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# DEVELOPMENT OF FINANCIAL FOOD SECURITY OF THE REPUBLIC OF KAZAKHSTAN

**Abstract.** The article deals with the financial provision of food security of the country, which is an important socio-economic and political factor. It is noted that in the field of food security connected problems of the economy, agricultural development, agricultural market, social status of the population and solvency of consumers, development of the regions of the country. The factors and conditions of food security are considered, among which the need for state support and regulation as one of the important conditions for the development of agriculture and food security of the country is substantiated in detail.

**Keywords:** food security, agriculture, state support, agricultural policy, factors, conditions, financing and crediting of agricultural producers.

**Introduction**. The fall in agricultural production was the result of the destruction of the material and technical base and social infrastructure of the village, reduction of investment activity of agricultural organizations, reduction of soil fertility, violation of the equivalence of exchange, etc. there are new challenges and threats To the sustainable development of domestic agricultural production and food security of the country.

In this situation, the development of the system of its financial support is crucial for achieving food security of Kazakhstan.

It should be noted that in recent years in agriculture there has been a steady trend of reducing budget support for producers and increasing the role of their own sources of financing.

**Material and methods.** The article uses the materials of statistical data and scientific research of scientists in the field of development of agriculture and food security of Kazakhstan.

The paper uses analysis, comparison, as well as economic - statistical and abstract - logical methods.

**Results and discussion.** Throughout the world, much attention is paid to food security.

This is evidenced by the 2002 summit of the Food and agriculture organization of the United Nations (FAO), which not only addressed the issues of providing assistance to underdeveloped economies by developed countries, but also recognized the global nature of the food problem [1].

The emerging lag in world food production from population growth could have a serious impact on the interests of importing countries, which necessitates the development of public policies in the field of food security.

In doing so, a reasonable mix of self-sufficiency and import levels, a policy of cooperation with large food-producing TNCs, and safeguards to ensure that domestic resources can provide food for the country's population should be pursued.

Ensuring food security of the country depends on the level of development of agriculture. In the Republic of Kazakhstan in this sector of the economy there is an extremely difficult situation.

During 1990-2015, the area of agricultural land decreased by 22.7 million hectares (10.6 %); agricultural production at comparable prices decreased by 12,4 % [2].

Significantly reduced the number of livestock, which led not only to a decrease in the production of meat and milk, and to the loss of food independence of the country for these products.

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This trend is observed with a high share of unprofitable agricultural organizations, which in 2010-2018 averaged 30,2 % [3].

The lack of financial resources of agricultural producers leads to tensions with working capital and an increase in debt on Bank loans.

The excess of debt to suppliers over the debts of buyers in agriculture with a low overall profitability of the industry and a sharp decrease in budget financing indicates problems in the field of financial support of agricultural production, the limited sources not only for expanded, but also simple reproduction in this sector of the economy.

In the context of these factors, the development of a system of financial security food security has become a major goal of state economic policy aimed at achieving sustainable growth of domestic agricultural production and dynamic development of the Agroindustrial complex as a whole.

At present, the creation of an effective system of financial provision of food security of the country is impossible without the consolidation of financial resources of the state, agribusiness and other business structures.

Thus, in modern conditions the problem of development of the financial system, food security is of great socio-economic importance for the country's development and requires further theoretical understanding, the development of appropriate methodological support, guidance and practical recommendations to solve it.

Despite the fact that a lot of attention is paid to various aspects of the problem of financial support of agriculture and agriculture in economic science, it should be noted that at present there are no works devoted to the study of the integral system of financial support of food security of the country.

Discussion to be addressed are issues connected with the development of financial food security based on active use of the mechanism of public-private partnerships, as well as the rationale and content of the consolidation of financial resources of the state, agribusiness and other business entities for sustained growth in agricultural production and risk reduction in agricultural sector.

It is necessary to develop methodological and practical recommendations for the creation of a consolidated system of financial support of food security in Kazakhstan in the current world economic trends.

At the present stage of socio-economic development, the problem of food security is becoming increasingly important, becoming one of the key objectives of an effective economic policy.

Ensuring national food security is designed not only to neutralize the existing and emerging threats associated with insufficient in terms of meeting the social needs of the volume of domestic food production, reducing the population's access to basic food, but also contributes to the economic potential of agriculture and the national economy as a whole.

In this regard, ensuring the food security of the country is the most important national interest.

In Kazakhstan, the problem of national food security began to be actively developed in the 1990s. food security Is considered as a necessary condition for the implementation of the strategic national priority-improving the quality of life of Kazakhstanis by guaranteeing high standards of life support [4].

At the same time, it is established that the agricultural sector of the economy plays a crucial role in ensuring food security.

Thus, the above causes the relevance of this problem and the need for scientific research of new theoretical and methodological approaches to the development of a consolidated system of financial security of food security in the new economic conditions.

In the context of globalization of socio-economic processes and the simultaneous strengthening of international competition, the economic policy of the state should be based on the concept of "economically effective and socially responsible state».

In our opinion, the basic components of policy "cost-effective and socially responsible state" are: first, the formation mechanism of partner-parity interaction of government and private entities to promote sustainable and effective economic growth and competitiveness of national production and products; secondly, balance the interests of capital, companies and individuals in the observance of the most important indicators of national economic security with the aim of increasing national strength of the state; third, the formation of a socially responsible model of management of economic systems at different levels in order to improve the level and quality of life of the population.

In the concept of "economically efficient and socially responsible state", the main socio-economic institutions do not reflect the position of business or government, but provide macroeconomic stability, a high final socio-economic result, which corresponds to the interests of society [5].

The state coordinates and influences all elements of social reproduction. It not only weakens the negative impact of the market during the crisis, creating equal conditions for the functioning of all forms of entrepreneurship, but also provides income redistribution to eliminate sharp differentiation in the level and quality of life of the population.

Thus, the transformation of the economic role of the state in modern conditions is not in the increase of its economic functions and not in the uninterrupted state intervention in social production. We are talking about the formation of civil society institutions, the legal framework, indicative methods used by the state to ensure effective socio-economic development of the country.

The state should create economic and institutional conditions for the formation of a competitive environment in the country, the introduction of achievements in the production of STP, the latest technologies that enhance national competitiveness and national economic security.

Today scientific and technical capacity, along with natural and labor resources is the basis of the efficiency of the national economy and is a critical factor in innovative economic growth, as the transition to a new qualitative state increases the importance of innovation and development of high-tech industries. In this regard, the role of the state should be to encourage the accumulation of primarily intellectual capital embodied in the stock of knowledge, education, practical skills, creativity of people, their moral values, motivation, which are used by the individual (or organization) to generate income.

The functions of the modern state also include: subsidizing activities that give positive externalities, creating mechanisms to assign collective benefits from investment or research and development, etc.

A special place in the priorities of the "economically efficient and socially responsible state" is occupied by the issues of food security.

In the developed world, food security as an integral and essential part of economic security is recognized as a national priority with active state participation.

The level of self-sufficiency of 320 food products in countries such as the United States, France, Germany, reaches 100 % and above [6-9].

In modern conditions, the achievement of food security in Kazakhstan should be based on such principles as evolutionism, gradualism, state protectionism in combination with the market mechanism. In accordance with these principles, ensuring food security of Kazakhstan in the medium term (until 2025) should be aimed at achieving food independence of the country for such products as meat, sunflower oil, vegetables. At this stage, the main tasks of ensuring food security of the country are to meet the minimum needs of average Russians in daily caloric content at the level recommended by the Institute of nutrition of the Academy of medical Sciences of Kazakhstan, with the optimal ratio of proteins, fats, carbohydrates and essential amino acids in the diet by increasing its own production, as well as ensuring the economic availability of basic food for the population and import substitution.

In the long term (until 2040), the achievement of food security is aimed at ensuring sustainable development of the agricultural sector of the economy. At this stage (subject to the decision of tasks of the first stage) provided: updating and enhancing the productive capacity of the agrarian sector of economy (recovery of agricultural engineering, ubiquitous network creation mashinno-technological stations and leasing companies); the solution of social problems of the village in combination with rising wages as a key factor in the increase of motivation of labor in the agricultural sector; growth of agricultural production in order to turn Kazakhstan into one of the world's largest exporters of environmentally friendly agricultural products, which is an alternative source of oil and gas replenishment of the budget revenues.

Under the circumstances, the competitiveness of domestic agrarian sector of economy is impossible without forming an effective system of financial support for food security, representing institutionalized a set of interrelated and interdependent motives, rules, activities and partner relations between the state, agricultural and other business organizations focused on financial ensuring food security at all levels.

This approach to understanding its content provides for the establishment of partnership-parity relations between the state and business, as well as the expansion and consolidation of possible sources of financial resources to ensure food security on the basis of stabilizing the level of domestic agricultural

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production and reducing imports, increasing the production potential of the agricultural sector of the economy, the preservation and development of rural areas.

In modern conditions parity-partnership relations are the mechanism stimulating participation of corporations and the private capital in innovative activity that allows the state and economic structures to unite investments, technologies and other resources, to share profit and risks, to promote formation of competitiveness of agrarian sector of economy and at the same time more effective use of budgetary funds.

The methodology of formation of the consolidated system of financial provision of food security is based on the principles of public-private partnership. In our opinion, the main ones are: cooperation (cooperation) between government and business; focus on nationally significant, not private results; economic and social responsibility of partnership entities; efficiency.

Ensuring food security of the country involves the consolidation of financial resources of the state and business. At the same time, consolidation is not just a mechanical connection of many different sources of formation of the system of financial resources (market, government and business) in order to obtain their aggregate value. It is a set of processes of coordination, merger and unification of financial capabilities and resources of the state, agricultural producers, financial and credit institutions and other market actors, contributing to the emergence of a synergistic effect to ensure the sustainability of agricultural production and reduce risks to the agricultural sector of the economy.

It should be noted that the basis for the formation of the system of financial provision of food security on the basis of parity and partnership is the strategy of sustainable development of the agricultural sector of the economy. At the same time, it is necessary to ensure a balance of interests of all participants of the system (the state, financial and credit institutions, agricultural producers and other institutional units). It is the implementation of the principle of balance of interests (with the priority of national interests) that will create conditions for the greatest stability and achieve the full implementation of all the functions of the consolidated system of financial support for food security.

In modern conditions, the most important function of the state is to organize a comprehensive monitoring of the effectiveness of financial security of food security.

Monitoring the effectiveness of financial provision of food security is a system of continuous monitoring, evaluation and analysis of the economic and social effectiveness of food security financing. We consider that it is expedient to carry out it in the following sequence: monitoring of need for financial resources; monitoring of validity and expediency of financing; monitoring of efficiency and effectiveness of financial support.

At the same time, the organization of monitoring the effectiveness of financial provision of food security as an important stage in the development and implementation of strategic directions of state policy, ensuring the economic security of Kazakhstan as a whole, provides for the development of key indicators. In our opinion, it is advisable to divide them into three groups: production (reflect the effectiveness of measures implemented in the field of agricultural production), financial (characterize the possibility of modernization and innovative development of agriculture) and social (characterize the degree of solving social problems in the industry).

Reproduction processes in the agricultural sector of the Russian economy are characterized by the following trends: reduction of the share of agricultural organizations in the gross agricultural output and increasing the role of small farms; low level of investment in agriculture; degradation of the production potential of the industry; reduction in the number of labor resources in rural areas, etc.

The transformational recession that affected the Russian economy was most painfully manifested in agriculture.

The paradox of the food problem in Kazakhstan is that, having a significant production potential, which is one of the most significant in the world, which allows it to solve all the problems of food security and, moreover, to become a major exporter of food, our country does not meet the needs of the population in food, even at the physiological minimum.

There is a decrease in the quantity and quality of food consumed by the population due to low wages, high prices.

In recent years, the state policy to support agriculture in Kazakhstan shows two main trends.

The first is that, despite the growth of total expenditures of the consolidated budget of Kazakhstan, the share of agriculture in actual expenditures decreased.

The second trend is the regionalization of budget financing of agriculture and the corresponding differentiation of territories in terms of support.

Thus, the further development of agriculture and food security of Kazakhstan is impossible without the creation of a consolidated system of financial support. In terms of market relations, the agricultural sector is most affected by negative factors, instability of the external and internal environment. In the near future, it is necessary to switch to an innovative model of agriculture, which will focus on ensuring food security of the country and comprehensive sustainable development of rural areas.

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## ҚАЗАҚСТАН РЕСПУБЛИКАСЫНЫҢ АЗЫҚ-ТҮЛІК ҚАУІПСІЗДІГІН ҚАРЖЫЛЫҚ ҚАМТАМАСЫЗ ЕТУ ЖҮЙЕСІН ДАМЫТУ

**Түйіндеме.** Мақалада маңызды әлеуметтік-экономикалық және саяси фактор болып табылатын елдің азық-түлік қауіпсіздігін қаржылық қамтамасыз ету мәселелері қарастырылған. Елдің азық-түлік қауіпсіздігі саласында экономиканың өзі, ауыл шаруашылығы өндірісін, аграрлық нарықты дамыту, әлеуметтік жағдай, халықтың және тұтынушылардың төлем қабілеттілігі, ел өңірлерін дамыту мәселелері біріктіріледі. Азық-түлік қауіпсіздігін қамтамасыз ету факторлары мен шарттары қаралды, олардың арасында ауыл шаруашылығын дамытудың және елдің азық-түліктік қорғанысының маңызды шарттарының бірі ретінде мемлекеттік қолдау мен реттеудің қажеттілігі егжей-тегжейлі негізделеді.

**Түйін сөздер:** азық-түлік қауіпсіздігі, ауыл шаруашылығы, мемлекеттік қолдау, аграрлық саясат, факторлар, шарттар, қаржыландыру және ауыл шаруашылығы тауарларын өндірушілерді несиелеу

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## РАЗВИТИЕ СИСТЕМЫ ФИНАНСОВОГО ОБЕСПЕЧЕНИЯ ПРОДОВОЛЬСТВЕННОЙ БЕЗОПАСНОСТИ РЕСПУБЛИКИ КАЗАХСТАН

Аннотация. В статье рассмотрены вопросы финансового обеспечения продовольственной безопасности страны, являющегося важнейшим социально-экономическим и политическим фактором. В области продовольственной безопасности страны будут объединены вопросы самой экономики, развития сельскохозяйственного производства, аграрного рынка, социального положения, платежеспособности населения и потребителей, развития регионов страны. Рассмотрены факторы и условия обеспечения продовольственной безопасности, среди которых подробно обосновывается необходимость государственной поддержки и регулирования как одного из важнейших условий развития сельского хозяйства и продовольственной обороны страны.

**Ключевые слова:** продовольственная безопасность, сельское хозяйство, государственная поддержка, аграрная политика, факторы, условия, финансирование и кредитование сельхозтоваропроизводителей.

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