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# MECHANISMS OF THE STATE-PRIVATE PARTNERSHIP IN THE FIELD OF HEALTH PROTECTION

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#### **SUMMARY**

The article deals with the nature of "mechanism" and "mechanism of public-private partnership" (PPP). It is established that the mechanism of realization of public-private partnerships in the field of health care should combine the theoretical part, which will contain a number of basic principles of PPP, conceptual points of state regulation of PPP, organizational and economic system of implementation of PPP. The main elements of the mechanism of realization of public-private partnerships are shown. It is proved that the public-private partnerships in the field of health care should be identified as organizational and economic structure on mutually beneficial conditions for the state system and entrepreneurs, business structures and subjects of the private sphere of medicine.

Key words: public-private partnership, medical sphere, mechanism, health care.

# МЕХАНИЗМЫ ГОСУДАРСТВЕННО-ЧАСТНОГО ПАРТНЁРСТВА В СФЕРЕ ЗДРАВООХРАНЕНИЯ

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#### АННОТАЦИЯ

В статье рассматривается сущность понятий «механизм» и «механизм государственно-частного партнёрства». Установлено, что механизм реализации государственно-частного партнёрства в сфере здравоохранения должен сочетать теоретическую часть, которая будет содержать ряд базовых принципов такого партнёрства, концептуальные положения государственного регулирования государственно-частным сотрудничеством, организационно-экономическую систему внедрения. Показаны основные элементы механизма реализации государственно-частного партнёрства. Доказано, что государственно-частное партнёрство в сфере здравоохранения должно определяться как организационно-экономическая структура на взаимовыгодных условиях для государственного устройства и предпринимателей, бизнес-структур и субъектов частной сферы медицины.

Ключевые слова: государственно-частное партнёрство, медицинская сфера, механизм, здравоохранение

Statement of the problem. National health is a resource of a country, which has strategic character and a developing base for the state economy. At the same time, the national economy is closely connected with the use of various forms of innovative character, aimed at the development of separate parts of society, economy and other spheres. It also includes healthcare, the innovation of which should be aimed at introducing reforms, medical innovations, the search for new financial infusions, and the creation of managerial mechanisms for the implementation of healthcare management.

Scientific actuality of the research is confirmed by the fact that the new economy today has negative trends of development, taking into consideration the current organizational and economic conditions in the field of health care. Therefore, in order to avoid its complete collapse, it is necessary to introduce innovative forms of activity in this area.

New methods aimed at the progress of the health sector development should be implemented at the present stage. Exactly scientific, medical achievements and developments in the food sector will have an impact on the average life expectancy of citizens of the state and the innovative level of the health sector. The practical knowledge of the experience of developed countries shows that the stabilization of public-private partnerships is one of the main points and contributes to socio-economic progress. In order to ensure the development of trends in the social sphere, including the health care sector, it is necessary to attract additional financial resources that can be attracted by implementing forms of cooperation between the state and private business structures.

**State of research.** The mechanism of public-private partnerships, particularly in the spheres of health care, is described in the scientific works of such well-known scientists: L.I. Abalkin, A. Kulman, O.V. Mazurko, G.A. Mishenina, N.V. Mishenina, S.V. Mocheryn, I.P. Petrova, L.I. Tarash, I.E. Yarov and others.

The aim and the objective of the article is to reveal the mechanisms of public-private partnership in Ukraine in the field of health care.

Presentation of the main material. In modern economic conditions. the state governance mechanism has its own stock of methodologies instruments for influencing and according to the set goals, such means of influence in the sphere of health care do not fully satisfy the requirements of and regularities economic development. The system of classical elements aimed at controlling within the healthcare sector is guaranteed by state financing, on condition that the state budget funds are provided. At this stage, the financial support to the national medical system is possible under the condition of thorough rethinking, carried out with additional financial infusions and with the competent use of these financial resources.

Unofficial payments, made by people, cannot be a solution to financial

issues. It follows that the current market situation requires new rules and principles of coexistence of the subject of health care, which are the basis for the creation of a PPP mechanism in this area. It follows from this that innovational development within healthcare is possible only subject to the application of systems of interaction between state and business authorities that would have a comprehensive character among such social elements as a public organization, doctors and patients. This will facilitate early diagnosis of the disease by using the modern methodological diagnostic database and the availability of medical equipment systems, as well as providing innovative features within the publicprivate partnerships of health care to the organizational and economic regulatory mechanism of the state.

Thus, scientific analysis of the mechanism of public administration distinguishes this concept as the main one. Despite the widespread use of the term "mechanism" in various spheres of public life, it is borrowed from the natural and technical sphere and can have several interpretations: a device that conducts or transforms movement. structure internal composition of a certain concept; combination of events and procedural characteristics that make any physical, chemical or other processes.

The category "mechanism" is quite common in the scientific economic literature, but there is no generally accepted definition of this term that would reveal its essence and content, which causes ambiguity in the interpretation of the concept and structural elements of the mechanism of public-private partnership. In the domestic economy, the term "mechanism" was introduced by L.I. Abalkin in the second half of the 60-ies of the XX century. The researcher considers the "economic mechanism" as an economic category in the system of production relations of two subsystems: socio-economic, organizational and economic [6, p. 15].

According to the encyclopaedic work done by local economists, the mechanism is a system, device, method, defining the order of a particular type of activity [1, p. 355] or an internal device of a machine, equipment, etc. – a system of certain parts and elements that triggers them into action [1, p. 355]. In this case mechanisms are determined as a system of unite components which is whole organism. So, the special feature definition of economic mechanisms by Ukrainian scholars is the application of system-structural approaches.

French explorer who investigated economic mechanisms in the macroeconomic aspect A. Kulmann defines the mechanism as the necessary interconnection that occurs among different economic phenomena [2, p. 7]. At the same time, the mechanism is interconnection system of economic that arise phenomena on certain conditions under the influence of the initial impulse [2, p. 16].

The mechanism includes certain logical sequence of elements, which reflect the possible actions of the mechanism in the presence of a certain initial economic phenomenon. The constituent elements of the mechanism always at the same time advocates both the original phenomenon, and the entire process that occurs in the interval between them. Therefore, the economical mechanism is defended either by nature of outgoing phenomena or by the end result of a series of phenomena. [2, p. 12].

It can be concluded from the previous described interpretations that Western economic research prefers a functional approach to the problem of a mechanism and its description. The public-private partnership mechanism is a complex organizational and financial process. The application of the financial-legal model of public-private partnership involves the participation of a certain number of actors – public and private partners [3].

In foreign practice, various organizations investigate the structural elements, which are the mechanism implementing public-private for partnerships. Results of analysis of the Public-Private Partnerships Reference Guide and The Guide to Guidance How to Prepare, Procure and Deliver PPP Projects affirm that the structure of public-private partnerships includes five successive stages (fig. 1) [7, c. 78; 8].

1. Initiation and initial project selection. It is created on the basis of the program that has a socio-economic

character. The development of PPP concepts and initial analysis of these projects is in the pipeline, and this process can still be called a feasibility study. The feasibility study of the PPP at the initial stage of the project makes it possible to discard unprofitable programs and outline the possible types of alternative cooperation between the state and business structures.

2. Evaluation and structuring of the project. This includes the research of the technological, financial. economic. legal and environmental aspects of projects. The data collection component of research makes it possible to implement the program of publicprivate cooperation and to ensure the development of its structural basis. Structured processing of PPP programs contains the conditionality of the form chosen for this program, the risk sharing between the partners, and the financial structure of the program implementation. Thus, the transition to the following stages is based on the evaluation basis of the characteristics that enable the analysis of program effectiveness, in particular viable technical and economic indicators, whether the budget project is competitive or effective comparing to other public-private partnership financial programs.

3. Projecting a public-private partnership contract. It develops elements of the PPP agreement, which stipulates defining the rights and responsibilities of the partners, making changes and ordering the regulation of conflict issues, etc. The result of this phase is a program of public-private partnerships for selecting a private party on the basis of a competitive procedure.

4. Conducting competitive procedures and entering into a PPP contract. Executive body introduces the competitive stages for choosing private sector entity to implement the program in accordance with the law of the country. After tender competition the contract is concluded on conditions of public-private partnerships.

5. Management of the implementation of the agreement on publicprivate partnership (monitoring of the implementation of PPP). It is implemented during the partnership relations. The public authorities guarantee controlling the implementation <sup>84</sup> IULIE 2019



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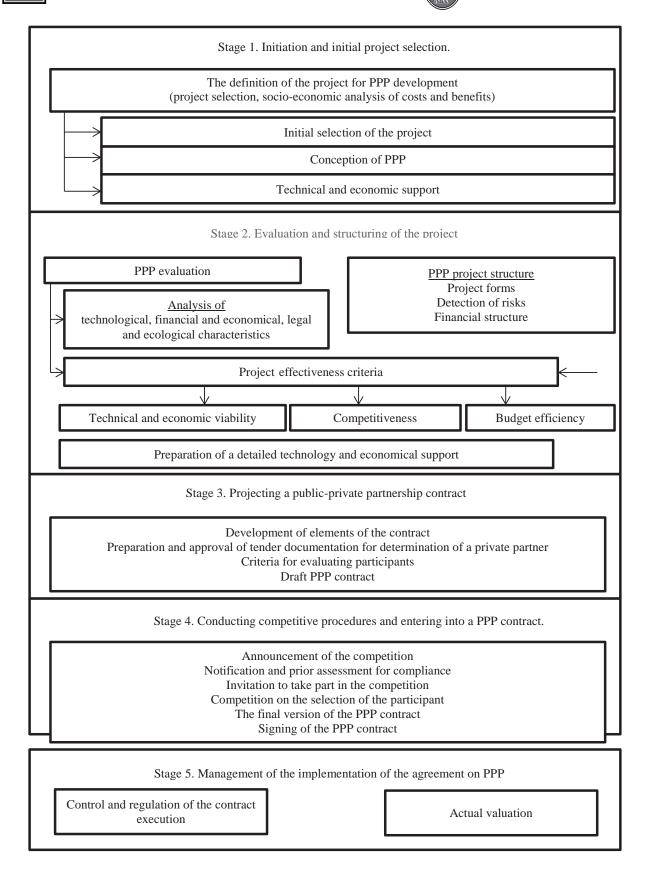


Fig. 1. Structural elements of the mechanism of implementation of the PPP\*

\* author development on the basis of [5]

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Tab. 1

Basic mechanisms for implementing PPP in the field of healthcare *	
PPP forms	Main characteristic
Rental with passing	A private partner leases a medical institution on the basis of a lease agreement, after which a specified share may
of property	gradually move to private ownership under the negotiated conditions
Tenancy at will	Medical institution can be leased to the private sector with the condition, for example, creating a certain number
	of work places, providing a certain amount of investment in the medical sector.
Concession	A private operator (entrepreneur, private company, legal entity) receives the right to operate and manage the
	objects of the healthcare sector as specified in the contract.
Creation - ownership -	A private operator according to the contract carries out investments in a specified object, then owns and manages
management - transference	it within the term specified by the contract, after which it is transferred to the state
Mana-gement contract	It is the simplest PPP form in the healthcare, which doesn't provide investment obligations. Ownership and
	investment decisions remain in the hands of a public authority. The private organization is responsible only for
	adherence to the principles of medical care and carries only operational risks.

\* author development on the basis of [4]

of the PPP, which extends to the private party fulfilment of the contract during the term for implementation, as well as improvement of the condition's quality for the contract implementation and the balancing of processes between the parties of public-private partnership.

The above-mentioned components of the mechanism implementation structure between public and private used partners are mostly as a form of recommendations. In view of the country in which these mechanisms are implemented, they have economic, legal, technical differences regarding one or another aspect of the interaction between the state and the private sector. The analysis of the main preparatory levels and the implementation of public-private structures is facilitated by the consideration of European experience in establishing mechanisms for the implementation of PPP in Western countries, in particular, German and French experience and eastern -Kazakh and Russian.

Thus, the mechanism of realization of public-private partnerships in the field of health care should combine the theoretical part, which will contain a number of basic principles of PPP, conceptual points of state regulation of PPP, as well as organizational and economic system of implementation of PPP.

The strategic orientation of progress in healthcare should apply different mechanisms ofpublic-private partnerships within the medical sector (tab. 1)

These main mechanisms or forms of PPP can be implemented by any healthcare entity, which should be further elaborated, that is, some of them should be added to certain clarifications and additions. Such unitary partnership, which is provided by the public, private and social sectors in decentralized conditions, is the main platform for cluster policies, in shaping the clustercorporate form in healthcare.

On the basis of the analysis the mechanism of realization of of public-private partnership relations as structures of functional actions or processes connected with the sequence functional phases of the PPP of and the system of methodologies, dogmas and algorithms, views and procedures of conceptual, institutional and methodological supplies that are used for realization partner privateinteractions state and sector actors, we can conclude that of the content the mechanism partnership of public-private relations is a system of consistently functional phenomena: combined the definition of the PPP program, project development (feasibility study), the implementation of competition to determine the private partners, management implementation agreements PPP (PPP monitoring implementations).

Conclusions. Consequently, publicprivate partnerships in the healthcare sector should be identified as an organizational and economic structure on mutually beneficial terms for the state system and entrepreneurs, business entities and private sector practitioners based on legislation and legal agreements, regulatory and legal acts, in the implementation of social and medical programs. Such processes will allow to combine public and private resources that will increase the efficiency of the use of potential, allocate and minimize any risk in the field of state-business partnerships, and implant innovative tools within the healthcare system.

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# ЗАЩИТА ТРУДОВЫХ ПРАВ СОТРУДНИКОВ СОВЕТА ЕВРОПЫ

### Павел ФОМИН,

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### АННОТАЦИЯ

В статье проанализированы положения внутренних актов Совета Европы (Правила и положения о персонале) относительно защиты трудовых прав сотрудников организации во время прохождения международной гражданской службы; уделено внимание процедуре защиты прав сотрудников в порядке досудебного урегулирования спора и в рамках Административного Трибунала Совета Европы; акцентировано внимание на существующей проблематике в этой сфере и сделаны соответствующие выводы.

Ключевые слова: внутренняя система правосудия, международный гражданский служащий, трудовые права человека, судопроизводство.

# PROTECTION OF LABOR RIGHTS OF STAFF OF THE COUNCIL OF EUROPE

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### **SUMMARY**

In this article it was analyzed the provisions of the internal acts of the Council of Europe (Staff Rules and Regulations) regarding the protection of the labor rights of the organization's employees during the international civil service; it was paid attention to the procedure for protecting the rights of employees in the course of pre-trial settlement of a dispute and within the framework of the Council of Europe Administrative Tribunal; it was focused on the existing problems in this area and the corresponding conclusions are made.

Key words: internal justice system, international civil servant, labor human rights, legal proceedings.

Постановка проблемы. Эффективная деятельность персонала международных универсальных и региональных межправительственных организаций (далее – ММПО) (Организация Объединённых Наций, Совет Европы, Европейский Союз и др.) является одной из ключевых составляющих их надлежащего функционирования. Достижение поставленных целей и поддержание провозглашённых принципов ММПО, среди которых - поддержание международного мира и безопасности, развитие дружественных отношений между нациями на основе уважения принципа равноправия и самоопределения народов, осуществление международного сотрудничества, проведение совместных действий в экономической, социальной, культурной, научной, правовой и административной областях, поддержание и дальнейшее осуществление прав человека

и основных свобод и т.д., возможно лишь при наличии профессионального и компетентного персонала, который составляют международные гражданские служащие. Такой статус наделяет сотрудника рядом прав и обязанностей, среди которых соблюдение высоких профессиональных и этических стандартов, лояльность организации, независимость и беспристрастность, недопущение конфликта интересов, неразглашение информации и тому подобное. Вместе с тем мировая практика демонстрирует, что такие служащие, будучи непредвзятыми и независимыми от государства своего происхождения, выполняют возложенные на них функции эффективнее при условии создания надлежащих условий для прохождения их службы. По этой причине важным условием соблюдения таких высоких стандартов является необходимость нормативного закрепления и своевременного