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INSTITUTIONAL ASPECTS OF AGRICULTURAL SECTOR DEVELOPMENT

АГРАРЛЫҚ СЕКТОРДЫ ДАМУДЫҢ ИНСТИТУЦИОНАЛЬДЫ АСПЕКТІЛЕРІ

ИНСТИТУЦИОНАЛЬНЫЕ АСПЕКТЫ РАЗВИТИЯ АГРАРНОГО СЕКТОРА

N.E. DABYLTAEVA

candidate of Economic Sciences
Al-Farabi Kazakh National University

Abstract. The issues of development of agri-industrial complex have been identified due to high importance of institutional environment for development of rural areas and agricultural sector. Theoretical developments that allow considering of changes in institutional economic structure aimed to increase its effectiveness gain special importance. Account of institutional factors allows to determine level and possibility of acceleration of socio-economic development.

Аңдатпа. Ауылдық аумақтар мен аграрлық секторды дамыту үшін институциональды ортаның жоғары мәнділігіне байланысты агроөнеркәсіптік кешенді дамытудың проблемалары анықталған. Экономиканың тиімділігін арттыру мақсатында оның институциональды құрылымын есепке алуға мүмкіндік беретін теориялық дайындамалардың ерекше мәні бар. Институциональды факторларды есепке алу әлеуметтік-экономикалық дамудың деңгейі мен жеделдету мүмкіндіктерін анықтауға жағдай жасайды.

Аннотация. Выявлены проблемы развития агропромышленного комплекса, в силу высокой значимости институциональной среды для развития сельских территорий и аграрного сектора. Особую важность приобретают теоретические разработки, позволяющие учитывать изменения институциональной структуры экономики в целях повышения ее эффективности. Учет институциональных факторов позволяет определять уровень и возможности ускорения социально-экономического развития.

Keywords: agri-industrial production, institutional environment, agricultural sphere, dairy livestock production, import substitution, innovation, investment, strategy, government regulation, agribusiness.

Тұтқалы сөздер: агроөнеркәсіптік өндіріс, институциональды орта, аграрлық сала, сүтті мал шаруашылығы, импорт алмастыру, инновациялар, инвестициялар, стратегия, мемлекеттік реттеу, агробизнес.

Ключевые слова: агропромышленное производство, институциональная среда, аграрная сфера, молочное животноводство, импортозамещение, инновации, инвестиции, стратегия, государственное регулирование, агробизнес.

In modern conditions the special importance is gained by the theoretical developments allowing to consider changes of institutional structure of economy for increase of its efficiency. Need of the accounting of institutional factors is connected with the fact that they determine the level and additional opportunities of

acceleration of social and economic development. Functioning of economy in many respects is defined by development of her institutional environment defining behavior of economic subjects, productivity of their economic activity. For the analysis of macroeconomic processes need to a holistic view of the entire national economy

system. This methodological approach, according to academician P. P. Maslov, is one of the main tasks of economic science [1]. However, even in the specialized economic literature analysis, the study of economic development based primarily on industrial production as an object of study. Accordingly, it is considered separately from the development of the agricultural sector.

As a result, the latter presents an isolated part of the economy with its specific features and contradictions. As a result of this approach, agriculture is often presented as ineffective sphere of raising funds and capital, and the resulting shortage of products of the agrarian sector of the national economy should be compensated a priori by food imports. But this approach may be acceptable as part of State policy, is not interested in the development of domestic agriculture, or, subject to availability in their agrarian sector long-established expertise through the development of specific sectors (more than 50% of the total APC), allows us to "sacrifice" development of less promising.

The agricultural industry of the republic is in a condition of protracted crisis, and world crises enhance its provision more and more deeply. Further increase of a share of import threatens profitability of all agrarian and industrial complex of Kazakhstan in general, without speaking about the weakened its areas. Transition to a format of the WTO and not the most favorable economic policy of a format of EurAsEC force us not to agree superficial approach to this important macroeconomic problem or with adjournment "a long box".

The difficult economic situation in the country is rather low standard of living of a large part of its population, in the first place, it is important to ensure food security of the country. This should be a criteria for determining the strategic vision of the agricultural development of the republic.

In the national GDP share of countryside economy for a long time is about 5%. But it is important to note that Kazakhstan has historically focused on agricultural specialization, thanks to this major comparative advantages.

The main object of this study we consider this an important area of agricultural production as the dairy subsector.

Analysis and development of domestic agriculture shows that against a certain extent, the successful development of the dairy sub-sector is an extremely serious problem. Etc. It should be noted that dairy products are on a par with grain and meat are the basic food basket in the domestic as well as in many other countries around the world. The above defined range of dairy sub-sector as an object of study.

Dairy farming has a special place in the agriculture of any state and to a large extent determines the economic efficiency of the agricul-

tural production [1]. The low level of development of this sub-sector have a negative effect on the state of agriculture in general, and also raises doubts about the feasibility and effectiveness of the country in a variety of costly programs of development of domestic agri-cultural sector.

However, in our opinion, the main reasons for the current state of the dairy sub-sector of the republic are not separate flaws in software, but a set of many problems of different levels. They are directly related to both the organization and the production of quality products in the field, and the development of measures in the field of expansion of potential export.

Dairy sub-sector of the republic's development problems we generally classified as:

- 1) the quality of raw milk;
- 2) industry infrastructure;
- 3) organizational aspects of the farm;
- 4) financial and legal problems (in particular this applies to fiscal policy);
- 5) the problem of awareness actors subsector reforms needed.

Items 1, 2, 3, 5 will be discussed in following sections.

The investigation of the current state of the dairy sub-sector of Trani in the context of ongoing programs of government economic policy, as well as their current and future results. Among the government programs to the main concern on this issue:

- Strategy "Kazakhstan 2050" (2012);
- The program "Agribusiness - 2020" (2013-2020);
- "100 concrete steps" program (3 section, paragraphs 60) (2015).

The current state and dynamics of the sub-sector leads to a significant deterioration of the situation of dairy farming, turning Kazakhstan into a completely depends on import for these types of products, both within the EurAsEC, and the functioning of the format in the framework of the WTO. It is therefore important to develop and implement dairy farming stabilization and growth program, the creation of the necessary institutional, economic and technical prerequisites for the active introduction and implementation of modern intensive forms of reference. From the stable and progressive development of dairy farming depends largely on the efficiency of the agricultural sector in general and the security of the population of dairy products.

It cartridges and other former Soviet countries, where the problem of proxy authentication and sovereignty of national economy, which is in a competitive environment with economic hegemony, is particularly acute.

As is known, in the transition to market relations in the dairy sub-sector as a whole in agriculture, there have been significant changes in the largely negative character. The sharp disparity of prices for industrial and agricultural prod-

ucts, reduction of diversity and food security, non-observance of technological processes in dairy farming, lack of opportunities and incentives for full competition, and other factors have caused the crisis in many post-Soviet countries.

It concerns and those states with a sufficiently large agricultural potential, such as Belarus, Ukraine, Kyrgyzstan, and even Russia. So in Uzbekistan, Turkmenistan, Tajikistan. In Kazakhstan in agribusiness economic situation is worse than the first "three". Even with all the available potential.

Kazakhstan, as part of the global process of innovation and technological transformation of the industry, cannot remain aloof from the modernization of its agribusiness and bring it to the world standards. This implies the existence of an adequate the current stage of development of the legal framework (especially the tax system of finished products manufacturers); the adoption of new standards of quality, corresponding to the full standards of the WTO and the FAO; better patronage of domestic producers; improving production technologies and supporting infrastructure, particularly its logical aspect.

To achieve these and other goals in an innovative economic strategy "Kazakhstan 2050", the fashion of the objective of which is the creation of a competitive industrial and agricultural sector for the full organization of import substitution policy, there is a decision on the reform and modernization of the national agro-industrial complex and all its branches [2].

For example, in paragraph 19 of the list of activities the strategy sets out the following: "Accept the Program of development of agriculture of the country until 2020, aimed at: a large-scale modernization of agriculture, taking into account the growing global demand for food; increase by 2020 the volume of state support for agriculture

by 4.5 times; a significant increase in yield increase in acreage; introduction of new technologies; creating food base of world-class animal; Identification of food products, mass production of which will win major export markets; establishment of national competitive brands with a focus on sustainability, ensuring the country's entry into the category of global players in the field of cleaner production " [2].

As part of its implementation of the necessity of the use of new tools of state regulation and modernization of the industry through the transition to the restructuring of the AIC of the Republic and the appropriate funding of its most troubled areas.

Initially, the priority of this strategy dairy subsector has not been a key marker. However, in our opinion, for the "conquest of the major export markets", it is no less necessary than the grain and meat products, as well as environmental standardization.

In the final version, adopted in accordance with this paragraph, in the program "Agribusiness 2020" (is a specialized application to the "Kazakhstan 2050" Strategy) a section of dairy farming was still on and marked his problem subparagraphs [3].

Let us consider its content in the current industry applications in the most problematic aspect - self-sufficient and imports [4], in the context of a program of analytical data.

The first important analysis is the general internal statistics of imports of agricultural products. There are milk and cream in the first place (74.2%), cheese and cottage cheese on the fourth (58.3%), butter on the ninth (32.8%) [5].

The share of total imports of dairy products, as the chart below shows, is - 34%, i.e. one third of total imports of agricultural products (Figure 1).

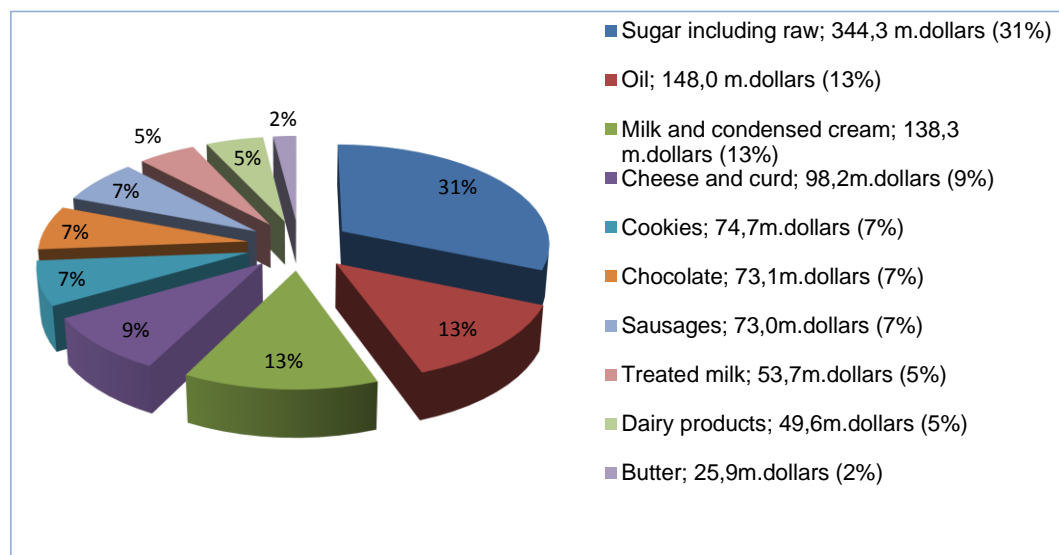


Figure1. On imports of dairy products in the Republic of Kazakhstan for 2015 (%) [5]

As can be seen from Figure 1, a very high proportion of imports of this type of product, even for an emerging market. And it is in the national practices for the production of agricultural products of the milk is in second place after cereals (10.2% and 31.1%, respectively) [5].

Among the constraints specified in the program, can be isolated:

- poor quality of raw materials;
- shortage of raw materials;
- underdevelopment of industrial infrastructure and oilfield logistics;
- difficulties with the implementation and marketing of products.

In our opinion, they are rather the consequence than the underlying causes.

We believe that there is more we argued the above classification.

In the future, these "problems" will be analyzed in the context of the investigation. Consider one of the main problems.

Taxation. Tax benefits in the amount of 70% - apply only to certain types of agricultural producers. Taxes levied on all manufacturers and incentives for them are only available to suppliers of raw materials, but not processors of raw materials. High tax burden on producers of processed products negates the positive reforms aimed at the development of the market of finished products. Said tax benefits only further contributes to raw orientation with minimal processing of raw materials.

So far, the situation has not changed for the better: in 2013 raised the issue of the abolition of the 70% tax rate for legal entities. And in a crisis in 2015 and plans to more negative trend in the reduction of state support under the tax base. Many experts have recognized the program "Ag-

ribusiness 2020" is inefficient for budgetary reasons.

But to change the program basically is no longer possible, since its budget is painted up to 2020 inclusive. It is also important to realize that the original program was adopted in the framework of financial rehabilitation necessary. Only full-length transfer vector program of the summarized financial performance and organization, especially in the framework of unprofitable industries, has a right to exist. You must control the process of application of funds is in the sphere of industry.

Therefore, without a current possibilities as the processing of the document, under the "100 concrete steps" taken drastic adjustments relating to the agro-industrial complex of the republic and its most problematic sections. For example, in the present context of paragraph 60 of the program focuses on what is necessary "... to attract strategic investors for the development of the production of milk and dairy products. The main objective: to provide up to half of exports of manufactured products in the CIS market for three years. The work will build on the example of New Zealand «Fonterra and the Danish «Arla», with the development of cooperative production in rural areas " [6].

This item includes a vector for revision of the agrarian program, but with key foreign investors for reforms in the lagging sector. Through presidential adjustment, development of the industry is the priority measures for the full implementation of the program "Agribusiness 2020".

In this step the government forces to go high degree of backwardness in the production of raw milk, even in the framework of EurAsEC. It is a large segment of the market it is not avail-

able goods from the Russian Federation and Belarus. Only the latest innovations in this field will allow us to compete with the allies by block and possibly do not take their "rules of the game".

To sum up, we can conclude that the state in the field of agribusiness economic policy in the framework of the aforementioned program defined a new vector of development of the livestock industry, and its dairy sub-sector in particular [7].

It should also be noted that one cannot always rely on foreign expertise and investment.

Besides taking care in the formation of the renewed agricultural structures and the development of advanced technologies and then applying the Kazakh authorities should set acceptable to its taxation, and bring to the formation of the domestic production as the key players - enterprises Kazakhstan market, like the company «Food Master», and taken separately peasant cooperatives and individual households. The role of "KazAgro" National Holding bases, despite its coming transformation, as the consolidation of the institute of these subjects is important in the framework of their cooperation.

It should be understood that without full operation in the industry with all the conditions make any progress will be impossible. Therefore, only a full stakeholder interaction of businesses and government through taxation and financial system, market regulation of economic and technological processes and standards on the part of participants of agricultural production, as well as protectionist them National holding "KazAgro", while gaining experience and support of foreign investors will be able to lead

dairy farming to high technical and economic indicators.

Thus, we consider it a reasoned and scientific and practically justified the opinion of many Russian scientists, experts on the current state and prospects of the Republic of Kazakhstan of dairy farming, which first need to identify and address fundamental, institutional and behavioral problems analyzed agribusiness industry of the republic. It is only on this basis adopted and implemented the program will generate the expected, planned results.

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