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PRIVATISATION AS OPTION FOR INVESTING

In Western Europe, privatisation became a socially accepted policy element after the vigorous implementation of the United Kingdom's privatization program in the mid-1980s. In Latin America, where state entrepreneurship has a long tradition, privatization was introduced as part of fiscal adjustments to the debt crisis in the early 1980s. After the collapse of communist regimes in Central and Eastern Europe and the former Soviet Union, the SOE reforms and privatization became central elements of a comprehensive transformation process to create market economies based on private property rights. These world-wide trends in privatization imply a massive transfer of ownership and control rights to the private sector over the ten-year period from 1984 to 1994 [5].

Privatisation is not an automatic solution to improving the quality of goods and services available to businesses or the performance of state-owned enterprises. The evidence suggests that if privatisation is to improve the provision of infrastructure and services and the performance of firms over the longer term, it needs to be complemented by policies that promote competition and effective regulation of the industries in question [6].

In Finland, the 2007 State Shareholding and Ownership Steering Act, transferring most SOEs to an ownership unit in the Prime Minister's Office, is seen as having been instrumental in enhancing the separation of the ownership function from the regulatory and sector policy responsibilities of branch ministries. In Korea, the 2007 Public Entity Management Act represented major legal and regulatory changes not only to SOEs but to any other kind of autonomous body controlled by the state. The main gist of the reform has been to create a more unified institutional framework in which all types of public institutions can be addressed. Among the consequences of the reform, any public institution regardless of legal form is considered as an SOE if it has more than 50 employees and generates at least 50% of its total revenues through its own earnings. The Belgian authorities have notified a small inaccuracy in previous reporting concerning their ownership architecture. (Belgium was described as having a wholly centralised structure.) The responsibility for SOEs is mostly with the Minister for State Owned Assets, but some government participations are owned by a separate holding company. The Czech Republic, in January 2006, disbanded the National Property Fund (NPF), which had been established as a central privatisation and state ownership agency at the beginning of the transition period. The role of the NPF was, in all essentials,

taken over by the Ministry of Finance. The Czech ownership model remains dual, with sector ministries nominating SOE directors and voting the State's shares and the Ministry of Finance in charge of SOEs' operational performance. In Finland, the 2007 legal reform created a comparatively centralised ownership structure for SOEs. The Ownership Steering Department, serving as the ownership agency, is administratively located in the Prime Minister's Office and is politically accountable to the Minister of Defence – who was chosen for this role because his ministry is not involved in the oversight of any individual SOEs. Subsequently, in 2008 a state holding company, overseen by the Steering Department, in 2008, was established to which government shareholdings in a number of listed companies was transferred. This was seen as an attempt to further safeguard the commercial orientation of the listed companies concerned by “insulating” them through another layer of corporate board responsibility. At the time of the first reform, the Finnish government further approved State Ownership Policy, outlining the key principles and operating practices of the State's ownership function [3].

The benefits of good corporate governance, a number of governments in developed and developing economies alike are taking concrete actions to address the above challenges in order to: (1) enhance the competitiveness of SOEs and the economy as a whole; (2) provide critical infrastructure, financial, and other services in a more efficient and cost-effective manner; (3) reduce the fiscal burden and fiscal risk of SOEs while improving their access to external sources of finance through the capital markets; and (4) strengthen transparency and accountability [4].

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SOCIAL ASPECTS OF THE REGULATION OF THE CITY PUBLIC PASSENGER TRANSPORT SYSTEM

Radical changes in the economy of Ukraine, the presence of competition in the provision of transport services requires significant changes in the management organization transport system. The object transport governance system must meet the level of socio-economic development, positive impact on national security, to ensure the implementation of foreign economic relations.

In this regard, particular relevance on the national and local is the problem of improving the legal regulation of transport activity (within the transport legislation).

It should be noted that the development and improvement of transport carried out in accordance with the national program considering its priority and based on scientific and technological progress and provided by the state.

As the only transportation system of Ukraine has several modes, each of which has certain characteristics, then the legislation on transport is fairly large and diverse content.

The development of urban passenger transport is inextricably linked with the processes of industrialization and urbanization. It is entrusted with providing easy access to places of residence and work, service, educational, cultural and other institutions of different social groups, especially low-income. The effective functioning of public transport is not only economic but also significant social value [1, p. 35].

The automated fare system provides fundamentally change the situation. Introduced in Europe the technology of contactless plastic cards has proven effective and allows you to: obtain data about the actual passenger distribution; assess the financial burden on the city budget; justify the submission of the costs by category of beneficiaries; determine the budget provision of municipal orders in attracting commercial vehicles for the transportation of beneficiaries; expect real need for subsidies; optimize the route network; assess the adequacy of supply routes rolling stock; optimize traffic management; 15-30% increase in revenues of transport enterprises [4-5].