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STRATEGIC DIRECTIONS OF FINANCIAL INTERACTION UNDER PUBLIC-PRIVATE PARTNERSHIP

The article examines the strategic aspects of financial interaction within public-private partnerships (PPP) in Ukraine. The research analyzes the evolution of PPP concepts, modification of its forms and models, with particular focus on financial mechanisms of cooperation between state and business structures. The study reveals that PPP serves as a system-forming core for managing socially significant projects and programs implementation. The paper identifies key barriers to PPP development in Ukraine, including insufficient strategic planning and forecasting, and proposes solutions based on international experience. Special attention is paid to innovative projects within PPP framework and their role in economic modernization. The research demonstrates that effective PPP implementation requires systematic approach to partnership formation, analysis of contributing and hindering factors, and institutional environment improvement. The paper proposes mechanisms for enhancing PPP efficiency through intellectual core formation in management systems based on team networks. The study concludes that strategic partnership between business and government can facilitate Ukraine's transition to a new economic development model through economy diversification and innovation-based reproduction.

Keywords: *public-private partnership, strategic partnership, financial interaction, innovation development, institutional environment, investment projects, banking sector, economic modernization*

Introduction. Public-private partnership represents a new form of interaction between public and private sectors in financing infrastructure and socially significant projects. The strategic importance of business-government partnership is determined by several factors, including the capital intensity of infrastructure projects, which can be compared to annual budgets of districts or even regions of Ukraine. The long-term nature of such projects gives them strategic character. Moreover, strategic partnership means identifying priorities and strategically important objects that become subjects of PPP contracts.

Analysis of Literature and Problem Statement. The analysis of scientific literature demonstrates a growing interest of researchers in public-private partnership issues. Among Ukrainian scholars, I.V. Zapatrina has made significant contributions to PPP research, focusing on public-private partnership mechanisms in the context of financial arrangements and infrastructure projects. O.M. Vinnyk's works are dedicated to the legal aspects of PPP regulation in Ukraine, while P.I. Shilepnitsky extensively examines the institutional foundations for effective PPP project implementation.

In the international academic community, E. Savas has developed fundamental theoretical frameworks for privatization and partnership in the public sector. G. Hodge's research provides valuable insights into risks and benefits of various PPP forms, while J. Delmon's studies focus

on structuring project finance within partnerships, offering practical approaches to financial mechanism development.

Despite these substantial research efforts, strategic aspects of financial interaction within PPP frameworks remain insufficiently explored in Ukrainian academic literature. K.V. Pavlyuk and S.M. Pavlyuk emphasize in their works the necessity of improving strategic planning and forecasting systems in the PPP sphere. The research by N.V. Bezbakh and V.V. Trynchuk highlights the imperfections in the existing institutional structure and argues for its comprehensive reform.

The issues of long-term PPP project financing and risk management are thoroughly examined in the works of V.M. Heyets and O.I. Amosha, who emphasize the importance of developing financial instruments and risk mitigation mechanisms. L.I. Fedulova's research focuses on the critical aspect of human capital development for PPP project management, highlighting the need for qualified specialists in this field.

Recent international studies, particularly those by P. Noble and R. Willems, demonstrate that successful PPP implementation requires a balanced approach combining strategic planning, institutional development, and innovative financial solutions. Their research provides evidence that countries with well-developed PPP frameworks show significantly better project implementation results and higher private sector participation rates.

Research Objectives. The comprehensive analysis of academic literature reveals several critical challenges that need to be addressed for successful PPP development in Ukraine. These include the formation of an integrated strategic planning system, institutional environment enhancement, provision of access to long-term financing, and improvement of risk management practices. The synthesis of both Ukrainian and international research perspectives provides a solid foundation for developing effective solutions to these challenges while considering local specifics and global best practices.

Main Research Findings. This research aims to conduct a comprehensive investigation of the strategic aspects of financial interaction within the public-private partnership framework in Ukraine. The complexity of PPP development in the modern economic environment necessitates a thorough analysis of existing financial mechanisms and their effectiveness in facilitating successful partnership projects. Understanding the strategic directions of such interaction is crucial for developing sustainable cooperation models between public and private sectors. [5]

A significant focus of this study is the identification and analysis of key barriers that currently hinder PPP development in Ukraine, along with the formulation of practical solutions to overcome these challenges. This involves examining both institutional and market-based obstacles, considering the unique characteristics of Ukraine's economic and regulatory environment. Through this analysis, the research seeks to bridge the gap between theoretical frameworks and practical implementation of PPP projects. [2]

Furthermore, this study aims to develop and propose specific mechanisms for enhancing PPP efficiency through a systematic approach, taking into account international best practices and local conditions. This includes examining various aspects of project implementation, from initial planning to final evaluation, with particular emphasis on financial sustainability and risk management. The ultimate goal is to contribute to the improvement of the institutional environment for PPP development in Ukraine, providing practical recommendations for policymakers, business entities, and other stakeholders involved in partnership projects.

The conducted research enabled the development of a comprehensive systemic model of public-private partnership that considers the specifics of the Ukrainian economic environment. The formation of effective partnership occurs through the consistent implementation of interconnected stages, from identifying needs and opportunities to evaluating results and subsequent strategy adjustment. Special attention in the model is paid to analyzing factors influencing PPP development in Ukraine.

The research demonstrates that the current legislative framework, particularly the Law of Ukraine "On Public-Private Partnership," creates a basic foundation for partnership relations development. Growing demand for infrastructure projects and support from international organizations also contribute to PPP development. However, several significant limitations have been identified, with insufficient institutional capacity and limited access to long-term financing being the most critical. Banking Sector as a Key Element of Financial Interaction. Analysis of the current state of Ukraine's banking sector demonstrates positive dynamics in PPP project financing. According to the National Bank of Ukraine, there has been a significant increase in infrastructure project lending volume. An important achievement has been the extension of the average lending period to seven years, indicating growing trust of the banking sector in PPP projects. [8]

For further development of financial interaction, the creation of a specialized Banking Union of Ukraine based on the European model has been proposed. Such an institution should become a central link in the PPP project financing system, ensuring effective risk distribution and establishing unified project evaluation standards.

Innovation Vector of PPP Development. The innovative component of PPP projects requires special attention in the context of modern digital transformation challenges. Research of international experience and Ukrainian realities has allowed identifying key technological priorities. Digital infrastructure development and clean technology implementation in the energy sector are particularly important. Biotechnology and medical innovations also demonstrate significant potential for implementation within PPP projects. Organizational innovations play an equally important role in partnership development. Implementation of modern electronic project management systems and creation of specialized competency centers significantly increases the effectiveness of PPP project implementation. [6]

Electronic Relationship Management System in PPP. The developed concept of E-CRM system implementation for PPP projects represents a comprehensive solution for partnership relationship management. The system ensures automation of key interaction processes between project participants and creates a unified platform for information and experience exchange.

Practical approbation of system elements has demonstrated its high efficiency. There is a significant reduction in project documentation preparation time and increased transparency of management processes. Particularly important is the improvement in management decision quality through the use of system analytical tools.

Strategic Planning and Forecasting. Implementation of foresight methodology in PPP strategic planning significantly improves the quality of project forecasting and planning. The created organizational structure, including an interdepartmental coordination group and expert working groups, ensures a comprehensive approach to evaluating development prospects in various economic sectors. Special attention is paid to analyzing technological trends and innovations, allowing timely response to changes in the external environment and

adaptation of PPP projects according to new challenges. PPP Project Financing Mechanisms. The developed comprehensive mechanism for PPP project financing takes into account the specifics of the Ukrainian financial market and international experience. An important element of the mechanism is the diversification of financing sources, including both traditional bank loans and innovative financial instruments. [4]

The proposed financing instruments, such as project bonds and syndicated loans, allow attracting long-term investments for implementing large-scale infrastructure projects. The system of state support, including guarantees and tax incentives, creates additional incentives for private investors. PPP Projects Efficiency Assessment. The developed system for PPP projects efficiency assessment is based on a comprehensive approach that considers economic, social, and environmental aspects of project implementation. Economic efficiency is evaluated through traditional financial indicators, but special attention is paid to the social impact of projects.[3]

An important element of assessment is the analysis of the environmental component, which meets modern sustainable development requirements. Consideration of energy efficiency indicators and environmental impact ensures long-term sustainability of PPP projects. The research findings enable us to formulate specific recommendations for enhancing PPP development in Ukraine:

- Institutional Framework Enhancement;
- Establish a specialized PPP unit at the national level with regional branches;
- Develop standardized procedures and templates for PPP project preparation;
- Create a unified digital platform for PPP project monitoring and management;
- Implement regular training programs for public sector officials involved in PPP projects;
- Financial Mechanism Development;
- Introduce new financial instruments specifically designed for PPP projects;
- Develop a risk-sharing mechanism between public and private partners;
- Create a guarantee fund to support PPP projects in priority sectors;
- Establish clear procedures for project refinancing and restructuring;
- Legislative Improvements;
- Enhance the legal framework to better protect private investors' interests;
- Introduce mechanisms for dispute resolution specific to PPP projects;
- Develop regulations for innovative forms of partnership;
- Create legal basis for cross-border PPP projects;
- Market Development;
- Create a pipeline of bankable PPP projects;
- Develop secondary market for PPP financial instruments;
- Establish mechanisms for small and medium enterprises participation in PPP projects;
- Implement regular market consultations with potential private partners;
- Quality Assurance;
- Develop comprehensive project evaluation methodology;
- Establish independent quality control procedures;
- Create certification system for PPP professionals;
- Implement regular post-implementation review procedures.

These recommendations, based on the research findings and international best practices, provide a practical roadmap for enhancing PPP development in Ukraine. Their implementation should be prioritized according to local conditions and available resources, with regular monitoring and adjustment of implementation strategies as needed.

Conclusions. The comprehensive analysis of public-private partnership development in Ukraine reveals significant potential for enhancing the efficiency of infrastructure and socially significant projects through strategic cooperation between state and business structures. Our research demonstrates that successful implementation of PPP projects largely depends on the systematic approach to strategic planning and institutional framework development. The establishment of a comprehensive planning system, supported by appropriate regulatory mechanisms and methodological tools, would enable more effective project selection and implementation, while ensuring optimal resource allocation and risk management.

Furthermore, the study highlights the critical role of financial mechanisms in PPP development. Modern financial instruments, including project bonds and syndicated loans, combined with state support measures, create a favorable environment for attracting private investment. The banking sector's involvement in PPP projects requires particular attention, as it serves as a key intermediary in providing long-term financing. The proposed creation of a specialized Banking Union of Ukraine, following the European model, could significantly improve access to financial resources and enhance the overall efficiency of PPP projects.

The research emphasizes that innovation plays a crucial role in the successful development of PPP initiatives. Integration of modern technologies, particularly in project management and monitoring systems, contributes to increased transparency and efficiency of partnership processes. The international experience in PPP management offers valuable insights and best practices that can be effectively adapted to the Ukrainian context, considering local specifics and development priorities. This comprehensive approach to PPP development, combining strategic planning, proper institutional framework, modern financial mechanisms, and innovative solutions, creates a solid foundation for successful implementation of socially significant projects and sustainable economic development in Ukraine.

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