

Problems of development of agro-industrial complex in the system of food security control

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Abstract. The article is describing the agro-industrial complex (AIC) development in food security control system in Kazakhstan and problems it's facing. Agriculture is considered a key industry of Kazakhstan economy with huge potential and big reserves. The article states Kazakhstan also has a potential to become a world leader on the food market. It observes the ways to increase agricultural production, usage of contemporary technologies, and creating of national competitive brand. It concludes that the sustainable development of agricultural production has to be defined not only organizationally-economic measures, but also level of scientific validity of regional systems of agriculture.

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Introduction

The agro-industrial complex (AIC) is an important component of the national economy including branches on manufacturing of agricultural production, its processing and finishing to the consumer, and also providing agriculture and processing industry by means of production.

The agriculture is one of key industries of economy of Kazakhstan. The level of development of agrarian sector always acted and continues to act as defining factor economic and socially-political stability of the Kazakhstan society.

Main part

Being one of the priority directions of development of economy of the republic, the agriculture has the huge potential and big reserves. Various climatic conditions of Kazakhstan allow to grow up almost all cultures of a moderate thermal belt and to develop animal husbandry [1].

In the Message of the President of the Republic of Kazakhstan N.A. Nazarbayev to the people of Kazakhstan Strategy "Kazakhstan – 2050", noted that large-scale modernization of agriculture, especially in the conditions of growing global demand for agricultural products is necessary.

To become the leader of the world food market and to increase agricultural production, it is necessary for us:

- to increase cultivated areas;
- to provide considerable lifting of productivity, first of all due to introduction of new technologies;
- we have high potential for creation of food supply of animal husbandry of world level;
- have to create national competitive brands with emphasis on environmental friendliness.

As a result to be set a task before our agro-industrial complex – to become the global player in the field of environmentally friendly production.

The increase by 2050 of a share of production of agriculture in country GDP by 5 times has to become result of the taken measures.

In this direction it is entrusted to the Government:

- to accept the new Program of development of agro-industrial complex of the country till 2020;
- to increase by 2020 the volume of the state support of agriculture by 4,5 times;
- to develop system of legislative and economic incentives on creation of averages and the large-scale agricultural productions focused on application of the latest agrotechnologies;

- to enter the raised tax rates on lands which haven't started accustoming during the certain period after their granting [2].

In structure of AIC there are three main spheres, or groups of branches and productions:

1. Agriculture (agriculture and animal husbandry), forestry and fishery;

2. The branches processing agricultural raw materials (the food industry, the branches of light industry connected with preprocessing of flax, cotton, wool, skin, etc.);

3. The industries which are letting out means of production for agriculture and branches processing agricultural production (agricultural mechanical engineering, tractor construction, the mechanical engineering which is letting out the equipment for food and light industry, meliorative equipment, mineral fertilizers, etc.). Within this scope the productions of services providing preparation, storage, transportation and realization of production of AIC [3].

In economic literature of the Republic of Kazakhstan there was a new phrase "food security". This term appeared in the Republic of Kazakhstan recently while questions of "the international food security" is on the agenda at the world community since 70ties. In December, 1974 the United Nations General Assembly approved developed on the basis of recommendations of FAO "The international obligations for ensuring food security in the world". The food security is the complex concept containing at least two senses.

The first is connected with purely economic process of food supply.

The second is caused by importance of food supply for maintenance of national security in its internal and external manifestations [4]. Reliability of food security of the state is caused by a number of indicators the most important of which is the following: level of agricultural production of the country; self-reliance degree food; existence of passing stocks; consumption level of crucial products and degree of availability of the food for the poorest part of the population and the size of this group. On all these indicators position of Kazakhstan is rather serious [2].

The AIC acts as the guarantor of socially-economic stability of society, political and economic independence of the state as provides the country with the food and consumer goods [5].

The food security depends on development of agro-industrial complex of the country. At the heart of ensuring food security the organization of effective work of agro-industrial complex which includes cultivation of plants and animals, and also providing

the agro-industrial enterprises with means of production and realization of end products lie [6].

The state gives full support to agriculture. Every year financing grows. Main objective of agro-industrial complex is providing to 80% of domestic market by own food and domestic products. For today the further program of development of agro-industrial branch is developed. A lot of work in this sphere is necessary [7].

The agro-industrial complex (AIC) has special value in national economy. It is among the main economic complexes defining conditions of maintenance of activity of society. Its value not only in ensuring needs of people in food, but that it significantly influences employment of the population and efficiency of all national production.

Agrarian and industrial complex – the largest of the main complexes in national economy which represents set of branches of the national economy connected with development of agriculture, service of its production and finishing of agricultural production to the consumer.

The main task of agro-industrial complex consists in the maximum satisfaction of requirements of the population in food and consumer goods. The agro-industrial complex was formed as a unit in the mid-seventies when were created financially – technical, scientific-theoretical and socially – economic prerequisites for association of numerous branches of a national economy in a uniform complex [8].

As a whole the food security is the complex concept assuming ensuring physical and economic availability of food for the population in volumes, the range and the quality necessary for healthy activity, taking into account the reached level of the income of the population or their growth due to mainly internal production of food taking into account norms [9].

Food security of the country, being an important component of system of national security, characterizes economic stability and political independence of the state, its ability to provide elementary primary needs of the citizens without damage national – to the state interests.

In economic literature three approaches to research of a problem of food security meet: from the point of view of interests, stability as a result of internal and external threats or independence [2].

Now new tendencies of world agrarian economy and a demography are formed, real development was gained by integration processes in the region, there are global climatic changes. Kazakhstan was included in the Customs Union (CU), during the next period entry into the World Trade Organization (WTO) is planned. However a low labor productivity level in branches, imperfection

of used technologies, a small-scale production don't allow to conduct agricultural production on an intensive basis, to provide the fullest use of material, labor and other resources, to observe ecological requirements. These factors reduce competitiveness of domestic agrarian sector that in the conditions of the WTO and the CU can lead to domination of import of foreign production, replacement of local producers from sales markets. For a role of the largest supplier of products to the world market he has all potential opportunities and prerequisites. The idea of priority development of agriculture, its transformation in powerful agrarian – an industrial complex (AIC), cardinal transformation of branch on the basis of the latest scientifically-technical achievements can and has to become a core of the program of our national development. We need to create equipped state-of-the-art agricultural and economic enterprises, industrial type livestock complexes, greenhouses and processing enterprises. We need to change radically moving system, according to requirements of effective and rational development of agrarian resources of the territory, to turn rural settlements into comfortable settlements, worthy for the population occupied with activity highly productive and bringing in the powerful income [10].

The main limiting factors of development of processing sector are:

- 1) poor quality and deficiency of raw materials, and also backwardness of logistics on preparation, transportation and raw materials storage that results in incomplete load of refinery capacities;
- 2) backwardness of trade-logistic infrastructure that promotes functioning in the food market of a great number of small players and to unreasonable rise in price of production;
- 3) low competitiveness of domestic agricultural products and products of its processing in the internal and external markets;
- 4) difficulties with realization of domestic food products in domestic market because of existence of considerable volume of import.

Meanwhile, it is necessary to strengthen the state control concerning safety and quality of foodstuff with carrying out the laboratory analysis on compliance to requirements of technical regulations, including on existence [2].

It is necessary to work possibility of giving to non-governmental organizations of the status presenting to them the right to hold events for identification of forged food products in the market.

The food security represents difficult system which along with other interconnected systems (political, economic, power, ecological, etc.) is as a subsystem a part of system of national security.

The purpose of system of food security is reliable, sufficient and high-quality providing the population with necessary food.

For achievement of the specified purpose it is necessary to solve a triune problem of providing:

- a) independence of the Republic of Kazakhstan of food import;
- b) stability of agro-industrial complex of national economy;
- c) abilities of AIC to self-development and progress.

Necessary condition of ensuring food security is physical and economic availability of food to the population.

It is necessary to understand existence of food as physical availability of the food in all territory of the country in each timepoint and in necessary assortment. Thus it must be kept in mind that as in structure of consumption of the population in Kazakhstan, especially in rural areas, food of own production have high specific weight, physical availability of the food is defined not only existence of foodstuff in the market, but also possibility of their production in personal subsidiary farms.

The assessment of level of physical availability of the food is carried out by comparison of volumes of the actual consumption by the population of the country of food to standards of their consumption as which it is expedient to use physiological norms of consumption of food the average inhabitant of the country.

We consider that for an assessment of level of security of the country population by food it is expedient to use the following criteria:

- a) production of 80 - 85% of total amount of food by domestic producers;
- b) consumption by the population of food with an optimum level of caloric content (2956 kcal per day);
- c) providing rational structure of food and full satisfaction of requirements of the population according to physiologically reasonable norms;
- e) creation of a filled insurance stock of the food at the level of 25% of the annual volume of consumption of food (90 days);
- e) existence of real possibility of satisfaction of requirement for the food which aren't let out within the country or let out in insufficient quantities, due to import;
- g) per capita production not less than 1 t of grain;
- i) share of agriculture in country gross domestic product (not less than 10%);
- j) import of foodstuff (no more than 20% of physiological norm of consumption);
- k) self-reliance main types of the food;

1) growth rates of outputs of the major food [11].

The agrarian policy of government bodies at the republican and regional levels, directed on prevention of internal and external threats of food security of the country has to include the following complex of actions:

1. Monitoring of the factors defining threats to food security.

2. Development of the system of criteria and parameters of food security of Kazakhstan.

3. Identification of cases of a deviation of the actual or predicted parameters of development of AIC from threshold values of food security, development and realization of the package of measures, directed on prevention or overcoming of threats of food security.

4. Examination of the decisions made on financial and economic questions from positions of national food security.

5. Improvement of system of the economic relations in the sphere of production, purchase, primary and deep processing, storage, transportation and realization of agricultural production.

6. Stimulation of transition of small-scale productions of agro-industrial complex in the specialized middle and large-scale productions, and also transfer of production of animal husbandry and plant growing to an industrial basis.

7. Optimum combination of the state and market price control to agricultural production for the purpose of revival of solvent demand of the population and increase of competitiveness of the domestic food in the internal and external markets.

8. The state support of the income of agricultural producers by the principle of regulation of parity of the prices at an exchange of production of agriculture and industrial branches of AIC.

9. Introduction of system of the minimum support prices providing to agricultural producers sufficient level of profitability.

10. Implementation of the flexible taxation of agricultural producers, granting tax privileges to those producers which make investments in development of priority branches and products, or adhere to the principle of a sustainable development of production with observance of environmental standards.

11. Moderate protectionist policy on protection of interests of domestic producers.

12. Creation of the uniform food market of CIS countries with gradual refusal of the customs duties and collecting and coordination of price policy.

13. Modernization and modernization of the enterprises of processing industry, introduction of

advanced technologies and control systems of quality.

14. Import stimulation:

a) cars and the equipment intended for the enterprises, making means of production for the agrarian and industrial complexes enterprises;

b) sets of means of production for perspective industrial manufacturing techniques and agricultural products processing;

15. Breeding animal highly productive breeds and seeds of high-yield and high-protein crops.

16. Patents and the licenses promoting radical scientifically – to modernization of branches of agrarian and industrial complex.

17. Increase of investment appeal of agro-industrial complex, introduction of tax and other privileges which will promote re-equipment financially-technical base of agrarian and industrial complex, to formation of uninterrupted system of production, collecting and processing of agricultural raw materials, its delivery to the processing enterprises and end users.

18. Selective state support of the effective productions possessing an import-substituting and export potential.

19. Regulation of volumes of export and import on the main strategic types of the food: to grain, meat, milk.

20. Implementation of target programs for restoration and development of such branches, as production of sugar beet, oilseeds, oils, meat, milk and baby food.

21. Creation of an extensive network of procuring points in all rural settlements of the republic, the remote areas and distant-pasture sites with high concentration of sources of agricultural raw materials.

22. Stabilization of the food market by the organization of purchasing and commodity interventions [6].

Compliance of quality of food made and realized in Kazakhstan to the international quality standards and to safety of foodstuff of the ISO 9001 - 2009 and ISO NASRR 22000 - 2005 series is a necessary condition of preservation of the reached volume and expansion of production of competitive food production with orientation to export and ensuring national food security [2].

The government of RK needs to provide strict observance of Rules of a turn of genetically modified objects, and also compliance of agricultural production for which production biologically active supplements, growth factors, synthetic means, etc. to requirements of the Ecological code of RK and the Law RK "About Safety of Food Products" are used.

The perspective agriculture of Kazakhstan is expected by big changes. Unlike the existing program thanks to which labor productivity and an export share are increased, and the reached outputs allow to provide completely requirement of domestic market, in new the emphasis is placed on creation of conditions for increase of competitiveness of AIC subjects to make agrobusiness more profitable and less risky. Strategic objectives on large-scale modernization of agriculture were set by the Head of state, this task is carried out, ahead – consecutive and concrete implementation of the program.

Absolutely new direction of the state support of AIC subjects is financial improvement. It will be carried out through restructuring, refinancing, financing of the credits and projects, and also financing of agricultural producers on repayment of available debts. Thus, the state will be able to facilitate credit loading and to avoid financial instability of a large number of AIC subjects [12].

There is growth of the population of the country to an intensive gain of consumption of food and change of structure of consumption towards better products. The agriculture role for providing the country with the food, growth of employment of the population and economic development of the republic was repeatedly emphasized with the Head of state.

In the XXI century preservation and increase in rates and volumes of use of fertilizers and other means of chemicalization in developing countries is a basis of essential increase of productivity of crops, increases in gross collecting grain and other production of plant growing, ensuring requirements of the population in food.

At determination of outputs of the crop production necessary for satisfaction of requirement of mankind in food, it is necessary to recognize that production of agricultural production, raw materials and the food it has to be increased at simultaneous increase in population and arable land reduction counting on each inhabitant of a planet [3].

Along with international and national, there are also regional problems of the food security which specifics will be defined by the following circumstances:

1. One of the main conditions of national food security is self-sufficiency by main types of the food. However in force of natural and climatic and other features of many regions performance of this condition not only is difficult, but also is economically inexpedient. In this regard at regional level such indicators of food security, as volumes of passing stocks of grain and the average level of its per capita production as some regions have no conditions for development of production of grain are inapplicable.

2. In Kazakhstan owing to objective conditions (natural-climatic, economic, existence of agricultural grounds, etc.) historically there was a division of regions on making and consuming the food. Therefore at regional level it is expedient to talk not only about food self-sufficiency, but also about food dependence of the region. It concerns, first of all, the regions feeling constant need for external deliveries of the food due to low security with own resources. For such regions import of the food is the main instrument for ensuring of food security.

3. The food security of the country is a component of national and economic security. For its providing the state uses a number of means and the methods which considerable part isn't applied by regions (for example, is customs – tariff policy, the most part of taxes and fees, etc.). Besides in regions the problem of creation and maintenance at necessary level of strategic stocks of the food isn't necessary [7].

Conclusions

The sustainable development of agricultural production has to be defined not only organizationally-economic measures, but also level of scientific validity of regional systems of agriculture. Now the recommended systems in many cases don't provide rational use is soil-climatic resources, effective application of means of an intensification of agriculture, reproduction of fertility of soils, ecological balance. In this regard when developing strategy of development of agro-industrial complex it is necessary to use ecological approach to agricultural production.

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