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**DEVELOPMENT OF SMALL ENTREPRENEURSHIP
IN AGRICULTURE OF KAZAKHSTAN**

Abstract. The development of small business agriculture is one of the key areas of economic development of the republic and has great potential and significant reserves. However, this area of economic activity has a number of specific features that consist not only in the seasonality of agricultural production as the basis for the formation of cluster formations and the presence of a large number of unforeseen risks associated with natural and climate unpredictable changes, but also with the presence of a mixed economy, whose owners are not inclined to integrative processes, if they are not sufficiently motivated by the specifics of labor management in small agricultural business and with other indicant factors, manifested in their production activities.

Keywords: agriculture, small business, support, competitiveness.

INTRODUCTION

Over the years of independence, substantial results have been achieved in the Agricultural Industry of Kazakhstan: labor efficiency and productivity have increased, the fixed assets have been consistently and periodically updated, the industry's logistics system has improved, the share of self-sustainment of domestic food has increased, and exports of main crops and fishery products have increased significantly, thereby, followed by a gradual increase in production in the conditions of market relations Nij. The most important regulatory document of the country is the Strategy "Kazakhstan-2050"[1], which refers to the need for further modernization of the agricultural industry, taking into account the global relevance of demand for agricultural products. A number of main tasks are entrusted to the agro-industrial complex of the country - to become one of the foremost exporters of the world market for agricultural products, increase its production, increase the acreage, achieve high yields through the introduction of innovative technologies, and create national competitive brands focused on environmental friendliness.

In the Program for the development of the agro-industrial complex in the Republic of Kazakhstan "Agribusiness 2020", which is the vector of the strategic development of the agricultural sector of the country [2]. The program focuses on creating conditions for improving the competitiveness of the subjects of the agro-industrial complex, which will provide manufacturers with the necessary state support in the competitive struggle within the CU and the upcoming entry into the WTO.

Favorable climatic conditions of the country allow growing a wide range of varieties of crops.

So, in agriculture of Kazakhstan, Gross output of products (services) of agriculture up to 1990. Produced 22% of national GDP, and now in 2018 only 11%, however, we note that a slow rise began, table 1.

So, in general, gross output in 2017 compared to 2016. increased by 11% (at current prices), while the Almaty region (647,554.1) is the leader in gross output, South Kazakhstan (522 397.4) ranks second, and the top three in the rankings with similar results (510 594.8) and East Kazakhstan (459 989.5) regions. Compared to last year, Almaty increased the GDP of agriculture by 40%, North Kazakhstan by 24% and by 14% North Kazakhstan and East Kazakhstan regions.

Table 1 - Gross output of products (services) of agriculture for 2015-2017.

Name	2015	2016	2017	Ratio of 2015 to 2016 (%)	Ratio of 2016 to 2017 (%)
The Republic of Kazakhstan	3 307 009,6	3 684 393,2	4 097 455,3	11%	11%
Akmola	290 893,2	348 198,5	382 976,7	20%	10%
Aktobe	165 244,3	183 965,3	200 841,7	11%	9%
Almaty	551 101,1	597 308,3	647 554,1	8%	8%
Atyrau	58 765,5	61 612,9	62 660,6	5%	2%
West Kazakhstan	106 544,4	131 015,8	143 137,7	23%	9%
Zhambylskaya	218 726,5	237 065,9	255 580,2	8%	8%
Karaganda	197 273,1	229 348,2	246 471,5	16%	7%
Kostanay	294 608,2	319 037,7	362 242,8	8%	14%
Kyzylorda	79 186,5	80 633,3	86 070,6	2%	7%
Mangystau	11 734,3	12 466,1	13 689,5	6%	10%
South Kazakhstan	426 894,4	480 399,3	522 397,4	13%	9%
Pavlodar	152 407,9	171 542,2	196 357,2	13%	14%
North Kazakhstan	380 814,2	411 485,6	510 594,8	8%	24%
East Kazakhstan	366 973,1	415 039,0	459 989,5	13%	11%
Astana	2 416,9	1 032,9	962,2	-57%	-7%
Almaty city	3 426,1	4 242,2	5 928,8	24%	40%
Compiled by the author based on data from the Statistics Agency of the Republic of Kazakhstan					

Table 2 - Dynamics of the development of gross agricultural production in Kazakhstan (at current prices, billion tenge)

Year	Total	Include	
		crop production	animal husbandry
2015	3 133 198,40	1 739 436,4	1 393 762,0
2016	3 295 159,80	1 825 236,7	1 469 923,1
2017	3 669 122,20	2 047 580,8	1 621 541,4
Growth for 2015-2017.	535 923,80	308 144,40	227 779,40
Compiled by the author based on data from the Statistics Agency of the Republic of Kazakhstan			

In accordance with this table 2 in crop production, the increase over the last 3 years amounted to 308 144.40 billion tenge and livestock 227 779.40 billion tenge, which in general amounted to 535 923.80 billion tenge [2]. In accordance with the Development Strategy until 2020, the agro-industrial complex is among the seven priority sectors to fully realize its sectoral advantages and large-scale potential [3]. Kazakhstan needs to more effectively use its competitive advantages, especially in the production of environmentally friendly products.

At the same time, there are a number of factors constraining the development of the country's agro-industrial complex. At present, there is an acute question of the state of infrastructure in agriculture, expressed in a significant depreciation of more than 80% of the basic amount of available agricultural equipment. The situation is aggravated by instability and the constant increase in prices for fuel and lubricants, leading to higher prices for the agricultural production process and its cost.

So, for example, in the Akmola region the gross agricultural output for 2016 amounted to 347 billion tenge, including crop production 240.7 billion tenge and 105.1 billion tenge livestock products. At the same time, more than 50% of the volume of production falls to the share of peasant (farmer) farms and households of the population. Of these, 2/3 of the volume accounted for households. In the world there is no ideal system of organization of the grain market.

Changes in farmland by land user categories in the Akmola region compared to 2018 from 1990 indicate a decrease in farmland, as far as agricultural enterprises from 13,655.9 ha in 1990, decreased to 10564.6 ha, which is less by 3091.3 ha. At the same time, households of the population have increased almost 3 times, their number is approximately two million, this is the so-called self-employed population. The number of agricultural enterprises processing agricultural land also decreased by more than 2 times. Nevertheless, Akmola oblast has significant potential, favorable climatic conditions for growing grain and leguminous crops, potatoes and vegetables, significant potential of pasture areas for livestock farming - as evidenced by the growth dynamics of the last 15 years of agricultural land.

Table 3 - Changes in farmland by land user categories in the Akmola region in comparison with 2018 and 1990

Farm category	Farmland, thousand hectares		including arable land, thousand hectares	
	1990	2018	1990	2018
Agricultural enterprises	13655,9	10564,9	-	3 630,4
Peasant farms	-	2207,9	-	1401,9
Households	6,5	18,5	2,8	18,5
Land accounts for 1 farm, thousand hectares				
agricultural enterprises	41,0	14,9	19,6	4,3
farms	-	0,58	-	0,37

Note - Calculated by the author according to the Giprozem data for 1990 and 2015. [68]

Grain companies that focus the entire technological process: production, storage, processing and sale. Agricultural enterprises are fully owned and operated by the company and are their integral part.

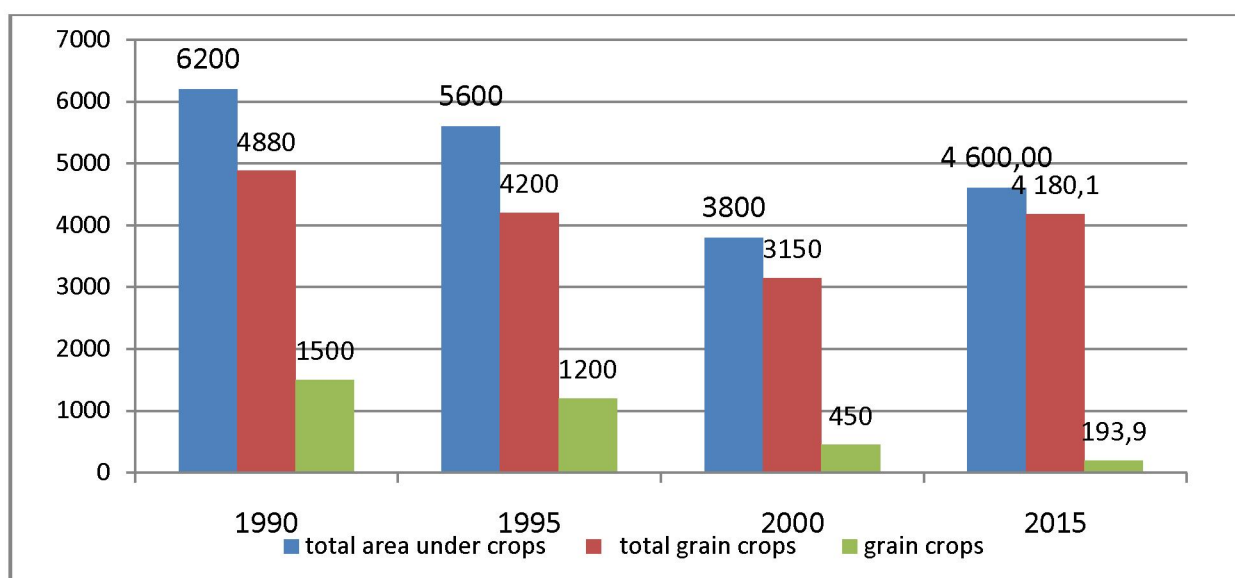


Figure 1 - Changes in acreage in the Akmola region (all categories of farms over the past 15 years) [4]

If in 1990 the sown area was 6,200 hectares, then in 2015 the same figure was less than 1,600 hectares and amounted to 4,600 hectares. However, over the past 15 years, the sown area has a slight increase, so in 2000 this figure was 3,800 hectares and was less than today on 800 hectares. Grain crops declined insignificantly, compared with 1990, grain crops decreased by only 200 thousand hectares in 2015.

The reform of agricultural enterprises led to the transfer of part of the farmland of the former state and collective farms to peasant farms, but most of them moved into the category of “reserve lands”. The structure of land areas has significantly changed for business entities. The area of agricultural land used by agricultural producers has been reduced, and their share in the total land use has decreased accordingly.

In the region, as well as throughout the country, in the production of gross output, the ratio between industries has changed and continues to change in the direction of increasing the proportion of crop production.

In addition, problems in the agrarian sector of Kazakhstan remained from former post-Soviet times, and as a result of the reforms, new problems emerged:

- the percentage of depreciation of fixed assets, both moral and physical, has accelerated, the renewal rate of which remains low (about 2% on average per year with a need of at least 18-20%);
- the existence of rental relations put agricultural producers in unequal conditions for the acquisition of income and profits;

- agricultural production is characterized by low capital intensity and low organic composition of capital, which forms in it lower productivity compared with industry and low income [56].

On average, the agricultural sector of Kazakhstan can be characterized by the following indicators:

- the total area of agricultural land - 222 million hectares, of which arable land - 24 million hectares (10.4%), hayfields - 5 million hectares (2.2%), pastures - 189 million hectares (85%);

- The number of the rural population is about 7 million people or 43.5% of the total population of the country;

- all agricultural zones of the country are characterized by low precipitation - 150-320 mm;

- in animal husbandry, more than 90% of livestock is contained in households and peasant (farmer) farms, which makes it impossible to form advanced livestock production, hindering preventive and veterinary work with it;

- regions are divided by production specialization, and lack of access to the seas is an obstacle to access to many international markets [58].

This product serves as a raw material for the agricultural sector of Kazakhstan, which also has many problems:

- in the industry there are more than 3 thousand enterprises, among which small and medium ones prevail, and the share of large ones accounts for only 10-15% of the products;

- the share of agricultural processing in Kazakhstan remains low (no more than 25% of agricultural production), while some capacities of processing enterprises are not filled by 40-60% due to the depreciation of fixed assets and equipment, the lack of new processing technologies;

- deconcentration of the places of supply of raw materials determined in part its shortage for processing enterprises due to the high costs of its collection and transportation; However, the most interesting phenomenon of the economy was the rapid development in foreign countries of a wide range of diverse connections between the two indicated poles of the "communication" of economic entities. Such "intermediate" relations between firms assumed, firstly, a certain degree of counterparty independence and, secondly, coordination of individual areas and parameters of activity. The increased frequency of such agreements, the variety of terms and forms of relations, the participation of major corporations, the use of contractual relations by firms at all phases and stages of the production cycle, starting with the generation of ideas and ending with marketing, all these phenomena began to influence the strategy of companies markets and production efficiency in general.

- in the processing industry, a large proportion of unprofitable enterprises (from 30 to 36%), since the costs of raw material production and production do not pay off due to the high competition with imported goods;

- the lack of innovative technologies and equipment affects the quality of food production, dramatically reducing the competitiveness of domestic products [59]. A special role in the organic combination of agricultural and industrial production should belong to the administrative region and their assistance in the implementation of various programs, such as Yntymak, Sibaha, Agrobusiness 2020, Altyn Asyk, etc.

CONCLUSION

The state support within the framework ensures the connection of the agricultural sectors with the procurement, storage, processing of products, this is where the entire production infrastructure is located and the orientation of all structural units to a single final result is carried out. Therefore, the agricultural formations created within the administrative district have the opportunity to more effectively use the economic potential of agricultural producers and processing enterprises at the expense of compactly located coupled productions.

Assessment of the agro-industrial complex of Kazakhstan, which was formed in the process of modernization of the country's economy during the period of market reforms, showed that in this area there is no mechanism for effective relationships between agricultural producers, processors and service enterprises located in the chain of bringing products to the consumer.

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ҚАЗАҚСТАННЫҢ АУЫЛ ШАРУАШЫЛЫғыНДАғы КӘСІПкерлік КӘСІПкерліктің дамыту

Аннотация. Шағын кәсіпкерліктің дамуы республиканың экономикалық дамуының негізгі бағыттарының бірі болып табылады және үлкен әлеуеті мен маңызды қорларына ие. Дегенмен, экономикалық белсенділіктің осы саласы кластерлердің қалыптасуының негізі ретінде табиғи және климаттың болжанбайтын өзгеруіне байланысты көптеген күтпеген тәуекелдердің болуына негізделген ауыл шаруашылығы өндірісінің маусымдық деңгейінен ғана емес, сондай-ақ интегративтік бейімделуге бейім емес аралас экономиканың болуымен қатар бірқатар ерекшеліктерге ие. егер олар кішігірім ауылшаруашылық бизнестегі және басқалардағы еңбекті басқару ерекшеліктеріне жеткілікті түрде негізделмеген болса олардың өндірістік қызмет көрінеді айтарлықтай факторлар.

Түйін сөздер: ауыл шаруашылығы, шағын бизнес, қолдау, бәсекеге қабілеттілік.

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РАЗВИТИЕ МАЛОГО ПРЕДПРИНИМАТЕЛЬСТВА В СЕЛЬСКОМ ХОЗЯЙСТВЕ КАЗАХСТАНА

Аннотация. Развитие малого предпринимательства сельское хозяйство является одним из ключевых направлений экономического развития республики и обладает большим потенциалом и значительными резервами. Однако данная сфера экономической деятельности обладает рядом определенных особенностей, состоящих не только в сезонности производства сельхозсырья как основы формирования кластерных образований и наличия большого числа непредвиденных рисков, связанных с природно-климатическими непредсказуемыми изменениями, но и с наличием многоукладной экономики, собственники которой не склонны к интеграционным процессам, если они к этому недостаточно мотивированы спецификой управления трудом в малом сельскохозяйственном бизнесе и с другими значительными факторами, проявляющимися в их производственной деятельности.

Ключевые слова: сельское хозяйство, малое предпринимательство, поддержка, конкурентоспособность.

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