

## **Dynamics and perspectives of trade relations development between the countries of the Arab Maghreb Union and the European Union**

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**Research methodology.** On the basis the gravity model the principles of the analysis were chosen. These principles are based on the assumption that trade flows positively depend on the GDP of the two countries, that is, the coefficient of GDP resulting from a regression analysis, should be positive and negative depending on the distance between the countries, which affects the potential travel costs.

**Results.** It was shown that the overall dynamics of development of trade relations between the countries of the Arab Maghreb Union and the EU is negative and outdone from the potential level. This indicates the low efficiency of the development of trade and economic integration of the two groups of countries. However, the countries' GDP is growing in both groups of countries (the coefficients of these variables have a positive value). This fact testifies to the growth prospects of effective trade between the countries of the Arab Maghreb and the European Union.

**Novelty.** Research has proved that the realization of the idea of defining the balanced inter-regional space is possible, but under certain conditions, such as elimination of the risks and drawbacks in relationship between participants of the international community.

**Practical significance.** The ways of optimization of inter-regional exchange of goods between the countries of the Arab Maghreb Union (AMU) and European Union (EU) were proposed in the article.