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Problems and prospects of development of public-private partnership in the Republic of Kazakhstan: Political analysis

Bayan Akhatay*

L.N. Gumilyov Eurasian National University
010008, 2 Satpayev Str., Astana, Republic of Kazakhstan

Abstract

Relevance. Public-private partnership (PPP) is considered as a priority in Kazakhstan's state policy for achieving strategic plans, fostering political stability, and boosting the economy by attracting private investment in key sectors. Thus, studying the PPP issues and prospects is vital, necessitating a comprehensive economic perspective and integration with other societal spheres of public life.

Purpose. The study aims to explore the political aspect of PPP development in Kazakhstan and seeks to assess the extent of influence exerted by various factors on the PPP mechanism. Additionally, the study intends to identify measures for enhancing the PPP framework, with particular attention to the relative importance of factors impacting its progress.

Methodology. The study's empirical basis involved a PEST analysis of PPP issues, utilizing expert questionnaires from 5 political scientists, 5 economists, 5 sociologists, and 5 technology specialists. An expert survey with scaling estimates was conducted, followed by an analysis of these assessments.

Results. The results of the study reveal ways to enhance the PPP mechanism by examining the specific impacts of political, economic, social, and technological factors. The study is theoretically grounded in neocorporatism, which advocates for the systematic involvement of interest groups in shaping state policies that connect government and business entities. The hypothesis was tested by evaluating the influence of these factors on PPP development, identifying key challenges, and outlining future prospects for PPPs in Kazakhstan.

Conclusions. Based on the findings of the PEST analysis, it is evident that updating the legislative framework to align with current requirements is crucial for enhancing the efficiency of PPP initiatives. Improving PPP project quality necessitates prioritizing projects addressing fundamental societal needs and critical issues.

Keywords: strategic partnership; business; state; neo-corporatism; information technology; democratic society.

Introduction

The interest of state and business structures in public-private partnership in the Republic of Kazakhstan is growing every day. Any developed democratic state is characterised by the active participation in political processes not only of state structures, but also of representatives of the public and the business community [1; 2]. The transition to strategic partnership with the private sector is important for the Republic of Kazakhstan to form a system of relations that ensures and guarantees economic order and long-term development. The

improvement and development of partnership between the state and the private sector should be aimed at transformations that ensure a rational combination of measures of state regulation of free competition and the interests of society and future generations [3; 4]. Public-private partnership is one of such instruments. The need to develop public-private partnership in the Republic of Kazakhstan, issues of strengthening effective ties between the state and business, prospects for the development of public-private partnership as an effective mechanism for solving public issues have been repeatedly raised in the

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*Corresponding author



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Messages of the President of the Republic of Kazakhstan. The development of such a partnership is also given attention in various government documents and programmes [5; 6].

Despite the fact that the Republic of Kazakhstan is actively engaged in the development of public and private partnership, many questions arise in the process of its improvement. Attracting investments into the state economy by combining the resources of a public partner and a private partner for the development of infrastructure and the life support system of the population requires study from the standpoint of political science as a priority direction of public policy [7; 8]. The fact is that the regulation of PPP issues in the Republic of Kazakhstan is just beginning to be regulated with the participation of the state in economic development. Thus, the article examines the issues of development, problems and features of public and private partnership within the framework of the policy of strengthening the economy of Kazakhstan in the years of independence, analyses the state of public and private partnership today with the help of influence factors, identifies opportunities and prospects.

It is believed that the modern concept of public-private partnership originated in the UK in the 80s of the XX century. Although this direction has been perceived at the international and national level in recent years as an innovation aimed primarily at infrastructure development, in many countries relations between the government and the private sector have been established for a long time. Brazil, Spain, Italy, Mexico, the United States of America and France already have their own specific experience in implementing public-private partnership projects [9-11].

The concept of “public-private partnership” first appeared in America. Financing of educational programmes began with the joint work of the state and the private sector, then in the 1950s financing of public facilities began, and in the 1960s private enterprises began to participate in the modernisation and reconstruction of cities, and relations strengthened [12; 13]. Thus, the private sector has played a key role in the process of construction and commissioning of roads and highways of national importance. Public-private partnership in Kazakhstan is divided into institutional and contractual by the mechanism of implementation. Institutional public-private partnership is implemented by the PPP company in accordance with the PPP agreement, and contractual public-private partnership is implemented through concession, trust management of state property, property lease of state property, leasing, conclusion of contracts for technology development, prototype manufacturing, pilot tests and small-scale production, life cycle contract, service contract, other agreements corresponding to the characteristics of public-private partnership. Thus, a PPP is a mutually beneficial cooperation between government agencies and entrepreneurs in areas traditionally associated with state responsibility, provided a balanced distribution of risks, benefits and costs, rights and obligations defined by relevant agreements [14; 15].

The purpose of the study: to study the political aspect of PPP development in Kazakhstan and to determine by PEST analysis the levels of influence of various factors on the PPP mechanism, and to determine measures to improve

it, focusing on the specific weight of factors affecting its development.

Materials and Methods

The legislative and legal basis of the study was Law of the Republic of Kazakhstan No. 379-V “On public-private partnership” [16], Entrepreneurial Code of the Republic of Kazakhstan [17], strategic programs of the Republic of Kazakhstan and the President's Address.

On October 31, 2015 Law of the Republic of Kazakhstan No. 379-V “On public-private partnership” [16] was adopted. Article 3 of this Law clearly defines the tasks of public-private partnership:

- creating conditions for effective interaction between the public partner and the private partner in order to ensure sustainable socio-economic development of the Republic of Kazakhstan;
- attracting investments into the state economy by combining the resources of a public partner and a private partner for the development of infrastructure and life support systems of the population;
- improving the availability and quality of goods, works and services, considering the interests of the needs of the population, as well as interested parties;
- increasing the overall innovation activity in the Republic of Kazakhstan, including promoting the development of high-tech and knowledge-intensive industries.

As an empirical basis of the study, a PEST analysis was conducted for a comprehensive study of public and private partnership issues. To conduct the PEST analysis, expert questionnaires of 5 political scientists, 5 economists, 5 sociologists, 5 technology specialists, experts and research scientists were collected, an expert survey was conducted in the form of scaling estimates, an analysis of expert assessments was carried out, forecasts and recommendations for the further development of public-private partnership in the country were given.

The suggested hypothesis of the study is that at the beginning of the XXI century, in order to ensure high and sustainable rates of development of the country, to achieve strategic goals, the state is interested in establishing cooperation between government agencies and representatives of private business.

The scientific study of the problem of public-private partnership in the works of domestic and foreign researchers began in the XXI century. There are very few domestic studies on this topic. Therefore, the works of foreign authors are considered as the theoretical basis of this problem. Neocorporatism was taken as the theoretical basis of the study. The specification of positions in the structure of relations between the state and business in this theory is expressed systematically and conceptually, its representatives are G. Lehmbruch and P. Schmitter [18]. The ideas of modernisation theory and pluralistic concept were important for the analysis of the phenomenon under study, its role, important content and specific features of development [19; 20].

The theory of neocorporatism assumes that when implementing the relationship between the state and business structures, “interested parties systematically participate in the development and implementation of the state's political course”. Thus, the scientific conclusion of

this study is based on the theory of neocorporativism by P. Schmitter [21]. The theory of neocorporatism is used in a market economy to denote the negotiation process between private business, trade union organisations and the state. Consequently, we consider neocorporativism as the only theory linking the modern interests of the state and private property and providing a scientific basis for working on common public interests. Thus, by state corporation we mean the practice of state regulation by officials on a legislative basis through state regulation of private and public organisations.

If according to the theory of P. Schmitter [21] neocorporativism is seen as an important relationship between the state, interest groups and politics, then R. Rhodes [22] argues that the state is not just an agent meeting the requirements of pressure groups, but a member of cooperation. At the same time, in the publication "Strategic Communication: A Tool for Asymmetric Warfare / Small Wars" E. Marsh [23] argues that neocorporativism is gradually institutionalised at the request of interested groups. The Government pays attention to the institutionalisation of relations between the state and the private sector, believing that they will gradually free themselves from the influence of interested groups [24].

In accordance with the theory of neocorporativism, the article analyses the empirical basis of the study, examines the current state and problems, prospects and opportunities of public and private partnership in Kazakhstan, and as a result of the study, a scientific conclusion is put forward.

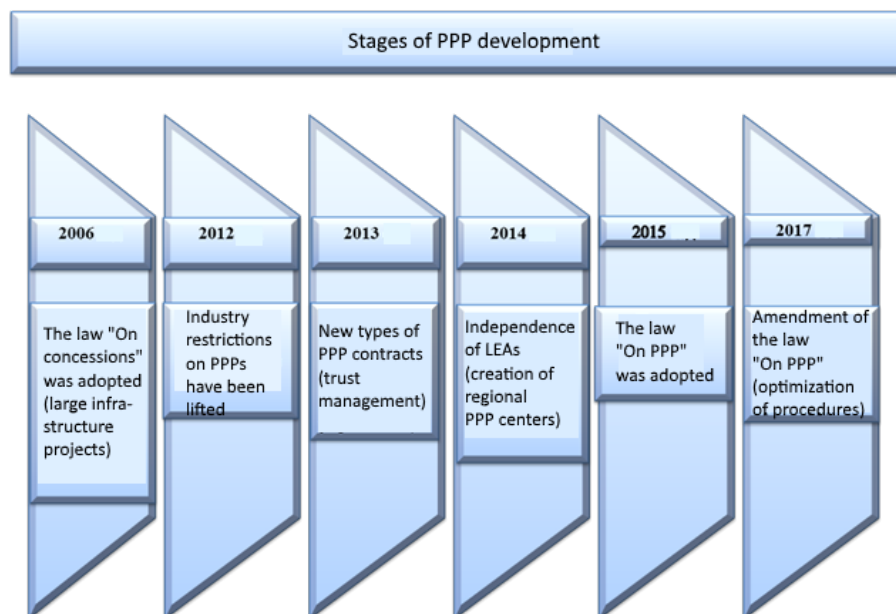
Public-private partnership has established itself as a successful tool for interaction between business and the state. A lot of work is being done in our country for the qualitative growth and development of the PPP mechanism. It is necessary to analyse the impact of PPP on the economic development of the state, its role in ensuring political stability in Kazakhstan. Thus, this scientific article analyses the vector of PPP development, advantages

and disadvantages, prospects of this area, i.e., Kazakhstan specifics, first of all, the peculiar experience of Kazakhstan in the development and evolution of public-private partnership.

Results and Discussion

Evolution of development of Kazakhstan public-private partnership

Over the years of independence, the Republic of Kazakhstan has tried various methods to improve its economy and determined its path of development. There is a gradual modernisation of the existing infrastructure, especially social facilities, in accordance with the requirements of the time and new standards, to develop and maintain the competitiveness of the country and its citizens. Such goals require significant monetary expenditures from the budget. To achieve these goals, the state uses the mechanism of public-private partnership, which reduces the burden on the budget. State and business structures participate in the implementation of public-private partnership projects – mutually beneficial cooperation in socially significant sectors – in the medium or long term. Conditioned upon the development of PPP, a new social infrastructure is being built, new jobs are being created, thereby reducing the burden on the budget and increasing tax revenues (Figure 1). Therefore, since gaining independence, Kazakhstan has been carrying out legislative reforms to form and develop a high-quality legal framework for attracting private investment in socially significant sectors of the economy in order to reduce the burden on the budget and develop entrepreneurship. The first Law of the Republic of Kazakhstan No. 1021-XII On "On Concessions" [25] was aimed at regulating the legal conditions for carrying out a certain type of economic activity to foreign investors on the territory of the Republic of Kazakhstan and leasing certain facilities to them.



As shown in the figure, the development of public and private partnership in the Republic of Kazakhstan took

place in several stages. On July 7, 2006, the new Law of the Republic of Kazakhstan No. 167 "On Concessions"

[26] was adopted, which removed certain restrictions that hindered the development and implementation of PPP in the country. One of the main changes is the possibility of legal entities registered in the Republic of Kazakhstan to participate in concession projects, after which the law was repeatedly amended. In accordance with Resolution of the Government of the Republic of Kazakhstan dated July 17, 2008 No. 693 “On the creation of a specialised organisation for concession issues” [27], JSC “Kazakhstan Center for Public-Private Partnership” was established. The PPP Center is an analytical and expert center of the Government of the Republic of Kazakhstan on the development of PPP in Kazakhstan. The Kazakhstan Center for Public-Private Partnership provides research, training and consulting services, expertise and evaluation of the implementation of investment projects. The organisation of training and consulting by the state on the issues of legal literacy of citizens engaged in private business, calculation and accounting of economic benefits and risks, establishment of partnerships with the state will significantly expand PPP.

On October 31, 2015, Kazakhstan adopted the Law of the Republic of Kazakhstan No. 379-V LRK “On public-private partnership” [16], which began the active development of the PPP mechanism. Since 2017, measures have been implemented to simplify the procedure for registering PPPs. Speaking at a meeting of the Council of National Investors, the President of the Republic of Kazakhstan K. K. Tokayev noted that PPP was used in the construction of social facilities, and also instructed the government to work out issues of activating PPP in other sectors, such as infrastructure, energy, industry and agriculture.

To transition public-private partnership projects from quantity to quality in 2019, the Ministry of National Economy introduced their categorization. PPP projects to reimburse the budget were divided into 3 categories:

Category I – full reimbursement. Full reimbursement of investments and operating costs of the private partner from the budget;

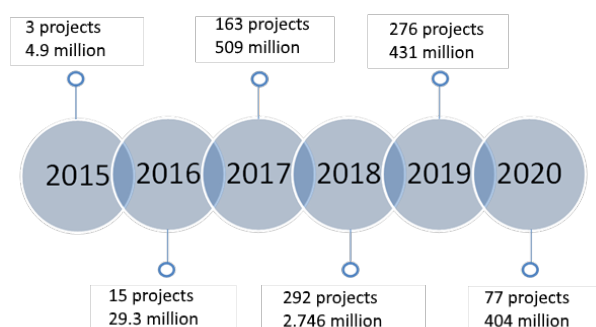
Category II – partial reimbursement. Reimbursement of investments at the expense of the budget and at the expense of services from the market;

Category III – without reimbursement from the budget. Compensation of investment and operating costs from the budget is not required. Reimbursement is made at the expense of services (tariff, state order, guaranteed amount of free medical care, paid services and others).

In 2019, the country hosted the first international PPP investment forum. It has become an important event for the development of PPP. During the forum, a memorandum of cooperation was signed between the heads of PPP centers of Georgia, Kazakhstan, Kyrgyzstan and Uzbekistan. The signed memorandum will allow Kazakh entrepreneurs to participate in social and state projects of Georgia, Kyrgyzstan and Uzbekistan, and businessmen of these countries have similar opportunities.

On November 5, 2020, Nur-Sultan (Astana) hosted the Second PPP Investment Forum in the Pandemic Period: Challenges and Opportunities [28] in an online format. The participants discussed the problems and prospects of public-private partnership. The forum hosted the fourth meeting of the Asia-Pacific Economic and Social

Commission (ESCAP) and the Kazakhstan PPP Center for Infrastructure Financing and Public-Private Partnership of the Asia-Pacific Network [29]. During the forum, ways to solve problems in the work of PPPs in the context of a global pandemic were discussed. To date, 815 PPP projects worth \$3.4 billion have been implemented. If we pay attention to the dynamics of PPP development in Figure 2, then since the adoption of the Law, there has been an increase in the number of projects and the volume of their financing.



In 2015, 3 projects were financed in the amount of \$ 4.9 million, in 2016 – 15 projects, which amounted to \$ 29.3 million. In 2017, 163 projects worth \$ 509 million were implemented. In 2018, 292 projects worth more than \$ 2746 million were implemented, which is the highest figure for all years. In 2019, 276 projects worth \$ 431 million were funded, which is 6 times less than in 2018. Meanwhile, the pandemic and lockdowns in the country have also hindered the work of the PPP. A total of 77 projects were implemented, the amount of funding amounted to \$ 404 million. Compared to 2019, the number of projects has significantly decreased. Therefore, a lot of work needs to be done to revitalise the public-private partnership sector after the pandemic. Despite the positive dynamics of the growth of PPP projects, there are points that require attention from the state, these are the development of PPP in the agricultural and tourism industries, the improvement of legislation in connection with changing conditions. In recent years, there has been a positive trend in the development and implementation of PPP projects, for example, an increase in partially reimbursable or non-reimbursable projects from the budget. However, there are issues that require attention, in particular, the direction of PPP projects in the field of agriculture, infrastructure and tourism.

Features of public-private partnership in Kazakhstan: PEST analysis

Despite the fact that the mechanism of public-private partnership has already been formed in the Republic of Kazakhstan and there is a development in the sphere of interaction between business and the state, there are some problems. Therefore, a scientific study of the stages of its development will identify the strengths and weaknesses of Kazakhstan's public-private partnership and predict future prospects. Currently, the work of public-private partnership in the country requires a comprehensive analysis of the state of its development, areas of activity.

The analysis of the influence of social factors on PPP is carried out. That is, based on the opinion of experts from the standpoint of strategic programs, legislative changes affecting its development, a political factor was identified, economically attractive business areas and unclaimed business areas were also identified, the impact of the current global pandemic on the development of domestic PPP was analysed. It is known that the solution of social problems of the population is possible through the development of PPP. The social situation, employment of the population, and the impact of PPP work on increasing the level of consumption, demand and consideration of the interests of the population are identified as social factors affecting the development of PPP. In addition, as a result of the analysis, it turned out that high technologies play a

significant role in the development of PPP. In particular, the PEST analysis identified the impact of the availability of information technologies, e-government services, high technologies and scientific discoveries on the development of PPP. In the end, understanding the influence of the external environment on the development of PPP, identifying expected threats and predicting the prospects for its development will help to test and confirm the hypothesis of the study.

Table 1 identifies the factors influencing the PPP activity from the external environment, and estimates for each factor from 1 to 3 points are given.

Table 1. Description of factors

Description of the factor
Political factors
1. Effectiveness of state strategic PPP implementation programs
2. The level of effective partnership of the state in the preparation and conclusion of PPP agreements
3. The effectiveness of the need to amend the relevant sectoral legislation on PPP
Economic factors
1. According to existing PPP projects, the level of influence of the most attractive sectors of the economy for business
2. The level of influence of sectors of the economy that are not covered by PPP projects and require a lot of attention in the near future
3. Prospects and opportunities of PPP, taking into account the changing situation in the world caused by the pandemic
Social factors
1. The level of measures taken to modernise the PPP, which may affect the social situation of the population
2. Solving the problem of employment with the help of PPP
3. The impact of public-private partnership on improving the availability and quality of goods, works and services, considering the interests and needs of the population, and other interested parties
Technological factors
1. The level of access to new information technologies in the implementation of PPP
2. The effectiveness of the role of e-government in the implementation of PPP
3. The level of influence of PPP on the development of high-tech and knowledge-intensive industries
TOTAL
Political factor – 3
Economic factor – 3
Sociological factor – 3
Technological factor – 2

Table 2 provides a separate description of each factor. This is a prerequisite for expert assessments in various industries. A framework that will help to identify and

predict the expected risks with the help of expert assessments.

Table 2. Detailed description of the factors

Description of the factor	Influence of the factor
<i>Political factors</i>	
1. Effectiveness of state strategic PPP implementation programs	3
2. The level of effective partnership of the state in the preparation and conclusion of PPP agreements	3
3. The effectiveness of the need to amend the relevant sectoral legislation on PPP	2
<i>Economic factors</i>	
1. According to existing PPP projects, the level of influence of the most attractive sectors of the economy for business	2
2. The level of influence of economic sectors not covered by PPP projects and requiring special attention in the near future	3

3. Prospects and opportunities of PPP, taking into account the changing situation in the world caused by the pandemic	3
<i>Social factors</i>	
1. The level of measures taken to modernise the PPP, which may affect the social situation of the population	3
2. Solving the problem of employment with the help of PPP	2
3 The impact of public-private partnership on improving the availability and quality of goods, works and services, considering the interests and needs of the population, and other interested parties	2
<i>Technological factors</i>	
1. The level of access to new information technologies in the implementation of PPP	2
2. The effectiveness of the role of e-government in the implementation of PPP	3
3. The level of influence of PPP on the development of high-tech and knowledge-intensive industries	2

In Table 3, to determine the average assessment of each influence factor, the overall expert assessment was divided into the influence of the factor. The average score is necessary to obtain an estimate adjusted for weight when determining the influence of the external environment as a

whole. The value of the correction in Table 4 determines the specific weight of the main influence factor. Table 5 shows the expected threats and opportunities for PPP activities from the external environment, which determine the final conclusion of the PEST analysis.

Table 3. Average assessment of the influence of the factor

Description of the factor	Influence of the factor	Expert opinions					Average rating
		1	2	3	4	5	
Political factors							
1. Effectiveness of state strategic PPP implementation programs	3	3	3	3	4	3	13.3
2. The level of effective partnership of the state in the preparation and conclusion of PPP agreements	3	4	3	3	4	4	6
3. The effectiveness of the need to amend the relevant sectoral legislation on PPP	2	3	2	2	5	4	8
Economic factors							
1. According to existing PPP projects, the level of influence of the most attractive sectors of the economy for business	2	4	4	3	4	4	9.5
2. The level of influence of economic sectors not covered by PPP projects and requiring special attention in the near future	3	4	3	3	3	4	5.6
3. Prospects and opportunities of PPP, taking into account the changing situation in the world caused by the pandemic	3	3	2	2	3	3	4.3
Social factors							
1. The level of measures taken to modernise the PPP, which may affect the social situation of the population	3	4	3	5	5	4	7
2. Solving the problem of employment with the help of PPP	2	4	4	4	5	5	11
3 The impact of public-private partnership on improving the availability and quality of goods, works and services, considering the interests and needs of the population, and other interested parties	2	4	4	4	5	4	10.5
Technological factors							
1. The level of access to new information technologies in the implementation of PPP	2	3	4	3	3	4	8.5
2. The effectiveness of the role of e-government in the implementation of PPP	3	4	3	2	2	3	4.6
3. The level of influence of PPP on the development of high-tech and knowledge-intensive industries	2	3	3	3	4	4	8.5
The overall result	30						

Table 4. Specific gravity value

Description of the factor	Influence of the factor	Average rating	Weight-adjusted assessment
<i>Political factors</i>			
1. Effectiveness of state strategic PPP implementation programs	3	13.3	1.33

2. The level of effective partnership of the state in the preparation and conclusion of PPP agreements	3	6	0.6
3. The effectiveness of the need to amend the relevant sectoral legislation on PPP	2	8	0.53
Economic factors			
1. According to existing PPP projects, the level of influence of the most attractive sectors of the economy for business	2	9.5	0.63
2. The level of influence of economic sectors not covered by PPP projects and requiring special attention in the near future	3	5.6	0.5
3. Prospects and opportunities of PPP, taking into account the changing situation in the world caused by the pandemic	3	4.3	0.43
Social factors			
1. The level of measures taken to modernise the PPP, which may affect the social situation of the population	3	7	0.7
2. Solving the problem of employment with the help of PPP	2	11	0.73
3 The impact of public-private partnership on improving the availability and quality of goods, works and services, considering the interests and needs of the population, and other interested parties	2	10.5	0.7
Technological factors			
1. The level of access to new information technologies in the implementation of PPP	2	8.5	0.56
2. The effectiveness of the role of e-government in the implementation of PPP	3	4.6	0.46
3. The level of influence of PPP on the development of high-tech and knowledge-intensive industries	2	8.5	0.56
The overall result	30		

Table 5. Results of PEST analysis

<i>Political</i>		<i>Economic</i>	
Factor	Importance	Factor	Importance
1. Effectiveness of state strategic PPP implementation programs	1.33	1. According to existing PPP projects, the level of influence of the most attractive sectors of the economy for business	0.63
2. The level of effective partnership of the state in the preparation and conclusion of PPP agreements	0.6	2. The level of influence of economic sectors not covered by PPP projects and requiring special attention in the near future	0.5
3. The effectiveness of the need to amend the relevant sectoral legislation on PPP	0.53	3. Prospects and opportunities of PPP, taking into account the changing situation in the world caused by the pandemic	0.43
<i>Social</i>		<i>Technological</i>	
Factor	Importance	Factor	Importance
1. The level of measures taken to modernise the PPP, which may affect the social situation of the population	0.7	1. The level of access to new information technologies in the implementation of PPP	0.56
2. Solving the problem of employment with the help of PPP	0.73	2. The effectiveness of the role of e-government in the implementation of PPP	0.46
3 The impact of public-private partnership on improving the availability and quality of goods, works and services, considering the interests and needs of the population, and other interested parties	0.7	3. The level of influence of PPP on the development of high-tech and knowledge-intensive industries	0.56

So, the PEST analysis, based on the opinions of scientists-researchers of individual industries or specialists working in these areas, that is, experts who assessed the impact of political, economic, social, technological factors by scaling problems, was devoted to the analysis of the current state of public and private partnership in Kazakhstan, the prospects for its development through the influence of public spheres on its development. As part of the PEST analysis, a forecast for the near future was also

made. Each factor having an impact on PPP was evaluated on a 5-point scale. The indicator of the influence of the political factor on the effectiveness of state strategic PPP implementation programs was 1.33. The next political factor was the level of effective partnership by the state in the preparation and conclusion of PPP agreements with an impact weight of 0.6, and the effectiveness of the need to change the sectoral legislation on PPP has an impact weight of 0.53. Consequently, among the political factors

affecting PPP, the level of effective partnership of the state has more weight, i.e., special attention should be paid to this issue.

The development of PPP is greatly influenced by the economic factor. The sphere of education was indicated as the most effective among the implemented PPP projects. It has an impact factor of 0.63. After all, PPP is actively developing in the field of education. For example, out of 786 PPP contracts concluded by 01.06.2020, 56% or 437 units fall in this area. Contracts worth about ₸ 115 billion were signed [30-32]. In the field of education, there is a shortage of buildings of organizations of secondary and preschool education, especially it is noticeable in rural areas, including in fast-growing cities. Tourism and agriculture have been identified as priority sectors of the economy for PPP projects. The specific weight of the impact factor is 0.5, and this is despite the ongoing PPP projects in the field of education. The most neglected areas in PPP today are tourism and agriculture. Therefore, if we pay attention to expert assessments, then among the economic factors it is necessary to pay attention to this area. After all, the business sector of Kazakhstan, which still needs improvement, should pay attention to the development of PPP projects in tourism and agriculture.

The next point considered in the PEST analysis among economic factors is the assessment and forecasting of prospects and opportunities for PPP activities, considering the changing situation in the world caused by the pandemic. According to the final assessment of experts, the estimate is adjusted for weight, i.e., the influence factor among other economic factors remains high and is equal to 0.43. This is explained by the fact that lockdowns in the conditions of the pandemic have become a blow to small and medium-sized businesses in the country. But it is small and medium-sized businesses that are the basis of the economic development of the state.

As a result of the analysis, it was found that the social standard of living of the population can be regulated and improved through the development of the PPP mechanism. In particular, according to the forecasts of sociologists, the degree of influence of the ongoing work on the modernization of PPP, which can affect the social situation of the population, which is equal to 0.7 points, has been determined. The possibility of solving the employment problem using the PPP mechanism also has an impact weight of 0.73. The next social factor is to determine the impact of the work of public-private partnership on improving the availability and quality of goods, works and services, considering the interests and needs of the population, and other interested parties, having a specific weight of 0.7 points. Unlike other social factors, this factor determines that effective regulation of issues of the service sector and trade turnover in society can contribute to solving problems of employment and business development.

The last factor considered is the sphere of technology. The level of access to new information technologies in the implementation of PPP according to the results of the analysis was 0.56. That is, in the conditions of modern globalisation, the fourth industrial revolution demonstrates to humanity the dominance of technology. The increase in the effectiveness of the role of e-government in the implementation of PPP can be explained based on the

assessments given by experts in the field of technology to this factor. Because its specific gravity is 0.46. Consequently, e-government reflects the role of the private sector, the business sector as an organizer of the well-established and operational implementation of projects. Kazakhstan has implemented the principle of “one window” for working with investors on PPP projects. In other words, the role of e-government in the implementation of PPP is growing. Determining the level of influence of PPP on the development of high-tech and knowledge-intensive industries as the final factor, experts estimated its specific weight at 0.56. Consequently, public-private partnerships not only develop the country's economy, but also contribute to the development of science, technology, and technology. In the implementation of PPP, special attention should be paid to this area, since the level of access to new information technologies demonstrates a high level of specific gravity.

So, based on the results of the PEST analysis, we can say that the most important factor of influence is the political factor. Since it was determined that the state's policy in the field of PPP can be regulated legislatively through the political sphere. At the same time, the specific weight of the economic factor and the technological factor is similar. As follows from the conclusion, the current activities in the field of PPP are fully carried out through e-government. While the development of state economic relations is possible by covering priority sectors of the economy, it is also recommended to identify and pay attention to industries not covered by PPP projects. As can be seen from the influence of the social factor, political stability is observed in an economically developed state. That is, the possibility of free development of social relations of society is allowed.

The role of public-private partnership in the development of Kazakhstan as a competitive country, ensuring economic development and political stability, is quite high. Thus, considering the PPP projects currently being implemented, we observe that the results of the REST analysis correspond to reality. If you pay attention to the latest data, as of June 1, 2020, 786 PPP contracts worth ₸ 1.8 trillion were concluded, 10 of them at the republican level, 776 at the local level. ₸ 910 billion of investments were attracted [33].

As of January 1, 2021, since the adoption of Law of the Republic of Kazakhstan No. 413-IV “On State property” [34], 864 contracts worth ₸ 1.5 trillion have been concluded in Kazakhstan. Explained by the global pandemic, the number of contracts decreased by 2 times compared to last year. The vast majority of PPP projects cover the field of education. The new State Program for the Development of Education and Science of the Republic of Kazakhstan for 2020-2025 provides for further expansion of the network of preschool organizations and schools through the PPP mechanism and per capita financing. Work continues on the placement of a state educational order for preschool education and training. By 2025, it is planned to increase the share of coverage of preschool education and education for children aged 1 to 6 years to 85.3%.

Currently, PPP projects of the third category are being successfully implemented in the country. As of June 1, 2020, 1/3 of the implemented PPP projects are

compensated by projects of the third category, that is, current budget expenditures, tariffs and extra-budgetary sources (paid services, etc.). Examples of projects of the third category are projects for the modernization of food halls and canteens (typical projects covering all schools in localities), and for the construction and operation of dormitories, the costs of which are reimbursed by state order and student rent. In addition, existing projects are being implemented in Kazakhstan in all regions (for example, third-category PPP projects compensated from extra-budgetary sources).

Notably, in Kazakhstan, public-private partnership reduces the burden on the public sector by working with important sectors of the economy that need financing, and thanks to PPP, business is developing and intensive work is being carried out. More than half (55%) of the total number of PPP contracts are PPP projects in the field of education. In second and third place are the healthcare and housing sectors. At the same time, the largest projects have been implemented in the field of transport and infrastructure. For example, the main reasons for the implementation of 24 PPP projects in the field of transport and infrastructure are the capital intensity of projects in these industries, and the fact that the state itself is not ready to take risks. Therefore, it is important in the future to shift the focus in public-private partnership to the agricultural sector and tourism. Because these industries, as the largest sectors of the economy of Kazakhstan, require special attention.

Conclusions

Based on the results of the PEST analysis, the following conclusions can be drawn. To increase the efficiency of PPP improvement, the need to update the legislative framework with the introduction of changes corresponding to the requirements of the time, considering the influence of political factors, was determined. Because life changes dramatically every day. The recommendations of the UN Economic Commission for Europe, combining the world experience of public-private partnership, are based on the principles of orientation of PPP for the social good –

“people first PPP” – people first of all, considering certain aspects, including intolerance of corruption, compensation for damage caused and taking into account the opinion of the population. Considering these proposals, amendments were made to some orders of the Ministry of National Economy of the Republic of Kazakhstan in 2019. After all, the main problem interfering with the work of PPP is corruption. Therefore, when planning and implementing PPP projects, it is necessary to strengthen anti-corruption measures, and, given their importance to the population, it is still necessary to improve the PPP legislative framework and focus on working with effective projects.

It was identified that in order to improve the quality of PPP projects, when considering the implementation of PPP projects as a priority, first of all it is necessary to consider those projects that meet the basic needs of the population and solve important problems. Given that problems in the course of work are caused primarily by poor-quality project development at the initial stages, it is necessary to update measures aimed at improving the quality of PPP projects in accordance with the PPP rules. For example, in order to ensure an integrated, comprehensive approach to project development, minimise unaccounted risks and corruption, it is suggested to improve the quality of the project by creating mandatory commissions. In accordance with this, it is proposed to create a single database on PPP projects, for the convenience and simplification of the design of PPP projects, improving the quality of services on the principle of “one window” for investors. During the analysis, it was also found that changes to the procedures related to the development and implementation of PPP projects are related not only to the recommendations of the UNECE and the study of foreign experience, but also to the results of studying more advanced PPP practices in Kazakhstan.

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Conflict of Interest

The author declares no conflict of interests.

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Проблеми та перспективи розвитку державно-приватного партнерства в Республіці Казахстан: Політичний аналіз

Баян Акхатай

Євразійський національний університет імені Гумільова
010008, вул. Сатпаєва, 2, м. Астана, Республіка Казахстан

Анотація

Актуальність. Державно-приватне партнерство (ДПП) розглядається як пріоритет у державній політиці Казахстану для досягнення стратегічних планів, зміцнення політичної стабільності та стимулювання економіки шляхом залучення приватних інвестицій у ключові сектори. Тому вивчення проблем та перспектив ДПП є необхідним, потребуючи комплексної економічної перспективи та інтеграції з іншими соціальними сферами суспільного життя.

Мета. Дослідження спрямоване на вивчення політичного аспекту розвитку ДПП в Казахстані та прагне оцінити ступінь впливу різних факторів на механізм ДПП. Крім того, дослідження має на меті визначити заходи для покращення структури ДПП, приділяючи особливу увагу відносній важливості факторів, що впливають на її прогрес.

Методологія. Емпірична основа дослідження включала PEST-аналіз питань ДПП з використанням експертних анкетувань 5 політологів, 5 економістів, 5 соціологів і 5 спеціалістів з технологій. Було проведено експертне опитування із застосуванням шкали оцінок та подальшим аналізом цих оцінок.

Результати. Результати дослідження розкривають способи вдосконалення механізму ДПП шляхом вивчення конкретних впливів політичних, економічних, соціальних і технологічних факторів. Дослідження теоретично обґрунтоване неокорпоративізмом, який виступає за систематичне залучення груп інтересів до формування державної політики, яка пов'язує владу та бізнес-структури. Гіпотезу було перевірено шляхом оцінки впливу цих факторів на розвиток ДПП, що визначило основні виклики та окреслило майбутні перспективи ДПП у Казахстані.

Висновки. Виходячи з результатів PEST-аналізу, очевидно, що оновлення законодавчої бази у відповідності з поточними вимогами має вирішальне значення для підвищення ефективності ініціатив ДПП. Покращення якості проєктів ДПП вимагає встановлення пріоритетів для проєктів, які відповідають основним суспільним потребам і критичним питанням.

Ключові слова: стратегічне партнерство; бізнес; держава; неокорпоративізм; інформаційні технології; демократичне суспільство.