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TRANSFORMATION OF THE BUSINESS ENVIRONMENT IN TRANSCARPATHIA UNDER THE INFLUENCE OF BUSINESS RELOCATION: TAX REVENUES AND BUDGET DYNAMICS IN THE CONTEXT OF ECONOMIC CRISES

Abstract. *The article analyzes the impact of business relocation on the transformational processes within the regional economy of Transcarpathian region under the conditions of crisis challenges caused by war and economic instability. The purpose of the study is to examine the influence of business displacement on the transformation of the entrepreneurial environment, tax and budgetary dynamics, and the socio-economic stability of the host region. The research explores the institutional and economic foundations of business relocation, summarizes statistical indicators for the period 2022-2024, and identifies the key factors that stimulate relocation, including security risks, logistical accessibility, labor availability, infrastructure capacity, and state support. The methodological basis of the study combines structural-analytical, comparative, dynamic, and spatial-sectoral approaches. The findings demonstrate that relocation has contributed to increased economic activity in the region, growth in the number of business entities (especially small and microenterprises), the creation of new jobs, higher revenues from corporate profit tax, and a reduction in local budgets' dependence on state subsidies. The study emphasizes the need for coordinated interaction*

between state authorities, local self-government, and businesses to ensure the effective integration of relocated enterprises, as well as the importance of maintaining environmental and social balance in host communities.

Keywords: relocation, business environment, Transcarpathia, tax revenues, budget dynamics, economic activity, war.

ТРАНСФОРМАЦІЯ ПІДПРИЄМНИЦЬКОГО СЕРЕДОВИЩА ЗАКАРПАТТЯ ПІД ВПЛИВОМ РЕЛОКАЦІЇ БІЗНЕСУ: ПОДАТКОВІ НАДХОДЖЕННЯ ТА БЮДЖЕТНА ДИНАМІКА В УМОВАХ ЕКОНОМІЧНИХ КРИЗ

Анотація. У статті проаналізовано вплив релокації підприємств на трансформаційні процеси в регіональній економіці Закарпатської області в умовах кризових викликів, спричинених війною та економічною нестабільністю. Метою дослідження є вивчення впливу переміщення бізнесу на зміну підприємницького середовища, податково-бюджетну динаміку та соціально-економічну стабільність приймаючого регіону. У роботі розглянуто інституційні та економічні засади релокації бізнесу, узагальнено статистичні показники за 2022-2024 роки, а також проаналізовано основні чинники, що стимулюють релокацію, зокрема безпекові ризики, логістичну доступність, наявність трудових ресурсів, інфраструктурні можливості та державну підтримку. Методологічну основу дослідження становить поєднання структурно-аналітичного, порівняльного, динамічного та просторово-галузевого підходів. Застосовано низку наукових методів: статистичний аналіз – для оцінки змін у кількості зареєстрованих і діючих підприємств за видами економічної діяльності, формами власності та масштабом; порівняльний аналіз – для дослідження бюджетної динаміки; геопросторовий аналіз – з метою виявлення територіальної концентрації релокованого бізнесу в межах адміністративних районів області; контент-аналіз – для оцінки нормативно-правових актів і програм державної підтримки; кількісно-якісний аналіз – для вивчення фінансових результатів підприємств за районами. Встановлено, що релокація сприяла пожвавленню економічної активності в регіоні, зростанню кількості суб'єктів господарювання (особливо малого й мікробізнесу), створенню нових робочих місць, збільшенню надходжень від податку на прибуток та зниженню дотаційної залежності місцевих бюджетів. Наголошено на необхідності узгодженої взаємодії між органами державної влади, місцевим самоврядуванням і бізнесом для ефективної інтеграції релокованих підприємств, а також на важливості збереження екологічної та соціальної рівноваги в приймаючих громадах. Дослідження сприяє глибшому розумінню ролі релокації як інструмента регіонального розвитку та формує підґрунтя для прийняття обґрунтованих управлінських рішень у сфері економічної політики в умовах воєнної трансформації та післякризового відновлення.

Ключові слова: релокація, підприємницьке середовище, Закарпатська область, податкові надходження, бюджетна динаміка, економічна активність, війна.

Formulation of the problem. The relocation of businesses in the context of the full-scale war in Ukraine has become a crucial mechanism for maintaining economic activity, preserving jobs, and supporting regional economies. This process significantly impacts local tax revenues and economic dynamics, revitalizing regions by stimulating entrepreneurial activity, increasing employment, and strengthening fiscal capacity. It is especially important for regional economic transformation and resilience in the face of both internal and external challenges.

According to the Union of Ukrainian Entrepreneurs (UUE), over 86% of small and medium-sized enterprises were affected or ceased operations in the first year of the war. Nevertheless, small and medium-sized enterprises remain the backbone of the economy, contributing 54% to GDP and providing jobs for about 6.3 million people [13]. In 2024, 11,083 companies changed their legal registration address, according to the Unified State Register [6].

Despite its benefits, the relocation process is complex and requires coordinated efforts from government authorities, local governments, and the business community. Furthermore, there is a lack of comprehensive research on the medium- and long-term fiscal effects of business relocation, particularly at the regional level. Therefore, it is essential to study the transformation of the entrepreneurial environment in specific regions, such as Transcarpathia, to understand changes in tax revenues, the structure of enterprises, and regional

economic development.

Analysis of recent research and publications. The issue of business relocation in the context of economic instability caused by the Russo-Ukrainian War has gained particular relevance in contemporary academic discourse. Researchers increasingly address this topic, aiming to understand both the organizational and socio-economic aspects of business displacement.

Kudyrko L. and Obozny V. [16] outlined the key stages of business relocation in Ukraine, addressing challenges in logistics, supply chains, and human resources, as well as interactions with government authorities. Zelisko N. [14] analyzed relocation as a tool for economic security, emphasizing the factors influencing relocation decisions, particularly under martial law. Kovalyk O. and Shardakova A. [15] examined the prerequisites and practical experience of relocating domestic manufacturing enterprises. Lavreniuk V., Polishchuk Y., Kornyliuk A., Horbov V. and Ivashchenko A. [5] discussed the integration of interstate support for relocated businesses and the Ukrainian government's response to wartime challenges. Hordiienko Y. and Prykhodko O. [2] explored the development of state support mechanisms for entrepreneurship during the war. Plahotniuk V. [7] focused on the socio-economic impact of relocation, highlighting changes in employment, labor market adaptation, and local budget revenues. The legal and regulatory aspects were analyzed by Horiashchenko Y., Knysh O. and Bendiiuh Y. [3], who proposed improvements in the legislative framework for supporting relocated businesses. Barabash O., Samchenko M., Dobkina K., Rozghon O. and Ozel V. [1] examined the humanitarian impact, particularly the social, cultural, and labor rights of workers displaced along with businesses.

Despite the existence of a number of thorough studies, the regional aspect of the impact of business relocation on the transformation of the local entrepreneurial environment, particularly in the case of Transcarpathia, has not been sufficiently explored in the academic literature.

The aim of the article is to investigate the impact of enterprise relocation on transformational processes within the regional economy of Transcarpathian region. Particular attention is given to the analysis of changes in the structure of the entrepreneurial environment, tax and budgetary dynamics, and the level of socio-economic stability in the host region under systemic crisis challenges caused by the full-scale war and economic instability.

The main material presentation. The term "relocation" is derived from the English verb "to relocate," meaning "to move." In the context of business, enterprise relocation refers to the transfer of a company to a different location, either within a country or across borders. This process typically involves the movement of assets, facilities, and personnel. Several factors drive business relocation, including economic conditions, political instability, regulatory changes, or the pursuit of more favorable operating environments. Companies may relocate to reduce operational costs, gain better market access, or benefit from more supportive fiscal frameworks.

In addition to the physical movement of assets and employees, business relocation often requires significant operational adjustments. These adjustments may include establishing new administrative structures and integrating into the social and economic fabric of the new location. This process can present challenges, such as adapting to different cultural, legal, and market conditions. Furthermore, enterprise relocation can lead to shifts in the economic landscape of the destination area, potentially impacting local employment rates, tax revenues, and overall economic development.

In practice, three possible types of enterprise relocation to new territories can be distinguished: full, partial, or mixed. In the first case, all production facilities and resources of the business entity are transferred to a new location. Partial relocation involves moving only some production resources and capacities while the remaining production facilities continue to operate at the original location. Mixed relocation entails establishing a new unit (i.e., a new production facility) in a safer location while also transferring part of the workforce there. As with partial relocation, in this case, the enterprise does not shut down its operations at the original location but continues its activities [17].

The Ministry of Economy of Ukraine has been implementing a program for the relocation of Ukrainian enterprises located in the areas of active hostilities since the first weeks of the war. To digitize the relocation process, JSC "Prozorro.Sales", initiated by the Ministry of Economy, with the support of the Ministry of Digital Transformation and the national project Diia.Business, as well as the USAID "Economic Support for Ukraine" Project, launched a digital interaction platform to assist with relocation. JSC "Prozorro.Sales" developed an IT system based on the E-Tender and eDocs platforms, which allows businesses to submit an application and receive assistance in relocating their equipment to safer areas within Ukraine. The platform is free to use for all users. Applications for relocation can be submitted through the "Prozorro.Sales" system platform E-Tender

[18].

The advantages of relocating businesses in the event of a crisis or unstable situation for the company are: the opportunity to obtain more favourable working conditions (workspace, modern equipment, high wages, changes in work hours, etc.), simplified mechanisms for obtaining visas and new residence for employees, legal support, and state financial assistance [1].

Relocation of enterprises can occur for various reasons, the main of which are: security factors – military operations, risks to personnel and material assets; economic factors – access to markets, resources, tax conditions and rental costs; infrastructure capabilities – transport logistics, energy supply and quality of communication.

According to the Ministry of Economy of Ukraine, within the framework of the implementation of the Program of the Ministry of Economy of Ukraine for the relocation of Ukrainian enterprises located in the zone of active hostilities, which was launched in March 2022, the Transcarpathian region ranks second after the Lviv region in terms of the number of relocated enterprises (Fig. 1).

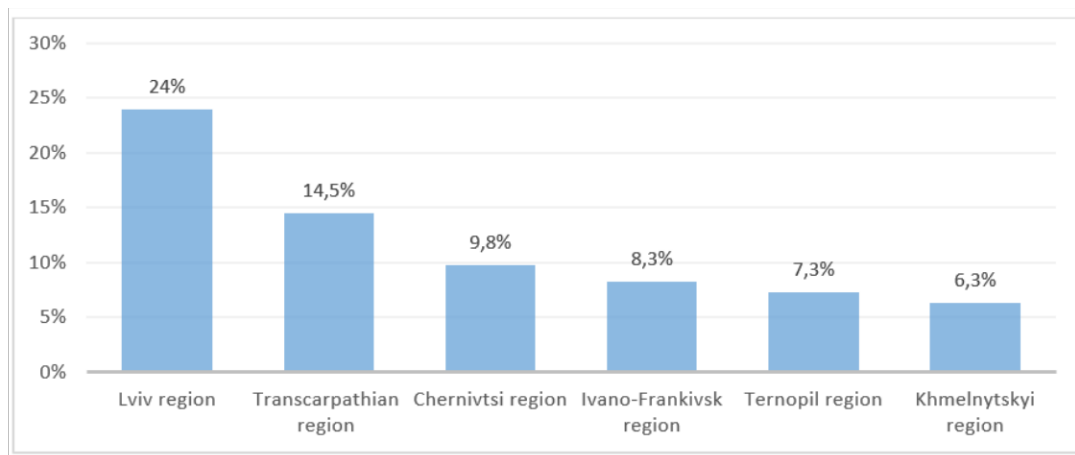


Fig. 1. Leading regions by the number of relocated enterprises (according to the Ministry of Economy of Ukraine, 2023)

Source: based on [20]

Transcarpathia is one of the youngest regions of Ukraine, characterized by its unique geographical location and natural-climatic conditions (Table 1). It borders Hungary, Poland, Slovakia, and Romania, which gives the region particular significance in terms of cross-border cooperation and international relations. Since 2020, as a result of the administrative-territorial reform, a new administrative structure has been implemented in Transcarpathia, with the creation of 6 districts and 64 united territorial communities (UTCs). This reform had a significant impact on local governance processes and budget planning. It allowed for an increase in the financial autonomy of communities, optimized the management of budgetary resources, and developed control mechanisms.

Table 1

Transcarpathian districts

No	Districts	Number of Territorial Communities	Number of Settlements	Area of Territorial Communities (km ²)	Population of the Community
1	Berehove district	10	105	1460.2	208420
2	Mukachevo district	13	142	2056.5	253562
3	Rakhiv district	4	26	1843.7	82568
4	Tyachiv district	10	64	1873.9	185023
5	Uzhhorod district	14	125	2362.4	255915
6	Khust district	13	143	3180.3	268303

Source: based on [10]

The Transcarpathia is one of the main regions for the relocation of Ukrainian enterprises due to its logistical, geographical and economic advantages. The share of relocated enterprises located in the districts of the Transcarpathian region is: 42.0% – in Berehove district; 29.0% – in Uzhhorod district; 16.9% – in

Mukachevo district; 10.0% – in Khust district; 1.7% – in Tyachiv district; 0.4% – in Rakhiv district [20].

The implementation of the Ukrainian Ministry of Economy's relocation program for Ukrainian enterprises allowed for the relocation of 229 business entities to Transcarpathia. As of October 1, 2023, 217 of them are operational, while 12 have been relocated but are not yet operational. In addition to these enterprises, a significant number of new businesses (around 200) have been established in the Transcarpathian region by internally displaced persons and business entities from other regions of Ukraine. Of the total number of relocated enterprises to the region, 27.1%, or 62 units, belong to the manufacturing industry. The main activities of these enterprises are as follows: clothing and footwear production – 24.2%; production of finished metal products, except machines and equipment – 16.1% of all manufacturing enterprises; production of machinery and equipment – 11.3%; wood processing and production of wood products, except furniture – 8.1%; production of other products – 6.5%; furniture production – 4.8%; production of machinery and equipment – 4.8%; production of chemicals and chemical products – 3.2%; food production – 3.2%, etc. [12].

Among the largest manufacturing enterprises that relocated their businesses to the Transcarpathia are: Shuafani Corporation, which includes 11 companies with different business profiles but united by common features – metal processing and the manufacturing of equipment for metalworking; "Wind Parks of Ukraine" company (a producer of multi-megawatt wind energy installations and a provider of services for their installation and commissioning); AJAX SYSTEMS (developer and manufacturer of wireless security systems); Centraviv Ltd (developer and manufacturer of seamless aluminum tubes); SOTON (manufacturer of polycarbonate sheets); "LEGIO" Ltd (full-cycle company for developing models, tailoring special-purpose clothing, and equipment); ZENTEX (manufacturer of burn-resistant gel wipes and bandages "OpikUn", disinfectants for skin "DezUn"); SheMax Ukraine (manufacturer of electrical equipment for beauty salons); APEX PLANT (manufacturer of polymer products) and others [12].

If a region like Transcarpathia is focused on tourism and recreation, placing environmentally hazardous industries may conflict with its strategic goals. Such industries could harm natural resources, reduce investment attractiveness in tourism-related sectors, and undermine sustainable production. To promote sustainable development, regions should leverage their strengths by supporting businesses that create jobs, foster economic growth, and align with environmental and social objectives. This approach would not only facilitate the effective integration of relocated businesses but also contribute to the overall development of the region, enhancing its economic resilience and improving the quality of life for local communities.

The Ministry of Economy of Ukraine noted that last year more than 13 thousand people were employed in this way. The program will continue to operate in 2025. In particular, in Transcarpathia, according to the results of 2024, 186 employers in the region received a positive decision on compensation for the employment of 652 internally displaced persons. Such data was provided to PMG.ua by the regional employment service. There are even statistics on economic activity. The largest number of jobs was in the processing industry – 66.9% of the total. In second place was wholesale and retail trade – 14.1%, in third place – temporary accommodation and catering with an indicator of 4.6%. A small number of jobs are also in the areas of transport and logistics, healthcare, construction, education, agriculture, etc. [8].

Table 2 illustrates how business relocation has impacted the budgetary indicators of various regions in Ukraine from 2021 to 2024.

In 2021, the budget of the Transcarpathia region was indeed composed of 61.5% (1,985.2 million UAH) from state subsidies, while the share of taxes accounted for 29.1% (938.6 million UAH). In 2022, the situation changed dramatically: the share of subsidies decreased to 37.5% (956.3 million UAH), and taxes increased to 54.2% (1,382.2 million UAH). In 2023, the share of taxes in the regional budget was 48.4% (1,550.6 million UAH), while subsidies accounted for 44.1% (1,413.0 million UAH). In 2024, taxes accounted for 48.8% (1,510.4 million UAH), and subsidies 41.8% (1,295.0 million UAH), respectively.

Table 2

How Business Relocation Has Affected the Budgets of Ukraine's Regions

Receiving regions within the framework of relocation		2021	2022	2023	I-III quarters of 2024
Zhytomyr	Subsidies (billion UAH)*	2,6	1,1	2,3	1
	Taxes (billion UAH)**	1,3	2	2,2	1,1
Vinnytsia	Subsidies (billion UAH)*	3	1,4	2,5	1,1
	Taxes (billion UAH)**	1,7	2,3	2,5	1,7
Volyn	Subsidies (billion UAH)*	2,1	1	1,5	0,7
	Taxes (billion UAH)**	0,9	1,4	1,6	1

Continuation of Table 2

Dnipropetrovsk	Subsidies (billion UAH)*	8,5	2,9	3,4	2,3
	Taxes (billion UAH)**	10,1	8,9	8,6	6,7
Transcarpathian	Subsidies (billion UAH)*	2	1	1,4	0,9
	Taxes (billion UAH)**	0,9	1,4	1,6	1,1
Ivano-Frankivsk	Subsidies (billion UAH)*	2,2	1,2	1,6	0,9
	Taxes (billion UAH)**	1,3	1,7	1,8	1,2
Kyiv	Subsidies (billion UAH)*	3,6	1,8	4,1	3,3
	Taxes (billion UAH)**	3,2	3,4	4,3	3,1
Kirovohrad	Subsidies (billion UAH)*	2,1	1,1	1,7	0,5
	Taxes (billion UAH)**	1,2	1,4	1,5	1,1
Lviv	Subsidies (billion UAH)*	3,6	2	3,1	1,3
	Taxes (billion UAH)**	3,3	4,9	5,1	3,7
Poltava	Subsidies (billion UAH)*	3,8	2,1	2,7	0,9
	Taxes (billion UAH)**	3,5	4	3,4	2,6
Rivne	Subsidies (billion UAH)*	2,7	1,1	2	1,3
	Taxes (billion UAH)**	1,4	1,4	1,6	1
Ternopil	Subsidies (billion UAH)*	2,2	1,2	1,5	0,6
	Taxes (billion UAH)**	0,9	1,1	1,3	0,8
Khmelnyskyi	Subsidies (billion UAH)*	2,9	1,1	1,7	0,9
	Taxes (billion UAH)**	1,3	1,8	1,9	1,2
Cherkasy	Subsidies (billion UAH)*	2,4	1,2	2	0,9
	Taxes (billion UAH)**	1,3	1,7	2,1	1,4
Chernivtsi	Subsidies (billion UAH)*	1,6	0,8	1,2	0,7
	Taxes (billion UAH)**	0,6	0,8	0,9	0,6

*Subsidies – Subsidies and transfers in the regional budget.

**Taxes – Tax revenues in the regional budget.

Source: based on [19]

In 2021, the budget of the Transcarpathia was indeed composed of 61.5% (1,985.2 million UAH) from state subsidies, while the share of taxes accounted for 29.1% (938.6 million UAH). In 2022, the situation changed dramatically: the share of subsidies decreased to 37.5% (956.3 million UAH), and taxes increased to 54.2% (1,382.2 million UAH). In 2023, the share of taxes in the regional budget was 48.4% (1,550.6 million UAH), while subsidies accounted for 44.1% (1,413.0 million UAH). In 2024, taxes accounted for 48.8% (1,510.4 million UAH), and subsidies 41.8% (1,295.0 million UAH), respectively.

Business relocation had a significant impact on the economic situation in Ukraine, particularly in Transcarpathia. The shift from dependence on subsidies to an increase in tax revenues indicates the success of the policy supporting relocated businesses. Tax revenues have become the primary source of financing for local budgets, which is crucial for ensuring the economic stability and development of the region.

According to the Ministry of Economy, the tax burden from the profit tax in the Transcarpathia stands at 3.4%, which is the highest rate in Ukraine. The increase in profit tax compared to the previous year was over 300%. The government has allocated 530 million UAH in support for businesses in Transcarpathia under the "Made in Ukraine" program for 2024. For small and micro businesses in the region, three "Made in Ukraine" offices are already operating in Mukachevo, Uzhhorod, and Khust [4].

In the first quarter of 2024, the corporate profit tax revenue amounted to 69,239.4 thousand UAH, which is 1.8 times or 31,808.3 thousand UAH more than the planned figures. Compared to the same period last year, tax revenue increased by 2.5 times or 41,038.3 thousand UAH. This performance is attributed to the tax receipts from relocated businesses in the region [11].

Let us examine the number of registered legal entities and individual entrepreneurs (Fig. 2) and the number of active enterprises, classified by size (large, medium, small, and microenterprises) (Fig. 3) in Transcarpathia over the period of 2022-2024. This will allow for an assessment of the level of business adaptation to the new economic conditions and highlight the factors that contribute to the development of entrepreneurship in the region, particularly through business relocation. The number of registered enterprises in Transcarpathia continues to grow, which is a positive sign for the region's economy.

The number of legal entities increased from 25,016 in 2022 to 27,530 in 2025, indicating stable growth

in entrepreneurial activity in the region. The number of individual entrepreneurs also grew from 33,735 in 2022 to 41,772 in 2025, reflecting a significant rise in individual entrepreneurial activity, which is a positive trend for the development of small businesses. This trend demonstrates that the region is attracting new entrepreneurs and investors, which may be linked to business relocation processes as well as other factors that contribute to the growth of entrepreneurial activity.

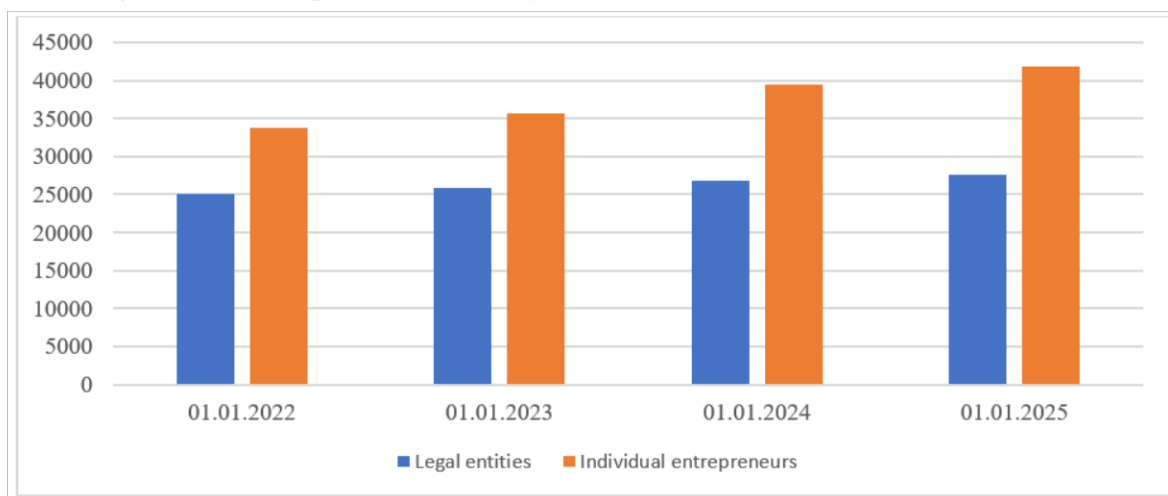


Fig. 2. The Number of Registered Legal Entities and Individual Entrepreneurs in Transcarpathia (2022-2024)

Source: based on [9]

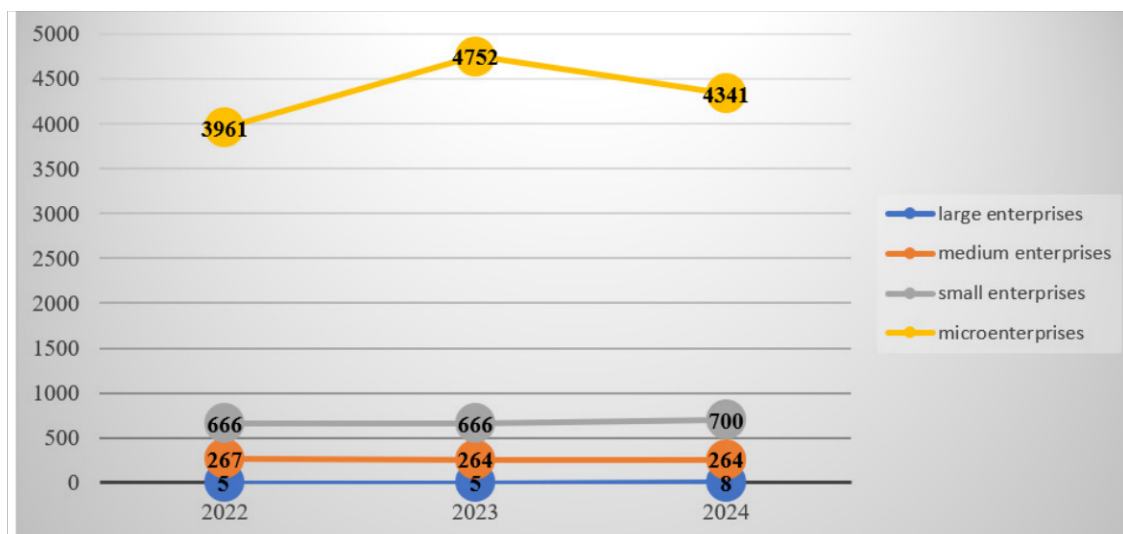


Fig. 3. The Number of Active Enterprises in Transcarpathia by Size: Large, Medium, Small, and Microenterprises (2022–2024)*

*Data exclude the activities of banks and budgetary institutions.

Source: based on [9]

The dynamics of enterprises of various categories in Transcarpathia between 2022 and 2024 indicates the regional business environment's ability to adapt to economic shocks. The number of large enterprises increased from 5 units in 2022 to 8 in 2024, pointing to the recovery of large businesses after the crisis events, although their share in the overall structure of enterprises remains low. This growth may be a result of improved economic conditions and stability, particularly due to the relocation of some production capacities. The number of medium-sized enterprises remained stable (267 units in 2022 to 264 in 2024), indicating their ability to adapt to changes in the macroeconomic environment. Small enterprises, in particular, showed positive growth dynamics – increasing from 666 units in 2022 to 700 in 2024, which may be the result of their ability to respond quickly to changes through diversification and seeking new markets. Microenterprises, thanks to their low entry barriers and management flexibility, showed growth from 3,961 units in 2022 to 4,341

in 2024, confirming their ability to swiftly adapt to economic changes. All these changes may be partly driven by business relocation processes, which contributed to the development of businesses in new conditions.

Let us examine the number of active enterprises by economic activity in Transcarpathia over the period of 2022–2024 (Fig. 4).

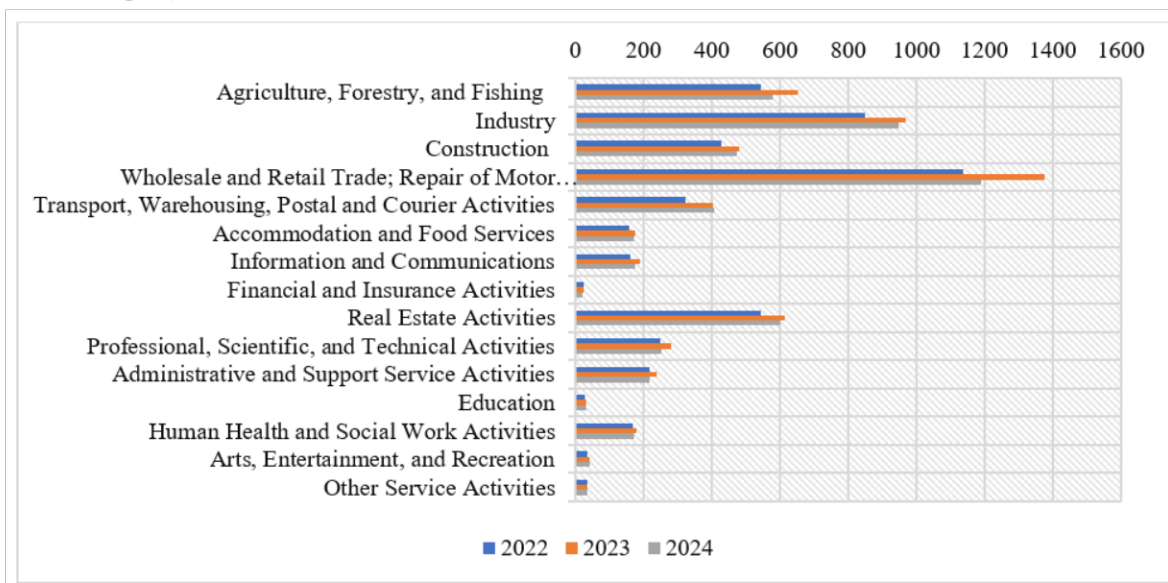


Fig. 4. The Number of Active Enterprises by Economic Activity in Transcarpathia (2022–2024)

Source: based on [9]

The dynamics of the number of active enterprises by economic activity in Transcarpathia between 2022 and 2024 reveals different trends in the development of various sectors of the regional economy, particularly the growth or decline of entrepreneurial activity depending on the type of activity. The total number of enterprises in the region increased from 4,899 units in 2022 to 5,313 units in 2024, indicating a positive trend in business development.

The sectors showing the highest growth were transport, warehousing, postal, and courier activities, where the number of enterprises increased by 26%, from 322 units in 2022 to 406 units in 2024. This may be a result of changes in logistics chains associated with business relocation and the increased demand for transport services. Wholesale and retail trade; repair of motor vehicles and motorcycles also demonstrated positive results, growing by 5% (from 1,138 enterprises in 2022 to 1,191 in 2024), which may indicate the adaptation of enterprises to new market conditions and the growing demand for these services. Industrial productivity also showed an increase of 11% (from 850 to 946 enterprises), indicating the recovery or expansion of production capacities in the region, particularly due to the relocation of businesses. The construction sector grew by 11% (from 427 to 474 enterprises), which may be related to reconstruction works and the demand for new infrastructure facilities. Agriculture, forestry, and fishing showed a 6% increase (from 545 to 580 enterprises), reflecting the stable development of agriculture in the region.

At the same time, some sectors showed a decline, particularly financial and insurance activities (a decrease of 9%, from 23 to 21 enterprises) and education (a decrease of 7%, from 28 to 30 enterprises), which may be associated with economic instability and changes in demand in these fields. Overall, the observed dynamics indicate the ability of the business environment in Transcarpathia to adapt to economic crises and mixed factors, particularly through business relocation, which ensures the region's resilience and development in the face of both external and internal challenges.

Table 3 illustrates the financial results before taxation of enterprises in Transcarpathia for 2024, highlighting significant differences between businesses that reported a profit and those that incurred losses. The financial result before taxation for enterprises in Transcarpathia amounted to 18,842,075.8 thousand UAH, with 72.3% of enterprises reporting a profit (21,320,422.1 thousand UAH), while 27.7% of enterprises incurred losses (2,478,346.3 thousand UAH).

Table 3

Financial Results Before Taxation of Enterprises by Districts of Transcarpathia in 2024*

	Financial Result (Balance) Before Taxation, UAH '000	Enterprises that Reported Profit		Enterprises that Reported Loss	
		As a percentage of the total number of enterprises	Financial Result, UAH '000	As a percentage of the total number of enterprises	Financial Result, UAH '000
Transcarpathian region, including:	18,842,075.8	72.3	21,320,422.1	27.7	2,478,346.3
Berehove district	344,042.6	75.0	721,770.4	25.0	377,727.8
Mukachevo district	1,704,711.4	73.6	2,194,619.4	26.4	489,908.0
Rakhiv district	84,788.6	72.7	148,368.1	27.3	63,579.5
Tyachiv district	330,757.3	79.5	356,639.7	20.5	25,882.4
Uzhhorod district	15,944,214.5	68.2	17,306,334.5	31.8	1,362,120.0
Khust district	433,561.4	78.5	592,690.0	21.5	159,128.6

*Data exclude the results of banking activities.

Source: based on [9]

This situation indicates a significant share of enterprises operating with a positive financial result; however, the presence of loss-making enterprises, which may be influenced by economic crises such as war or other external factors, cannot be ignored. This highlights the need for support for loss-making enterprises and the stimulation of local economic development to overcome economic difficulties.

Conclusions. Business relocation, in the context of economic instability caused by war and other external factors, plays a crucial role in supporting economic activity in Ukraine's regions, particularly in Transcarpathia. Relocating enterprises to safer and more stable territories not only helps preserve jobs and economic activity but also significantly boosts tax revenues for local budgets, strengthening the financial foundation of the regions. As a result of relocation, there has been an increase in both the number of new enterprises and employment levels in Transcarpathia, contributing to an overall improvement in socio-economic conditions. However, these processes are not without challenges. Changes in the structure of enterprises, particularly the growth of microenterprises and small businesses, reflect their flexibility and ability to rapidly adapt to changing economic conditions. Nonetheless, the stability of medium and large enterprises remains a critical factor in the overall economic development of the region. Despite the positive trends, some enterprises in Transcarpathia continue to incur losses, highlighting the need for state support to sustain and develop such businesses, especially during periods of economic instability. Support programs, financial assistance, and other measures to stimulate entrepreneurial activity should remain key priorities in state economic policy. An important outcome of relocation is the significant improvement of the region's infrastructure, driven by increased economic activity and the demand for new production capacities, warehouse facilities, communications, and services. For long-term regional development, fostering a partnership between government authorities, local administrations, and businesses is essential, enabling the effective use of relocation potential to achieve sustainable economic growth in the future.

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