Appendix to the Deputy's order

Prime Minister -

Minister of Finance

Republic of Kazakhstan

dated 5.01. 2024 No. 1

**Development plan**

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

**for 2023-2027**

**Section 1. Mission and Vision**

**The mission.** Contributing to the improvement of the well-being of the population and the sustainable development of the country in the long term.

**A vision.** The development plan of the Ministry of Finance of the Republic of Kazakhstan for 2023-2027 is aimed at achieving the national goal of joining the 30 most developed countries in the world.

**Section 2. «Architecture of the relationship between strategic and budgetary planning»**

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| **2.1. Target indicators and country indicators** | |
| **Kazakhstan's development Strategy until 2050** | |
| To keep the level of the country's public debt under constant control. | 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. |
| A second wave of large-scale privatization is needed. | The second wave of privatization is designed to reduce state participation in the economy and create conditions for the development of private business. Private businesses 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. |
| 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. | Liberalization and optimization of tax, customs and other legislation aimed at reducing the administrative burden on business.  The improvement of the administration of foreign trade operations will be built by automating and digitalizing the processes of providing customs services.  In the field of foreign trade, the number of cargo inspections will be significantly reduced. |
| **National Development Plan of the Republic of Kazakhstan until 2025** | |
| Reducing the "shadow" turnover and creating conditions for conducting a bona fide "transparent" business. | In order to create partnerships with businesses and reduce the share of the shadow economy, the national product traceability system is being introduced, which is a complex of information systems providing documentary and physical traceability based on the digitalization of tax and customs administration.  The introduction of end-to-end control from imports to the final consumer will increase tax revenues by ensuring 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. | Digitalization of the 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 specifics of the activities of its facilities.  This measure will increase the share of state audit coverage of budgetary funds and risky operations of audit facilities. |
| The privatization of legal entities with the participation of the state will continue, ensuring full transparency of all procedures. | The centralized website will provide up-to-date information in Kazakh, Russian, and English, on plans, procedures, deadlines, facilities, parameters and structure of transactions, the course of pre-sale preparation and execution of transactions, and the results of transactions.  These measures will help strengthen public confidence in the state and prevent unfair redistribution of state property, as well as assets of national companies in favor of a limited number of people. |
| The 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 mandatory payments to the budget. |

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| **Strategic objective 1.2. "Ensuring timely fulfillment of financial obligations of the state"** | | | |
| Strategic directions of the state body  Strategic direction 1  "Promoting the sustainability of the financial system" | | Strategic direction 2  "Modernization of the system of administration of public assets and finance" | |
| Goal 1.1.  "Ensuring budget balance" | Goal 1.2. "Ensuring timely fulfillment of financial obligations of the state" | Goal 2.1.  "Improving the efficiency of public asset management" | Goal 2.2.  "Creating a favorable business environment and reducing administrative barriers for businesses and the public" |
| Budget program 013 "Servicing government debt" | Budget program 002 "Audit of investment projects financed by international financial organizations" | Budget program 094 "Management of state assets" | Budget program 205 "Modernization and technical retrofitting of border checkpoints" |
|  | Budget program 006 "Acquisition of shares in international financial organizations" |  |  |
|  | Budget program 044 "Repayment of promissory notes" |  |  |
|  | Budget program 120 "Fulfillment of state obligations on public  -private partnership projects |  |  |
|  | Budget program 208 ""Acquisition of a share in the paid-up authorized capital of the Eurasian Development Bank" |  |  |
| **2.2. Budget programs aimed at solving other tasks defined by the regulations of the state body** | | | |
| Budget program 001 "Services for ensuring 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 099 "Targeted transfer to JSC "Administration of the Astana International Financial Center" | | | |
| Budget program 400 "Subventions" | | | |

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

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| n/  a | **Indicator** | **Responsible persons** | | **Source of information** | | **Unit** | | | **Report**  **2021**  **years** | | | | **Fact**  **2022** | | | **Planning period** | | | | | | | | | | | | | | | | |
| 2023 year | | 2024 year | | | | | 2025  year | | 2026  year | | | | | | | 2027  year |
| 1 | 2 | 3 | | 4 | | 5 | | | 6 | | | | 7 | | | 8 | | 9 | | | | | 10 | | 11 | | | | | | | 12 |
| **Strategic direction 1. "Promoting the sustainability of the financial system"** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | Macroindicators |  |  | |  | | |  | | | |  | | |  | | | |  | | |  | | | |  | | | | |  | |
| 1. | The share of consolidated budget tax revenues in GDP | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 16,6 | | | | 20,5 | | | 19,2 | | | | 20,2 | | | 19,4 | | | | 17,9 | | | | | - | |
| 2. | Budget Openness Index | Vice-Minister of Finance Temirbekov D.O | Report  BCH | | Score | | | 63 | | | | 63 | | | 64 | | | | 64 | | | 65 | | | | 65 | | | | | 66 | |
| **Strategic objective 1.1. "Ensuring budget balance"** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | **Target indicators interlinked with budget programs** | Responsible persons | Source of information | | Unit | | | Report   2021  years | | | The fact  of 2022 | | | | | Planning period | | | | | | | | | | | | | | | | |
| 2023 year | | | 2024 year | | | 2025  year | | | | 2026  year | | | | 2027 year | | |
|  | The growth rate of tax revenues from the non-oil sector | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 122,5 | | | 107,7 | | | | | 124 | | | - | | | - | | | | - | | | | - | | |
|  | The coefficient of withdrawal of customs duties and taxes to the volume of imports of goods from China | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 12,3 | | | 17,2 | | | | | 17,3 | | | 18,6 | | | 18,7 | | | | 18,8 | | | | 18,9 | | |
|  | The share of declarations for goods for which risks have been confirmed from the total number of declarations for goods for which the RMS has worked | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 66 | | | 68 | | | | | 70 | | | - | | | - | | | | - | | | | - | | |
|  | % detected violations to the total number of customs inspections | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 45 | | | 50 | | | | | 55 | | | - | | | - | | | | - | | | | - | | |
|  | The effectiveness of the risk management system in customs declaration | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | - | | | - | | | | | - | | | 62 | | | 64 | | | | 66 | | | | 68 | | |
|  | The share of confirmed amounts identified by the state revenue authorities based on the results of desk control | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 48,5 | | | 51 | | | | | 53,5 | | | 56,5 | | | 58,5 | | | | 62 | | | | 65 | | |
|  | Government debt to GDP ratio | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | 22,3 | | | 21,2 | | | | | 21,2 | | | 21,3 | | | 21,2 | | | | 21,1 | | | | 20,9 | | |
|  | Ensuring the elimination of financial violations identified by the results of the state audit | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | 95 | | | 95 | | | | | 96 | | | - | | | - | | | | - | | | | - | | |
|  | The share of audit activities covered by the electronic state audit to the total number of audit activities | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | - | | | - | | | | | - | | | 23 | | | 26 | | | | 29 | | | | 32 | | |
|  | Ensuring the consolidation of funds from the 4-tier state budget in a Single Treasury account | Vice-Minister of Finance Temirbekov D.O. | Administrative data | | % | | | 1,1 | | | 1,4 | | | | | 1,7 | | | 2 | | | 2,3 | | | | 2,6 | | | | 2,9 | | |
|  | Rehabilitation of distressed assets of the FPC and their involvement in the economic turnover of the country | Vice-Minister of Finance Temirbekov D.O. | FPC Report | | % | | | - | | | 33,3 | | | | | 67 | | | 100 | | | - | | | | - | | | | - | | |
|  | Reducing discrepancies with Chinese customs statistics | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 40,5 | | | 40 | | | | | 37 | | | - | | | - | | | | - | | | | - | | |
|  | Coverage of the universal declaration of income and expenses of individuals | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | 3,8 | | | 4 | | | | | 11,9 | | | 31,3 | | | 100 | | | | - | | | | - | | |
|  | The effectiveness of the enforcement measures taken to reduce arrears | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | | - | | | - | | | | | - | | | 0,7 | | | 0,72 | | | | 0,75 | | | | 0,8 | | |
| **Strategic objective 1.2. "Ensuring timely fulfillment of financial obligations of the state"** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | **Target indicators interlinked with budget programs** | Responsible persons | Source of information | | **Unit** | | | **Report**  **2021**  **years** | | | | **Fact**  **2022** | | | | **Planning period** | | | | | | | | | | | | | | | | |
| 2023 year | | | 2024 year | | 2025  year | | | | 2026  year | | | 2027 year | | | | |
|  | The share of fulfilled obligations within the framework of Kazakhstan's membership in international financial organizations | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | 30 | | | | 35 | | | | 40 | | | 45 | | 50 | | | | 55 | | | 60 | | | | |
|  | Share of paid financial obligations on promissory notes | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | 6,2 | | | | 9,5 | | | | 13 | | | 80 | | 100 | | | | - | | | - | | | | |
|  | The share of fulfilled obligations within the paid-up authorized capital of the Eurasian Development Bank | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | - | | | | - | | | | - | | | 25 | | - | | | | - | | | - | | | | |
|  | The share of investment projects that have been audited | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | | 32 | | | | 24 | | | | 19 | | | 46,1 | | 71,4 | | | | 100 | | | - | | | | |
|  | Share of fulfilled public obligations under public-private partnership projects | The head of the apparatus  E. Egemberdy | Administrative data | | % | | | 41,4 | | | | 53,9 | | | | 66,4 | | | 78,9 | | 91,4 | | | | 100 | | | - | | | | |
|  | Implementation of a targeted transfer to JSC "Problem Loans Fund" to preserve the liquidity of the banking sector | Vice-Minister of Finance Temirbekov D.O. | FPC Report | | % | | | - | | | | - | | | | 100 | | | - | | - | | | | - | | | - | | | | |
| **Strategic direction 2 "Modernization of the system of administration of public assets and finance"** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **Objective 2.1. Improving the efficiency of public asset management** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | **Target indicators interlinked with budget programs** | Responsible persons | Source of information | | **Unit** | | | **Report**  **2021**  **years** | | | | **Fact**  **2022** | | | | **Planning period** | | | | | | | | | | | | | | | | |
| 2023 year | | | 2024 year | | 2025  year | | | | 2026  year | | | | 2027  year | | | |
|  | The share of realizable objects of republican ownership | Vice-Minister of Finance Temirbekov D.O. | Administrative data | | % | | | 98,4 | | | | 97,6 | | | | 91 | | | 92 | | 93 | | | | 94 | | | | 95 | | | |
| **Goal 2.2. Creating a favorable business environment and reducing administrative barriers for businesses and the public** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|  | **Target indicators interlinked with budget programs** |  |  | |  | |  | | |  | | | |  | | |  | | |  | | | |  | | |  | | | | | |
|  | Reduction of the time for customs operations at automobile checkpoints | Vice Minister of Finance E.E. Birzhanov | Administrative data | | min | | 78 | | | 34 | | | | 65 | | | 33 | | | - | | | | - | | | - | | | | | |
|  | Satisfaction of creditors' claims during bankruptcy proceedings | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | 0,7 | | | 1,8 | | | | 2 | | | 2,2 | | | 2,4 | | | | 2,6 | | | 2,8 | | | | | |
|  | The proportion of debtors who have restored their solvency in the rehabilitation procedure | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | - | | | 36 | | | | 37 | | | 38 | | | 39 | | | | 40 | | | 41 | | | | | |
|  | The specific weight of the level of digitalization of tax control measures | Vice Minister of Finance E.E. Birzhanov | Administrative data | | % | | - | | | - | | | | - | | | 53 | | | 7 | | | | - | | | - | | | | | |
|  | The share of public services available in mobile applications | Vice Minister of Finance Kаzdаnbaеv E.Sh. | Administrative data | | % | | 10 | | | 38,7 | | | | 45 | | | 55 | | | 65 | | | | 73 | | | 82 | | | | | |
|  | The proportion of satisfied users of the public procurement process | Vice Minister of Finance Kenbeil D.M. | Administrative data | | % | | 53 | | | 55 | | | | 60 | | | 63 | | | 65 | | | | 67 | | | 69 | | | | | |
|  | Satisfaction of users of the Financial Reporting Depository with IFRS and ISA standards | Vice Minister of Finance Kenbeil D.M. | DFO | | % | | 83 | | | 84 | | | | 85 | | | 86 | | | 87 | | | | 88 | | | 89 | | | | | |

**Section 4. "Resources"**

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| Ресурсы | | Unit | The reporting period  2021 year | Current period plan  2022 year | Planning period | | | | |
| 2023  year | 2024  year | 2025  year | 2026  year | 2027  year |
| 1 | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Financial | thousand  tenge | | 3 463 776 616 | 4 149 169 518 | 7 473 606 353 | 7 915 510 102 | 8 645 202 680 | 10 081 585 482 | 10 081 585 482 |
| Human  numbers | | number | 17 218 | 14 647 | 15 350 | 15 350 | 15 350 | 15 350 | 15 350 |