

DEVELOPMENT TRENDS OF PPP PROJECTS IN THE WORLD

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Annotation: The article discusses the development trends of public-private partnership projects in foreign countries and the processes of implementing projects implemented within the framework of public-private partnership in foreign countries in various sectors of the economy. In addition, the content of the areas where PPP is used in world practice is presented.

Keywords: public-private partnership, project, activity, economy. Foreign and domestic economy, infrastructure, infrastructure.

In a market economy, mechanisms of public-private partnership (PPP) objects are used to attract private companies on a large scale for the purpose of long-term financing of state infrastructure. PPP activities are now widespread in the world, and each country has its own methods and areas of application. Cooperation between the state and business can be carried out within the framework of various structures, with different tasks and powers. It is advisable to use the experience of developed countries in implementing relations of state importance and contributing to the sustainable development of the country.

In particular, it is important to study and introduce effective experiences of developed Great Britain, the USA, Canada, China, France, Japan, Australia, Germany, Russia and other developed and developing countries in PPP relations in our country.

Factors that may hinder the development of the economy of Uzbekistan include the insufficient development of the infrastructure of the transport, energy, social infrastructure and telecommunications sectors. Often there is no adequate identification and assessment of risks and costs, which leads to poor feasibility studies of the project and refusal to accept large projects. One of the most effective methods of world practice in solving these problems is the implementation of investment projects based on PPP relations.

In foreign economic practice, public-private partnership (PPP) is usually understood as a wide range of business models and relationships. In the most general sense, this term is applied to any use of private sector resources to meet state needs.¹

Any state often needs private investment, entrepreneurial initiative and management skills to develop and manage certain objects that are state-owned. At the same time, the transfer of these objects to private ownership cannot be allowed. In this regard, in recent years, significant institutional changes have been taking place around the world in sectors that were previously always state-owned and under state management: electric power, automobiles, railways, utilities, main pipeline transport, ports, airports, etc. The governments of many countries are transferring objects in these sectors to private business entities for temporary long- or medium-term control, restoration and management.

Currently, the accumulation of world experience in the application of the public-private partnership mechanism is being carried out not only in the conditions of countries supporting this mechanism, but also in sectors supported by the state. Authorities are attracting private capital to solve problems of various levels, by 2000, investments in the field of public-private partnerships began to approach

¹ Колесникова К.И. Частно-государственное партнерство: опыт зарубежных стран и перспективы для России // Научный вестник УрАГС.

\$ 1 trillion and amounted to \$ 907 billion in terms of investment volume and number of implemented projects.

The leader is Asia, which is largely due to the development of such partnerships in the leading countries of economic development in the region - China and India.

Despite the fact that more than 350 projects have been implemented in the United States, investments in them amounted to only \$ 75 billion, which indicates their low capital intensity compared to other countries.

Projects implemented in foreign countries within the framework of public-private partnerships are implemented in various sectors of the economy. At the same time, the areas of application of public-private partnerships in developed foreign countries are very diverse. Thus, according to statistics, the leading sector today is transport infrastructure. Cooperation between partners can be carried out within the framework of different legislative structures, have different tasks and powers. If we analyze the use of PPPs by country, the picture changes depending on the level of socio-economic development of the country.²

Thus, in the overall picture in the GJP countries (USA, Great Britain, Germany, Italy, Canada, France, Japan), transport infrastructure projects are not in the first place. In these countries, healthcare is in the first place (184 out of 615 projects), education is in the second place (138 projects), and roads (92 projects) are in the third place. In general, each country has its own priority sector for the use of PPP. Thus, in the USA, it is highways (32 out of 36 projects), in the UK - healthcare (123 out of 352 projects) and education (113 out of 352 projects), in Germany - education (24 out of 56 projects), in Italy, Canada and France - the healthcare sector. In other developed countries (Austria, Belgium, Denmark, Australia, Israel, Ireland, Finland, Spain, Portugal, Greece, South Korea, Singapore), the number of PPPs used is dominated by sectors related to the construction and reconstruction of highways.³

In world practice, PPPs are used in the following areas:

- electricity generation and distribution;
- water resources management;
- waste management;
- healthcare;
- education;
- railways;
- prisons;
- airports and air transport;
- highways;
- stadiums and parks

The idea of modern PPPs originated in the UK in the early 1990s, when the government decided to involve business in the construction of roads, which were traditionally one of the state's responsibilities. In the first years, the PPP model was adapted to the economies of many countries. The PPP method was used by governments of countries primarily to develop transport infrastructure, but its scope was gradually expanded to include the construction and management of energy, heat and water supply, healthcare, education, etc.

² Балашов С. Опыт функционирования ГЧП в развитых странах // Вестник Института экономики РАН. № 4. 2009.

³ Айрапетян М.С. Зарубежный опыт использования государственно-частного партнерства // <http://wbase.duma.gov.ru:8080/law?d&nd=981605628&mark=r981605004>

In the UK, on the other hand, public-private partnerships have always been a hot topic of debate for national projects such as the Eurotunnel, the London Underground and the construction of new railways. The Public Finance Initiative (PFI) was established to develop more efficient and quality public services. In 1997, the PFI procedures were changed and new criteria for state support for PPP projects appeared.

This was followed by a series of more or less successful PPP projects, including, in addition to those mentioned above, the creation of an integrated waste recycling system on the Isle of Wight and the Bournemouth Public Library.

Infrastructure investment needs in selected countries and regions of the world⁴

Country/region	Amount. billions.dollars	Years
USA	1680	2008-2014
Germany	885	
China	693	
Russia	541	
India	263	
Canada	131	
Ireland	133	
Australia	95	
Ukraine	68	
New Zealand	187	
Latin America	75	Every year
Middle East and	29	
North Africa	27	

In particular, PPPs allow the government to use private sector resources, expertise, and innovation in the implementation of public projects, while mitigating financial risks and increasing the efficiency of public services. In addition, public-private partnership projects are becoming more popular due to the current trend of fiscal austerity, as they allow governments to transfer risk to the private sector, reduce budget expenditures, and pass on costs to service users through targeted pricing.

Public-private partnerships are becoming a popular option for US government agencies. They can provide access to resources, create additional jobs, and generate additional revenue for the government. In addition, they help ensure that projects are completed on time and within budget, while also involving the public in project development.

Thus, the further development of PPPs is observed in the United States. The PPP model is becoming increasingly popular in Russia due to the need for investment in infrastructure modernization. The government has also created special economic zones that provide tax incentives to enterprises investing in public-private partnership projects. Infrastructure in Russia includes airports, transport, electricity, ICT, integrated MSW, natural gas, ports, railways, roads, treatment, disposal, water and sewage. Uzbekistan is still at the beginning of a long journey of understanding and applying various models of cooperation between state and private investors. At the same time, international and local experience accumulated over the past 15-20 years indicates that PPP is one of the main mechanisms

⁴ Частно-государственное партнерство: состояние и перспективы развития в России: Аналитический доклад. - Москва: Институт экономики РАН, Национальный инвестиционный совет, 2006

for expanding the resource base and mobilizing unused reserves for economic development and increasing the efficiency of management of state and municipal (public) property.

In conclusion, the use of PPPs has been a successful approach to infrastructure development and public service delivery in many countries around the world. Uzbekistan has made significant progress in creating a legal framework for PPPs and has set itself ambitious goals to increase participation in the PPP sector. With the right policies, regulations, and incentives, PPPs in Uzbekistan have the potential to attract private sector funds, expertise, and technology, and help close the infrastructure gap. However, to realize the full benefits of public-private partnerships in Uzbekistan, the government will need to continue to ensure a good investment climate, encourage private sector participation, and create a clear and transparent regulatory framework.

We believe that if these efforts are successfully implemented, public-private partnership projects can be a key tool for Uzbekistan to implement its ambitious development agenda, improve socio-economic performance, and ensure long-term sustainable growth.

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