

ACTUAL PROBLEMS OF THE REGULATION OF PRIVATIZATION PROCESSES IN THE CONTEXT OF IMPROVEMENT OF THE PUBLIC FINANCE MANAGEMENT STRATEGY

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The article is devoted to the analysis of relevant problems of regulation of privatization processes in the context of improving public finance management strategy. Constructive trends of adopting international best practices of privatization to the Ukrainian realities are identified. Positive and negative effects of privatization on the public finance management system are clarified. Privatization is considered as an integral part of the institutional changes for conducting democratic reforms. Insufficient level of institutional conditions development in transition countries is seen to be a barrier to the implementation of an effective regulation system of privatization processes. The analysis of the economic approaches to the research of the privatization effectiveness led to the conclusion that the modern view of the privatization process is based on the maximization of social welfare. The list of required elements for improvements of the effectiveness of the regulatory sys-

tem of privatization that can significantly improve the public financial management system is proposed. A required component of an effective public financial management system in the context of privatization is providing transparency of the operations, decision-making system, and transparency of financial information. The necessity for the introduction of a system of evaluation and supervision of a compliance with contract agreements is noted. The importance of development and implementation of an effective and reliable mechanism for the return of assets to public property is underlined. The importance of implementation of a losses compensation mechanism from the improper use of facilities in case of non-compliance with contract terms by private investors is emphasized. It is outlined that carrying out privatization of state enterprises for financing current budget expenditures does not meet the long-term objectives of the country development.