Problem setting. Continuous growth of state participation, which has led to significant budget loading in the process of support of many socially important sectors, is currently changing towards transition to management forms involving commercial basis in the public sector, decentralization, creation of regional clusters, responsibility sharing with a private partner. The form of integration between the state and the private sector, called public-private partnership (PPP), is gradually becoming more and more popular. The introduction of power reform and shifting the center of responsibility of many issues to the regional level can become a confident impulse for enhancing public-private partnership and its role in the implementation of socially important regional projects.

Recent research and publications analysis. Domestic and foreign scientists devote their works to the issue of public-private partnership, however the question concerning the features of regional clusters based on public-private partnership in the process of powers decentralization still requires further consideration.

Paper objective. The purpose of the study is to deep scientific and theoretical foundations of creating models of regional clusters based on public-private partnership in the process of powers decentralization.

Paper main body. PPP acquires quite extensive development in 1990s, when market principles of the organization of the scope of public services begin to be considered more effective than traditional approaches. Rivalry of Continental and Anglo-Saxon models comes to an end with extensive use of the latter. The specified approach is based on the principles of the New public administration system that uses commercial basis and is aimed
at reducing budget expenditures on social services. Implementation of projects based on PPP ensures heat supply system of utilities sector, social component in the tariff policy, creation of additional work places, reduction of environmental impact.

The draft of powers reform in Ukraine provides a broad program of decentralization that allows to shift the focus on the adoption of local decisions to the local level and transfer relevant financial opportunities to local government bodies.

Considering the transition to the management system that provides the principles of powers decentralization, the issue of the basic organizational conditions and legal basis concerning implementation of public-private partnership mechanism considering local specifics through the creation or development of existing clusters shall be solved at regional level under the existing provisions of the current legislation.

**Conclusions of the research.** The development and implementation of PPP projects based on cluster approach in the process of introduction of decentralization strategy in Ukraine is fairly new and organizationally complex procedure. The establishment of the necessary regional structures that would perform the policy of development of public-private partnerships in the region is reasonable, as well as the transfer of powers for the implementation of PPP policy and organization of PPP projects to the relevant structures is grounded. The cooperation of the state and the private sector in infrastructure projects and tourism shall increase competitiveness of business entities being cluster participants, create a positive investment climate and provide further attraction of investors to the projects of public-private partnership.