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## THE ESSENCE AND FEATURES OF THE PUBLIC-PRIVATE PARTNERSHIP

The article explores the essence and features of public-private partnership, examines the scientific approaches to the use of concepts of “private-public partnership”, “public-private partnership”. The urgency of the development of the Institute of PPP is determined.

The government service is responsible for a certain number of sectors of the economy, which it should not only keep in good condition but also develop. Unfortunately, this problem is characteristic not only for our country but also for highly developed economies, the state does not have enough financial means to implement such projects. As the experience of other countries shows, one of the most effective ways out of the situation is the cooperation between the state and private business. Private business is not only a huge financial resource; it is also new technologies, new, more effective approaches to the management system.

The concept of PPP is ambiguously used in the literature. In addition, a wide range of applications of this kind of partnership, as well as practical examples, creates some difficulty in interpreting the term of PPP.

The pursuit of common goals, as outlined here in one of the hallmarks of a public-private partnership, cannot be understood as the literal meaning of a word. The purpose of the government service, the public sector – the implementation of socially significant projects, the main purpose of private business –

to make a profit through the cooperation with the state in socially significant projects. Otherwise, private business will not participate in such projects.

The urgency of the development of the Institute of PPP at the regional outside in Ukraine can be explained by a number of the following reasons:

1. Areas of interest to implement PPP projects for most of them are in the area of responsibility of the region and characterize the measure of the socio-economic development of the subject.

2. Assessing world experience (an example of the USA, Germany), we can say that PPP projects are implemented at the level of regions and the public sector is represented not by the state authorities but by regional ones.

3. Reducing the value of PPP projects by the investment fund. As was said above, the Investment Fund is now oriented not to megaprojects, which, in fact, should be implemented within the framework of the PPP, but to projects in the regions contributing to the socio-economic development of the subjects of Ukraine.

4. Regional orientation of the problem of PPP implementation from the side of profile ministries.

For Ukraine, the relevant problem is underfunding of various sectors of the economy and the lack of “intellectual and managerial capacities” by the regional and municipal authorities.

According to foreign experience, one of the most effective options is the cooperation with the private sector, which differs from its versatility in terms of solving problems

with tangible and intangible resources, as well as the possibility of using this mechanism in virtually all areas of state responsibility.