

## **Actualization of foreign support for the Ukraine's accelerated recovery in the conditions of rapid and shocking global challenges**

Ilyash Olha, Doctor of Sciences (Economics), Professor,  
Igor Sikorsky Kyiv Polytechnic Institute, Ukraine  
ORCID 0000-0002-7882-3942

Rubino Alessandro, Professor,  
ORCID 0000-0002-2737-9052  
University of Bari Aldo Moro, Italy

Khaustova Viktoriia, Doctor of Sciences (Economics), Professor,  
ORCID 0000-0002-5895-9287  
Head of the Research Centre for Industrial Problems of Development  
National Academy of Sciences of Ukraine

The Global Risks Report for 2023, published by the World Economic Forum (WEF), highlights numerous risks faced by the world in the beginning of the year. These risks include inflation, a crisis in the cost of living, trade wars, capital outflows from markets, and large-scale social conflicts, as well as geopolitical and energy-related catastrophes. These risks are further compounded by more recent threats in the global arena, particularly those presented by Russia's ongoing war in Ukraine. The main challenges include the alarming levels of debt, low global investment, and extremely poor economic growth rates, as well as the regression in human development and the unregulated use of civilian dual-use goods. Additionally, there is a growing concern over environmental risks in the context of climate change and the missed opportunities to transition to a 1.5°C world. It appears that the upcoming ten years will see a convergence of geopolitical and economic patterns that will result in substantial social and environmental turmoil. This turmoil will manifest itself in various forms, such as the degradation of ecosystems, the cost of living crisis, societal polarization and outbursts of social unrest. Furthermore, there will be an increase in cybercrime and a surge in involuntary migrations, as depicted in Figure 1.

According to Jenkins [2], the global economy was projected to grow around 5 % in 2022 before Russia's invasion of Ukraine. The OECD released a report [3] in November 2022 that indicated the conflict in Ukraine caused significant disruptions in energy markets, resulting in a «shock» and a major contributor to the economic growth slowdown to 3.1 % in 2022 and further decline to 2.2 % in 2023. The impact of the war was felt most deeply in the European economy, which is expected to grow a mere 0.3 % in 2023. Nevertheless, Ukraine continues to receive financial, humanitarian, and military support from the EU and other countries worldwide. The USA, EU, Germany, Canada, and Great Britain contributed the most to Ukraine's state budget. The aid that Ukraine receives from 16 European Union countries accounts for one-third of the expenses of the Ukrainian consolidated budget. The Forbes ranking «Friends of Ukraine» has been updated for the year 2023, with Poland, Estonia, Latvia, Lithuania, and the United States taking the lead. From the time of the full-scale Russian assault until August 3, Ukraine has received €84 billion in international aid. Of this amount, €39 billion is military aid, €32 billion is financial support, €13 billion is humanitarian aid, and €10 billion is spent on the maintenance of displaced persons. The United States has provided the most significant amount of aid at €44.5 billion, followed by Germany at €7.6 billion, Great Britain at €6.6 billion, Italy at €2.8 billion, and Lithuania and Estonia at €0.5 billion and €0.3 billion, respectively. Poland has surpassed France, Canada, Italy, and Spain by providing €5.1 billion in aid to Ukraine.

In terms of the percentage of a country's GDP that is allocated towards aid, Estonia, Latvia, and Poland are the most generous, with Estonia contributing 1.13 % of its GDP, Latvia with 1.03 %, and Poland with 0.88 %. Additionally, Lithuania provides 0.55 % of its GDP towards aid, while Great Britain contributes 0.25 % and Italy allocates 0.15 % [4]

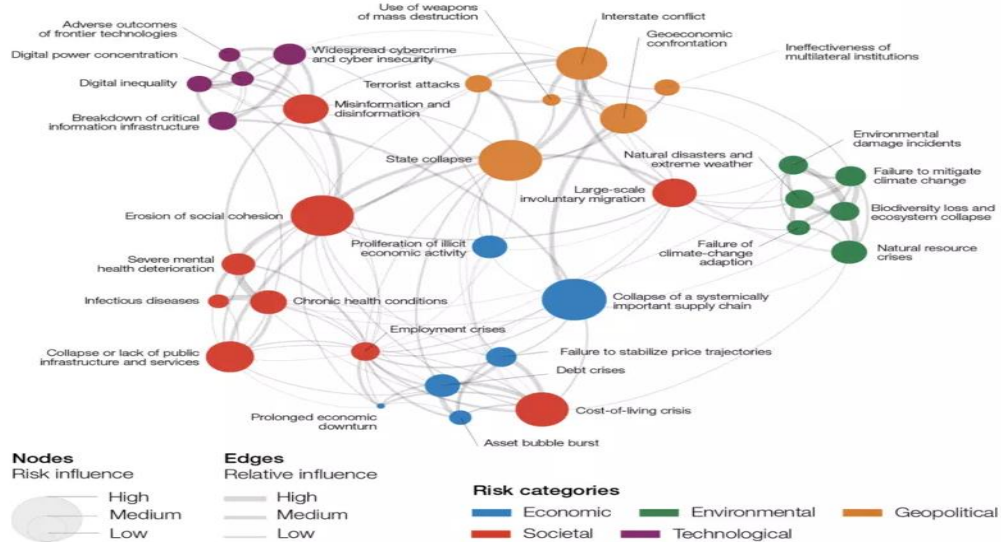


Figure 1. Global risks landscape: an interconnections map (Global Risks Perception Survey, 2022-2023)

Source: developed by the authors based on [1].

The notion of supporting economic growth in the midst of rapid and shocking global challenges has gained traction in scientific and expert circles. Such support is seen as crucial for Ukraine's accelerated recovery, as well as for the progressive development of countries that offer Ukraine unwavering support. The International Ukraine Recovery Conference (URC 2023) will be held in London on June 21-22, 2023, co-hosted by Great Britain and Ukraine. This conference will be a continuation of a series of annual events, with the most recent one held in Lugano, Switzerland, also in collaboration with Ukraine [5]. The URC 2023 will concentrate on generating international support for the economic and social stabilization of Ukraine, with emphasis on the recovery process from the war's effects. The conference seeks to achieve this through emergency aid for immediate needs and funding for the participation of the private sector in the reconstruction process.

#### References:

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3. Russia's war of aggression against Ukraine continues to create serious ... (2022). <https://www.oecd.org/newsroom/russia-s-war-of-aggression-against-ukraine-continues-to-create-serious-headwinds-for-global-economy.htm>
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5. Ukraine Recovery Conference 2023. (2023). <https://ua.urc-international.com/>

