Approved by order

Minister of Finance

Republic of Kazakhstan

dated \_\_ \_\_2021 No. \_\_\_

**Development plan**

**Ministry of Finance of the Republic of Kazakhstan**

**for 2020 – 2024**

**Section 1. Mission and Vision**

**Mission.** Contribute to improving the welfare of the population and sustainable development of the country in the long term.

**Vision.** The Development Plan of the Ministry of Finance for 2020-2024 aims to achieve the national goal of becoming one of the 30 most developed countries in the world.

Achieving high-quality and sustainable economic growth aimed at achieving the material well-being of people to the level of OECD countries.

**Section 2. "Architecture of the relationship between strategic and budget planning"**

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| **2.1. Target indicators and indicators of the country** | |
| **Development Strategy of Kazakhstan until 2050** | |
| Keep under constant control the level of public debt of the country. | The Government's efforts should be focused on reducing the budget deficit to ensure budget stability and national security in the face of global instability. |
| Carry out the second wave of privatization of non-strategic facilities. | The second wave of privatization is designed to reduce state participation in the economy and create conditions for the development of private business. Private business, interested in maximizing profits in a competitive environment, will expand the range of services and improve their quality. It is expected to improve the quality of services provided, reduce the cost of services through the introduction of competition, increase the volume and range of services provided. |
| Liberalization and optimization of tax, customs and other legislation aimed at reducing the administrative burden on business. | A pragmatic reduction in tax supervision should minimize the contact of business entities with the tax service. The optimization of tax administration processes will continue, including through the further development of the electronic tax reporting system.  Improving the administration of foreign trade operations will be built through the automation and digitalization of the processes for the provision of customs services.  In the field of foreign trade, the number of cargo inspections will be significantly reduced. |
| **The concept of Kazakhstan's entry into the ranks of the 30 most developed countries in the world** | |
| Introduction of universal declaration. | The transition to universal declaration will allow creating a system of effective control of income and property of individuals to combat the shadow economy and corruption, strengthen the role of the state in ensuring the collection of taxes and other obligatory payments to the budget. |
| **National Development Plan of the Republic of Kazakhstan until 2025** | |
| Reducing the "shadow" turnover and creating conditions for conducting a conscientious "transparent" business. | In order to create partnerships in business and reduce the share of the shadow economy, a national goods traceability system is being introduced, which is a set of information systems that provide documentary and physical traceability based on the digitalization of tax and customs administration.  The introduction of end-to-end control from import to the final consumer will increase tax revenues by providing end-to-end control of the movement of goods from import into the territory of the Republic of Kazakhstan to its final sale. |
| Development of internal state audit. | The digitalization of internal state audit will be ensured with the integration of databases of state bodies, the risk management system of electronic state audit, depending on the characteristics of the activities of its objects.  This measure will increase the share of state audit coverage of budgetary funds and risky operations of audited objects. |
| Continue privatization with full transparency of all procedures | The centralized website will provide up-to-date information in Kazakh, Russian, English (if necessary, in other) languages, about plans, procedures, terms, objects, parameters and structure of transactions, the course of pre-sale preparation and transactions, results of transactions.  Potential investors and the public will be regularly informed about the progress and results of privatization.  These measures will help to strengthen public confidence in the state and prevent the unfair redistribution of state property, as well as the assets of national companies in favor of a limited circle of people. |

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| **Strategic directions of the state body** | |
| Strategic Direction 1  "Promoting Financial System Resilience" | Strategic direction 2  "Modernization of the system of administration of state assets and finances" |

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| Goal 1.1. "Ensuring a balanced budget and increasing the efficiency of the use of public funds" | Goal 2.1.  "Improving the efficiency of state asset management" | Goal 2.2. "Creating a favorable business environment and reducing administrative barriers for business and the population" |
| Budget program 002 "Implementation of the audit of investment projects financed by international financial organizations" | Budget program 094 "Management of state assets" | Budget program 205 "Modernization and technical re-equipment of checkpoints at the border" |
| Budget program 006 "Acquisition of shares of international financial organizations" |  |  |
| Budget program 011 "Fulfillment of obligations under state guarantees" |  |  |
| Budget program 013 "Servicing the government debt" |  |  |
| Budget program 019 "Payment of the exchange rate difference on preferential housing loans" |  |  |
| Budget program 030 "Creation and development of information systems of the Ministry of Finance of the Republic of Kazakhstan" |  |  |
| Budget program 042 "Expenses for new initiatives" |  |  |
| Budget program 044 "Repayment of promissory notes" |  |  |
| Budget program 072 "Reforming the tax administration system" |  |  |
| Budget program 099 "Targeted transfer to JSC" Administration of the International Financial Center "Astana" |  |  |
| Budget program 120 "Fulfillment of state obligations under projects of the state  -private partnership |  |  |
| **2.2. Budget programs aimed at solving other tasks determined by the regulation of the state body** | | |
| Budget program 001 "Services to ensure budget planning, execution and control over the execution of the state budget" | | |
| Budget program 010 "Reserve of the Government of the Republic of Kazakhstan" | | |
| Budget program 067 "Financing of political parties" | | |
| Budget program 400 "Subventions" | | |

**Section 3. Strategic directions, macro indicators, goals and target indicators**

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| № | | Indicator | Responsible | The source of information | Unit of measurement | Report  2018  of the year | | Fact  2019 | | Planned period | | | | | | | |
| 2020 | | 2021 | | | 2022 | 2023 | 2024 |
| 1 | | 2 | 3 | 4 | 5 | 6 | | 7 | | 8 | | 9 | | | 10 | 11 | 12 |
| **Strategic direction 1. "Promoting the stability of the financial system"** | | | | | | | | | | | | | | | | | | |
|  | **Macro -indicators** | |  |  |  | |  | |  | |  | |  |  | |  |  |
| 1. | Share of tax revenues of the consolidated budget in GDP | | Vice Minister of Finance  Baedilov K.E. | Administrative data | % | | 17,9 | | 17,8 | | 13,1 | | 13,9 | 14 | | 14,1 | 15,0 |
| 2. | Open budget index | | Vice Minister of Finance Karashukeev E. Sh., Vice Minister of Finance Savelyeva T. M. | Report | Score | | - | | 58 | | - | | 59 | - | | 60 | - |
| **Strategic goal 1.1. “Ensuring a balance between the budget and budget execution”** | | | | | | | | | | | | | | | | | | |
|  | | **Target indicators linked to budget programs** |  |  |  |  | |  | |  | |  | | |  |  |  |
|  | | Growth rate of tax revenues from the non-oil sector | Vice Minister of Finance  Baedilov K.E. | Administrative data | % | - | | - | | 76,3 | | 100 | | | 103 | 104 | 105 |
|  | | Government Debt to GDP Ratio | Vice Minister of Finance Kenbeil D.M. | Administrative data | % | - | | - | | 23,9 | | 24,2 | | | 25,0 | 25,2 | 25,0 |
|  | | Ensuring the elimination of financial violations identified by the results of the state audit | Vice Minister of Finance Kenbeil D.M. | Reporting data | % | 91 | | 92 | | 93 | | 94 | | | 95 | 96 | 97 |
|  | | Timely fulfillment of financial obligations of the state | Vice Minister of Finance Kenbeil D.M. | Administrative data | % | 100 | | 100 | | 100 | | 100 | | | 100 | 100 | 100 |
|  | | Ensuring the stable functioning of the four-tier state budget | Vice Minister of Finance  Karashu-keev E. Sh. | Administrative data | % | **-** | | **-** | | 100 | | 100 | | | **-** | **-** | **-** |
|  | | Improvement of corporate business projects | Vice Minister of Finance  Karashu-keev E. Sh. | Report of the Problem Loan Fund | % | - | | - | | 95,45 | | 97,72 | | | 100 | - | - |
|  | | Reducing discrepancies with Chinese customs statistics | Vice Minister of Finance  Baedilov K.E. | Administrative data | % | - | | - | | 47,8 | | 44,5 | | | 42,5 | 40 | 37 |
|  | | Coverage of universal declaration of income and expenses of individuals | Vice Minister of Finance Baedilov K.E. | Administrative data | % | - | | - | | - | | 3,6 | | | - | 12,6 | 35,3 |
|  | | Share of automated budget and strategic planning processes | Vice Minister of Finance Baedilov K.E. | Administrative data | % | - | | - | | 44 | | 100 | | | - | - | - |
| **Strategic direction 2 "Modernization of the system of administration of state assets and finances"** | | | | | | | | | | | | | | | | | | |
| **Goal 2.1. Improving the efficiency of state asset management** | | | | | | | | | | | | | | | | | | |
|  | | **Target indicators linked to budget programs** |  |  |  |  | |  | |  | |  | | |  |  |  |
|  | | Reduction of objects of republican property | Vice Minister of Finance Karashukeev E. Sh. | Administrative data | % | - | | - | | 80 | | 85 | | | 90 | 91 | 95 |
| **Goal 2.2. Creation of a favorable business environment and reduction of administrative barriers for business and the population** | | | | | | | | | | | | | | | | | | |
|  | | **Target indicators linked to budget programs** |  |  |  |  | |  | |  | |  | | |  |  |  |
|  | | Reducing the time of customs operations at automobile checkpoints | Vice Minister of Finance Baedilov K.E. | Administrative data | час | - | | - | | 2 | | 1 час  30 мин | | | 1 | 40 мин | 30 мин |
|  | | Reducing the time for bankruptcy proceedings | Vice Minister of Finance Baedilov K.E. | Administrative data | кол-во месяцев | - | | - | | 17 | | 16 | | | 16 | 15 | 15 |
|  | | Share of automated public services | Vice Minister of Finance Baedilov K.E. | Administrative data | % | 68,2 | | 71,2 | | 92 | | 93 | | | 94 | 95 | 96 |
|  | | Share of satisfied users of the electronic public procurement system | Vice Minister of Finance Kenbeil D.M. | Administrative data | % | 81,9 | | 82 | | 82,5 | | 83 | | | 83,2 | 83,4 | 83,5 |
|  | | Satisfaction of users of the Financial Statements Depository with the standards of International Financial Reporting Standards and International Auditing Standards | Vice Minister of Finance Kenbeil D.M. | Financial reporting depository | % | 75 | | 81 | | 82 | | 83 | | | 84 | 85 | 86 |

**Section 4 Resources**

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| Resources | Unit of measurement | Reporting period  2018 | Plan for the current period 2019 | Planned period | | | | |
| 2020 | 2021 | 2022 | 2023 | 2024 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Financial | thousand tenge | 2 393 314 657 | 2 677 534 049 | 3 403 842 341 | 3 550 454 220 | 3 770 235 773 | 3 608 539 773 |  |
| Human | amount | 19 883 | 19 883 | 19 808 | 17 218 | 17 218 | 17 218 | 17 218 |