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## **THE ROLE OF PUBLIC-PRIVATE PARTNERSHIP IN REGIONAL DEVELOPMENT**

In recent years, around the world there is a steady trend towards greater involvement of private capital to the implementation and financing of innovative projects at the regional and national level. The question of the mechanisms of state-private partnership is quite dynamic and require constant monitoring, especially in terms of the impact of external crises, the general trends of the world economy. The study identified key advantages over traditional projects PPP projects providing public services sector. Public-private partnership defined among the key mechanisms for implementing the policy of modernization of Ukraine's economy, solving important social and economic problems. Potential implementation of public-private partnerships as a tool for deepening of inter-regional economic integration is that the partnership of state and business interests require harmonization of these two major institutions of modern society and economy. The importance of PPP projects have on local government level. In cities and towns (utilities) are the main load of a large number of projects of social importance. The main problem that faced with the local authorities is the lack of financial resources. Therefore, at the level of local government to attract private capital to solve urgent social and economic problems should become common practice. An important factor for the successful implementation of PPP is the presence of a stable and predictable market conditions. Public-private partnership can be considered as an alternative to privatization, as objects of public-private partnership is not transferred to the ownership of private partners, there is risk sharing between the private partner and the state of the object on the functioning of the infrastructure and services provided,

thus achieved significant improvement facility by attracting private investment and joint (with public and private partners) management.

Modern Ukrainian economy is in a protracted investment and innovation crisis, there is a constant lack of investment capital, especially for our region. Ways and specific mechanisms to achieve the objectives of European integration of Ukraine, tactical approaches can and should be flexible and sensitive to changes occurring both within the state and in the EU and worldwide. Until now, the main focus was mostly building mechanisms of political relations with the EU, and this work definitely can not stop. At the same time efforts should now focus on significantly expanding and deepening practical cooperation between Ukraine and the EU on all main directions – the economic and trade; Foreign and security; in the field of justice and home affairs.

The importance of public-private partnerships in regional development and growth of small and medium enterprises as the route of administration capacity and efficiency of private sector development initiatives at all levels is recognized. PPP mechanisms are widely used in the UK, Germany, Italy, France and Japan.

In EU countries, including France, Italy, Spain, for a long time already there are projects aimed at the development of transport (road and rail) systems, as well as projects in the area of municipal services based on concession. Enterprises in these sectors can not be privatized because of their strategic, social and socio-political importance. In this case, public-private partnerships in general, and in particular the mechanism of concession is strategically important alternative to privatization of state property.