

# Budgeting in Kazakhstan:

## Results of the Implemented Reforms and Future Plans

---

Ministry of National Economy  
of The Republic of Kazakhstan

# Budget Reforms in Kazakhstan since 2007

## The Concept for the Implementation of Performance-Based Budgeting

2007

2008

### The 2008 Budget Code

- Established the foundation for transition to **Performance-Based budgeting (PBB)**
- Transition to a **three-year budgeting**
- A State Planning System was introduced

## The concept of a new Fiscal Policy

2013

2020

- **2014 - 2017** – Formed foundations for ensuring the **balance of State Finances** and Budget Efficiency
- **2018 - 2020** – Steps have been taken to strengthen the **Sustainability of State Finances**, **Accrual Accounting** has been adopted in accordance with International Standards, which improves the quality and transparency of State Finances

## The Concept of Public Finance Management until 2030

2022

- Established new tools State Finances Management to ensure a **lean and responsible Budget Policy**
- Predetermined necessity for expansion of the Budget Code regulation field, shifting the focus of Budget Policy from Budget Parameters to expansion of State Finances consolidation basis and their management, as well as taking further measures to strengthen the principles of PBB

2018

## OECD experts conducted a Review of Budget Management in Kazakhstan:

- **47 recommendations** were made in **11 areas in terms** of budget planning and execution, increasing the transparency of Budget information, participation of Parliament and the Supreme Audit Chamber, inter-budgetary relations
- The results were applied in the development of **the Concept of Public Finance Management in the Republic of Kazakhstan until 2030 (CPFM) and the new Budget Code**

# Budget Policy Objectives (CPFM)

«The basis of fiscal policy should ensure macroeconomic and budgetary stability in the short term, contribute to achieving budget sustainability in the medium term and meet the Government's long-term development goals»

*From CPFM*

1. Building a solid **foundation for Fiscal Policy**
2. Improving the efficiency of planning and use of budget funds **by strengthening the PBB and new tools for managing results**
3. Ensuring **accountability and transparency** of participants in the budget process and the Government as a whole
4. Ensuring consistency with ongoing reforms:
  - Improvement of the State Planning System
  - Administrative Reform on decentralization of public administration

# Expansion of Citizens participation in the Budget Discussions

---

- The Law on Public Councils was adopted in 2015  
Express civil society opinion, ensure public control, accept citizens' appeals and consult them, make proposals
- Since 2016 the Heads of State bodies hold annual report meetings with population, and the meetings are broadcasted online
- Since 2018 an independent Local Self-Government Budget has been introduced at the level of villages (with a population of at least 2 thousand people)  
The population in the villages directly participates in the formation of the local Self-Government Budget draft and consideration of its execution report
- Since 2019 the Budget of Public participation has been formed at the city level  
Citizens are directly involved in the distribution of the local Budget
- Since 2021 direct elections of Akims of districts, villages, towns, rural districts have been introduced

# The New Budget Code

---

## ➤ Improving the quality of strategic and Budgetary Planning

- Implementation of Cost Overview (*budget, strategic, investment*)
- Enhancing accountability through government bodies hearings in Parliament
- Strengthening the role of Parliament

## ➤ Public Finance Management

- Long-term forecasting for 10 years
- Budget planning within the framework of Budget rules
- Formation of consolidated information on debt obligations of the Public Administration sector
- Consolidation of extra-budgetary funds
- Analytical report on budget risks
- Analytical report on tax expenses

## ➤ Transparency and Openness

- Publication and discussion of Budget documents



**Thank you for attention!**