

UDC 334.752:351.81(477)
JEL: L32, H54, H56, D04

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Received: 28/12/2023

Accepted: 05/03/2024

DOI: 10.61954/2616-7107/2024.8.1-3

ANALYSIS OF THE ADVANCEMENT OF PUBLIC-PRIVATE PARTNERSHIP IN UKRAINE

Introduction. The significant amount of destruction caused by the war in Ukraine necessitates the involvement of all forms of financial and organizational support for the country's reconstruction process. A tried-and-tested method of attracting resources to this process is a public-private partnership. The intensification of public-private partnerships aims to meet the basic needs of the population during martial law before creating the necessary conditions for economic recovery after the war. Since the war led to the stagnation of the specified process, the obstacles and peculiarities of public-private partnerships in this period need to be researched.

Aim and tasks. The purpose of this study is to analyse the impact of martial law conditions on the activation of public-private partnerships to reveal its role in the recovery of the country's economy based on the analysis of available data to identify trends and significant results that can shed light on the activation of the public-private partnership process. This determines the following tasks: to investigate obstacles to the activation of public-private partnership from 2021 to this time, and to establish peculiarities, urgent directions, and prerequisites for implementing projects, measures, methods, and forms of public-private partnership in the specified period.

Results. The analysis showed that, in recent years, the contractual discipline of partnership projects has significantly deteriorated, and the range of directions for their implementation has narrowed and does not correspond to the priorities specified in the legislation. Thus, in 2021, only 16% of agreements were realized, 16.6% were terminated, and 61.6% still needed to be implemented. Directions for their implementation are not urgent in wartime conditions. Business activity is restrained by the risks of war, incomplete compliance of the legal framework with the conditions of war, and the intensification of illegal actions against investment objects. In total, 363 court cases related to raiding were initiated in 2023, reflecting a two-fold increase compared to 2022. The identified peculiarities, directions, and prerequisites for the implementation of public-private partnerships intensify the implementation process.

Conclusions. Measures to reduce risks and change the approaches to their distribution in partnership agreements have been proposed. It is proposed to introduce an institute of small investors, which will strengthen public control of public-private partnership projects and ensure the attraction of additional private investments in the process of rebuilding the country. This is substantiated by the fact that 61% of the surveyed citizens are ready to participate financially in the reconstruction of the country's infrastructure and 33% are ready to participate if they have a financial opportunity.

Keywords: public-private partnership, post-war period, investments, financial resources, project management.

1. Introduction.

According to the World Bank Group (2023a), immediate investments of 135 billion US dollars are needed to rebuild the buildings, infrastructure, and production facilities destroyed by the war in Ukraine, and 411 billion US dollars are needed to restore damaged objects. Such a significant investment would require the use of all possible sources, forms, and financing methods. One way of attracting financial resources is through public-private partnership (PPP), which is common in developed countries. The spread of this practice is mainly due to diversification opportunities, such as investments from various sources, risks, and financial instruments. PPP forms are also diversified, which provides flexibility in the introduction of partnerships, such as contracts to ensure public procurement, lease agreements for property in state or communal ownership, investment obligations, agreements on joint activities, concessions, etc.

The implementation of PPPs in Ukraine faces several obstacles in the modern realities. These include the high cost of private capital and limited funding in local businesses, unreliable investment guarantees, and concerns about the state's ability to fulfill its obligations, particularly in compensating for potential losses due to external threats and challenges. Additionally, there is a shortage of skilled labor and resources available at a reasonable cost, a significant level of inflation, and uncertainty about the government's prioritization of PPP initiatives. Finally, the low operational efficiency of critical infrastructure companies has decreased investors' interest in these projects.

Activating the PPP process is crucial during wartime, as it aids in stabilizing state and local budgets and curbing inflation. However, implementing this process during and after the war poses a challenge because of the diverse tasks the partnership must address. These include restoring social infrastructure, creating employment opportunities, meeting the basic needs of the population, and strategically renewing the core sectors of the economy. Additionally, it involves increasing the percentage of high value-added products in industries and establishing preconditions for rapid economic growth.

2. Literature review.

Considerable attention has been paid to the challenges associated with PPPs. Military actions in Ukraine have altered the conditions under which PPPs are implemented, necessitating further study on the impact of these changes. The war has also brought about significant nuances to PPPs, such as a secondary emphasis on ensuring sustainable development (Berrone et al., 2019; Kosovych, 2020) and changes in the nature and weight of risks associated with PPP projects (Fouad et al., 2021). This fundamentally alters the motivations of business partners, the terms of PPP agreements, and the process of reviewing them in the face of dynamic risk levels.

Podolian (2023) indicated that the use of PPP mechanisms for post-war reconstruction is due not only to a lack of financial and other resources, but also to the need for innovative renewal of the economy, the involvement of project management specialists, and a modern risk-oriented approach to project implementation.

Maslov (2023) indicated directions for attracting private investment for the reconstruction of the country and the need for synergy of three institutions: state structures, local self-government and business, which is considered in the presented study.

Shavlak (2022) indicated that the effective recovery of Ukraine's economy during war and post-war times is possible only by creating a mechanism of interaction between institutional and business structures with the participation of civil society, and this necessitates the introduction of transparent legal procedures at each stage of implementation of the specified mechanism.

According to Matviishyn and Vershyhora (2022), the implementation of the PPP mechanism, along with foreign investments, could significantly boost Ukraine's economy's innovative growth during the post-war period. The authors also emphasized the crucial significance of infrastructure restoration during times of war and post-war and recommended improving transparency in institutional partnerships, enhancing personnel capabilities, and creating pilot projects by strengthening regulatory and legal support.

Svirko et al. (2023) formulated tasks and principles of PPPs for intensifying the innovative development of the economy. An algorithm for PPP implementation was developed. The need for a clearer definition of the power of PPP subjects, primarily in innovation implementation, has been noted.

Shevchuk (2021) noted the difference in PPP aspects as a system of relations between state institutions and the private sector to promote economic and social development, and as a mechanism for implementing specific projects by attracting private resources at state/municipal property. This provision was developed in this study.

Oktavianus et al. (2018) indicated that, with a limited state budget, the country must choose which infrastructure should be developed first: economic or social infrastructure. The use of PPP mechanisms in both directions was also analyzed. The challenges and problems associated with using specified mechanisms to restore social infrastructure have been studied.

In several scientific works published during the war in Ukraine, promising areas of PPP are indicated: management of natural resources (Tarasenko et al., 2023), development of regional air transport (Stolyarchuk, 2020), and renewal of port infrastructure (Lopushynskiy et al., 2021). These are, of course, important directions for PPP, but in war conditions, these directions are not a priority. The position of Gaievska et al. (2023) regarding the development of PPPs for the restoration of infrastructure in those sectors (energy, transport, and utilities) that fulfil the urgent needs of the economy and population of the country is more substantiated.

In the study by Harbarynina and Fedorchak (2022), it was also stated that the PPP in the post-war period should first be aimed at restoring transport infrastructure. According to Harbarynina and Fedorchak (2022), it is necessary to simplify the mechanism of preparation and implementation of PPP projects, ensure an increase in their innovative components, and guarantee investor protection against corruption.

The interaction of public institutions and the private sector for the development of infrastructure and the advantages and risks of using PPPs in this area were considered in detail by Buryk (2021) and Zayed et al. (2022).

At the same time, according to Klietstievych (2021), military actions do not reduce the multi-vector nature of PPPs (functional, sectoral, and regional-municipal vectors) and do not require a decrease, but an increase in the number of models (Mihai, 2022; Campos et al., 2018) and forms (Mainka et al., 2023; Dutko, 2020; Podolyan, 2020; Pyrohet et al., 2019) of implementing PPP.

A review of research on the specified topic indicated the need to study the state of PPPs, substantiate the need for the process of activating PPPs in the war and post-war period, determine the priority sectors in which efforts should be directed to restore PPPs, establish the peculiarities of the implementation of PPP projects, and identify the prerequisites for the implementation of PPP during the war and post-war periods.

3. Methodology.

The current state of public-private partnership project implementation was investigated using the comparison method. The application of the critical analysis method made it possible to substantiate the urgency of PPP activation and to determine the directions, peculiarities, and prerequisites for PPP activation during martial law and the post-war period. The method of analysis and synthesis contributed to the identification of the reasons for deterring businesses from participating in PPPs.

The method of theoretical analysis allowed the establishment of the peculiarities of the public-private partnership process during the martial law and in the post-war period and to refute the thesis that one of the main peculiarities of the PPP is the need for long-term agreements and to propose measures to reduce risks and change approaches to their distribution in PPP agreements. Applying dialectical principles, a definition of PPP for martial law and post-war reconstruction scenarios is formulated.

Additionally, the proposal to establish a small investor institute is put forth. This institute aims to bolster public oversight of PPP initiatives while simultaneously encouraging additional private investment into the reconstruction efforts of the country.

4. Aim and tasks.

The purpose of this study is to analyse the impact of martial law conditions on the activation of public-private partnerships to reveal its role in the recovery of the country's economy based on an analysis of available data to identify trends and significant results that can shed light on the activation of the public-private partnership process.

This determines the formulation and solution of the following tasks: to investigate obstacles to the activation of public-private partnerships from 2021 to this time, establish specifics of project implementation, and identify urgent directions and prerequisites for the implementation of projects, measures, methods, and forms of public-private partnerships in the specified period.

5. Results.

Owing to the significant destruction of civil and industrial facilities, social and industrial infrastructure, and significant budget deficit, the conditions for activating PPP in wartime could be more favourable. Destruction of the investment environment also increases the difficulty of public-private partnerships during wartime. Intensifying illegal actions against investment objects leads to a decrease in investor confidence. In 2023, a total of 363 court cases related to raiding were initiated, reflecting a two-fold increase compared to the previous 2022 year.

The lack of proper coordination of institutional structures in public-private partnerships also does not contribute to investments (Biygautane et al., 2019).

Evidence of this, in particular, is the fact that the data of the World Bank and state statistics on the number of PPP projects need to be matched because of the fragmented nature of the registration of PPP projects by various institutional structures of Ukraine. The loss of labour potential has a significant negative impact: 8.1 million are externally displaced persons, and 5.4 million are internally displaced persons (European Investment Bank, 2023).

To address urgent financial needs for reconstruction and recovery, approximately 66% of the state budget and 12% of the Fund for the Elimination of the Consequences of Armed Aggression can be allocated (World Bank Group 2023a). Although donations from private companies and donors can cover the remaining funds, they are not guaranteed. As such, attracting private investments under state guarantees through the PPP mechanism is crucial for meeting the economy's urgent needs.

The current size of the European PPP project market is estimated to be approximately €7 billion (World Bank Group, 2023b). The highest volume of investments made under PPP agreements in Ukraine over the last decade was recorded in 2011, amounting to approximately USD 2.3 billion (Ministry of Economy of Ukraine 2024). This figure serves as a reference for the postwar PPP project market in Ukraine.

Table 1 shows that the number of realized PPP directions at the end of 2023 is significantly lower than the guidelines defined in Article 4 of the Law of Ukraine No. 2404-VI "On Public-Private Partnership" (Verkhovna Rada of Ukraine, 2010), indicating the current state of PPP in Ukraine.

Table 1. Projects of PPP in Ukraine, which are realized in 2023.

N	Direction	Number of projects
1	Production, transportation, heat supply, distribution and supply of natural gas	4
2	Collection, treatment and distribution of water	8
3	Waste management in addition to collection and transportation	2
4	Health care	2
5	Tourism, rest, recreation and sports	4
6	Others	2

Source: based on data Ministry of Economy of Ukraine (2024).

In both wartime and postwar periods, there is a need for the directions specified in the Law of Ukraine (Verkhovna Rada of Ukraine, 2010) in the areas of restoration of transport infrastructure, reconstruction of destroyed and construction of temporary housing, mechanical engineering (especially for military and dual-purpose equipment), restoration of destroyed irrigation and drainage systems, specialized healthcare facilities for the wounded, and so on.

The absence of the specified positions (Table 1) is a testimony not only to the high risks for business during wartime and their uncertainty, but also to the lack of due attention by instructional structures to the expansion of PPP activities to ensure urgent social and economic needs. Thus, in 2021, only 16% of PPP agreements were implemented, 16.6% of the deals were terminated, and 61.6% still needed to be implemented. In war and post-war times, the non-implementation of the PPP of a socially significant agreement will mean damage to society, the economy, and even national security. Therefore, noncompliance with contractual obligations by all parties under PPP agreements requires increased responsibility.

The issue of risks for PPP projects, their distribution and measures of possible neutralization are also extremely relevant, as it holds back the process of PPP activation. Traditional directions, such as risk insurance (Studenets, 2019), do not properly stimulate PPPs in wartime due to high insurance premiums, so the introduction of state PPP risk insurance should be considered.

The possibility of using generally accepted approaches to assess risk factors (De Matteis et al., 2023) due to the significant discrepancy between the magnitudes of military risks and peacetime risks for the reconstruction projects of Ukraine is limited.

It is necessary to modify the "Methodology for identifying the risks of PPP implementation, their assessment, and determining the forms of their management" (Cabinet of Ministers of Ukraine, 2011) as it fails to address military risks and does not mention the risks of unstable financing of projects due to the chronic lack of working capital of Ukrainian companies during wartime conditions.

Additionally, the use of non-stochastic risk assessment methods, as recommended in the aforementioned methodology, may lead to irrelevant results, especially when evaluating war risks.

Updating the legal framework in this area and the state taking on the risks caused by war would help activate the PPP process. It would also be advisable to introduce institutional support for the use in PPP projects of risk management and measures to minimize and neutralize military risks, for example, covering the areas of concentration of PPP projects with air defense means, which is especially appropriate for energy and transport infrastructure facilities.

The expediency of restoring social and industrial infrastructure during wartime is evidenced by forecast GDP growth rates in 2024–3%, a forecast of a decrease in inflation to ~13% in 2024, and an increase in consumer demand, particularly in the real estate market (World Bank Group, 2023a).

The implementation of legislative norms that simplify the approval of projects and the increase in legislators' attention to the provision of state guarantees for loans to investment projects are also positive factors in the creation of conditions for the activation of PPPs.

In order to determine the priority areas of PPP activation, the following stages should be identified:

- the stage of restoration of critical infrastructure, which should become an incentive and a guarantee for the development of other sectors of the economy;
- the stage of formation of sustainable strategic innovative development of the country and regions with priority development of export industries and productions necessary for import substitution.

At all the mentioned stages, the construction industry aimed, first of all, at the construction of capital (for the post-war period) and temporary (for the war period) housing for the population and projects aimed at providing citizens with access to quality goods/services, ensuring primary social needs population (Fabre et al., 2021) need constant attention.

Given the above, the main areas of PPP activation are the transport industry, energy, and construction.

Given the general task of increasing the use of the potential of the public sector, these areas of PPP activation are urgent. They should account for at least approximately 70% of capital investment.

These directions are also a priority because they will drive economic development (Cheng Zhe et al., 2021).

This is confirmed by the data of the World Bank Group (2023b), the results of which are presented in Fig. 1. These data indicate that the transport and energy sectors require the most significant amount of investments for reconstruction. Industry, construction, and social and administrative services (Fig. 1) require less.

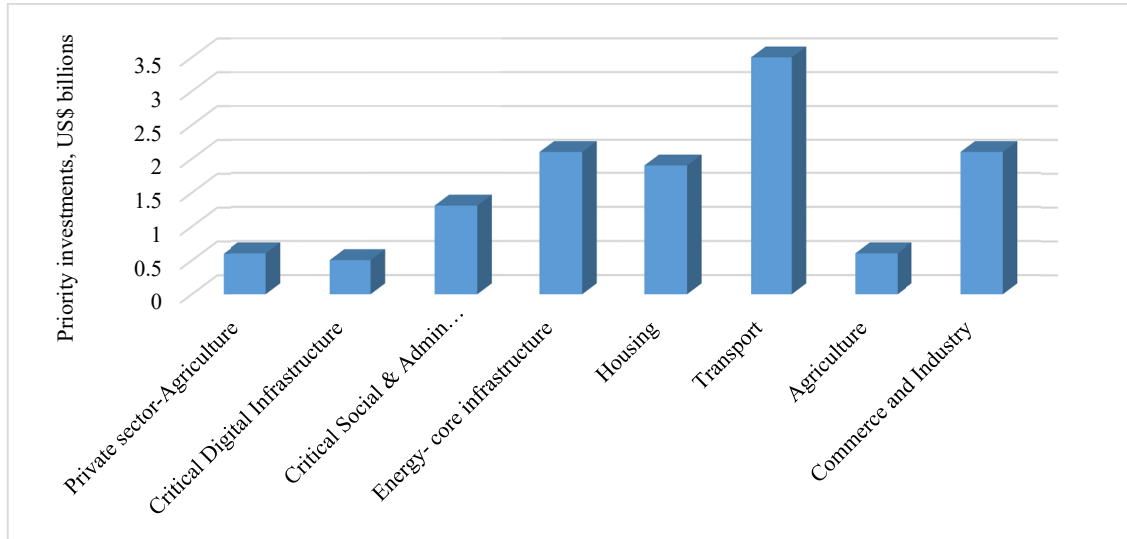


Fig. 1. Volumes of priority investments for the reconstruction of Ukraine, USA billion.
 Source: based on data World Bank Group (2023b).

Large-scale transport and energy projects require significant investments. It's best to implement such projects during the post-war period when war risks are low. Fig. 2 reveals valuable insights into the main PPP sectors of EU countries, specifically the volume of project

financing provided. It unequivocally demonstrates that PPP projects in the transport and telecommunications sectors have a significant advantage. Additionally, there is a noticeable stability in the funding of transport industry projects since 2019.

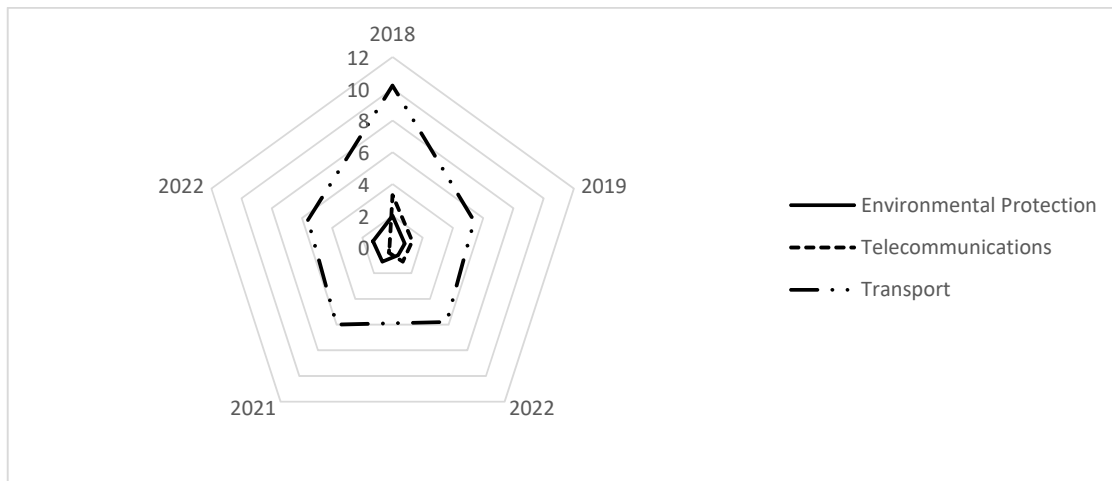


Fig. 2. Dynamics of the main PPP sectors of the EU countries by the amount of project financing, billion euros.
 Source: based on data European Investment Bank (2023).

Under conditions of war, the urgency of projects in the field of environmental protection and the telecommunications industry in Ukraine is less than that under conditions of peace in EU countries. Additionally, in the absence of the destruction of energy infrastructure facilities in the EU, the need for more attention to this sector is understandable. However, the importance and weight of supporting the transport sector, as evidenced by the data in Fig. 2, also indicates Ukraine's prospects for post-war recovery. This determines the need for additional political and legislative measures to promote PPPs in specified areas where the state has a significant presence. The involvement of private businesses in PPPs in these sectors will require more outstanding guarantees, completion of energy and stock market reforms, and improvement of the procedure for preparation and documentation of super-large PPP projects. This takes time, so this process will likely end in the post-war period. This includes the implementation of relatively small PPP projects in the field of alternative energy.

To revive the economy and society during martial law, prioritize activating PPPs for smaller investments in medium- and short-term partnerships rather than long-term agreements. France is leading the implementation of PPP in the EU. Interestingly, projects requiring significant financing comprise less than one-fourth of the total number of projects, even in the absence of military threats, and are primarily implemented in military-technical industries (European Investment Bank 2023).

The steady trend towards a year-on-year decrease in the average cost of a PPP project for EU countries in technological industries also confirms the expediency of this practice. This is evidenced by the data in Table 2 for the EU's transport and telecommunications industries. Based on data on PPP projects related to environmental protection, there appears to be a tendency to lower project costs in this field. Although the trend is inconsistent, there is a noticeable reduction in costs in 2022, which stands at only 54.1% of the 2018 figure.

Table 2. Dynamics of changes in the average cost of a PPP project in EU countries from year to year, %.

Year to year	Branch direction of the PPP project		
	Environment	Telecommunications	Transport
2019 to 2018	36.2	70.3	45.1
2020 to 2019	145.8	83.3	83.3
2021 to 2020	77.1	53.3	77.6
2022 to 2021	133.36	50.1	84.7

Source: based on data European Investment Bank (2023).

A significant decrease in the level of real incomes of the Ukrainian population will require the implementation of such PPP projects on objects of social importance in individual settlements and territorial communities, which will make it possible to reduce the costs of communal services for citizens. To ensure corruption-free projects, civil society structures must be involved in all stages, from transparent partner selection to design and implementation.

One of the urgent directions of PPP in the post-war period is the construction sphere for the restoration of destroyed residential areas and construction of social housing (Batra, 2020).

The partnership of the state, local communities, and private business allows the implementation of a comprehensive approach in this area, that is, not only residential construction but also the restoration of engineering communications, transport routes, social facilities, etc. This will allow not only optimizing the expenditure of funds, but also ensuring the implementation of socio-economic tasks, while guaranteeing a financial benefit to the private partner.

The fact that most local budgets are subsidized significantly reduces the business interest in participating in local PPP projects.

Therefore, the effect of guarantees for PPP projects from local authorities, which rely on the funds of these budgets, may be terminated owing to the channeling of financial resources for urgent needs without compensation for losses to business partners.

In view of the above, it would also be appropriate to assume demand risks fully by state/local authorities in PPP agreements with a small amount of funding, first of all, in the field of PPP at the municipal and regional levels, under conditions of uncertainty. This contributes to the activation of PPPs in this area.

The National Council for Public-Private Partnerships in the United States has found that the form of PPP is primarily determined by the specific task it must accomplish in each case. For example, a package tender may be used to speed up the implementation of infrastructure projects, whereas management expert support may be utilized for large and complex projects to achieve operational efficiency (Cui et al, 2018). Other forms of PPPs may be used to attract innovative technologies or financial resources or to construct infrastructure facilities with the aim of acquiring ownership rights for the development of territories and public benefit, with the participation of business.

In the USA, there are two main groups of private businesses, which are determined by the form of participation in PPPs: those who have the right to vote when making management decisions on a project and those who do not have such a right. However, both groups have the right to introduce initiatives regarding the project and to control its implementation.

In view of the above, and because a strong incentive to control the implementation of the project is of financial interest, it is proposed to introduce an institution of small investors who can control the project but will not be able to influence the process of its management. Simultaneously, it is a tool for attracting additional private investments in the process of rebuilding the country (CMS Law-Now, 2023).

The long-term partnership in previous periods was due, in particular, to the fact that the instrument for reimbursement of the contribution to the private partner was to provide him with the opportunity to receive benefits or payments for services from the operation of the PPP facility.

Under the conditions of post-war reconstruction, it would be expedient to use contractually determined early reimbursement of costs to a private partner for the use of international aid or other financial resources. This will allow avoiding significant immediate costs from local, regional, or state budgets; speed up the start of project implementation; and facilitate the release of organizational and personnel resources of the business partner for other urgent projects.

The post-war reconstruction of Ukraine will require the concentration of efforts of all segments of the population to unite their efforts and utilize all available resources, including financial and organizational resources. Therefore, implementing PPP in projects aimed at achieving this goal is a suitable mechanism for socioeconomic interaction. A common definition of this mechanism as long-term partnership relations based on a contractual basis and under the sharing of risks between institutional structures that represent the interests of the state and business, under which the business, using the main assets belonging to the state and providing the necessary resources, implements projects for the mutual benefit of the parties and for the needs of post-war economic reconstruction, needs to be clarified. This clarification is due, in particular, to the fact that the aforementioned urgent need to rebuild what was destroyed by the war requires shortening the terms of project implementation.

The expediency of shortening the time of partnership relations for specific projects is also determined by the significant dynamism of threats, which in the case of long-term relations will require a constant revision of the contractual principles of PPP in order to redistribute risks between the parties.

In view of the above said and due to the great social significance of PPP projects for the post-war reconstruction of the country, it is proposed to define the specified partnership in war and post-war conditions as a complex of coordinated institutional and organizational measures, on the one hand, of state, regional, municipal structures and, on the other hand, private structures aimed at ensuring the interaction of all interested parties in the acquisition of socially significant social and economic results.

Prospective forms of PPP projects that can be quickly implemented and do not require significant financing are contracts for supply, management, and turnkey projects.

A possible financial instrument of this mechanism for the implementation, first of all, of relatively small-scale municipal or regional projects can be the attraction of citizens' resources using, in particular, insurance companies and credit unions that accumulate money of individuals. Implementation of the specified mechanism requires appropriate regulatory and legal support.

An indicator of the reality of such a step, according to the Sociological Group "Rating" (2022), is the readiness of 61% of the surveyed citizens to accept financial participation in the reconstruction of the country's infrastructure, and the willingness of another 33% of the surveyed citizens to accept financial participation if they have the financial opportunity for this. Attracting individuals' financial resources can also be carried out under the condition of paying them an annuity for a certain period and/or providing benefits for communal services.

In view of the above, it can be indicated that the need for the restoration of critical infrastructure in wartime and post-war reconstruction form the following peculiarities of PPP:

- considerable social significance of each of the projects and their synergy as a whole;
- the need for a high level of coordination of the actions of institutional structures regarding PPP implementation;
- the need to clearly delineate aspects of the goal and areas of responsibility for the parties in each of the projects, given that the main goal of private partners is to make a profit, and for institutional structures, the goal should be to ensure state and public interests;
- the need for systematic coordination of projects at the municipal, regional, and state levels, which will ensure effective reconstruction of the country;
- the need to help reduce the implementation time for a significant part of the projects;
- the need to introduce permanent public control of project implementation, especially for territorial entities;

- the distribution of benefits between PPP parties should be based not only on a transparent assessment of the financial and/or property contribution of the parties, but also on an assessment of risks, with a clear demarcation of them for each of the parties;

- termination of the practice of transferring a significant part of risks to the business, as this contradicts the principle of efficiency;

- departure from the type of practice of typical implementation of projects, an individual approach to the implementation of each of them;

- increased liability for non-compliance with the terms of the contract;

- taking into account the influence of each of the projects on the strategic innovative and technological development of the state.

The specified peculiarities of PPP allow intensifying the process of its implementation.

6. Conclusions.

The current state of the implementation of PPP projects has been studied. There is a well-founded need to activate PPP in war and post-war times. The directions, peculiarities, and prerequisites for the activation of PPPs during martial law and the post-war period were determined. This indicates that the significant magnitude and uncertainty of wartime risk restrains the activity of private partners in concluding new PPP agreements. Measures to reduce risks and change the approaches to their distribution in PPP agreements have been proposed.

Negative trends for the implementation of PPP, which began to manifest themselves before full-scale invasion, are indicated. Thus, in 2021, only 16% of PPP agreements were implemented, 16.6% of deals were terminated, and 61.6% were not implemented. In 2023, there were 22 PPP projects under implementation. Non-implementation of the PPP of a socially significant agreement will harm society and even national security. Therefore, noncompliance with contractual obligations under PPP agreements during this period requires increased responsibility. Directions for their implementation are not urgent in wartime conditions.

To determine the priority areas of PPP activation, the stage of restoration of critical infrastructure and the stage of formation of sustainable strategic innovative development of the country and regions with priority development of export industries and industries necessary for import substitution were identified. It is noted that, at all stages, the construction industry needs constant attention, aimed primarily at the construction of capital (for the post-war period) and temporary (for the war period) housing for the country's population, and projects aimed at providing citizens with access to quality goods/services, providing basic social needs of the population. During wartime, the main goal of PPP at the state, regional, and municipal levels is to restore infrastructure to ensure the vital needs of citizens.

In view of the above, the transport industry, energy, and construction are defined as the main areas of PPP activation. These directions are also a priority because they drive economic development. This indicates the need for additional political and legislative measures to promote PPPs in these areas, where the state has a significant presence. The involvement of private businesses in PPPs in these sectors will require more outstanding guarantees, completion of energy and stock market reforms, simplification of the preparation procedure, and documentation of super-large PPP projects. This takes time, so this process will likely end in the post-war period. This does not exclude the implementation of small PPP projects in the alternative energy field.

At the same time, it is substantiated that during wartime, the activation of the PPP process should be oriented not on long-term but on medium even short-term contractual relations, which, accordingly, require smaller amounts of investment. A study of PPP practices in European Union (EU) countries confirms the effectiveness of this approach.

This refutes the generally accepted thesis that one of the main peculiarities of PPP is the need for long-term agreement. In the municipal and regional levels of PPP, it is expedient for the state/local government to take on the risks of demand. This contributes to the activation of the PPPs. The significance of PPP in wartime and post-war times provides features of a mechanism of socioeconomic interaction. The proposed definition of PPP in war and post-war conditions is a complex combination of coordinated institutional and organizational measures of state, regional, municipal, and private structures aimed at ensuring the interaction of all interested parties in the acquisition of socially significant social and economic results.

Prospective forms of PPP projects that can be quickly implemented and do not require significant amounts of financing are contracts for supply and management and contracts for turnkey projects.

The success of any PPP project depends on public control. To ensure that financial interests do not influence the management process, it is suggested to introduce an institution of small investors who can oversee the project without affecting its management. This approach also attracts private investments that are crucial for rebuilding the country. Encouraging citizens to finance municipal and regional projects can be achieved by partnering with insurance companies and credit unions, but this requires appropriate regulatory and legal support. The practicality of this approach is evident from the fact that 61% of the surveyed citizens are willing to participate financially in the country's infrastructure reconstruction. Additionally, 33% of respondents were willing to participate if they had the financial means to do so. It is also possible to attract financial resources from individuals by providing an annuity for a specified period and by offering benefits for communal services.

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