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## **PROVIDING THE STATE REGULATION OF EXHIBITION AND FAIR ACTIVITY IN UKRAINE**

The article aims to highlight the nature and meaning of state regulation of exhibition and fair activities. The theoretical and methodological basis of research is the scientific work of scientists on the management of exhibition and fair activities in the regions and the country as a whole. The very important in the management of exhibition and fair activities is using application of regulations in this area. Proved that state regulation influences the development and management of exhibition and fair activity. There was analyzed the presence of the legal framework for the management of exhibition and fair activities in various countries, including Ukraine. There was a determined imperfect regulation on state regulation of exhibition and fair activities. There was analyzed normative and legal support of European and other countries of the world. There were processed the main statistical indicators of exhibition and fair activities which State Statistical Service of Ukraine did till 2014. There was defined that since 2015 the collection of statistical information on exhibition and fair activities in Ukraine is not conducted. There was substantiated essence of "state regulation of exhibition and fair activity" and the feasibility of its application to industry. It was recommended for improving legal security exhibition and fair activities to provide an opportunity to improve business activity in the above area. Scientific originality is to determine the theoretical positions regarding state regulation of exhibition and fair activities in Ukraine. The recommendations on the use of common criteria for organizing and holding exhibitions are worked out. There were obtained the results of research aimed at solving the problem concerning the improvement of the legal framework in the process of state regulation of exhibition and fair activities. The need to accelerate the adoption of the law "On the exhibitions in Ukraine" will have a positive impact on the development of exhibition and fair activities.

**Keywords**: exhibition activity in Ukraine, exhibitions, fairs, the subjects of exhibitions, the organizers of the exhibitions, the regulatory framework in the sphere of exhibition activity, state regulation.

**Formulation of the general problem.** Exhibition activity is one of spheres of national economics which allows to developing the most effective forms of cooperation industry and trading with the aim of promotion of national products for international market.

Thanks to this international trade-economic relations are improving, developing internal and external trade. Development of exhibition activity can give possibility to make outreach of the newest technologies and new kinds of products and helps scientific-technical and technological renewal of national manufacturing.

Nowadays there are some achievements at the level of individual entities in the sphere of exhibition activity of Ukraine, however, for its further development it is necessary to determine effective mechanism of state regulation.

Analysis of recent researches and publications. The analysis of scientific literature on the development of exhibition and fair activity suggests that the mentioned issue neglected both by scientists and by the state.

Thus, the theoretical foundations and problems of exhibition and fair activities, the organization of exhibition activity in the enterprise, as well as some theoretical and practical aspects of the exhibition – fair in their scientific studies are considered domestic and foreign scientists as N. Alexandrova<sup>1</sup>,

<sup>&</sup>lt;sup>1</sup> Александрова, Н., Сорокина, Е., Филоненко, И. (2001). Выставочный менеджмент. *Технология организации и рекламно-информационного сопровождения выставок и конференцій*, 384.

I. Gryshchenko, N. Krakhmalyova<sup>1</sup>, Y. Goncharov<sup>2</sup>, Y. Gusev<sup>3</sup>, Jim Blythe<sup>4</sup>, G. Zakharenko<sup>5</sup>, Y. Krytsotakys<sup>6</sup>, V. Pekar<sup>7</sup>, V. Petelin<sup>8</sup>, and many others.

I. Gryshchenko, A. Golitsyn, L. Lukashova, B. Kolesnikov<sup>9</sup> researched the management of exhibition and fair activities in the region and the country as a whole.

Marketing approaches to exhibitions and fairs, exhibiting features of a particular industry are subject to a significant amount of research of managers and marketers, including I. Bagrova, V. Vlasyuk, O. Getman, Y. Goncharov, O. Grigorenko, O. Humenna, L. Nazarenko, V. Pyetyelin, N. Redina, A. Romanova, I. Filonenko.

Questions about solving problems of exhibition and fair industry in Ukraine and ways of overcoming the existing problems in this area are important, as has become the object of public attention and monitoring, as is a significant factor that stimulates the development of all sectors of the national economics.

**Setting objectives.** The main goal of this article is a research of the development of exhibition and fair activities in Ukraine, to identify existing negative phenomena that hinder the development of the industry in order to justify the necessity of state regulation of exhibition and fair activities, and defining the boundaries of state to regulate this industry in Ukraine.

**Research results.** The policymaking body – the State Committee of delivery regulates direct function of establishing contacts between producers and consumers in a planned economy. Producers demonstrate achievement of the economy at the shows with the view to facilitating the introduction of advanced technology and advanced methods of labor.

In Ukraine the development of exhibition activity on market principles began only in the mid 90 the century. Including in 1992 the first exhibition started in the modern sense of the word, and in 1994 there were international exhibitions. Since 2003, there are observed increase in the number held exhibitions, individual exhibitions spaces, construction of modern exhibition centers and improving quality standards.

Among the entities that are involved in exhibition activity begins competition, the main method of which is focus on the formation of trade fairs as a tool of regional development through the growth of economic benefits from their implementation. At this time there begins distribution of exhibitions not only a regional focus, but also specialization.

At the same time, modern exhibition centers are being created that meet international standards, including "KyivExpoPlaza" (c. Kyiv, exhibition area of 28 thousand sq. meters); "International Exhibition Center" (c. Kyiv, 27 thousand sq.meters); Expocentre of Ukraine (m. Kyiv, 10 thousand sq. meters); Kyiv International Contract Fair (m. Kyiv, 59 thousand sq. meters). "ACCO International" (c. Kyiv, 2.8 thousand sq. meters), "Lemberg" (c. Lviv. 7 th. sq. meters); "RadomyrEkspohol" (c. Kharkov, 6 th. Sq. meters), "Meteor" (c. Dnepropetrovsk, 4 th. sq. meters).

To improve the image of the exhibition events such domestic companies as LLC "ACCO Internashynal", LLC "Euroindex" Exhibition Federation of Ukraine, LLC "Expocentre" Meteor"," International Exhibition Center "," KyivExpoPlaza ", LLC" Kyiv Contract Fair " GP "Premier Expo" LLC "Ukrainian center of international exhibitions, conferences and forums" became a member of the World Association of exhibition industry (UFI).

Thus we can say that the exhibition and fair industry in Ukraine completed its formation.

For monitoring the exhibition and fair activities, and to assess the effectiveness of the exhibition organizers and exhibition centers State Statistics Service of Ukraine annually until 2014 carried out the state statistical observation form number 1 exhibition "Report on exhibitions." According to the order

<sup>&</sup>lt;sup>1</sup> Грищенко, І.М., Крахмальова, Н.А. (2006). Ринкові аспекти виставкової діяльності в Україні на сучасному етапі. *Актуальні проблеми економіки*, *9*, 113-119.

<sup>&</sup>lt;sup>2</sup> Гончаров, Ю.В. (2009). Розвитку галузі – наукове підгрунтя! Вісник КНУТД, 2 (46), 98-104.

<sup>&</sup>lt;sup>3</sup> Гусев, Э.Б., Прокудин, В.А., Салащенко, А.Г. (2005). Выставочная деятельность в России и за рубежом. *Учебно-методическое пособие*. Москва, 516.

<sup>&</sup>lt;sup>4</sup> Blythe, Jim (1999). Visitor and exhibitor expectations and outcomes at trade exhibitions. *Marketing Intelligence & Planning, Vol. 17 Issue: 2,* 100-110, doi: 10.1108/02634509910260959.

<sup>&</sup>lt;sup>5</sup> Захаренко, Г.П. (2006). Выставка: техника и технология успеха. Москва, 232.

<sup>&</sup>lt;sup>6</sup> Критсотакис, Я.Г. (1997). Торговые выставки и ярмарки. Техника участия и коммуникации. Москва, 224.

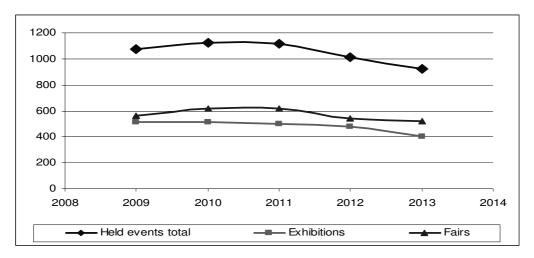
<sup>&</sup>lt;sup>7</sup> Пекар, В.О. (2009). Основи виставкової діяльності. Навчальний посібник. Київ, 348.

<sup>&</sup>lt;sup>8</sup> Петелин, В.Г. (2005). Основы менеджмента выставочной деятельности. Учебник. Москва, 400.

<sup>&</sup>lt;sup>9</sup> Колесніков, Б.П. (2008). Виставкова діяльність в умовах європейської інтеграції України. Донецьк, 101.

of the State Statistics Committee of Ukraine of 14.05.2014 number 138 is declared void the Order of the State Statistics Committee of July 12, 2010  $\mathbb{N}$  267 "On approval of state statistical observation number 1 exhibition (annual)" Report on exhibitions in the year 20 \_\_\_\_\_." Therefore, since 2015 the collection of statistical information on exhibition and fair activities in Ukraine is not conducted.

According to the State Statistics Committee of Ukraine since 2010 the number of total exhibition organizations in Ukraine are reduced. Thus, in 2013, organizers of exhibitions and exhibition center held 922 exhibitions, which is 9.6% (or 88 events) less than in the year of 2012 and by 21% (or 194 steps) – to 2011 (Fig. 1).



**Fig. 1. Holding of exhibitions and fairs in Ukraine for the period 2009 – 2013 years** (compiled by the authors based on data from the State Statistics Committee)<sup>1</sup>

The reduction of exhibitions and fairs in Ukraine is due to a decrease in business activity of economic entities in general, and the reduction of economic entities in the field of exhibitions and fairs (in 2011, the number of organizers of exhibitions and fairs in Ukraine amounted to 107, in 2012 - 96 and 2013 - 94) – Table. 1.

Table 1

| Year<br>Indicator   | 2009  | 2010  | 2011  | 2012  | 2013  | 2013<br>%<br>to 2009 |
|---|-------|-------|-------|-------|-------|----------------------|
| Number of individual subjects exhibiting – all of them: – organizers of exhibitions and fairs | 123   | 129   | 126   | 114   | 112   | 91,1                 |
| – exhibition centers  | 106   | 111   | 107   | 96    | 94    | 88,7                 |
|   | 17    | 18    | 19    | 18    | 18    | 105,9                |
| The number of exhibition events – all of them:<br>– exhibitions – fairs                       | 1076  | 1127  | 1116  | 1010  | 922   | 86,7                 |
|   | 512   | 510   | 497   | 480   | 403   | 78,7                 |
|   | 564   | 617   | 619   | 530   | 519   | 92,0                 |
| The total built up area of exhibition organizers, thousand sq. m                              | 1267  | 1268  | 1283  | 1040  | 909   | 71,7                 |
| The total exhibition area exhibition centers, thousand sq. m                                  | 196   | 206   | 202   | 201   | 201   | 102,6                |
| The number of participants of exhibitions, ed.  | 68745 | 73367 | 69616 | 62645 | 55895 | 81,3                 |
| Number of visitors of exhibitions, thousand   | 10629 | 11161 | 9351  | 6732  | 5597  | 52,7                 |

**Dynamics of the main indicators of exhibition activity in Ukraine for the period 2009-2013** (compiled by the authors based on data from the State Statistics Committee)

<sup>1</sup> Осауленко, О.Г. (2014). Виставкова діяльність в Україні за 2013 рік, 51. < https://www.expo.org.ua/ua/statistics.php>

Analysis of foreign experience of legal regulation of exhibition and fair activities shows that the regulation of such activities in Member States based on national regulations, taking into account the European Commission Explanation of 16.12.1997 p. 8ES number (97) 2338 on application of single market rules in the field of exhibitions, as well as the Convention on international exhibitions of 22.11.1928 p.

In countries such as Italy, USA, Spain are legal instruments that govern the exhibition and fair activities.

For example, in Italy in 1994 by decree of President of the Republic were approved procedures, simplifying administrative procedures related to the organization and holding of exhibition and fair activities.

In the US there are relevant laws and regulations, such as:

- Law "On the part of the United States in international exhibitions", which contains provisions for the participation of the US government in international exhibitions held in the United States and provide for the implementation of government support exhibitions and fairs;

- Law "On trade fairs," which is set import exhibits, equipment and materials for exhibitions and fairs held in the United States;

- Certified trade fairs, according to which the Ministry of Trade US annually finances the participation of private firms in nearly 80 fairs;

- Program for international buyers, according to which every year in approximately 20 trade fairs and exhibitions, which are held in the United States encouraged the participation of foreign importers.

At the same time, laws on annual appropriations are foreseeable allocation of funds for specific exhibitions for a number of federal agencies and other organizations of the United States.

In Spain, there is a law "On regulation exhibiting Autonomous Region of Madrid", providing the best quality products and the exposed parts in exhibiting interested economic sectors. The main tasks of the state policy in the field of exhibition and fair activity – is strengthening state support for the development of national economy, creating favorable conditions for the release of domestic producers on domestic and foreign markets, promotion of renewal of domestic production, investment for the development of the national economy.

In Germany, government regulation of exhibition and fair activities is rather limited, introduced "Self-disciplining rules" force of the German economy for trade fairs and exhibitions (AUMA), which was carefully designed to the typology of fairs and exhibitions in the country and Society for Voluntary Control (FKM) that distributes proven collected by the same rules of statistical material exhibition space, exhibitors, visitors and others. Limited legal framework of exhibiting has a deterrent effect on the organization of international exhibitions.

In Italy, the administration of exhibitions is divided between the regions and the central government. Areas authorize exhibitions, trying to avoid competition between them. The central government controls the quality of international exhibitions. Regional government solves the issue of participation of enterprises in foreign exhibitions regionally and Institute for Foreign Trade of Italy – solves the issue of participation of enterprises in national exhibitions. "Framework law of exhibition industry" number 7 of January 11, 2001 regulates the scope of exhibition and fair activities. In our opinion, management of exhibitions distinction has a negative impact on the activities in the process of contribution to the spread of "artificial" competition.

In France, exhibitions and fairs are governed by Ordinance number 45 - 2088 of 11 September 1945 "On the exhibitions and fairs", which sets out the procedure for organizing exhibitions in the country. At the same time in the following years there was made a list of government regulations that supplement them and sometimes cancel provisions of the that document (for example, the resolution number 69-948 on 10 October 1969 "On the exhibitions and fairs" essentially negate the aforementioned Article 1 ordinance)<sup>1</sup>.

In the US, there are the law "On the part of the United States in international exhibitions", which contains provisions for the participation of the US government in international exhibitions held in the country. Law "On trade fairs," enacted in 1959, makes the import regime exhibits, equipment and building

<sup>&</sup>lt;sup>1</sup> Ordinance number 45-2088 of 11 September 1945 (1969) "On the exhibitions and fairs" <a href="https://www.world-efficiency.com/REF/REF\_WorldEfficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_OFFRE-PRE-ORDER-FORM-complet-UK.pdf?v=1493912610>">https://www.world-efficiency/documents/WE2017\_VFRE-PRE-PRE-PRE-PRE-PRE-PRE-PRE

materials for exhibitions and fairs held in the United States. The laws on annual appropriation provide for the allocation of funds for the financing of individual exhibitions for a number of federal agencies and other organizations of the United States. There are local programs witch operate to support exhibition business in some US states. At the same time, today the matter of Ukraine exhibition and fair activities is defined by general legislation, such as civil, commercial, tax, Budget Code of Ukraine etc. in particular:

- the question of the customs regime of temporary import of goods for display or use at exhibitions, fairs, meetings and similar events is governed by the Customs Code of Ukraine (Articles 103, 105)<sup>1</sup> and the Convention on Temporary Admission (c. Istanbul, 1990), the which Ukraine joined 24.03.2004 under the Law of Ukraine "on Ukraine's accession to the Convention on temporary Admission"<sup>2</sup>;

- Tax Code of Ukraine shows the peculiarities of taxation during the movement of goods across the customs border of Ukraine in the customs regime of temporary admission (paragraph 206.7 Article 206), the obligation of an entity that holds fairs, exhibitions, sales and other short-term measures which related, demonstrating and selling goods on the acquisition short-term trade patent (Article 267) and responsibility for violation of obtaining and using short-term trade patent (Article 125)<sup>3</sup>;

- Law of Ukraine "On Advertising" given the definition of "special exhibitions" (Article 1), and also the specifics of advertising of tobacco products, alcoholic beverages and weapons in special exhibitions (Articles 22, 23)<sup>4</sup>;

- Law of Ukraine "On State Market Surveillance Products" defined powers of market surveillance to verify compliance with the presentation of products in place of the fair, exhibition, show or demonstration other means of production (Article 11), especially the inspection characteristics of the products at the place of fairs, exhibitions, shows and other product demonstrations (article 26) and the responsibility of entities for violations of this law (article 44)<sup>5</sup>;

- Law of Ukraine "On Foreign activity" to the types of companies that perform the subjects of these activities include, in particular, the organization and implementation of activities in the field of exhibitions, auctions, trades, conferences, symposia, seminars and similar events carried out on a commercial basis, with the participation of foreign economic activity (article 4) in Ukraine<sup>6</sup>.

In 2005, a project of the law number 7812 from 12.07.2005 "On the exhibitions in Ukraine" was developed, but according to the conclusion of the Main Scientific Expert Department the bill sent back for revision<sup>7</sup>.

Today the problems concerning the improvement of the existing legal framework and mechanism exhibiting state statistical observation, the introduction of new state standards and internationalization of business traditions are not fixed by law for exhibition activities. The only legal act, which regulates these areas is the concept of exhibition and fair activities which approved by the Cabinet of Ministers of Ukraine of 22.08.2007 number 1065 "On improvement of exhibition and fair activities in Ukraine"<sup>8</sup>.

According to the this Cabinet of Ministers of Ukraine Ministry of Economic Development together with the MFA annually summarizes information Ukraine's diplomatic missions abroad to hold exhibitions in countries who are the main partner of Ukraine.

<sup>&</sup>lt;sup>1</sup> Митний кодекс України 2012 (Верховна Рада України). Офіційний сайт Верховної Ради України. < http://zakon2.rada.gov.ua/laws/show/4495-17> (2017, січень, 1)

<sup>&</sup>lt;sup>2 3</sup>Про приєднання України до Конвенції про тимчасове ввезення 2004. (Верховна Рада України). Офіційний сайт Верховної Ради України. < http://zakon2.rada.gov.ua/laws/show/ru/995\_472> (2014, травень, 15)

<sup>&</sup>lt;sup>3</sup> Податковий кодекс України 2010 (Верховна Рада України). Офіційний сайт Верховної Ради України. http://zakon2.rada.gov.ua/laws/show/2755-17 (2017, квітень, 15).

<sup>&</sup>lt;sup>4</sup> Закон про рекламу 1996 (Верховна Рада України). Офіційний сайт Верховної Ради України.

<sup>&</sup>lt;http://zakon3.rada.gov.ua/laws/show/270/96-вр> (2017, квітень, 26)

<sup>&</sup>lt;sup>5</sup> Закон про державний ринковий нагляд і контроль нехарчової продукції 2011 (Верховна Рада України).

*Офіційний сайт Верховної Ради України.* <http://zakon3.rada.gov.ua/laws/show/2735-17> (2016, лютий, 10). <sup>6</sup> Закон про зовнішньоекономічну діяльність 1991 (Верховна Рада України). Офіційний сайт Верховної Ради України. <http://zakon2.rada.gov.ua/laws/show/959-12> (2017, січень, 3).

<sup>&</sup>lt;sup>7</sup> Проект Закону про виставкову діяльність в Україні 2005 (Верховна Рада України). Офіційний сайт

*Верховної Ради України.* <http://w1.c1.rada.gov.ua/pls/zweb2/webproc4 1?pf3511=25190> (2005, грудень, 1).

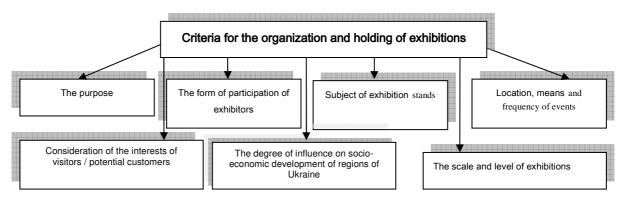
<sup>&</sup>lt;sup>8</sup> Постанова про вдосконалення виставково-ярмаркової діяльності в Україні 2011 (Верховна Рада України).

Офіційний сайт Верховної Ради України. <http://zakon3.rada.gov.ua/laws/show/1065-2007-п>

Also, the Ministry of Economic Development on the basis of proposals of central executive agencies annually develops a draft of Cabinet of Ministers of Ukraine "On ensuring the participation of local entities in international exhibitions and fairs," which approved the list of international exhibitions and fairs held abroad, with partial funding expenses from the state budget of Ukraine. The said order is the legal basis for providing indirect financial support to local entities participating in international exhibitions and fairs in the framework of the Ukraine national exhibitions, organized by the central agencies of executive power.

In particular, business entities, members of national expositions Ukraine are provided by gratis exhibition space, facilities, equipment, furniture, automobile and other technical means, customs clearance and transportation of exhibition goods, including information regarding the participants in the official exhibition catalog (according to the order of the Ministry of Economy 04.06.2009 number 546 (as amended on 15.11.2011 number 222) "On approval of Recommendations on exhibitions and fairs in Ukraine and the Ukraine national expositions at international exhibitions and fairs abroad partial financing costs from the state and local budgets allocated for exhibition and fair activities")<sup>1</sup>.

State support in Ukraine provides social and political significance, the level and scale of the exhibition and its events is the basis for complex tasks, a way of discussing corporate problems, contributing to the development of state policies aimed at supporting and stimulating presented in the exhibition industry. General criteria of exhibitions in Fig. 2.



**Fig. 2. General criteria for the organization and holding of exhibitions** (elaborated by authors)

The world system of state support of exhibition activity is one of the priorities of the state policy in appropriate areas: support for the exhibition business as a branch of the economy; support for national producers; support for individual exhibitions in the country and abroad<sup>2</sup>.

The results of the Ukrainian exhibitions abroad the participants are signed agreements of intent on cooperation in different sectors, as well as negotiations with potential contractors.

The organization of national exhibitions of Ukraine in international exhibitions and fairs abroad promotes domestic products to foreign markets, attract foreign investment, introduction of new technologies, a positive image of Ukraine among investors, informing the international community about the national economic potential and attractive investment environment, promotion of tourism and recreation building, strengthening humanitarian contacts and more.

However, in recent years we can see reduction in annual exhibitions and fairs that are held abroad. Thus, in 2013, was held 7 events 2 times less in comparison with the year 2012, 2012 - 14 out of 18 planned, in 2011 - 14 out of 28 planned.

<sup>1</sup> Наказ Про затвердження Рекомендацій з питань проведення виставок і ярмарків в Україні та організації національних експозицій України на міжнародних виставках і ярмарках за кордоном з частковим фінансуванням витрат за рахунок коштів державного та місцевих бюджетів, які спрямовуються на виставково-ярмаркову діяльність 2009 (Міністерство економічного розвитку та торгівлі України). Офіційний сайт Міністерства економічного розвитку та торгівлі України.

<sup>&</sup>lt;www.me.gov.ua/Documents/Download?id=5fc3ffa0-3238-4753-be93...>

<sup>&</sup>lt;sup>2</sup> Кирилко, Н.М. (2007). Проблеми формування регіональної політики збалансованого розвитку. Аналіз проблем щодо удосконалення нормативно-правових актів виставкової діяльності. *Економіка України:* проблеми економічного розвитку, 399-405.

The said reduction is associated with a decrease in funding exhibition and fair activities, in 2013 the actual cost of 0.5 million UAH lower target, in 2012 - 1 less than 3 million 256 thousand UAH, in 2011 - 1 less than 1 million 850 thousand UAH. The amount of actual expenditure in 2013 less than 832.6 thousand UAH compared to the year of 2012 and 1 million 137 thousand UAH less than in 2011.

Since 2014 state subsidies to local entities participating in international exhibitions and fairs is not carried out, due to lack of funding by the legislature.

Annually Economic Development develops "on approval of the list of exhibitions that take place in Ukraine, which provided is have the status of international and national" in order to provide information of public support exhibitions and fairs held in Ukraine, promote the popularization and development of exhibition and fair activities in Ukraine, namely greater involvement of Ukrainian and foreign companies to participate in international exhibitions and fairs in Ukraine, raising the image of national exhibitions and fairs abroad.

In the light of the above, we can conclude that today the current legal framework in the field of exhibition and fair activities in Ukraine can not effectively implement certain functions of economic development. Exhibition and fair activities in Ukraine has a number of outstanding issues, namely: no legislation that will establish universal rules in the field of exhibition and fair activities, including in accordance with general principles of EU law; no priorities and directions of realization of exhibition and fair activities in Ukraine and abroad on the basis of sectoral and geographical factors; not implemented international standards in the field of exhibition and fair activities; not designed forms, procedures and mechanisms of state support for the organization of exhibitions of products of priority sectors of the national economy at national and international events; not distributed powers of the executive in that area; no procedure for preparation, organization and financing of Ukraine's participation in exhibitions, which are regulated by the International Bureau of Exhibitions.

In view of the above, we can conclude that there is a need to introduce an effective mechanism of exhibition and fair activities in Ukraine in accordance with international norms, practices and standards through the development of appropriate legislation.

**Conclusions and further research.** Analysis of the current state of exhibition and fair activities in Ukraine shows that today there are a number of factors that hinder the development of this sphere. These factors include: first, inadequate regulatory legal framework, including the need to accelerate completion and timing of the adoption of the Law "On exhibitions in Ukraine", which will be one of the most major regulations.

Second, no formation of conceptual apparatus on exhibition activity slows organizing exhibitions and fairs and thirdly, there are problems of institutional support of exhibition and fair activities.

The aforementioned gaps in legislation make it impossible to create specific approaches for the effective implementation of exhibition and fair activities in Ukraine, providing state support to domestic producers and subjects exhibiting and hinder the development of exhibition and fair areas in Ukraine as a whole.

**Discussion.** In previous studies the authors analyzed the legal aspects of exhibition activity. The authors considered sources of information support of statistical study of exhibition activity in Ukraine. Regulatory support in the exhibition area is not complete and needs constant review and updating. The authors emphasize that the adoption of effective administrative decisions on legal issues is possible only under conditions of constant analysis and control of exhibition activity. Thus, the direction of further researches of that problem involves determining the structural changes in the formation of regulations on exhibition activities.

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