

**MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE**  
**SIMON KUZNETS KHARKIV NATIONAL UNIVERSITY OF ECONOMICS**

"APPROVED"  
Deputy Head  
(Vice-Rector on Scientific and Pedagogical Work)

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M. V. Afanasiev

**European economic integration**

work syllabus of the discipline

Branch of knowledge	<b>all</b>
Speciality	<b>all</b>
Academic degree	<b>first (bachelor)</b>
Academic programme	<b>all</b>

Type of the course	<b>selective</b>
Teaching and evaluation language	<b>English</b>

Head of the Tourism Department

O. Sushchenko

**Kharkiv**  
**S. Kuznets KhNUE**  
**2018**

APPROVED

at the Department of Tourism meeting

Minutes № 1 of 30.08.2018

Compliers:

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**Лист оновлення та перезатвердження  
робочої програми навчальної дисципліни**

Навчальний рік	Дата засідання кафедри – розробника РПНД	Номер протоколу	Підпис завідувача кафедри
2018/2019	30.08.2018	1	

## 1. Introduction

The European choice of Ukraine and the development of economic and political ties with the European Union involve the training of highly skilled specialists including experts and analysts on the theoretical and practical aspects of the European integration process, as well as entrepreneurs who are able to effectively conduct business in the EU.

The proposed course covers problems of origin preconditions of European integration, formation and development of the European Union and the prospects for its expansion today. The institutional aspect of European integration, the reform of the EU institutions after enlargement is important in the structure of the course. The course is also relevant in the context of seeking (or asserting) Ukraine its European identity and clarifying the prospects for European integration of Ukraine.

**The aim of the discipline** is the formation of students' competencies in the analysis, evaluation and specialties of the process of European economic integration, the main directions of the process of internal and external convergence of the participating countries and the formation of skills for identifying national and supranational models of rapprochement in the EU.

To achieve the goal the following **main tasks** were set:

to get an understanding of the essence of the process of European integration and the main directions of further convergence of the participating countries;

provide knowledge of the main sectoral, horizontal, and foreign policy of EU and the citizens rights protect policies;

to acquire a system of knowledge and skills for practical identification of development models of EU member states;

to form skills in determining the phases and criteria of the system approximation of applicant countries to the introduction, as well as an analysis of the positive and negative consequences of the co-integration of the states of the CEE into the European Union;

understand the main directions, mechanisms and instruments of rapprochement between Ukraine and the EU.

**The object of the discipline** is the European economic integration process.

**The subject of the discipline** is the system of principles and methods for the implementation of European integration processes.

Course	<b>2</b>	
Semester	<b>1(3)</b>	
Number of ECTS credits	<b>5</b>	
Lessons	<b>lectures</b>	<b>32</b>
	<b>seminars, practical studies</b>	<b>32</b>
Independent work		<b>86</b>
Form of final control	<b>final test</b>	

### Structural-logical scheme of studying the discipline:

<b>Previous disciplines</b>	<b>The following disciplines</b>
Macroeconomics	European Economic Integration
International economics	The European Union institutional system
	Domestic market and sectoral policies of the European Union

## 2. Competences and results of studying the discipline:

Competences	Results of studying
To identify the advantages and disadvantages of international economic integration	To conduct a business activity in the EU and cooperate with the agencies and institutions of the European Union
To analyze the constituent documents of the EU, the principles of the formation and the structure and authority of its institutions	
To evaluate independently the process of deepening European integration, EU enlargement	
To analyze the legal and institutional dimensions of Ukraine-EU cooperation	
To identify the positive and negative consequences of the European vector of Ukraine's cooperation	
To identify tasks and assess the results of implementing common EU policies in various sectors of the economy	
To identify and to analyze the peculiarities of cooperation and integration of Ukraine into the European community	
To identify and to analyze the peculiarities of customs and tariff regulation in the EU	
To conduct a comparative analysis of economic systems	
To identify and to analyze the peculiarities of the establishment of the EEC and the deepening of European integration	
To identify business risks in the Free Trade Area and the Common Market	
To determine independently the directions of interaction of business structures with the EU governing institutions	
To form the directions of increasing the competitiveness of domestic business entities in the context of European integration	
To determine the standardization and certification procedures harmonization directions in Ukraine and the EU	
To analyze possibilities and to form directions of the EU financial instruments (structural funds) using for business activity	
To identify and to analyze sectoral characteristics of EU markets	

## 2. Programme of the discipline

### Module 1. The theoretical basis, stages and mechanisms of European economic integration

#### Theme 1. The theoretical concept of international economic integration.

##### 1.1 Concepts, prerequisites and goals of international economic integration

The essence, theoretical basis and prerequisites for international economic integration. Integration group goals. Levels of integration: micro and macroeconomic.

##### 1.2 The international economic integration theoretical concepts evolution

Institutional theories of integration. Current models of integration processes. Forms stage, mechanisms, and consequences of international economic integration. Strategies for economic integration in a globalizing environment. Integration alliances of modern world economy.

**Theme 2. The place and role of the EU in the global economy. Comparison of economic systems.**

### *2.1. Comparison of economic systems.*

Economic system. "Pure" capitalism, command economy, traditional economy and mixed systems. Principles of comparing economic systems.

### *2.2. General characteristics of the EU economy. EU and US comparative analysis*

Indicators of economic development of the EU and the USA. Dependence of EU-US relations on changes in the characteristics of the international system. Influence of European integration processes on the evolution of transatlantic relations.

### *2.3. The current EU macroeconomic indicators*

GDP and GNP of the EU member states. The EU inflation and unemployment indicators. The EU development financial and economic indicators.

## **Theme 3. Stages and Mechanisms of the European Economic Integration**

### *3.1 Forms, stages, mechanisms, and consequences of international economic integration*

*Forms and stages* of the European Economic Integration. Types of Regional Economic Integration (REI): agreement on preferential tariff, free trade zone, partial economic preferences zone (partial customs union), customs union, common market, economic and monetary union.

### *3.2. Prerequisites and the European economic integration beginning*

The European association theories evolution. The driving forces of integration processes in Western Europe after the World War II.

### *3.3. The Marshall Plan and European integration*

Prerequisites and driving forces of integration processes in Western Europe. The Marshall Plan and European integration.

### *3.4. European Coal and Steel Community - the first practical integration experiment*

European Coal and Steel Community. Treaty of Rome, establishing the EEC and Euratom. "The Jean Monnet Method." Schuman Plan.

## **Theme 4. European Economic Community**

### *4.1. The European Economic Community establishing*

The European Economic Community (EEC) and European Atomic Energy Community (Euratom). Treaty of Rome. The Second Treaty of Rome. The Common Market establishing between the Member States of the EEC.

### *4.2. Opposition UK and its partners to deepening European integration*

British Opposition on European Integration Processes. The preconditions and the course of the UK integration process into the EU.

### *4.3. Integration processes in Western Europe during the 1960's.*

European Free Trade Association (EFTA). The EFTA main tasks and members. Evolution of the EFTA.

## **Theme 5. The Common Market: general principles.**

### *5.1. Barriers to the EEC countries Common Market creation.*

The search for alternatives to the European Community. Transition period of European integration. The Common Market formation.

### *5.2. The first expansion of the European community.*

The contradictions in the process of economic integration. The first expansion of the European community.

### *5.3. The development of economic integration in Western Europe during the global economic and financial crisis.*

The financial crisis of 1968-1973 and its consequences for Western Europe. Structural-organizational changes and development of common sectoral policies. The impact of the global economic crisis on the European Communities (1973 – 1984's).

### *5.4. The directions of Common Market formation completion. Single European Act.*

The beginning of the European Community expansion to the South. The Single European Act. The third EC expansion (1986) and its impact on the European integration pro-

cesses. Geopolitical changes of the late 80's and early 90's and prospects for European construction. The Maastricht Treaty and the European Union formation.

*5.5. The technical norms and standards harmonization. Tax unification.*

The national tax systems harmonization. The provisions of the Unification of national tax systems and tax legislation. Directions of harmonization of tax systems within integration processes.

**Theme 6. The Economic and Monetary Union establishing**

*6.1. The concept and structure of the European monetary system.*

Treaty of Rome on Economic and Monetary Financial Integration. European Payment Union. Werner's Plan (1969). European "currency snake".

*6.2. European Monetary System: creation and general principles.*

Exchange Rate Mechanism of the European Monetary System. Currency integration within the framework of the Single European Act. Delor's Plan. Advantages and disadvantages of transition to the single European currency. Maastricht Agreements and Convergence Criteria.

*6.3. The European Economic and Monetary Union establishing stages.*

European Monetary Institute. The European System of Central Banks and the European Central Bank. The introduction of the single European currency Euro. Achievements, problems and prospects of the European Economic and Monetary Union functioning.

**Theme 7. Institutional and legal structure of the European Union.**

*7.1. European Communities and the European Union.*

Economic integration and geopolitical changes. The subsidiarity and proportionality principles. The political structure of the EU member states. Political integration: history, tasks, methods.

*7.2. EU law as an autonomous legal system*

The EU legal system. EU law as a legal system sui generis. Subjects of EU law. EU law system.

*7.3. The principles and sources of EU law.*

Systematization and classification principles of EU law. Structural principles. Groups of sources of EU law. Primary and secondary EU legislation.

**Theme 8. Structure, functions and powers of EU governing institutions.**

*8.1. Overview of EU institutions.*

The principle of the distribution of power in the EU. European Union Institution System. Combination of functions, polycentric structure, distributed loyalty, power distribution.

*8.2. The EU main institutions.*

Leading EU institutions: European Commission, European Council and Council of Ministers, European Parliament.

*8.3. Supporting institutions and agencies.*

Economic and Social Committee. Committee of the Regions. Ombudsman. Inspector of Information Security. Official Publications Service. HR-service.

**Module 2. Practical issues, institutionalization and prospects for the European Union development**

**Theme 9. Common EU policies in various sectors of the economy**

*9.1. EU trade policy*

Economic Integration: Growth and Competitiveness. Goals and principles of the common trade policy. EU trade policy instruments on external commodity markets. EU Trade Preferences System. Sectoral features of the EU common trade policy. Competition policy.

*9.2. Industrial and business policy*

Competitiveness of European industry. Single market and industrial policy. Challenges for European industry. Principles of industrial policy. SMEs in a single market. En-

trepreneurial policy. Legal environment for European business. Business environment. Financing of enterprises. Cooperation of enterprises. Policy in different sectors of the economy.

### *9.3. Research and Technology Policy*

The need for a common policy on research. Principles of common research policy. Regulations on research and development in the fundamental treaties. Framework program for research activities. Direct and indirect Community activities on research activities. Activities of the Joint Research Center. Coordination of research activities in the European Union. International scientific and technological cooperation. Research activities of the European Community

### *9.4. Energy policy*

The value of energy for Europe. Crisis of 1973. International cooperation in the energy sector. Community Energy Strategy. Internal energy market. Electricity and gas markets. Real solid fuel market. Atomic Energy Market. Oil market. Power supply. Goals in the field of energy and rational use of energy.

### *9.5. Agricultural policy*

Reasons for a special approach to agriculture. Principles of CAP and its reformation. Management and financing of CAP. Agrarian-foreign exchange issues and the euro. Common market organizations. Prices for agricultural products and quality of goods. Mechanisms of direct aid to farmers. The external of CAP. Structural policy and rural development.

## **Theme 10. Customs and tariff regulation in the EU**

### *10.1. The essence and principles of the EU customs union.*

EU Customs Code. The concept and principles of the EU customs union. Methods for calculating duties. The system of customs formalities and control. Scope of the Code. The elimination of customs duties. EU customs territory.

### *10.2. EU tariff regulation tools.*

Single Customs Tariff (SCT). The structure of the EU customs tariff, the combined nomenclature, the rules for classifying goods, the integrated tariff of the EU. Objectives of application of SCT and collection of customs duties. Customs duties in the EU. Classification of customs duties. The advantages and disadvantages of the Association of Ukraine with the EU.

### *10.3. Origin of goods.*

Types of Commodity Nomenclature in the EU. The purpose of determining the origin of goods. Non-preferential origin. Customs value of goods. Customs formalities in the EU. Privileged transactions.

### *10.4. Antidumping Regulation System within the EU.*

Dumping and anti-dumping measures. Types of dumping. Dumping compensation sources and anti-dumping instruments. Anti-dumping investigation stages contents in accordance with WTO rules. Antidumping legislation of the EU.

## **Theme 11. The organization of the transport markets in the EU by sectors**

### *11.1. Transport policy*

Single European transport area. Special interest in the transport sector. Domestic transport market. Access to the domestic transport market. Terms of competition in the field of domestic transport. Transport infrastructure.

### *11.2. The organization of the transport market by sectors*

Vehicular transport. Railway. Maritime transport. Air transport.

### *11.3. Integration processes of the Ukraine transport system*

The main problems of the transport sector of Ukraine. Transit coefficient of Ukraine. The integration of the transport system to EU standards. Characteristics of Ukraine's transport. Problems of the Ukraine transport system integration into the EU.

## **Theme 12. EU Innovation, Investment and Industry Policy.**

### *12.1. Innovative policy in the system of coordination of socio-economic processes.*

EU Innovation Policy and Innovation Strategy. Comprehensive program of innovation development of EU member states. The concept of innovative platforms. System of international business innovation centers.

#### *12.2. EU investment policy.*

Financial instruments and EU structural funds. The use of flexible and innovative forms of financing to support small and medium businesses. European Investment Fund. Index investment funds.

#### *12.3. Sector policy in the EU economic regulation system.*

Purpose, tasks and methods of conducting sectoral policy. Sectoral markets and their classification. Tactical sectoral policies.

### **Theme 13. The economy of the EU member states: level of development, common and specific problems**

#### *13.1. Economic potential of EU member states.*

Common features of the economies of the EU member states: high level of economic development; high degree of engagement in world economic relations; legal basis of economic activity; development of competition and market; variety of forms of ownership and entrepreneurship; the role and significance of the state in the economy; unevenness and cyclic development.

#### *13.2. Characteristics of the most developed EU countries.*

The economies of Germany, France, Italy and Great Britain are the basis of the EU economy. The role of leaders in the international geographical division of labor; the industrial and agricultural production, the international specialization.

#### *13.3. Small EU member states.*

Small European countries (EU members). The main advantages of the economies of small countries. Economically less developed EU countries. Features of the historical development of these countries as a reason for lagging behind in social and economic development from other EU member states. Regional factor in EU economic policy.

#### *13.4. The economic convergence of the new EU member states*

Concepts and basic indicators of EU economic convergence. An analysis of the relevance of the EU new member states economies to the EU economic criteria. The European countries economic development models convergence directions at the beginning of the XXI century. Economic convergence: the European context for Ukraine.

### **Theme 14. Membership Criteria and EU Accession Procedure**

#### *14.1. The procedure for accession of new EU members*

Stages of the EU accession process. Advisory stage. Evaluation stage. Negotiation stage. The ratification stage. Implementation stage.

#### *14.2. The criteria that must be completed to EU accession.*

Copenhagen criteria. Acquis communautaire. The procedure for fulfilling the criteria. Assessment of the positive and negative effects of country membership criteria.

#### *14.3. Prospects and opportunities of Ukraine's accession to the EU.*

Evaluation of the ability of Ukraine to fulfill the criteria for EU membership. Estimates of Ukraine's compliance with membership criteria. Association Agreement between Ukraine and the EU.

### **Theme 15. The current economic cooperation of Ukraine with the EU**

#### *15.1. The main forms of economic cooperation between Ukraine and the European Union.*

EU trade policy towards Ukraine. The evolution of Ukraine-EU cooperation: from the concept of partnership to the Neighborhood Strategy and the Association Agreement. Ukraine in the economic concepts of the European Union's neighborhood. Expected results from Ukraine's course on eurointegration.

#### *15.2. Association Agreement between Ukraine and the EU.*

The main areas covered by the Association Agreement. Adaptation of legislation. Harmonization of standardization and certification procedures in Ukraine and the EU. As-



assessment of the positive and negative effects of the free trade zone with the EU.

## **Theme 16. Competitiveness and Competitive Policy of Ukraine in the Context of European Integration**

### *16.1. Competitive legislation of Ukraine in the context of integration into the EU.*

General principles of competitive regulation in Ukraine. Regulation of competition in the EU. State Aid (direct subsidies, tax exemptions).

### *16.2. EU Competitive Politics.*

Concept and forms of EU competition policy. Antitrust regulation system in the EU. Competitive EU policy on abuse of a dominant market position. Competitive policy and state aid. EU in the system of international cooperation in the field of competitive regulation. Mechanism for interaction of EU trade and competition policy.

### *16.3. Regulation of competition in economic relations between the EU and Ukraine*

Harmonization of Ukrainian legislation with EU law within the framework of the Association Agreement between Ukraine and the EU. Adaptation of the competition protection system in Ukraine to the EU's communitarian competition policy.

## **4. The order of evaluation of studying results**

The system of evaluation of the developed competencies of students takes into account the types of tasks, which according to the curriculum include lectures, seminars, practical studies, as well as independent work. Assessment of competencies gained by students is based on a 100-point accumulation system. In accordance with the Provisional Regulations "On the Procedure for Assessing the Results of Students' Learning Based on the Accumulated Score-Rating System of S. Kuznets KhNUE", control procedures include:

the current control during the semester at lectures, practical classes, seminars is estimated by the sum of points (the maximum amount is 100 points; the minimum amount that allows a student to complete the discipline is 60 points);

the module control carried out in the form of a written control paper as an intermediate mini-exam on the initiative of the teacher, taking into account the current control over the relevant content module and aims to integrate the evaluation of the student's learning outcomes after studying the material from the logically completed part of the discipline – a content module;

the final / semester control, conducted in the form of a final test, according to the educational schedule.

**The current assessment procedure.** Assessment of student's knowledge during seminars and practical classes and performance of individual tasks is carried out according to the following criteria:

the degree of understanding and comprehension of the theory and methodology of problems under consideration; the degree of comprehension of the actual discipline material; acquaintance with the recommended literature, as well as contemporary literature on the issues under consideration; the ability to combine theory with practice when considering production situations, solving tasks, performing calculations in the process of performing individual tasks and tasks submitted in an audience; logic, structure, style of presentation in written works and presentations in the audience, ability to substantiate own point of view, to generalise information and to draw conclusions; arithmetical correctness of the tasks performance; the ability to conduct a critical and independent assessment of certain problem issues; the ability to explain alternative views and own point of view, position on a particular problem issue; application of analytical approaches; quality and clarity of reasoning; logic, structuring and substantiation of conclusions on a specific problem; independence of work; literacy of presentation of the material; use of comparison methods, generalisations of concepts and phenomena; formatting of a work.

The general criteria for evaluating non-auditing independent work of students are: the depth and strength of knowledge, the level of thinking, the ability to systematise

knowledge on specific topics, the ability to make sound conclusions, the possession of categorical apparatus, skills and techniques of performing practical tasks, the ability to find the necessary information, carry out its systematisation and processing, self-realisation on practical lessons and seminars.

**The final control** of the knowledge and competences of students for the discipline is carried out on the basis of the final test, the task of which is to check the student's understanding of the programme material in general, the logic and interrelations between the individual sections, the ability to use the accumulated knowledge creatively, the ability to formulate a student's attitude to a particular problem of the discipline etc.

A student should be considered certified if the sum of the points obtained on the basis of the final / semester test makes 100. The minimum number of points for the current and module control during the semester is 60.

The final score for the academic discipline is calculated by the points obtained during the current control using the accumulation system. The total score for a semester is: "60 points and higher – passed", "59 points and less – failed", and is entered into the discipline registry.

### Results scale: national and ECTS

The amount of points for all types of educational activities	ECTS score	National score	
		for an exam, term paper (work), training	for a final test
90 – 100	A	excellent	passed
82 – 89	B	good	
74 – 81	C		
64 – 73	D		
60 – 63	E	satisfactory	failed
35 – 59	FX	unsatisfactory	
1 – 34	F		

### Distribution of points by weeks

*(evaluation tasks according to the technological map)*

Themes of the content module		Lectures (active work)	Practical classes (active work)	Tasks by themes (work at practical classes)	Oral test	Competencies-oriented tasks	Written control papers	Participation in research work	TOTAL points for a week	ACCUMULATED score
Content module 1	Theme 1	Week 1	1	1	1				3	3
	Theme 2	Week 2	1	1	1				3	6
	Theme 3	Week 3	1	1	1				3	9
	Theme 4	Week 4	1	1	1	5			8	17
	Theme 5	Week 5	1	1	1				3	20
	Theme 6	Week 6	1	1	1		7		10	30
	Theme 7	Week 7	1	1	1				3	33
	Theme 8	Week 8	1	1	1			10	13	46

Content module 2	Theme 9	Week 9	1	1	1					3	49
	Theme 10	Week 10	1	1	1					3	52
	Theme 11	Week 11	1	1	1					3	55
	Theme 12	Week 12	1	1	1	5				8	63
	Theme 13	Week 13	1	1	1					3	66
	Theme 14	Week 14	1	1	1					3	69
	Theme 15	Week 15	1	1	1		7			10	79
	Theme 16	Week 16	1	1	1			10		13	92
Research work									8	8	100
Total			16	16	16	10	14	20	8	100	

## 5. References

### 5.1. Main

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3. ЄС — Україна: поглиблена та всеохоплююча зона вільної торгівлі [Текст] : Представництво Європейського Союзу в Україні. — К. , 2013. — 24 с.
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11. Як працює Європейський Союз. Довідник інституцій ЄС. К.: КПФ А-Скрін", 2018. - 50с.

### 5.2. Ancillary

12. Гоці С. Європейська Комісія. Процеси ухвалення рішень і виконавчі повноваження. /Пер. з італійської. К.: К.І.С., 2007. — 202с.
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19. The "Open Europe" Portal: <https://openeurope.in.ua>
20. The COSME programme: <http://cosme.me.gov.ua>