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## MAINTAINING UKRAINE'S FINANCIAL SECURITY IN TIMES OF WAR: INTERNATIONAL AID AND DEFENSE PROCUREMENT

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*The paper is devoted to the study of the peculiarities of ensuring the financial security of Ukraine under martial law. The main attention is focused on the challenges caused by full-scale armed aggression, the specifics of defense procurement financing, as well as the role of international financial assistance in maintaining macrofinancial stability. The interconnection between budget sustainability, transparency of defense expenditures and effective management of external financial resources is substantiated.*

**Keywords** — *financial security, martial law, defense procurement, public finance, international financial assistance, budget deficit.*

In wartime conditions, the financial security of the state becomes one of the key components of national security, directly affecting the level of defense capability, social stability and resilience of the economy. The full-scale war against Ukraine has led to unprecedented pressure on the public finance system, which is manifested in a sharp increase in defense expenditures, a reduction in tax revenues, destruction of economic infrastructure and deepening of macrofinancial imbalances. Under such circumstances, ensuring financial security requires extraordinary fiscal, legal and institutional decisions.

One of the main challenges to Ukraine's financial security during the war is the chronic budget deficit caused by a significant gap between public revenues and expenditures. Defense and security spending has become the dominant component of the state budget, which objectively limits the possibilities for financing development programs and investments. At the same time, inflationary risks, exchange rate instability and growing public debt increase the vulnerability of the financial system

and require strict coordination between fiscal and monetary policy instruments.

A special place in the system of financial security is occupied by defense procurement, which in wartime conditions is characterized by accelerated procedures, limited transparency and significant volumes of budgetary resources. Defense procurement performs a strategic function, ensuring the supply of weapons, military equipment and logistics for the Armed Forces of Ukraine. However, the concentration of large financial flows in this area creates increased risks of inefficient use of funds, financial violations and corruption manifestations, which directly threaten the financial security of the state.

In this context, the importance of strengthening financial control mechanisms over defense procurement increases, including internal audit, state financial control and elements of financial monitoring adapted to wartime conditions. The application of risk-based approaches and digital analytical tools allows to partially compensate for the objective limitations related to restricted access to information and confidentiality requirements in the defense sector.

International financial assistance plays a crucial role in maintaining Ukraine's financial security during the war. Financial support from international organizations, partner states and donor institutions has become a key source of financing the budget deficit, ensuring social payments and supporting macroeconomic stability. At the same time, the growing dependence on external resources forms new risks related to debt sustainability, conditionality of assistance and the need to ensure transparency and accountability in the use of international funds.

Effective management of international financial assistance is a necessary condition for maintaining the trust of international partners and preserving financial stability. Insufficient institutional capacity, weak coordination between state authorities and imperfect control mechanisms can significantly reduce the positive effect of external support and create threats to financial security in the medium and long term.

Thus, ensuring the financial security of Ukraine in wartime conditions requires a comprehensive approach that combines budget sustainability, effective defense

procurement management and transparent use of international financial assistance. Strengthening institutional capacity, improving financial control mechanisms and integrating international best practices are key prerequisites for enhancing the resilience of the public finance system both during the war and in the post-war recovery period.

In conclusion, ensuring the financial security of Ukraine under martial law should be considered primarily through the prism of financial law, as a system of legal norms regulating the formation, distribution and use of public financial resources. The effectiveness of defense procurement financing and the use of international financial assistance directly depends on the quality of financial-legal regulation, compliance with budgetary discipline and the functioning of financial control mechanisms. Strengthening legal guarantees of transparency, accountability and targeted use of public funds, as well as harmonization of national financial legislation with international standards, is a prerequisite for protecting the financial interests of the state and ensuring sustainable public finance management in wartime and post-war recovery.

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