

**RESEARCH OF RISKS IN THE IMPLEMENTATION
OF CONSTRUCTION PROJECTS OF THE LOGISTICS CENTERS
ON THE BASIS OF PUBLIC-PRIVATE PARTNERSHIP**

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In this paper the authors proposed to consider public-private partnership (PPP) as a methodological basis for the creation of the logistics center. The paper analyzes the characteristics of risks disclosing their nature, impact on the project, methods of influence on the risk and distribution between the partners in the implementation of construction projects of the logistics centers based on PPP.

As objects of transport and logistics infrastructure, logistics centers are being established and are functioning in the face of considerable instability of the economic environment, it is the need to attract investment, highly effective methods and ways to manage their activities. Ultimately users bear costs of construction and further operation of logistics centers, so one of the solutions to this problem is PPP. Of course, the main source of funding for projects for the construction of logistics centers under PPP should be private capital, because the concept of PPP is to combine administrative, financial (intangible) resources of the state with the financial capabilities and entrepreneurial initiatives of private organizations.

A.N. Tour [1] considers the economic content of the PPP with the following items:

1. As part of the system of state regulation in order to implement industrial policy to stimulate innovative activity, investment in infrastructure and social services.
2. In terms of attracting private sector in the provision of public services (in areas such as housing, health, education, transport, municipal service, and others.).
3. A more perfect form with respect to the traditional methods of budget financing of capital investments and the investment process as a whole. If the current scheme investments mainly allocated from the budget, the new scheme provides for attracting additional private investment, risk sharing between the government and private owners, the transfer of responsibility for putting the object to private trader, transfer budget expenditures in installments after the redemption of the object.

Hence it is concluded that the organizational and economic essence of public-private partnership is that it is a tool for solving problems of social and economic policy, in which:

- state retains control of the implementation object and implements its strategic management;
- efficiency of project implementation is improved (through co-capital);
- risks and benefits between the partners are shared.

The main advantage of PPP projects lies in the fact that some of the risks of the project from the state goes to the private partner, in contrast to the budget financing, when all risks of implementation rests with the State.

Currently, a wide range of project risk management tools among which are the insurance, self-insurance, obtaining financial guarantees, hedging, etc. is used in practice. However, the methods to reduce the level of risk that affect the construction projects of the logistics centers implemented on the principles of PPP are poorly understood.

A.E. Sbitnev [2] holds a view that the complete elimination of the effect of risk factors on the results of the project is almost impossible, but the private investor can establish an acceptable (acceptable, marginal) level of project risk. In the development of the concept of acceptable risk the scientist developed an algorithm for selecting the optimal risk management strategy for regional road projects implemented on a PPP basis, to maximize its commercial viability. The author has established regional risks that must be considered by private investors in assessing whether to participate in the implementation of the investment project on the basis of PPP, he has defined methods to reduce them, which will neutralize the negative impact of regional risk factors on the results of the project.

Drawing on Sbitnev's studies, we have established the risks that investors should consider when evaluating whether to participate in the project under the terms of PPP (Table).

However, it should be noted that risks demand, increased costs, reduced revenues or delay in payment are also important for the parties of the PPP. In Table 1 we analyzed the characteristics of the risks, the most complete, in our view, revealing their essence, the impact on the project, methods of influencing risk and the distribution between the partners in the implementation of construction projects of the logistics centers based on PPP.

Table – Types of risks associated with the implementation of construction projects of the logistics centers based on PPP

Name of risk	Characteristics	Events containing risk	The impact of risk on the results of the project	The partnership carrier risk	Methods of impact on the risk
1	2	3	4	5	6
Political risk and geopolitical instability	Includes changes in laws or other regulations, in particular, the risk of discriminatory changes and changes in technical parameters, entailing the need to obtain permits, approvals or import licenses	Revision of previous agreements as a result of the change of political leadership in the region; cancellation of the previous administration adopted decisions on the project; breach of contract; increasing geopolitical instability	The deterioration of the financial results of the project; temporary suspension of the project or its closure	State	Insurance of foreign investments against political risks and semi-public agencies of countries - exporter of capital, and the Multilateral Investment Guarantee Agency (MIGA), part of the World Bank
Legal and regulatory risks	The practical aspect of political risks and solutions for the implementation of PPP, for example, procurement rules, liens on assets sufficient to protect the interests of creditors; rational mechanism and the current practice of execution of court decisions taken not by the state.	Deterioration of regional legislative conditions of the project for the construction of a logistics center based on PPP	The reduction in revenue from the operation of the logistics center and provision of transport and logistics services; the occurrence of additional costs associated with the construction project and operation of the logistics center	State	Provision of government guarantees to private partners against unfavorable changes in regional legislation for the period from the beginning of the project until the moment of return on investment
Default risk	Represents the probability of occurrence of an event when the created object is unable to provide the services of specified quality within the established deadline.	Errors in the design of the facility; inappropriate use of technology; improper use of the facility; the wrong way of handling or use other services project.	Inconsistency of the decisions taken by different departments involved in the project	The private partner	Provision of state guarantees to private partners

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1	2	3	4	5	6
Social risk	The utmost satisfaction of needs of the population and the economy of the region in transport and related transport and logistics services	The negative reaction of the public; opposition to the construction of the logistics center	The increase in the estimated cost of construction of the logistics center in the revision and correction of the project documentation; reduction in expected revenues for the project as a result of fixing of fares lower than originally planned	State	Openness and transparency in the development of the project; holding of public hearings with the scientific community and the public; carrying out of surveys and questioning of the population in order to identify public opinions
Economic risk	According to Mataev T.M. [3], the economic risks of PPP can be divided into four categories: operational risks; commercial risks; financial risks; currency risks	Production risk is expressed as the probability of inadequate use of raw materials, cost growth, increasing the loss of working time, the use of new production methods, as a consequence of the implementation of industrial activity. Commercial risk is the risk of losses arising in the course of the sale of goods and services produced or purchased by the subject of PPP. Currency risk is the probability of loss due to changes in exchange rates, due to their high mobility and loss of purchasing power of the currency	The drop in demand and the need for traded goods (services) due to the displacement of its competing products; loss of quality of the goods during handling (transport, storage), entailing a decrease in its price; increasing distribution costs as a result of the payment of fines, contingency fees and charges. As well as reducing the risks of revenue; overestimation of the cost of construction; overstatement of operating costs, the reduction in income from the operation of logistics center, as well as the revenues generated from freight transportation and related transportation and logistics services	State / The private partner	The legal obligations of the grantor to pay compensation to the concessionaire in the event of failure of indicators established by the concession agreement. Insurance of performance risk by the concessionaire
Financial risk	Includes a reliable source of funding for the project involved, the nature of lenders and borrowers, and the limitations of the financial markets during the financial closing of the transaction and throughout the project life cycle	Credit risk is the probability of failure to perform its financial obligations to the investor by the subject of PPP, when using the external loan to finance its activities. Investment risk involves the risk of infusion deficiency of investment funds in PPP projects and their uneven distribution [2]	Reduction in revenues	The private partner	Creating the reserves by concessionaire (self-insurance). Issue of infrastructure bonds. The main obstacle to PPP is the lack of bankable PPP projects, i.e., the lack of projects that are attractive and meet the requirements of banks

1	2	3	4	5	6
Qualifying risk	Government partners need specialists who must not only understand the formulation, monitoring and execution of contracts, but also master the skills of negotiation, contract management and risk analysis, decision-making procedures for administrative projects	Insufficient level of qualification, experience of authorized executive bodies in the implementation of investment projects on the basis of PPP; lack of understanding of PPP	Increasing of the concessionaire's transaction costs due to an increase in the duration of the project coordination with regional authorities	State	System of training in PPP project management provides for the establishment of training centers, the development of programs and training courses for civil servants to improve their professional knowledge and skills for the purposes of PPP

Source: own elaboration based on the study of the scientific literature.

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IMPROVING CALCULATION TECHNIQUE OF EFFICIENCY INDICATORS OF BUSINESS PLAN IN THE CONSTRUCTION INDUSTRY

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Today development of business plan – a necessary process for any company. However, the legal acts devoted to the development of business plans, don't count the peculiarities of construction companies. This article discusses the possibility of taking into account the time factor in determining the break-even point of the project of construction company.

Today, planning is an integral part of a comprehensive business management, where the business plan of development organization is one of the most important places.

The business plan is the foundation for long-term and current planning for production and business companies. Writing a business plan is important for organizations in different fields, including construction companies, because it allows you to plan and optimize resources to maximize the company's financial results.

It should be noted that the quality of the business plan is determined by the degree of sophistication of its methodological support that satisfies the growing needs for objective, reliable, high-quality and reliable information of internal and external users.

Theoretical questions concerning methodological support to develop business plans for investment projects and business plans for the development of industrial companies are widely reported in the scientific literature by domestic, Russian and foreign scientists.