

SELECTION OF PROJECTS FOR THE DEVELOPMENT OF TERRITORIAL COMMUNITIES FOR CO-FINANCING FROM MUNICIPAL BUDGETS

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The article is devoted to the selection mechanism for mini-projects for the development of territorial communities in order to improve the municipal budget planning.

The resources cooperation of state and local authorities, territorial community (public sector), and private sector is an adequate alternative to budget financing in the case of a limited budget.

It is determined that public-private partnership and state-private-public partnership belong to a single category of socio-economic partnership and are its varieties. The differences between these two types of partnership are the duration of projects and the terms of the partnership; the fact of transfer to the management of the object; project initiation initiative; the amount of financing; investment characteristics.

The analysis of the competition of mini-projects for the development of territorial communities in the Kharkov region in

2012–2017 proved that the main contribution to co-financing of projects is made from municipal budgets – more than 93%. So, it is necessary to apply instruments of activating the public and private sector for the participation in co-financing of mini-projects for solving local socio-economic problems within the framework of a state-private-public partnership.

The analytic hierarchy process is chosen to select mini-projects. The purpose of using the selection mechanism is not so much the choice of one of the best projects but rather the ranking of all projects according to the criteria for choosing those, for which budget allocations will be enough.

Developed unified selection mechanism of mini-projects for solving local socio-economic problems for financing from municipal budgets will improve the validity of budget spending and transparency in budget planning.