

Nature and role of public-private partnership in conditions of innovative development

Udovytska Y.A.

Candidate of Economic Sciences,
Senior Instructor at Department of Theoretical and Applied Economics
National Technical University of Ukraine «Kyiv Polytechnic Institute»

The article investigates theoretical views on the nature and role of public-private partnership (PPP) in the framework of an innovative model of economic. Economic growth is driven by investment and increases in productive output, making it possible for individual workers to command a higher value for their labour and to achieve a higher standard of living. Growing demand for innovative products requires high-quality public policy that focuses on the knowledge economy of the best international models of its implementation, which will allow the integration of the interests of the state, society, science and business. The essence of the PPP in the innovation development is the creating of a mutually beneficial form of cooperation, the parties of which implement together socially important projects, divide the tasks and risks. The

most successful models for PPP collaboration is an area where industry, governments and academia have much to contribute, in particular by the sharing of information and experience. Initiatives, which are aimed to overcome the existing problems of science, technology and business trends stagnation, acquire strategic nature. The reasons for establishing PPPs include the need to foster a more competitive private sector to promote economic growth: governments that support PPP research may also aim at supporting of new R&D (research and development) activities within their region or country. The basic principles of formation of the public-private partnerships concept are advanced development of technologies, designing and modelling, openness and public participation, priority of the innovative development and strategic investment.