

DEVELOPING PROSPECTS OF PUBLIC-PRIVATE PARTNERSHIP IN THE FIELD OF PHYSICAL EDUCATION AND SPORT

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Abstract. *The role and importance of public-private partnership in the implementation of joint investment projects of the public and private sectors in the field of physical education and sports in our country, analysis of the work done in this field, public and private companies, international companies through public-private partnership in the field of physical education and sports among financial organizations and other institutions are widely introduced the mechanism of implementation of prospective projects of socio-economic importance are widely explained by this article.*

Keywords: *state, public-private partnership (PPP), physical education and sport, business, state partner, private partner, investment project, selection commission, private sector, private companies, project, field.*

INTRODUCTION

We can see that the experience of developed countries and nowadays there is a tendency to increase the volume of mutual cooperation between the private sector and the state in the form of public-private partnership in many countries of the world. One of the modern and most effective ways of attracting foreign direct investment to the country's economy is public-private partnership. Today, on the basis of such an agreement, a total of 4.98 bln. 375 projects worth more than US dollars are being implemented. In particular, 133 in the field of water management, 69 in the field of ecology, 67 in the field of education, 48 in the field of health, 26 in the field of culture, 13 in the field of craft industry, 8 in the field of energy, 3 in the field of communal services, 2 in the field of transport, 2 projects were implemented in the field of employment and labor relations, 1 in the field of information technologies, 1 in the field of taxation, 1 in the field of veterinary and animal husbandry, and 1 in the field of law enforcement. Thanks to these projects, foreign experience and technologies are also entering the fields.

Today, the Cabinet of Ministers of the Republic of Uzbekistan dated on March 01, 2019 “Measures for the development of public-private partnership in the field of physical education and sports” was adopted in order to develop public-private partnership in the field of physical education and sports, as well as to carry out a number of works on the implementation of infrastructure and investment projects in this field and it shows that how important this field is.

LITERATURE REVIEW

According to the decision, “public-private partnership” is defined as mutually effective cooperation of a public partner and a private partner in the field of physical education and sports for a specific period of time in order to attract private investments, pool resources and distribute risks [7].

In general, public-private partnership, especially in the field of physical education and sports, foreign and local scientists expressed their opinions and comments, suggestions and recommendations in their research.

“Public-private partnership - public and public property objects, as well as public and public agencies, institutions in order to implement socially significant projects in a wide range of economic activities” and shows a legally strengthened form of interaction between the state and the private sector in relation to the services performed and provided by enterprises in the textbook which’s called “Theory and Practice of Public-Private Partnership” co-authored by V. Varnavskiy and others [10]

According to the author E. Kupreyshvili “Public-private partnership” - project management involves targeted activities to create a new product, a new service, or to achieve a new result, as well as to expand the existing opportunities for providing services and selling goods in conditions of limited resources and for a certain period of time. At the same time, the construction of a new building or the reconstruction of an object is the development of a new service. The main tool of the public-private partnership project management mechanism is the program-target management method, according to which it is the creation of a number of interstate, regional, network and object-oriented target programs [5].

Among our young economists, U. Djumaniyozov also said that “Public-private partnership” is very important for the population with the private sector based on the long-term strategic tasks and goals of the state, based on the distribution of various economic, political, social, cultural and other risks, dangers, risks that may arise, defined as “mutually beneficial projects and relations with the private sector for the construction of socio-economic and, if necessary, politically important objects, innovation in the fields, provision of services” [2].

Today, many scientists are conducting their scientific research in the field of physical education and sports in public-private partnerships.

V. According to Sazonov, “one of the areas of public relations in which public-private partnership projects are rapidly developing is sport” [8].

A. Tsepeleva’s scientific paper recognizes the 2012 Olympic Games held in London as one of the “brightest examples of public-private partnership in the field of sports” [9].

E. According to Galieva, the main goal of the public-private partnership in the field of physical education and sports is to get income from the project by the private partner. Attracting private partners not only to the construction and reconstruction of sports infrastructure facilities, but also to involve them in the management of sports facilities and at the same time reducing state budget costs is an urgent issue [3].

T. According to Melnik, the development of the practice of public-private partnership in the field of physical education and sports is determined by the needs of the implementation of the goals and tasks of the social policy of the state bodies in this field [6].

It is necessary to reflect the specific features of the implementation of public-private partnership projects in the field of physical education and sports in order to further develop public-private partnership and use its various forms in the definition given by E.Galieva and A.Magdenko, [4].

The role of public-private partnership is very important in the comprehensive development of social, economic and political reforms in our country. Public-private partnership in the field of the development strategy of New Uzbekistan designed by the President for 2022-2026 states how

important public-private partnership is for our economy and “Sports and cultural facilities, creative clubs, employment support and training centers, business facilities on the basis of public-private partnership in neighborhood areas measures to create such an infrastructure should be implemented” [1].

A number of investment projects implemented on the basis of public-private partnership have been mentioned in the development strategy of New Uzbekistan. These are the following [12]:

- expansion of public-private partnership by transferring some state functions to the private sector and wide introduction of digital technologies;
- 14 billion on the basis of public-private partnership for energy, transport, healthcare, education, ecology, communal services, water management and other sectors. Attract investment equivalent to US dollars;
- management of water management facilities based on the principles of public-private partnership;
- To move the waste water treatment system out of the city and build new facilities based on public-private partnership;
- use of optimal methods of financing projects in the construction of student residences on the basis of public-private partnership.

Today, in order to further develop the country, public-private partnership depends on the successful implementation of the country on the basis of the experience of countries with a developed and successful business environment, and the readiness of the state to interact with far-sighted actions in the complex post-crisis environment.

Public-Private Partnerships with a long history, public-private partnerships have several guiding principles.

Firstly, the parties have equal interests, the content of which is explained by the fact that the right to sign a public-private partnership agreement is given to all private companies. Also, partners use the opportunity to freely choose the forms and methods of achieving the goal in front of them.

Secondly, the contract should be stable and subject to change. Because usually such contracts are signed for a long period of time, and during this period there may be circumstances that lead to amendments to the specified conditions.

Thirdly, the responsibility for fulfilling the terms of the contract is one of the important factors, and the private company has no right to stop the work in this cooperation project. Because this situation can harm the interests of the general public - the consumer of the project implementation.

Fourth, the principle of competition is manifested during the competition to sign a public-private partnership agreement. The competition organized among private companies allows the state to select an effective partner from among the participants in the mutual partnership project.

It consists of the integration of financial, technological and management resources in the organization of infrastructures and provision of socio-economically necessary services in the country on the basis of public-private partnership. Public-private partnership agreements should clearly state the risks between the participants. This table 1 highlights the advantages and benefits of public and private partnerships.

Table 1

Aspects of benefits or advantages for public and private partners in the implementation of projects [11]

For the state	For a private partner
<ol style="list-style-type: none"> 1. The possibility of implementing large projects of social importance; 2. Sharing risks with a private partner; 3. The possibility of reducing monetary payments if the quality of services provided by the private sector does not meet the demand; 4. Non-availability of budget expenses for facility operation, reduction of budget burden; 5. Involvement of management and intellectual capital of the private sector. 	<ol style="list-style-type: none"> 1. Obtaining income from the object of public-private partnership, availability of guaranteed markets for goods and services; 2. To share expected risks with the state; 3. Guarantees and benefits provided by the state; 4. Ability to attract debt financing; 5. Sharing project costs with the state.

From the table, we can see that public-private partnership, we can see how important public-private partnership is in the implementation of large projects of national importance.

A private partner who expresses a desire to implement a public-private partnership project first of all submits an appropriate application to the selection commission. The received application on the implementation of the public-private partnership project will be considered by the Selection Commission within ten days from the date of receipt. The notice of violation of the requirements in the submitted application is sent to the private partner in written form, including through the electronic information system. The notice shall indicate the violation of the requirements, the specific norms of the legal documents, and the specific period during which the private partner can eliminate the violation of the specified requirements and submit the documents to the public partner for re-examination.

In the public-private partnership projects in the field of physical education and sports, the state partner may propose a scheme for the implementation of the public-private partnership project based on the needs of the residents of the relevant area, including the results of studying the proposals received from citizens' self-governing bodies, individuals and legal entities.

Public-Private by Public Partner partnership project implementation scheme

Stages	Subjects	Measures	Deadlines
↓			
The 1 st stage	State partner	Announces the contest	Depending on the need
↓			
The 2 nd stage	Private partner	The state submits the application and the attached documents to the partner	Within 30 days from the date of announcement of the competition
↓			
The 3 rd stage	State partner	Checks the compliance of the application with the	During one working day

		requirements of the Regulation. In case of non-compliance with the requirements of the regulation, the application shall be returned indicating the deficiencies	
↓			
The 4 th stage	Selection commission	<ol style="list-style-type: none"> 1. When applications for participation in the competition are received from at least two participants, it conducts the competition, decides on the results of the competition and determines the winner 2. If an application is received from only one participant, it will consider the application and make a decision. 	<p>for 7 working days</p> <p>for 5 working days</p>
↓			
The 5 th stage	State partner	By posting the information on the official website, it informs the private partner about the decision	On the day that they made the decision
↓			
The 6 th stage	Public partner and private partner	Formalizes and signs the public-private partnership agreement	Within 10 days after the date of adoption of the positive decision of the selection commission

From the implementation plan of this public-private partnership project, we can see that the Public Partner will announce the bidding process 30 days before the start of the competition on its official website on the World Wide Web and through other mass media.

The announcement of the public-private partnership project selection in the field of physical education and sports by the state partner should contain the following information:

- the name, telephone number, post office, including e-mail address of the state partner;
- object name, location, number, description;
- conditions for implementation of the public-private partnership project;
- the smallest amount of investment and social obligations required depending on the forms of implementation of public-private partnership;
- the date, time and place of the competition;

- the deadline for accepting tender offers (with the date and time indicated).

The public-private partnership project in the field of physical education and sports shall submit the following documents to the selection committee of the private partner for participation in the competition:

- at least one month prior to the date of submission of the application for participation in the competition, an application stating that there are no arrears of taxes, fees, other mandatory payments and other financial sanctions;

relevant proposal regarding the construction (reconstruction) of the physical education and sports facility building;

preliminary technical and economic indicators for the construction of a building of a physical education and sports institution.

Applicants who are being reorganized, liquidated or bankrupt, whose assets have been confiscated, will not be allowed to participate in the competition for the implementation of public-private partnership projects in the field of physical education and sports, and the identification of unused and vacant sports facilities in the regions. The winner of the competition is recognized as the most suitable participant for the implementation of the public-private partnership project. Also, if the winner of the competition refuses to sign the agreement on public-private partnership within the terms stipulated in this Regulation or refuses to sign it, an appropriate agreement can be concluded with the reserve winner.

From the experience of developed countries, we can see that the construction of sports facilities is the most popular among the private sector to create gyms, as well as multi-functional centers. The construction of stadiums and sports grounds is often done at the expense of the state.

Public-private partnership is a combination of financial, technological and management resources of the state and business in the organization of infrastructures and provision of socially important services. In such cooperation, relations are established like cooperation between state and private companies. It is necessary and important that the division of risks between the participants is clearly defined in the public-private partnership agreement. The private sector is equally important in providing relevant products and services. In addition, the sale of sports equipment, clothes and shoes is carried out only by private companies, where the public sector has no stake. These firms, for example, enter into cooperation agreements on the joint provision of discounts to consumers and may be located in the club area.

The private sector providing services in the field of physical education and sports includes the following areas:

- companies providing services for the organization and holding of sports competitions - stadiums, swimming pools, sports bases and complexes;

- companies that organize meals, accommodation, excursions, etc.;

- companies working in the field of information and show business;

- companies providing insurance services;

- companies providing betting services.

Today, based on the analysis of the participation of the state and business in the field of physical education and sports services, it is possible to determine the following directions that require the joint activity of both parties and can be implemented on the basis of public-private partnership (Fig. 1).

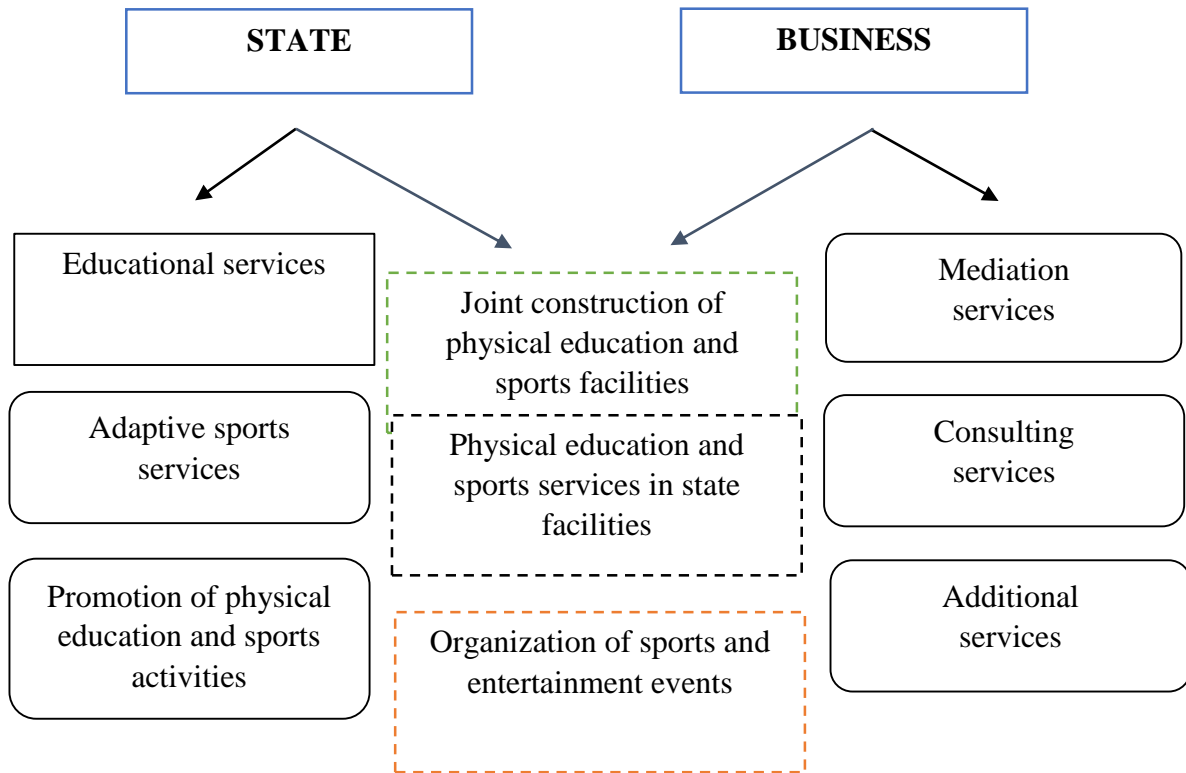


Figure 1. Perspective directions of cooperation between state and business in the field of physical education and sport

The joint construction of physical education and sports facilities increases the availability of services to the population, and the provision of public facilities for rent attracts business, which helps to expand the range of services. Cooperation with the private sector also has a positive effect on the quality of the organization of sports and entertainment events.

CONCLUSIONS

The need for development of public-private partnership is proven by the experience of developed countries that the implementation of public-private partnership projects in Uzbekistan allows to improve the infrastructure in our country, develop all sectors of the economy, and ultimately develop the country's economy.

In conclusion, it can be said that if special attention is paid to the development of public-private partnership in the field of physical education and sports in our country, strengthening it by law, holding tenders, creating and managing public-private partnership projects, our suggestions and recommendations for improving the effectiveness of our projects in the field are as follows consists of:

- introduction of a system of allocation of funds from the budget in order to support the private partner by the state in the implementation of large projects on the basis of public-private partnership;
- introduction of the system of allocating subsidies from the budget in order to support the private partner by the state;
- concessional loans by commercial banks to private partners in public-private partnership projects, etc.

In the implementation of public-private partnership projects, it is necessary to foresee the socio-economic situation, inflation and other aspects. However, it should not be forgotten that such projects, when brought to life, allow the industry to move forward.

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