

The Prospects of Automotive Industry in Ukraine

Vinnytsia National Technical University

Анотація

У статті розглянуто сучасний стан і перспективи розвитку автомобільної промисловості України. Підкреслено важливість автомобільної галузі для розвитку економіки країни.

Ключові слова

Автомобільна промисловість, виробництво, промисловість, заводи, важливість галузі, потенціал, витрати на виробництво, робоча сила, виробник автомобілів, внутрішній ринок, сприятливі умови, інфраструктура, транспортні засоби

Abstract

The article considers the current situation and challenges in the Ukrainian automotive industry and the prospects of its development. The advantages of the automobile market in Ukraine are analyzed

Keywords

Automotive, manufacturing, industry, factories, the importance of the industry, potential, production costs, workforce, automotive manufacturer, domestic market, favorable conditions, infrastructure, vehicles

Introduction

The automotive industry in Ukraine is a relatively young and developing sector, with a significant potential for growth and expansion. Despite the challenges and obstacles faced by the Ukrainian automotive market the country's location, low production costs, and skilled workforce have attracted several major international automotive manufacturers to establish their production facilities in Ukraine.

Statement of Basic Materials

Ukraine is a big European country that has huge potential to develop its economy and quality of life. The Ukrainian automotive industry can become a major player in the global automotive market and contribute to the country's economic growth and development. The government of Ukraine has always recognized the importance of the automotive industry and has implemented policies to support its growth.

The history of the Ukrainian automotive industry dates back to the late 1950s. Ukraine started producing vehicles such as ZAZ, KrAZ, LAZ, and LuAZ. The production of these vehicles gave new jobs to people and provided funding for research and development in the sector. Ukraine was one of the best countries in the region being behind European and American automotive industries. Yet, in the 90s, the situation worsened but after some reforms and new leaders in the government it started to improve. Several Ukrainian automotive manufacturers produced vehicles and components for the domestic market. In 2008, Ukraine broke its record of producing 424,000 vehicles.

The best example of a Ukrainian car is AutoZAZ-Daewoo Lanos. It is a mutual project between AutoZAZ and Daewoo engineers. Ukraine's citizens call it the best national automobile because this car is very cheap in service and comfortable for its price.

In terms of production, Ukraine produces more than twenty percent of the automobiles in Europe and about forty percent of those in the whole world. It has become one of the major trading partners for the European Union, the United States, and Japan. Several international automotive manufacturers have

established production facilities in Ukraine, including Volkswagen, which opened a plant in Uzhhorod in 2018. Renault-Nissan also operated a production facility in Ukraine, producing engines and transmission components. However, in 2014 the automobile manufacturer's production of vehicles was reduced by 100 times. All manufacturing plants halted production on 24 February 2022.

Nowadays Ukrainian automotive market faces many challenges and obstacles Ukraine doesn't have a full cycle of producing cars. One of the leading manufacturers AutoZaz doesn't work because it has shortages of details caused by the war. Other factories have the same problem. Only one factory "Eurocar" working in Zakarpattia oblast is producing different models of Skoda with European details. The Ukrainian automotive industry lost its production power.

The Ukrainian government has recognized the importance and the advantages of the automotive industry for the country's economic growth to support its development. The country's location, low production costs, and skilled workforce can attract investment and create favourable conditions for the production of vehicles and components in Ukraine.

One of the significant advantages of the Ukrainian automotive industry is its location. Ukraine is strategically located in Europe which provides easy access to major markets in the region. The country's proximity to the European Union makes it an attractive location for automotive manufacturers looking to expand their production capacity.

Another advantage of the Ukrainian automotive industry is the availability of a skilled workforce. Ukraine has a highly educated population, with a large number of engineers and technical professionals. The country also has a strong tradition of manufacturing and engineering, which makes it an attractive location for automotive manufacturers. It provides new jobs which creates an increase in taxes. Imagine the day when Ukrainian cars are abroad. This will help make Ukraine recognizable to foreign investors. It will show the stability of Ukraine and could increase the flow of investments. Automobiles have increased in value and there is a considerable demand for high-quality vehicles. Due to the development of the IT sector, we can mix automobiles and modern technologies to have the highest consumer satisfaction ratings and to become successful in the automotive market

Conclusion

The Ukrainian automotive industry has significant potential for growth and development. However, to realize this potential, the industry needs to overcome several challenges, including the lack of infrastructure, the weak regulatory environment, and the heavy dependence on imported parts and components. Many experts say that Ukraine will become a regional leader in all sectors of the economy. Ukraine is an affordable place for growth and the automotive industry is an engine for this.

REFERENCES

1. https://en.wikipedia.org/wiki/Automotive_industry_in_Ukraine
2. <https://ukraineinvest.gov.ua/uk/industries/automotive/>
3. <https://good-time-invest.com/blog/automotive-industry-in-ukraine/>

Рудницька Тетяна Григорівна – старший викладач кафедри іноземних мов, Вінницький національний технічний університет, e-mail: rudnytska@vntu.edu.ua

Спрейс Олександр Едуардович – студент групи 1-АТ22Б Факультет машинобудування та транспорту, Вінницький національний технічний університет, м.Вінниця, e-mail: ccghtqc@gmail.com.

Rudnytska Tetiana Hryhorivna – an Assistant Professor of the Foreign Languages Department, Vinnytsia National Technical University, e-mail: rudnytska@vntu.edu.ua

Spreis Oleksandr Eduardovych - student of the group 1-AT22B Faculty of Mechanical Engineering and Transport, Vinnytsia National Technical University, Vinnitsa, e-mail: ccghtqc@gmail.com.