

## **THE ROLE OF PUBLIC-PRIVATE PARTNERSHIPS IN THE MANAGEMENT MECHANISM OF ENTREPRENEURIAL STRUCTURES IN THE FUEL AND ENERGY SECTOR**

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The role of public-private partnerships (PPPs) in the management mechanism of entrepreneurial structures in the fuel and energy sector is highly significant and timely for several reasons:

The fuel and energy sector requires substantial capital investments for infrastructure development, including exploration, extraction, energy generation, and distribution systems. PPPs facilitate these investments by pooling resources from both public and private sectors, thus enabling projects that might not be financially viable through public or private funding alone.

This sector is rapidly evolving with new technologies such as renewable energy sources, smart grids, and carbon capture and storage. Private companies often have the innovation agility and capacity to deploy these technologies faster than public entities. Through PPPs, the state can foster a quicker adoption of these technologies, enhancing the sector's overall efficiency and sustainability.

Governments play a critical role in regulating the energy sector, ensuring stability, setting environmental standards, and overseeing the security of energy supply. PPPs allow for a cooperative approach to regulatory compliance, where both private and public entities can work together to meet legal and operational standards effectively.

Energy projects are associated with significant risks, including financial, regulatory, and environmental risks. PPPs allow for the sharing of these risks between the public and private partners, making it easier to manage and mitigate potential setbacks and ensure project continuity.

With increasing global focus on sustainable and eco-friendly business practices, PPPs in the fuel and energy sector can drive initiatives that align with these goals. Public entities can set agendas that prioritize sustainability, while private partners can implement these objectives with efficiency and innovative solutions.

The energy sector is a critical component of national development. PPPs contribute to economic growth by improving infrastructure, creating jobs, and enhancing the reliability and quality of energy supply, which in turn supports other economic activities. While private partners bring in their expertise and efficiency, public partners add a layer of accountability to projects, ensuring that they serve the broader public interest and not just commercial objectives. This balance is crucial in sectors like fuel and energy, which are essential for national security and development. Given these points, the relevance of public-private partnerships in the fuel and energy sector remains high as they help address complex challenges by leveraging the strengths of both public and private sectors. This collaboration not only propels forward-looking energy policies but also ensures that the implementation of these policies is effective and aligned with broader economic and environmental goals.