



# New opportunities for PPPs in Science & Education



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# The PPP Law: scope of application

In accordance with the PPP Law provisions:

- ✓ property management;
- ✓ development and implementation of energy saving technologies;
- ✓ provision of education and healthcare services;
- ✓ Health care.

Upon the resolution of the public partner, **PPP may be implemented in other areas**



**Private business can:**

- **create necessary conditions for providing effective researches and education** (universities & campus areas, efficiency into assets operations)
- **provide sufficient funds for new innovation projects and facilitate cooperation with industry partners**

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# The PPP Law: institutional arrangements

- ✓ **The Ministry** of Education and Science **can be a public partner** for state educational and scientific objects
- ✓ It can **initiate** appropriate project, **take decision about PPPs** (with adopting the Ministry of Economic Development and Science & the Ministry of Finance), **sign PPP agreement**
- ✓ Upon the resolution of the public partner, **the publicly owned company, municipally owned company or business company with 100 percent of its authorized capital held by the state, local community may take part in PPP agreement on the side of the respective public partner.** The public partner shall bear subsidiary liability for obligations of such company in accordance with the public-private partnership agreement.
- ✓ **Potential Private partner also can initiate PPP**

# The PPP Law: flexibility

- ✓ **Mixed agreements** are possible in the framework of PPP
- ✓ Objects of PPPs could be: **existing facilities** in public or municipal ownership or **facilities created or acquired as a result of performing PPP agreement**
- ✓ Objects of PPPs created or acquired by the private partner in the framework of PPP agreement **may be owned by private partner** when agreement is valid
- ✓ PPP agreement **may provide** for the public and private partners' **joint shared ownership of PPP property created** or acquired
- ✓ In case the private partner fails to perform its obligations under PPP agreement, the party arranging for or providing funding in the course of PPP may offer the public partner to replace the private partner under the agreement – **Step-in-Right**

# The PPP Law: State support

- ✓ by **guarantees** provided by the state or self-government bodies
- ✓ through **funding from the state** or local budgets and other sources in accordance **with nationwide and local programs**
- ✓ by making other payments to the private partner as provided for under PPP agreement, in particular **the payment for readiness (availability)** of PPP property for operation (use), etc.
- ✓ by the public partner's **purchase of a certain amount of goods (works, services) manufactured (performed, rendered) by the private partner** under PPP agreement
- ✓ by **supplying the private partner with goods (works, services) required for implementation of the PPP agreement**
- ✓ in other forms prescribed by law



# What is necessary to push PPPs in science & education?

- ✓ Improve institutional capacity of public authorities in PPPs
- ✓ Select projects and prioritize them
- ✓ Initiate pilot PPPs
- ✓ Share experience
- ✓ Prepare methodological recommendations on PPP projects implementation in this field



# Academy of public-private partnership

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## Thank you for attention

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### Ukrainian Public-Private Partnership Development Support Center