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ANALYSIS OF FINANCING INFRASTRUCTURE PROJECTS BY PRIVATE SECTORS IN PUBLIC-PRIVATE PARTNERSHIPS

Abstract. One of the main factors that can hinder the economic growth of developing countries is the low level of development of infrastructure sectors such as transport, energy, utilities, education, health. Moreover, the main problems are the lack of investment in the such sectors and the low level on using of modern technologies during the implementation of the infrastructure projects for the development and modernization of the sector in various branches of the economy. The article expressed economic relations between the public and private sectors in the implementation of infrastructure projects, conclusions, practical proposals and recommendations for the development of public-private partnerships.

Keywords: Public-private partnership, infrastructure projects, innovative projects, infrastructure development, investor, Global Infrastructure Hub.

Introduction

From the experience of developed countries, we can see that public-private partnerships (PPPs) play a major role in improving the social infrastructure in the country, for the development of the country's economy and effective implementation of major infrastructure projects. In this regard, the study of the experience of developing countries and their implementation in our country is an important task. In particular, it is important to study the experience of G20 countries and other developed and developing countries in public-private partnerships and to introduce successful practices in this country directly.

Research is being conducted to finance the infrastructure of countries around the world through the private sector, to improve financial relations with private investors in the practice of public-private partnerships. Diversification of financial instruments that can be used in public-private partnerships, increasing the interest of private investors in infrastructure financing through partial reimbursement and subsidies, defining the position of partners in property and debt relations, expanding state guarantees, fair distribution of financial risks, public-private partnership issues such as the degree of impact on economic development have not been adequately studied remain unresolved.

The level of private sector investment in Uzbekistan, despite reforms in education, health, utilities, energy, transport, information and communication technologies, public-private partnerships, the use of private sector funds in the implementation of socially important infrastructure projects. remains low. In this context, this year in the "implementation of more than 40 large and medium-sized projects on the basis of public-private partnership" to organize public-business cooperation in modern forms, identify project financing mechanisms, solve socially important tasks in a mutually beneficial environment, as well as , requires effective management and coordination of the public-private partnership system. This

highlights the need for extensive research to improve financial relations in the practice of public-private partnerships [1].

Literature review

A number of economists have studied in their research on investment in infrastructure, in particular on public-private partnerships. According to the Nepal scientist Bikram Shahi, defining the prospects for infrastructure development is an accurate and accurate approach to the analysis of socio-economic status, living standards and environmental status of regions and countries. Investments in infrastructure are at the heart of economic and social development [2].

The impact of infrastructure made up of the elements of production capacity, as revealed by Nurske (1953), was also predetermined by the fact that infrastructure, which is similar to a small network, is in fact very important and important in its formation. Hirschman (1958) and later Biehl (1994) cited infrastructure as a capital that provides public services. Infrastructure by nature is like a crossroads, that is, successful if implemented by a government or government body with a strong private sector to achieve its intended purpose or result (production, transport, communications, health, education) [3,4,5].

“Prospects and Investments and Infrastructure and State Partnership in Russia” (2019), “State-Frequency Partnerships in the Euro Asian Economic Soyuz” (2018), held by the National Center for Public Private Partnership Development (Russian Federation), In the national report on privatization of investment and development of infrastructure and primitive mechanisms, it is precisely the development of infrastructure in the research and analysis of the Russian Federation (2018) various aspects of the importance of state-private partnership can be seen [6].

In the research of Oblomurodov N.N., it is necessary to encourage the implementation of investment projects in priority areas such as road and transport infrastructure, alternative energy sources, construction of social facilities, including tourism infrastructure, based on public-private partnerships underlined the compatibility [7].

Research methodology

In this research work statistical methods, group analysis, systematic analysis, comparative analysis and other methods are used. The research methodology differs from others in that it combines international and national indicators of financial access and economic development. This allows comparing criteria from two different sources.

Analysis and Results

In a modern market economy, public-private partnerships (PPPs) are effective tools for economic and social development at the national and regional levels and

economic instrument for attracting and implementing investment projects by government and local authorities to maintain effective economic cooperation with the private sector is calculated. In PPP-based investment projects, the private sector is responsible for financing and managing investment projects on the terms and conditions set by the government. Development of social and economic infrastructure is one of the key factors that support long-term economic growth of any country. Insufficient infrastructure hinders economic growth, adversely affects the quality of services provided to the population, and reduces the intensity of entrepreneurial activity. That is why the development of the country infrastructure on the basis of public-private partnership is important today. In international practice, there are various models, forms, types and specific opportunities for public-private partnerships. The form of the contract is the most important in determining the effectiveness of PPP projects (Table 1).

Table 1

Forms of public-private partnership contract

№		Meaning
1.	Public-Private Partnership Agreement	An administrative-economic agreement between the state (local government) and the private sector for the implementation of certain socially significant and useful activities. It is possible to conclude a contract for the most common work in the PPP practice - for the provision of public services, management, supply of goods for public needs, and technical support. In administrative legal relations, property rights are not transferred to private partners, and the costs and financial losses can be covered by the state.
2.	In the form of rent (lease agreements) and leasing	According to the terms of the agreement, the state or local government will transfer the infrastructure facilities to a private partner for temporary use and for a fee. Under a leasing contract the lessee has the right to buy property of the state or local government. Maintenance of lease relations between the state or local government and private partner is a temporary use of property and transfer of a fixed fee
3.	Concession Agreement	One of the special forms of public-private partnership agreement is a public-private partnership designed to develop social infrastructure or to protect the public interest (concession facility) that develops and operates a private sector (concessionaire) concession facility. a form of cooperation whereby the public sector (grantor) owns and maintains the concession facility.

4.	Product sharing agreements	Contracts and the private sector, which give the private investor the right to work with regard to the exploration, prospecting and production of mineral resources and their use for a specified period, these risks at their own expense and bear the risks and risks are undertaken by the state itself.
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Public-Private Partnership Investment Projects are projects that are implemented by public-private partnerships to address socially important objectives based on medium or long-term agreements. Experience from the developed world proves that implementation of such projects will improve infrastructure in the country, develop the utilities, transport and energy sectors and ultimately, the country's economy. These aspects underscore the importance of promoting the PPP practice in Uzbekistan. Every year the world spends a significant amount of money on the costs of creating and maintaining well-being infrastructure. However, it is impossible to avoid these expenses. If we look at figures and forecasts, we can see that countries in the world are focusing on this sector (Table 2).

Table 2

Forecast of the amount of investment needed to develop infrastructure around the world in 2021-2040, in billion dollars [8]

Regions	2021	2025	2030	2035	2040
Over the World	2761.4	2979.5	3260.3	3543.7	3812.6
<i>From this:</i>					
Asia	1590.6	1738.8	1920.1	2106.2	2287.4
North and South America	496.02	524.6	563.1	601.5	633.9
Europe	469.5	489.5	522.8	554.3	582.6
Africa	144.8	160.7	181.8	202.3	222.8

In the world practice, it is a good tradition, especially in developed countries, to invest in infrastructure with the participation of the private sector. In particular, the world will invest \$ 2.7 trillion in infrastructure in 2021. By 2040, this figure is expected to increase by 42% to \$ 3.7 trillion (Table 2).

Despite the fact that the world has invested so much in infrastructure, there is still a shortage of infrastructure in the world today. In particular, in 2019 this figure will be \$ 427 billion worldwide. It is expected that by the year 2040, another \$ 14 trillion will be needed in addition to the global investment. Public-Private Partnership is a system of legal and institutional relations between the public or local government and the private sector to develop socially important and underdeveloped sectors of the national economy to protect the public interest. The foundations of this

system will be based on equality, rational cooperation, equitable sharing of risks and profits, and a combination of public and private sector efforts.

The main sectors of infrastructure of the world countries are 2.6 trillion. Of this amount, 49.6 percent (\$ 1292.8 billion) is direct investments. In addition, 32.6%, 10.5% and 7.2%, or 1312.7 billion sums were invested in the energy, information and communication networks and water supply systems. dollars. According to a study by the Global Infrastructure Hub, an analysis of developed and developing countries' infrastructure markets by 2030, investment in infrastructure will increase by 26% compared to 2018, or \$ 3.3 trillion. dollars will be directed. In 2040, the figure will reach 3.813 trillion (Table 3).

Table 3

The amount of Global investment in key infrastructure sectors, in billion dollars

Infrastructure networks	2015	2016	2017	2018	2019	2020
Transportation field	1133,65	1231,44	1255,77	1292,80	1318,32	1344,48
Energetics	745,10	809,38	825,36	850,30	866,48	883,67
Information and Communication field	239,99	260,69	265,84	273,60	279,08	284,62
Water and its supply	164,56	178,76	182,29	188,80	191,37	195,17
Overall :	2285,59	2482,75	2531,79	2605,50	2657,91	2710,64

The main sectors of the world's infrastructure in 2020 will be 2710.64 billion of US dollars invested, 49.6 percent (US \$ 1344.48 billion) that investment is direct investments in transport infrastructure. In our country, the implementation of public-private partnership projects in these areas is a priority.

The Global Infrastructure Hub aims to help bridge the gap between the public and private sector and to increase the private sector's share in infrastructure, to help governments create multibillion-dollar private investments to finance social infrastructure, and to create and maintain a viable economy. helping to create comfortable and prosperous cities. The organization's research reveals projections for investments in infrastructure in the countries of the world and future funding.

Investing in high-quality infrastructure will have a positive impact on major economic growth in the country on job creation and increase in taxable income. These processes have not been previously recognized, but organizations such as the Asian Development Bank Research Institute (ADBRI) have done research to determine the positive outcomes that can be achieved by building a quality infrastructure. As a result of the opening of the railway line Tashguzar-Baysun-Kumkurgan in Uzbekistan, GDP growth for the region was 2%, industry - 5%, services - 7%.

According to the Global Infrastructure Hub, the largest share of China's investment in foreign countries is China (\$ 32,63646 million), but the country's international infrastructure rating (QI) is 4.7 as the average rating of developed countries (5.5) less than for the US, which has the world's largest share of GDP, investment in infrastructure accounts for more than 7% of GDP. Among the G20 countries, Japan has invested \$ 552 billion in infrastructure over the past five years. In spite of the fact that the dollar spent on the infrastructure, countries in the world ranked 6.3 points in the infrastructure rating. Germany, France, the United Kingdom, and South Korea have invested \$ 975 billion over the past five years, with \$ 287 billion in US spending less than a dollar. However, the US QI ranked 5.9 in the bottom of all these countries.

Conclusion and proposals

Public-private partnership should be recognized not only as a determining factor in the level of socio-cultural and infrastructure development, but also as a separate instrument that will lead the country's economy to a new level. Establishing a framework for public-private partnership projects in the near future, formation and regular analysis of real data, creation of training system for PPP projects, additional development of infrastructure and social sphere. It is imperative to establish a consistent and transparent system for the production and most importantly, a transparent and fair system of choosing partner.

In the framework of the analysis of financial relations and their effectiveness in the practice of public-private partnership, the following conclusions were drawn:

proper organization of public-private partnership will create opportunities for the development of the country's economy, the effective implementation of major infrastructure projects, the development of social infrastructure in the country;

effective organization of public-private partnership through the fair distribution of financial risks between participants in the process of combining financial, technological and managerial resources of the public and private sectors (business), the development of ways to reduce them, as well as clearly define the rights and obligations of participants are given.

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