and analysis of information about foreign trade activities of the company. Chipita 7 DAYS widely uses application software that allows synchronizing the activities of different departments and divisions of the enterprise in the direction of foreign economic activity. One of such software is accounting 1C, that allows to save and analyze activity indexes, including those concerning foreign economic activity.

Systems of information support of foreign economic activity in the world - at international (global and international regional), national levels and level of subjects of economic activity, as well as the international assistance carried out in this sphere. Today there are many international organizations in the world, an important place in the activity of which is taken by information support of economic subjects of different countries on the development of FEA.

The exogenous risks of the company Chipita 7 DAYS can include: inflation, changes in market conditions. Endogenous risks include: production failure, product spoilage, employees' illnesses, labour injuries. Contract risks: breach of contract, closure of partner companies, litigation.

To the basic directions of the international help directed on improvement of level of information support and increase of competitiveness of participants of FEA, the author attributes:

- creation of the necessary legislative field and implementation of policies to promote the harmonious development of international trade;
- development of the financial sector and improvement of international economic activity;
- formation of a modern world infrastructure and assistance in the development of national infrastructures;
- ensuring free access for all countries to the use of world information and intellectual resources [19].

The information flows analysed by international organisations to facilitate the effective operation of traders in the global economic space can generally be structured as follows:

1. information on the development of the business market environment.

1.1. Analytical characteristics by directions:

- globalisation and development strategy;
- international trade of goods, services and intellectual property products;
- investment, technology and enterprise development.

1.2 Statistical characteristics by area:

- Statistical methodology and observation programmes;
- Statistical data collection, compilation and processing.

2. information on the technological level of markets [10].

Despite the spread of international information assistance, the author justifies the necessity to constantly increase the state's role in the development of FEA and the competitiveness of national producers on international markets.

Unlike specialized international organizations and national structures, whose activity requires covering all aspects of foreign economic relations' development, Chipita 7 DAYS usually limits itself to information concerning only the spheres of its interests. Satisfaction of information needs of Chipita 7 DAYS largely depends on availability of

modern software and hardware tools for collection, complex automated processing and comparison of large information arrays in accordance with the set tasks.

Thus, a direct assessment of efficiency should be made based on indicators such as volumes of product imports and profits from foreign economic activity. It should be noted that in addition to import volumes, internal and external factors (changes in prices for raw materials and final products, changes in production costs, its structure, assortment, product quality, the current stock exchange rate, tax rates and customs tariffs) influence the value of profit.

Determination of economic efficiency aims, by comparing possible options of cooperation with foreign partners, to promote improvement of export and import structure, optimization of foreign economic activity and, on that basis, ensure high profitability of Chipita 7 DAYS. Efficiency is a function of the right conjuncture and price policy of the company in foreign economic activity.

CONCLUSION

The study of the organization of imports of confectionery and bakery products from the EU allows the following conclusions:

1. Chipita 7 DAYS is characterized by a high level of economic detail. The company represent in most countries of the world and has a huge number of its own and shared plants. The company produces confectionery and bakery products that are in high demand, which allows it to occupy a leading position in this area. The company's products have a wide range of products at low prices, which increases the demand for them.

2. Chipita 7 DAYS management of foreign trade and import operations directly leads to better coordination of Chipita 7 DAYS activities, encourages managers to implement their decisions in the future work, helps the company to define its goals and objectives more clearly, improves the provision of necessary information, helps to allocate resources more rationally, helps to intensify the study of the world market. Profit management is an important part of the economy of a business entity. Profit distribution is the reverse side of the production process. The more successful this process is, the more the efficiency of production will grow under unchanged conditions. The mechanism of profit distribution in collective enterprises is the most complex, because it must take into account many factors. The process of profit management of collective property enterprises, of which dividend policy is a part, involves the selection of the optimal distribution system that satisfies the general production interests of the enterprise combined with the interests of co-owners, and these interests are specific depending on the organizational-legal form of collective property. One of the methodological approaches to this issue should be the generalization of available experience and its adaptation to domestic conditions. In practice, each enterprise should approach this issue on the basis of inherent peculiarities and external influences.

3. The European market remains the largest confectionery and bakery market in the world, but further growth is virtually impossible without new product offerings and services. The European market for confectionery and bakery products is highly competitive, especially because of the significant presence of numerous global and

regional players. Increased investment in research, development, and innovation by various industry players is expected to positively impact the future growth of the European confectionery ingredients market. In addition, increasing consumer awareness about the health benefits of chocolate is expected to boost the European confectionery ingredients market in the coming years.

4. Increasing demand for natural ingredients, changes in eating habits, and a growing trend toward chocolate gifts for special occasions and holidays are expected to further accelerate the growth of the European confectionery ingredients market in the coming years. Confectionery ingredients, such as cacao, have antioxidant properties that help reduce sugar and cholesterol levels. Confectionery ingredients have many health benefits. Thus, the market for confectionery ingredients can grow through a variety of health benefits.

5. An important element of Chipita 7 DAYS profit management is the legal support, which should be understood as a set of codes and laws of Ukraine, presidential decrees, cabinet resolutions, regulatory acts of state controlling bodies that within their powers perform state regulation of economic activity, as well as a set of internal documents. Of course, such legislative field does not exist in isolation and is an organic part of the financial law. In general, the legal field of anti-crisis money management manifests itself in two aspects. First, it is a set of normative legal acts regulating the financial, economic and organizational and legal aspects of the implementation of profit management of an economic entity. Among such normative legal acts that directly or indirectly regulate financial relations at the enterprise related to planning, control, formation, distribution, redistribution and consumption of profit of an economic entity, the following groups can be identified: legislative acts; bylaws normative acts; internal economic documents; secondly, it is the totality of state bodies that implement certain functions of state regulation of finances of economic entities in general. The study of import operations management was carried out on the example of the company Chipita 7 DAYS. Its main activity is the production of confectionery and bakery products. The company is a leading global manufacturer. Thanks to many years of experience, well-established work and a clear policy, the company Chipita 7 DAYS is not only among the leading firms in the

production of confectionery and bakery products, which Ukraine imports and has positive financial indicators, but also has further development prospects due to already won positions and market fate, consistent trade policy and focus on long-term cooperation with foreign partners and the continued growth in demand for quality confectionery products.

6. When planning the import of confectionery and bakery products, it is advisable for the company to carry out market research and make sales of the products. By conducting an analysis of the efficiency of imports for each supplier, Chipita 7 DAYS will be able to maximise the profit from each purchase transaction. In order to do this, the company under study should follow the strategic scheme suggested in the paper in order to improve its performance. To begin with, the company should set up a marketing department that will ensure the stability of sales.

The next step is product promotion. This will increase sales and accelerate the turnover of the company's assets. The third step is to conclude agreements for a permanent supply of products. Speaking of more expensive strategies, it is advisable to expand the range of products, and to expand the geography of sales, to organise the production of new goods.

The level of international competitiveness in the current phase of globalisation depends to a great extent on the level of informatisation of society, which, through its revolutionary impact on the efficiency of social production and the promotion of high economic and social development indicators, acts as an accelerator of social and economic progress and creates the preconditions and elements of a more highly developed society, firstly by shifting to the information society stage.

The comprehensive development of all the components of the informatization process: from the creation of modern information technology, the latest information and communication technologies and powerful information networks to the development of information and intellectual resources and the market for information products and services ensures the wide use of information in the social and economic process and in the life and work of every member of society.

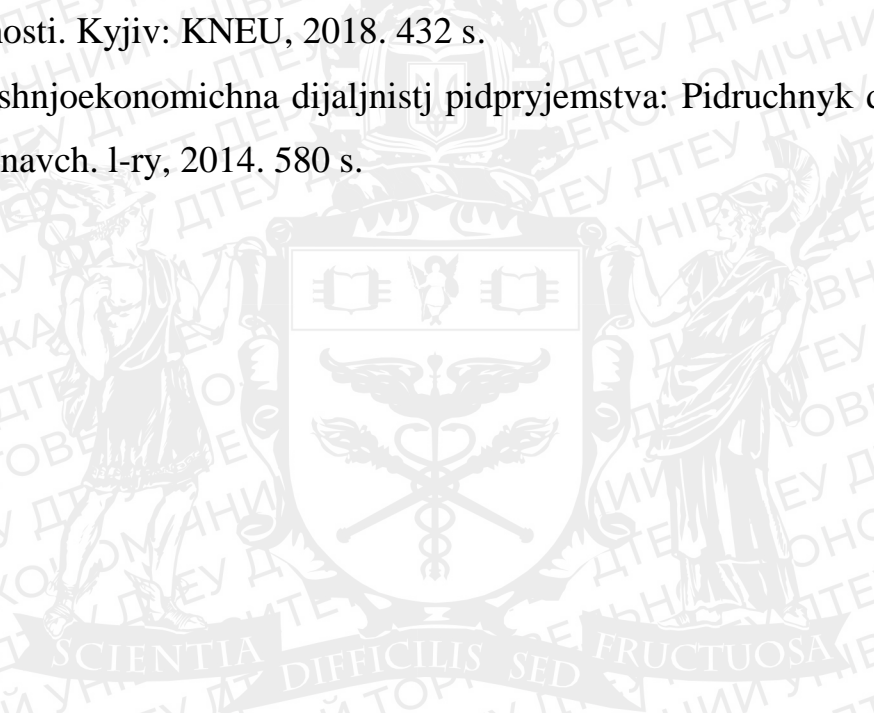
REFERENCES

1. Konstytucija Ukrainy: zakonodavstvo Ukrainy. URL: <https://zakon.rada.gov.ua/laws/show/254%D0%BA/96-%D0%B2%D1%80#Text> (in Ukrainian)
2. Ghospodarsjkyj kodeks Ukrainy: zakonodavstvo Ukrainy. URL: <https://zakon.rada.gov.ua/laws/show/436-15#Text> (In Ukrainian)
3. Mytnyj kodeks Ukrainy: zakonodavstvo Ukrainy. URL: <https://zakon.rada.gov.ua/laws/show/4495-17#Text>
4. Pro zovnishnjoekonomichnu dijalnistj: zakonodavstvo Ukrainy. URL: <https://zakon.rada.gov.ua/laws/show/959-12#Text>
5. Pro investycijnju dijalnistj: zakonodavstvo Ukrainy. URL: <https://zakon.rada.gov.ua/laws/show/1560-12#Text>
6. Baghrova I.V., Rjedina NI., Vlasjuk V.Je., Ghetjman O.O. Zovnishnjoekonomichna dijalnistj pidpryjemstv. Pidruchnyk. Kyjiv: Centr navchaljnoji literatury, 2019. 580 s.
7. Butynecj F.F. Oblik i analiz zovnishnjoekonomichnoji dijalnosti. Pidruchnyk. Zhytomyr: PP «Ruta», 2019. 544 s.
8. Cherep A. V. Osoblyvosti rozvytku ofshornogho biznesu v Ukraini. Ekonomika ta derzhava. 2016. №6. S 21-30.
9. Chipita International: oficijnyj sajt. URL: <https://www.chipita.com>.
10. Cyghankova T.M. Mizhnarodnyj marketyngh: Navch. posibnyk. Kyjiv: KNEU, 2018. 120 s.
11. Cyghankova T.M., Petrashko L.P., Kaljchenko T.V. Mizhnarodna torghivlja: Navch. posibnyk. Kyjiv: KNEU, 2019. 448 s.
12. Dakhno I.I. Upravlinnja zovnishnjoekonomichnoju dijalnistju. Kyjiv: CUL, 2017. 328 s.
13. Didkivsjkyj M.I. Zovnishnjoekonomichna dijalnistj pidpryjemstva: Navch. posib. Kyjiv: Znannja, 2016. 462 s.
14. Donchenko O.O. Orghanizacija mizhnarodnykh perevezenj: Navch. posib. Kyjiv: Kyjiv. nac. torgh.-ekon. un-t, 2018. 307 s.

15. Drozdov Gh.M. Menedzhment zovnishnjoekonomichnoji dijalnosti pidpryjemstva:» Navch.posibnyk. Kyjiv: CUL, 2019. 172–382 s.
16. Drozdova Gh.M. Menedzhment zovnishnjoekonomichnoji dijalnosti pidpryjemstva: Navch. posibnyk dlja stud. vuziv. Kyjiv, Centr navch. lit.. 2014. 247 s.
17. Drozdova Gh.M. Menedzhment zovnishnjoekonomichnoji dijalnosti pidpryjemstva. Kyjiv: CUL, 2020. 247 s.
18. Dughina SI. Marketynghova cinova polityka Navch. posibnyk. Kyjiv: KNEU, 2015. - 393 s.
19. Dzjuba P. Tranfertne cinoutvorennya: ekonomichnyj zmist i specyfika. Ekonomika Ukrainy. 2016. #1. S.14-22.
20. Filina Gh.I. Derzhavne reghuljuvannja zovnishnjoekonomichnoji dijalnosti. Xarkiv: Khark.nac.univ., 2016, 19 s.
21. Filipenko T.V. Pravovi osnovy zovnishnjoekonomichnoji dijalnosti : Naukovo-praktychnyj posibnyk. Doneck, B.V., 2018. 151 s.
22. Gheorghiadi N.Gh. Osnovy zovnishnjoekonomichnoji dijalnosti: teoretychni osnovy i prykladni aspekty: navch.-metod.posib. Ljviv: Intelkt-Zakhid, 2016. 260 s.
23. Gholub V.M. Finansovyj mekhanizm zovnishnjoekonomichnoji dijalnosti: Opornyj konspekt lekcij. Chernighiv, 2019, 51 s.
24. Ghospodarsjke pravo: Navchaljnyj posibnyk. Kyjiv: Kondor, 2019, 400 s.
25. Ghrebeljnyk O.P. Mytne reghuljuvannja zovnishnjoekonomichnoji dijalnosti. Kyjiv: Centr navchaljnoji literatury, 2019, 696 s.
26. Ghrebeljnyk O.P. Mytno-taryfna polityka za umov transformaciji ekonomichnoji systemy: Monohrafija. Kyjiv, 2018, 240 s.
27. Ghrebeljnyk O.P. Osnovy zovnishnjoekonomichnoji dijalnosti: Pidruchnyk. 3tje vydannja pereroblene ta dopovnene. Kyjiv: Centr uchbovoji literatury, 2018. 432 s.
28. Ghubsjkyj B.V. Investycijni procesy v ghlobaljnomu seredovyshhi. Kyjiv: Naukova dumka, 2015, 170 s.

29. Investycijnyj klimat: teorija i praktyka: Monografija. Ljviv.: LF UADU, 2019, 300 s.
30. Juldashev O.Kh. Mizhnarodne pryvatne pravo: Teoretychni ta prykladni aspekty. Kyjiv: MAUP, 2014. 576 s.
31. Khramov V.O., Bovtruk Ju.A. Zovnishnjoekonomichna polityka: Navchalnyj posibnyk. Kyjiv: MAUP, 2017, 264 s.
32. Kozyk V.V., Pajkova L.A., Danylenko N.B. Mizhnarodni ekonomichni vidnosyny. Kyjiv: Znannja-Pres, 2018, 210 s.
33. Kravchuk O. M., Leshhuk V. P. Finansova dijalnistj sub'ektiv pidpryjemnyctva. Navch. posib. Kyjiv: Centr uchbovoji literatury, 2010. 504 s.
34. Kyrychenko O., Kavas I., Jatchenko A. Menedzhment zovnishnjoekonomichnoji dijalnosti. Kyjiv. Finansyst, 2019, 634 s.
35. Kyrychenko O.A. Menedzhment zovnishnjoekonomichnoji dijalnosti: Navch. posib. – 3 tje vyd., pererob. i dop. Kyjiv: Znannja-Pres, 2019, 300 s.
36. Menedzhment zovnishnjoekonomichnoji dijalnosti. Pidruchnyk. 2-ghe vyd., pererob. i dop. Zatverdzheno MON. Kyjiv: Znannja, 2021. 518 s.
37. Pitelj N.Ja. Menedzhment zovnishnjoekonomichnoji dijalnosti. Navchalnyj posibnyk. Vydavecj «Sochinsjkyj». 2012, 266 s.
38. Rjazanova N. S. Mizhnarodni finansy: Navch.-metod. posibnyk dlja samost. vyvch. dyc. Kyjiv: KNEU, 2019. 119 s.
39. Sakharov V.Je., Budkin V., Jerokhin S, Zav'jalova O., Belinsjka Ja., Pavljuk O. Mizhnarodna ekonomika. Navchalnyj posibnyk. Kyjiv: Nacionaljna akademija upravlinnja, 2018, 432 s.
40. Salli V.I. Osnovy zovnishnjoekonomichnoji dijalnosti: Navch. posibnyk dlja stud. vyssh. navch. zakladiv. Kyjiv, Profesional, 2019. 167 s.
41. Savoshhenko A.C. Infrastruktura tovarnogho rynku. Navch. posibnyk. Kyjiv: KNEU, 2019, 150 s.
42. Sukharsjkyj V.S. Upravlinnja zovnishnjoekonomichnoju dijalnistju: teorija, metodologhija, praktyka. Kurs lekcij, TANGh, Ternopilj: «Aston», 2020. 284 s.

43. Vichevych A.M., Maksymecj O.V. Analiz zovnishnjoekonomichnoji dijalnosti: Navchalnyj posibnyk. Ljviv: Afisha, 2014, 140 s.
44. Vitka N.Je. Upravlinnja ryzykamy zovnishnjoekonomichnoji dijalnosti vysokotekhnologichnogho pidpryjemstva. Dys. kand.ek.nauk: 08.00.04 - Ekonomika ta upravlinnja pidpryjemstvamy (mashynobuduvannja ta metalurghija), Mariupolj 2018, 110 s.
45. Vitlynskyj V. V., Makhanecj L. L. Ryzykologhija u zovnishnjoekonomichnij dijalnosti. Kyjiv: KNEU, 2018. 432 s.
46. Zovnishnjoekonomichna dijalnistj pidpryjemstva: Pidruchnyk dlja vuziv. Kyjiv: Centr navch. 1-ry, 2014. 580 s.



APPENDICES

Appendix A

Balance sheet (Statement of financial position) as of December 31, 2021

Chipita 7 DAYS

Assets	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
I. Non-current assets	1000	1 258	2 036
Intangible assets	1001	5 537	8 061
initial value	1002	4 279	6 025
accumulated depreciation	1005	3 272	7 935
Incomplete capital investments	1010	440 023	423 510
Fixed assets	1011	640 422	650 724
initial value	1012	200 399	227 214
Wear and tear	1015	1 785	690
Investment real estate	1016	1 785	690
Initial value of investment property	1017	-	-
Depreciation of investment property	1020	-	-
Long-term biological assets	1021	-	-
Initial cost of long-term biological assets	1022	-	-
Accumulated depreciation of long-term biological assets	1030	-	-
Long-term financial investments:	1035	-	-
which are accounted for using the equity method of other enterprises	1040	-	-
other financial investments	1045	-	-
Long-term receivables	1050	61 647	61 647
Deferred tax assets	1060	-	-
Goodwill	1065	-	-
Deferred acquisition costs	1090	20	-
The balance of funds in the centralized insurance reserve funds	1095	508 005	495 818
Other non-current assets			
Total for section I	1100	63 548	77 001
II. Current assets	1101	49 155	47 487
Stocks	1102	745	506
Inventories	1103	10 298	16 577
Unfinished production	1104	3 349	12 430
Final product	1110	-	-
Cargo	1115	-	-
Current biological assets	1120	-	-
Reinsurance deposits	1125	78 834	94 005
Promissory notes received	1130	10 533	18 346
Accounts receivable for products, goods, works, services	1135	940	194
Accounts receivable according to calculations:	1136	194	194
Accounts receivable from accrued income	1140	-	-

Accounts receivable from internal settlements	1145	-	-
Other current receivables	1155	19 654	19 728
Current financial investments	1160	-	-
Money and their equivalents	1165	23 490	29 033
Cash	1166	659	476
Bank accounts	1167	15 395	20 457
Deferred expenses	1170	694	587
The reinsurer's share in insurance reserves	1180	-	-
including in:	1181	-	-
reserves for long-term liabilities	1182	-	-
loss reserves or due benefit reserves	1183	-	-
reserves of unearned premiums	1184	-	-
other insurance reserves	1190	173	182
Other current assets	1195	197 866	239 076
Total for section II	1200	-	4 701
III. Non-current assets held for sale and disposal groups	1300	705 871	739 595

Liabilities	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
I. Equity			
Registered (share) capital	1400	163 546	163 546
Contributions to unregistered authorized capital	1401	-	-
Capital in revaluations	1405	202 928	202 928
Additional capital	1410	11 922	11 922
Issue income	1411	-	-
Accumulated exchange rate differences	1412	-	-
Reserve capital	1415	-	-
Retained earnings (uncovered loss)	1420	(275 442)	(272 659)
Unpaid capital	1425	(-)	(-)
Withdrawn capital	1430	(-)	(-)
Other reserves	1435	-	-
Total for section I	1495	102 954	105 737
II. Long-term liabilities and collateral			
Deferred tax liabilities	1500	37 483	35 930
Retirement liabilities	1505	-	-
long-term bank credits	1510	230 635	152 214
Other long-term liabilities	1515	161 644	207 134
Long-term security	1520	-	-
Long-term staff costs	1521	-	-
Targeted financing	1525	-	-
Charity	1526	-	-
Insurance reserves	1530	-	-
including:	1531	-	-
reserve for long-term liabilities	1532	-	-
loss reserve or due payments reserve	1533	-	-
reserve of unearned premiums	1534	-	-
other insurance reserves	1535	-	-
Investment contracts	1540	-	-
Prize fund	1545	-	-

Reserve for jackpot payout	1595	429 762	395 278
Total for section II			
III. Current liabilities and collateral	1600	-	-
Short-term bank credits	1605	-	-
Promissory notes issued	1610	29 976	76 726
Current accounts payable for:	1615	81 777	96 814
long-term liabilities	1620	6 225	6 724
goods, works, services	1621	-	-
calculations with the budget	1625	3 658	2 660
including income tax	1630	15 820	15 635
insurance calculations	1635	1 646	12 390
payroll calculations	1640	-	-
Current accounts payable on received advances	1645	-	-
Current accounts payable by settlements with participants	1650	-	-
Current accounts payable from internal settlements	1660	22 665	25 953
Current accounts payable for insurance activities	1665	-	-
Current supplies	1670	-	-
future revenues	1690	11 388	1 678
Deferred commission income from reinsurers	1695	173 155	238 580
Other current commitments	1700	-	-
Total for section III	1800	-	-
IV. Liabilities related to non-current assets held for sale and disposal groups	1900	705 871	739 595

Appendix B

Financial results (Statement of comprehensive income) for 2021

Chipita 7 DAYS

Article	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
Net income from sales of products (goods, works, services)	2000	1 267 439	1 078 053
Net earned insurance premiums	2010	-	-
bonuses signed, gross amount	2011	-	-
premiums transferred to reinsurance	2012	-	-
change in the reserve for unearned premiums, gross amount	2013	-	-
change in the share of reinsurers in the reserve for unearned premiums	2014	-	-
Cost of goods sold	2050	(801)	(705)
(goods, works, services)	2070	-	-
Net incurred losses on insurance payments	2090	466 015	372 797
Gross:	2095	(-)	(-)
Profit	2105	-	-
Loss	2110	-	-
Income (expenses) from changes in reserves for long-term liabilities	2111	-	-
Income (expenses) from changes in other insurance reserves	2112	-	-
change in other insurance reserves, gross amount	2120	12 550	24 932
change in the share of reinsurers in other insurance reserves	2121	-	-
Other operating income	2122	-	-
including:	2123	-	-
income from changes in the value of assets measured at fair value	2130	(170)	(143)
income from the initial recognition of biological assets and agricultural products	2150	(256)	(198)
income from the use of funds exempt from taxation	2180	(6 294)	(7 983)
Administrative expenses	2181	-	-
Selling expenses	2182	-	-

Other operating expenses	2190	45 242	47 468
including:	2195	(-)	(-)
the cost of changes in the value of assets measured at fair value	2200	-	-
costs of initial recognition of biological assets and agricultural products	2220	5 738	26 559
Financial result from operating activities:	2240	5 592	-
Profit	2241	-	-
Loss	2250	(55) 321	(59) 528
Income from equity participation	2255	(-)	(-)
Other financial income	2270	(-)	(11) 427
Other income	2275	-	-
Financial result before tax:	2290	1 251	3 072
Profit	2295	(-)	(-)
Loss	2300	1 533	(421)
Expenses (income) from income tax	2305	-	-
Profit (loss) from discontinued operations after tax	2350	2 784	2 651
Net financial result:	2355	(-)	(-)

Elements of operating expenses (Statement of comprehensive income) for 2021

Chipita 7 DAYS

Article title	Line code	At the beginning of the reporting period	For the same period last year
1	2	3	4
Material costs	2500	643 761	582 342
salary expenses	2505	337 504	289 698
Deductions for social events	2510	73 057	83 013
Amortization	2515	34 534	34 014
Other operating expenses	2520	108 999	39 680
Together	2550	1 197 855	1 028 747

