

ADVANTAGES OF PUBLIC-PRIVATE PARTNERSHIP
IN MODERN ECONOMY

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Abstract:The article describes the essence, importance and advantages of the concept of public-private partnership. The purpose of the adoption of the Law on Public-Private Partnerships in Uzbekistan is to strengthen the tasks and advantages of public and private partners, their nature and importance in the development of the economy.

Keywords:public-private partnership, law, state, private partner, project, private sector, system, resource, business, contract, investment, tender

NATURE, IMPORTANCE AND ADVANTAGES
OF PUBLIC-PRIVATE PARTNERSHIP

Abstract:the article describes the nature, significance and advantages of public-private partnerships. The purpose of the Law on public-private partnerships in Uzbekistan is to increase the role, advantages, nature and significance of public and private partners in economic development.

Keywords:public-private partnership, law, public-private partnership, project, private sector, system, resource, business, contract, investment, tender.

SUSHCHNOST, ZNACHENIE I PREIMUSHCHESTVA
GOSUDARSTVENNO-CHASTNOGO PARTNERSTVA

Abstract:v state opisyvayutsya sushchnost, znachenie i preimushchestva gosudarstvenno-chastnogo partnership. Tselyu Zakon o gosudarstvenno-chastnom partnershipstve v Uzbekistane yavlyaetsya povyshenie roli, preimushchestv, sushchnosti i znacheniya gosudarstvennyx i chastnyx partnerov v ekonomicheskom razvitii.

Keywords:state-private partnership, law, state-private partnership, project, private sector, system, resource, business, contract, investment, tender.

As a result of the development of market mechanisms, new economic relations are formed between the state and economic entities. One form of such economic relations in the practice of developed countries is partnership relations between the public and private sectors.

The main task of public-private partnership is to create conditions for the effective interaction of public and private partnership for the stable socio-economic development of Uzbekistan, and to use the resources of the private sector to meet the needs of the public.

A public-private partnership (PPP) is a long-term contract for the private sector to provide services to a country or at the direction of that country, in which the private sector promotes a project by using its financial, technical and managerial resources. is power. The public sector provides key project assets (for example, land plots) and establishes long-term legal and contractual relationships and finances project preparation.

One of the modern and most effective ways of attracting direct investment is public-private partnership, which is long-term, effective and beneficial for both parties.

The table below shows the benefits and advantages for the public and private partner. For the state opportunity to implement socially significant infrastructure projects for a business partner Obtaining income from the object of PPP, services (goods).guaranteed market availability.

Sharing risks with a private investor xsharing atars with the state. The ability to reduce fees if the quality of services provided by the private sector does not meet the demand . Guarantees and benefits from the state.

Attracting management intellectual capital of the private sector Ability to attract debt financingAbsence of budget costs for the use of the facility, reducing the budget burden. Sharing project costs with the state.

Therefore, a number of advantages of public-private partnership are manifested in the following: projects of strategic importance are implemented; resources between the public and private sectors are combined and the efficiency of property use increases; as a result of attracting additional resources, economic relations with the state are formed; the state will establish any activity and service without excessive costs.

Public-private partnerships are mainly social, i.e. infrastructure in preschool education, general and higher education and health, housing and communal services, highway construction and power supply sectors. widely used in the implementation of projects.

In the last 30 years, more than 130 countries have been actively implementing the public-private partnership mechanism. According to the World Bank, about 15-20 percent of private investments are attracted to infrastructure projects with the help of this mechanism.

The following types of financial support can be provided to private partners within the framework of the public-private partnership agreement:

- Subsidies, including subsidies aimed at ensuring the guaranteed minimum

income of the private partner from the implementation of the public-private partnership project;

- Assets and goods required for the implementation of the public-private partnership project- investments in the form of property;

- Budgetary funds of the budget system of the Republic of Uzbekistan directed to payment for consumption or use of a certain amount or part of the goods (works, services) produced or delivered during the implementation of the public-private partnership project;

- Issuance of budget loans, loans, grants, credit lines and other types of financing;

- State guarantees of the Republic of Uzbekistan;

- Tax benefits and other benefits;

- Other Warranties and Indemnities.

The government of Uzbekistan has been actively trying to involve the private sector in the implementation of socially important infrastructure projects, such as involvement in the construction and modernization of social, transport and communication infrastructure.

The Law "On Public-Private Partnership (PPP)" was signed by the President of the Republic of Uzbekistan on May 10, 2019 as a single legal mechanism for cooperation between the state and business.

The law states that "If any individual entrepreneur or legal entity expresses interest in implementing a public-private partnership project, the definition of a private partner for the implementation of a public-private partnership project shall be made on the basis of a tender." In this case, the expenses related to the preparation of the public-private partnership project may be reimbursed to the private initiator in an amount not exceeding 1% of the total cost of the public-private partnership project at the expense of the tender winner or reserve winner.

At the same time, in order to participate in the selection, the following requirements are imposed on the private partner: having legal capacity; employability; ability to pay; no tax arrears; necessary financial; availability of material, technical and labor resources.

The law envisages mechanisms for protecting the interests of the private partner and establishes the monitoring and accountability procedure for the implementation of public-private partnership projects. Mechanisms for financial support of public-private partnership are being defined. State participation with funds (grants, subsidies), tax and other benefits, investments in the form of assets, loans, subsidies aimed at ensuring the guaranteed minimum income of the private partner, state guarantees are its main types.

The rights and obligations of the parties of the public-private partnership were defined by the law.

The existence of a legal framework for public-private partnerships is very

important for society and the economy. Adoption of this law has created a legal basis for the PPP sector, which in turn will increase the activity and confidence of investors in the republic, attract financial and other resources of the private sector. The special features of the law are: it is a directly applicable document, that is. For an investor who wants to invest in Uzbekistan in the direction of PPP, the need to study other legal documents will be reduced.

To sum up, the existence of the legislative framework on public-private partnership is very important for our society and economy, it has created a legal basis for the PPP sector, which will definitely increase the activity and confidence of investors in the republic. leads to attracting financial and other resources of the private sector. The law is aimed at protecting investors, in particular, the document contains separate articles on the protection of private partners and creditors. The law aims to improve the quality of public services and public infrastructure provided to the population.

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