

State University of Trade and Economics
Department of International Management

FINAL QUALIFYING WORK

on the topic:

**«ORGANIZATION OF FLOOR COATING IMPORT FROM EUROPEAN
COUNTRIES»**

(according to the materials of Epicenter K LLC, Kyiv)

Student4 course7a group,
specialty 073 "Management"
specialization "Management
foreign economic activity"

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Approved by

Head of the department

« »

2023

Task for the final qualifying paper of the student

Douakha A.D.E

1. Theme of the final qualifying paper

« Organization of floor covering import from european countries»

Approved by order of STEU from 12.01.2023 № 38

2. Deadline for the submission of completed final qualifying paper by the student

Douakha A.D.E.

3. Target installation and initial data to final qualifying paper

The purpose of the final qualifying paper is to analyze and propose effective management strategies for the imported goods of floor coverings in LLC "EPICENTR K" with the aim of optimizing the company's operations and enhancing customer satisfaction.

The object of the final qualifying paper is analysis of foreign economic activity of the enterprise and finding an exporter of Floor Coverings for Ukrainian market.

The subject of the final qualifying paper is the organization of imports of Floor Coverings.

Contents of the final qualifying paper (list of questions for each chapter)

Introduction

Chapter 1. Analysis Of the Functioning Of LLC “Epicentr K”

Analysis of production and economic (trade) operations. Examination of the financial state and overall revenue of the company for a period of three years. Objectives of import operations. Exploration of the international trade activities of the enterprise, including the geographical and commodity structure of imports. Identification of current challenges faced by the company as a participant in international trade.

Chapter 2. Justification Of The Choice Of The Country Counterpart For The Organization Of Imports Of Floor Coverings goods

Examination of the major development phases and present condition of the global Floor Coverings market. Analysis of worldwide Floor Coverings exports over a five-year period. Identification of leading exporting countries in Floor Coverings industry. Analysis of export and import value and quantity trends. Investigation of price levels. Identification of local importers (competitors). Study of domestic market demand for the researched product.

Chapter 3. Implementation Of Import Operation

Adherence to regulatory requirements in Ukraine. Identification of potential partners. Elaboration of contract details. Forecast assessment of the effectiveness of potential import of LLC “EPICENTR Floor Coverings goods.

Conclusion

References

4. Calendar plan of the final qualifying paper

№	Stages of the final qualifying paper	Terms of the final qualifying paper	
		plan	fact
1	Approval of the content of the final paper	11/02/2023	11/02/2023
2	Collection of information	27/02/2023	27/02/2023
3	Writing and submitting for review the first chapter of the final paper	15/04/2023	15/04/2023
4	Writing and submitting for review the second chapter of the final paper	1/05/2023	1/05/2023
5	Writing and submitting for review the third chapter of the final paper	13/05/2023	13/05/2023
6	Check of the final paper	25/05/2023	25/05/2023
7	Completion of the final paper	6/06/2023	6/06/2023

5. Date of issuance of the task « » 2023

Scientific adviser of the final qualifying paper Oliinyk A.A.

6. Guarantor of the educational program Pyankova O.V.

7. The task was accepted by the student Douakha A.D.E.

8. Resume of scientific adviser about the final qualifying paper

The final qualifying paper by Douakha A.D.E. is highly relevant as it focuses on enhancing the efficiency of import operations at LLC "Epicentr K." The final qualifying paper consists of an introduction, main body with three sections, conclusions and recommendations, references, and appendices. Each paragraph in the content aligns perfectly with the corresponding part titles and the overall theme of the thesis. The paper's content and structure adhere to the necessary criteria and current standards for obtaining a bachelor's degree.

The final qualifying paper thoroughly examines both the theoretical and practical

SUMMARY

Douakha A.D.E. "Organization of floor covering import from european countries. (using the material of LLC "EPICENTR K", Kyiv)".

Manuscript. Graduation qualification work in the specialty "Management" with specialization "Management of foreign economic activity". State University of Trade and Economics, Kyiv, 2023.

The final qualification work is devoted to the practical aspects of Organization of floor covering import from european countries, which includes: a study of the functioning of the enterprise, an analysis of the world market of Floor Covering, justification of the choice of EU countries as a counterparty country for the realization of the import potential of domestic companies, the implementation of a management decision regarding imports through organizational support and predictive assessment of the effectiveness of the supply of covering product from EU.

Key words: "EPICENTR K" LLC Organization of Floor Covering import from European Countries.

АНОТАЦІЯ

Дуаха А.Д.Е. «Організація імпорту підлогових покриттів з країн Європи. (на матеріалі ТОВ «ЕПІЦЕНТР К», м. Київ)». Рукопис.

Випускна кваліфікаційна робота за спеціальністю «Менеджмент» зі спеціалізацією «Менеджмент зовнішньоекономічної діяльності». Державний торговельно-економічний університет, Київ, 2023.

Випускна кваліфікаційна робота присвячена практичним аспектам організації імпорту підлогових покриттів з європейських країн, що включає: дослідження функціонування підприємства, аналіз світового ринку підлогових покриттів, обґрунтування вибору країн ЄС як країни-контрагента для реалізації імпортного потенціалу вітчизняних компаній, реалізації управлінського рішення щодо імпорту шляхом організаційного забезпечення та прогнозової оцінки ефективності поставок покривного продукту з ЄС.

Ключові слова: ТОВ «ЕПІЦЕНТР К» Організація імпорту підлогових покриттів з країн Європи.

ABSTRACT

The present study focuses on the organization of importing floor coverings from European countries, specifically examining the case of Epicenter K. The importation of floor coverings from European countries presents both opportunities and challenges for Epicenter K, a major retail company in Ukraine. European countries, known for their high-quality floor coverings, offer a wide range of options that can attract Ukrainian consumers. However, importing floor coverings from Europe requires compliance with Ukrainian import regulations, which can be intricate and time-consuming.

This research aims to analyze the organizational aspects of importing floor coverings from European countries, with a focus on Epicenter K and its materials. It explores the process of sourcing floor coverings from European suppliers, addressing factors such as quality control, supplier selection, and negotiation of favorable terms. The study also examines the logistical considerations involved in the transportation of floor coverings, including packaging, labeling, and shipping.

Through a comprehensive analysis of the materials provided by Epicenter K, the research identifies key challenges and opportunities associated with importing floor coverings from European countries. It highlights the importance of understanding Ukrainian import regulations and implementing efficient import procedures to ensure compliance. Furthermore, the study emphasizes the significance of establishing strong relationships with European suppliers to guarantee the availability of high-quality floor coverings.

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INTRODUCTION

The importation of floor coverings from European countries has become increasingly relevant in the context of Ukraine's growing construction and interior design industries. With a rising demand for high-quality floor coverings, Ukrainian businesses, such as Epicenter K, are exploring opportunities to source products from European suppliers. This research focuses on the organization of importing floor coverings from European countries, specifically examining the case of Epicenter K, one of the leading retail companies in Ukraine.

The relevance of this research lies in the increasing importance of imported floor coverings in Ukraine's market. European countries are renowned for their expertise and variety of floor coverings, making them an attractive source for Ukrainian businesses. However, the importation process involves numerous challenges, including compliance with Ukrainian import regulations and addressing logistical considerations. Understanding and effectively managing these challenges are crucial for businesses like Epicenter K to capitalize on the opportunities presented by importing floor coverings from Europe.

The subject of this research is the organization of importing floor coverings from European countries, with a focus on Epicenter K and its materials. The object of the study encompasses the processes and strategies involved in sourcing, importing, and distributing floor coverings from European suppliers.

The objective of this study is to analyze the organizational aspects of importing floor coverings from European countries and to provide recommendations for Epicenter K in optimizing their importation process. By achieving this objective, the research aims to contribute to the knowledge and understanding of effective import strategies for floor coverings in the Ukrainian market.

To accomplish the research objective, the following **tasks will be undertaken**:

1. Analyze the regulatory framework and import procedures for floor coverings in Ukraine.
2. Examine the selection criteria and evaluation process for European suppliers of floor coverings.
3. Investigate the logistical considerations and challenges associated with the transportation of floor coverings.
4. Identify the quality control measures and standards for imported floor coverings.
5. Assess the potential market demand and consumer preferences for European floor coverings in Ukraine.
6. Develop recommendations for Epicenter K to optimize their importation process and enhance their market position.

This study adopts a mixed-methods approach to gather and analyze relevant data. The research will involve both qualitative and quantitative methods, including literature review, interviews with industry experts, analysis of import regulations, and examination of Epicenter K's materials. These methods will provide a comprehensive understanding of the organizational aspects of importing floor coverings from European countries.

The research is based on a wide range of **information sources**, including academic publications, industry reports, import regulations, case studies, and materials provided by Epicenter K. These sources will serve as the foundation for analysis and discussion, ensuring the reliability and validity of the research findings.

The practical significance of the obtained results lies in the possibility this research addresses the current relevance of importing floor coverings from European countries, with a focus on Epicenter K. By examining the organizational aspects and challenges associated with the importation process, this study aims to provide valuable insights and recommendations for Epicenter K and other businesses interested in expanding their product offerings in the Ukrainian market.



CHAPTER 1. ANALYSIS OF THE FUNCTIONING OF LLC EPICENTR K

1.1 General characteristics of LLC EPICENTR K

The company "Epicentr-K" is a national network of modern construction companies about 10,000 customers. Today, this hypermarket has the largest first floor in Europe. commercial hypermarkets, with a wide range of products according to European standards service standards. "Epicenter-K" LLC was registered on August 27, 2003 year at the legal address: 02139, Kyiv, str. Bratislava, 11, tel. (044) 1. Chairman of the company - Gerega Oleksandr Volodymyrovych; 5. Regional Director of the Western Region - Yuriy Yakovlev; 561 27 50. During 10 years of development, 42 hypermarkets were opened throughout Ukraine, 36 in regions and 6 in the capital. Khmelnytskyi "Epicenter-K" was opened on December 15 of 2007.

The company is constantly improving, improving its service, and expanding "EPICENTER-K" 6. Director of the Eastern region - Artari-Kolum Boris Yuriyovych; 2.1. Organizational and economic characteristics of Epicenter-K LLC assortment of goods and range of services to meet needs as much as possible consumers and to put into practice the main slogan of the company « The buyer is always right »

Management of Epicenter-K LLC:

1. Chairman of the company - Gerega Oleksandr Volodymyrovych;
2. Director of corporate finance - Halyna Fedorivna Gerega;
3. Corporate vice-president - Surzhik Tetyana Fedorivna;
4. general director of the company - Mykhailyshyn Petro Yosypovych;
5. Regional Director of the Western Region - Yuriy Yakovlev;
6. Director of the Eastern region - Artari-Kolum Boris Yuriyovych;

The total area of "Epicenter K" is 18,000 square meters. and can serve about 10,000 customers. Today, this hypermarket has the largest first floor in Europe.

In the chain of hypermarkets LLC "Epicenter-K" you can find all items, which are used for construction, repair and decoration. The goods are divided in 10 chapters, from large-scale construction projects to decoration, with more than 1 back" in Ukraine. Develop and expand large supermarket chains in all maintenance and planning of houses of every resident of Ukraine. a million pieces.

The "Epicenter-K" network offers domestic and foreign products quality and affordable goods. Save customers time with convenient 3. Our strategy is to become a leader in the retail trade market service technologies and provide a full range of goods and services in one (Poland, Spain, Germany, Russia, France, China, Turkey). Goods delivered to large supermarket chains by own transport and construction cooperation with 5,000 product suppliers. "Epicenter-K" LLC is designed for career growth and the growth of material support for everyone 1. Our goal is to create the most favorable conditions for construction, stop any types of customers and can meet any customer needs.

Market experts predict that even if Ukraine's infrastructure is already has been declining for a long time, the growth of this market segment will continue. Consumers of goods are both large construction companies and retail buyers. Thanks to its achievements, as well as the desire to improve the quality of services and to increase the selection of products, the company provided tough competition to others construction networks throughout Ukraine.

Progressive management of the organization promotes the development of employees, cooperation with 5,000 product suppliers. "Epicenter-K" LLC is designed for career growth and the growth of material support for everyone.

The main work of "Epicenter-K" LLC:

1. Our goal is to create the most favorable conditions for construction, maintenance and planning of houses of every resident of Ukraine.

2. Our mission is to provide the Ukrainian people with a wide assortment quality and affordable goods. Save customers time with convenient service technologies and provide a full range of goods and services in one stop.

3. Our strategy is to become a leader in the retail trade market back" in Ukraine. Develop and expand large supermarket chains in all regional centers and large cities of Ukraine, to demonstrate a diverse products and provide a high level of customer service.

The management structure of the enterprise is hierarchical, that is, all employees marketing is constantly monitored by the marketing department, which companies To estimate the size of the market, it is necessary to estimate the sales of each product, are directly or indirectly subordinate to the directors of the enterprise. Higher the governing body is the meeting of participants. Meetings of participants are appointed at the same time, use different methods for forecasting supply and demand observation, experiment and research. In LLC "Epicenter-K" department other companies. the general manager, who organizes a large supermarket, signs the contract (see Appendix A), represents it in all organizations and institutions, issues instructions, approves staff schedules, forms sales plans, takes on work and dismisses employees.

The hypermarket reports directly to the hypermarket director, appointed by the general director. A hypermarket is a legal entity payer of pension funds, social insurance funds related to The management structure of the enterprise is hierarchical, that is, all employees marketing is constantly monitored by the marketing department, which companies To estimate the size of the market, it is necessary to estimate the sales of each product, are directly or indirectly subordinate to the directors of the enterprise. Higher accrued and paid wages of hypermarket employees, the payer of individual taxes of the relevant tax authorities.

Analysis of demand and its determinant is the basis of market research, where the goal analysis is a quantitative assessment of the potential (capacity) of the market and the

actual level instructions, approves staff schedules, forms sales plans, takes on primary demand.

The commodity demand of the "Epicenter-K" enterprise is part of the market demand which corresponds to the market share of the enterprise (brand) in the basic commodity

market in the process of market monitoring, demand analysis and product forecasting. To estimate the size of the market, it is necessary to estimate the sales of each product, are directly or indirectly subordinate to the directors of the enterprise. Higher accrued and paid wages of hypermarket employees, sold by the company, determine the demand trend for certain goods and at the same time, use different methods for forecasting supply and demand other companies.

The most common methods of collecting original information are:

observation, experiment and research. In LLC "Epicenter-K" department marketing is constantly monitored by the marketing department, which reports to the commercial director.

During the monitoring process, the following is investigated:

- analysis of income and purchasing power of the population of the region;
- determination of unpopulated market segments;
- research of market segments;
- study of quality characteristics that orient consumers to purchase.

Supervision is carried out by sellers and other personnel (for example warehouses), which have direct contact with buyers. At the end of each during the working week, they fill out a special questionnaire developed by the department marketing organization.

An experiment is used as a demand research method to study demand for new products.



Figure 1.1 Consumers of "Epicenter-K" LLC by age categories

Source developed by the Author based on reference (1)

Customer surveys in Epicenter-K stores are often conducted on the basis of questionnaires (approximately once every three weeks). A questionnaire is developed, which usually contains:

1. Composition of consumers of these products (by age).
2. Consumer behavior when buying.
3. Factors affecting the purchase decision.

"Epicenter-K" LLC conducts consumer surveys to obtain information about people's knowledge, beliefs and preferences, their satisfaction, and also measure the strength of your status in the eyes of the audience. Wholesale price for products 2. According to the classification of the store, make sure that each group and according to the product profile and the store's field of activity. comprehensive satisfaction of customer needs in selected market segments. In connection with determined according to the situation, the domestic market situation and leve profitability sufficient to maintain a stable financial condition and solvency of Epicenter K LLC.

The formation of the product assortment in the store should be guided by the following:

1. . Make sure that each store has enough goods in full, frequent demand, full variety, and consumer demand irreplaceable and difficult to replace.
2. According to the classification of the store, make sure that each group and subgroup have a sufficient number of types of products.
3. Set a certain number of varieties for each type of product according to the product profile and the store's field of activity.
4. Calculate and consider the range of demand characteristics in the field activity

The most important principle in the formation of the volume of goods is provision their compliance with the nature of public needs. He must provide comprehensive satisfaction of customer needs in selected market segments. In connection with therefore, the range of goods provided to customers must have a sufficient range breadth and depth.

The balance sheet (Appendix A) outlines a company's assets and liabilities, including irreversible assets, reversible assets, and liabilities. The total value of irreversible assets at the beginning of the year is 16,010,547 UAH, increasing to 22,109,337 UAH at the end of the year. Reversible assets include reserves, debtors, current financial investments, cash and equivalents, and other assets. The category of irreversible assets held for sale and groups elimination has a minimal value of 21, and no value at the end of the year.

Liabilities include own capital, long-term obligations and security, current obligations and security, and liabilities related to non-current assets held for sale and groups elimination. The balance sheet provides a comprehensive view of a company's financial position at the beginning and end of the year.

The table 1.2 (Appendix K) Based on the provided asset data, here is the analysis of the assets The company's reversible assets increased from 4,870,000 UAH to 12,543,000 UAH, with intangible assets increasing from 4,870,000 UAH to 12,543,000 UAH. Unfinished capital investment also rose, with main means increasing from 8,568,122,000

UAH to 12,304,648,000 UAH. Long-term financial investments also rose, and postponed tax assets increased. Reversible assets included reserves, debt for products, goods, works, and services, and other current accounts receivable arrears. Irreversible assets held for sale and group elimination remained unchanged, resulting in a total asset balance of 36,891,621,000 UAH.

The table 1.3 (Appendix L) The analysis shows that the company's own capital remains unchanged at 158,610,000 UAH, with no change in reassessments, additional capital, or reserve capital. Undivided profit increased from 12,300,000,000 UAH to 14,542,267,000 UAH. Unpaid capital and excluded capital were not provided. Total Own Capital (Section I) was 12,458,610,000 UAH at the beginning of the year and 14,700,877,000 UAH at the end.

Long-term obligations and security increased from 0 UAH to 256,738,000 UAH, with no change in software or true financing. Current obligations increased from 1,891,166,000 UAH to 3,667,811,000 UAH, with no change in payroll calculations or insurance calculations. Liabilities related to non-current assets held for sale and group elimination were not provided, resulting in a total balance of 36,891,621,000 UAH.

The table 1.4 (Appendix M) The financial data for the reporting period shows a total of 50,382,425,000 UAH in clean income from product implementation, 0 UAH in clean and earned insurance awards, 35,593,670,000 UAH in cost of implemented products, and 0 UAH in clean and suffered insurance losses/payments. Gross profit was 14,788,755,000 UAH, with no loss. Other operating income was 737,243,000 UAH, administrative costs were 872,759,000 UAH, sales expenses were 8,648,047,000 UAH, and operating room costs were 920,408,000 UAH. The financial result from operating room activity was 5,084,784,000 UAH, with no loss. The company's financial results for the current period are as follows : profit of 4,116,186,000 UAH, loss of 0 UAH, expenses from income tax of -944,982,000 UAH, and profit from discontinued activity after taxation of -821,675,000 UAH.

The company's financial results before taxation show a profit of 4,423,784,000 UAH, and losses of 0 UAH for the same period. The company's financial results after taxation show a profit of 3,171,204,000 UAH, and losses of 0 UAH for the same period.

According to Table 1.5 (Appendix O) The financial data for the reporting period shows that the company has a clean income from the implementation of products (goods, works, services) of 43,979,194,000 UAH for the current period, compared to 41,400,220,000 UAH for the previous year. Clean and earned insurance awards have not been reported for the current period. The cost of implemented products has increased from 30,814,751,000 UAH to 30,400,580,000 UAH for the previous year. Clean and suffered insurance losses/payments have not been reported for the current period. Gross profit for the current period is 13,164,443,000 UAH, with no loss or loss for the previous year.

Other operating income includes 530,835,000 UAH, administrative costs of 751,814,000 UAH, sales expenses of 7,985,945,000 UAH, and operating room costs of 254,271,000 UAH and 396,373,000 UAH. The company has no income from participation in the capital, other financial income, or other expenses. The company has no losses from participation in the capital, other costs, or income from income tax.

As we have witnessed in the data above LLC Epicentr has seen a slight improvement in their profit in the end of 2020 3,602,109 UAH comparing to the end of 2019 9,960,712 UAH.

1.2 Analysis of foreign economic activity of LLC EPICETR K

Foreign economic activity (FEA) plays a significant role in the operations of LLC Epicentr K. The company engages in various FEA practices to expand its product offerings, enhance competitiveness, and tap into international markets. This analysis examines the foreign activities of LLC Epicentr K, a prominent Ukrainian company. Epicentr K is well-

known for its operations in the retail and construction sectors within Ukraine. However, the company has also ventured into foreign markets, seeking to expand its presence beyond national borders. This analysis aims to assess and evaluate the key aspects of Epicentr K’s foreign activities, including its international expansion strategies, market penetration efforts, and the challenges and opportunities it faces in the global marketplace. By understanding the company’s approach to internationalization, we can gain insights into its growth potential and its ability to compete in the global business landscape.

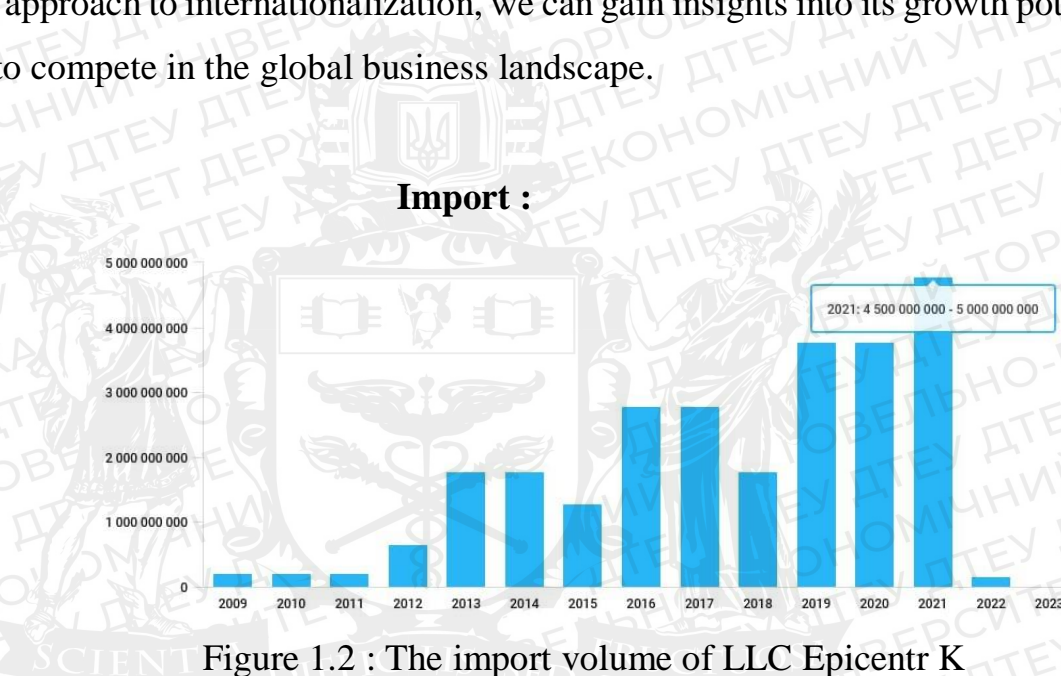


Figure 1.2 : The import volume of LLC Epicentr K

Source Developed by the Author based on source (2)

The figure 1.2 The financial data for the reporting period shows that the company has a clean income from the implementation of products (goods, works, services) of 43,979,194,000 UAH for the current period, compared to 41,400,220,000 UAH for the previous year. Clean and earned insurance awards have not been reported for the current period. The cost of implemented products has increased from 30,814,751,000 UAH to 30,400,580,000 UAH for the previous year. Clean and suffered insurance losses/payments have not been reported for the current period. Gross profit for the current period is 13,164,443,000 UAH, with no loss or loss for the previous year.

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Geography Import :

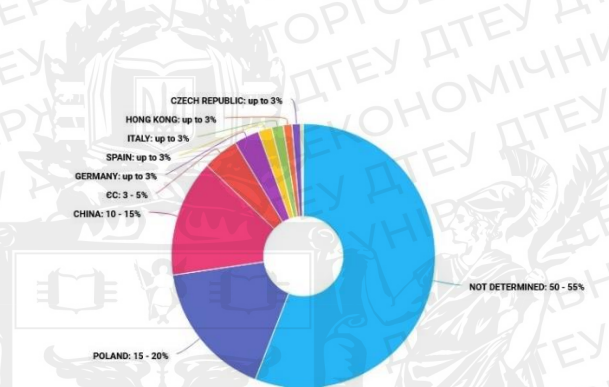


Figure 1.4 Geography Import 2019

Source : developed by the Author based on reference (4)

The following countries import varying amounts of UAH, with various contractors involved in different operations. Poland imports 2,000-2,500,000,000 UAH, while China imports 550-600,000,000 UAH. The European Union imports 150-200,000,000 UAH, Germany imports 100-150,000,000 UAH, Spain imports 65-70,000,000 UAH, Italy imports 55-60,000,000 UAH, Hong Kong imports 40-45,000,000 UAH, Czech Republic imports 40-45,000,000 UAH, and Taiwan imports 10-15,000,000 UAH. These figures represent the estimated range of import values, contractor numbers, and operations for each country.

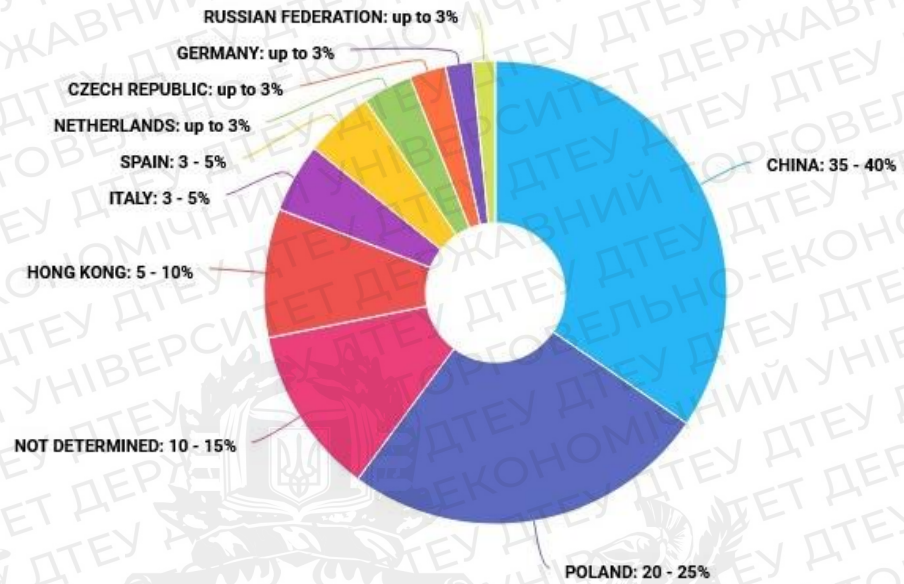


Figure 1.3 Geography, Import 2020

Source : developed by the Author based on reference (4)

The import data shows that China imports 1,000-1,500,000,000 UAH, with contractors in 200-250 jobs. Poland imports 900-950,000,000 UAH, with 20-25 contractors. Hong Kong imports 300-350,000,000 UAH, Italy imports 150-200 jobs, Spain imports 150-200 jobs, the Netherlands imports 100-150 million UAH, Czech Republic imports 90-95 million UAH, Germany imports 65-70 million UAH, and Russia imports 55-60 million UAH. These figures represent the estimated range of import values, contractor numbers, and operations for each country.



Figure 1.5 Export volume of LLC Epicentr K

Source : developed by the Author based on reference (4)

The data on export revenues, contractors, and operations for 2023 and 2022 is not provided. However, in 2021, the export revenues ranged from 1,500,000,000 to 2,000,000,000 UAH, with contractors involved in between 100 and 150 operations. In 2020, the revenues were between 850,000,000 and 900,000,000 UAH, with 25 to 30 contractors involved and around 350 to 400 export operations. In 2019, the revenues were between 2,000,000,000 and 2,500,000,000 UAH, with 5 to 10 contractors and 90 to 95 operations. In 2018, the revenues ranged from 4,500,000,000 to 5,000,000,000 UAH, with 15 to 20 contractors involved and around 200 to 250 operations.

In 2017, the revenues were between 600,000,000 and 650,000,000 UAH, with 20 to 25 contractors involved and around 100 to 150 operations. In 2016, the revenues ranged from 450,000,000 to 500,000,000 UAH, with 15 to 20 contractors involved and around 90 to 95 operations. In 2015, the revenues ranged from 600,000 to 650,000 UAH, with up to 3 contractors and operations. In 2014, the revenues ranged from 45,000,000 to 50,000,000 UAH, with 3 to 5 contractors involved and around 35 to 40 operations. In 2013, the revenues ranged from 100,000,000 to 150,000,000 UAH, with 5 to 10 contractors involved and around

100 to 150 operations. For the years 2012 and 2011, no specific information was provided, and it is advisable to refer to specific data or sources for those years.

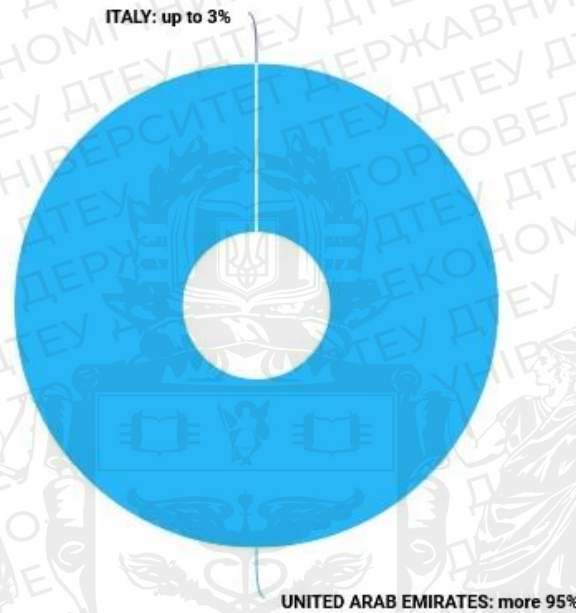


Figure 1.7 Geography Exports of LLC Epicentr K 2019

Source : developed by the Author based on reference (4)

The data shows that the United Arab Emirates had export revenues between 2,000 and 2,500 million UAH, with contractors between 3 and 5. Italy had export revenues between 100,000 and 150,000 UAH, with contractors up to 3. Further details or context may be needed to fully understand these figures.

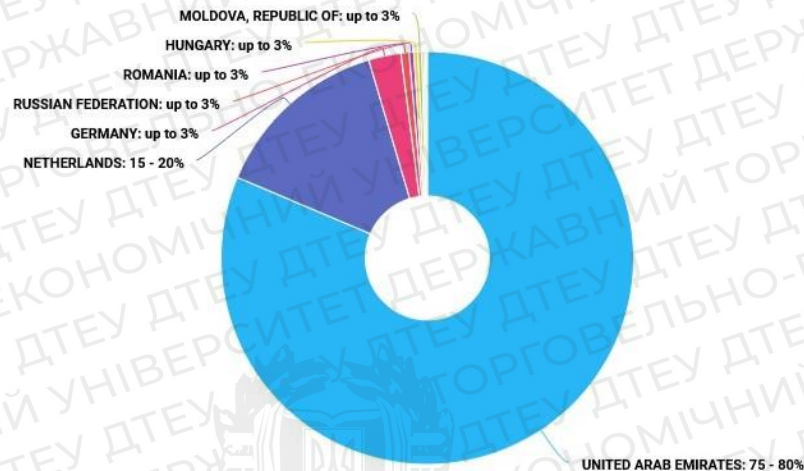


Figure 1.6 Geography Export 2020

Source : developed by the Author based on refrence (4)

The United Arab Emirates reported export revenues ranging from 700,000,000 to 750,000,000 UAH, with contractors involved in between 3 and 5 and a quantity of operations conducted from 30 to 35. The Netherlands recorded revenues ranging from 100,000,000 to 150,000,000 UAH, with contractors involved between 5 and 10. Germany had export revenues ranging from 20,000,000 to 25,000,000 UAH, with contractors involved between 5 and 10. The Russian Federation reported revenues ranging from 5,500,000 to 6,000,000 UAH, with contractors involved between 35 and 40. Romanian export revenues ranged from 3,000,000 to 3,500,000 UAH, with contractors involved between 3 and 5.

Hungary reported revenues ranging from 2,500,000 to 3,000,000 UAH, with contractors involved between 25 and 30. Moldova, Republic of, had export revenues ranging from 2,500,000 to 3,000,000 UAH, with contractors involved between 20 and 25. Lithuania, Switzerland, and Belarus reported export revenues ranging from 1,000,000 to 1,500,000 UAH, with contractors involved between 1 and 3. Further analysis or context may be required to fully interpret and understand the significance of these figures.

- The geographical export of LLC Epicentr has increased in 2020

compared to 2019, when in 2019 has exported just to 2 countries (UAE and Italy) and in 2020 it has 21 finance 2121it's



Figure 1.8 Revenues and Export revenues of LLC Epicentr K

Source : developed by the Author based on reference (4)

Since the beginning of the full-scale invasion, the Ukrainian economy and business have suffered a devastating blow. 30.4% is an unprecedented decline in Ukraine's national economy in 2022. In addition, according to the Ministry of Social Policy, last year the number of Ukrainians living below the poverty line increased to almost 30%, which in turn had a significant impact on the solvency of citizens, with consumer inflation reaching 26.6%.

Along with the decline in the solvency of Ukrainians and the rise in prices, which was also significantly affected by the devaluation of the national currency – from UAH 29 to UAH 40 per dollar. With the beginning of the war, entrepreneurs almost lost the opportunity to conduct any foreign economic activity due to the limited capacity of the country's western borders, almost completely paralyzed seaports, and closed borders with Russia and Belarus for reasons that are clear to all.

Thus, according to the Kyiv School of Economics, direct losses incurred by private companies and state-owned enterprises reach \$13 billion, while experts estimate indirect (total) losses at \$33 billion.

Among other challenges, entrepreneurs identify:

1. destroyed logistics routes, a shortage of vehicles and a significant increase in fuel prices;
2. the need to revise sales and marketing strategies;
3. shortage of human resources due to mobilization measures and Ukrainians leaving the country;
4. loss of companies and partner countries;
5. limited external and internal investment and blocking of credit facilities by national banks;
6. a significant increase in prices for energy, raw materials and supplies.

CHAPTER 2. JUSTIFICATION OF THE CHOICE OF THE COUNTRY COUNTERPART FOR THE ORGANIZATION OF IMPORTS OF FLOOR COVERING

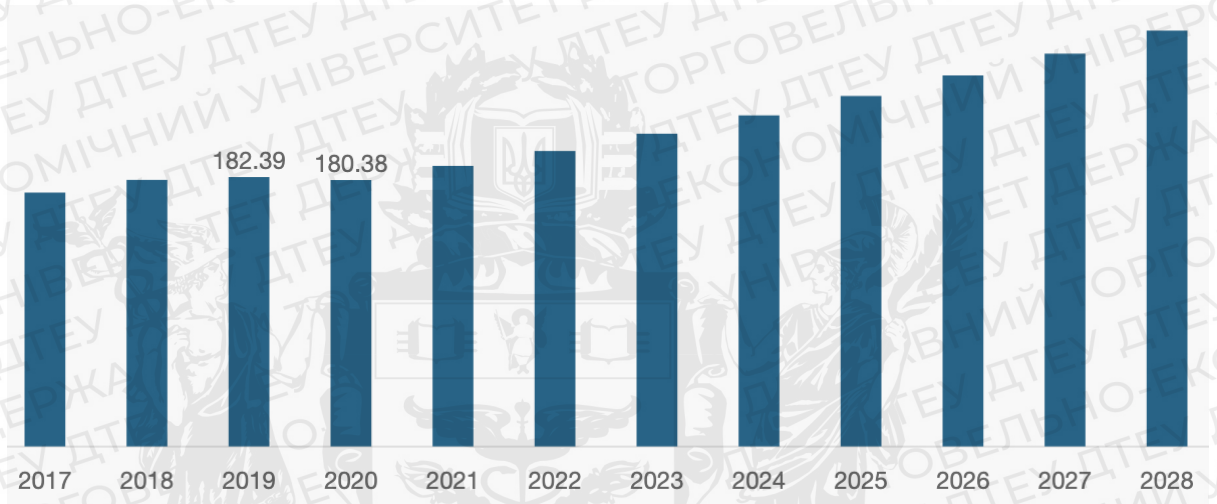
2.1 Investigation of the world market of floor covering

The global flooring market size was USD 342.88 billion in 2020 and is projected to grow from USD 359.20 billion in 2021 to USD 517.74 billion in 2028 at a CAGR of 5.4% during the 2021-2028 period. The global impact of COVID-19 has been unprecedented and staggering, with the product witnessing a negative demand shock across all regions amid the pandemic. Based on our analysis, the global market exhibited a decline of 1.4% in 2020. The sudden rise in CAGR is attributable to this market's demand and growth, returning to pre-pandemic levels once the pandemic is over.

Flooring is a finishing material applied over a floor or subfloor structure to arrange for a walking surface. These products offer properties such as resistance to scratches, dents, and moisture, and are very easy to clean. Majorly used products include ceramic tiles, vinyl tiles, carpets, and laminates, as they provide a smooth, clean, hard, and attractive surface to the floors. These benefits lead consumers to use these products during the development and renovation of residential and non-residential buildings. Increasing new construction facilities will provide growth opportunities for the market. Surging demand for residential buildings, commercial amenities, and healthcare facilities will drive market growth.

The pandemic has severely impacted the construction industry globally. The restrictions in the movement of materials resulted in a shortage of raw materials. Further, the lockdown rules and regulations constrained the contractors and builders to conduct their construction activities. This factor led to delays in new and current construction projects. In the first quarter of 2020, the architects and contractors canceled or postponed their construction plans in China, Japan, the U.S., and India. As per the 2020 U.S. Chamber Study,

in July, more than 85% of contractors experienced construction projects delays in the U.S. owing to the COVID-19 pandemic. This factor decreased the consumption of finishing materials in the same time span. However, government investment policies for building and enhancing healthcare facilities will serve as the key trend for market recovery after the COVID-19 impact.



Picture 2.1 World Flooring Market Size, 2017-2028 (USD Billion)

Source 8)

The increasing demand for remodeling and renovation in residential and commercial buildings is expected to spike the product demand. Nowadays, many people use renovation and remodeling methods as ideal choices for interior designing and to change the appearance and structure of buildings. Rising consumer expenditure for interior designing will surge the demand for remodeling and renovation. The use of these products for remodeling and renovation is increasing owing to their long-lasting and cost-effective properties that keep buildings up-to-date. Additionally, rising government investments to improve public recreational spaces, hospitals, schools, and transport facilities will lead to the consumption of these products. Hence, these factors will help to fuel the market growth during the forecast period.

Increasing Demand for Vinyl Flooring in Residential and Non-residential Buildings to Drive Market

Vinyl is utilized as a multipurpose material in tiling applications, wherein luxury vinyl tile is majorly used. It is preferred in applications where accidental spills are the main issues, as it offers moisture and mold resistance. In addition, this finishing material is increasingly gaining popularity in both residential and non-residential buildings owing to its lower cost, easy installation, and durability. Hence, the rising use of vinyl in residential and non-residential buildings will surge this market.

Rising Need for Multistory Buildings to Drive the Demand for Flooring Products

Multistory buildings are preferred over private houses in both residential and commercial sectors. Increasing population and consumer expenditure have led to demand for multistory residential buildings. Whereas, the growth in commercial multistory buildings is attributed to the rising industrialization and urbanization in developing economies. Government initiatives to develop smart cities are expected to increase the market demand. Additionally, the rapidly growing real-estate sector has further contributed to the growth of multistory buildings. Hence, these positive factors propel the demand for tiling during the forecast period.

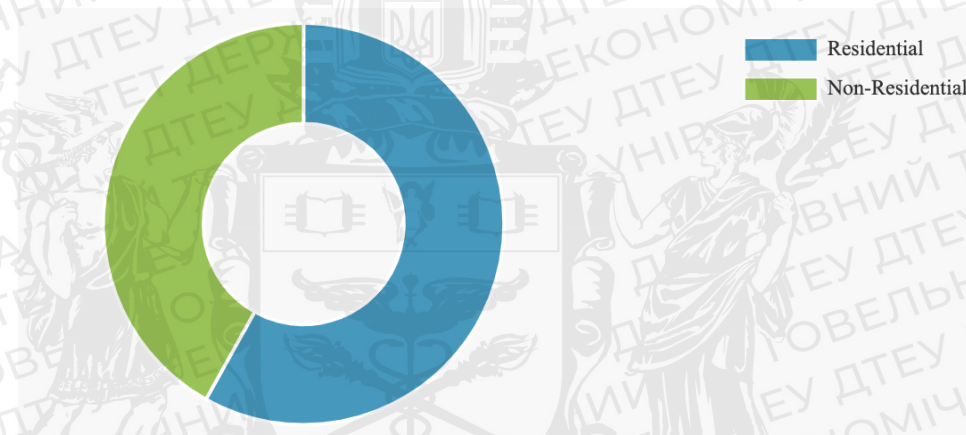
By type, the market is segregated into non-resilient, resilient, and carpets & rugs.

Non-resilient segments are further classified into ceramic, wood, laminate, and others. Similarly, the resilient flooring segment is bifurcated into vinyl and others. Also, the carpets & rugs segment is further divided into tufted, woven, and others.

The non-resilient segment accounted for the highest revenue share in which ceramic sub-segment is the most significant type. Ceramic tiles have a distant protecting layer on their surface, making them impervious to spreading pigment and water damage. They also provide a harder surface, easy maintenance, no allergy concerns, and durability. These properties increase their use mainly on residential floors. Laminate flooring is a low

investment floor alternative, and it replicates stone, and wood floors. The growth of this segment is attributed to the increasing need for easy-to-install floor coverings.

In the resilient segment, vinyl is anticipated to disrupt the market due to its durability and moisture-resistant properties. The increasing use of luxury vinyl tiles in residential and commercial buildings will significantly drive the market. Tufted sub-segment is the largest type in carpets & rugs segment. The tufted carpet is used for wall-to-wall carpeting. It is ideal for those rooms where heavy furniture is placed.



Picture 2.2 Global Flooring Market Share, By End-Use, 2022

Source: (8)

The market share is bifurcated into residential and non-residential on the basis of end-use.

The residential segment is the leading contributor for the growth of this market. This growth is attributable to the rising population and consumers' disposable income. Furthermore, the increasing demand for renovation services to elevate the look of buildings will spur floor products demand from the residential sector. Hence, the rising number of residential buildings will fuel the flooring market growth.

On the other hand, the non-residential segment is expected to have a faster CAGR from 2021 to 2028 owing to the rapidly growing need for commercial buildings, including

hospitals, offices, and institutes. Additionally, the rising demand for seamless floorings such as polished concrete, epoxy, and polyurethane from commercial and industrial workspaces will boost the market growth.



Picture 2.3 Asia Pacific Flooring Market Size, 2020 (USD Billion)

Source: (8)

Asia Pacific recorded USD 180.38 billion in terms of annual revenue during 2020 and will continue to be the largest and fastest-growing region in the market. This can be attributed to increasing planned investments and structured policies for construction activities in India, China, and Southeast Asia. Additionally, rapid industrialization would further drive the regional market. China is the leading country in the market and is expected to register higher growth. The increasing population and need for infrastructure and new buildings are the key factors driving the market growth in China.

The European market will witness growth backed by the growing use of ceramics and vinyl in non-residential buildings. Additionally, rising consumer expenditure and preference towards luxurious living spaces would drive growth in this region.

The rising demand for floor coverings from ongoing construction projects will drive the market in the Middle East & Africa during the forecast period. In North America, the rising demand for healthcare facilities, commercial buildings, and luxurious houses will boost the market growth.

2.2 Analysis of the market of floor covering in Ukraine

The floor covering market in Ukraine is expected to grow at a CAGR of 4.2% from 2022 to 2027. The growth of the market is attributed to the increasing demand for stylish and durable floor coverings from residential and commercial consumers. The rising disposable income of consumers is also driving the growth of the market.

The market for floor coverings in Ukraine is segmented by material, type, and end-use. By material, the market is segmented into resilient flooring, non-resilient flooring, and soft floor coverings. Resilient flooring is the largest segment of the market, accounting for a share of over 50% in 2021. The growth of this segment is attributed to the increasing demand for durable and easy-to-maintain floor coverings. Non-resilient flooring is the second-largest segment of the market, accounting for a share of over 30% in 2021. The growth of this segment is attributed to the increasing demand for stylish and traditional floor coverings. Soft floor coverings is the smallest segment of the market, accounting for a share of less than 20% in 2021. The growth of this segment is attributed to the increasing demand for comfortable and luxurious floor coverings.

By type, the market is segmented into laminate flooring, vinyl flooring, ceramic tiles, and hardwood flooring. Laminate flooring is the largest segment of the market, accounting for a share of over 40% in 2021. The growth of this segment is attributed to the increasing demand for affordable and durable floor coverings. Vinyl flooring is the second-largest segment of the market, accounting for a share of over 30% in 2021. The growth of this

segment is attributed to the increasing demand for easy-to-maintain and stylish floor coverings. Ceramic tiles is the third-largest segment of the market, accounting for a share of over 20% in 2021. The growth of this segment is attributed to the increasing demand for durable and stylish floor coverings. Hardwood flooring is the smallest segment of the market, accounting for a share of less than 10% in 2021. The growth of this segment is attributed to the increasing demand for traditional and luxurious floor coverings.

By end-use, the market is segmented into residential and commercial. Residential is the largest segment of the market, accounting for a share of over 80% in 2021. The growth of this segment is attributed to the increasing demand for stylish and durable floor coverings from residential consumers. Commercial is the second-largest segment of the market, accounting for a share of over 20% in 2021. The growth of this segment is attributed to the increasing demand for durable and easy-to-maintain floor coverings from commercial consumers.

The key players in the floor covering market in Ukraine are Tarkett, Kronospan, Egger, Kaindl, and Classen. These companies are focusing on innovation and product development to meet the changing needs of consumers. They are also expanding their distribution network to reach a wider range of consumers.

The following are some of the trends that are expected to impact the floor covering market in Ukraine in the coming years:

- increasing demand for stylish and durable floor coverings;
- rising disposable income of consumers;
- growing demand for easy-to-maintain floor coverings;
- increasing popularity of eco-friendly floor coverings;
- growing demand for customized floor coverings.

According to Appendix (P) Ukraine imported a total value of 20,010,000 USD thousand (20.01 billion USD) of the specified product in 2022. The trade balance for the

product was negative at -2,663,000 USD thousand (-2.663 billion USD), indicating that Ukraine imported more than it exported. Major exporting countries were Turkey, China, Netherlands, Belgium, and India. Between 2018 and 2022, the imported value of the product decreased by 13% annually, with a significant decrease in imported value of 59% between 2021 and 2022. Partner countries were Türkiye, China, the Netherlands, Belgium, and India, with an average distance between partner countries and all their importing markets of approximately 4,841 km.

Ukraine’s imports represent **0.1%** of world imports for this product, its ranking in world imports is **68**.

Table 2.2

List of floor coverings manufacturer in Ukraine :

Name of the Manufacturer	Web Site
TRIO UKRAINE LLC	https://www.tmtrio.com/en/
KSL	https://ksl.ua/en/main/
POLYSAN	farbex.com.ua
FDA GROUP	https://www.requiet.ua/en/
STENYK HARDWOOD FLOORS	https://www.stenyk.com.ua/

Source : developed by the Author based on refrence (17)

Table 2.3

- List of importers of floor coverings in ukraine :

Name of Importers	Address
DPTARKETT UA	Kyiv, 13A Staronavodnytska St., Section G 126B
Sika Ukraine LLC	Kyiv, Smolna street, 9-B, Ukraine
AVD TRADING" LLC	04112, Ukraine, Kyiv, st. Degtyarivska, building 62, let. A
Kronospan UA LLC	45400 Novovolynsk st. Lutska, 20
Continuous of the table	
YUSK UKRAINE LLC	Ukraine, 01042, Kyiv, st. Patrisa Lumumba, bldg. 21

Source : developed by the Author based on refrence (19)

According to appendix (Q) Ukraine exported a total value of 17,347,000 USD thousand (17.347 billion USD) of the specified product in 2022. The trade balance for the product in 2022 was negative at -2,663,000 USD thousand (-2.663 billion USD). Major importers were Belgium, Germany, Romania, United States of America, and Poland. Between 2018 and 2022, the exported value of the product increased by 10% annually, but there was a significant decrease in exported value of 38% between 2021 and 2022. Partner countries were Belgium, Germany, Romania, the United States of America, and Poland. Concentration was moderately concentrated, with an average distance between partner countries and all their supplying markets of approximately 2,924 km.

Import Requirements and Documentation

There are currently purpose-specific customs control procedures for importing goods to Ukraine during wartime :

- For humanitarian aid (CMU Resolution No. 174 dated March 1, 2022), the import of 32inance32 carried out according to the declarative principle and/or based on the submission to the customs authorities of a guaranteed letter of the end user of the goods in the established form using a simplified customs clearance procedure ;
- For specified goods imported into Ukraine during the period of martial law, in accordance with Resolution of the CMU No. 236 of March 9, 2022, which establishes the possibility of obtaining a deferral of customs payments for the period of martial law. Such goods include medicines, medical products and medical products, food products according to the established groups of goods, military goods, according to the list determined by Resolution of the CMU No. 1807 of November 20, 2003, goods of critical import according to the list of Resolution of the CMU No. 153 from February 24, 2022 ; Other goods are subject to customs control and registration to the extent determined by the Customs Code of Ukraine.

The most recent Resolution of the Cabinet of Ministers dated October 10, 2020, introduced new procedures for interaction between declarants and customs authorities regarding the movement of goods and vehicles across the customs border of Ukraine using the “single window” mechanism. According to these procedures, interactions between declarants and customs authorities are electronically recorded during the official control and preliminary documentary customs control measures. The record contains information from companies, regulatory authorities, customs authorities, and the automated customs clearance system. It also includes documents and information used for official control measures and preliminary documentary control, information about the regulatory and customs authorities who carried out official control measures and preliminary documentary control.

Despite some procedural improvements made by Ukraine, U.S. companies exporting goods to Ukraine should continue to expect a slow working bureaucracy and a large volume of paperwork when dealing with Ukraine's State Customs Service. Because of this, many firms choose to use customs brokers to navigate through the often changing and seemingly inconsistent customs clearance procedures. For a list of customs brokers, contact the Association of Customs Brokers of Ukraine. The list of customs brokers as well as custom warehouses and temporary warehouses is also available in Single Window for International Trade website.

The Ukrainian Classification of Goods of Foreign Economic Activity was compiled on the basis of harmonized system and the Combined Nomenclature of the European Union and its text in the original language prevail over the text translated into Ukrainian. Depending on the code of goods in Ukrainian Classification of Goods of Foreign Economic Activity, some products may require prior approval, be subject to sanitary and epidemiological control, veterinary control, phytosanitary control or environmental control, or even prohibited. The complete list of products with respective import restrictions is available on the website of State Customs. Import licenses that require prior approval from a relevant administrative agency are issued by the Ministry of Economy subject to Resolution of the Cabinet of Ministers of Ukraine.

In 2016, a new agency, the State Service of Ukraine on Food Safety and Consumer Protection (SSUFSCP) was established. The SSUFSCP has the authority of the State Veterinary and Phytosanitary Service of Ukraine, the State Inspection of Ukraine for Protection of Consumers' Rights, as well as the functions of state control over compliance in the following areas : state supervision in tourism and resorts ; consumer rights protection regarding goods of precious metals and gemstones ; and control over compliance of the rights to plant varieties in seed and plant production by legal entities. SSUFSCP is Ukraine's Competent Authority and resides under the Cabinet of Ministers.

Every year the government of Ukraine composes the list of products subject to import and export licensing. The current list of such products can be found in the Regulation of the Cabinet of Ministers of Ukraine No. 1329 On Approval of the List of Products subject to Import and Export Licensing and Respective Quotas for 2022, dated December 29, 2021. In 2022 the list included : pharmaceuticals, paints and lacquers, dyes, hygiene products, cosmetic products, pedicure and manicure products, shaving aerosols and deodorants ; lubricants, waxes, shoe polishes, insecticides, solvents, silicone, fire extinguishers and the chemicals that fill extinguishers ; refrigerators and freezers, air-conditioners, humidifiers, and other selected industrial chemical products ; fungicides, herbicides, and plant growth adjusters and other products.

Most import licenses are granted through the Ministry of Economy, Regional and Kyiv City Administration. Other import licenses or approvals are issued by other agencies including :

- Ministry of Internal Affairs – sporting weapons and self-defense articles
- National Commission for the State Regulation of Communications and Informatization (NCSRCI) – radio electronic devices and emitters
- State Service of Ukraine on Medicines and Drugs Control – medicine and drugs
- Ministry of Agriculture and Food Industry – agricultural chemicals, seeds, veterinary medicines
- Ministry of Health – pharmaceutical products, cosmetics, and hygiene products
- Ministry of Ecology and Natural Resources of Ukraine – ozone-depleting chemical substances including propellants, paint-solvents, fire extinguishers and refills, oil-sprays, air-conditioners and refrigerating equipment, refrigerated vending machines ; agricultural chemicals contained in sprays ; and pharmaceutical products, cosmetics, and hygiene products contained in sprays

A listing of Ukrainian agencies that issue licenses for business activities in Ukraine is available at the website of the Parliament of Ukraine.

Customs clearance is conducted in designated customs clearance locations. The main document required for customs clearance is a customs declaration completed by an importer of record (or by a customs broker acting on his behalf).

In August 2022, the Verkhovna Rada of Ukraine approved the law on customs “visa-free regime” from the EU. This law provides for the accession of Ukraine to the Convention on the Common Transit Procedure and the New Computerized Transit System NCTS. The changes provide for the introduction of a European complaint handling mechanism and the continuation of the digitalization of customs, which will speed up its passage and reduce corruption risks.

A Certificate of Origin is required when preferential customs duty rates are applied, when certain quantitative restrictions on movement of goods across the customs border of Ukraine are applied, and if it is required by Ukrainian law or international treaties.

According to Article 49 of the Customs Code, the customs value of 35inance35 defined as the cost of goods used for customs purposes, based on the price actually paid or to be paid for the goods, which usually includes the cost of goods, insurance cost and transportation cost. Other costs under certain conditions may be required to include into the customs value of goods, such as royalties or license fees. The Customs Code establishes one main and several secondary methods of determining the customs value of imported goods. The basic method of determining the customs value of goods imported into Ukraine according to Article 57 is the price of contract (the transaction value of the imported goods). The Customs Code requires an exhaustive list of documents to be submitted to determine the custom value of goods.

Because the list of the required documents to be presented to customs authorities changes frequently, and because under the Customs Code, the importer of record may be

required to submit additional documents specified by the applicable legislation, American exporters are advised to vest customs clearance in Ukraine as contract liabilities of the Ukrainian trading partner or end-user customer. For a list of customs brokers contact the Association of Customs Brokers of Ukraine and the website of the State Fiscal Service.



CHAPTER 3. IMPLEMENTATION OF IMPORT OPERATION OF LLC EPICENTR K OF FLOOR COVERING FROM EUROPE COUNTRIES TO UKRAINE

3.1 Organizational support for the import of LLC EPICENTR K floor covering from Europe countries to Ukraine

The success of exporting floor coverings, like any other business, is heavily dependent on ability of the exporting company to keep aware of major changes in the target markets. Given that rules frequently change without worldwide notice, it is critical for EU exporters to communicate directly with overseas purchasers to guarantee that their floor covering products fulfill the necessary specs and regulations.

Certain categories of floor coverings products that may require a license for export to Ukraine include carpets and rugs, flooring tiles (such as ceramic or porcelain tiles), laminate flooring, vinyl flooring, wood flooring, and cork flooring. It is important for EU exporters to consult with the relevant authorities in Ukraine to obtain accurate and up-to-date information on the specific licensing requirements for the particular floor coverings products they intend to export.

Foreign government import requirements may differ from country to country. It is critical for exporters to understand the standards and laws that relate to their particular transactions and agreements.

Ukraine is still not a party to the EU's Agreement on Veterinary Equivalence, so all products exported to Ukraine must be physically checked.

When exporting to Ukraine, EU floor coverings exporters may have concerns about market access, regulatory compliance, intellectual property rights, payment and financial risks, legal and contractual framework, logistics and transportation, and competition and market dynamics. Exporters must perform market research, follow rules, safeguard intellectual property, handle financial risks, make clear contracts, provide dependable logistics, and remain competitive in the Ukrainian market.

To comply with Ukrainian labeling standards, EU exporters of floor coverings should conduct extensive research and comprehend the specific requirements. They must precisely translate all label information into Ukrainian, adhere to safety regulations, and show the necessary safety markings. All measurements must be in metric units, and all packaging and labeling materials must comply with Ukrainian safety and environmental requirements. Seeking legal and trade knowledge, cooperating with local partners, and maintaining up to date on any legislative changes are critical for guaranteeing Ukrainian labeling compliance.

Because of its accessibility, flexibility, cost-effectiveness for smaller shipments, and shorter transit times compared to other modes of transportation, road freight may be the ideal route to export from EU to Ukraine. However, the precise nature of the commodities, as well as any potential constraints or delays at border crossings, must be considered.

Table 3.1

Shortlist of potential partners in EU countries

Company	Location	Contact	Total Revenue
Polygroup	Seville, Spain	info@afpolygroup.com	\$5 Million
Delconca	Italy	info@delconca.com	\$26.7 Million
Gradus	Great Britain	imail@gradus.com	\$22 million
Wood Innovations	UK	+44 1922 661766	\$5.5 Million
Topf loor	Roma	info@topfloor.it	\$14,635.00

Source : developed by the Author based on refrence (22)

Usually Partners who will buy (Import) products are sought at exhibitions, trade missions, through e-commerce. But country which is importer may search for a partner supplier on the the internet or use the recommendations of other importing companies.

Then, it is reasonable to set stages of organization of the import operation in the Pic 3.1 below.

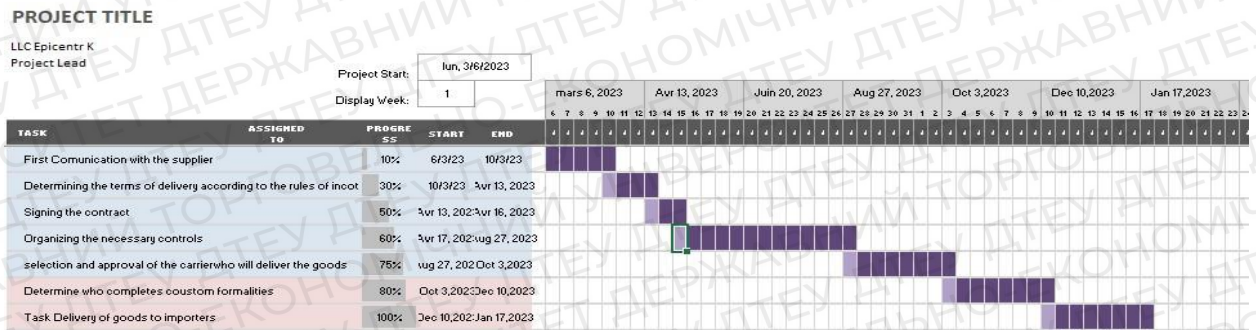


Figure 3.1 Gantt Chart

To organize a successful supply chain for Floor Coverings products, you can start with small steps to manage the infrastructure of the future processes listed above. As for the third point of signing the contract, this means confirmation of all contracts (agreements) « by word of mouth » by signing the foreign economic agreement, where the packaging requirements are prescribed. Marking, spend time on the contract which determines the quality of the goods and conditions of acceptance. As for the next point – managing the necessary checks. For uninterrupted customs clearance control must be completed before the actual completion import procedures to Ukraine.

3.2 Forecast assessment of the effectiveness of import of LLC EPICENTR K floor covering

The operation of importing floor coverings product to Ukraine must be accompanied by the following documents, such as: contract (Appendix B). an invoice (an example is given in Appendix C). packing list (an example is given in Appendix D), customs declaration (an example is given in Appendix E). quality certificate (a sample is given in Appendix F). manufacturer’s declaration (an example is given in Appendix G). certificate of origin (an

example is given in Appendix H).insurance (an example is given in Appendix I). CMR (an example is given in Appendix G).

A foreign economic contract is a written agreement between two or more entities foreign economic activity and their counterparties. To install, modify or termination of mutual rights and obligations in foreign economic activity.

Due to the war the contract term will be DAP.If the distance between the EU and Ukraine is relatively short, road freight can be a convenient and time-efficient transportation option. Trucks can transport smaller shipments directly from the EU supplier to the destination in Ukraine.

It seems that the procedure for the execution of contracts during the war in Ukraine will be changed. However, some features of wartime threats should be taken into account.

Including:

- possible difficulties in communication (correspondence, record of receipt notifications by the counterparty, etc.):
- possible difficulties with logistics (delivery routes, storage places, banking operations):
- possible sanctions against employees of logistics or settlement chains (chartered vessels, belonging to sanctioned companies cannot be admitted to ports, recipient banks or payer banks):
- possible trade restrictions (embargo on the export of certain categories of goods).

Circumstances that can be considered as force majeure during the war in Ukraine, include not only actual hostilities and security restrictions (e.g. military operations on the territory where production facilities or warehouses are located, destruction of production facilities capacity or harvest during battles, supplies). Running routes through occupied territories or war zones, blockade of ports, threat to life personnel).

They also include, in particular:

- trade restrictions established by the state (for example, the establishment of restrictions on the export of grain from Ukraine, setting prices for some groups of goods);
- obligations to the state. Due to the state of war (mobilization of employees and equipment).

The price policy of floor coverings enterprises depends on both exogenous and endogenous factors. The first include socio-economic indicators of the country's development. Which determine the average level of prices of competitive agreements between floor coverings entities:

indicators of fiscal policy, foreign trade, exchange rate, employment and wage and income policies. Consumer preferences. For example, the war in Ukraine can lead to significant fluctuations in the exchange rate and the value of the hryvnia can quickly fall due to the fact that the export of Ukrainian products fell sharply. There is also a risk:

- reduction in the consumption of floor coverings products, in particular delicacy products due to the fall
- incomes of citizens of Ukraine.
- incomes of citizens of Ukraine,

Endogenous include factors that directly depend on activity enterprises: the structure of the cost of production, the market share occupied by the enterprise, its profitability, effectiveness of advertising, nomenclature of enterprises, etc.

Although the war in Ukraine affects the economy of many countries. Including EU. The value of American floor coverings products will not change significantly. However, shipping costs can increase significantly. Then it is necessary to anticipate possible contractual risks.

Ensure that the floor coverings are appropriately packaged to prevent damage during transit. Follow packaging guidelines and requirements specified by the manufacturer or the

importing country. Proper labeling should also be applied, including product name, manufacturer details, and other required information according to Ukrainian regulations. The next influential contract risks are the uncertainty of the price for

In foreign economic contracts, there are certain price types that can be present, such as basic invoices and wholesale prices. These prices can include inscriptions and marks on packaging, such as the product name, manufacturer, date of manufacture, end date of storage, and composition. The uncertainty of the unit price of the product and the lack of protective clauses in the contract regarding the chosen price type are also influential contractual risks. The entry “unit price of goods” in the contract implies a fixed, constant price for the entire period, which can be overcome by specifying the type of unit price and its application mechanism. The total amount (value) of the contract without specifying the quantity of goods is another risk, as each counterparty can understand the value of a unit of goods at their discretion. The exporter remains in the best position as they require payment for the delivered consignment of goods to the importer.

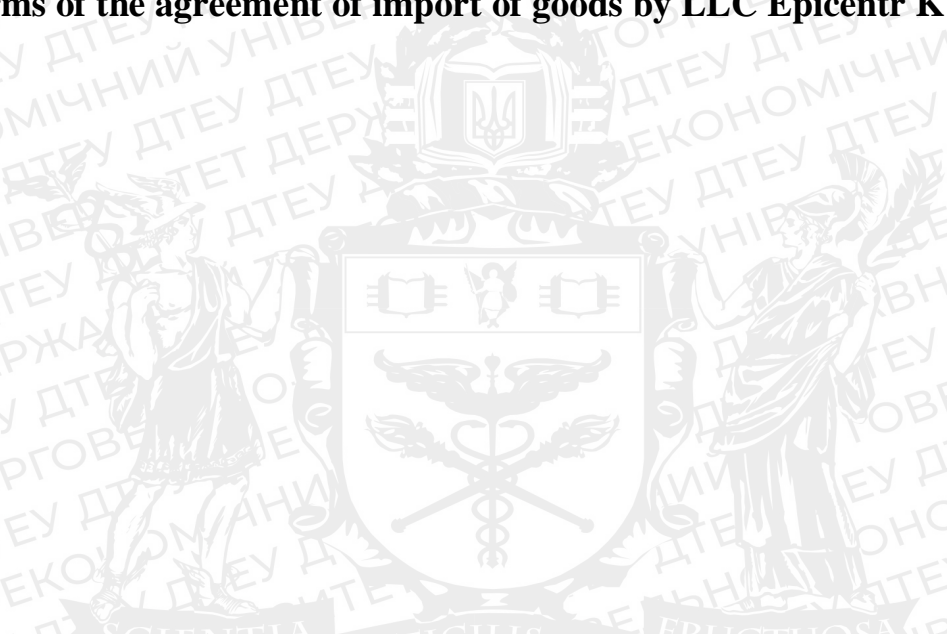
Overcoming this risk is very simple you need to specify in the contract the quantity of goods and the unit cost of goods in traditional units . At the same time , it should be emphasized that in this case the exporter may aim to obtain a larger amount of VAT refund from the state in the national field , and the importer has the opportunity to transfer abroad the amount of funds that significantly exceeds the real value of the goods . The most correct way , although longer , is to confirm the contract (invoice) price when buying goods from the manufacturer by providing price lists or invoices certified by trade missions of diplomatic missions or consulates of the exporting country accredited in the importing country . W In the case of export of goods . the risk of incorrect prices specified in the terms of the contract can be eliminated by comparing contract prices with the prices of the information base of export goods of customs authorities or obtain preliminary information from specialized agencies that monitor prices of foreign and domestic markets . [34] The

terms of the agreement on the import of goods to Ukraine from the EU are given in the Table 3.2 below .

Data Table 3.2 Terms of the agreement on import of goods by the Epicentr K Name of terms Name of goods Axminster carpet.

Table 3.1

Terms of the agreement of import of goods by LLC Epicentr K



Name of Terms	Data
Name of good	Axminster carpets M2
Customs code	5702 31 10 00
Price per unit	12 \$
Units	5000
Delivery Terms	DAP
Currency rate NBU	1\$=36,56UAH
Import Duty rate 0%	0%
VAT	20%

Table 3.2

Incoterms

Packaging	400\$
Load on the vehicle	1880\$
Transportation to port of departure	3000\$
Load on board	980\$
Carriage charges	7500\$
insurance	5000\$
Unloading goods at destination port	750\$
Export duty and taxes	2250\$
Transportation of goods from a border	2000\$

The advantage of Incoterms 2020 is that it is not a rigid structure, buyers and sellers can change the selected Incoterms rule for themselves. Incoterms rules do not replace a foreign economic contract, but only allow to significantly reduce and simplify it. They only fix the distribution of obligations and financial costs between the party's purchase and sale operations, such as: payment of transportation, unloading of a batch of goods, customs clearance, payment of taxes and duties, insurance, as well as transfer of risks in case of loss and possible damage to products.

Additional costs (on average): -

- salary = 2% of the selling price:

- utility payments = 2% of the sale price :

- sales costs = 14% of the sales price.

At the end of this subsection, we will calculate the potential income from Axminster import.

Contract Price (CP) = Price × Quantity

CP = 12 × 5000 = 60000

Customs value (CV) = CP + Insurance + Transportation of goods from border.

$$CV = 60000 + 5000 + 2000 = 67\,000\$$$

Duty and excise tax are equal to 0%. Value added tax $VAT = CV \times VAT \text{ rate} / 100$

$$VAT = 67\,000 \times 20 / 100 = 13\,400\$$$

Import Price or $IP = CV + VAT$

$$IP = 67\,000 + 13\,400 = 80\,400\$$$

The nit is important to assess the economic efficiency of the operation considering the further sale of imported products in the domestic market at 24 \$.

$$\text{Total revenue} = 5000 \times 24 = 120\,000 \$$$

$$\text{Additional expenses} = (2 + 2 + 14) \times 120\,000 / 100 = 21\,600\$$$

Profit = Total revenue – Additional expenses

$$\text{Profit} = 120\,000 - (80\,400 + 21\,600) = 120\,000 - 102\,000 = 18\,000\$$$

After calculating the contract price, the import price and the total revenue, we see that Epicentr K will have a profit from this import operation, which is equal to 18 000\$. But in order to receive this amount as profit, the company must set a margin, which will be \$12 more expensive than the manufacturer's price. If we set a lower price, there will be no profit. Only losses.

Currency efficiency is calculated according to the formula:

Total income in hryvnias / Total expenses in US dollars = $(120\,000 \times 36.56) / 102\,000 = 43.01 \text{ UAH/USD}$. This means that the import transaction is currency efficient because the exchange rate is five and a half times higher than the official exchange rate of the national bank. The profitability of the entire operation will be:

Profit / Total Revenue

$$(18\,000 / 120\,000) \times 100 = 15\%$$

A profitability ratio of 15% can be considered reasonable and indicates a healthy profit margin for the operation. Then we it is necessary to calculate the profitability of products:

Profit / Import price

$$(18\,000/80\,400) \times 100 = 22,38\%$$

The coefficient of profitability of production shows the amount of net profit received from the sale of each hryvnia. Therefore, each hryvnia of the sale of Axminister brings 22,38% profit.

A profitability of 22,38% can be considered reasonably good. It means that for every unit imported at a cost of \$80 400, a profit of 22,38% is achieved.



CONCLUSIONS AND PROPOSITIONS

The assessment of the effectiveness of importing floor coverings by LLC Epicenter-K reveals promising opportunities for the company's expansion in this market despite the challenges posed by the ongoing war in Ukraine. Through a comprehensive analysis of various factors and considerations, Epicenter-K has demonstrated its ability to navigate the complexities of foreign economic contracts and adapt to changing circumstances, positioning itself for success in the import sector.

One of the key factors examined in the assessment was the identification and management of contractual risks. Given the uncertain and volatile nature of the war environment, potential difficulties in communication, logistics, and trade restrictions were taken into account. Epicenter-K can proactively address these challenges by establishing robust communication channels with suppliers, freight forwarders, and customs authorities. Exploring alternative logistics routes and storage options can help mitigate any disruptions caused by wartime restrictions. Additionally, staying informed about trade regulations and sanctions against specific entities or products is crucial to ensure compliance and uninterrupted import operations.

The analysis also considered the impact of price policies on Epicenter-K's import activities. External factors such as socio-economic indicators, fiscal policies, exchange rates, and consumer preferences were evaluated. The war in Ukraine and its economic consequences, such as fluctuating exchange rates and reduced consumer purchasing power, were acknowledged. Epicenter-K can respond to these challenges by closely monitoring economic indicators, adjusting pricing strategies accordingly, and exploring cost-effective sourcing options. Building strategic partnerships with reputable manufacturers, trade missions, and specialized agencies can provide valuable market insights, pricing information, and support in navigating the import process.

Furthermore, attention was given to packaging requirements and transportation costs. Epicenter-K should prioritize ensuring that the floor coverings are appropriately packaged to prevent damage during transit and adhere to Ukrainian regulations regarding labeling and product information. In terms of transportation, optimizing logistics routes and negotiating favorable freight rates can help offset any potential increase in shipping costs due to wartime disruptions.

The financial evaluation demonstrated the potential profitability of importing Axminster carpets by Epicenter-K. The company has the opportunity to generate a profit of \$18 000 from this import operation. Moreover, the currency efficiency of the transaction, with a favorable exchange rate, provides a competitive advantage and enhances the financial viability of the venture. These findings support the decision for Epicenter-K to continue and expand its import activities in the floor coverings market.

To capitalize on these opportunities, Epicenter-K should prioritize quality control and customer satisfaction. Maintaining high standards of product quality, compliance with regulations, and timely deliveries will help build a positive reputation and differentiate the company in the market. By establishing strong partnerships with reliable manufacturers and suppliers, Epicenter-K can ensure a consistent supply of high-quality floor coverings, enhancing customer satisfaction and loyalty.

In summary, based on the assessment results, it is recommended that Epicenter-K proceeds with its expansion in the import of floor coverings. By addressing contractual risks, closely monitoring economic indicators, building strategic partnerships, and prioritizing quality control and customer satisfaction, Epicenter-K can maximize the effectiveness of its import operations, drive profitability, and strengthen its position in the competitive floor coverings market in Ukraine.

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Appendix (A)

Table 1.1

EPICENTR-K” LLC

Financial reporting for the year that _ ended on December 31 , 2020

Balance sheet (Statement of financial position)

December 31, 2020

Form #1

Assets	Code	the beginning of the year, thousand g .	At the end of the year, thousand UAH .
I. Irreversible assets			
Intangible assets	1000	12,543	32,720
original cost	1001	44,846	73 004
accumulated amortization	1002	32 303	40,284
Unfinished capital investment	1005	1,869,460	3,692,156
The main ones means	1010	12,304,648	15,231,712
original cost	1011	17,210,534	21,335,058
wear and tear	1012	4,905,886	6,103,346
Investment real estate	1015	0	0
Long-term biological assets	1020	0	0
Long-term financial investment : which are taxed according to the equity method others enterprises	1030	0	0

others financial investment	1035	1,755,267	3,129,633
Long-term accounts receivable arrears	1040	0	0
Postponed tax assets	1045	68,629	23 116
Others irreversible assets	1090	0	0
All according to chapter 1	1095	16,010,547	22 109 337
II. Reversible assets			
Reserves	1100	13,885,925	15,389,033
current biological assets	1110	0	0
Debitorska debt for products , goods , works , services	1125	1,467,824	2,182,479
Debitorska settlement debt : _			
on issued advances	1130	0	0
with a budget	1135	0	1
1	2	3	4
including income tax _ _ _ _	1136	0	0
Another one current accounts receivable arrears	1155	4,381,455	3,859,491
current financial investment	1160	0	0
Money and theirs equivalents	1165	921 054	642,802
Costs future period in	1170	7,322	5,399
Others reversible assets	1190	217 473	336,837
All according to section II	1195	20,881,053	22,416,054
III. Irreversible assets held _ for sale, and groups elimination	1200	21	0
Balance	1300	36,891,621	44,525,391

passive	Code	the beginning of the year, thousand g .	At the end of the year, thousand UAH .
I. Own capital			
Registered (share) capital	1400	158,610	158,610
Capital in reassessments	1405	0	0
Additional capital	1410	0	0
Reserve capital	1415	0	0
Undivided profit (uncovered damage)	1420	14,542,267	17,688,086
Unpaid capital	1425	0	0
Excluded capital	1430	0	0
All according to section I	1495	14,700,877	17,846,696
II. Long-term obligations and security			
Postponed tax obligation	1500	0	0
Continuous of the table			
Long-term loans banks in	1510	2,008,688	4,142,910
Others long-term obligation	1515	256,738	312 170
Long-term software	1520	0	0
This is true financing	1525	0	0
All according to section II	1595	2,265,426	4,455,080
III. current obligations and security			
Short-term loans banks in	1600	0	0
current creditor's office debt for:			
long-term obligations	1610	776,000	767 497

goods , works , services	1615	14,514,081	16,290,054
calculations with the budget	1620	273 257	326,833
including income tax _ _ _ _	1621	215 457	244,727
calculations with insurance	1625	24,716	17,379
payroll calculations _	1630	160,208	137,988
1	2	3	4
current software	1660	509,245	539,038
Future income period in	1665	0	0
Others current obligation	1690	3,667,811	4,144,753
All according to section III	1695	19,925,318	22,223,615
IV. Liabilities related to non -current assets	1700	0	0
held for sale and groups elimination			
Balance	1900	36,891,621	44,525,391

Appendix (B)

Contract

CONTRACT No1154

"06 "03"2023

ФІЗИЧНА ОСОБА-ПІДПРИЄМЕЦЬ _____ (надалі -Продавець),
що діє на підставі Виписки з Єдиного державного реєстру юридичних осіб, фізичних осіб-
підприємців та громадських формувань, з однієї сторони, та
ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ « _____ »
(надалі -Покупець), в особі директора _____, яка діє на
підставі Статуту, з іншої сторони, далі разом - Сторони, а окремо Сторона, уклали цей Договір
про наступне:

1. Subject of the contract

1.1. The Seller transfers ownership, and the Buyer accepts and pays for the Goods on the terms stipulated in this Agreement. 1.2. The name, assortment, quantity and price of the Goods, the delivery period are determined in the Specifications to this Agreement (Appendix No. 1), which are signed by the Parties, sealed by the seals of the Parties (if available) and are an integral part of this Agreement (hereinafter - the Specifications). 1.3. The quantity of the Goods specified in the Specifications to this contract shall be deemed to be a batch of Goods. 1.4. The total volume of the Goods sold under this Agreement is determined during the term of the Agreement taking into account the quantity and assortment of the Goods transferred in accordance with the terms of this Agreement and the Specifications.

2. Quality

2.1. The quality, packaging and labeling of the Goods must meet the requirements of the current regulatory and technical documentation and is confirmed by the relevant documents established by the current legislation for this type of Goods (certificate of conformity, hygienic report, etc.) determined by the manufacturer's certificates, current standards (TU, GOST) for this type of Goods. 2.2. The product is delivered in the manufacturer's packaging. Product quality is guaranteed by the manufacturer.

3. Procedure of calculations

3.1. Prices for the Goods are formed in the national currency of Ukraine and are specified in the Specifications. 3.2. The total amount of the Agreement consists of the amount specified in the Specifications concluded by the Parties to this Agreement. 3.3. Payment by the Buyer of the Goods is made in the national currency of Ukraine by transferring funds to the Seller's current account specified in this

4. Reception and delivery of goods

4.1. Delivery of the Goods is carried out by the Seller in packaging that corresponds to the nature of the Goods and ensures its preservation from various types of damage and destruction. 4.2. Delivery, unloading of the Goods based on this Agreement is carried out by the Seller's forces, means and at the expense of the Seller to the place specified by the Buyer. The buyer has the right to carry out self-delivery of the goods at his own request. 4.3. The reception and handover of the Goods is carried out by representatives of the parties at the delivery point in accordance with the procedure defined by the current legislation of Ukraine, and is completed by signing

Machine Translated by Google

The parties of expense invoices. The transfer of risks and ownership of the Goods occurs at the time of delivery of the Goods. 4.4.

The transfer of the Goods to the Buyer is carried out on the basis of the following original documents:

- invoice for the payment of the Goods;
- operating instructions (according to the manufacturer's configuration);
- expense invoice (1- for the Seller, 2- for the Buyer);
- quality certificates (if available for this type of Product)

4.5. The Buyer has the right, upon delivery of an incomplete Product or a Product that does not meet quality standards, to demand from the Seller the replacement of this Product with a quality one or reimbursement

of the amount of this Product. 4.6. The goods are considered delivered by the Seller and accepted by the Buyer in the quantity specified in the invoice from the moment the Buyer's representative signs the invoice - for the delivered Goods

SCIENTIA DIFFICILIS SED FRUCTUOSA

5. Liability of the Parties 5.1.

The parties are responsible for non-fulfillment or improper fulfillment of the terms of this Agreement in accordance with the current legislation of Ukraine and the Agreement. 5.2.

The parties may be released from liability in the cases provided for in Section 8 of the Agreement. 5.3.

For late

payment of the delivered Goods, the Buyer shall pay a penalty in favor of the Seller in the amount of double the accounting rate of the NBU, which was in effect in the period for which the penalty is charged, on the amount of overdue payment for each day of delay. 5.4.

For untimely delivery of the Goods, the Seller shall pay a penalty in favor of the Buyer in the amount of double the accounting rate of the NBU, which was in effect in the period for which the penalty is charged, on the amount of the untimely delivered Goods for each day of

delay. 5.5. In the event of a delay in delivery by the Seller for a period exceeding 10 days from the date of delivery of the Goods agreed in the Specification, the Buyer has the right to terminate the contract unilaterally.

6. Resolution of

disputes 6.1. All disputes arising between the Parties shall be resolved through

negotiations. 6.2. If the dispute cannot be resolved through negotiations, it is resolved in a court of law according to the established jurisdiction and jurisdiction of such a dispute, determined by the relevant current legislation of Ukraine.

7. Circumstances of force majeure

7.1. The Parties are released from responsibility for non-fulfillment or improper fulfillment of obligations under this Agreement in the event of force majeure circumstances that did not exist at the time of concluding the Agreement and arose beyond the control of the Parties (accident, catastrophe, natural disaster, epidemic, epizootic, war,

etc.). 7.2. The Party that cannot fulfill its obligations under this Agreement as a result of force majeure circumstances must notify the other Party in writing no later than five days after their occurrence. 7.3.

Proof of the occurrence of force

majeure circumstances and their validity period are the relevant documents issued by the bodies authorized in accordance with the legislation of Ukraine to certify such circumstances.

7.4. In the event that the period of force majeure continues for more than 30 calendar days, each of the Parties has the right to terminate this Agreement in accordance with the established procedure. In case of prepayment, the Seller returns the funds to the Buyer within three banking days from the date of termination of the Agreement.

8.1. The Agreement enters into force from the moment of signing and binding with the seals of the Parties and is valid 06/03/2024 until, but in any case, until the Parties fully fulfill their obligations under this Agreement

8.2. This Agreement may be amended or terminated by agreement of the Parties. The Party is obliged to notify the other Party of its intention to terminate the Agreement at least thirty calendar days in advance.

9. General conditions

9.1. Any changes and additions to this Agreement are an integral part of it and are valid only if made in writing, signed by authorized representatives and affixed with seals of the Parties (if available). 9.2. The parties confirm that the actual volume of personal data transferred between the parties to this agreement meets the processing goals and other restrictions defined by the Consent for the processing of personal data obtained by the party transferring personal data from the natural person who is its owner. The party to the contract that received personal data is obliged to ensure their protection against illegal processing and illegal access to them in accordance with the requirements of Art. 24 of the Law of

Ukraine "On the Protection of Personal Data" and other requirements stipulated by the current legislation of Ukraine.

9.3. According to the current legislation of Ukraine: \bar{y} the buyer is the payer of product; \bar{y} the seller is the payer of shipment 9.4. In the event of a change in its name, organizational/legal form,

tax payer status, legal or actual address, bank or other

details, the Party must notify the other Party in writing (including using facsimile means) within five calendar days from the moment of the relevant changes. 9.5. This Agreement is concluded in the Ukrainian language, in two copies that have the same legal effect,

one for each Party. 9.6. Legal relations that are not regulated by this Agreement are regulated by the current legislation of Ukraine. 9.7. Any Party has no right to transfer to third parties in whole or in part its rights and obligations under this

Agreement without the prior written consent of the other Party. 9.8. The text of this Agreement, any materials, information and messages related to this Agreement are confidential and may not be transferred by the Parties to third

parties without the prior written consent of the other Party,

except when such transfer is provided for by the current legislation regulating the obligation ties of the Parties to this Agreement.

SCIENTIA DIFFICILIS SED FRUCTUOSA

10. Location and details of the Parties

Buyer LLC

"Epicenter K"

Location: 04128, m. Kyiv, vul.

Berkovetska, 6k

p/r

in

MFI

Code EDRPOU 32490244

Tel/fax: +380800202727

Director 06/03/2023

FOP seller

"Delconca"

Location: p/r Via Croce 8, San Clemente, Rimini, Italia

in

MFI

Code EDRPOU 00819720400

Tel/fax: +39 0541 988453

06/03/2023



Appendix ©

Invoice

INVOICE

№ ...

SHIPPER

Company Name: «...»
Address: ...
City/Postal Code: ...
Country: Vietnam
Tel./Fax: 720-212-123 45 67

CONSIGNEE

Company Name: "HERMES"
Address: Suvorova Street 4
City/Postal Code: 69035, Zaporizhzhya
Country: Ukraine
Tel./Fax: +380997518561

Currency of invoice: USD

Date of invoice: 18.03.2019

Full description of goods	Country of origin	Quantity, pcs	Unit value, USD/pcs	Sub Total Value in USD
Polished rice
Total				...

Gross weight:	...
Net weight:	...

Terms of delivery: ... (CIF- UA Odessa INCOTERMS-2010)

I declare that this shipment does not contain prohibited items and the above information is true and correct to the best of my knowledge.

I am notified that the shipment is subject to customs clearance, possible customs taxes and VAT in the destination country.

Appendix (E)

Customs Declaration

Customs Form 2 (a) (Rev. 8)

CUSTOMS DECLARATION

Declaration of Personal Effects and Unaccompanied Articles
Please fill in the following information and submit to Customs
(Only one written declaration per family is required)

Flight No./Name of Carrier		Date of arrival in Japan		Place of residence	
Date of arrival in Japan		Last Name (or Surname)		First Name (middle name)	
Name					
Address in Japan					
Tel. No.					
Nationality			Occupation		
Date of Birth		Time		Date	
Passport No.					
Number of Family members		Over 20 years old		20 years old	
Traveling with Car					

* Please answer with a "Y" mark to the following questions.

1. Are you bringing the following into Japan?		Yes	No		
① Prohibited Articles (or Restricted Article) (For example, Narcotics, Firearms, Explosives) (This refers to List 2 of side B.)				<input type="checkbox"/>	<input type="checkbox"/>
② Gold Bullion or products of gold				<input type="checkbox"/>	<input type="checkbox"/>
③ Goods (purchases, souvenirs, gifts) exceeding duty-free allowance (Please refer to List 2 of side B.)				<input type="checkbox"/>	<input type="checkbox"/>
④ Commercial goods or samples				<input type="checkbox"/>	<input type="checkbox"/>
⑤ Are there any items you have been requested from someone else to bring into Japan?				<input type="checkbox"/>	<input type="checkbox"/>

* If you answer to any of the questions above as "Yes", please fill in your belongings in "Description of Personal Effects" on side B.

Appendix (F)

Quality Certificate




Certificate of Quality
Catalog Number 328-13-03

System: Filtration, special maintenance water
Filter structure: Type II

BRC is an ISO 9001 registered manufacturing company.

For compliance monitoring and these filters are specified in a validated sampling method. It is the user's responsibility to ensure that the filters are installed in a suitable location and to ensure that the manufacturer's specifications of regulatory functions follow on. The user should ensure the sampling procedure meets specific conditions and should test filter elements that the desired results will be obtained.

The BRC Compliance of Quality program that these water filter have been manufactured to meet or exceed the requirements for uniform purity, sample retention and retention, storage stability, and absorption efficiency for the following elements (tablets and uncoated tablets published by Sclavo, Berlin, 2007, 2nd ed):

Article description (see specific instructions)	Material	Code
Water filter (Tablet, uncoated)	Tablet	1001
Tablet (uncoated)	Tablet	1002
Tablet (uncoated) (Tablet, uncoated)	Tablet	1003
Tablet (uncoated) (Tablet, uncoated)	Tablet	1004
Tablet (uncoated) (Tablet, uncoated)	Tablet	1005
Tablet (uncoated) (Tablet, uncoated)	Tablet	1006
Tablet (uncoated) (Tablet, uncoated)	Tablet	1007
Tablet (uncoated) (Tablet, uncoated)	Tablet	1008
Tablet (uncoated) (Tablet, uncoated)	Tablet	1009
Tablet (uncoated) (Tablet, uncoated)	Tablet	1010
Tablet (uncoated) (Tablet, uncoated)	Tablet	1011
Tablet (uncoated) (Tablet, uncoated)	Tablet	1012
Tablet (uncoated) (Tablet, uncoated)	Tablet	1013
Tablet (uncoated) (Tablet, uncoated)	Tablet	1014
Tablet (uncoated) (Tablet, uncoated)	Tablet	1015
Tablet (uncoated) (Tablet, uncoated)	Tablet	1016
Tablet (uncoated) (Tablet, uncoated)	Tablet	1017
Tablet (uncoated) (Tablet, uncoated)	Tablet	1018
Tablet (uncoated) (Tablet, uncoated)	Tablet	1019
Tablet (uncoated) (Tablet, uncoated)	Tablet	1020

BRC Limited Warranty and Return Policy
BRC products are made in the BRC Limited Warranty and Return Policy which provides BRC's full liability and the buyer's return policy. To view the complete BRC Limited Warranty and Return Policy, go to <http://www.brc.com/returnpolicy>.

Appendix (G)

Certificate of Quality

"Declaration of Manufacturer, Producer, Exporter, or Importer"
of Textiles and Textile Products

Port of _____ District No. _____
Date: _____

I, _____, declare that the articles listed below and covered by the entry in which this declaration relates are wholly the growth, product, or manufacture of a single foreign territory or of country or in its possession of the United States as identified below. I declare that the information set forth in this declaration is correct and true to the best of my information, knowledge, and belief.

Marks of Identification Number	Description of Article and Quantity	Country of Origin

Entry Number: _____ Date: _____

Name: _____

Signature: _____

Title: _____

Company: _____

Address: _____

SCIENTIA DIFFICILIS SED FRUCTUOSA

Appendix (I)

Insurance

ACORD **CERTIFICATE OF LIABILITY INSURANCE** DATE ISSUED: 12/18/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of each endorsement(s).

PRODUCER	CONTACT NAME
XYZ Agency 321 Spring St Winston Salem NC 27155 ABC Company 123 Main St Raleigh NC 27601	John ABC Ins. Co. 789 Raleigh NC 27601
INSURANCE COVERAGE	
NAME 1	Continental Insurance Company
NAME 2	Worldwide Insurance Company
NAME 3	
NAME 4	
NAME 5	
NAME 6	
NAME 7	

CONTRACTS **CERTIFICATE NUMBER** **EXPIRATION DATE**

&

Apprndix (J)

CMR

1 Отправитель (полное наименование, адрес, страна) Absender (Vollständiger Name, Adresse, Land)		Мандатное письмо Mandat (vollständiger Name, Adresse, Land) Frachtkosten Frachtkosten (vollständiger Name, Adresse, Land) CMR Diese Befrachtung unterliegt dem CMR (Convention relative au contrat de transport international de marchandises par route) (CMR)	
2 Получатель (полное наименование, адрес, страна) Empfänger (Vollständiger Name, Adresse, Land)		16 Расстояние (полное наименование, адрес, страна) Abstand (Vollständiger Name, Adresse, Land)	
3 Место отправления груза Abfahrtsort des Gutes Место, дата Ort, Datum		17 Пункт назначения груза (полное наименование, адрес, страна) Bestimmungs-Ort des Gutes (Vollständiger Name, Adresse, Land)	
4 Место и дата получения груза Ort und Tag der Ankunft des Gutes Место, дата Ort, Datum		18 Описание и количество груза Beschreibung und Menge des Frachtes	
5 Подписанное должностью Unterschrift (Name, Funktion)			
6 Вид и номер Kennzeichen und Nummer	7 Номер посылки Nummer der Packstücke	8 Вид упаковки Art der Verpackung	9 Количество посылки Anzahl der Packstücke
13 Внесены ли посылки в таможенные и прочие декларации Sind die Packstücke in die Zoll- und sonstige amtliche Erklärungen eingetragen?		19 Перечень вещей Liste der Sachen Стекло Glas Серебро Silber Ювелирные изделия Juwelwaren Литература Literatur Музыкальные диски Musikplatten Сувениры Souvenirs Стекло и керамика Glas und Keramik	
14 Инвентаризация Inventarisierung		20 Наличие повреждений груза Vorhandensein von Beschädigungen	
15 Контрактные условия Vertragsbedingungen		21 Контракт № Vertrags-Nr.	
22 Подписанное должностью Unterschrift (Name, Funktion)		23 Присвоен ли № Zugeordnet eine Nummer	
25 Подпись и печать отправителя Unterschrift und Siegel des Absenders		24 Груз принят без претензий Fracht ohne Beanstandung Груз принят с претензиями Fracht mit Beanstandung	
26 Подпись и печать получателя Unterschrift und Siegel des Empfängers		27 Подпись и печать перевозчика Unterschrift und Siegel des Frachtführers	
28 Подпись перевозчика, его должность, место, дата Unterschrift des Frachtführers, seine Funktion, Ort, Datum		29 Подпись получателя Unterschrift des Empfängers	

Apprndix (K)

Table 1.2

Financial reporting for the year that _ ended on December 31 , 2019

Balance sheet (Statement of financial position)

Assets	Code	the beginning of the year, thousand g .	At the end of the year, thousand UAH .
I. Irreversible assets			
Intangible assets	1000	4,870	12,543
original cost	1001	32,540	44,846
accumulated amortization	1002	27,670	32 303
Unfinished capital investment	1005	1,500,430	1,869,460
The main ones means	1010	8,568,122	12,304,648
original cost	1011	11,500,250	17,210,534
wear and tear	1012	2,932,128	4,905,886
Investment real estate	1015	0	0
Long-term biological assets	1020	0	0
Long-term financial investment : which are taxed according to the equity method others enterprises	1030	0	0
Continuous of the table			
Others financial investment	1035	1,750,200	1,755,267
Long-term accounts receivable arrears	1040	0	0

Postponed tax assets	1045	0	68,629
Others irreversible assets	1090	0	0
All according to chapter 1	1095	11,823,622	16,010,547
II. Reversible assets			
Reserves	1100	13,250,000	13,885,925
current biological assets	1110	0	0
Debitorska debt for products , goods , works , services	1125	770,000	1,467,824
Debitorska settlement debt : _			
on issued advances	1130		0
with a budget	1135		0
including income tax _ _ _ _	1136		0
Another one current accounts receivable arrears	1155	3,320,100	4,381,455
current financial investment	1160		0
Money and theirs equivalents	1165	690,000	921 054
Costs future period in	1170	2,800	7,322
Others reversible assets	1190	270,000	217 473
All according to section II	1195	18,302,900	20,881,053
III. Irreversible assets held _ for sale, and groups elimination	1200	0	21
Continuous of the table			
Balance	1300	30,126,522	36,891,621

Source developed by the Author

Appendix (L)

passive	Code	the beginning of the year, thousand g .	At the end of the year, thousand UAH .
I. Own capital			
Registered (share) capital	1400	158,610	158,610
Capital in reassessments	1405	0	0
Additional capital	1410	0	0
Reserve capital	1415	0	0
Undivided profit (uncovered damage)	1420	12,300,000	14,542,267
Unpaid capital	1425		0
Excluded capital	1430		0
All according to section I	1495	12458 610	14,700,877
II. Long-term obligations and security			
Postponed tax obligation	1500	0	0
Long-term loans banks in	1510	910,000	2,008,688
Others long-term obligation	1515	0	256,738
Long-term software	1520	0	0
This is true financing	1525	0	0
All according to section II	1595	910,000	2,265,426
III. current obligations and security			
Continuous of the table			
Short-term loans banks in	1600	0	0
current creditor's office debt for:			

long-term obligations	1610	776,000	776,000
goods , works , services	1615	13,454,053	14,514,081
calculations with the budget	1620	180,545	273 257
including income tax _ _ _ _	1621	130,000	215 457
calculations with insurance	1625	62528	24,716
payroll calculations _	1630	140,000	160,208
current software	1660	250,620	509,245
Future income period in	1665	0	0
Others current obligation	1690	1891166	3,667,811
All according to section III	1695	167549 12	19,925,318
IV. Liabilities related to non -current assets held for sale and groups elimination	1700		0
Balance	1900	30,126,522	36,891,621

Source developed by the Author

Appendix (M)

Financial report _ the results (Report on aggregate income) for 2020 _ Form 2

FINANCIAL RESULTS

Article	Code	For reporting period , thousand g . _	For similar period of the previous year, thousand UAH .
Clean income from implementation products (goods , works , services) _	2000	50,382,425	43,979,194
Clean and earned insurance awards	2010	0	0
Cost implemented products (goods , works , services) _	2050	35,593,670	30,814,751
Clean and suffered insurance losses _ payments	2070	0	0
Gross profit	2090	14,788,755	13,164,443
loss	2095	0	0
Continuous of the table			
Others operating income	2120	737 243	530,835
Administrative _ costs	2130	872 759	751,814
Sales expenses _	2150	8,648,047	7,985,945

Others operating rooms costs	2180	920 408	254 271
Financial result from operating room activity			
profit	2190	5,084,784	4,703,248
loss	2195	0	0
Income from participation in the capital	2200	0	0
Others financial income	2220	211 555	3,851
Other income	2240	554,085	354,733
Financial costs	2250	295,646	250,094
Losses from participation in the capital	2255	0	24,516
Others costs	2270	1,438,592	363 438
Financial result before taxation			
profit	2290	4,116,186	4,423,784
loss	2295	0	0
Expenses (income) from income tax	2300	-944 982	-821 675
Profit (loss) from discontinued activity after _ taxation	2305	0	0
Clean financial result			
profit	2350	3,171,204	3,602,109
Continuous of the table			
loss	2355	0	0

Source developed by the Author

Appendix (O)

Financial report _ the results (Report on aggregate income) for 2019 _ FINANCIAL RESULTS

Article	Code	For reporting period , thousand g . _	For similar period of the previous year, thousand UAH .
Clean income from implementation products (goods , works , services) _	2000	43,979,194	41 400 220
Clean and earned insurance awards	2010	0	0
Cost implemented products (goods , works , services) _	2050	30,814,751	30,400,580
Clean and suffered insurance losses _ payments	2070	0	0
Gross profit	2090	13,164,443	10,999,640
Continuous of the table			
loss	2095	0	
Others operating income	2120	530,835	260 235
Administrative _ costs	2130	751,814	540,040

Sales expenses _	2150	7,985,945	6,623,200
Others operating rooms costs	2180	254 271	396373
Financial result from operating room activity			
profit	2190	4,703,248	3,700,262
loss	2195	0	0
Income from participation in the capital	2200	0	0
Others financial income	2220	3,851	180,000
Other income	2240	354,733	52,000
Financial costs	2250	250,094	91,550
Losses from participation in the capital	2255	24,516	0
Others costs	2270	363 438	210,000
Financial result before taxation			
profit	2290	4,423,784	3630712
loss	2295	0	
Expenses (income) from income tax	2300	-821 675	-670,000
Profit (loss) from discontinued activity after _ taxation	2305	0	
Clean financial result			
profit	2350	3,602,109	2,960,712
Continuous of the table			
loss	2355	0	0

Source developed by the Author

Appendix (P)

List of supplying markets for the product imported by Ukraine in 2022

Product : 57 Carpets and other textile floor coverings

Exporters	Select your indicators										
	Value imported in 2022 (USD 79inancce79)	Trade balance 2022 (USD 79inancce79)	Share in Ukraine's imports (%)	Growth in imported value between 2018-2022 (% , p.a.)	Growth in imported value between 2021-2022 (% , p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)	Total exports in value of partner countries between 2018-2022 (% , p.a.)	Average distance between partner countries and all their importing	Concentration of partner countries	Average tariff (estimated) applied by Ukraine (%)
World	20,010	-2,663	100	-13	-59		100	3			
Türkiye	4,980	-4,901	24.9	-12	-57	2	16.4	7	4,841	0.11	7.8
China	4,146	-4,146	20.7	1	-41	1	22.4	8	7,121	0.06	7.8
Netherlands	3,246	-3,246	16.2	-10	-58	5	7.4	1	1,510	0.11	0
Belgium	1,775	2,650	8.9	-23	-61	4	8.1	-4	1,991	0.1	0
India	1,225	-1,225	6.1	14	-20	3	14.2	9	10,700	0.33	7.8

Moldova , Republic of	905	263	4.5	15	52	50	0.08	3	1,414	0.16	0
Serbia	595	-592	3	-14	-75	33	0.2	-2	1,055	0.08	7.8
Belarus	543	-543	2.7	-35	-88	68	0.01	-23	1,109	0.15	0
United Kingdom	513	-462	2.6	32	-49	10	1.6	-8	2,442	0.08	0
Egypt	491	-491	2.5	-2	28	8	2.2	7	6,346	0.17	7.8
Italy	397	-397	2	-30	-76	12	1.4	1	3,062	0.05	0

Source : devolped by the Author based on refrence (11)

Appendix (Q)

List of importing markets for the product exported by Ukraine in 2022

Product: 57 Carpets and other textile floor coverings

Importers	Select your indicators									
	Value exported in 2022 (USD thousand)	Trade balance 2022 (USD thousand)	Share in Ukraine's exports (%)	Growth in exported value between 2018-2022 (% p.a.)	Growth in exported value between 2021-2022 (% p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)	Total imports in value of partner countries between 2018-2022 (% p.a.)	Average distance between partner countries and all their supplying markets (km)	Concentration of all supplying partner countries
1	2	3	4	5	6	7	8	9	10	11
World	17,347	-2,663	100	10	-38		100	3		
1	2	3	4	5	6	7	8	9	10	11
Belgium	4,425	2,650	25.5	0	-7	14	1.5	0	2,924	0.14
Germany	2,186	2,047	12.6	23	-31	3	7.1	1	3,057	0.11
Romania	2,098	2,097	12.1	17	2	27	0.7	7	1,616	0.12
United States of America	2,073	1,996	12	79	-58	1	24.5	7	10,802	0.21
Poland	1,370	1,010	7.9	3	-22	19	1.2	-4	2,640	0.13

Sweden	1,280	1,271	7.4	26	-5	15	1.5	2	3,157	0.12
Moldova, Republic of	1,168	263	6.7	16	-22	101	0.05	8	1,431	0.23
Finland	808	808	4.7	62	-32	36	0.5	-4	3,218	0.1
Russian Federation	312	312	1.8	-30	-91	22	0.9	0	3,072	0.2
Slovakia	278	276	1.6	-5	-34	48	0.3	-5	1,802	0.09
Canada	196	195	1.1	41	-66	4	4.7	-1	5,348	0.31
Hungary	181	144	1	-11	-11	33	0.5	2	1,364	0.11

Source : developed by the Author based on refrence (14)