ENSURING FOOD SECURITY IN KAZAKHSTAN: THEORY, METHODOLOGY AND PRACTICE OF AGRIBUSINESS DEVELOPMENT
*M. Seisekenova, M. Kasseinova, S. Abdykalyk, Zh. Assanova
«Zhetysu University n.a. I. Zhansugurov» NP JSC, Taldykorgan, Kazakhstan
e-mail: king_bara@mail.ru

Annotation. The article presents the theoretical foundations and summarizes scientific and methodological provisions on the problems of food security, market development, competition, formation of competitiveness of products, production, and producers in market conditions of management, taking into account domestic and foreign experience. The structure of the country's food potential and elements of increasing its competitiveness are described. The article notes the importance of developing and strengthening the country's agro-industrial complex as the basis for its food supply. The problem of food security in the modern world is primarily related to the problem of hunger and malnutrition of the population, the protection of state interests, including ensuring and maintaining socio-economic stability in the country, and meeting the vital need for food. The article describes the theoretical and methodological foundations of the development of agriculture.

Key words: food security, agriculture, rural development, economy, intensive production, food, economic growth.

In the modern conditions of economic development, enterprises of all forms of ownership and management face many problems of functioning in a competitive market environment. Hence, the main problem, on the solution of which their financial and economic situation depends, is to increase the level of competitiveness. This is the main condition for successful competition of domestic agricultural products in the market and, accordingly, ensuring the country's food security. The competitiveness of the agro-industrial complex in market conditions becomes one of the most important criteria for the economic efficiency of business activities of economic entities and acquires new properties in the system of various types of competition, primarily intra- and inter-industry, as well as in the light of the transition to an innovative way of economic development to ensure the most complete food security of the country.

Main provisions of the article.
Conceptual framework for ensuring the country's food security, taking into account the main factors and risks.

Theoretical and methodological aspects of ensuring the competitiveness of the agro-industrial complex as the basis of the country's food security.

Formation of an integrated management system for the competitiveness of the agro-industrial complex;

Innovative basis for improving the competitiveness of the agro-industrial complex.

Introduction. The problem of food security in the Republic of Kazakhstan first began to pay attention in the 90s of the twentieth century. During the period of socio-economic reforms there was a real threat to the food supply of the country. The destroyed financial and economic, trade and production and economic ties led to a decrease in the production of agricultural raw materials and food in Kazakhstan, to a strong import dependence, as well as to a decrease in the level of food consumption. All this has exacerbated the food security of the country.

Food security of Kazakhstan cannot be ensured without a positive state influence on the agricultural sector of the economy.
State regulation of agricultural production should be understood as a system of legislative, administrative and economic impact of the state on the production, processing and sale of agricultural products, raw materials and food.

The objectives of state regulation of agriculture are:

* - development of agro-industrial production;
* - ensuring food security of the country;
* - regulation of markets for agricultural products, raw materials and food;
* - improving food security of the population;
* - maintaining economic parity between agriculture and other sectors of the economy;
* - convergence of income levels of agricultural workers and other industries;
* - protection of domestic producers [1].

The Republic of Kazakhstan has a high potential for the development of agriculture and can provide the country's population with almost all types of food according to scientifically based standards of nutrition. However, the achieved level of economic development of the country, based on traditional technologies of production and processing of raw materials, does not meet the high demands of the world market and thus hinders the intensive development of the country (Fig.1). At the same time, there is a lag in the processing industry of agriculture, not enough conditions for the national modernization of the economy. As a result, the level of competitiveness of manufactured goods does not meet market requirements, remains unclaimed scientific and technological potential of agricultural science, reduced food security of the country.

![Diagram of food security]

**Figure 1 - Basic aspects of food security**

*Note: compiled by the author on the basis of the material studied.*

**Methodology.** Depending on the tasks to be solved, the following scientific methods were used in the study: abstract - logical, economic-statistical, economic-mathematical, monographic, methods of system and situational analysis, computational and constructive.
Theoretical and methodological basis of the research is represented by theoretical concepts of domestic and foreign scientists-economists, achievements of scientific thought, government documents on economic reform, packages of laws and legislative acts.

The information base of the study was the legislative acts of the Republic of Kazakhstan, the official statistics of the Committee on statistics of the Ministry of national economy, the Ministry of agriculture, the Department of agriculture of Almaty region, monographs, periodicals and online publications.

Results. The structure of consumption of food products by the population of Kazakhstan is irrational. Most of the most important foods are consumed in much smaller quantities than scientifically sound standards. Thus, fish and fish products are consumed 2.2 times less than the norm, eggs-2.7 times, vegetables and melons - 1.8 times, milk and dairy products - 2.1 times, meat and meat products - 2.2 times, sugar - 1.4 times, potatoes - 1.6 times.

In addressing the issue of food security, the country's self-sufficiency in basic food products deserves serious attention. Self-sufficiency in food means meeting the need for it, primarily through domestic supply with minimal dependence on foreign trade [2].

In order to achieve the country's self-sufficiency in food, it is necessary to produce high-quality products in volumes that meet the population's need for it at a threshold level at prices that guarantee the availability of most products for all social groups throughout the country. At the same time, it should be borne in mind that raising the issue of the country's self-sufficiency in food does not mean a policy of autarky and isolation from the world market. World practice has developed a number of important and reliable approaches to solving this problem, among them - flexible and effective protection of domestic producers, regulation of ratios that allow all imports of food products, the production of which in the country is extremely limited or absent, to cover the export of such food products, the production of which is more efficient [3].

Currently, the Republic of Kazakhstan is taking measures to develop agriculture, improve its competitiveness and ensure food security in the framework of the new industrial policy of Kazakhstan, where the development of agriculture is indicated as the first priority direction.

The authors reveal the following forms of state regulation of food security:
- providing state support to agribusiness entities in the form of subsidies (subsidizing loans, reducing the cost of fuel and mineral fertilizers, elite seeds; for breeding in animal husbandry, etc.), public procurement, etc.;
- the use of financial instruments that create conditions for the renewal of fixed assets – agricultural machinery, equipment, livestock;
- use of credit instruments;
- creation of conditions to stimulate investment in agriculture;
- product export support;
- provision of state veterinary, phytosanitary and other services.

The main part is taken by various forms of monetary and other financial support. In general, the amount of budget funds aimed at the development of agriculture of Kazakhstan, increased over 5 years by 2.9 times: from 111.4 billion tenge in 2014 to 318.6 billion tenge in 2019 [4].

These funds should be directed to the implementation of the following measures to restore and sustainable development of agriculture, improve its competitiveness and ensure food security of the country:

1. In order to increase the volume of production to ensure its physical accessibility to the population of the country in the near future, it is necessary to involve in agricultural turnover about 5.0 million hectares of arable land, more than 40.0 million pastures, which will increase the production of crop and livestock [5].
This increase in the use of land in agriculture of the RK possible, as in the Republic, according to the land balance, has 5024,7 thousand hectares of fallow land, of which agricultural land – 3292,5 thousand hectares of reserve lands – 1639,1 thousand hectares, including 586,6 thousand hectares of arable land. It is advisable to place in rural areas, taking into account the specialization of industrial production and subsistence crafts with the use of a special regime of taxation, credit and other benefits. This will reduce the cost and time of delivery of products, and thus improve its quality and competitiveness.

2. Due to the fact that currently more than 50% of agricultural products are produced by small farms, which have small land areas, and therefore they cannot:
- use new technologies and high-performance equipment for the production and processing of products;
- to develop high-quality seed and livestock breeding, production and social infrastructure;
- to receive large loans, since, in practice, do not have a collateral base;
- to improve product quality and be competitive, it is necessary to pay special attention to these farms [6].

And small and private farms often belong to the elderly. There is a tendency of aging of the population of auls (villages) that will lead to further reduction of production in farms of the population. At the same time, the tendency to concentrate large tracts of land in the hands of a limited number of people when another part of the rural population is de-grounded is fraught with a social explosion.

**Discussion.** In modern conditions of economic development, enterprises of all forms of ownership and management face many problems of functioning in a competitive market environment. Hence, the main problem that affects their financial and economic situation is to increase the level of competitiveness. This is the main condition for successful competition of domestic agricultural products in the market and, accordingly, ensuring the country's food security.

The Republic of Kazakhstan has a high potential for the development of the agro-industrial complex and can provide the country's population with almost all types of food according to science-based nutrition standards. However, the achieved level of economic development of the country, based on traditional technologies of production and processing of raw materials, does not meet the high demands of the world market and thus hinders the intensive development of the country. At the same time, there is a lag in the processing industry of the agro-industrial complex, and conditions for national modernization of the economy are not sufficiently created. As a result, the level of competitiveness of manufactured goods does not meet market requirements, the scientific and technological potential of agricultural science remains unclaimed, and the country's food security decreases.

The experience of economic development of the world community clearly demonstrates the increasing role of competition for the country's economy. Ignoring the importance of competition for the agricultural sector weakens the level of production efficiency and leads to an increase in food imports. In this regard, the growth of product competitiveness is a necessary condition for ensuring the country's food security. Methods of competitive struggle are to reduce costs and prices, improving product quality, the extension service, the marketing development etc. At the same time, it is necessary to take into account the industry characteristics of production and consumer demand in markets and their segments at various levels.

**Conclusions.** Food security should be understood as the state of the country's economy, in which, regardless of the situation on world markets, the population is guaranteed by the state a stable food supply in an amount corresponding to scientifically sound standards, that is, supply – on the one hand; and conditions are created to maintain demand and consumption at the level of medical standards – on the other.
The main directions of food security should be: the development of agriculture, ensuring access to food for the population and state regulation of these processes. Food security should be seen as a multilevel hierarchical system with clearly structured objectives. The main goal of ensuring food security of a person, a certain community, a country and its regions should be such availability of food to the entire population in terms of income, allowing everyone to acquire a sufficient amount of high-quality domestic food in market conditions, satisfying the needs and ensuring maximum life expectancy.

The food security assessment should be conducted by a designated body, responsible for monitoring, forecasting and monitoring of the status of food security. In addition to the recommended basic thresholds and indicators of food security assessment proposed in the documents of international organizations and the work of scientists, it should also assess and take into account the country's potential in terms of food security in the following areas and criteria: the production potential of agriculture, estimated by the availability of production capacity, land, labor and financial resources; the level of development and sustainability of agricultural production with an assessment of the actual quality of the available equipment and technologies, financial and economic condition of industries and organizations of agriculture; the quality of agricultural products and food produced by domestic organizations; the scale of imports, including in comparison with its own production and the need of the population in food; the degree of openness of food markets and the mechanism of combating import intervention; the degree of greening of the industry in terms of environmental pollution and the use of prohibited drugs, technologies, including GMPs, growth promoters, antibiotics, etc.; compliance of food safety requirements with legal legislation, the system of regulations, the directions of agricultural policy of the state and global trends and regulations; threats and risks to food security. Evaluation indicators should correspond to the specifics of agricultural industries. The most important of them are presented in the article with the appropriate justification.

Food security is affected by a complex of external and internal, objective and subjective social, economic, organizational, environmental and other factors that are permanent, conditionally permanent and temporary, accelerating or slowing the development of agriculture and the purchasing power of the population. Particular attention should be paid to the risks for making the necessary management decisions, working out measures to reduce the level of internal and external threats and improve the food security of the country, the region, the world community and everyone. It is necessary to assess the stability of the country's economy to changes in natural and climatic conditions and trends in the world food markets; to assess the adequacy and stability of food supply to cities and regions dependent on the supply of food; to form a state information system on food security.

List of references:
4 Нурлихина Г., Ажиметова Г. Н., Ашимова Р. М. Инновационное развитие продовольственного рынка Казахстана. Международный журнал социальной, Поведенческой, образовательной, экономической, Деловой и промышленной инженерии. -2013. -№ 7 (2). -С. 390-397.

**List of references**:

**КАЗАҚСТАННЫҢ АЗЫҚ-ТҮЛІК ҚАУІПСІЗДІГІН ҚАМТМАСЫЗ ЄТУ:**

**АОК ДАМЫТУДЫҢ ТЕОРИЯСЫ, ЭДІСТЕРІСІЗ ЖӘНЕ ПРАКТИКАСЫ**

М. Сейсекенова*, М. Касинова, С. Алықұлық, Ж. Асанова

*A. Жайсұлұнов атындағы Жетісу университеті* КЕ АҚ,

*E-mail*: king_bar@mail.ru

**Түйін**. Макала оқиғасы жоғарғы шектелік тәжірибелер ескеру әртүрлі, шаруашылық жұрғызұлғына нақтырғық ескертілік әр түрлі дамуы, басқестік, өндірістің, нақты әртүрлі әр бір қабілеттілігінің қалпына тағыры проблемалары бойынша теориялық негізі, мен ықтым-дәстемелік ережелер жинақталады. Ең үшін азық-тұлға әлсемдің құрылысы және оның басқеке қабілеттілігінің артықшылығы қалпына келістірілді. Макаланы еліміздің агронересісінің кешенінің азық-тұлғаның қамтамасыз етуінің негізі, ретінде дамуы мен нығайтуының маңыздылығы атап аталған. Қазіргі земледелік азық-тұлға қауіпсіздігі проблемасы, ең алыңды, жаңа құқығы ашық немесе компромис дамуы проблемасы, немесе құқықтық мүдделерді қорғаумен, оның ішінде әлсемдің әлсемді-экономикалық тұрақтылығы қамтамасыз етумен және қол-дауымен, адамның азық-тұлғаның қауіпсіздігін қамтамасыз етумен байланысты. Макалада агронересісінің кешенінің дамуының теориялық және зерттеулердің нәзікшалық негізі жөнін сипатталады.

**Түйін сөзі:** азық-тұлға қауіпсіздігі, АОК, ауыздық аумақтарды дамуы, экономика, қарқында өндіріс, темақ өнімдері, экономикалық оси.
FACTORS INFLUENCING THE DEVELOPMENT OF FOREIGN ECONOMIC ACTIVITY IN THE REGION

*M. Seisekenova, M. Kasseinova, S. Abdykalyk, B. Gussenov
«Zhetsysu University n.a. I. Zhansugurov» NP JSC, Taldykorgan, Kazakhstan
*e-mail: king bara@mail.ru

Annotation. The article discusses the theoretical and methodological foundations of the study of integration processes and their practical testing. One of the most important areas for improving the efficiency of production and the country's economy is the development of foreign economic activity in the region. The activities of the foreign trade operations on the regional level implies economic benefits in the future. Establishing international business relations is necessary in order to increase the volume of exports, and as a result, companies receive more profit. State participation in the development of foreign economic activity in the region is to create favorable conditions for its development at the national (system of support and regulation of foreign economic activity) and interstate (in the framework of cooperation with foreign countries and participation in international organizations and forums) levels.

Key words: foreign economic activity, economic development, regional economy, integration, planning, economic growth, international relations.

The activity of foreign trade operations in the regions implies economic benefits in the future. The establishment of international business relations is necessary in order to increase the volume of exports, and as a result, companies receive more profits. Under the influence of globalization, the point of view is spreading, according to which every state should succeed in all