

OPPORTUNITIES OF UKRAINIANS' ADAPTATION IN GERMANY AND POSITIVE GERMAN EXPERIENCE IMPLEMENTATION IN THE DEVELOPMENT OF SOCIAL PROGRAMS IN UKRAINE

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Khrystoforova O. M., Tatar M. S., Sergienko O. A., Babenko M. V. Opportunities of Ukrainians' Adaptation in Germany and Positive German Experience Implementation in the Development of Social Programs in Ukraine

Since the beginning of the war in Ukraine Germany is among the countries that have accepted the largest number of refugees from Ukraine. Despite the financial support of Germany to Ukrainian citizens, the solvency of Ukrainians, the sufficiency of their savings accumulated in Ukraine for living in Germany, the opportunities and problems for adaptation in Germany associated with the language barrier, the need for retraining of specialists in many specialties, problems for buying own housing in Germany, etc. remain a topical issue. The main indicators of the development of Germany and Ukraine, the comparison of living standards of the population in these countries, and the level of social security are considered in the article. The results of the study showed that the Ukrainian system of providing social assistance is imperfect, as there is no single Social Code, in contrast, there is an undeveloped institution of social inspection, and a low level of social benefits. At the same time, the level of protection of citizens in Ukraine is much lower than in Germany. In Ukraine, the wage level is not competitive. Ukrainians spend almost half of their income on the basic food needs. Therefore, there is no doubt that the post-war reconstruction of Ukraine should include both the necessary financing and the necessary reforms in Ukraine. The authors analyze the characteristic features of the German social assistance system, among which are: financing of the vast majority of social benefits at the expense of insurance contributions; unity and orderliness of social legislation; high level of development of the institute of social inspection, which is a guarantee for the objective assignment of social assistance; high level of social protection of refugees, which is a prerequisite for public peace and social stability; individual approach to the assignment of unemployment social assistance, which contributes to a lower level of unemployment compared to other European countries. The carried out research makes possible to substantiate the directions of the introduction of the German experience into the Ukrainian system of providing social services.

Keywords: refugees, level of protection of citizens, social programs, provision of social services, Ukraine, Germany.

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Христопорова О. М., Татар М. С., Сергієнко О. А., Бабенко М. В. Можливості адаптації українців у Німеччині та впровадження позитивного німецького досвіду в розробці соціальних програм в Україні

З початку війни в Україні Німеччина входить до числа країн, які прийняли найбільшу кількість біженців з України. Незважаючи на фінансову підтримку українським громадянам, що надаються Німеччиною, платоспроможність українців, достатність їх заощаджень, накопичених в Україні, для проживання в Німеччині, можливості та проблеми адаптації в Німеччині, пов'язані з мовним бар'єром, потребою в пошуку роботи, перепідготовці спеціалістів за багатьма спеціальностями, проблеми придбання власного житла в Німеччині тощо залишаються актуальними. У статті розглянуто основні показники розвитку Німеччини та України, здійснено порівняння рівня життя населення та рівня соціального забезпечення цих країн. Результати дослідження показали, що українська система надання соціальної допомоги є недосконалою, оскільки відсутній єдиний Соціальний кодекс, нерозвинено інститут соціального інспектування, низький рівень соціальних виплат. При цьому рівень захисту громадян в Україні значно нижчий, ніж у Німеччині. В Україні рівень оплати праці не є конкурентоспроможним. Майже половину своїх доходів українці витрачають на базові продукти харчування. Тому немає сумніву, що післявоєнна відбудова України повинна включати як необхідне фінансування, так і необхідні реформи. Проаналізовано характерні риси німецької системи соціальної допомоги, серед яких: фінансування переважної більшості соціальних виплат за рахунок страхових внесків; єдність і впорядкованість соціального законодавства; високий рівень розвитку інституту соціального інспектування, що є гарантією об'єктивного призначення соціальної допомоги; високий рівень соціального захисту біженців, що є передумовою громадського спокою та стабільності; індивідуальний підхід до призначення соціальної допомоги по безробіттю, що сприяє нижчому рівню безро-

біття порівняно із іншими європейськими країнами. Проведене дослідження дає змогу обґрунтувати напрямки впровадження німецького досвіду в українську систему надання соціальних послуг.

Ключові слова: біженці, рівень захисту громадян, соціальні програми, надання соціальних послуг, Україна, Німеччина.

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On February 24, 2022, Russia launched a full-scale war against Ukraine. Germany is among the countries that have accepted the largest number of refugees from Ukraine since February 24, 2022, which reached over 1 million people. Despite the financial support of Germany to Ukrainian citizens, the solvency of Ukrainians in Germany, the sufficiency of their savings accumulated in Ukraine for living in Germany, the opportunities and problems for adaptation in Germany associated with the language barrier, the need for retraining of specialists in many specialties, opportunity to buy own housing in Germany, etc. remain a topical issue. All this makes it necessary, first of all, to compare the key indicators of the development of Ukraine and Germany and the implementation in Ukraine of the positive German experience in the development of social programs.

The problems of social security and social assistance were in the center of attention of many scientists. A. Kisova has proposed to explore the essence and content of social innovation as an economic system using a systematic approach to social innovations considering the contradictions growth in society, the need to involve various subjects: business, governmental authorities in solving these issues, the necessity to develop effective norms, rules, mechanisms of interaction between economic agents, etc. [1].

H. M. Yurchik has proposed directions for improving the current system of social assistance in Ukraine in the context of ensuring its socioeconomic efficiency, compliance with financial capabilities, curbing dependent attitudes and deshadowing of the population's income in Ukraine [2].

S. V. Mishina, O. Yu. Mishin noted that the provision of social assistance, on the one hand, makes possible to ensure an adequate standard of living for socially vul-

nerable segments of the population and their social support, and on the other hand, requires the government to spend significant costs on financing social programs and social benefits. There are different countries; some spend a minimal percentage of GDP on the social sphere, while others spend quite a lot. However, the question of the effectiveness of such government expenditures for the development of the social sphere is always relevant. Ukraine has a system of social protection with a fairly significant number of different types of social payments and benefits. However, it is characterized by a low level of social benefits, and their allocation is not always fair [3].

Therefore, the Ukrainian system of providing social assistance needs to be reformed. It is expedient to make fundamental changes in the system of providing social assistance based on successful foreign practices. The experience of Germany as a socially oriented country is exemplary in the field of social security.

The article *purpose* is the determination of opportunities and problems of Ukrainians' adaptation in Germany and the positive German experience implementation in the development of social programs in Ukraine.

Of course, Ukraine and Germany have a lot in common, the most important of which is openness to interaction, cooperation, and mutual assistance, as is demonstrated by means of the indicators of bilateral trade in goods and services (*Tbl. 1*).

In 2021, the dynamics of bilateral trade increased, testifying to a stable trend towards growth in the volume of Ukrainian-German trade in goods and services. Germany continues to be one of the world leaders in the trade of goods with our country, it ranks sixth among the countries of the world in terms of the volume of Ukrainian exports and second – in terms of the volume of im-

ports. Among European countries, Germany ranks second in the volume of trade in goods with Ukraine.

Table 1

The indicators of bilateral trade Ukraine with Germany in goods and services (million USD)

Indicator	Year		2021/2020
	2020	2021	
Commodity circulation	8411.2	10366,3	+1955.1
Export	2685.0	3592,3	+907.3
Import	5726.2	6774	+1047.8
Balance	-3040.2	-3181.7	-141.5

Source: developed by the authors on the base of [4].

In 2021, the volume of trade in goods and services between Ukraine and Germany increased by 23.2% and amounted to about 10.36 billion USD. The volume of Ukrainian exports increased up to about 3.59 billion USD, while the volume of imports from Germany reached about 6.77 billion USD.

In the structure of the export of Ukrainian goods to Germany there are seeds and fruits of oleaginous plants (20.3%); electric machines (15.3%); ores, slag and ash (10.0%), furniture (6.0%); wood and wood products (5.6%); nuclear reactors; boilers, machines (5.5%); ferrous metal products (5.1%); ferrous metals (4.4%); clothing and clothing accessories, textile (3.9%); grain crops (1.6%).

The structure of imports from Germany was dominated by the arrival of: nuclear reactors, boilers, machines (18.8%); land transport except railway (16.6%); pharmaceutical products (8.8%); plastics, polymer materials (6.7%); mineral fuel, oil and products of its distillation (6.3%); electric machines (6.0%); various chemical products (3.4%), optical and photographic devices and apparatus (3.3%); paper and cardboard (2.4%); various food products (1.7%) [4].

At the same time, despite the close and mutually beneficial interaction, there are significant differences between Ukraine and Germany. First of all, the standard of living of the population and the development level of these countries differ significantly.

Germany is an economically successful, a leading industrial and agricultural country, which occupies the first places in numerous rankings, including for innovations and research developments.

Germany is the largest economy in the European Union and the fourth in the world after the USA, China and Japan. It owes its competitiveness and global involvement in the network to its great innovative power and significant export orientation.

In 2020, the German economy experienced a severe recession owing to the COVID-19 pandemic. However, the economy began to recover from the crisis, with GDP

growing for the first time since the pandemic (a total of 2,7% growth in 2021) and totaling 3563.9 billion EUR.

According to the results of 2021, the volume of foreign trade of Germany amounted to 2578 billion EUR (2020 year was 2232 billion EUR). In the forefront of the German economy stand the service sector, mining, metallurgical and chemical production, machine-building, food, light industry, oil refining industry, shipbuilding, electronics production [4].

Main export items are automobiles, machinery, chemicals, computers and electronic products, electrical equipment, pharmaceuticals, metals, transport equipment, foodstuffs, textiles, rubber and plastics.

Major import items belong to mechanical engineering, information processing equipment, automobiles, chemicals, oil and gas, metals, electrical equipment, pharmaceuticals, foodstuffs, agricultural products.

Gross value added, gross domestic product in Germany are presented in the *Tbl. 2*.

Wages also indicate the standard of living of the population. Minimum wages have been defined as "the minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period, which cannot be reduced by collective agreement or an individual contract. The comparison of minimum wages in countries is presented in the *Tbl. 3*.

The minimum wage in Ukraine from October 1, 2022 is 6700 UAH per month, 40.46 UAH per hour.

At the same time, the selling rate of euros in Ukrainian banks as of October 27, 2022 is 39.6 UAH for 1 EUR, the NBU exchange rate is 36,6417 UAH for 1 EUR.

If we convert 40.46 UAH into EUR, we get 1.02 EUR per hour. Thus, the minimum wage in Ukraine is almost 12 times less than in Germany.

Data on the population and employment in Germany are given in the *Tbl. 4*.

Disposable income, savings of private households are presented in the *Tbl. 5*.

Volume of total expenditure of households in Germany is presented in the *Tbl. 6*.

Structure of total expenditure of households in Germany is presented in the *Tbl. 7*.

In order to increase the visibility of the perception of the material the structure of total expenditure of households in Germany in 2021 is presented in *Fig. 1*.

For comparison the structure of total expenditure of households in Ukraine is presented in the *Tbl. 8*.

In order to increase the visibility of the perception of the material the structure of total expenditure of households in Ukraine in 2021 is presented in *Fig. 2*.

Thus, in Ukraine, 48.1% of households income was spent on food and non-alcoholic beverages in 2020, 45.9% in 2021, while in Germany 15.4% and 15,3% in 2020 and 2021 respectively. Such indicators demonstrate the standard of living of the population. If almost 50% of the

Table 2

Gross value added, gross domestic product in Germany, at the current prices (in EUR)

Specification	Year				
	2017	2018	2019	2020	2021
Gross value added	2944.074	3032.736	3129.717	3087.963	3258.567
Taxes on products less subsidies	323.086	332.714	343.543	317.467	343.183
Taxes on products	329.847	339.6	350.942	325.939	365.008
Subsidies on products	6.761	6.886	7.399	8.472	21.825
Gross domestic product	3267.16	3365.45	3473.26	3405.43	3601.75
Memorandum item: Gross domestic product (change in %)	4.2	3	3.2	-2	5.8
Memorandum item: Gross domestic product per inhabitant	39 527	40 594	41 800	40 950	43 292

Source: developed by the authors on the base of [4].

Table 3

Minimum wages in countries

Country	Period	Minimum wages, EUR/Month
Bulgaria	Sep/22	363
Croatia	Sep/22	622
Czech Republic	Sep/22	655
France	Sep/22	1646
Greece	Sep/22	832
Germany	Oct/22	12 EUR/Hour
Hungary	Sep/22	504
Latvia	Sep/22	500
Poland	Sep/22	642
Romania	Sep/22	516
Slovakia	Sep/22	646
Slovenia	Sep/22	1074
Ukraine	Sep/22	167

Source: developed by the authors on the base of [6].

Ukrainians households income is spent on providing the basic food needs, then the question of affordability and the possibility of purchasing housing, providing for spiritual needs arises, etc. arises, even within the country, not to mention abroad.

It is advisable to analyze the possibility and affordability of purchasing own housing by Ukrainians in Germany.

The typical home price in Germany in 2022 is around 320 000 EUR. On average, people spend about 354 000 EUR on buying a house.

The cost of the house in Germany depends on:

- ✦ city (region);
- ✦ the neighborhood;
- ✦ size of the home and land;
- ✦ age of the construction.

The example of the average home price in three German regions is presented in the *Tbl. 9*.

Furthermore, purchasing a home in Germany will cost you more than just the initial house price. Here are other additional costs buyers should expect. They could add up to around 14% of the purchase price:

- ✦ real estate agent commission (if applicable);
- ✦ notary and registry costs;
- ✦ land transfer tax (if applicable);
- ✦ property tax;
- ✦ ongoing maintenance costs.

1. Agent's fee.

If you are buying a house through a real estate agent, don't forget to add the agent's fee, which is relatively high in Germany. For example, for a 280 000 EUR apartment following rates apply:

- ✦ Hamburg – 6.25%, or 17 500 EUR;
- ✦ Saxony-Anhalt – 7.14%, or 19 992 EUR;
- ✦ Bavaria – 7.14%, or 19 992 EUR.

2. Notary costs.

The notary will charge between 1.5% and 2% of the purchase price. Hence, you will pay between 4 200 EUR and 5 600 EUR for a 280 000 EUR apartment. On top of it, agents charge a 19% sales tax.

3. Real estate transfer tax.

Real estate transfer tax is between 3.5% and 6.5% of the purchase price. Buyer of 280 000 EUR apartment will be charged between 9 800 EUR and 18 200 EUR in taxes.

The final cost of buying an apartment in various German regions is presented in the *Tbl. 10*.

Changing in cost of housing in Germany from 2005 to 2020 is presented in *Fig. 3*.

54% of Germans live in rented homes. Hence only about 46% own a house or apartment. In fact, this number is higher than in most European countries; depending on the region and city, rental costs take up between a quarter to a third of the monthly income of Germans.

Table 4

Population, employment

Specification	Unit	Year				
		2017	2018	2019	2020	2021
Population	thousand	82657	82906	83093	83161	83196
– Economically inactive population	thousand	37017	36812	36680	36789	36794
= Economically active population	thousand	45640	46094	46413	46372	46402
– Unemployed persons	thousand	1509	1367	1280	1551	1536
= Persons in employment (national concept)	thousand	44131	44727	45133	44821	44866
– Self-employed persons	thousand	4273	4225	4160	4056	3958
= Employees (national concept)	thousand	39858	40502	40973	40765	40908
+ Cross-border commuter balance	thousand	120	139	144	94	114
= Employees (domestic concept)	thousand	39978	40641	41117	40859	41022
+ Self-employed persons	thousand	4273	4225	4160	4056	3958
= Persons in employment (domestic concept)	thousand	44251	44866	45277	44915	44980
Memorandum item: Labor force participation rate	percent	55,2	55,6	55,9	55,8	55,8
Unemployment rate	percent	3,3	3	2,8	3,3	3,3

Source: developed by the authors on the base of [4].

Table 5

Disposable income, savings of private households (billion EUR)

Specification	Year				
	2017	2018	2019	2020	2021
Compensation of employees (domestic)	1696.317	1774.011	1856.155	1853.918	1918.027
– Employers' social contributions	300.891	311.332	331.793	339.023	347.45
= Gross wages and salaries (residents)	1395.426	1462.679	1524.362	1514.895	1570.577
– Employee deductions	462.897	486.581	502.382	494.903	507.957
= net wages and salaries (residents)	932.529	976.098	1021.98	1019.992	1062.62
+ Monetary social benefits	564.949	582.69	611.548	664.786	676.488
– Taxes on social services, consumption-related taxes	123.197	127.538	134.804	140.149	143.66
= Mass income (private households)	1374.281	1431.25	1498.724	1544.629	1595.448
+ Business overview/self-employed, investment income private households	571.924	588.116	563.085	538.398	547,05
+ Other transfers received less transfers made	-101.747	-99.085	-101.268	-94.152	-111.297
= Disposable income of private households	1844.458	1920.281	1960.541	1988.875	2031.201
Memo: Avail. Income (Consumption Cpt.)	2263.468	2350.797	2411.442	2460.769	2540.893
Increase operational pension entitlements	60.783	56.358	63.097	61.195	58.682
Saving of private households	202.776	223.249	218.175	336.553	316.041
Reference value for the savings rate	1905.241	1976.639	2023.638	2050.07	2089.883
Saving rate of private households, %	10.6	11.3	10.8	16.4	15.1

Source: developed by the authors on the base of [4].

Table 6

Volume of total expenditure of households in Germany, at the current prices (EUR billion)

Indicator	Year				
	2017	2018	2019	2020	2021
Food, beverages, tobacco products	224.905	233.048	240.598	253.679	259.753
Clothing and shoes	75.941	73.962	74.602	64.653	66.838
Housing, water, electricity, gas and other fuels	391.06	401.039	412.136	420.471	432.102
Furniture, lamps, appliances and other household accessories	104.767	104.336	109.408	117.061	118.412
Transport and communications	257.052	271.855	280.557	253.739	266.805
Leisure, entertainment and culture	178.048	181.526	185.995	156.535	165.909
Accommodation and catering services	86.467	90.957	94.796	67.044	68.427
Other uses	302.394	311.31	319.829	311.286	320.987
Total consumer spending of private households in Germany	1620.63	1668.03	1717.92	1644.47	1699.23

Source: developed by the authors on the base of [4].

Table 7

Structure of total expenditure of households in Germany, %

Indicator	Year				
	2017	2018	2019	2020	2021
Food, beverages, tobacco products	13.9	14.0	14.0	15.4	15.3
Clothing and shoes	4.7	4.4	4.3	3.9	3.9
Housing, water, electricity, gas and other fuels	24.1	24.0	24.0	25.6	25.4
Furniture, lamps, appliances and other household accessories	6.5	6.3	6.4	7.1	7.0
Transport and communications	15.9	16.3	16.3	15.4	15.7
Leisure, entertainment and culture	11.0	10.9	10.8	9.5	9.8
Accommodation and catering services	5.3	5.5	5.5	4.1	4.0
Other uses	18.7	18.7	18.6	18.9	18.9
Total consumer spending of private households in Germany	100	100	100	100	100

Source: developed by the authors on the base of [4].

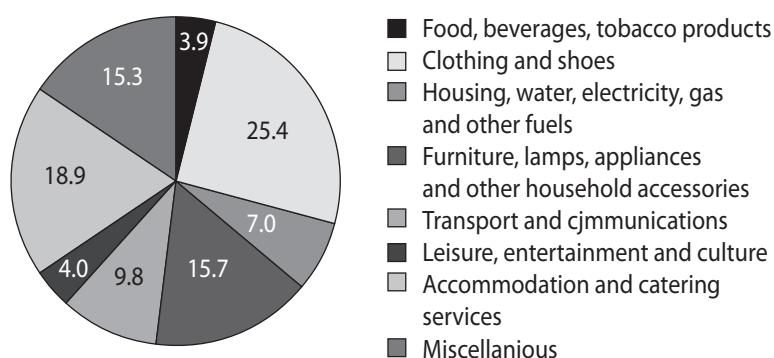


Fig. 1. Structure of total expenditure of households in Germany in 2021, %

Source: built by the authors on the base of [4].

Table 8

Structure of total expenditure of households in Ukraine

Indicator	Year				
	2017	2018	2019	2020	2021
Total consumption expenditure	92.9	92.0	91.3	91.4	91.3
Food and non-alcoholic beverages	47.9	47.7	46.6	48.1	45.9
Alcoholic beverages and tobacco	3.1	3.4	3.2	3.5	3.0
Manufactured goods and services	41.9	40.9	41.5	39.8	42.4
including:					
Clothing and footwear	5.5	5.4	5.5	4.8	4.8
Housing, water, electricity, gas and other fuels	17.0	15.2	14.6	14.4	15.2
Furnishing, household equipment and routine maintenance of the house	2.0	2.1	1.8	2.2	2.2
Health	3.8	4.0	4.1	4.3	4.7
Transport	3.7	3.7	4.8	4.0	4.5
Communication	2.4	2.6	2.8	3.4	3.4
Recreation and culture	1.6	1.8	1.6	1.5	1.7
Education	1.1	1.0	1.1	0.9	1.0
Restaurants and hotels	2.3	2.4	2.6	1.6	1.8
Miscellaneous goods and services	2.5	2.7	2.6	2.7	3.1
Non-consumption total expenditure	7.1	8.0	8.7	8.6	8.7

Source: developed by the authors on the base of [7].

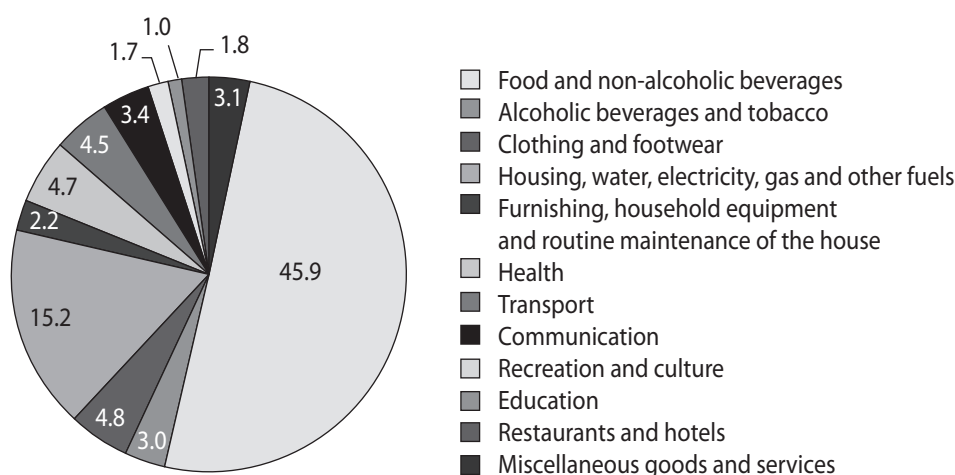


Fig. 2. Structure of total expenditure of households in Ukraine in 2021, %

Source: built by the authors on the base of [7].

Table 9

The example of the average home price in three German regions

Indicator	Region		
	Hamburg	Saxony-Anhalt	Bavaria
Average apartment size	79 m ²	72 m ²	86 m ²
Average price per m ²	4 129 EUR	1 455 EUR	3 954 EUR
Total cost	326 191 EUR	104 760 EUR	340 044 EUR

Source: developed by the authors on the base of [8].

The final cost of buying an apartment in various German regions, EUR

Indicator	Region		
	Hamburg	Saxony-Anhalt	Bavaria
Purchase price	326 191	104 760	340 044
Real estate agent fee	17 500	19 992	19 992
Notary fee	4 892	1 571	5 100
Real estate transfer tax	14 678	5 238	11 901
Total cost	363 262	131 561	377 038

Source: developed by the authors on the base of [8].

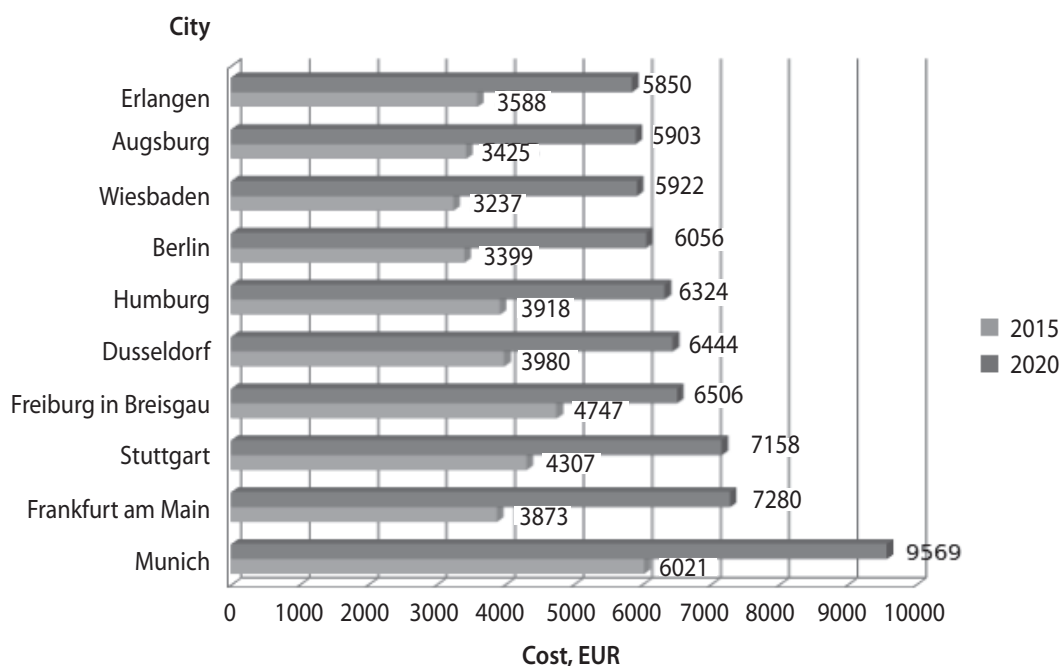


Fig. 3. Changing in Cost of housing in Germany. EUR

Source: built by the authors on the base of [8].

The most expensive apartments in Ukraine are in the City of Kyiv. The average price per square meter is 34 700 UAH (876.26 EUR). The minimum price per square meter in the City of Kyiv is 22 000 UAH (555.55 EUR). Dnipro is in second place in terms of housing costs (Tbl. 11). The most budget real estate among the large cities of Ukraine in the new buildings of Kharkiv.

In general, in Ukraine the price of real estate has increased in hryvnias since the beginning of the war. This can be explained by significant hryvnia inflation. If in January the average prices on the secondary market were at the level of 17 643 UAH/m², then in July this amount was increased up to 19 070 UAH/m². In new buildings, the average price per square meter now cost 25 464 UAH/m², which is 2 500 UAH/m² more than at the beginning of the year before the war.

Then it is proposed to compare the volumes of social guarantees in Ukraine and Germany. Total expendi-

ture on social protection according to the methodology of the European System of Integrated Social Protection Statistics (ESSPROS) is presented in the Tbl. 12.

Government spending on social protection and social security in Ukraine is shown in the Tbl. 13.

For the purpose of comparing, spending on social protection in other countries is presented in Fig. 4.

Therefore, as we can see, Germany spends 29.1% of GDP on social protection of the population, while Ukraine spends only 17.2%. At the same time, government spending on social protection and social security is only 8.3% of GDP in 2020 year.

Considering the low level of wages in Ukraine compared to European countries, low social security, and as a consequence the low solvency of Ukrainian refugees in Germany, the country provides social protection to refugees. It is proposed to consider the advantages of the social protection system in Germany and the possibilities and expediency of their implementation in Ukraine.

The home price in Ukraine cities, UAH

City	The average price per square meter	The minimum price per square meter	1 room apartments	2 rooms apartments	3 rooms apartments
Kyiv	34 700	22 000	1 540 000	2 280 000	3 330 000
Dnipro	26 500	17 200	1 280 000	1 750 000	2 530 000
Odesa	22 200	15 200	1 080 000	1 570 000	2 220 000
Lviv	20 900	14 000	1 190 000	1 910 000	2 200 000

Source: developed by the authors on the base of [8].

Table 12

Total expenditure on social protection (according to the methodology of the European System of integrated Social Protection Statistics (ESSPROS))

Indicator	Year			
	2010	2015	2018	2019
Total, million UAH	283500.5	408242.9	622705.0	690231.3
In % in relation to GDP	24.9	20.3	17.4	17.2

Source: developed by the authors on the base of [7].

Table 13

Government spending on social protection and social security

Year	Expenditures of the consolidated budget of Ukraine, million UAH	In % in relation to total expenditures	In % in relation to GDP
2010	104534.9	27.7	9.3
2011	105434.8	25.3	7.8
2012	125306.9	25.4	8.6
2013	145062.6	28.7	9.5
2014	138004.7	26.4	8.7
2015	176339.8	25.9	8.9
2016	258326.1	30.9	10.8
2017	285761.7	27.0	9.6
2018	309363.6	24.7	8.7
2019	321786.7	23.4	8.1
2020	346720.5	21.7	8.3

Source: developed by the authors on the base of [7].

The characteristic features of the German social assistance system make possible to substantiate the directions of introduction of the German experience into the Ukrainian system of providing social services.

The directions for applying the German experience of providing social assistance in Ukrainian practice are shown in the *Tbl. 14*.

CONCLUSIONS

The main indicators of the development of Germany and Ukraine, the standard of living of the population in these countries, and the level of social security were considered. The characteristic features of the German social assistance system were analyzed which make possible to substantiate the directions of the introduction of the German experience into the Ukrainian system of providing social services.

The Ukrainian system of providing social assistance is imperfect, as there is no single Social Code, in contrast, there is an undeveloped institution of social inspection, and a low level of social benefits. At the same time, the level of protection of citizens in Ukraine is much lower than in Germany. Therefore, there is no doubt that the post-war reconstruction of Ukraine should include both the necessary financing and the necessary reforms in Ukraine. Ukraine should introduce a market economy system, equivalent to the social market economy, to ensure reconstruction and avoid social injustice. The market should be protected by a strong anti-trust authority to prevent takeovers by non-EU investors in important sectors of the economy.

Now there is a need to improve the current system of providing social assistance in Ukraine. In this regard, it will be expedient to implement the German experience in the Ukrainian practice of providing social assistance, which will contribute to increasing the orderliness of the procedure for its provision; ensuring targeting, justice and an individual approach to the provision of social assistance, as well as supporting employment, retraining and professional development of socially vulnerable categories of the population. ■

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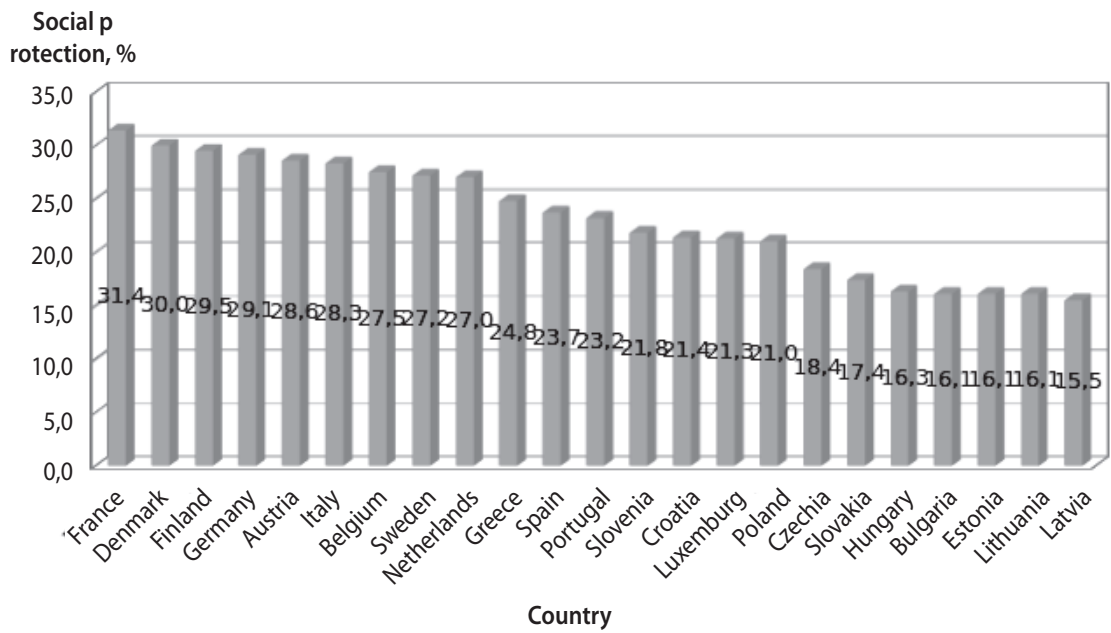


Fig. 4. Spending on social protection, % relative to GDP

Source: built by the authors on the base of [10].

Table 14

Directions for implementing the German experience in the Ukrainian practice of providing social services

No.	Features of the German system of providing social benefits	Justification of the characteristic features of the German social assistance system	Directions of implementing the German experience of providing social benefits into Ukrainian practice
1	2	3	4
1	Financing of the vast majority of social benefits at the expense of insurance contributions	Availability of a developed system of medical, pension insurance and insurance against unemployment and accidents	Introduction of mandatory health insurance, introduction and development of accumulative state pension insurance
2	Unity and orderliness of social legislation	The existence of a single Social Code, which contains 12 chapters and covers the procedure for providing the main types of social assistance	The development of a unified Social Code of Ukraine, which would regulate and coordinate the appointment and payment of all types of social assistance and at the same time would not contradict other normative legal acts
3	High level of development of the institute of social inspection, which is a guarantee for the objective assignment of social assistance	Only a small part of the population receives housing assistance and other types of social assistance. The appointment of social assistance is often preceded by a check of the living conditions of the recipients of assistance, which increases the validity of social expenditures from the budget	Expanding the scope of social inspection and ensuring its effectiveness in matters of confirming the right to receive social benefits by Ukrainians
4	High level of social protection of refugees, which is a prerequisite for public peace and social stability	Significant costs for social benefits to refugees, the presence of social programs for refugees, the possibility of refugees receiving educational assistance, i. e. full state support for refugees, which contributes to social stability in society	Revision of the current practice of providing social assistance to internally displaced persons in Ukraine and bringing its level in line with the actual needs of the social assistance recipients
5	Individual approach to the assignment of unemployment social assistance, which contributes to a lower level of unemployment compared to other European countries	Availability of several types of unemployment benefits for different categories of unemployed and with different sources of funding. The possibility of receiving additional unemployment benefits. An individual approach to the payment of unemployment benefits contributes to reducing its level	Differentiation of types of unemployment benefits by implementing temporary support programs for the unemployed and improving the effectiveness of social inspection of the incomes of recipients of unemployment benefits

1	2	3	4
6	Availability of social programs that are temporary and aimed not only at financial support, but also at employment and personal development of program participants	Social programs in Germany are not limited to financial support for program participants, but are also aimed at the provision of employment and self-development. A positive consequence of such social policy of the state is the reduction of the unemployment rate	Implementation of social programs aimed not only at partial financial support of their participants, but also at their employment and professional development

Source: developed by the authors on the base of [3].

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