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BACKGROUND STATE REGULATION OF TRANSPORT SERVICES

Abstract. The article deals with the definition of the prerequisites of state regulation of the market of motor transportation services in Ukraine and provide suggestions for improvement of this process.

Keywords: state regulation, transport services, transport market, transport infrastructure.

ПЕРЕДУМОВИ ДЕРЖАВНОГО РЕГУЛЮВАННЯ РИНКУ АВТОТРАНСПОРТНИХ ПОСЛУГ

Анотація. Розглянуто визначення передумов державного регулювання ринку автотранспортних послуг в Україні, та надано пропозицій з удосконалення цього процесу.

Ключові слова: державне регулювання, транспортні послуги, ринок транспортних послуг, транспортна інфраструктура.

ПРЕДПОСЫЛКИ ГОСУДАРСТВЕННОГО РЕГУЛИРОВАНИЯ РЫНКА АВТОТРАНСПОРТНЫХ УСЛУГ

Аннотация. Рассмотрены определения предпосылок государственного регулирования рынка автотранспортных услуг в Украине, и предоставление предложений по усовершенствованию данного процесса.

Ключевые слова: государственное регулирование, транспортные услуги, рынок транспортных услуг, транспортная инфраструктура.

Target setting. Need of the state interference in process of formation and functioning of the road transportation markets occurs in the following cases: in the organization of the markets; lowering of social expenditures of road transportation activities and maintenance of competition of the markets of road transport, and also investments into development of infrastructure. The transport service market should be considered as the economic system consisting of the following elements: vendors of transport services, customers of services, intermediaries, built-in state mechanism of control. All listed elements of system are interdependent and interconnected, and the system permanently is in movement. It is a live organism where there is a balance of the organization and self-organization regulated by the system. The transport service market shows the main properties of systems: forward and backward linkages, stability, emergence, hierarchy, etc. requires the deep analysis allowing to provide its essence in details, features, properties and behavior in different conditions.

Analysis of the last researches and publications. Problems of state regulation of the road transport service market are covered in works of both foreign, and domestic scientists. The powerful

contribution to a research of features of impact of the state on transport system was made by such scientists, L. A. Bychikova [1], V. S. Vynychenko [2], S. M. Vdovenko [3], Yu. S. Vdovenko [3], N. I. Kara [4], G. V. Koretska [4], D. I. Kovalov [5], M. V. Liakhov [2], A. V. Matvieieva [7], A. V. Mishchenko [6], A. V. Pavliuk [8], M. L. Pogrebytskyi [9], etc. However, despite numerous researches, solutions of organizational problems of formation and development of system of governmental controls on the road transport service market in Ukraine remain underreported.

The purpose of this article is definition of prerequisites of governmental controls on the road transport service market in Ukraine, and providing offers on improvement of this process.

The statement of basic materials. The transport service market of the region performs several functions: the main internal function — ensuring needs of regional economy for transportation of goods and passengers, and also is the carrier of system-wide function means of implementation of economic commercial relations international and interregional, in territory scales of the state.

Formation of the transport service market is not only a powerful source of

investments; and factor of integration development of economy of Ukraine, but also tool of the state economic policy. The market as system has a voluntary nature of relationship and agreements of its participants. Existence in system of the market of the built-in, coordinated by the state mechanism of management in the form of a subsystem of bodies of legislative and executive power, and also a subsystem of supervisory authorities, defines at the state legitimate right of compulsion of participants of the market to a certain type of economic behavior and is an element of the organizational mechanism of the market management [1, p. 215].

The state interested in use of reserves of economic system of the market leans only on tools of the organization now, defining transport policy of the state via control linkages performs functions of correction of places of localization of resources, redistributions of processes and formation of proportions in economy, stabilization for maintenance of macro balance of system which only indirectly influences balance of micro-economic systems (the enterprises and the organizations of the market participants).

State policy in the sphere of the road transport is a component of all general transport policy of the country. Proceeding from the general transport strategy, it is supplemented with the provisions defining features of road transport, its place in uniform transport system of the country [2, p. 194].

The purpose of Transport strategy of Ukraine for the period till 2020 [3] is definition of conceptual bases of formation and realization of state policy on ensuring stable and effective function-

ing of branch of transport, creation of conditions for social and economic development of the country, increase in competitiveness of national economy and the social standard of living.

Strategy is based on observance of the following basic principles:

- ensuring availability of transport services to all segments of the population, in particular disabled persons, needy citizens;
- coordination of development plans for transport infrastructure with the general scheme of planning of the territory of Ukraine, the scheme of use of land resources;
- realization of the tough antimonopoly policy;
- liberalization of pricing in the transport service market;
- functioning of transport enterprises on the principles of self-sufficiency;
- concentration of financial resources on performance of the main objectives of development of transport industry;
- compensation from state and local budgets of the expenses connected with transportation of preferential categories of citizens;
- environmental security, mandatory compliance with environmental standards and standards at implementation of activity in the field of transport;
- stimulation of development of energy saving and environmentally friendly transport modes [3].

Need of creation of clear national state policy on road transport is defined already by the fact that on the road transport market the enterprises of various forms of ownership and private owners of road transport extremely independently function. Other basis

for constructive and accurate interaction of all state, economic and public authorities on ensuring effective use and development of road transport just doesn't exist.

A clear target has to be set before the autotransport workers: to make the road transport the most mass, mobile and flexible mode of transport capable to unite all transport system of the country, increasing its reliability and efficiency of functioning in the conditions of the market.

First of all, the guaranteed ensuring needs of citizens, cargo owners and societies in general in transportations of passengers and freights by the most effective and safe way has to be the main objective of such transport system of the country.

For achievement of this purpose it is necessary to solve the following most important problems:

- implementation on road transport of economic, organizational and technological transformations within the undertaken reforms and creation on this basis of the competitive free market thereby ensuring favorable conditions for business [4, p. 215];

- development of the modern legislative and regulatory framework providing activity of road transport within the most free and competitive market where interests of consumers of transport services and safety of transport process are protected;

- formation and development on road transport of the flexible tariff and financial and credit policy considering interests of citizens and national economy, skillfully combining support of socially important types of service and market incentives of efficiency;

- creation of road transport regulation system, combining big independence of market participants within legal and regulatory system and regulation from the state [5, p. 31];

- safety of road transportation activity and decrease in its negative impact on the environment to the level of the international standards;

- technical re-equipment and modernization of the road transportation park of the country with finishing it to the level established by the international standards;

- development and implementation of activities for social protection, improvement of working conditions of workers of road transport, especially busy on socially important transportations [6, p. 34];

- organization of system of target state support of separate most important types of road transportation activity;

- ensuring development of personnel capacity of branch and creation on road transport the favorable social and professional environment, due to improvement of the vocational training system, retraining and reorientation according to an economic environment, and also formation of new system of the labor relations on the road transport.

All these tasks faced by not only the state and its bodies, but also all workers of road transport.

According to A. Matvieieva, goal-setting, coordination, distribution of functions, rights and responsibility have to be the basic principles of formation and functioning of the transport service market [7, p. 194].

Weak material and technical resources and lack of investments on its

improvement, modernization, inconsistency of legal and legislative actions, norms of the market participants, influence of transport on the environment, insufficient safety of road transportation activity promote weakening of the position of sellers of transport services and poor development of the market.

Strengthening of positions of the market participants of transport services has to be promoted by uniform state transport policy and the regional transport policy which has developed on its basis which encourages and coordinates activity of market participants.

The transport service market functions and develops as system which constantly changes the potential and a form under the influence of many factors for balance maintenance. Balance as the general concept is inherent in various objects and situations. Balance of the transport service market — a state which is characterized by equality of supply and demand of all resources.

The choice of methods of diagnostics and assessment of a condition of the transport service market depends on opportunities of receiving and data representation form about the market. A set of the methods used for receiving of each type of information, is specific and individual. Complete idea of the market can be gained only at a full and in-depth study of the market that isn't always possible owing to limitation of resources and time. In practical activities both the state, and the enterprise seeks to study not only the concrete markets, and also their segments.

Studying of the transport service market has to be based on the following indicators such as: number of sellers of services and consumers of services;

number of intermediaries; volume of demand and volume of offers; general economic and regional macroindicators of market potential; market borders; economic barriers of penetration and market entry.

The number of sellers of transport services is the basic parameter for definition of the offer in the transport service market, an assessment of potential of market attractiveness. For the state a large number of service seller is an indicator of stability of the transport service market as each of them separately makes insignificant impact on market conditions in general.

The number of consumers (clients) and its dynamics allows to judge on transformation of the market form, a phase of its development.

The number of intermediaries regulates complication of the market structure. Intermediaries play not only a positive role in market development, but also negative which is shown in inefficient redistribution of the capital in the market potential. The state, forming and supporting functioning of the transport service market has to solve a problem of definition and regulation of proportions between the specified parameters.

Borders and scale of the market are two qualitative parameters. Delimitation of the market is based on allocation of its transport space which has a number of restrictions: territorial, psychological, consumer, resource and economic; Territorial borders of the market are tied to geography of the region of the market. Psychological borders are defined by a ratio of the income and expenses, purchasing power. Consumer sides cut unclaimed offer of services on

quality, quantity. Economic borders are formed by organizational and self-organizational factors, affect dynamics of the prices, the income, volumes of supply and demand [8].

Economic barriers of penetration of new carriers on the transport service market and an exit from the market are under close attention by the state, regional authorities and the market participants. It is the indicator of effectiveness and stability of the market. During a crisis or transition period emergence of such barriers is fixed: administrative (bans of the state and local authorities); criminal; personal (connections of business and power); technogenic (poor infrastructure). For the transport service market which has developed in Ukraine, lack of real influence of the state on processes of market conditions is characteristic that is connected with inadequate state regulation [9, p. 79].

The principal feature of the road transportation market is existence of two heterogeneous sectors: road transport public and own park of the rolling stock of not transport enterprises. In this regard, regulators shall consider this fact, and it is necessary that this division was obviously fixed in particular regulations of each sector.

Except that the differentiated solution of the problem of a road transport of the general and not public shall be the cornerstone of all concept of regulation of road transportation activities, this phenomenon has also applied meaning. It means that any open sector of the road transportation market is only an iceberg apex, representing only a small part of similar transportations in economy. Therefore, estimating saturation of a sentence in any sector of the

road transportation market and making the decision on a possibility of licensing for the declared type of transport it will always be necessary to consider also this latent demand. It is quite probable that appearance of an additional sentence in the market will increase demand at the expense of a failure from independence, and it can occur without price level lowering if higher quality of service is proposed.

There are objective prerequisites justifying intervention of public authorities in activity of subjects of the transport market – transport, freight forwarding, service and auxiliary enterprises, and in certain cases – and clients. The main prerequisites of state regulation of transport will be examined below.

1. Transport is the most important element of production and social infrastructure and is in “block” with other infrastructure branches: power economy, communication, logistics which at any economic mechanism are object of constant control from the state.

2. It is necessary to control activity of the transport enterprises which are in conditions of “natural monopoly”. A classical example of natural monopoly on transport is railway transport. A natural transport monopolist is the road transportation enterprise located in the area where there are no other large owners of road transport.

Domestic and foreign practice indicate the same thing: the natural monopolist transport worker in all cases seeks to derive the maximum benefit from its situation, refusing transportations, unprofitable for it, and also randomly overestimating tariffs. Therefore at the organization and licensing of similar

transport enterprises the state, giving them the right for monopoly service of its sector of the market, in a mandatory manner reserves functions of quality control of service of clients, price level, lack of refusals in service etc.

3. It is necessary to control and in many cases to limit the level of transport tariffs. Control of pricing on transport has exclusive value for normal functioning of market economy. In the conditions of free prices growth of transport tariffs causes adequate increase in cost are delivered by transport enterprises of goods, and also the services demanding transport service. Therefore growth of transport tariffs is one of factors of the general increase in prices and development of inflationary processes.

4. It is necessary to provide protection of transport enterprises against unfair competitors. The long-term international experience shows that relationship of the transport enterprises competing among themselves can't be settled neither on the basis of their mutual agreements, nor by judicial proceedings, though that, and another takes place in practice of the transport market. Normal work of transport enterprises in a competitive environment demands development of "rules of the game" (what kinds of activity are admissible for various enterprises, what tariffs can be applied, how relationships with clients should be built etc.) and existence of body which would monitor observance of these rules. It is obvious that the state has to undertake similar functions.

5. It is necessary to establish and control uniform norms, standards and rules of environmental protection,

traffic safety, working conditions on transport, and also uniform technical standards. Only public authorities are able to finance and organize work in the field of standardization, increase in safety of transport, decrease in harmful effects of transport on the environment, control of implementation of relevant requirements etc.

Conclusions. Thus, state regulation of transport activity, irrespective of features of the operating economic system, is objective need.

Scientists converge and agree that "the invisible hand" of the market has to be supplemented with a visible hand of the state. It is important to know only in what proportions the state and market regulation have to be combined, what are the forms and methods of the state intervention. Extent of the state intervention is defined by a ratio of economic and social benefits or expenses from expansion of public sector and can change with the course of time.

It should be noted that in the countries with the developed market economy extent of intervention of the state to the sphere of business is various both between the countries, and in the countries at different stages of their development. Irrespective of the existing model of state regulation in the conditions of transition from the planned centralized economy to market the the state must assume responsibility for the main objectives: creation of the markets where they don't exist or insufficiently developed; coordination of actions of market subjects.

Eventually, providing of transport service of all groups of industrial consumers of transport services and the population, sufficient on volume and

with a satisfactory quality, has to be a main objective of any measures for state regulation of transport activity

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