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MONITORING SUCCESSFUL CASES OF RELOCATED ENTERPRISES AND THE CONTRIBUTION TO REGIONAL DEVELOPMENT

ABSTRACT

The aim of this study was to analyse the socio-economic contribution of successfully relocated enterprises to the development of host regions in Ukraine and EU countries. The methodology was based on an applied study of cases of Ukrainian and European enterprises that changed the location of the operations. Relocation under wartime challenges ensured business survival and had a multiplier effect for communities. The company “Kulinichi” moved production from Kharkiv to Lviv region, invested EUR 20 million in a bakery complex, created more than 3,000 jobs (500 – for internally displaced persons); revenue increased from UAH 113.8 million in 2022 to UAH 214.3 million in 2024. The company “Akvaizol” moved from Kharkiv to Kalush, built a plant on an abandoned site, created 100 jobs; revenue in 2023 amounted to UAH 901 million, assets in 2024 – UAH 1.283 billion. The company “Chumak”, after losing its plant in Kakhovka, placed production in several regions and initiated the construction of a plant in Odesa region (potential for 5,000 jobs); revenue increased from UAH 573.3 million in 2022 to UAH 1.36 billion in 2024. The joint-stock company “Ukrainian Energy Machines” created branches in Lviv, Zakarpattia and Chernivtsi re-

gions to reduce risks. In the EU, relocation was carried out for economic, logistical and regulatory reasons: the companies JPMorgan, Goldman Sachs, Citigroup, Bank of America and Morgan Stanley relocated part of the staff and assets to Frankfurt, Paris, Dublin, and Madrid to maintain access to the EU internal market. The company Bosch implemented a strategy of moving production closer to the consumer, expanding it in Hungary. The practical significance of the study lies in the use of the results to improve the policy of supporting relocated business and to develop indicators of its socio-economic impact.

KEYWORDS: Business Relocation – Regional Development – Economic Impact – Social Effect – Internally Displaced Business

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1. Introduction

The need for an in-depth study of business relocation in Ukraine arose as a result of large-scale structural changes caused by the full-scale war. The mass relocation of manufacturing, trade and service enterprises to safer regions became not only a forced step to preserve economic activity, but also a new factor in the transformation of territorial development. At the same time, despite the introduction of state support programmes for displaced companies, there is still a lack of systematised knowledge of which business transfer models proved effective, under what conditions relocation produced a positive effect not only for the enterprise, but also for the host community. In the article by Kliuchnyk et al.¹, the transformation of the system of public administration in territorial communities of Ukraine under martial law and post-war recovery is examined. The authors emphasised that effective management at the local level became critically important for the mobilisation of resources, the prompt adoption of decisions and the implementation of business support programmes, in particular for enterprises that were forced to relocate.

1 A. KLIUCHNYK, L. PROHONIUK, N. GALUNETS, A. HUSENKO, T. OLIINYK, *Public management and administration in territorial communities of Ukraine during the war and in the post-war period*, in *Economic Affairs*, 2023, Vol. 68, pp. 923-929.

In the context of transformations related to business relocation, Bereza et al.² studied the role of economic factors in ensuring the sustainable functioning of enterprises, emphasising the importance of environmental and social aspects for improving financial results, reducing risks and increasing investment attractiveness. The authors noted that such approaches contributed to more efficient use of resources and increased the adaptability of companies to external challenges. In the conditions of spatial reformatting of the business environment caused by wartime threats, the role of adaptive models of economic activity in new territories increases.^{3,4} In the conditions of spatial reformatting of the business environment caused by wartime threats, the importance of adaptive models of economic activity in new territories increases. Lavreniuk et al.⁵ drew attention to changes in the functioning of the economy of host regions, examining the features of labour migration, demographic shifts and the factors of the formation of new employment centres. The study emphasised that the redistribution of human capital could contribute to the revitalisation of economic life in relatively safe regions, provided there was infrastructural capacity and investment support.

In a situation of forced business relocation, logistical, organisational and financial factors that determine the effectiveness of companies' adaptation to new conditions become important.⁶ Barabash et al.⁷ analysed the state of

2 Y. BEREZA, B. HNATKIVSKYI, Y. VITKOVSKYI, *The impact of corporate governance on the sustainable development of agricultural enterprises*, in *Actual Problems of Innovative Economy and Law*, 2024, Vol. 6, pp. 66-71.

3 O. MOSKALENKO, A. YELEUSSINOVA, N. PANJIEVA, A. TKACHENKO, O. YAKOVLEV, *Role of Tax and Legal Incentives in Attracting Foreign Capital in the Context of International Investment Policy*, in *International Journal of Accounting and Economics Studies*, 2025, Vol. 12, No. 2, pp. 381-391.

4 A. YARIN, J. PRADO, A. POZO, F. D. CARPIOL, S. PATRICIO, B. SURICHAQUI, *Quality Management and Customer Satisfaction in SMEs in the Textile Industry*, in *Journal of Textile and Apparel, Technology and Management*, 2023, Vol. 12, No. 4, pp. 1-9.

5 YE. POLISHCHUK, A. KORNYLIUK, V. LAVRENIUK, V. HORBOV, *Running a business during wartime: Voice of Ukrainian displaced business*, in *Problems and Perspectives in Management*, 2024, Vol. 22, No. 3, pp. 287-302.

6 O. KRYVORUCHKO, I. DMYTRIIEV, G. POYASNIK, I. SHEVCHENKO, I. LEVCHENKO, *Transport and Logistics Services as a Component of the Transport Complex and Their Quality Management*, in *Problems and Prospects of Development of the Road Transport Complex: Financing, Management, Innovation, Quality, Safety - Integrated Approach*, 2021, Vol. 1, pp. 42-62.

7 O. BARABASH, M. SAMCHENKO, K. DOBKINA, O. ROZGHON, V. OZEL, *The impact of the relocation of enterprises in Ukraine and abroad on the realization of socio-economic, cultural and labour*

implementation of the government relocation programme and identified the key difficulties faced by enterprises during the move: a lack of suitable production premises, problems with the transportation of equipment, and a shortage of qualified personnel in host regions. The authors also noted that relocation contributed to the restoration of economic activity, the preservation of jobs and the formation of new production clusters. In the process of restoring economic activity in new territories, the effectiveness of inter-regional cooperation, institutional coordination and business support is a critical factor.^{8,9,10} Horiashchenko et al.¹¹ analysed the specifics of state regional policy under wartime conditions, focusing on the instruments for supporting territorial development, including the implementation of relocation programmes, the attraction of investments and the creation of conditions for business functioning. The study underlined the importance of an integrated approach oriented towards decentralisation, adaptive planning and human capital development.

In the context of ensuring economic resilience under wartime challenges, financial mechanisms for business support and institutional guarantees of its continuous activity become important. Yakymova¹² (2024) analysed the main directions of state policy on economic recovery, focusing on the importance of public finance, budgetary support and fiscal decentralisation. The author stressed that the effective use of budgetary resources reduced risks for business and crea-

rights, in *Social and Legal Studies*, 2023, Vol. 6, No. 4, pp. 28-37.

8 M. GULIYEV, H. MURADOVA, L. HAJIYEVA, L. HUSEYNOVA, *Comparative Analysis of Marketing Strategies of Global Corporations in Industrial and Innovation Clusters in Europe and China*, in *Strategic Change*, 2025, Vol. 34, No. 5, pp. 689-701.

9 I. FEDOTOVA, O. SHERSHENIUK, M. PROKOPENKO, I. BRITCHENKO, R. VAZOV, *Management of a Viable Enterprise on the Basis of the Approach to Management of a «Living» Organization and the Concept of Viable Systems*, in *Problems and Prospects of Development of the Road Transport Complex: Financing, Management, Innovation, Quality, Safety - Integrated Approach*, PC Technology Center, 2021, pp. 63-80.

10 YU. LUPENKO, M. MALIK, O. SHPYKULIYAK, *Theoretical and Methodological Basis of Agricultural Cooperation Development in Ukraine*, in *Ekonomika APK*, 2021, Vol. 28, No. 8, pp. 31-39.

11 YU. HORIASHCHENKO, O. KNYSH, YE. BENDIUH, *Organizational and legal assessment of the impact of relocation on the investment and economic policy of enterprises*, in *Technology Audit and Production Reserves*, 2024, Vol. 1, No. 75, pp. 15-19.

12 L. YAKYMOVA, *Features of business relocation in wartime: Evidence from Ukrainian entrepreneurs*, in *Acta Academiae Beregsasiensis. Economics*, 2024, Vol. 5, No. 5, pp. 214-229.

ted conditions for the revitalisation of entrepreneurial activity. The paper also considered the impact of macro-financial assistance from international partners on the stabilisation of the economic situation. In the process of changing the spatial configuration of business due to wartime threats, mechanisms of regional support, the institutional environment and the economic adaptation of relocated enterprises require attention. Kudyenko and Obozny¹³ analysed the organisational aspects of business relocation, indicating the importance of coordination between state authorities, local self-government and entrepreneurs. The authors determined that the implementation of state relocation programmes required a flexible approach, business awareness of the conditions of host regions, as well as infrastructure development.

Under current conditions, business relocation requires the creation of a favourable institutional environment that ensures not only physical movement, but also full-fledged functioning in the new location.¹⁴ Smachylo¹⁵ studied the challenges accompanying the relocation process, in particular the insufficient level of interaction between authorities and enterprises, the lack of financial and logistical resources, as well as limited awareness of relocation opportunities. The author stressed the need for a systematic approach to the implementation of business support policy, including anti-crisis incentives and advisory support. The issue of forming a new economic configuration in safer regions of Ukraine draws attention to the adaptation strategies of business under wartime threat.¹⁶ Polishchuk et al.¹⁷ studied the transformation of the business environment in host communities, focusing on the institutional support for relocation, the creation of a favourable climate for doing business and the role of local authorities. The

13 L. P. Kudyenko, V. V. Obozny, *Relocation of Ukrainian business in the conditions of war with Russia*, in *Actual Problems of Regional Economy Development*, 2024, Vol. 2, No. 20, pp. 120-130.

14 T. SHTAL, O. PTASHCHENKO, S. RODIONOV, O. KURTSEV, *Implementation of Modern Marketing Tools in Entrepreneurial Activity*, in *Economics of Development*, 2023, Vol. 22, No. 4, pp. 53-63.

15 V. SMACHYLO, *Impact of the war on entrepreneurship in Ukraine*, in *Studia i Analizy Nauk o Polityce*, 2024, Vol. 1, pp. 9-27.

16 S. STEFANOV, D. GEORGIEVA, J. VASILEV, *Issues in the Disclosure of Financial Information by Multinational Enterprises*, in *TEM Journal*, 2022, Vol. 11, No. 1, pp. 5-12.

17 YE. POLISHCHUK, A. KORNYLIUK, V. LAVRENIUK, V. HORBOV, *Running a business during wartime: Voice of Ukrainian displaced business*, in *Problems and Perspectives in Management*, 2024, Vol. 22, No. 3, pp. 287-302.

paper identified the factors that contributed to the successful functioning of relocated enterprises: active participation of communities, the availability of a resource base, effective communication between business and authorities.

At the same time, existing studies do not provide an integrated quantitative assessment of the impact of relocated enterprises on the socio-economic development of host territories: the contribution to employment, tax revenues, the transformation of the regional economy and the creation of clusters has not been traced. This determines the need for further study of the phenomenon on the basis of applied cases and empirical indicators. The aim of this study was to assess the impact of successfully relocated enterprises on the socio-economic development of host regions of Ukraine and the EU. To achieve this aim, the following tasks were set: to analyse applied cases of displaced enterprises from the point of view of the functioning in a new environment; to identify the key effects of business relocation on the economic revitalisation of host regions, in particular through the creation of new jobs, the mobilisation of investment resources, the restoration of infrastructure and the formation of production clusters.

2. Materials and methods

The study was empirical in nature and covered the period 2020-2024, during which the relocation of enterprises became an important tool for adaptation to crisis challenges, in particular military actions in Ukraine and regulatory transformations in the EU. On the basis of content analysis, an empirical study of cases of Ukrainian enterprises that relocated as a result of military actions was carried out. The following companies were included in the analysis: “Kulinichi” (Lviv region), “Akvaizol” (Ivano-Frankivsk region), “Ukrenerhomashyny” (transformed from “Turboatom” and “Elektrovazhmash”, Kharkiv region). The company “Chumak” (Odesa region) was also considered. Kharkiv region was chosen as an example of a region with the largest number of relocated enterprises. In particular, the study analysed the scale of investments, the social adaptation of internally displaced persons and the strategic decisions of companies regarding the relocation of production. Kherson region was chosen for analysis due to its agro-industrial specificity and the key role of the company “Chumak” in the restora-

tion of the food sector. On the basis of the study by Pepelia¹⁸, the specifics of the relocation of this enterprise, its impact on food security and the potential for creating new production facilities in Odesa region were examined.

Poltorak et al.¹⁹ focused on the importance of monitoring food security indicators under global crises. This provision could be adapted to the assessment of the impact of relocated enterprises on food supply in the regions where the enterprises restored or created production facilities from scratch. Honcharenko and Honcharenko²⁰ focused on the impact of mergers and acquisitions of agricultural companies on the development of rural areas, which was relevant in the context of the relocation of agricultural business in Ukraine. The selection of enterprises was based on the availability of accessible information on the scale of relocation, formal signs of the resumption of activity, participation in local economic development and public reporting. The financial results were also analysed, in particular revenue, net profit, assets, and liabilities of the companies Kulinichi, Akvaizol and Chumak for 2022-2024.

A case study approach was also applied to examine the experience of relocating leading transnational companies within the EU. Within the European component of the study, cases of relocation of leading financial institutions after Brexit, in particular JPMorgan, Goldman Sachs and Citigroup, were analysed. The study covered the directions of relocation of staff and assets of these companies to Frankfurt, Paris, Dublin, and Milan. The strategies of Bank of America and Morgan Stanley, which adapted to the new regulatory conditions by creating multifunctional offices within the EU, were also analysed. The choice of these companies was determined by the scale of relocation (an increase in staff by hundreds or thousands of employees), the strategic nature of the relocation and the possibility of comparative analysis in accordance with the approaches presented in the study by Countouris et al.²¹, which focused on the impact of regulatory changes on corporate decisions regarding business relocation within the EU. Par-

18 V. PEPELIA, "Former "Turboatom" is moving from Kharkiv to western Ukraine," 2024. <https://landlord.ua/news/kolyshnij-turboatom-pereyizhdzhaye-z-harkova-na-zahid-ukrayiny/>.

19 A. S. POLTORAK, A. I. BURKOVSKA, O. A. KHRISTENKO, A. L. SUKHORUKOVA, I. V. DOVGAL, *Monitoring of relationships between indicators of food security of the states*, in *IOP Conference Series: Earth and Environmental Science*, 2023, Vol. 1269, article no. 012001.

20 O. HONCHARENKO, I. HONCHARENKO, *Influence of the M&A of agricultural companies on the development of the rural areas*, in *Economic Affairs*, 2023, Vol. 68, pp. 765-771.

ticular attention was paid to the case of the company Bosch. Using Bosch reports²², the relocation of production within the EU was analysed, which was carried out with the aim of optimising logistical processes and adapting to changes in the regulatory environment. The financial results for 2022-2024 were also analysed to assess the economic efficiency of relocation and to determine its impact on the dynamics of revenue, profitability, and investment activity of the company. A comparative analysis of current trends in enterprise relocation in Ukraine and the EU was carried out using official data²³, which made it possible to compare motivational factors, institutional support mechanisms and the socio-economic results of business relocation in different contexts.

3. Results and discussion

3.1. Empirical analysis of the relocation of Ukrainian enterprises during the wartime period

The social responsibility of relocated enterprises in new regions was a key factor in strengthening the trust of communities and ensuring synergy between business and the local economy²⁴. The assessment of enterprise relocation in the context of the full-scale war in Ukraine required a thorough analysis of empirical examples that demonstrated not only business survival, but also its adaptation, scaling, and integration into a new environment. It was precisely such cases as the relocation of the companies “Kulinichi”, “Aquaizol” and the transformation of the activities of “Ukrainian Energy Machines”, formerly “Turboatom” and “Ukrainian Energy Machines”, that were illustrative for studying the trends of

21 N. COUNTOURIS, A. SUPIOT, L. HE, S. BORELLI, R. DALMASSO, W. DAUBLER, A. ALLAMPRESE, G. ORLANDINI, A.-S. CUCU, A. BAYLOS GRAU, L. MATHEI, B. HANCKÉ, “Relocation: An old problem in search of new answers,” 2024. <https://www.etui.org/publications/relocation-old-problem-search-new-answers>.

22 Bosch, “Annual financial results 2022,” 2022. <https://www.bosch-middleeast.com/news-and-stories/annual-financial-results-2022/>; Bosch, “Bosch annual report 2024,” 2024. <https://www.bosch.com/company/annual-report/>.

23 European Commission, “REPowerEU: A plan to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition,” 2022. https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_22_3131/IP_22_3131_EN.pdf.

24 I. ZAMKOVA, M. DUBININA, O. LUHOVA, S. SYRTSEVA, Y. CHEBAN, T. KUCHMIIOVA, *Corporate social responsibility of agricultural companies of Ukraine under martial law*, in *Research for Rural Development*, 2024, Vol. 39, pp. 220-226.

the spatial restructuring of the national economy, since these activities made it possible to illustrate the dynamics of changes caused by security threats. A similar example of adaptation was also the company “Chumak”, which moved production from the occupied Kakhovka to safer regions and planned the construction of a new plant in Odesa region. The availability of effective monitoring mechanisms made it possible to track the real contribution of relocated enterprises to the processes of socio-economic recovery and adaptation of territorial communities²⁵.

Wartime challenges made flexible and adaptive business models relevant, among which relocated enterprises played the role of drivers of circular transformations and of the recovery of the economy at the regional level²⁶. One of the most representative examples of the relocation of a large industrial enterprise from Kharkiv was the change in the geography of the activities of the company “Kulinichi” with the transfer of its operations to Lviv region. The enterprise, which had operated since 1995 and had developed production infrastructure in Kharkiv, Kyiv and Poltava regions, in 2022 began the construction of a new bakery complex within the Obroshyno territorial community. This facility became the first similar production since the 1970s to be opened in Lviv region, as well as the largest project in the bakery sector implemented in western Ukraine under the conditions of full-scale war. The reason for relocation was the large-scale damage to the main production site in Kharkiv caused by artillery shelling. Within the framework of the government programme for the relocation of business introduced in March 2022, the company moved part of its capacities from the territory of active hostilities²⁷.

Investments in the construction of the new plant amounted to EUR 20 million. The project envisaged the creation of eight production lines with a total

25 V. SHEBANIN, O. SHEBANINA, I. KORMYSHKINA, G. RESHETILOV, I. KORMYSHKIN, *Development of monitoring and evaluation mechanisms for the efficiency of the management system for the comprehensive recovery of territorial communities*, in *Scientific Bulletin of Mukachevo State University. Series “Economics”*, 2024, Vol. 11, No. 4, pp. 147-159.

26 O. DOVGAL, N. POTRYVAIEVA, O. BILICHENKO, V. KUZOMA, *Circular economy development in the context of war: Global challenges*, in *Revista Interdisciplinar de Ciencia Aplicada*, 2024, Vol. 8, No. 13.

27 Assembly, “Kulinichi” are going to Lviv. What does this indicate and what can be expected in the future,” 2022. <https://assembly.org.ua/kulinichi-zalishayut-kharkiv-yak-czevpline-na-umovi-praczi-ta-pro-shho-svidchit-v-perspektivi/>.

capacity of up to 150 tonnes of bakery products per day. A special feature of production was the use of freezing of products with the use of high-tech compressor equipment, which ensured the long-term preservation of quality and logistics over long distances. Additional technological equipment was supplied from Slovenia, Germany, and Austria. To meet safety requirements, a bomb shelter for personnel was provided at the enterprise. The expected economic effect for the region was significant: it was planned to create about 3,000 jobs, of which 500 – for IDPs from Kharkiv and 2,500 – for local residents. In parallel with the launch of the main production, it was planned to open about 200 branded shops with round-the-clock service in various cities of Lviv region, which would contribute to the growth of retail trade and to strengthening the economic activity of the region. All contracting construction work was carried out by Lviv companies, which additionally stimulated the development of local business²⁸.

The financial results and economic analysis of the impact of the relocation of the company “Kulinichi” for 2022-2024 indicated noticeable development dynamics directly related to the restoration and expansion of activities after the transfer of production capacities. After relocation to Lviv region, the enterprise was able to adapt quickly to the new conditions, which was reflected in the growth of revenue from UAH 113.8 million in 2022 to UAH 135.1 million in 2023 and the subsequent jump to UAH 214.3 million in 2024. Such positive dynamics indicated the effective use of new production capacities and active work to increase market presence. The company’s net profit increased from UAH 3 million in 2022 to UAH 4.7 million in 2023, which testified to a successful period of recovery after relocation. At the same time, in 2024, despite the record level of revenue, profit decreased to UAH 2.8 million. This could be explained by the growth of operating costs, expenses for modernisation and expansion of production, as well as by the impact of market fluctuations. The balance sheet analysis showed that the enterprise’s assets increased from UAH 268.1 million in 2022 to UAH 448.5 million in 2023, which was the result of investments in new production premises and equipment. However, in 2024 the amount fell to UAH 341

28 Inventure, “Kulinichi invests 20 million euros in the construction of a bakery in the Lviv region,” 2022. <https://inventure.com.ua/news/ukraine/kulinichi-investiruet-20-mln-evro-v-stroitelstvo-hlebopekarnogo-zavoda-na-lvovshine>.

million, which could indicate partial depreciation of investments or a change in the structure of assets. Liabilities increased from UAH 241.3 million in 2022 to UAH 416.9 million in 2023, and in 2024 decreased to UAH 306.6 million, which could indicate the gradual repayment of debts and the reduction of the financial burden. From an economic point of view, relocation made it possible for the company to preserve its production potential, enter a new stage of development and expand its presence in the domestic market. Although in the short term, costs increased and a decline in profitability was observed in 2024, the strategy of investing in new infrastructure created a basis for future growth.

The Kulinichi group of companies possessed extensive experience in large-scale bakery production. The total daily capacity of its enterprises was about 650 tonnes, the product range included more than 400 items, and the vehicle fleet numbered more than 1,000 units of specialised transport. In 2015-2025 the company implemented the construction of two flour-milling complexes equipped with certified quality-control laboratories, set up export operations to the USA, Canada, Israel and China, and successfully passed certification in accordance with the international standards Food Safety System Certification 22000 and International Featured Standards²⁹.

In the context of the general process of business relocation in Ukraine, the example of “Kulinichi” was representative: about 700 enterprises used the government programme, of which 210 relocated from Kharkiv, and Lviv region became the most popular destination, having accepted 24.6% of all relocated companies. In Lviv alone, more than 140 relocated legal entities and 67 sole proprietors were officially registered³⁰. Unlike enterprises that returned to Kharkiv at the end of 2023, “Kulinichi” focused on developing a new production complex with the potential for scaling and export.

The relocation of the enterprise “Akvaizol” from the city of Kharkiv to Kalush in Ivano-Frankivsk region was an example of the successful transfer of production capacities in the context of martial law. The company carried out the

29 “Kulinichi invests 20 million euros in the construction of a bakery in the Lviv region,” 2022.

30 A. KRAVCHENKO, “More than 200 enterprises from Kharkiv moved to Western Ukraine,” 2023. <https://www.sq.com.ua/ukr/novini/04.05.2023/ponad-200-pidprijemstv-iz-xarkova-pereyixali-na-zaxidnu-ukrayinu>.

evacuation in the first weeks after the start of the full-scale invasion of the Russian Federation into Ukraine (2022), transporting about 70 railway wagons of production equipment. At the initial stage, all property was temporarily placed in warehouse premises, after which the construction of a new production complex began. The plant was built on an area of 10,000 m², which had previously been in a neglected state and had not been used for its intended purpose, which testified to the effective use of available spatial resources and to the creation of additional economic activity in the region³¹.

Construction was completed in a short period, and already in April 2024 it was planned to launch the first production line for the manufacture of roofing and waterproofing materials. The second line was commissioned at the end of May of the same year. Overall, the new plant created about 100 jobs, most of which were taken by local residents, while only two employees relocated from Kharkiv. Production was oriented mainly towards external markets, and all products were certified in accordance with European standards, in particular had the *Conformité Européenne* certificate, which made it possible to compete in the international market and confirmed the high level of quality. This format of activity contributed to the restoration of Ukrainian exports and to the increase of foreign-currency revenues to local budgets³². The example of “Akvaizol” also reflected the general trends of business relocation from Kharkiv, which had been particularly affected by hostilities. As of the end of 2023, of the 236 enterprises that left the region, only 6 returned (about 2.5% of all relocated). Almost half (47%) remained operating in other regions. A significant part of the relocated were sole proprietors, but the experience of medium-sized business, as in the case of “Akvaizol”, demonstrated the high adaptation potential of industrial enterprises³³.

The financial results of the company “Akvaizol” for 2022-2024 indicated stable functioning and the development of the enterprise during the period of re-

31 O. ANDRIEVSKA, “Kharkiv enterprise built a new plant in Western Ukraine,” 2024. <https://www.sq.com.ua/ukr/novini/19.03.2024/xarkivske-pidprijemstvo-pobuduvalo-novii-zavod-na-zaxidnii-ukrayini>.

32 Ukrinform, “In Kalush, the enterprise, which exported 70 wagons of equipment from Kharkiv, built a new plant,” 2024. <https://www.ukrinform.ua/rubric-economy/3841893-ukalusi-pidpriemstvo-ake-vivezlo-z-harkova-70-vagoniv-obladnanna-zbuduvalo-novij-zavod.html>.

33 O. ANDRIEVSKA, “Kharkiv enterprise built a new plant in Western Ukraine,” 2024.

location and adaptation to new conditions. The company's revenue in 2022 amounted to UAH 570 million, in 2023 it increased to UAH 901 million, and in 2024 it decreased to UAH 588 million. Such dynamics could be explained by the completion of the active phase of expansion of sales markets after relocation and by fluctuations in demand for products. Net profit increased from UAH 70.8 million in 2022 to UAH 190.9 million in 2023, after which in 2024 it decreased to UAH 87.2 million. Despite the decline in profitability in 2024, the indicators remained above the 2022 level, which testified to the preservation of business profitability. The enterprise's assets increased throughout the analysed period: from UAH 911 million in 2022 to UAH 1.104 billion in 2023 and UAH 1.283 billion in 2024. The company's liabilities also increased from UAH 410 million in 2022 to UAH 524 million in 2024, which could be related to investments in the modernisation and development of production. The number of staff remained relatively stable – 235 employees in 2022, 217 in 2023 and 232 in 2024, which indicated the preservation of human capital. Overall, the enterprise demonstrated financial resilience, expanded its assets and maintained a stable level of employment, adapting to the new economic conditions.

Another example of the adaptation of industrial enterprises to new conditions was the transformation of the activities of the Kharkiv Joint-Stock Company "Ukrainian Energy Machines", which united two key plants – "Turboatom" and "Elektrovazhmash". Unlike the full relocation with the restoration of production capacities in a new place, as in the case of "Akvaizol", the company expanded the geography of its presence by creating branches in relatively safe regions. In April 2024 separate divisions were opened in Lviv, Zakarpattia and Chernivtsi regions, which made it possible to transfer part of the production processes to regions with a lower level of risk to ensure the uninterrupted execution of important orders³⁴.

Heavy engineering enterprises, in particular such as "Turboatom", were of great importance for the country's economy. With the beginning of the full-scale invasion of the Russian Federation into Ukraine, it became obvious that the concentration of such production in front-line regions, in particular in Kharkiv re-

³⁴ "In Kalush, the enterprise, which exported 70 wagons of equipment from Kharkiv, built a new plant," 2024.

gion, created significant risks for the stability of the energy sector. The transfer of part of production capacities to western regions made it possible to create reserve production bases, reduce the risks of production stoppages and at the same time stimulate the economic activity of host regions³⁵. From an economic point of view, the enterprise experienced a decline: in 2023 its revenue decreased 2.7 times – from more than UAH 1 billion in 2022 to UAH 376.3 million. Such dynamics confirmed the need to transfer part of the functions to regions with greater economic stability and access to new markets. Lviv, Zakarpattia and Chernivtsi regions had the potential to form new industrial clusters, as well as opportunities to attract local resources and to develop new areas of production³⁶.

After the start of the full-scale military aggression in 2022, one of the most vulnerable enterprises was the company “Chumak”, which until then had occupied leading positions on the Ukrainian market in the production of tomato paste, ketchups, mayonnaise and canned products. The main production facilities of the enterprise, located in the city of Kakhovka, Kherson region, were stopped on 24 February 2022 due to the direct threat of occupation. The evacuation of equipment was not carried out in time, and the warehouses with raw materials were looted. Attempts to re-launch the plant by the occupation administration were unsuccessful. As a result of the loss of the material and technical base and the disruption of logistics chains, the company suffered significant financial and human losses: the reduction in revenue reached 70%, and the number of staff decreased by almost 90% – from 1,200 employees only 110 remained³⁷.

After the loss of the Kakhovka plant, production was partially transferred to the capacities of other enterprises: tomato paste and sauces began to be produced in Lutsk (at the enterprise “Lutsk Foodz”), mayonnaise – at the capacities of Delta Food (relocated to Ternopil), and other products – in Kyiv, Zaporizhzhia

35 YU. TARASOVSKY, “Secretary of the National Security and Defense Council advises to locate new production facilities in Western Ukraine,” 2024. <https://forbes.ua/news/sekretar-rnbo-radit-rozmishchuvati-novi-virobnitstva-na-zakhodi-ukraini-22042024-20681>.

36 V. PEPELIA, “Former “Turboatom” is moving from Kharkiv to western Ukraine,” 2024. <https://landlord.ua/news/kolyshnij-turboatom-pereyizhdzhaye-z-harkova-na-zahid-ukrayiny/>.

37 N. SHTUKA, “Chumatskiy shlyakh. The war took away the Chumak brand's factory, exports and almost 1 billion UAH of revenue in Ukraine. How the company reinvented itself thanks to competitors,” 2023. <https://forbes.ua/company/chumatskiy-shlyakh-110-spivrobitnikiv-z-1200-padinnya-na-70-chastki-rinku-ta-vitorgu-yak-vizhivae-virobnik-ketchupiv-ta-konservatsii-chumak-z-kakhovki-09022023-11622>.

and abroad (pasta – in Turkey, tomato paste – in Italy). This made it possible to preserve the brand and a minimum range of products (which was reduced by half), as well as to return goods to the retailers “Silpo”, ATB, METRO. The company planned the complete transfer of the main production from Kakhovka to Odesa region, where the new plant was to provide 5,000 jobs and support the development of the agrarian potential of the region³⁸.

The financial indicators and economic analysis of the impact of the relocation of the company “Chumak” for 2022-2024 demonstrated significant changes caused by the war, the loss of production facilities in the occupied territory and the subsequent restoration of activities. In 2022 the enterprise’s revenue decreased to UAH 573.3 million, and the net financial result was a loss of UAH 371.5 million. The reasons were the loss of part of the assets, the shutdown of production, the break-up of logistics chains and the sharp fall in sales volumes. Relocation to a safer region and the restoration of production infrastructure in 2023 made it possible to increase revenue to UAH 940.2 million and to return to profitability – UAH 53.2 million of net profit. In 2024 the effect of investment and recovery processes increased: revenue rose to UAH 1.36 billion, and profit – to UAH 62.1 million, although profitability indicators remained below pre-war levels. Assets decreased from UAH 901.7 million in 2022 to UAH 651.9 million in 2023, after which the assets increased to UAH 705 million in 2024. The volume of liabilities fluctuated within UAH 813.7-908.9 million, and in 2024 it exceeded the volume of assets (UAH 902.8 million), which indicated enduring financial risks and the need to optimise the debt burden. The number of employees decreased from 791 in 2022 to 118 in 2023, which was a direct consequence of relocation and the restructuring of production. In 2024 the staff increased to 133 persons, which indicated the gradual restoration of human potential, but still did not provide for a return to pre-war scale. From an economic point of view, the relocation of “Chumak” became a key factor in business preservation: it made it possible to avoid bankruptcy and to resume activities, although it required significant investments and adaptation to new market condi-

38 V. KASIYAN, “Chumak will open a new factory instead of the occupied one in Kakhovka,” 2023. <https://biz.liga.net/all/prodovolstvie/novosti/chumak-otkroet-novyy-zavod-vmest-okkupirovannogo-v-kahovke>.

tions. The indicators of 2023-2024 confirmed the effectiveness of the chosen strategy, but to achieve the pre-war level further capacity growth, the expansion of sales channels and the improvement of operational efficiency were necessary. The experience of individual enterprises demonstrated different models of adaptation to relocation conditions: from full relocation with the launch of new production capacities to the partial transfer of functions or cooperation with other manufacturers. Table 1 presents a comparative analysis of the relocation strategies of four large enterprises that made relocations after 2022.

Table 1. Comparative characteristics of the relocation strategies of selected Ukrainian enterprises

Enterprise	Initial location	Nature of relocation/adaptation	New location (region/city)	Additional features
Company "Kulinichi"	Kharkiv	Partial relocation, deployment of capacities in a safe region	Lviv region	Launch of new production, expansion of the geography of sales, preservation of employees
LLC "Akvaizol"	Kharkiv	Full relocation with the transfer of equipment	Kalush, Ivano-Frankivsk region	70 wagons of equipment evacuated, construction of a new plant on 10,000 m ²
JSC "Ukrainian Energy Machines" ("Turboatom" + "Elektrovazhماش")	Kharkiv	Transfer of part of production processes to safe regions	Lviv, Zakarpattia, Chernivtsi regions	Decrease in revenue by 2.7 times
Company "Chumak"	Kakhovka, Kherson region	Full relocation after the loss of the main plant	Odesa region; partial production: Lutsk, Ternopil, Kyiv, Turkey, Italy	Loss of 70% of revenue, reduction of staff by 90%, creation of 5,000 jobs at the new plant

[Source: compiled by the authors on the basis of Kulinichi invests 20 million euros in the construction of a bakery in the Lviv region³⁹, In Kalush, the enterprise, which exported 70 wagons of equipment from Kharkiv, built a new plant⁴⁰, Shtuka⁴¹]

As the data from the table show, Ukrainian enterprises demonstrated diverse approaches to spatial adaptation – from full relocation from scratch to the creation of reserve branches in safe regions. Decisions on relocation depended on the type of activity, logistical capabilities, the level of strategic importance for the state, as well as on the ability to attract local resources for recovery. The greatest losses were suffered by those companies that lost access to the main production bases due to occupation or hostilities.

The study by Mudalige⁴² focused on assessing the effectiveness of a decentralised model of local service provision in Japan as a developed country. The author analysed the ratio of revenues and expenditures of local authorities, demonstrating a stable institutional system and a high level of financial autonomy. Both studies confirmed the importance of the sub-national level in ensuring the sustainable development of territories. At the same time, the approaches differed: whereas in Japan decentralisation was a systemic governance instrument, in Ukraine it was a reaction to a crisis aimed at preserving business activity and supporting regions. In addition, the Japanese study was based on statistical indicators and a sustainable development model, while the present one was based on empirical cases and on the socio-economic effects of relocation. Similarly, in the study by Wardhana et al.⁴³, strategic spatial planning in Indonesia was considered, where sustainable development was achieved through coordinated actions of authorities, business, and the community. Unlike this, the present study descri-

39 “Kulinichi invests 20 million euros in the construction of a bakery in the Lviv region,” 2022.

40 “In Kalush, the enterprise, which exported 70 wagons of equipment from Kharkiv, built a new plant,” 2022.

41 N. SHTUKA, “Chumatskiy shlyakh. The war took away the Chumak brand's factory, exports and almost 1 billion UAH of revenue in Ukraine. How the company reinvented itself thanks to competitors,” 2023.

42 P. W. MUDALIGE, *Performance of decentralized local service delivery in developed countries: Case study of Japan*, in *European Scientific Journal*, 2020, Vol. 16, No. 35, pp. 40-55.

43 I. W. WARDHANA, I. RIESFANDIARI, E. JAMAL, V. W. HANIFAH, P. PIHRI, F. W. HANDOYO, N. PURWONO, R. P. RAMADHAN, B. SETYAWAN, M. PLACEK, B. P. A. W, N. D. CHRYSANTI, R. M. DANISWARA, B. WIJANARKO, E. SETIADI, *Does a special economic zone impact the surrounding economy? The case study of Kendal, Indonesia*, in *Humanities and Social Sciences Communications*, 2025, Vol. 12, p. 225.

bed forced enterprise relocation as a reaction to security risks. The Indonesian model was based on a predictive approach, whereas the Ukrainian one – on the empirical analysis of already implemented cases.

In the work by Weik et al.⁴⁴, the formation of innovative clusters under the influence of external challenges was examined. As in the Ukrainian case, the focus was on the local level, cross-sectoral interaction and institutional support. At the same time, the key difference was the context: whereas Weik et al. dealt with proactive development in a stable environment, the present study dealt with emergency adaptation to war. Bourdin et al.⁴⁵ focused on the consequences of the COVID-19 pandemic for regional disparities in the EU, highlighting the importance of spatial planning under crisis conditions. This approach was close to the present one, but the scale of analysis differed: S. Bourdin et al. worked at the macro-regional level, while the relocation study dealt with specific local cases. Moreover, the pandemic had a different nature of impact from the military threat.

The transformation of industrial zones in France became the subject of the study by Bornert and Musolino⁴⁶. The authors examined the planned restructuring of production spaces in accordance with sustainable development policy, which resembled the Ukrainian processes of spatial redistribution of business, but had a more strategic character. Whereas in Ukraine business changed location under the pressure of war, in France it did so as a result of institutional decisions. The study by Papadakis et al.⁴⁷ demonstrated the role of state support in increasing business resilience in Greece. Both studies emphasised the importance of the institutional response to crises, but the approaches were different: D.M. Papadakis et al. analysed regulatory and fiscal instruments, whereas the present study analysed the consequences of relocation and its impact on the develop-

44 S. WEIK, A.-K. ACHLEITNER, R. BRAUN, *Venture capital and the international relocation of startups*, in *Research Policy*, 2024, Vol. 53, No. 7, article no. 105031.

45 S. BOURDIN, G. BAUELLE, C. MARINOS, L.-T. BURON, *Has the geography of collaborative spaces been affected by the pandemic? France as a case study*, in *Regional Studies*, 2024, Vol. 59, No. 1, article no. 2366293.

46 X. BORNERT, D. MUSOLINO, *The manufacturing reshoring phenomenon: A policy-oriented analysis of factors driving the location decision*, in *Economies*, 2024, Vol. 12, No. 5, p. 100.

47 D. M. PAPANAKIS, A. SAVVIDES, A. MICHAEL, A. MICHPOULOS, *Advancing sustainable urban mobility: Insights from best practices and case studies*, in *Fuel Communications*, 2024, Vol. 20, article no. 100125.

ment of host regions.

The approach implemented in this study conceptually resonated with the work of Wang and Lin⁴⁸, in which business relocation was also considered as a factor of spatial change. In both cases it was established that the relocation of enterprises generated tangible consequences for regional development: in China – through changes in the level of energy intensity, in Ukraine – through the growth of employment, tax revenues and the revitalisation of investment activity in host communities. At the same time, the methodological basis of the studies differed significantly: Wang and Lin applied an MRIO model and the tools of spatial econometrics to a large array of statistical data for 2006-2018, whereas in this study the emphasis was placed on case analysis of enterprises relocated due to the war, with the examination of the interaction with the local environment, forms of adaptation and managerial models.

The comparative dimension was further expanded by the study of Garred and Yuan⁴⁹, devoted to the transnational relocation of Chinese enterprises in the context of the trade conflict with the USA. Similarly to the Ukrainian realities, the study described a forced but strategically justified character of relocation. At the same time, the key difference lay in scale: whereas the Ukrainian cases mainly concerned small and medium-sized business, in the Chinese case large companies that moved production abroad were analysed. Nevertheless, the results of both studies showed a similar trend: relocation could be not only a survival mechanism, but also an instrument for ensuring stability in a new location.

An additional analytical perspective was provided by the work of Abdullahi and Ibrahim⁵⁰, which covered the experience of enterprise relocation in Nigeria under security crisis conditions. Unlike the Ukrainian context, where, as this study showed, there was state support, accompaniment programmes for relocated companies and a favourable attitude of communities, in Nigeria enterprises

48 C. WANG, B. LIN, *Assessing the impact of regional industrial relocation in China: Based on the information taken from a multi-regional input-output analysis*, in *Journal of Global Information Management*, 2023, Vol. 31, No. 1, article no. 48.

49 J. GARRED, S. YUAN, *Relocation from China (with Chinese characteristics)*, in *Journal of Development Economics*, 2025, Vol. 176, article no. 103510.

50 A. ABDULLAHI, A. SALIHU, *The role of Nigeria in building sustainable development through green trade initiatives within the BRICS and AfCFTA framework*, in *British Journal of Interdisciplinary Research*, 2025, Vol. 2, No. 3, pp. 118-133.

faced numerous barriers – corruption, a lack of infrastructure and finance. Methodologically, that work was based on surveys of entrepreneurs, which contrasted with the applied, case-based and statistical-data approach used in this study.

It is also appropriate to draw attention to the study by Zhang and Ji⁵¹ (2024), which analysed the impact of digital infrastructure development on entrepreneurial activity in China. It was established that in regions with better digital conditions, the number of businesses increased, especially in western provinces. This correlated with the findings of the present study, according to which the relocation of enterprises to safe regions of Ukraine contributed to the revitalisation of local entrepreneurship. Although the stimulation tools differed – digital services in China and relocation support in Ukraine – both approaches confirmed that the creation of a favourable environment was a key factor in activating business activity and in forming a resilient regional economy.

The study demonstrated that business relocation in Ukraine became an important instrument for preserving economic activity under security challenges. The key role of local communities, institutional support and the adaptive capacity of enterprises in ensuring the sustainable functioning of regions was identified. The spatial changes caused by the movement of companies had both short-term effects and the potential for long-term development of host territories.

3.2. Instruments for supporting the spatial relocation of business in the EU and in Ukraine: common features and differences

In 2020-2024, the relocation of enterprises within the EU became a common strategic instrument for adapting to changes in the global environment, including geopolitical crises, regulatory transformations and new risks to supply chains. Illustrative were the examples of business restructuring in response to the United Kingdom's withdrawal from the EU (Brexit) and the implementation of near-shoring strategies by leading European manufacturers. Under these conditions, companies sought to preserve access to the EU internal market, to reduce logistical costs and to strengthen resilience to external shocks.

51 Y. ZHANG, Z. JI, *Has China's new infrastructure promoted sustainable economic development? Evidence based on information infrastructure and entrepreneurship*, in *Sustainability*, 2024, Vol. 16, No. 7, article no. 3024.

One of the examples was the relocation of leading American financial institutions such as JPMorgan, Goldman Sachs and Citigroup. It is particularly worth noting Bank of America, which moved part of its staff and operations to the EU's financial centres. There was also the relocation of Morgan Stanley to European financial centres, which enabled the company to preserve its operational presence within the EU. Separately, the company Bosch could be mentioned, which moved part of its production to Hungary to optimise logistics and reduce costs. As a result of the breaking of integration ties with the EU internal market, London lost part of its functions related to financial operations for EU clients. This led to the transfer of staff, trading and back-office functions to France, Italy, Germany, and Ireland. For example, JPMorgan increased its staff in Paris from a few hundred to more than 800 people, and the total number of the company's employees in the EU increased from about 2,500 in 2023 to 6,000 in 2024.

Goldman Sachs moved part of its staff and operations to the EU's financial centres. Paris became the centre for client operations: one of the leading investment bankers, Dirk Livens, was transferred there. In Frankfurt, the bank increased its presence by moving part of its senior staff there to work with the German segment. Specialists from the natural resources sector were concentrated in Milan, and an office was opened in Munich to work with clients in the technology, media, and telecommunications sector. About 6,000 people continued to work in London, but the increase in the EU presence reflected changes in the distribution of functions between markets⁵².

Citigroup identified Frankfurt as the main operations centre in the EU, moving about 200 employees there from London. In parallel, there was an expansion in Dublin, where the bank increased its staff beyond the initial plans. Part of the private banking division was moved to Madrid. At the same time, Citigroup retained about 6,000 employees in the United Kingdom⁵³. Bank of America chose Dublin as its main office in the EU, moving 125 employees there with the prospect of expanding the staff to 1,000 people. The bank also increased its

52 A. SIAMPANI, "Goldman Sachs relocates to Paris: Strategic move reflects post-Brexit realities," 2024. <https://ceoworld.biz/2024/04/24/goldman-sachs-relocates-to-paris-strategic-move-reflects-post-brexit-realities/>.

53 Reuters, "Citigroup to move 63 jobs out of London over Brexit," 2018. <https://www.reuters.com/article/business/citigroup-to-move-63-jobs-out-of-london-over-brexit-idUSKCN1N52X7/>.

presence in Paris, transferring part of its key bankers there, including under the plan to move about 400 employees from London. The British and Irish legal entities of the bank were merged, which made it possible to preserve access to the single EU market. At the same time, Bank of America maintained a team in the United Kingdom⁵⁴. Morgan Stanley chose Frankfurt as its main European centre, moving about 200 employees there and transferring assets worth up to EUR 100 billion, which met the requirements of the EU regulatory environment. Additionally, the bank increased its staff in Dublin and Paris to obtain a licence to manage funds in Ireland. London remained the main office for European operations⁵⁵.

The company Bosch moved part of its production from Asia and partly from Germany to Hungary. It planned to cease the operations of the plants in Zebenice and Leinfelden by 2026 and to cut more than 500 jobs. The main aim of this decision was to reduce costs, to optimise logistics and to shorten delivery times. Hungary was chosen thanks to lower labour costs and to a convenient geographical location.

The financial results of Bosch⁵⁶ confirmed the economic feasibility of such steps. In 2022 the company's global sales amounted to about EUR 88.2 billion, and the EBIT margin was 4.3%. The Bosch India division received revenue of about EUR 1.67 billion, increasing profit before tax by 25.5% and net profit by 17%. In 2023 global revenue increased by 3.8% – to EUR 91.6 billion, the EBIT margin rose to 5.3%, and Bosch India recorded almost 15% revenue growth thanks to high demand in the automotive segment. In 2024, according to preliminary data, global sales amounted to about EUR 90.3 billion (a slight decline of 1% year-on-year), and the EBIT margin fell to 3.5% due to difficult market conditions. At the same time, investments in research and development increased to EUR 7.8 billion, which testified to a strategic focus on innovation and clean

54 D. SAPSTED, "Bank of America to move 125 jobs to Dublin," 2018. <https://www.relocatemagazine.com/brexit-bank-of-america-to-move-125-jobs-to-dublin-dsapsted>.

55 Relocate Global, "Morgan Stanley the latest to eye European hub in Frankfurt," 2017. <https://www.relocatemagazine.com/brexit-morgan-stanley-the-latest-to-eye-european-hub-in-frankfurt-dsapsted>.

56 Bosch, "Annual financial results 2022," 2022; Bosch, "Bosch annual report 2024," 2024.

technologies. Thus, the examples given showed that relocation within the EU could be aimed both at preserving access to markets and at meeting regulatory requirements, and at increasing economic efficiency and optimising costs, while supporting a long-term innovation strategy and stable financial indicators.

In 2022-2024, the relocation of enterprises in EU countries and in Ukraine underwent an evolution, transforming from a purely adaptive reaction to a crisis into an instrument for the strategic restructuring of the economy.^{57,58,59} Instead of a general description, it was worth focusing on specific transformational trends that became decisive for the new wave of spatial mobility of business. In Ukraine, apart from security reasons, in 2023-2024 relocation increasingly began to take place as a form of re-industrialisation of peripheral regions, primarily through cooperation with local communities, participation in economic recovery programmes and the use of inclusive planning instruments. Demand emerged for the relocation of high-tech production, which required modernised infrastructure but at the same time could operate in small towns or villages⁶⁰.

In the EU in 2022-2024, relocation was increasingly used as an instrument for forming “responsible supply chains” in response to the risks of geopolitical fragmentation and environmental instability. This covered not only the return of production from Asia, but also the creation of “local resilience clusters” in Central Europe, which combined logistics, production, research, and digitalisation⁶¹. Relocation was also linked to the EU’s environmental standards,

57 M. ALQSASS, H. JARADAT, B. R. REXHEPI, B. N. ZUREIGAT, J. AL-GASAWNEH, H. MAALI, *The Impact of Dividends Per Share and Retained Earnings Per Share on Share Price: A Study Based On Jordanian Companies*, in *Quality - Access to Success*, 2023, Vol. 24, No. 197, pp. 67–74.

58 B. R. REXHEPI, L. MUSTAFA, M. K. SADIKU, B. I. BERISHA, S. U. AHMETI, O. R. REXHEPI, *The Impact of the COVID-19 Pandemic on the Dynamics of Development of Construction Companies and the Primary Housing Market: Assessment of the Damage Caused, Current State, Forecasts*, in *Architecture Image Studies*, 2024, Vol. 5, No. 2, pp. 70–79.

59 V. BRYCH, R. SKRYNKOVSKYY, L. SHKVARCHUK, G. LIAKHOVYCH, R. SLAVYUK, O. BORYSIK, *Portfolio Optimization of Equity Funds*, in *Proceedings - International Conference on Advanced Computer Information Technologies (ACIT)*, Ruzomberok, 2022, pp. 207–210.

60 T. YU. MELNYK, *Peculiarities of Ukrainian business entering international markets under the influence of military risks*, in *Economics, Management and Administration*, 2025, Vol. 110, No. 4, pp. 3–11.

61 F. BUTOLLO, C. STARITZ, F. MAILE, T. WUTTKE, *The end of globalized production? Supply-chain resilience, technological sovereignty, and enduring global interdependencies in the post-pandemic era*, in *Critical Sociology*, 2024, Vol. 50, No. 4-5, pp. 779-798.

in particular the Carbon Border Adjustment Mechanism, which stimulated the movement of “green” production capacities closer to the consumer to simplify compliance with regulatory requirements. Another economic aspect was the transformation of the labour market. In Ukraine, relocated enterprises faced a shortage of personnel due to mass migration and mobilisation, while in the EU companies experienced difficulties in attracting qualified staff in new regions due to a lack of housing, school infrastructure and social support.^{62,63} For both regions, an important innovation was the “remote production” model, in which part of the processes was performed on an outsourcing basis or through digital management platforms. A comparative analysis of the experiences of Ukraine and the EU is presented in Table 2.

Table 2. Comparison of current trends in enterprise relocation in Ukraine and the EU (2022-2024)

Parameter	Ukraine	EU
New motives for relocation	Economic recovery, safe production	Environmental responsibility, shortening of supply chains
Sectors that relocate	Agro-industrial, food industry, defence, energy engineering	Electronics, pharmaceuticals, automotive industry
Labour challenges	Staff shortage, integration of internally displaced persons	Lack of social infrastructure in new clusters
Digital support tools	Platforms for relocation logistics, electronic registration of production capacities	ERP systems with geo-analytics, digital industrial-management parks
Financial incentives	State relocation programme, grants from international organisations	European funds, concessional loans
Social integration	Provision of housing for staff	Corporate social responsibility

[Source: compiled by the authors based on European Commission⁶⁴.]

62 B. R. REXHEPI, E. DACI, L. MUSTAFA, B. I. BERISHA, *Analysis of the Effectiveness of Freelance Exchanges and Their Demand among Corporate Customers in the Context of Tax Regulation*, in *Scientific Bulletin of Mukachevo State University. Series Economics*, 2024, Vol. 11, No. 1, pp. 60–70.

63 S. KOVALCHUK, V. MOROKHOVA, O. BONDARENKO, A. MOHYLOVA, A. DANKEVYCH, J. LIU, *Creative Economy and Value Creation through Marketing Analytics: New Approaches and Opportunities*, in *Pakistan Journal of Life and Social Sciences*, 2024, Vol. 22, No. 2, pp. 9812–9824.

64 European Commission, “REPowerEU: A plan to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition,” 2022.

Thus, the main difference lay in the fact that in Ukraine relocation was the result of responding to wartime destructive factors, whereas in the EU it acted as an element of planned economic transformations. In both cases there was a transition from short-term measures to the long-term re-profiling of business, which combined economic security, resilience and technological readiness for future challenges. The Ukrainian experience demonstrated the ability of enterprises to adapt quickly and to preserve production potential in crisis conditions, while the European example illustrated a focus on the optimisation of production and logistics processes.^{65,66} The combination of these approaches could become the basis for a joint post-war economic strategy and for deepening integration in the industrial sector.

This study revealed the specific nature of the impact of relocated business on the socio-economic environment of the host regions of Ukraine under wartime conditions, which fundamentally distinguished it from the analysis by Zalkat et al.⁶⁷, who focused on the individual motivations of Syrian refugees in Germany and Sweden. Whereas Zalkat et al. emphasised the internal factors of entrepreneurial activity – such as self-identity, aspiration for independence or social support – the Ukrainian study focused on the collective effects of the relocation of enterprises: the creation of new jobs, tax revenues, and the development of institutional interaction. In the study by Fritsch et al.⁶⁸ the issue of the long-term impact of entrepreneurship on the economic dynamics of regions in a stable environment was raised. The authors identified a link between entrepreneurial activity and productivity in Germany, the United Kingdom and the USA. Unlike this, the present study focused on short-term transformations caused by the forced re-

65 O. KHODAKIVSKA, M. MARTYNIUK, YU. LUPENKO, *Prospective Analysis of the Implementation of the “Green” Economy in the Agricultural Sector of Ukraine for the Next 10 Years*, in *Scientific Horizons*, 2023, Vol. 26, No. 10, pp. 163–179.

66 I. Y. MATYUSHENKO, T. V. SHTAL, L. I. PIDDUBNA, I. O. PIDDUBNYI, Y. M. KVITKA, *Development Prospects of Ukraine’s Foreign Trade in Agricultural Products in the Context of European Integration and Global Challenges*, in *Journal of Advanced Research in Law and Economics*, 2018, Vol. 9, No. 4.

67 G. ZALKAT, H. BARTH, L. RASHID, *Refugee entrepreneurship motivations in Sweden and Germany: A comparative case study*, in *Small Business Economics*, 2023, Vol. 63, No. 1, pp. 477–499.

68 M. FRITSCHE, J. POTTER, H. QIAN, G. FOTOPOULOS, *Persistence and change in regional entrepreneurship performance: A three-economy comparison*, in *Regional Studies*, 2025, Vol. 59, No. 1, article no. 2474033.

location of enterprises due to the war. Methodologically, Fritsch et al. used quantitative analysis, whereas the present study was based on case studies and on practical indicators – such as employment dynamics or the participation of business in community life.

The work by Vaduva et al.⁶⁹ was focused on ethical leadership and spiritual values in the entrepreneurial environment of Central and Eastern Europe. The authors interpreted entrepreneurship as an instrument of moral renewal based on trust, service to the community and a culture of responsibility. By contrast, the present study demonstrated a different vector: it considered enterprises as a stabilising resource in crisis conditions, where priority was given to adaptation mechanisms, effective interaction with local authorities and the provision of social well-being. What remained common was the understanding of entrepreneurship as a factor of development, but the substantive content and strategic approaches were fundamentally different. In the work by Rodríguez-Pose et al.⁷⁰ emphasis was placed on the strategic rethinking of approaches to spatial development, where local entrepreneurship was seen as a mechanism for overcoming the “left-behindness” of certain territories. A similar emphasis was present in the present study, but with a crisis focus: here relocated companies became catalysts of economic recovery. Whereas A. Rodríguez-Pose et al. emphasised the balance between efficiency and equity as long-term goals, this work was oriented towards applied results, measured through taxes, employment and social integration.

The development of entrepreneurial ecosystems in peripheral regions of Germany was at the centre of attention of Bergholz et al.⁷¹. The authors underlined the importance of mentoring, educational initiatives and institutional support for young entrepreneurs. In turn, the present study examined the emergency response of business to the threat, which was accompanied by relocation, the rethinking of logistics chains and the introduction of new models of interaction

69 S. A. VADUVA, L. BROUHERS, M. P. BENCHIS, A. NEDELCUȚ, *Redefining global entrepreneurship: Shifting focus from China to Central and Eastern Europe*, in *Journal of Ethics in Entrepreneurship and Technology*, 2024, Vol. 4, No. 5, pp. 195-218.

70 A. RODRÍGUEZ-POSE, F. BARTALUCCI, N. LOZANO-GRACIA, M. DÁVALOS, *Overcoming left-behindness: Moving beyond the efficiency versus equity debate in territorial development*, in *Regional Science Policy & Practice*, 2024, Vol. 16, No. 12, article no. 100144.

71 C. BERGHOLZ, R. STERNBERG, L. STOLZ, J. BERSCH, *Unemployment as a driver of entrepreneurship in Eastern and Western Germany*, in *Regional Studies*, 2025, Vol. 59, No. 1, pp. 2511713.

with communities. Despite the different conditions, both works concluded about the significant role of local entrepreneurship in strengthening the resilience of regions. In the study by Poór et al.⁷² attention was focused on how economic instability and external challenges affected the operating models of Slovak companies. The authors analysed the transformation of HR practices, management flexibility and the ability of companies to adapt. These conclusions partially echoed the Ukrainian context, where enterprises also had to change working formats quickly. At the same time, the scope of the study by Poór et al. was organisational, whereas the Ukrainian study covered a broader regional dimension.

The relocation of enterprises in Ukraine and in the EU acquired a strategic character and ceased to be exclusively a reaction to a crisis. In Europe, companies predominantly proactively formed resilient production and logistics clusters, taking into account environmental standards and the need to shorten supply chains. In Ukraine, relocation acted as an instrument of the emergency restructuring of the economy, which contributed to the re-industrialisation of peripheries and to the support of employment. In both cases, relocated enterprises played an important role in strengthening the economic resilience of regions and in integrating business into local communities.

4. Conclusions

The study made it possible to establish that the relocation of business in 2022-2024 in Ukraine and in EU countries was transformed from an instrument of crisis response into an important factor of regional development. In the Ukrainian conditions, the movement of enterprises became a response to security threats caused by the full-scale war, whereas in the EU relocation was mainly implemented for adaptation to geopolitical and environmental challenges. The analysis of empirical examples showed that relocated Ukrainian enterprises made a significant contribution to the socio-economic stabilisation of host regions. In particular, the company “Kulinichi” invested EUR 20 million in the construction of a new bakery complex in Lviv region, creating 3,000 jobs, of which 500 were designated for internally displaced persons, and its revenue increased from UAH

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113.8 million in 2022 to UAH 214.3 million in 2024. The enterprise “Aquaizol” moved its operations from Kharkiv to Kalush, implementing an industrial project on a neglected site and providing jobs for the local population; in 2023 its revenue reached UAH 901 million, and its assets in 2024 increased to UAH 1.283 billion. The example of the company “Chumak” demonstrated the restoration of operations through relocation to Odesa region and the development of new production chains, with revenue increasing from UAH 573.3 million in 2022 to UAH 1.36 billion in 2024. JSC “Ukrainian Energy Machines” moved part of its production processes to Lviv, Zakarpattia and Chernivtsi regions, which made it possible to preserve production activities in difficult conditions.

Within the EU, the relocation of financial institutions such as JPMorgan, Goldman Sachs and Bank of America after Brexit contributed to an increase in staff numbers in Paris, Frankfurt, and Milan; only JPMorgan increased its staff in the EU from 2,500 in 2023 to 6,000 in 2024. This made it possible to preserve the performance of financial operations within the single market and to avoid regulatory barriers. An example of industrial relocation was the company Bosch, which moved part of its production to Hungary to optimise logistics and reduce costs. Such moves contributed to the formation in the EU of “resilience clusters” with a high level of digitalisation and compliance with environmental standards. In 2023 Bosch’s global revenue reached EUR 91.6 billion, which was 3.8% more than in 2022, and investments in research and development in 2024 increased to EUR 7.8 billion, which indicated the combination of the effectiveness of relocation with long-term development.

Thus, both the Ukrainian and the European experience confirmed the ability of relocated business to act as a catalyst for the spatial restructuring of the economy. In Ukraine, the decisive factors were the movement of production to safer regions and the preservation of economic activity, whereas in the EU, the factors were the strengthening of production and logistics chains and the creation of new jobs. Both contexts demonstrated that, under favourable conditions, relocated business was able not only to adapt, but also to generate a long-term multiplier effect, strengthening the economic resilience of regions. A limitation of this study was that it was based mainly on the analysis of individual cases without the use of the full array of statistical data across the country. The prospect

for future research was the formalisation of a quantitative model for assessing the impact of relocated enterprises on regional development using comparative econometrics and spatial analysis.