OPTIMIZATION OF REGULATORY MECHANISMS AS A CONDITION OF COMPETITIVE TRANSPORT COMPLEX

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The article deals with approaches, principles, directions and mechanisms, concerning construction and effective introduction of strategy and programs of development of Ukrainian transport complex. Programs of regional development of the country are analysed, thus the attention is concentrated on the most important questions and problems connected first of all, with levelling of essential disproportions in the development of transport networks, and as a consequence of this process, a security status of the state, level of national output and standards of living in the country.

Key words: transport complex, development strategy, transport infrastructure.

Nowadays in order to enter European transport system with its standards, technical, organizational and ecological norms, the transport complex of regions and the whole Ukraine needs constant
qualitative updating. Several important actions in this direction have been carried out already, for the maintenance of effective use of the international transport corridors in new conditions, it is important to reach the maximum coordination of actions of all participants in this system.

Realisation of actions in this direction occurs both on the national [1], and regional level. Scientists and experts of transport branch [2 – 6] were engaged in rationalisation and optimisation processes. Implementation of regional Programs of development [7 – 9] in which one of the key factors is modernisation of the existing and building of a new transport infrastructure, is the major component in the economy and and the key factor of rational, and effective use of essential and favourable geostrategic potential.

Works of many Ukrainian scientists and experienced transport executives – Vinnikov V. V., Koltubay M. I., Koltubay A. M., Makhurenko G. S., Nikulin S. G., Primachev N. T., V. Chekalovets which in different years have introduced their experience and knowledge in the improvement of transport complex of Ukraine have conducted research in this field.

Complexity and scale of the problems connected with modernisation of transport system management, leads to the necessity of a complex solution of the problem of balanced transport system with multimodal transport development as basic element of internal potential development of the state. Maintenance of these processes should be carried out through Programs of national transport system development and regional programs of development in this direction. Therefore the aim of the research is to work out recommendations and methodical approach to the implementation of the above-mentioned programs and development strategy.

Formation of adequate system for the balanced dynamic development of the country is one of the basic administrative functions of the state policy. The key factor of effective realisation of this development is optimisation of spatial structure of the economy on the principles of rational use of available resource potential (natural, industrial, scientific and technical, human, financial) and advantages of geopolitical position.

Formation of effective state policy in the field of transport needs an all-round substantiation of priority directions and ways of achievement of the dynamic, balanced social and economic development of Ukraine, increase of the population living standards, maintenance of the social standards guaranteed by the state for each citizen [10].

First of all there is a requirement to increase in number and improve the technical condition of all types of transport, service quality, maintenance of profitability, comfort and safety of passengers and cargoes transportations by development of a road network and transport system, the greatest possible coverage by motor transport of all settlements, development of port potential of cargo handling, system of aviation flights, including small distances flights, upgrading of a transport infrastructure as a whole.

Let’s outline the basic problems of transport modernization:

- insufficient updating of all types of transport and road sector, discrepancy of their technical condition and current problems.
- low level of transport process information and information interaction of transport with other branches of economy.
- ineffective use of the state geopolitical position and its transport communications opportunity for the international transit of cargoes across the territory of Ukraine.
- unsatisfactory conditions of road sector enterprises, unsolved problems of full indemnification of income losses connected with the existing practice of state tariffs regulation;
- insufficiency of budgetary financing;
- problems connected with the maintenance of unprofitable social infrastructure facilities and non-productive expenses;
- the lowest indicators of investments into technological modernization and branch development along with the minimum state support for renewal of transport;
- inefficiency of organizational structure and control system;
- uncertainty in issues of transport activity regulation and legal maintenance, the slow solution of transport legislation unification issues in compliance with the international law requirements;
- unsolved institutional transformation issues.

While building up development programmes it is necessary to formulate principles which will be basic and which will be certainly necessary to adhere:

- lawfulness and supremacy of law;
- publicity in preparation and decision-making;
- implementation of international standards and the recommended practice principle, the use of other countries’ experience;
- safety of providing services;
- conformity to national and international ecological standards;
- availability of all population levels and enterprises of all forms of ownership.

Thus the ways of the set tasks have been realized appropriately through the performance of the following actions:
carrying out the effective control over transport safety with the help of inspection and implementa-
tion of modern means;
working out of national regulatory-legal acts in
accordance with European and other international
legislation and standards;
constant improvement of the certification
process of transport companies, enterprises personnel;
the development of the international contract-
legal base to expand the access of Ukrainian
companies to international markets of transportations
and jobs;
stimulation of home transport service market
development;
the development of state employees’ training, retraining and improvement of professional skills
system;
methodological recommendations for subordinate enterprises in order to observe requirements of
national legislation and international contracts and
arrangements;
implementation of safety control, quality,
optimization of organizational structure, improvement
of administrative services quality and improvement
of work organization systems.

One of the global tasks demanding a solution
is essential territorial distinction in the level of a
transport infrastructure provision, a number of
available transport different regions. Therefore those
projects which contain both the ways of global strategic tasks solution, and short-term and medium-
term ones are of great importance. These pro-
grames should include particular measures not only
regarding a cargo transportation, but also regarding
passengers transportation, i.e. directed at realization
of separate positions in the development and
improvement of a shuttle mini-bus network and
infrastructure, a network of bus stations and termi-
inals, quality of passengers transportation, impro-
vements in economic, innovative and personnel
policies, transportation safety and ecologic practice
implementation. Thus it is necessary to appoint
particular executives, responsible persons, who will
set schedule times, sources, volumes and terms of
financing.

One of the most important economic
characteristics is profitability. Effective economic functioning of carriers and bus stations is probably
possible if that structure and income level
optimization, and also structure and expenses level
of different kinds of resources within the established
regulations is provided on their part, and tariff and
compensatory policy optimization is provided on the
transportation provider part. It is clear that
investments into the technological transportation process
differ substantially depending on types of routes and
movements.

For example, the city and the overwhelming
majority of suburban movement routes investments
at the expense of the means received from the
service of these routes, even provided that there is
high level of indemnification of losses are practically
impossible. Therefore, the basic investment recoupment
source (including credit or leasing conditions) is the
investment component, i.e. a part of profit from work
city and suburban routes. The important factor of
investment activity in these cases is also the target
use of depreciation charges which as operational
expenditure have a ‘virtual’ character.

The motor transport tariff policy should ensure
fulfilment of motor transport social function, satisfy
entrepreneurial interest, ensure motor transport de-
development, stimulate implementation of the newest
transportation technologies, use of modern types of
vehicles, and also promote solution of particular
range of tasks. As a whole the tariff policy is a
component of the general economic and social
policy which on the one hand, provides free pricing
in competitive market sectors, and on the other hand –
regulation of services cost [11].

Taking into account the social function of
general use transport, which is generally available
for all population groups, the state cost regulation of
socially significant motor transport services is
completely grounded. Proceeding from the aforesaid,
interregional transportation tariffs are one of the
most important factors, which provide constant
 carriers functioning, stability of their economic
situation, transportation quality and safety, and also
investment attraction. On the other hand, it is
necessary to consider that the tariff level is an
important social factor, and while defining it, it is
necessary to take into consideration population real
solvency. It follows from this that an objective
solution of a tariff level problem is probably
exceptionally possible provided that there is an
effective tariff policy.

Gradual transition to economically grounded
tariffs (fares) for each of the routes in all modes of
movement, and also for bus station services has to
be a tariff policy purpose [12]. Tariffs which will
provide economically grounded expenses compensation
(within operating regulations) and profit formation in
accordance with the co-ordinated profitability level (if
necessary – taking into account the investment
component) should be understood as economically
grounded tariffs.

While setting usual movement mode
transportation tariffs, both real population solvency
and real possibilities of compensatory budgetary
funds should be considered. Thus, optimization of
regional economic policy with balance creation
between necessary volumes and passenger motor
transport services quality, (including socially signifi-
cant ones), and also the fares, taking into account an effective budgetary sources use of indemnification, should be considered as a strategic task. Realization of such strategy will provide creation of a necessary investment attraction and, accordingly, a competition in this market segment that, in turn, will provide volumes and quality growth of passenger transport services.

It is necessary to notice that research results have shown that according to the profitability indicators the routes which work in different movement modes, differ considerably. For example, almost all city bus routes are unprofitable. In addition, the losses are caused by both preferential transportations, and the established tariffs level. The overwhelming majority of suburban bus routes are also unprofitable, but approximately 50 – 60 % of this unprofitability is caused by only preferential transportations. On the other hand, the overwhelming majority of coach service is profitable, but profitability level fluctuation for them makes from 5 to 30 %. Bus transportations in ‘express’ and ‘shuttle mini bus’ modes are almost completely profitable, but profitability level fluctuation for them also makes 10 – 40 %.

Investments (and their recoupment) in coach service auto-transportations technological process, and also at all ‘express’ and ‘shuttle mini bus’ modes, in most cases can be carried out at the expense of the means received from these routes service.

The investments structure is also an important factor. The practice is that almost all investment means of the majority of carriers go exceptionally on rolling stock renewal. Infrastructural investments are first of all very important in development, modernization and reconstruction of carriers and bus stations facilities for the effective functioning of passenger transportations system.

While working out tactical steps, emphasis should be put on the compensatory policy. It should provide a complex solution of the problem of financing necessary indemnifications for preferential transportation of citizens whose list of categories is established by the corresponding acts and the Law of Ukraine 'About the State budget of Ukraine' for the corresponding year for passenger transportations. It concerns unprofitable adjustable tariffs indemnification, creation of conditions for comprehensive development and improvement of the quality of socially significant motor transport services, and also distribution, maintenance and use of the budgetary funds for indemnification.

Legislative and regulatory basis of indemnifications realisation is the Budgetary code of Ukraine, Laws of Ukraine 'About motor transport', Cabinet Ministers of Ukraine regulations from 12/25/1996 № 1548 'About the establishment of executive powers of city councils concerning (tariffs) price control' with the changes and additions, from 04.03.2002 № 256 'About the order of local budgets expenditure financing approval for measures on realisation of population social protection government programmes at the expense of subventions from the state budget' with the changes from 29.01.2003 № 117 'About the Uniform state automated register of people who have the right for privileges', from 29.01.2003 № 139 'About the approval of the Order of carrying out of competition on passengers transportations on a general use bus route.' Ministry of statistics of Ukraine order from 27.05.1996 № 150 'About the Instruction approval as for passengers account order who are transported by public transport along the routes', which has been registered in the Ministry of Justice of Ukraine 30.05.1996 №258/1283, with the changes and additions, other legislative and regulating acts which regulate the relations in the corresponding sphere.

The basic source of preferential transportations indemnification is the subvention means from the State budget of Ukraine, received by corresponding cities and areas. Distribution of these means is carried out by local authorities taking into account total amounts of the means provided for indemnification of a shuttle mini bus network of socially significant motor transport services, preferential transportations planned volumes of corresponding citizens categories, and the previous calculations of indemnification volumes for cities and city districts, and the region as a whole.

The scientific-technical, technological and information support issue, without which it is impossible to achieve a necessary degree of population and production transport service quality is an important point. Working out and realisation of corresponding programmes and measures have to be carried out with wide involvement of specialised research, scientific and other competent organisations and specialists.

One of the most important directions of an innovative policy is the creation of ASDMAC – the Automated Systems of Dispatcher’s Management, Account and Control on passenger transport. These systems should be subordinated to transportation organization, that is to the executive committees of corresponding city councils (as for city passenger transportations), and to the economic authority of transport and communication of public administration (as for suburban and coach service interregional passenger transportations). In future, all-round GPS-technologies use is necessary for strengthening of the control over realisation of suburban and coach service passenger transportations.
Among all indicators which characterise development and improvement of the passenger auto transportations organisation system and increase of its quality, issues of safety have the highest priority. Ecological safety ensuring, and decrease in environmental pollution level has to be also one of the most important directions for prospective development of transport system.

Carrying out of the above-mentioned tasks with the account of the presented recommendations, will give the chance to provide dynamic balanced development of a country transport complex as a whole, to bring our standards of living nearer to the European ones, and to create conditions for economic activity strengthening in all country regions, which will favour gradual softening of interregional disproportions, reduction of depressive territories formation risks, and will protect the society from considerable additional expenses.


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