

PUBLIC SECTORS IN PARTNERSHIPS FOR INFRASTRUCTURE RENEWAL: CHALLENGES AND OPPORTUNITIES

Lyudmila Merzlyuk

Aspirant, Ukraine

e-mail: kate.maistr@gmail.com, orcid.org/0009-0004-0124-6392

Summary

The author researched and analyzed the problems and possibilities of interaction between the state and public sectors in infrastructure restoration partnerships. Bureaucracy, financial constraints, insufficient interaction with the community and risks are identified as pressing issues that inhibit the effectiveness of infrastructure restoration. At the same time, consideration of the opportunities for interaction points to the significant benefits of innovative technologies, public-private partnerships, sustainability and social responsibility. The need for a comprehensive approach to overcoming problems and maximizing opportunities in the field of infrastructure restoration for the sustainable development of cities and regions is substantiated. Cooperation between the public and public sectors turns out to be an important factor for the successful development of infrastructure to solve the classic problems of bureaucracy and financial constraints. It is emphasized that the results of the study indicate that public involvement, effective risk management and the use of the latest technologies become the basis for creating a sustainable and efficient infrastructure that meets the modern requirements of society. This article serves as a practical overview and a challenge to develop strategies aimed at improving the interaction between sectors to achieve the common goals of sustainable development.

Key words: interaction of the public and public sectors, partnerships for infrastructure restoration, bureaucracy and decision-making efficiency, interaction with the community.

DOI <https://doi.org/10.23856/6226>

1. Introduction

Formulation of the problem. The problem of interaction between the public and public sectors in infrastructure restoration partnerships is a high degree of bureaucracy and slow decision-making. Too complex and confusing decision-making processes can significantly slow down the speed and efficiency of the implementation of infrastructure projects, which, in turn, limits the development of cities and regions. The problem of bureaucracy and inefficiency in the management of infrastructure initiatives becomes an obstacle to the implementation of innovations, public-private partnerships and other strategies aimed at improving the quality of the urban environment and efficient use of resources. Solving this problem may be key to creating a sustainable and competitive infrastructure in modern cities.

Analysis of recent research and publications. Individual aspects of the problem of the role of interaction between the state and public sectors in infrastructure restoration partnerships: problems and their opportunities were studied by such scientists as: N. Deeva, V. Khmurova, D. Dubova, O. Zakharina, L. Symonenko, M. Saikevych, O. Markeeva, B. Rozvadovskiy, V. Koval, V. Kotlubai, A. Arafteniy and others.

The purpose of the article. The purpose of the article is to research and analyze the problems and opportunities of interaction between the public and public sectors in infrastructure rehabilitation partnerships.

2. Presentation of the main research material

Cooperation between the public and public sectors in the field of infrastructure restoration is a key element of sustainable development and improving the quality of life in modern cities. Modern challenges, such as the wear and tear of existing systems, the growing needs of the population and the requirements for sustainability and environmental safety, require complex solutions that combine the efforts of the state, the public and the private sector.

However, this process may present a number of problems, but also has great potential for solving numerous challenges.

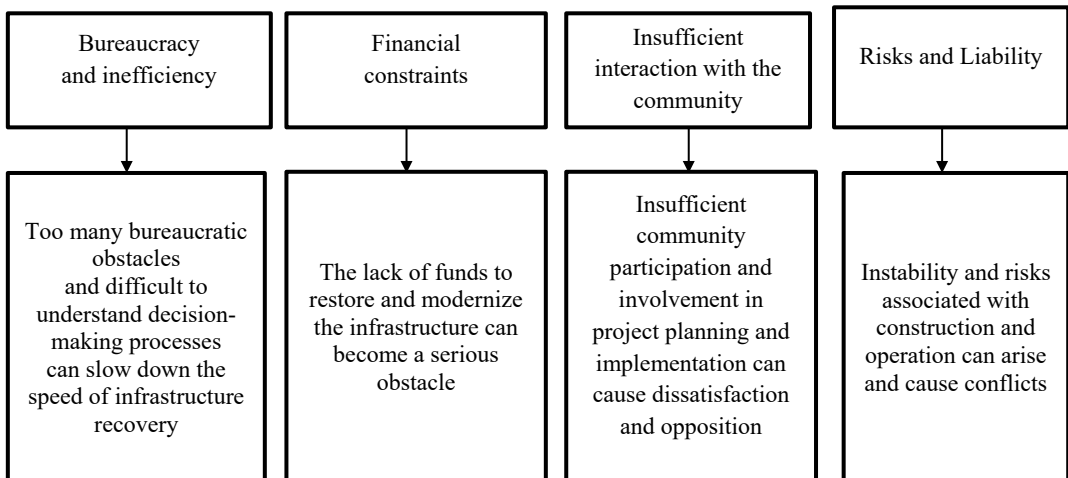


Fig. 1. Problems in infrastructure restoration, compiled and summarized by the author (Markieieva, Rozvadovskyi, 2021)

D. Dubova (*Dubova D., 2018*) argues that the problem of bureaucracy and inefficiency in the complex infrastructure recovery landscape is affected by a large number of bureaucratic obstacles and requires decision-making processes that are not always marked by clarity and efficiency. Not too clean apparatus of the bureaucracy and the complexity of the procedures can actually slow down and complicate the pace of restoration of infrastructure objects.

It is worth emphasizing the possibilities of solving this problem:

- electronic governance (e-governance): implementation of integrated electronic platforms for simplification and automation of administrative procedures and rapid information exchange;
- transparency of decision-making: development of a system of open data and public monitoring to ensure public access to information and influence on decision-making;
- innovative management methods: use of modern technologies and approaches to project management to optimize work processes and speed up task solving;

- public participation and feedback: organization of public consultations, forums and public discussions to involve the community and ensure participation in decision-making;
- optimization of bureaucratic procedures: audit and review of existing bureaucratic procedures to identify redundant stages and their further optimization;
- effective communication: establishment of effective communication mechanisms between different levels of management and departments, which allows quick response to changes and effective interaction (*Dubova D., 2018*).

Therefore, the implementation of such solutions will contribute to increasing transparency, efficiency and speed in solving bureaucratic difficulties during infrastructure restoration.

According to the scientists O. Markeev and B. Rozvadovskiy (*Markeev O. and Rozvadovskiy B., 2021*) the prospects for the restoration and modernization of infrastructure are becoming a serious obstacle in the way of sustainable development, caused by the lack of sufficient financial resources. Potentially tight finances can hamper efforts to maintain and improve key infrastructure such as roads, communications and energy systems.

There is usually a problem of financial limitation in the restoration of infrastructure, as the available budget is often insufficient to cover all the necessary costs. This can become a significant obstacle to the improvement of infrastructure such as roads, communications and other important facilities.

Possible solutions include involving the private sector through public-private partnerships, where private companies invest in projects alongside the public sector. It is also important to consider innovative financial models, for example, issuing green bonds to finance environmentally oriented projects. Obtaining investments from international financial organizations and banks is another possibility for providing financial support.

In addition, effective budget management, development of local financing through local taxes and fees, and increased financial literacy among the local population can contribute to the optimal use of financial resources. The creation of environmental funds, financed by the levy for negative impact on the environment, can support the implementation of projects with an ecological focus.

Such a comprehensive approach to financial constraints can ensure stable and diverse funding for infrastructure recovery and development.

It is necessary to consider the opinion of scientists N. Deev and V. Khmurov (*Deev N. and Khmurov V., 2018*) that the problem associated with insufficient interaction with the community arises when the population is not sufficiently involved in the process of planning and implementation of infrastructure projects. This can create resentment and opposition among citizens, as their needs and beliefs may be underestimated or ignored.

It is appropriate to note the possibilities of solving the problem of insufficient interaction with the community in the planning and implementation of projects:

- public consultations and meetings: organization of regular public consultations and meetings to present projects to the community, listen to their opinions, needs and questions;
- public working groups: creation of public working groups in which community representatives can actively participate in the planning and development of projects, provide recommendations and monitor their implementation;
- information transparency: ensuring openness and accessibility of information about projects to the public. This may include posting information on websites, sending news and updates through social media and the media;
- public discussions: holding public discussions on key aspects of projects, involving citizens in discussions and making important decisions;

- education and information campaign: conducting educational events and information campaigns for the community regarding the importance of their role in the processes of planning and implementation of projects;

- electronic tools of participation: the use of electronic platforms and interactive tools to collect feedback and opinions of citizens, which allows them to conveniently express their views online.

Therefore, these measures are aimed at actively involving the community in all stages of projects, ensuring a more democratic and understandable decision-making process.

It should be noted that the problem related to risks and responsibilities in the restoration of infrastructure is the possibility of instability and conflicts due to the risks associated with the construction and subsequent operation of the projects. This may include technical challenges, financial difficulties, and unforeseen environmental and societal impacts.

In order to address the risks and responsibilities in infrastructure restoration, it is important to take several steps. Before starting construction, it is necessary to conduct a deep analysis of possible risks, covering technical, financial and social vectors. This will allow identifying and taking into account possible contingencies at the early stages of the project.

In addition, the conclusion of transparent and detailed agreements between the public and public sectors is an important element. These agreements should clearly regulate the responsibilities of the various parties for all aspects of the project in order to avoid possible misunderstandings. The use of insurance policies and guarantees can help protect against financial losses arising from unforeseen circumstances. This will provide an additional level of protection of financial resources.

It is appropriate to emphasize that the involvement of independent experts and consultants to assess risks and provide recommendations will allow obtaining objective assessments and strategies for their management. The implementation of effective monitoring systems, which promptly detect risks and allow responding to them, will help prevent possible problems and preserve the stability of the project. Involvement of the public in monitoring and evaluating the impact of projects will help identify potential conflict situations and ensure support and legitimacy of the project among the local population (*Koval V., Kotlubai V., Arafteniy A., 2019*).

It is worth considering opportunities for interaction between the state and public sectors:

- innovation and technology: let's immerse ourselves in the world of advanced technologies, where the opportunities for improving the efficiency and sustainability of infrastructure are unlimited. Modern innovative solutions are becoming an important tool for our urban spaces to become not only technologically improved, but also adapted to modern requirements;

- public-private partnerships: let's form a real union, where the hand of the state and the private sector unite for joint financing and project management. Public-private partnerships open up new opportunities for innovation, creating effective strategies and ensuring sustainable development;

- sustainability and environmental sustainability: our course is the development of infrastructure, taking into account the most modern principles of sustainable development. Step by step, we are building the future, maintaining ecological balance and creating an environment that meets the needs of modern society;

- social responsibility: implementation of programs and initiatives aimed at improving the quality of life and social situation of the local population is our task. The way to success lies in the development of a socially responsible approach, where every step is aimed at the benefit of local communities (*Zakharina O., Symonenko I., Saikevich I., 2019*).

Therefore, considering the power of interaction between the state and public sectors in the context of infrastructure restoration, key areas of joint activity are highlighted. Innovations and technologies add a new dimension to the improvement of infrastructure, providing unlimited opportunities for its sustainable development.

Public-private partnerships act as a catalyst for joint financing and strategic project management, unlocking the potential for innovation and sustainable development. Sustainability and environmental sustainability are becoming the main principles governing the development of infrastructure, while maintaining ecological balance.

In addition, social responsibility embodied in programs and initiatives determines the success of infrastructure projects, giving them a deep social meaning and ensuring the improvement of the quality of life of the local population. Coordinated work of the state and public sectors in these directions determines the way to sustainable, innovative and socially responsible infrastructure development for future generations.

Hence, the interaction between public and public sectors in infrastructure rehabilitation partnerships solves a number of problems, such as bureaucracy and financial constraints, through the use of innovation, public-private partnerships, sustainable development and social responsibility. This approach contributes to the creation of sustainable, innovative and socially responsible infrastructure to improve the quality of life and development of modern urban spaces.

3. Conclusions

Having analyzed the above, we can come to the conclusion that this approach is key to the sustainable development of cities and regions. Challenges such as bureaucracy, financial constraints, lack of community engagement and risks require an integrated approach and effective solutions. Noting the opportunities provided by this interaction, it is important to emphasize innovative technologies, public-private partnerships, sustainability and social responsibility. The use of advanced technologies, joint financing and strategic management, sustainable development and social initiatives are the basis for creating an infrastructure that meets the needs of modern society and ensures its sustainable improvement.

Thus, this approach contributes to the solution of complex tasks and the implementation of projects aimed at sustainability, innovation and social progress. The interaction between the state and public sectors is a key element in the successful development of infrastructure, which contributes to sustainable economic growth and improving the quality of life of citizens.

References

1. Dieieva N. E., Khmurova V. V. (2018) *Publichno-pryvatne partnerstvo: interesy zatsikavlenykh storin [Public-private partnership: interests of stakeholders]*. *Ekonomika Ukrainy*. № 9, S. 99–111 [in Ukrainian].
2. *Doslidzhennia initsiatyv u sferi povoiennoho vidnovlennia [Study of initiatives in the field of post-war reconstruction]*. 2023 r. URL: https://ednannia.ua/images/Master_version_UKR_Rebuilding.pdf [in Ukrainian].
3. Dubova D. (2018) *Derzhavno-pryvatne partnerstvo u sferi kiberbezpeky: mizhnarodnyi dosvid ta mozhlyvosti dlia Ukrainy [Public-private partnership in the field of cyber security: international experience and opportunities for Ukraine]*. K. : NISD, S. 84 [in Ukrainian].

4. Zakharina O. V., Symonenko L. I., Saikevych M. I. (2019) *Publichno-pryvatne partnerstvo yak mekhanizm rozvytku infrastruktury rehionu [Public-private partnership as a mechanism for regional infrastructure development]*. Derzhavne upravlinnia. URL: <http://www.dy.nayka.com.ua/?op=1&z=1193> [in Ukrainian].
5. *Isnuiuchi mekhanizmy spivpratsi orhaniv derzhavnoi vlady z orhanizatsiiamy hromadianskoho suspilstva v konteksti realizatsii Natsionalnoi stratehii spryiannia rozvytku hromadianskoho suspilstva v Ukraini [Existing mechanisms of cooperation between state authorities and civil society organizations in the context of the implementation of the National Strategy for Promoting the Development of Civil Society in Ukraine]*. 2016-2020 rr.. 2016 r. S. 280 [in Ukrainian].
6. Koval V. V., Kotlubai V. O., Araftenii A. M. (2019) *Derzhavno-pryvatne partnerstvo yak instytut rozvytku sotsialnoho kapitalu v umovakh detsentralizatsii ekonomiky Ukrainy [Public-private partnership as an institution for the development of social capital in the conditions of decentralization of the economy of Ukraine]*. *Ekonomika ta pidpriemnytstvo*. № 1, S. 24–30. URL: http://nbuv.gov.ua/UJRN/drep_2019_1_6 [in Ukrainian].
7. Markieieva O. D., Rozvadovskyi B. L. (2021) *Derzhava ta pryvatnyi sektor na zakhysti natsionalnoi bezpeky: vid vzaiemodii do partnerstva [The state and the private sector in the defense of national security: from interaction to partnership]*. Kyiv : NISD, S.72 URL: https://niss.gov.ua/sites/default/files/2021-12/block_markeeva_n.pdf [in Ukrainian].
8. *Publichno-pryvatne partnerstvo v zabezpechenni rozvytku infrastruktury terytorialnykh hromad [Public-private partnership in ensuring the development of the infrastructure of territorial communities]*. URL: https://dspace.nlu.edu.ua/bitstream/123456789/12692/1/Stativka_Kulchiy_137-154.pdf [in Ukrainian].