



IRSTI 14.35.07

S.B. Spatayeva^{1*}

E.B. Karabayev¹

E.V. Nikiforova²

¹L.N. Gumilyov Eurasian National University, Nur-Sultan, Kazakhstan

²The Financial University under the Government of the Russian Federation, Moscow, Russia

*Corresponding author: sbarzhaksina@mail.ru

An external state audit of the effectiveness of the use of budgetary funds aimed at ensuring food security of the Republic of Kazakhstan

Abstract. During the years of independence, the Republic of Kazakhstan has implemented nine state programs for the development of the agro-industrial complex. The implementation of these government programs is funded by the budget. So that, it is important to determine how effectively these government programs are being implemented. The expedient and effective use of budget funds can be determined by conducting an audit of public activities. However, since the adoption of the Law on State Audit and Financial Control in the Republic of Kazakhstan in 2015, many questions have arisen on the organization and conduct of performance audits, and many issues need to be improved. The main task of the agro-industrial complex development program is to ensure the country's food security. Therefore, significant funds from the budget will be spent on ensuring food security. The successful completion of this task is essential for the correct planning and forecasting of the performance indicators and activities identified in the Program.

Keywords: external state audit, efficiency, effectiveness, agro-industrial complex, budget funds, food security.

DOI: <https://doi.org/10.32523/2789-4320-2021-4-214-221>

Introduction

The last adopted and implemented «Program for the development of agro-industrial complex for 2017-2021». The goal of this program is to achieve the goal in 2022 of labor productivity in agriculture for 2017-2021, increase by 197% and strengthen export potential. To achieve this goal, 9 tasks and 8 target indicators have been set. The

2017 and 2018 editions do not provide targets, targets, or performance indicators called food security [1]. However, it can be concluded that this task should be a key indicator of the Program.

History. At the stage of preliminary control, risks are identified rapid prevention of abuse and ineffective spending of public funds; the possibility of increasing the cost of expected costs is excluded; the cost of budgeted expenses

increases; the quality and (or) quantity of planned goods, works, services increases; options for the implementation of the planned activity are considered. As a result, even before the official commitment of the financial authorities to financial obligations, the rationale and efficiency of budget expenditures are significantly increased, and the optimal legal regime for the implementation of the measure is achieved.

The third part of the program identifies nine areas of agro-industrial complex development, analyzes the current state of each region, considers internationally accepted standards, optimal indicators, compares with foreign indicators, the dynamics of the main indicators of agricultural production in Kazakhstan since 2011, current issues and possible solutions. However, far from all topical issues of the agro-industrial complex are covered here.

The Republic of Kazakhstan uses the following types of financial support for the agro-industrial complex: subsidies, leasing, insurance, soft loans, and taxation. Section 3.2 of the program analyzes the various types of financial support.

Methodology

Thus, Kazakhstan currently has 5 preferential taxation regimes for the agro-industrial complex and provides separate tax incentives for the agrarian sector. At the same time, there are taxation issues to encourage the efficient use of existing potential. Currently, there is a tendency to abandon direct measures of state support for agriculture within the WTO. Kern Group (Australia, Argentina, New Zealand, Canada, etc.) are the largest countries in the WTO and in the world agri-food markets, which have the lowest level of direct subsidies to agriculture and are developing the industry by increasing competitiveness and production efficiency. The experience of countries in the Kern group that do not use direct support for agricultural production shows a higher increase in total factor productivity in the period after the removal of subsidies.

In the case of Kazakhstan, this indicates that each country is developing its system of

support for agricultural production, and, most importantly, this support should encourage producers to increase the productivity of land and animals, and stimulate exports.

Discussion

Here, according to foreign experience in the development of agriculture, the state should only participate in the regulation of agriculture and encourage agricultural producers to produce competitive products that are in demand on the world market. The history of agricultural development in the United States confirms that this can be achieved through scientifically based agricultural development in general. Therefore, it should be noted that agriculture provides not only food security of the state, but also income to the state in the form of taxes. Nowadays, in addition to providing environmentally friendly products in agriculture, it is necessary to consider existing production technologies that are environmentally friendly or reduce them.

At the same time, in the field of agriculture and animal husbandry, the previous subsidies did not stimulate the production of agricultural producers, but only considered ways to obtain subsidies. In the fourth and fifth sections of the Program, it is necessary to analyze the extent to which ways of improving the instruments of subsidies are being considered.

In the fourth section of the Program, in the third section, the goals, objectives, target indicators of the Program in the areas of agro-industrial complex development with quantitative indicators and performance indicators are presented in nine areas.

The aim of a public performance audit should be to determine the extent to which the quantitative indicators of the target indicator have contributed to the achievement of the program objectives. Initially, in 2017-2021 there is practically no methodology for determining quantitative indicators of target indicators of the forecast for the period. The Ministry of Agriculture that developed the program did not provide a reference or justification for this in the program. The implementation of such important indicators

Table 1

Indicators of planned results and solution of the objectives of the program «Ensuring food security»

№	Performance indicators in the fourth section	In the fifth section, measures to solve problems	Notice
1	Share of raw milk received for processing	-	No solutions
2	Poultry meat production	-	No solutions
3	Growth of warehouses for fruits / vegetables / potatoes in 2020-2021 From 100 thousand tons	To meet the growing demand and reduce dependence on imports, support and conditions will be provided for the construction of additional warehouse infrastructure: vegetable stores for storing at least 600 thousand tons of fruits and vegetables, warehouses equipped with freezers for storing at least 350 thousand tons of food.	The result does not match the indicators
4	The level of satisfaction of the population living in rural areas with the quality of drinking water: 2017 - 58.7%, 2018 - 60%, 2019 - 61%, 2020 - 62%, 2021 - 64%.	To ensure sustainable physical access to food in Kazakhstan, conditions will be created to improve the access of the population of Kazakhstan to centralized water supply services. The implementation of the Regional Development Program until 2020 will continue, where: 1) ensuring access to centralized water supply in rural areas 62%, in cities - 97%; 2) ensuring access to centralized wastewater disposal in rural areas - 13%, in cities - 97%.	The indicators identified as a measure of this work do not match.
Notice – compiled by the author based on data			

without a scientifically grounded forecasting method is practically ineffective. Therefore, a methodology for determining a balanced forecast is needed. Forecasting the direction of economic development, its elements in the future, or the search for optimal ways to achieve the set goals. The correct choice of the method determines the quality of the forecast. Forecasting and long-term forecasting based on it will become an objectively necessary condition for a scientifically grounded effective choice that provides a long-term strategy for the development of agriculture and increasing its competitiveness. From a systemic point of view, the rural economy is a collection of interconnected subsystems.

Results

The fifth section of the program offers solutions to the tasks set to achieve the goals of the program. The fifth section summarizes the

directions for solving nine problems. The table below presents the results of the achievement of food security objectives and comparative data on the action plan to achieve them.

The Agro-Industrial Complex Development Program for 2017-2021 as amended by the Decree of the President of the Republic of Kazakhstan dated February 14, 2017 No. 420 provides 43 performance indicators for the implementation of task 4.2 “Saturation of the domestic market and development of export potential”. To meet domestic demand for food, it is necessary to develop the production of the following priority products: poultry, meat products, dairy products, fish, vegetable oil, fruits and vegetables, and sugar [2].

For comparison: according to the Government Decree of July 12, 2018, the Agro-industrial complex Development Program for 2017-2021 approved by Resolution No. 423 (as amended on 01/05/2020) does not provide for measures

Table 2

Provision of food products through own production in 2015-2019, %

№	Product name	2015	2016	2017	2018	2019
1	Apples	48,4	65,6	59,4	69,5	62,9
2	Poultry	48,9	49,4	51,8	51,2	58,3
3	Sausages	55,1	59,5	59,7	61,1	62,0
4	Butter	78,7	64,9	73,8	78,8	93,1
5	Cheese and cottage cheese	60,6	55,6	58,9	58,4	57,0
6	Vegetable oil	71,2	73,2	88,8	94,8	93,6
7	Sugar	60,6	80,4	69,0	54,4	46,6
8	Fish	57,2	62,4	66,8	-	60,8
Notice – [3]compiled by the author based on data						

to implement 2 of the 8 performance indicators planned for the task «Ensuring food security». Two outcomes were inconsistent with decisions. When planning a program by the Law of the Republic of Kazakhstan «On state regulation of the agro-industrial complex and rural development» dated July 8, 2005, food independence by type of food is recognized if their annual production provides 80% of the population's needs. The dynamics of production of the main food products included in this list have not been analyzed in recent years, therefore, measures to achieve the main task to achieve the main goal of the Program are not considered comprehensively and demonstrate a low quality of planning activities. Performance measures are usually planned, i.e. there are no specific measures to achieve each outcome. Table 2 below domestic food production.

According to table 2, the food supply has variable dynamics. Thus, domestic apple production increased from 48.4% in 2015 to 65.6% in 2016 and decreased to 59.4% in 2017. In 2018, it increased by 69.5%, and in 2019 it decreased by 62.9%. Such fluctuating dynamics are observed in sugar. Sugar production in 2016 increased by 19.8% compared to 2015, and in 2019 the supply decreased by 46.6%. The main reason is the low prices for sugar from Russia. Fish production also increased from 2015 to 2017, while in 2019 it decreased by 6%. The production of yogurt and cheese in 2015 was 60.6%, in 2019 - 57%.

The positive dynamics for 2015-2019 are observed only in poultry, sausages, butter, and vegetable oil.

However, food production in 2018, according to the version approved by the Government in 2017, and the removal of quantitative performance indicators compared to the version approved by the Presidential Decree, suggests that the Ministry of Agriculture, as the executor of the Program, does not fulfill the performance indicators, since it is known that the quality the fulfillment of these performance indicators is assessed.

To increase the availability of financing for the agro-industrial complex and to ensure optimal tax regimes for agribusiness entities, the third section of the Program currently mentions the following types of financial support measures: subsidies, leasing, insurance, soft loans, and taxation. In 2015, state support covered 65 types of subsidies. At the same time, the share of commodity subsidies was 47.3%, financial instruments - 20.4%. However, the third section of the Program noted the ineffectiveness of existing subsidies for commodities. Table 3 shows the planned performance indicators and measures to achieve them to provide financial support to the subjects of the agro-industrial complex and the optimal tax regime.

The object of an external government audit is broader, it is not departmental, but is of a national

Table 3

Planned performance indicators and measures to overcome them to provide financial support to the subjects of the agro-industrial complex and the optimal regime of taxation

№	Performance indicators in the fourth section	In the fifth section, measures to solve problems	Notice
1	The volume of non-government loans attracted to agro-industrial complex through measures to expand access to loans and leasing**	Instead of commodity subsidies, the share of subsidies will be increased to reduce interest rates on loans and leasing, as well as to cover part of the costs incurred by the agro-industrial complex in the implementation of the investment project.	Reduction of commodity subsidies for 2019-2020 is planned
2	The volume of investments attracted through investment subsidies**	As part of the further improvement of the investment subsidy program, state support for the most effective areas of development, as well as solving the priority tasks of agriculture by reducing the payback period of investment projects by reducing investment costs and reimbursing part of the costs incurred by the agro-industrial complex in investments will be focused in the amount of 25 up to 50%.	It is planned to implement a register of counter-obligations of the agro-industrial complex to subsidize interest rates.
3	Attracting foreign direct investment in agro-industrial complex	The creation of new investment funds to attract foreign investment will be considered.	No specific measures are given
4	Ensuring an optimal tax regime for agrarian-industrial complex entities	As problems arise, rules will be developed to improve the taxation of the agro-industrial complex. At the same time, the issue of introducing a single agricultural tax will be considered.	No specific measures are foreseen
Notice – [1] compiled by the author based on data			

nature and includes control over all decisions leading to certain financial transactions. The object of governmental audit is not only the financial resources of the state, but also the consideration of draft regulations, consideration of financial and other results achieved in the course of budget execution, as well as the assessment, forecasts, and development directions of individual sectors of the country's economy.

Results

To increase the efficiency of the use of budgetary funds aimed at the development of the agro-industrial complex, it is necessary

to improve the methodology of planning and designing planned indicators in all directions. It is also necessary to improve the methodology of the preliminary assessment of the project for the development of the agro-industrial complex.

The minimum sufficient, necessary task of external governmental audit as part of the control system is to disclose deviations from generally accepted standards and violation of the principles of legality, efficiency, and economy of resource management. Economists who adhere to this theoretical interpretation of «government audit» believe that a powerful, modern, unique institution of information resources of external government audit should perform both

regulatory and constructive tasks, helping the state to implement effective institutional changes.

We proceed from the assumption that state audit is an integral attribute of a unified system of financial control in the state, and its goal coincides with the goals of this system, which is defined as increasing the efficiency of the use of state resources accumulated in all areas of state property and their formation and use. In other words, state audit carries out universal measures aimed at ensuring the achievement of the country's development goals.

The state audit, which is part of the system of state financial control, has specific goals aimed primarily at ensuring the preservation of property by minimizing the risks caused by market factors. An external audit cannot be opposed to government control, but one should not try to "compress it" within the framework of "external government financial control".

Financial support of the subjects of the agro-industrial complex is entrusted to the subsidiaries of JSC «National Management Holding «Kazagro»:

JSC "Agrarian Credit Corporation" - lending;

JSC "KazAgroFinance" - leasing services for the modernization of agricultural machinery and equipment;

JSC «Fund for Financial Support of Agriculture» - microcrediting, a guarantee of liabilities, insurance of risks in the agro-industrial complex;

JSC «National Company «Prodcorporation»- the organization of purchase, storage, and sale of agricultural products in domestic and foreign markets, the organization of supply of some products from foreign markets to stabilize the

domestic market. Measures aimed at solving the problem of ineffectiveness of financial support for the agro-industrial complex are not listed in the Action Plan in the form of quantitative performance indicators.

Conclusion

Although it is planned to provide financial support to the agro-industrial complex and to ensure an optimal tax regime, four specific indicators are planned in the fifth section, including specific measures to eliminate the indicators "attracting foreign direct investment in agro-industrial complex" and "ensuring optimal tax regime for agro-industrial complex". Thus, despite the ineffectiveness of the subsidy, its termination is planned only for crop production in 2021 and livestock production in 2022, from which it can be concluded that this measure will continue to ineffectively use budget funds. Since the measures to solve the problem of financial support for the agro-industrial complex and ensure the optimal tax regime is of a general nature, and are not planned in the form of quantitative indicators, it is difficult to check their implementation, it is possible only formally. This means that insufficient measures aimed at the development of the agro-industrial complex are the main goal of the Program. When studying world experience, countries refused direct government subsidies, and government regulation was only aimed at increasing competition between agricultural producers through the development of effective agricultural technologies, introducing science-intensive methods to support the export of quality products.

References

1. Қазақстан Республикасының агроөнеркәсіптік кешенін дамытудың 2017 – 2021 жылдарға арналған мемлекеттік бағдарламасын бекіту туралы – «Әділет» АҚЖ (zan.kz). [Электрондық ресурс] – URL: <http://adilet.zan.kz/rus/docs/P1800000423> (дата обращения: 25.01.2021)
2. Об утверждении Государственной программы развития агропромышленного комплекса Республики Казахстан на 2017-2021 годы и внесении изменения и дополнения в Указ Президента Республики

Казахстан от 19 марта 2010 года № 957 «Об утверждении Перечня государственных программ». [Электронный ресурс] – URL: <https://adilet.zan.kz/rus/docs/U1700000420> (дата обращения: 23.02.2021)

3. Аудиторский отчет Счетного комитета по контролю за использованием республиканского бюджета от 23.10.2020 года №2. [Электронный ресурс] – URL: www.gov.kz (дата обращения: 10.03.2021)

С.Б. Спатаева¹, Э.Б. Карабаев¹, Е.В. Никифорова²

¹*Евразийский национальный университет имени Л.Н. Гумилева, Нур-Султан, Казахстан*

²*Финансовый университет при Правительстве Российской Федерации, Москва, Российская Федерация*

Внешний государственный аудит эффективности использования бюджетных средств, направленных на обеспечение продовольственной безопасности Республики Казахстан

Аннотация. За годы независимости в Республике Казахстан реализовано девять государственных программ развития агропромышленного комплекса. Поскольку реализация этих государственных программ финансируется из бюджета, важно определить, насколько эффективно эти государственные программы реализуются. Целесообразное и эффективное использование бюджетных средств может быть определено путем проведения аудита государственной деятельности. Однако с момента принятия Закона о государственном аудите и финансовом контроле в Республике Казахстан в 2015 году возникло много вопросов по организации и проведению аудита эффективности, и есть много вопросов, которые необходимо улучшить. Главной задачей программы развития АПК является обеспечение продовольственной безопасности страны. Поэтому для обеспечения продовольственной безопасности из бюджета расходуются значительные средства в целях поддержки. Для реализации данного задания крайне важно правильное планирование и прогнозирование определенных программой результативных показателей и мероприятий.

Ключевые слова: внешний государственный аудит, эффективность, результативность, агропромышленный комплекс, бюджетные средства, продовольственная безопасность.

С.Б. Спатаева¹, Э.Б. Карабаев¹, Е.В. Никифорова²

¹*Л.Н. Гумилев атындағы Еуразия ұлттық университеті, Нұр-Сұлтан, Қазақстан*

²*Ресей Федерациясы Үкіметінің жанындағы Қаржы университеті, Мәскеу, Ресей*

Қазақстан Республикасының азық-түлік қауіпсіздігін қамтамасыз етуге бағытталған бюджет қаражатын пайдалану тиімділігінің аудиті

Аннотация. Қазақстан Республикасында АӨК дамыту мақсатында тәуелсіздік алғаннан бастап тоғыз мемлекеттік бағдарламалары іске асырылған. Бұл мемлекеттік бағдарламалар іске асыру бюджет қаражаттарының есебінен болғандықтан, мемлекеттік бағдарламалардың қаншалықты тиімді іске асырылуын анықтау өте маңызды. Бюджет қаражаттарының мақсатқа сай және тиімді жұмсалуды мемлекеттік тиімділік аудитін жүргізу арқылы анықтауға болады. Дегенмен, мемлекеттік аудит және қаржылық бақылау туралы заң Қазақстан Республикасында 2015 жылы қабылданғандықтан, тиімділік аудиті ұйымдастыру және жүргізу бойынша сұрақтар көп туындайды және оны жүргізу әдістемесін жетілдіруді қажет ететін мәселелері көп. АӨК дамыту бағдарламасының басты тапсырмасы елдің азық-түліктік қауіпсіздігін қамтамасыз ету болып табылады. Сондықтан азық-түліктік қауіпсіздікті қамтамасыз ету үшін бюджеттен қолдау мақсатында маңызды қаражаттар жұмсалады. Осы тапсырманы жетістік жүзеге асыру Бағдарламада анықталған нәтижелі көрсеткіштер мен шаралардың дұрыс жоспарлануы мен болжануы аса маңызды.

Түйін сөздер: сыртқы мемлекеттік аудит, тиімділік, агроөнеркәсіп кешені, бюджет қаражаты, азық-түлік қауіпсіздігі.

References

1. Qazaqstan Respýblikasynyń agroónerkásiptik keshenin damytýdyń 2017 – 2021 jyldarǵa arnalǵan memlekettik baǵdarlamasyn bekity týraly - «Adilet» AQJ (zan. kz) [On approval of the State Program for the Development of the Agro-Industrial Complex of the Republic of Kazakhstan for 2017-2021 - CJSC «Adilet» (zan. kz)]. [Electronic resource] - Available at: <http://adilet.zan.kz/rus/docs/P1800000423> (Accessed: 25.01.2021)
2. Ob ýtverjdeni Gosýdarstvennoi programy razvítia agropromyshlennogo kompleksa Respýblikı Kazahstan na 2017-2021 gody i vneseni izmeneniya i dopolneniya v Ýkaz Prezidenta Respýblikı Kazahstan ot 19 marta 2010 goda № 957 «Ob ýtverjdeni Perechná gosýdarstvennyh program» [On approval of the State Program for the Development of the Agroindustrial Complex of the Republic of Kazakhstan for 2017-2021 and on amendments and additions to the Decree of the President of the Republic of Kazakhstan dated March 19, 2010 No. 957 «On Approval of the List of State Programs»]. [Electronic resource] - Available at: <https://adilet.zan.kz/rus/docs/U1700000420> (Accessed: 23.02.2021)
3. Aýditorski ochet Schetnogo komiteta po kontrolú za ispolzovaniem respýblikanskogo búdjeta ot 23.10.2020 goda №2 [Audit report of the Accounts Committee for Control over the Use of the Republican Budget dated October 23, 2020 No. 2]. [Electronic resource] - Available at: Poisk (www.gov.kz) (Accessed: 10.03.2021)

Information about authors:

Спатаева С.Б. – докторант, «Мемлекеттік аудит» мамандығы, Л.Н.Гумилев атындағы Еуразия ұлттық университеті, Қ. Муңайтпасов көш., 12, Нұр-Сұлтан, Қазақстан.

Карабаев Э.Б. – докторант, «Мемлекеттік аудит» мамандығы, Л.Н.Гумилев атындағы Еуразия ұлттық университеті, Қ. Муңайтпасов көш., 12, Нұр-Сұлтан, Қазақстан.

Никифорова Е.В. – э.ғ.д., Ресей Федерациясы Үкіметі жанындағы Қаржы университетінің профессоры, Ленинград даңғылы, 49, Мәскеу, Ресей.

Spatayeva S.B. – Ph.D. student in State audit, L.N. Gumilyov Eurasian National University, 12 K. Munaytpasov str., Nur-Sultan, Kazakhstan.

Karabayev E.B. – Ph.D. student in State audit, L.N. Gumilyov Eurasian National University, 12 K. Munaytpasov str., Nur-Sultan, Kazakhstan.

Nikiforova E.V. – Doctor of Economic Sciences, Professor of the Financial University under the Government of the Russian Federation, 49 Leningrad str., Moscow, Russia.