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FIDUCIARY SYSTEMS ASSESSMENT

KAZAKHSTAN SUSTAINABLE LIVESTOCK DEVELOPMENT PROGRAM

PROGRAM FOR RESULTS

(P170365)

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The World Bank

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A. Fiduciary Assessment Scope and Conclusions

The fiduciary systems assessment (hereinafter referred to as FSA or assessment) has been carried out in accordance with the Bank Policy Program-for-Results¹, and the Bank Directive Program-for-Results², to determine whether the Program fiduciary (procurement and financial management) systems and governance framework are adequate to support the implementation of the proposed Kazakhstan Sustainable Livestock Development Program for Results (hereinafter referred to as the Program).

The assessment scope covered Program's institutional framework and anti-corruption aspects, systems and fiduciary capacity of the key institutions directly responsible for the PforR Program implementation: the Ministry of Agriculture (the MoA), the Veterinary Committee of the MoA, the State Owned Enterprises (the SOEs), namely National Agrarian Scientific-Educational Center (hereinafter referred to as NASEC) and its subsidiaries; as well as local government bodies (oblast akimats). The MoA will take a full responsibility for the implementation of the Program and agreed fiduciary actions. The FSA includes a summary of identified key risks and respective mitigation measures, together with institutional strengthening actions reflected in the Program Fiduciary Action Plan.

The assessment concludes that the Program fiduciary systems identified during the assessment, in general, provide reasonable assurance that the financing proceeds will be used for intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability, subject to implementation of the recommended fiduciary actions as outlined in the Program Action Plan.

B. Risk Assessment

The Program's Fiduciary risk rating is Substantial. The analysis took into consideration, the Bank's knowledge of the agriculture sector, information provided by the government's institutions responsible for the Program implementation, information available on public domains, reviews of audit reports, the results of field visits undertaken during the assessment, as well latest PEFA 2018, and MAPS 2019 assessment of Public Procurement System of Kazakhstan.

Several fiduciary risks were identified during the assessment, which include the following main risks: (i) potential underfunding of the Program due to large variances between the budget requests and approved budgets; (ii) high share of single source method (around 80%) applied by government implementing agencies in the total annual procurement.

C. Review of Public Financial Management Cycle

The Program involves the following fiduciary systems: the national (central and local) Public Financial Management System (PFM) as well as the systems of participating SOEs.

The national PFM system in Kazakhstan is considered overall adequate, with many aspects regulated by the Budget Code, dated December 4, 2008, revised in October 28, 2019, Law on State Audit and Financial Control enacted in November 2015, Law on State Property dated March 1, 2011 as amended in December 26, 2018, Public Procurement Law (PPL) dated December 4, 2015 as amended October 28, 2019 and Law on Combating Corruption, dated November 18, 2015 as amended August 1, 2019.

In general, the credibility of the central budgets is overall adequate with less than 7% of deviation of actual expenditures from originally approved budgets, except for FY2017 with 29% deviation (Sources: the MoF budget execution reports and PEFA 2018) mostly due to the support needed for the country's distressed banking sector recovery. In the meantime, the analysis (Data Source: *The MoF and MoA*) of the FY2017 and FY2018 budget allocations for those sub-programs of the Agro-Industrial Complex Development state program that are supported by the P4R indicate considerable favorable variances between the original and revised budgets (details are provided in *Planning and Budgeting* section). The observed variances also affect

¹ November 10, 2017

² June 20, 2019

a proper procurement planning and efficiency of subsequent bidding process since the procurement plans should be modified along with the revised budget allocation.

Budget execution is facilitated by adequate Integrated Information System of Treasury (IIST), with overall adequate internal and commitment controls exercised by the central treasury system. Starting 2018 all the local government systems are connected to Treasury-Client information system. Considering the adequacy of the state treasury system, starting 2015 all the Designated Accounts of the World Bank financed projects have been operating in the state treasury system.

The government is making progress in the adoption and application of International Public Sector Accounting Standards (IPSAS), taking steps in transition from cash accounting to full accrual accounting. Preparation of a consolidation of public sector financial statements (including SOEs) is targeted to commence in 2020. Some work on the valuation of non-financial assets has been undertaken in preparation for this, but it is recognized that completion of this task will take a considerable time.

Although the Program control environment poses challenges, the country's laws and regulations overall provide for a comprehensive control framework with implementation of process automation and with greater reliance on "ex-post" controls exercised by public auditors, which in general operate objectively and are assessed as an overall reliable detection and reporting system for the Program.

Public internal and external audits coordinated by Committee for Internal Public Audit (hereinafter referred to as CIPA) of the Ministry of Finance (hereinafter referred to as the MoF) and Accounts Committee for the Control Over Execution Over Republican Budget (hereinafter referred as to Accounts Committee) are overall satisfactory using a risk-based audit approach and has an acceptable level of completing of planned audits and follow-up on audit recommendations. Meanwhile the external public audit is not fully independent. It is independent from the government in the performance of its audit work, while its budget is controlled by the government. Public internal audit is functioning since 2017 with separate internal audit units existing in line ministries, including the MoA, and oblast akimats. The participating SOEs have their own adequately functioning internal audit units, and they are also subject to public audits exercised by the state audit authorities, as well as independent external private auditors.

The legal procurement framework is relatively well established, with an adequate hierarchy and corresponding precedence levels (PPL, regulations, instructions, standard templates), all of which are freely accessible at the public procurement web portal www.goszakup.gov.kz. The government has also developed a public procurement web portal (a full-fledged single-window e-procurement system), which has allowed for increased transparency in the disclosure of procurement documents, procurement notices and the government's main decisions with respect to procurement. This open public platform, with free access to the most recent public procurement rules and regulations, is a major step towards achievement of the PPL's principle of transparency in public procurement. The legal framework provides a broad description of permissible procurement methods and their procedural requirements. Tender documentation available through the portal includes model procurement documents and standard contracts for all types of procurement except consulting intellectual services.

D. Procurement Exclusions

The largest share of the program expenditures (85.7%) will be allocated to support activities under farmer-centric service delivery model and will represent affordable financial services for agriculture producers in form of matching grants for investment assets as well as cattle headage payments³, which as per the government budget classification is referred to as subsidies⁴, which are provided through oblast akimats. The procurement profile of the Program is specified in procurement planning section below.

³ As referred in *Table 2. Program Boundary Definition* of the Program Scope in the PAD.

⁴ The FSA uses the government terminology (subsidy) through the assessment text when referring to the above matching grants and cattle headage payments.

Based on the analysis of the procurement profile of the Program specified in procurement planning section below, no large contracts valued at or above the Operational Procurement Review Committee (OPRC) thresholds are envisaged under the program.

E. Planning and Budgeting

E.1. Adequacy of Budgets

The assessment confirmed that the existing budgeting and planning arrangements at the central, local (oblast akimats) government and SOE levels, are in general in compliance with applicable budget legislation and rules and procedures and are expected to be executed overall in an orderly manner.

The Program cost is established to be around USD 2.02 billion. The Expenditure Framework specifies that the Bank funds will support the government program that is financed mainly from the republican budget. The analysis of economic classification of the Program expenditures indicate that the majority (85.7%) of the Program expenditures will be subsidies through oblast akimats. Another largest share (around 10.9%) of the Program expenditures are for services. Goods constitute around 2.3%, while the salary and associated taxes and charges are 1.2% (the detailed economic classification with respective budget codes are presented in Annex 4).

By the time of the assessment, the Program has not yet been identified in the state budget and is expected to be done after it is effective. The Program budget will be reflected in the government budget as a separate line in the revenue side, while its expenditures will be consolidated along with the existing budget lines of the MoA's programs that are supported by the Program. The respective revenue and expenditure amounts under the Program relevant to SOEs and local government bodies will be reflected in their respective budgets as soon as those are included into the republican budget.

The planning and budgeting process of the republican budget is formed on the basis of the country's social-economic development forecasts, the budget law, and in compliance with the requirements of the Budget Code. The original budget is prepared based on budget requests and is subject to revisions twice a fiscal year. The budget allocation requests are prepared by line ministries and other administrators of budget programs and included in the republican budget to be approved by the Parliament after it is agreed with the MoF. The Parliament approves the annual budget as well as the rolling budget for subsequent two years. The 3-year budget for 2020-2022 is not yet aligned with Program budget and will be revised after the Program effectiveness.

The planning and budgeting process of local budgets is overall in compliance with the requirements of the Budget Code and respective regulations. The budget requests for subsidy transfers and veterinary services and vaccines are prepared based on the local government bodies' (oblast akimats) proposals, which however is grounded on availability of funding from the republican budget rather than on the actual demand, in particularly for investment subsidies in agriculture.

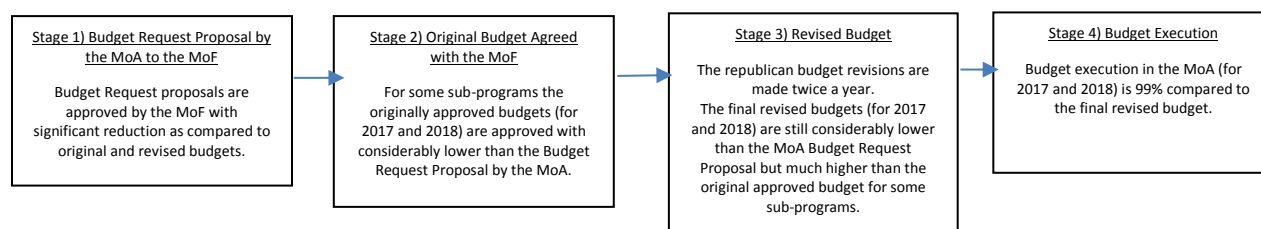
At SOEs level the budget allocation requests are prepared by relevant departments of SOEs, verified by budget committees, and approved by the SOEs management. The approved budget allocation requests are channeled to the MoF via the MoA and are included in the republican budget for financing the MoA's respective budget programs to be implemented by the SOEs.

In general, the credibility of the central budgets is overall adequate with less than 7% of deviation of actual expenditures from originally approved budgets, except for FY2017 with 29% deviation (6.7% in 2016, 29% in 2017 and 4.1% in 2018. Sources: *MoF budget execution reports and PEFA 2018*) mostly due to the support needed for the country's distressed banking sector recovery.

The analysis (*Data Source: The MoF and MoA*) shows a considerable adverse variance between the final budgets agreed with the MoF as compared to the initial budget request proposal submitted by the MoA. In particular, the variance for FY2018 was 25%, for FY2019 is 19%, for 2020 is 45%, 2021 is 54% (*Data Source: The MoA*). On the other hand, the analysis of the FY2017 and FY2018 budget allocations for those budget programs of the Agro-Industrial Complex Development state program that are supported by the P4R

indicates considerable favorable variances between the original and revised budgets; i.e. revised budgets are higher than the original budgets (the detailed analysis is presented in Annex 3 as well as in diagram below). In particular, large outturns were observed under financing of knowledge and research (increased by 79% in 2018, and by 42% in 2017), and subsidy payment (No. 250 and 053) budget programs (11.8% in 2018 and 76% in 2017). Similar trend was observed under budget program No 249 (which includes veterinary services) in 2017, when the variance was 42%, with almost no variance (0.1%) in 2018. This observation indicates that the MoF provides limited allocations during the original budget approval stage, while increases the funding later during the subsequent budget revisions based on availability of additional funds and prioritization. Some additions, particularly relating to subsidies, are made during the budget revision in the second half of the year considering the actual level of demand at that time, thus putting a time pressure on the utilization of the funds. In the meantime, although the above trends indicate relatively low degree of predictability of budgets in agro-industrial complex, **it is noteworthy to indicate that there are no material variances between the revised approved final budget and the released funds** during the above period (details are presented in Annex 3).

Among the potential reasons for such material variances are the country’s changing priorities, insufficient level of budget revenues, as well as improper planning. The latter was specifically commented by public audit authorities, who in particular indicate a lack of systemic approach for needs’ planning in veterinary drugs and vaccines.



The above observations may constitute a potential risk for insufficient level of the funding for the proposed Program.

E.2. Procurement Planning

E.2. 1 Procurement planning under the public fiduciary system

Public Procurement legal and regulatory framework allows for a relatively realistic preparation of annual procurement plans based on budget allocations. The MoA prepares its plan in two stages: a preliminary procurement plan upon receipt (by October every year) of information about their indicative annual budget allocation, and then the final procurement plan upon receipt of final budget allocation approval (by the following January). Once the budget is committed under an activity, the MoA may start procurement. **This confirms the strong linkage between the approved and released budget and the final annual procurement plan.** Funds for the MoA public procurement contracts are secured from the state budget by the MoF Order through which the annual procurement plan is approved. The e-procurement information system (www.goszakup.gov.kz) is well integrated with the public financial system and the budget process.

In preparing the procurement plan, the MoA collects information with regard to the needs of the various departments within the Ministry and its structural divisions at the local level. Procurement plan contains information in line with the requirements of the PPL, i.e. including the subject matter of procurement and its reference number, estimated value, method of public procurement procedure. The procurement plan is published on the web Portal. The structural agencies subordinate to the MoA, local governments (akimats) as well as some SOEs (including NASEC and its subsidiaries) follow the same procurement rules and regulations of the PPL.

E.3. Procurement profile of the Program

The share of procurable items under this Program is about 13.2 percent (10.9 percent services and 2.3 percent goods) of the total amount of the Program Expenditure Framework. The share of possible procurable items

under this Program is about 13.2% (10.9% services and 2.3% goods) of the total amount of the Program Expenditure Framework. The Program will include procurement of the following activities: (i) products and attributes for veterinary use for identification of farm animals, (ii) creation and or publication of agricultural GIS maps, (iii) maintenance of the information systems, (iv) knowledge dissemination services for agribusiness entities and scientific research. It is to highlight that this identified procurement profile was financed and implemented by the existing Government Program for the years 2017-2019.

The detailed analysis of the procurement conducted through a competition (open tender, auction) for this last three years shows that the majority (about 90% for goods and about 80% for services) contracts for procurement categories to be financed under this Program are below USD 1.0mln.

Share of procurement by contract size for 2017-2019 excluding direct contracts established by PPL

Contract type	Contract size	Number	Share
Goods	< 1 \$US million	46	88%
Goods	> 1 \$US million	2	12%
<i>Sub-total:</i>		48	
Services	< 1 \$US million	7	78%
Services	> 1 \$US million	2	22%
<i>Sub-total:</i>		9	
Total:		57	

In addition, the detailed analysis of the confirmed procurement profile for 2020 and planned procurement profile for 2021-2025 shows the same trend: the majority (about 90% for goods and about 80% for services) of contracts for procurement categories under the Program are below USD 1.0mln.

Share of procurement by contract size for 2021-2025 excluding direct contracts established by PPL

Contract type	Contract size	Number	Share
Goods	< 1 \$US million	70	87%
Goods	> 1 \$US million	10	13%
<i>Sub-total:</i>		80	
Services	< 1 \$US million	12	80%
Services	> 1 \$US million	3	20%
<i>Sub-total:</i>		15	
Total:		95	

The result of the analysis shows that high portion (about 45%) for the last three years of contract awarded through direct contracting following the applicable provisions of the PPL (Article 39 (3)(27)), which states that “acquisition of goods, works, services by a state body from joint stock companies and economic partnerships, one hundred per cent of voting shares (portions in the authorized capital) of which belongs to the state, whose corresponding powers are determined by laws of the Republic of Kazakhstan, State Orders of the President of the Republic of Kazakhstan”. Thus, application of the direct contracting is technically justified by using the other law and state orders regulating Animal Disease Diagnostic government system.

Share of procurement methods by number

Procurement method	2020-2025	2017	2018	2019
Open tender/ Auction	58%	55%	55%	55%
Direct Contracting	42%	45%	45%	45%

The review of the signed contracts for the last three years shows that 97% of contracts were awarded to the national suppliers.

Share of local and foreign suppliers/contractors by number

Residency	2017	2018	2019
Local companies	97%	97%	97%
Foreign companies	3%*	3%*	3%*

*the contracts were signed through direct contracting by applying the relevant PPL provisions after a failed competitive auction process.

The detail of the procurement profile analysis is presented in Annex 5.

F. Budget Execution

F.1: Treasury Management and Funds Flow

Budget execution, including cash planning and monitoring has been considerably facilitated by adequate Integrated Information System of Treasury (e-minfin), with overall adequate internal and commitment controls exercised by the central treasury system. The automated information system has a module for treasury in which all expenditure and revenue are registered as transactions take place, and which prevents the execution of any payment, which is not provided for in the budget. Starting 2018 all the local government systems are connected to Treasury-Client information system. The Treasury Single Account (TSA) of the MoF is maintained at the National Bank of the Kazakhstan (NBK), which holds the budget accounts for central and local government bodies, including the MoA and akimats. In the meantime, the SOEs maintain their accounts in commercial banks. Considering the adequacy of the state treasury system, starting 2015 all the Designated Accounts of the World Bank financed projects have been operating in the state treasury system. The information on SOEs accounts held at commercial banks is available at Bank-Client systems of respective commercial banks, which is not linked to the state treasury system, and given this, the SOEs accounts are not traced in the treasury system.

In the past few years, the local financial services sector had been experiencing distress, which resulted in bankruptcy of a number of commercial banks. One of the major challenges in the sector is considerable level of non-performing loans (NPL), amounting to 1,016.3 bln. KZT or 7.4% of the loan portfolio, with some improvement from the previous year level of 9.3% of the loan portfolio (*Data Source: NBK*). The NPL level in agriculture sector financing is between 6-8%.

NBK takes some steps to improve the banking sector situation in the country. In particularly the Assets Quality Review (AQR) has recently taken place at 14 largest banks that constitute about 87% of the assets of the country's banking sector. The objectives of the review were: (i) to ensure the transparency of the entire banking system via improving the quality of accessible information on the major banks' financial status; (ii) to reinforce financial stability via developing and introducing corrective measures aimed to improve the

banks' financial status (if necessary); and (iii) to increase the investors' and clients confidence via demonstrating reliability of the Kazakhstan-based banks.

The Program will rely on the existing treasury management and funds flow arrangements applicable to the government program. The Program's funds will be disbursed upon achievement of the DLIs. Evidence of achievement will be based on the MoA's and/or the other implementing agencies' respective technical documentation and will be verified by the IVA following the Verification Protocol. The Bank will review the documentation submitted and will reserve the right for further due diligence on the robustness of data as needed. After the Bank formally considers the DLI(s) met, it will then issue an official letter to the government confirming the achievement of the DLI targets and the value of disbursement. For the disbursement of the respective amount, the MoA then will submit a Withdrawal Application (WA), accompanied by the Bank confirmation letter on achievement of the DLIs. The transfer of the Program funds by the MoF to Program implementing entities will be conducted following the standard state budget execution procedures, applied under the ongoing government program, through which the implementing agencies receive respective funds on their accounts in the treasury and banks. It was noted that during last few years under observation overall the budget release is made by the MoF timely as per the approved budget throughout the fiscal year.

The achievement of time-bound DLIs must happen by the deadline for achievement as outlined in the DLI matrix in the PAD. For non-scalable DLIs, the Bank will disburse the DLI value only upon full achievement of the DLI targets. For scalable DLIs, the World Bank will disburse against the formulas as set out in the DLI matrix.

F.2: Accounting and Financial Reporting

The assessment confirmed that in general the central government's accounting and financial reporting systems are overall adequate with adequate records to be maintained for the Program. The government agencies, akimats and the SOEs utilize automated accounting software, which are overall adequate for the Program accounting and financial reporting. The central government is making progress in the adoption and application of International Public Sector Accounting Standards (IPSAS), taking steps in transition from cash accounting to full accrual accounting, meanwhile PEFA notes that public accounting and reporting system still needs to be improved especially in terms of completeness and full compliances with IPSAS. Preparation of a consolidation of public sector financial statements (including SOEs) is targeted to commence in 2020. Improvement of the financial statements has been and remains a priority of MoF. The annual financial statements published by each line-ministry are regulated by MoF Order 468 of 1 August 2017. These annual financial reports comprise a budget execution report, balance sheet including long-term liabilities, a cash flow statement and a statement of changes in net assets together with explanatory notes.

The accrual basis accounting has consistently been applied since 2018, and most mandatory information has been provided including notes to the financial statements. Meanwhile the government's annual budget execution reports include only the details of revenue and expenditure required to comply with IPSAS. The reports cover also transfers to de-centralized units, local government as well as SOEs. Actual figures are compared with budgets annually. The explanations for significant variations from budget are required and are provided at the end of each fiscal year. Meanwhile, the emphasis is placed upon comparisons of actual figures with the revised budget rather than the originally-approved budget.

In-year budget execution reports published by the MoF on a monthly basis show the breakdown of revenue and expenditure comparable with the budget in terms of administrative, functional, economic and programmatic classification. The government annual and in-year execution reports are prepared timely. The annual report is submitted to Accounts Committee by 25th of March of the subsequent years, with no delays.

The accounting and financial reporting arrangements at the SOEs, participating in the Program are also overall adequate, with financial reports prepared and submitted timely. The SOEs prepare financial statements in accordance with International Financial Reporting Standards (IFRS) and are audited by private sector auditors applying International Standards on Auditing (ISA). NASEC Holding's annual audited financial statements

are available publicly, while its subsidiaries do not disclose this information. The Bank would encourage making public disclosure of those audited financial statements as well.

The local government's (oblast akimats) accounting and financial reporting systems are also in general satisfactory with adequate records to be maintained for the Program. Akimats provide regular reporting to the MoF and the MoA on the utilization of funds received from the republican budget. The financial reports are submitted on time. The processes for acceptance of applications for agricultural subsidies and payment are automated through specialized web-based portal with minimal human interaction.

For purposes of the Program accounting and financial reporting, the Bank will rely on the existing accounting and financial reporting systems, which allows consolidation of the government, SOE and akimats information, and the Livestock department of the MoA will be responsible for consolidation of Program annual financial statements. Considering the different financial reporting frameworks and standards applied by the government agencies and the SOEs, the Program financial statements will be prepared on a cash basis.

The Program annual financial statements will include: (i) a summary of Program funds received (separately indicating those received under each DLIs) and a summary of Program Expenditures under the Program headings, both for the current fiscal year and accumulated to-date; and (ii) Notes, comprising a summary of significant accounting policies and other explanatory notes.

F.3: Procurement Processes and Procedures

F.3.1. General Government Procurement System

Procurement Legal and Regulatory Framework: The legal framework consists of the PPL, as the primary legal act, and the main secondary legislation in the form of Public Procurement Regulations (PPR). Other operational documents forming the framework include manuals, technical instructions, user guides and contracting documents. Procurement regulations and manuals are updated regularly by the Public Procurement Legislation Department (PPLD) of the MoF. Once a procurement contract is signed, it is governed by the Civil Code. The regulatory framework is organized in adequate hierarchical order and is comprehensive in identifying formal procurement rules and procedures. All laws, regulations and relevant documents are freely accessible on the web portal www.goszakup.gov.kz.

Procurement Web Portal operated the Single Public Procurement Operator (e-Finance Center): The web portal, under the responsibility of the e-Finance Center, serves as a centralized and integrated public procurement information system providing up-to-date information that is easily accessible to all interested parties at no cost. The web portal is widely used at all levels of government, down to the local level. It provides access to all the government's procurement plans along with the procurement method, tender documents, technical specifications, clarifications, preliminary and final bid evaluations reports, details of the winning contract, amendments to the contract and complaints resolution decisions. The system is also integrated with many other systems for interoperability, including the tax, licensing, commercial banking, debarment and justice systems. The e-Finance Center is mandated to provide the required training on the use of the system for procurement staff of procuring entities. The framework requires all government procurement to be conducted through the Procurement Web Portal. All open tenders are published through the portal and available to all potential bidders free of charge. The regulatory framework adequately describes rules on advertisement of tender notices, minutes of bid opening and evaluation, and notification of contract awards, along with respective timelines. Similarly, the requirements for bid submission, receipt and opening, and the content of procurement documents (tender documents, templates of minutes of bid opening, evaluation and decision on contract award, standard contract conditions) are clearly defined and allow suppliers to understand what is required of them and how the procurement process is to be carried out.

The assessment has confirmed the existence of serious risks in the Procurement Web Portal, which constitute a barrier to participation of potential foreign bidders. One of these risks is due to requirement posed on foreign bidders that in order to participate in bidding through e-procurement system they need to obtain a digital certificate which in turn require them to register with Tax authorities in Kazakhstan to be physically present in the country. Other risks are posed in the requirement for foreign bidders to obtain and submit an e-bid

security issued by a local commercial bank only. These requirements contradict the PPL's provisions on eligibility, which questions open eligibility for all bidders, and thereby depriving the procuring entities participating in the implementation of the proposed PforR from the benefits of greater competition and a better chance for achieving the program results with value for money.

Procurement methods, procedures and conditions for use: The public procurement framework provides for a description of the permissible procurement methods and their procedural requirements. It provides for competitive and non-competitive procurement methods for goods, works and services, which are: tender (open tender, prequalification tender, two-stage tender), auctions, single source procurement and commodity exchanges. The PPL authorizes the contracting authorities to decide on the most appropriate method of procurement. However, it does not mandate open tender as the default method. The conditions for the use of these procurement methods are described in the PPL and with more details in the PPR. The standards for open tender procedures are overall in accordance with international standards.

The procurement web portal allows the procuring entity to select and document procurement methods at the planning stage, as well as to make changes before bidding is launched to the public in accordance with the provisions of the PPL. Information on the procedures for bid submission, receipt and opening are provided and clearly described in the procurement documents on the portal. Bid submission, receipt and opening are done electronically, with a relatively fair level of transparency.

The analysis of the procurement statistics obtained from the Web-portal indicates a high share (by value) of single source method (around 80% - *the Source: Web-portal*) applied by government implementing agencies in the total procurement for FY2018 (the details are provided in Annex 1).

Model bidding documents: The PPL defines a minimum, exhaustive list of documents that constitute the tender documents. Use of standard bidding documents is obligatory for each procurement process. Model procurement documents and contracts are included as part of tender documentation for goods and works and services available on the web portal, except for consulting intellectual services. The content of the standard and mandatory clauses and templates of the standard contract conditions is consistent with internationally accepted practice and contains a description of technical specifications, including the required functional, technical, qualitative and operational characteristics of the goods, works and services; as well as evaluation criteria for the bid, based on price and non-price items. All standard tender documents include a draft contract with standard contract conditions. The tender documentation does not refer to any brand names, or catalogues numbers or names of manufacturers. General conditions of the tender documentation include number and names of the lots, qualification requirements, technical specifications, agreement on participation, information on qualification, cost estimate for the tender. Model forms of the documents are available in the public procurement regulations. To seek feedback from potential bidders and give them an opportunity to request clarifications, the regulatory framework is the mandatory public discussion of the draft tender documents. This process may result in the draft tender documents being revised. As a matter of good practice, the early engagement with potential suppliers ensures the relevance of tender documents to the current market, the neutrality of the technical specifications, and the objectivity and proportionality of the qualification requirements and evaluation.

Evaluation process: The stipulated evaluation criteria provide for some limited and inadequate form of use of price and non-price attributes for bids evaluation. The evaluation method based on discounting bid prices, the application of anti-dumping measures, although currently applicable to services only, is not consistent with international evaluation practices, which consider value for money, relevant costs and benefits, risks, and non-price attributes and/or life cycle costs in determining the most advantageous bid. For example, keeping the application of anti-dumping measures to services could lead to the selection of a high-risk bidder that has offered an abnormally low bid without due examination, as long as it pays an extra performance security fee. The PPR establishes the right of potential suppliers who have submitted tenders to view the tender applications of other potential bidders, except for the price quotations. In absence of clear instructions on the marking of sensitive and confidential information, this rule implies that the procuring entity cannot withhold access to any part of a bid, including technical information. Although the PPL has tried to limit the

access to this information to the bidders that have passed the preliminary examination, this practice is not consistent with international standards, including the obligation to safeguard the confidentiality of bids' information and protect confidentiality of bid's content throughout the tender process and avoid allowing for the disclosure of sensitive information.

Contract Management: The legal framework covers contract management and stipulates the minimum requirements of the draft contract in terms of form, conditions, amendments, and provisions for dispute resolution in connection with contract performance. However, the legal framework lacks clarity regarding the organization of contract management function. It does not provide a direct definition of contract management, or clearly define the roles of the procuring unit and the end user/beneficiary in contract management. Detailed instructions on the organization of the contract management function also are not addressed in the regulations and implementing rules, and no written procedures on the subject are available. Despite some integration between the e-procurement system and the treasury system, information on the time between the submission of an invoice and the issuance of payment is not available on the portal. The legal framework could benefit from more detailed instructions under the regulations and implementing rules. This could include strengthening the regulatory requirements for measuring contract implementation performance and setting requirements for disclosing information on contracts management through the web portal.

The Bank conducted Procurement performance indicators analysis of 175 sample contracts including the timeliness of payments (source: e-procurement web portal) for period of 2017-2019 (the summary of analysis is presented in the Annex 2.) The assessment of current procurement practices of government implementing entities shows that the mandatory use of e-procurement system has contributed to improve transparency of the procurement process and a relative fair performance. The FSA has selected some key procurement KPIs that will be used to monitor the performance of the Program procurement system as presented in the Implementation Support Section.

F.4. Procurement Complaints Handling Mechanism

F.4.1 General Government

The public procurement legal framework establishes the potential bidders' right to challenge the decisions or actions of a procuring entity. According to Article 47 of the PPL, a "potential supplier" has the right to appeal to the CIPA a decision, action or inaction of the procuring entity, public procurement organizer or operator, committee or expert, "if their actions (inactions) or decisions infringe the potential supplier's rights and lawful interests." The complainant needs to refer to any violation of PPL itself. The appeals mechanism is managed through the Web portal, including publication of decisions and supporting documents, and real-time status of the review of complaints. The CIPA is required to respond to the complaint within 10 working days from the day it is received. There is a period between the notification of results and conclusion of the contract similar to a "standstill" period, although the purpose of the standstill and its length are not properly described in the PPL. In 2018 the MoA has received 23 complaints. All complaints have been reviewed, assessed and the decisions of their handling have been posted in the publicly accessible Web portal. Out of 23 complaints, 4 cases (17%) were upheld and 19 cases (83%) dismissed.

G. Internal Control Systems, Public Internal and External Audits

G.1: Internal Controls Systems

Although the Program control environment poses challenges, the country's laws and regulations overall provide for a comprehensive control framework with implementation of process automation and with greater reliance on "ex-post" controls exercised by public auditors, which in general operate objectively and are assessed as an overall reliable detection and reporting system for the Program. The public internal control system over budget expenditures is established by the Budget Code identifying the controls during budget preparation and execution processes, expenditure classification framework. Those are also detailed in Rules No. 540 of the MoF on Budget Execution and Cash payments dated December 4, 2014. The Budget Code

also outlines the accounting and financial reporting systems for public bodies and specifies the use of Treasury Single Account for budget execution.

It should be noted that at the government level there are specific internal controls that relate to procurement, including those exercised via authorization and approval mechanisms as well as monitoring via procurement web-portal. It should also be noted that while controls exercised are adequate for risk mitigation, those sometimes result in longer decision-making processes.

At SOE level the control framework is stipulated by the Law on Public Property as well as by corporate specific regulations, accounting, financial management, procurement, risk management, auditing procedures and practices, which is overall adequate.

Internal control procedures in respect of payroll in public sector and SOEs are adequate. Post-payment procedures are applied including checks made with treasury data. There are adequate links between the approved budget, personnel records and payroll records, with payroll payments properly authorized via automated system. During the last 3 years, various limited payroll audits, as part of wider audits rather than specific payroll audits, have been carried out by internal audit of the MoA, the CIPA and the Accounts Committee. No major systemic issues are identified by public auditors relating to payroll. This was also confirmed by the sample salary review conducted by the Bank team during the assessment at the MoA and selected SOEs, with no issue identified. The review also confirmed that salaries are paid timely.

Payments financed through the republican and local budgets are processed through the Treasury system e-minfin. In order for a payment to be executed it must be covered by a budgetary allocation and cash availability. Commitments are controlled through an automated module of the system (Treasury-Client), which requires funds to be allocated before an order can be placed. The payments posted to the treasury system are paid in general within a timeframe as per treasury rules and contract terms. The public procurement web portal does not include complete information on contract payments making difficult to trace the time lag between the acceptance and payment. During the assessment selected payments under sample contracts at the MoA, Veterinary Committee and selected SOEs were reviewed by the Bank team with no delays between the acceptance of the deliverable and the payment observed. In general, there are overall sufficient controls over public non-payroll expenditures.

The public audit reports identified a need for full integration of information systems of the MoA, which among other necessary functions, would enable automation of veterinary certificates and reports issuance and registration. This would reduce the level of human interreference into the veterinary document issuance processes, and reduce the potential for corrupt practices, as the auditors identified instances of issuance of false certificates not supported by required documents. This would also establish a proper registration and traceability system for veterinary documents. The government is taking steps to address the auditors' recommendations and is in the process of automation with some veterinary forms already available through the electronic web-portal. The auditors also recommended linking the MoA's systems to the Statistics Committee's system to avoid discrepancies between official statistics data on headcount of farm animals and the data recorded in the electronic system of animals' registration; as per the auditors' observations there is up to 3% discrepancy between the data in those systems. Other areas of concern raised by the public auditors relate to lack of systemic approach for needs' planning in veterinary drugs and vaccines as well as reliability of results of monitoring by veterinary services of epizootic situation in regions.

The main observations/recommendations at local level concerning to the P4R Program made by public auditors relate to insufficient level of monitoring over program implementation. Some cases of improper registration of animal diseases, issues with veterinary preventive activities, as well as animal registration are also noted. Until recently the control/inspection function over veterinary services was over akimats, while recently it has been shifted to Veterinary Committee of the MoA. With this move it is expected that the Veterinary Committee will exercise greater control over those services in place.

The Program will also support agro-industrial investment and pedigree livestock development subsidy payments, which are financed from the central (targeted transfers for subsidies under budget program 250)

and local budgets (under budget program 053, which is financed mostly through funds of general transfers from republican budget with some additional funds provided from the local budgets). The overall responsibility over the subsidy approval, payment and monitoring processes is on oblast akimats. The transfers for subsidies are channeled to beneficiaries through oblast akimats.

Previously, the public auditors' reports indicated corruption risks in the agricultural subsidy scheme. Several cases of corrupt practices included overstating of agricultural production quantities, approval of subsidies based on incomplete set of documentation and delayed approval processes. In addition, cases of insufficient monitoring over intended use of subsidized assets were observed. Those include cases when some farmers' breached conditionality clauses such as maintaining at least one year of pedigree animals after the purchase date, as those are sold or slaughtered before the end of the conditional period. Also, cases of inconsistency of animals' actual identification numbers with those recorded in the purchase-acceptance acts were observed.

Currently several systemic issues relating to subsidies have already been addressed by the government, which has taken major efforts to digitalize the subsidy approval and payment processes and hence to reduce the level of the above corruption risks and enhance controls over subsidies as well as to ensure timely provision of subsidy funds. Until recently all the subsidy application submissions and approvals were processed manually, while starting 2019 it is mostly implemented through submission of electronic applications via *subsidy.plem.kz* portal⁵. The electronic system is enabled to automatically verify some of the data such as animal registration data as indicated in the application with same data in the animal registration database.

The subsidy regulatory framework has also been improved to update subsidy specific rules, which reflect the electronic submission of the applications and its processing and approval steps. The subsidy rules have overall sufficient and comprehensive details on the funds flow of as well as controls over subsidy payments. Currently the subsidy system indicates specific deadlines and responsible staff for each processing step. The payments are processed via Treasury-Client system. The automation has significantly reduced the paperwork and the degree of human interaction. The system registers subsidy applications on first-come first-served basis, which impedes possibility for privileged treatment of some farmers over others. The subsidy applications can be accepted from farmers, as well as from financial institutions (FIs). In case the subsidies are provided to compensate the cost of the loans received by the farmers from the financial institutions those are processed as part of the loan issuance commercial practice, which is overall acceptable.

In the meantime, when reviewing a subsidy' rules (No 108 dated March 15, 2019) on "Subsidizing Livestock, Improvement Productivity and Quality of Livestock Production (hereinafter referred to as the Rules) approved by the order of the MoA, it was observed that there is some inconsistency relating to a specific requirement in the Rules and its practical application: the Rules stipulate that the subsidy payment be no more than 50% of the animal purchase cost and up to the subsidy maximal rate as specified in the Rules. Meanwhile in practice when making the subsidy payment, the animal purchase cost is not considered, and the payment is made exactly at subsidy maximal rate. This inconsistency was discussed with the MoA, which confirmed the acceptability of the current practice, given that the MoA conducts regular monitoring of pedigree animal prices, and founded out that the actual cost of such animals in the market is more than the two times the subsidy payment maximal rate, which eliminates a need for verification of the purchase cost. Meanwhile the MoA also recognizes the existence of above inconsistency of the practice with the Rules. The Bank recommendation is to respectively revise the Rules to make it in line with the current practice. The recommendation will be discussed further and agreed with the MoA during the appraisal.

Recommendation (to the Program Action Plan): The MoA should revise the Rules (No 108 dated March 15, 2019) on "Subsidizing Livestock, Improvement Productivity and Quality of Livestock Production to make the Rules consistent with the current practice, when determining the subsidy amount to be paid.

⁵ For remote areas with limited internet access it is allowed for submission of the subsidy applications with the help of State Corporation "Government for Citizens" who help the farmers to enter the application to the web portal.

G.2. Public Internal and External Audits.

Despite the challenging control environment, the country's internal and external audit functions in general operate objectively and are assessed as an overall reliable detection and reporting system for the Program. The Law of the Republic of Kazakhstan on State Audit and Financial Control specifies the controls that are carried out by responsible public external and internal audit and control bodies. Unlike in generally accepted practices, the internal and external public audits as well as financial controls are covered by a single law, with no proper separation of functions and objectives. The institutions, policies and procedures as defined in the Law are in place and operational. The Law stipulates that the system of state audit and financial control includes the following agencies: (i) Accounts Committee for Control over the republican budget execution and National Funds as the supreme financial control body, (ii) Revision Commissions at local level (regions and cities), (iii) authorized body for Public Internal Audit (Committee for Internal Public Audit [CIPA] of the MoF), and (iv) Internal Audit Services (hereinafter referred to as IAs) of central state bodies (e.g. line ministries), local executive bodies of regions and cities. According to the legislation, the authorized body on Internal Audit bears the key responsibility for compliance audit, including compliance with the Public Procurement Law, and for desk/online reviews that mostly cover compliance with procurement procedures.

The procedures/standards for compliance and performance audits for public audit and financial control are described in the Rules on External Public Audit and Financial Control and Procedural Standards for External Public Audit and Financial Control approved by the Normative Decrees of the Accounts Committee and Rules for Public Internal Audit and Financial Control approved by the Decree of the Government. These documents refer to Financial and Compliance Audits, the Performance audit standards and norms are still in the process of being developed.

The internal control/audit mechanisms are in place, including proper reporting to management on compliance, effectiveness and efficiency. The Law prescribes clearly the reporting lines of internal and external audit. The Internal Audit function is reporting to the Government, while the External Public Audit is reporting to the legislature and the President.

The existing control framework overall adequately covers procurement operations, meanwhile it should also be noted that in practice public procurement audit is conducted as part of the compliance and performance audit but not separately. The large portion of procurement audits are conducted through desk/online review of the Portal by the staff of the CIPA. In addition, it is the only public internal audit body that is authorized to conduct unplanned audits/reviews of complaints received.

Audit reports prepared by the Accounts Committee are subject to quarterly review by the Parliament and are mandatory for implementation. Implementation of recommendations is monitored permanently. In some cases, special meetings of working groups, or so-called "hours with the Government" are conducted.

Audit recommendations are communicated in the form of resolutions and orders, with specified deadlines for implementation. Before issuance, audit recommendations and implementation deadlines are discussed and agreed with an audited entity's representatives. All recommendations are included into so-called "control list" of the public audit bodies to be monitored constantly. Audit, both internal and external, is conducted based on the List of Entities to be Audited that is prepared on the assessed risks basis annually. Thus, it can be the case that an audit of one and the same entity can be conducted once in several years, unless it is assessed as a risky one (the agricultural sector is recognized by the public auditors as high-risk sector). However, the CIPA has the right to conduct unplanned audits/reviews based on complaints or orders received.

In the process of implementing recommendations, an entity is reporting on appropriate actions taken and supports this by relevant documentation. Provided information is reviewed by the public audit bodies to evaluate quality of implementation based on completeness, reliability and adequacy of information provided. As soon as a recommendation is found to be implemented completely and with due quality, a decision is taken to remove it from the "control list".

Vast majority of audit recommendations issued by the Accounts Committee, CIPA and internal auditors are implemented timely. The MoA internal audit department performed 35 audits during 2018-2019, as a result of which around USD 5.7 million was recovered to the state budget, 31 officials were subject to administrative proceedings, 4 cases of misconduct were sent to Anti-Corruption Agency and 5 cases were submitted to the CIPA for further administrative actions.

Akimats are regularly audited by the public external auditors (regional Revision Commissions) and based on the risk level those are also audited by CIPA and Accounts Committee. The Revision Commissions', CIPA's and Accounts Committee's audits cover the funds provided from the republican funds. While the akimats internal audit units' audits cover the funds provided by the local budget. It can be noted that the vast majority of audit recommendations relating to recovery of misused funds are implemented timely, with large number of officials held accountable.

There is overall adequate capacity and qualification at the public internal audit units (the MoA's and oblast akimats) considering the robust public certification process implemented by the Accounts Committee. This is confirmed by the periodic assessment of public audit and control bodies' performance, which as of the first semester of 2019 are assessed as effective with assigned high ratings for the MoAs' and akimats' public audit functions, except for Akmola oblast akimat.

Since the Law of State Audit and Financial Control was adopted in 2015 and requires that the internal auditors take professional trainings at least once a 3-year period. Considering that the internal audit is fully functioning since 2017, majority of public auditors have not yet taken trainings since certification. Having trainings only once in a 3-year period may result in outdated professional knowledge as some regulations, professional standards may change more frequently.

There is overall satisfactory internal audit function with overall adequate capacity and qualification at the SOEs' internal audit functions. All the internal auditors have local certification in internal audit, some with international qualification (such as ACCA, CAP/CIPA, etc.). The review of the selected SOEs latest internal audit reports and external auditor's management letters did not identify any critical systemic issue.

Considering the risks relating to subsidy payment schemes previously identified by the public auditors (as described in the above section), and subsequent improvements of the subsidy system made by the government via automation of the application and processing of subsidies, the Bank team will monitor the progress made in subsequent reports of the public auditors. In addition, during the appraisal, the Bank will discuss and agree with the MoA the involvement of its Internal Audit unit to conduct the review of the subsidy processing and payment system under the Program to determine whether the system is functioning as intended with specific focus on addressing the corruption risks identified in the public auditors' reports. This task is to be implemented within 1,5 year after the Program effectiveness.

Recommendation (to the Program Action Plan): The Internal Audit Unit of the MoA to conduct the review of the subsidy processing and payment system under the Program to determine whether the system is functioning as intended with specific focus on addressing the corruption risks identified in the public auditors' reports.

G.3. Access to Information.

It should be noted that during the assessment of the P4R Program's fiduciary systems to access to some internal information of the implementing entities' fiduciary systems required for the FSA took considerable efforts and time of the Bank team. This still has been identified as a substantial risk, as such information is necessary to be reviewed not only during the Program assessment but also during the Program implementation (for monitoring of the performance of the Program's fiduciary systems), and it is important that the MoA supports the Bank fiduciary team to get access to such an information during the whole period of the Program implementation.

Recommendation (to the Program Action Plan): To ensure proper monitoring of the Program’s fiduciary systems by the Bank team, during the Program supervision missions, the MoA should ensure that the Bank team has access to the Program implementing entities’ internal documentation relevant to the Program fiduciary systems’ monitoring and supervision. The Bank will review the documents and provide respective recommendations, as necessary, to be implemented by the entities.

H. Program Anti-Corruption Arrangements

The anti-corruption activity in Kazakhstan is governed by the Law on Combatting Corruption in the Republic of Kazakhstan, with the Anti-Corruption Agency being as an authorized anti-corruption body. The Anti-Corruption Agency has territorial branches in all 14 oblasts and 3 large cities of Kazakhstan. Its mandate is to fight corruption, develop and implement anti-corruption policy of Kazakhstan and coordinate activities in the area of combatting corruption, as well as finding, preventing, disclosing and investigating corruption cases.

Kazakhstan is ranked 113th out of 180 countries according to Transparency International Corruption Perceptions Index 2019⁶. This is apparent improvement from the previous year ranking of 124th out of 180 countries. The progress update of fourth round of monitoring under the OECD Istanbul Anti-Corruption Action Plan (2018)⁷ indicates that the country has made progress in implementing OECD recommendations in Public Participation, Comprehensive Anti-Corruption Policy, Raising of Awareness, Anti-Corruption Screening, Administrative Procedures, Integrity of Judiciary and Public Prosecution Bodies, etc. Significant progress was observed in Policy Documents and Monitoring, Assessment of Corruption, Integrity in the Civil Service and Public Procurement. On the other hand, lack of progress was observed in other recommendation such as on Integrity of political officials and Access to information. Also, cooperation between the authorities and civil society remains limited and arrangements for monitoring the impact of the government’s anti-corruption strategy are ineffective.

The National Report on Combating Corruption (2018)⁸ refers to the agricultural sector as one of the areas with high corruption. The Report describes the main risks in the sector such as illegal issuance of permits to import the agricultural produce (including meat), high corruption risks in the area of agriculture subsidies as well as land relations. The Anti-Corruption Monitoring Report issued by the Anti-Corruption Agency for 9 months of 2019 places the agricultural sector among sectors with high level of fraud and corruption at both central and local government level with 22 cases at central and 46 cases at local levels identified during the reporting period. The report specifies that most fraud and corruption cases related to bribery of veterinary specialist and specialists of fito-sanitary control posts for issuance of fake veterinary certificates and unchecked passing of quarantine and fito-sanitary control posts without proper conduct of veterinary control and quarantine procedures.

The MoA developed and approved the Action Plan for Implementation of the Anti-Corruption Strategy of Kazakhstan for 2015-2025, Combating shade economy and mitigation of corruption risks. The ministry issues semi-annual reports on implementation of the Action Plan. The most recent report refers to 16 actions, ten of which were implemented, and other 6 being under implementation. The implemented actions include actions taken to improvements in the agriculture subsidy regulatory framework as well as automation of subsidy provision processes. Also, the MoA regularly (on quarterly basis) monitors and analyzes corruption cases committed by the MoA and its subordinate agencies staff.

The MoA’s anti-corruption arrangements involve the Internal Audit Department. The Internal Audit is responsible for issuing semi-annual reports on measures taken to implement the anti-corruption strategy of

⁶ <https://www.transparency.org/cpi2019>

⁷ <https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Progress-Update-2019-ENG.pdf>

⁸ <http://anticorruption.gov.kz/ru/kategorii/nacionalnyy-doklad-o-protivodeystvii-korruptcii>

the MoA. All administrative cases are reported to the CIPA, while the criminal cases are reported to the Anti-Corruption Agency.

The fraud and corruption related complaint handling mechanism on the national level is implemented through e-government web portal www.egov.kz, which is a single access point on the web providing the ability to file complaints and appeals from citizens and legal entities, including farmers on any issues of interaction with the government. This electronic service is implemented in accordance with the Law “On the Procedure for Considering Appeals of Individuals and Legal Entities” dated January 12, 2007, updated December 26, 2018. A detailed step-by-step user manual for this electronic service has been published on this resource. These appeals are not anonymous and require preliminary registration on the e-gov web portal and obtaining an electronic digital signature on the free base. The complaint filling-out form allows choosing any government body or SOE from the drop-down list. This list includes all the key institutions participating in the Program (the MoA, NASEC holding and its subsidiaries, Akimats, etc.), as well as all state supervisory authorities, including Anti-Corruption Agency, CIPA, Accounts Committee, National Bank, etc. Given that the e-gov web portal is integrated with electronic document management systems of all government bodies and SOEs, the filed complaint is immediately received by the recipients and the system informs about the status of the complaint. Applicants are promptly notified of the results of their complaints in their personal accounts. The complaints and respective replies are publicly available. This portal also provides for summary statistics on the handling of complaints and appeals of citizens and legal entities. By the time of the assessment the portal indicates around 316 thousand appeals cumulatively received with 298 thousand replied to, of which 230 thousand were published on the portal. However, the portal does not provide aggregate statistics to specific sectors to a public user, while this information is possible to be generated for registered users.

To address the possible cases of fraud and corruption associated with the Program implementation, the Program will rely on the respective country systems, and the MoA will be the main responsible agency for the implementation of the Program anti-corruption measures in cooperation with other agencies such as the MoF and Anti-Corruption Agency. The Program implementation will be aligned to the Anti-Corruption Guidelines (ACG) applicable to PforR operations, and will include the below measures:

Sharing of debarment list of firms and individuals. The Program participating agencies will use the World Bank’s List of Debarred and Cross-Debarred firms and individuals to ensure that persons or entities debarred or suspended by the Bank are not awarded contracts under the Program during the period of such debarment or suspension. The list can be accessed on the World Bank’s website (www.worldbank.org/debarr). The compliance with this requirement would be monitored by the MoF and be checked by the Program’s auditor. The alternative solution would be for the part related to Government Fiduciary system, is to rely on the e-procurement system of Government and agree with MoF to place a simple filter for the award contract under the PforR program which will check automatically the status of the firm recommended for award on the WB debarment list and gives alert to the procuring entity that the bidder recommended for award is debarred. This would allow to do an advanced preventive and real-time check at the level of e-procurement system.

Sharing of information on fraud and corruption allegations. Annually the MoA will generate from the egov.kz portal and consolidate information on all complaints on fraud and corruption under the Program and share with the World Bank. For these purposes the MoA will coordinate with the Anti-Corruption Agency and get necessary access to the portal. The final arrangements will be discussed and agreed during the appraisal. The World Bank will be also informed about the actions and decisions taken by the relevant institutions to address the matter raised in the complaint.

Investigation of fraud and corruption allegations. The implementing agencies will provide full support to the country’s anti-corruption agencies and the World Bank when carrying out investigations related to fraud and corruption allegations made during the Program implementation. The MoA will promptly inform the World Bank on all credible and material allegations or other indications together with the investigative and other actions that the Borrower proposed to take with respect thereto. During the appraisal, the Protocol for Fraud and Corruption Reporting for the Program will be discussed and agreed with the MoA. The signed protocol will be a part of the Negotiations minutes. The World Bank will retain a right to investigate allegations, and

the Borrower will provide the World Bank the necessary access to needed persons and information applicable to the Program.

Other pillars of the Program Anti-Corruption system include use of independent auditors/verifiers for the audit/verification of the Program. The auditors will be appointed from the list of auditors acceptable to the Bank.

Recommendation (to the Program Action Plan): The MoA will consolidate and annually share with the World Bank information on all credible and material complaints on fraud and corruption under the Program and actions taken or being taken.

I. Program Auditing

During the last several years, with the Bank support, some reforms were initiated to enhance the public audit function in Kazakhstan, particularly in the areas of annual audit planning, compliance and financial audit methodology development, audit workflow automation as well as legislative changes were introduced. However, a progress in the consistent quality of performance and financial audit is yet to be achieved. No audit opinion is issued on the budget execution reports as a whole nor for individual ministries, departments and agencies. In practice, the bodies of Public Audit do not consistently follow international auditing standards, despite they have financial and compliance audit methodology developed based on international standards and good practices. Considering the above, the Bank does not rely on the existing public audit arrangements for conducting audits of the Bank-financed projects' financial statements, and all the financial audits of the projects in the World Bank portfolio in the country are conducted by private auditors acceptable to the Bank.

Historically, there has been a lack of clarity between the nature of "ex-ante" internal financial control and genuine internal audit which provides independent advice to top management on the performance of systems and the efficiency of service delivery. So-called "internal auditors" have in practice been playing "ex-ante" roles, which have made them part of the systems that internal audit is expected to audit. This contradiction has been implicitly acknowledged by the government in the 2015 Law on State Audit and Financial Control, and internal audit is now active in almost all government agencies. Meanwhile, unlike in generally accepted practices, the internal and external public audits as well as financial controls are covered by a single law, with no proper separation of functions and objectives.

All public-sector entities are subject to oversight by the country's Supreme Audit Institution (SAI) – the Accounts Committee as well as the CPIA. The Accounts Committee annually submits to the Parliament and the President a report on execution of the Republican budget along with their opinion. The CPIA is responsible for financial audits, as well as for conducting desk reviews of procurement compliance. Some audit reports are published on Accounts Committee's and CPIA's web-sites, while those not always disclose sufficient details on the findings and recommendations.

The SOEs are subject to external auditing conducted by independent private auditors. The NASEC holding's and its subsidiaries' audits are conducted by a local auditor not from the Bank list. The auditor issued qualified opinion on the holding's latest (2018) consolidated financial statements, which are posted on the MoF's depositary⁹ of financial statements. Meanwhile, no such audit reports on the NASEC subsidiaries were available publicly. No critical issues were reflected in the NASEC holdings' latest management letter.

While for monitoring purposes and well as for assessing the internal control risks under the Program the Bank will rely on the audits conducted by the Accounts Committee, CIPA and the Revision Commissions, as well as on Anti-Corruption agency's reports, the Program financial audit arrangements will rely on the existing independent auditing arrangements under the Bank-financed on-going projects implemented in Kazakhstan.

⁹ <https://opi.dfo.kz/p/ru/dfo-search/opi-search>

By the time of the assessment there were no due audits under those projects. And no major issues were raised in the management letter of those projects.

The audit of the Program annual financial statements will be conducted (i) by independent private auditors, acceptable to the Bank, on the Terms of Reference (with extended scope for testing procurement controls) acceptable to the Bank and procured by the MoF, and (ii) according to the International Standards on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). The audited financial statements of the Program will be presented to the Bank within six (6) months after the end of each reporting period, also at the end of the Program. The Borrower will disclose the audit reports for the Program within one month of their receipt from the auditors and acceptance by the Bank, by posting the reports on the MoA web site. Following the Bank's formal receipt of those reports from the Borrower, the Bank will make them publicly available according to World Bank Policy on Access to Information.

J. Program Fiduciary Capacity

Public sector financial management capacity in agricultural sector is overall adequate. The Finance Department of the MoA consists of two divisions: (i) the budget development and consolidation division and (ii) division for budget execution monitoring, consolidation of budget and financial reports. In general, the FM/accounting staff of the MoA and the Veterinary Committee are equipped with qualified staff. Similarly, there is adequate FM/accounting staffing in place at oblast akimats level. The capacity of public internal auditors in the MoA and akimats is also overall adequate. The public internal auditors have the national certificates confirming their qualification.

The FM/accounting staffing capacity at the SOEs level is overall satisfactory. However, the frequent turnover of FM/accounting staff as well as internal auditors is observed, which exposes to the risk of losing institutional memory at those agencies. The SOEs should have the longer terms contractual relationship with FM/accounting staff and internal auditors to improve staff loyalty.

Program participating government agencies have the sufficient capacity to perform the procurement operational activities. During the assessment, it is found that in general all the participating agencies are adequately staffed by qualified procurement specialists. Unified e-procurement system helps to improve the capacity of staff to conduct procurement activities within the proposed program.

K. Program Systems and Capacity Improvements Mitigation Measures

A summary of key Fiduciary risk and mitigation measures identified at the assessment are described in the below table.

Risk	Mitigation Measure	Timing	Type of Action (PAP, DLI, etc.)	Outcomes
Challenging control environment under the Program.	The MoA should ensure that the Bank team has access to the Program implementing entities' internal documentation (including the external and internal audit reports and management letters) relevant to the Program fiduciary systems' monitoring and supervision.	During the Program supervision missions.	PAP	The Bank will review the provided information and propose respective recommendations, as necessary.

Risk of unattended non-procurement related complaints under the Program.	The Bank will monitor the effective application of grievances mechanism on fraud and corruption under the Program.	No later than 6 months after the end of each fiscal year.	PAP	The MoA will share with the World Bank information on all credible and material complaints and actions taken or being taken on complaints and grievances received on fraud and corruption under the Program.
Non-application of Bank debarment/temporary suspension lists which may result in unacceptable contract awards to contractors, consultants and/or suppliers under temporary suspension or cross debarment by the Bank or any other Multilateral Development Banks.	Ensuring that persons or entities debarred or suspended by the Bank are not awarded a contract by verifying the same prior to award under the Program during the debarment or suspension period. TOR for audit firms will include the requirement to assess on randomly basis whether any contract has been awarded to a suspended or debarred firm and no parties debarred or suspended by the Bank shall benefit from the program funds.	During the Program implementation	PAP	The compliance with this requirement would be implemented by the MoA, monitored by the MoF and be checked by the Program's auditor.
Risk of inconsistency between the requirements of subsidy Rules with the current practice when determining the subsidy amount to be paid	The MoA should revise the Rules (No 108 dated March 15, 2019) on "Subsidizing Livestock, Improvement Productivity and Quality of Livestock Production to make the Rules consistent with the current practice, when determining the subsidy amount to be paid.	Within one month from the Program effectiveness	PAP	The Rules will be revised.
Risk of inefficiency of subsidy processing and payment control system.	The Internal Audit Unit of the MoA to conduct the review of the subsidy processing and payment system under the Program	Within 1.5 years after the Program effectiveness	PAP	The MoA will share with the Bank the Internal Audit unit's

	to determine whether the system is functioning as intended with specific focus on addressing the corruption risks identified in the public auditors' reports. This action will be agreed with the MoA during the appraisal.			findings and recommendations.
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L. Implementation Support

During the Program implementation the Bank's fiduciary team will:

- review the implementation progress and working with the task teams to examine the achievement of Program Legal Covenants, and Action Plan that are of a fiduciary nature;
- help the Borrower to resolve implementation issues and carry out institutional support;
- monitor the performance of fiduciary systems (including via the Procurement and FM KPIs) and audit reports, including the implementation of the legal covenants and PAP; and provide recommendations to enhance efficiency and effectiveness.

The selected key procurement and financial management KPIs that will be used to monitor the performance of the Program fiduciary system during implementation as presented in the tables below.

Program Procurement Performance Indicators

	Indicator	Measure	Target	Baseline
1	Procurement lead time	Number of days between date of invitation to bid and date of signing the contract	Not more than 50 days	Open tender/auction method – 54 days
2	Average number of bids received	Competition level	More than 5 bids	5 bids
3	% of contracts implemented within the original contract period	Procurement planning efficiency	90%	84%
4	% of cost overrun in completed contracts	Efficiency of design and contract management	Less than 15%	1%
5	Average % time overrun	Efficiency of contract implementation	Less than 10%	2%

Program FM Performance Indicators

	Indicator	Measure	Frequency/Target	Baseline
1	Variance: budget allocated by the Government vs	Ratio: Allocated (confirmed) funds/requested funds	90%	81%

	budget requested by implementing agencies	(%)		
	Variance: Originally approved (or revised) annual republican funding the Program vs the level of the respective actual budget execution for FY2019	Originally approved (or revised) annual republican funding the Program is set at least at a level of the respective actual budget execution for FY2019	Annual	KZT143,759,000,000
3	Quality and timeliness of annual financial statements for the Program	Completeness and timeliness of annual reports	Audited annual financial statements of the Program with unmodified (clean) opinion be submitted to the Bank no later than 6 months after the end of the fiscal year.	Nil. Implementing entities do not prepare Program annual financial statements
4	Follow-up on audit recommendations	Evidence of timely and adequate follow-up by the Program management on audit recommendations	Annual/ All audit recommendations are implemented	Audit recommendations are seriously followed up by the Implementing Agencies

Annex 1. Shares of procurement conducted through public procurement web portal, by method, 2018¹⁰

Procuring Entity: Ministry of agriculture

Procurement method	Number of contracts	Actual procurement amount (KZT mln)	Method share by value in total procurement (%)
Tender	57	465	21%
Request for quotations	159	24	1%
Single source	224	1814	79%
TOTAL:	440	2303	100%

Procuring Entity: Veterinary Control and Oversight Committee

Procurement method	Number of contracts	Actual procurement amount (KZT mln)	Method share by value in total procurement (%)
Auction	25	3308	17%
Single source	23	16213	83%
TOTAL:	48	19521	100%

Procuring Entity: National agrarian science educational center

Procurement method	Number of contracts	Actual procurement amount (KZT mln)	Method share by value in total procurement (%)
Tender	2	4.37	8%
Request for quotations	53	12.9	22%
Single source	45	40.9	70%
TOTAL:	100	58.2	100%

¹⁰ <https://v3bl.goszakup.gov.kz/ru/rep/rep/m001>

Annex 2. Analysis of Key procurement performance indicators of contracts procured by MOA during the period of 2017-2019

#	Data on sampled contracts							Inputs to indicators									Indicators						
	Contract ID*	Contract description	Procuring Entity	Fiscal year	Category of procurement	Pre-bid cost estimate (mln.KZT)	Original procurement method	Actual procurement method	Initial Contract Price (mln.KZT)	Final contract price (mln.KZT)	Initial bid submission on time (days)	Actual bid submission on time (days)	Time taken from bid receipt to award (days)	Number of bids received	Original time for contract completion (days)	Actual time for contract completion (days)	Number of responsive bids	Lead time in days (N+M)	Time overrun (Y=1, N=0)	Time overrun in days (Q-P)	Number of contract amendments	Cost overrun (Y=1, N=0)	Cost overrun in % (K-J)/J * 100
1	941040000235/180187/00	Server hardware maintenance service	MOA	2018	Services	199.5	Open tender	Open tender	197.2	197.2	16	16	42	4	42	35	3	58	0	0	0	0	0.00
2	941040000235/180169/00	Call Server Enterprise Licensed Product	MOA	2018	Goods	37.4	Open tender	Open tender	37.4	37.4	15	15	41	2	46	34	2	56	0	0	0	0	0.00
3	941040000235/180148/00	Work station	MOA	2018	Goods	107.6	Open tender	Open tender	91.1	100.5	16	16	56	8	70	69	6	72	0	0	1	1	10.32
4	941040000235/180097/00	Services for the maintenance of the Information system E-Agriculture	MOA	2018	Services	29.2	Open tender	Open tender	21.0	34.4	15	15	35	3	199	188	2	50	0	0	2	1	63.81
5	941040000235/180064/00	Cleaning services for buildings / premises / territory / transport and similar objects	MOA	2018	Services	26.9	Open tender	Open tender	22.0	22.0	16	16	23	8	308	291	8	39	0	0	0	0	0.00
6	941040000235/170159/00	Engineering consulting services	MOA	2018	Services	64.4	Open tender	Open tender	64.4	64.4	16	16	50	3	574	554	2	66	0	0	0	0	0.00
7	941040000235/180191/00	Car	MOA	2018	Goods	16.5	Open tender	Single source after a failed bidding	15.6	15.6	15	36	1	1	22	12	1	37	0	0	0	0	0.00
8	941040000235/180183/00	Service for server hardware maintenance	MOA	2018	Services	183.0	Open tender	Single source after a failed bidding	179.4	179.4	16	53	2	1	46	41	1	55	0	0	0	0	0.00
9	941040000235/180146/00	purchase of routers	MOA	2018	Goods	17.9	Open tender	Single source after a failed bidding	16.9	16.9	16	56	20	1	45	41	1	76	0	0	0	0	0.00
10	941040000235/180133/00	Services for administration and maintenance of the hardware and software complex	MOA	2018	Services	72.2	Open tender	Single source after a failed bidding	38.0	38.0	15	56	11	1	115	110	1	67	0	0	0	0	0.00
11	941040000235/180084/00	Engineering consulting services	MOA	2018	Services	48.6	Open tender	Single source after a failed bidding	47.0	47.0	16	54	2	1	263	247	1	56	0	0	0	0	0.00

12	94104000023 5/180082/00	Services for the maintenance of vehicles / special equipment	MOA	2018	Services	30.0	Open tender	Single source after a failed bidding	27.7	22.9	15	45	16	1	278	273	1	61	0	0	2	0	0.00
13	94104000023 5/180067/00	Telephone services	MOA	2018	Services	19.6	Open tender	Single source after a failed bidding	10.4	10.4	15	36	8	1	304	245	1	44	0	0	2	0	0.00
14	94104000023 5/180066/00	Transportation services by official vehicles	MOA	2018	Services	22.9	Open tender	Single source after a failed bidding	22.9	30.5	15	28	6	1	305	294	1	34	0	0	1	1	33.19
15	94104000023 5/190194/00	Car	MOA	2019	Goods	12.6	Open tender	Single source after a failed bidding	12.3	12.3	17	69	1	1	91	21	1	70	0	0	0	0	0.00
16	94104000023 5/190113/00	Work station	MOA	2019	Goods	28.4	Open tender	Open tender	25.3	25.3	16	16	64	5	110	71	4	80	0	0	0	0	0.00
17	94104000023 5/190106/00	Hardware-software complex	MOA	2019	Goods	874.1	Open tender	Open tender	791.0	791.0	15	15	44	3	105	76	3	59	0	0	0	0	0.00
18	94104000023 5/190089/00	Car	MOA	2019	Goods	21.1	Open tender	Open tender	11.3	11.3	15	15	35	2	110	98	2	50	0	0	0	0	0.00
19	94104000023 5/190210/00	cartridge purchases	MOA	2019	Goods	2.5	Open tender	Open tender	2.1	2.1	15	15	32	4	37	25	3	47	0	0	0	0	0.00
20	94104000023 5/190168/00	Air conditioning (split system)	MOA	2019	Goods	2.8	RFQ	RFQ	2.5	2.5	8	8	13	15	71	50	15	21	0	0	0	0	0.00
21	94104000023 5/190108/00	Window washing services	MOA	2019	Services	2.9	Open tender	Open tender	1.5	1.5	16	16	31	3	140	139	2	47	0	0	0	0	0.00
22	94104000023 5/190100/00	Multifunction device	MOA	2019	Goods	2.1	RFQ	RFQ	1.8	1.8	7	7	12	5	47	14	5	19	0	0	0	0	0.00
23	94104000023 5/190098/00	Tank (membrane)	MOA	2019	Goods	1.3	RFQ	RFQ	1.1	1.1	7	7	12	5	67	57	5	19	0	0	0	0	0.00
24	94104000023 5/190093/00	cartridge purchases	MOA	2019	Goods	12.1	Open tender	Open tender	5.4	5.4	17	17	58	3	28	19	3	75	0	0	0	0	0.00
25	94104000023 5/190047/00	Paper for office equipment	MOA	2019	Goods	7.4	RFQ	RFQ	6.9	6.9	12	12	7	4	103	74	4	19	0	0	0	0	0.00
26	94104000023 5/180185/00	purchase of a licensed product Security for Email Servers	MOA	2018	Goods	10.5	Open tender	Open tender	8.8	8.8	15	15	41	2	22	12	2	56	0	0	0	0	0.00
27	94104000023 5/180182/00	purchase of a licensed product Veeam Backup Enterprise	MOA	2018	Goods	1.8	Open tender	Single source after a failed bidding	1.8	1.8	15	50	5	1	47	42	1	55	0	0	0	0	0.00

28	9410400023 5/180160/00	Software Licensing Services	MOA	2018	Services	5.5	Open tender	Single source after a failed bidding	5.4	5.4	16	98	7	1	70	15	1	105	0	0	0	0	0.00
29	9410400023 5/180134/00	services of a technical corporate data transfer network and IP- telephony	MOA	2018	Services	28.6	Open tender	Single source after a failed bidding	8.9	8.9	16	73	4	1	111	106	1	77	0	0	0	0	0.00
30	9410400023 5/180086/00	Installation of security systems and similar systems	MOA	2018	Works	2.6	RFQ	RFQ	1.5	1.5	12	12	5	10	70	48	10	17	0	0	0	0	0.00
31	9410400023 5/180054/00	Printing services	MOA	2018	Services	1.4	RFQ	RFQ	0.9	0.9	7	7	9	4	303	298	4	16	0	0	0	0	0.00
32	9410400023 5/180045/00	Services for maintenance and technical support of the information system	MOA	2018	Services	2.2	RFQ	RFQ	1.6	1.6	7	7	9	9	324	318	9	16	0	0	0	0	0.00
33	9410400023 5/180037/00	Stationery	MOA	2018	Goods	7.5	RFQ	RFQ	7.1	7.1	8	8	26	3	21	20	3	34	0	0	0	0	0.00
34	11104001885 2/190041/00	Purchase of veterinary drugs	VCOC	2019	Goods	26.8	Auction	Single source after a failed bidding	26.8	26.8	17	68	8	1	183	106	1	76	0	0	0	0	0.00
35	11104001885 2/190031/00	Purchase of veterinary drugs	VCOC	2019	Goods	29.8	Auction	Auction	29.8	29.8	15	15	50	3	245	221	2	65	0	0	0	0	0.00
36	11104001885 2/190026/00	Disinfectant purchase	VCOC	2019	Goods	26.6	Auction	Auction	26.3	26.3	15	15	40	5	70	49	4	55	0	0	0	0	0.00
37	11104001885 2/190025/00	Disinfectant purchase	VCOC	2019	Goods	11.2	Auction	Auction	11.1	11.1	15	15	39	5	72	35	4	54	0	0	0	0	0.00
38	11104001885 2/190024/00	Disinfectant purchase	VCOC	2019	Goods	4.2	Auction	Auction	4.2	4.2	15	15	39	5	71	49	4	54	0	0	0	0	0.00
39	11104001885 2/190023/00	Animal rabies vaccine	VCOC	2019	Goods	29.4	Auction	Auction	29.2	29.2	15	15	40	7	255	160	6	55	0	0	0	0	0.00
40	11104001885 2/190022/00	Animal rabies vaccine	VCOC	2019	Goods	108.7	Auction	Auction	108.1	108.1	15	15	40	6	255	161	4	55	0	0	0	0	0.00
41	11104001885 2/190021/00	Animal rabies vaccine	VCOC	2019	Goods	50.0	Auction	Auction	50.0	50.0	15	15	40	6	255	205	4	55	0	0	0	0	0.00
42	11104001885 2/190020/00	Printing services	VCOC	2019	Services	20.0	RFQ	RFQ	14.4	14.4	10	10	9	2	18	14	2	19	0	0	0	0	0.00
43	11104001885 2/190016/00	Emphysematous carbuncal vaccine (emcar) Cattle and sheep	VCOC	2019	Goods	85.7	Auction	Auction	85.2	85.2	15	15	39	7	262	210	5	54	0	0	0	0	0.00

44	11104001885 2/190010/00	Farm Animal Anthrax Vaccine	VCOC	2019	Goods	129.1	Auction	Auction	128.3	128.3	15	15	44	5	266	217	4	59	0	0	0	0	0.00
45	11104001885 2/190009/00	Camel Plague Vaccine	VCOC	2019	Goods	85.2	Auction	Auction	85.2	85.2	17	17	33	3	280	228	2	50	0	0	0	0	0.00
46	11104001885 2/180035/00	Allergen for the diagnosis of glanders in horses	VCOC	2018	Goods	25.4	Auction	Auction	25.3	25.3	15	15	32	2	52	37	2	47	0	0	0	0	0.00
47	11104001885 2/180032/00	Small ruminant vaccine for small cattle	VCOC	2018	Goods	89.3	Auction	Auction	88.9	88.9	10	10	32	3	115	84	2	42	0	0	0	0	0.00
48	11104001885 2/180029/00	Empysematous carbuncal vaccine (emcar) Cattle and sheep	VCOC	2018	Goods	49.5	Auction	Auction	49.5	49.5	15	15	48	7	148	123	5	63	0	0	0	0	0.00
49	11104001885 2/180028/00	Camel Plague Vaccine	VCOC	2018	Goods	34.1	Auction	Auction	34.1	34.1	16	16	44	2	150	115	2	60	0	0	0	0	0.00
50	11104001885 2/180027/00	Vaccine against bradzot, malignant edema, sheep enterotoxemia and lambs dysentery for small cattle	VCOC	2018	Goods	45.3	Auction	Auction	45.0	45.0	16	16	40	6	153	130	5	56	0	0	0	0	0.00
51	11104001885 2/180026/00	Cattle Nodular Dermatitis Vaccine	VCOC	2018	Goods	548.5	Auction	Auction	548.5	548.5	16	16	40	9	154	97	4	56	0	0	0	0	0.00
52	11104001885 2/180024/00	Horse Rhinopneumonia Vaccine	VCOC	2018	Goods	105.4	Auction	Auction	105.3	105.3	15	15	47	5	199	92	3	62	0	0	0	0	0.00
53	11104001885 2/180016/00	Drug for the prevention of helminthiasis (echinococcosis) carnivores for dogs	VCOC	2018	Goods	148.6	Auction	Auction	147.0	147.0	16	16	37	10	276	93	7	53	0	0	0	0	0.00
54	11104001885 2/180015/00	Disinfectant	VCOC	2018	Goods	4.2	Auction	Auction	1.8	1.8	15	15	42	7	341	64	6	57	0	0	0	0	0.00
55	11104001885 2/180014/00	Disinfectant	VCOC	2018	Goods	26.6	Auction	Auction	10.4	10.4	15	15	41	7	342	93	6	56	0	0	0	0	0.00
56	11104001885 2/180013/00	Disinfectant	VCOC	2018	Goods	11.2	Auction	Auction	4.2	4.2	15	15	41	8	342	87	6	56	0	0	0	0	0.00
57	11104001885 2/180009/00	Tuberculin for mammals	VCOC	2018	Goods	75.3	Auction	Auction	74.2	74.2	15	15	46	6	302	277	5	61	0	0	0	0	0.00
58	11104001885 2/180008/00	Tuberculin for mammals	VCOC	2018	Goods	20.2	Auction	Auction	20.0	20.0	15	15	46	6	302	277	5	61	0	0	0	0	0.00
59	11104001885 2/180007/00	Tuberculin for mammals	VCOC	2018	Goods	54.0	Auction	Auction	53.4	53.4	15	15	46	6	302	86	5	61	0	0	0	0	0.00
60	11104001885 2/180006/00	Farm Animal Anthrax Vaccine	VCOC	2018	Goods	47.6	Auction	Auction	47.4	47.4	15	15	40	5	308	305	4	55	0	0	0	0	0.00
61	11104001885 2/180005/00	Farm Animal Anthrax Vaccine	VCOC	2018	Goods	69.9	Auction	Auction	69.9	69.9	15	15	46	5	302	281	4	61	0	0	0	0	0.00

62	11104001885 2/180004/00	Farm Animal Anthrax Vaccine	VCOC	2018	Goods	26.0	Auction	Auction	26.0	26.0	15	15	46	6	302	277	4	61	0	0	0	0	0.00
63	11104001885 2/180003/00	Animal rabies vaccine	VCOC	2018	Goods	22.1	Auction	Auction	10.5	10.5	15	15	44	9	304	59	4	59	0	0	0	0	0.00
64	11104001885 2/180002/00	Animal rabies vaccine	VCOC	2018	Goods	101.1	Auction	Auction	31.2	31.2	15	15	44	9	304	74	4	59	0	0	0	0	0.00
65	11104001885 2/180001/00	Animal rabies vaccine	VCOC	2018	Goods	74.0	Auction	Auction	30.4	30.4	15	15	44	8	304	52	4	59	0	0	0	0	0.00
66	03014000199 8/190945/00	Diesel fuel	RVL	2019	Goods	15.5	Auction	Single source after a failed bidding	15.5	15.5	15	48	1	1	43	1	1	49	0	0	0	0	0.00
67	03014000199 8/190826/00	Multifunction device	RVL	2019	Goods	16.1	Auction	Auction	13.8	13.8	15	15	39	4	30	18	3	54	0	0	0	0	0.00
68	03014000199 8/190788/00	Stationary steam sterilizer	RVL	2019	Goods	102.7	Open tender	Open tender	85.6	85.6	15	15	36	3	45	42	2	51	0	0	0	0	0.00
69	03014000199 8/190668/00	Blood sampling system	RVL	2019	Goods	42.3	Open tender	Open tender	42.3	42.3	16	43	35	2	30	54	2	78	1	24	0	0	0.00
70	03014000199 8/190599/00	Enzyme immunoassay for the diagnosis of paratuberculosis	RVL	2019	Goods	13.0	Open tender	Open tender	13.0	13.0	17	17	16	2	153	110	2	33	0	0	0	0	0.00
71	03014000199 8/190560/00	Diesel fuel	RVL	2019	Goods	11.4	Open tender	Single source after a failed bidding	11.4	11.4	15	40	1	1	172	24	1	41	0	0	0	0	0.00
72	03014000199 8/190537/00	Enzyme-linked immunosorbent assay for the diagnosis of chlamydia of agricultural (ruminant) animals	RVL	2019	Goods	346.5	Open tender	Open tender	283.5	283.5	22	22	27	4	35	35	3	49	0	0	0	0	0.00
73	03014000199 8/190525/00	Gasoline for spark ignition engines	RVL	2019	Goods	97.5	Open tender	Open tender	94.1	94.1	15	51	22	2	187	14	2	73	0	0	0	0	0.00
74	03014000199 8/190524/00	Enzyme immunoassay for the diagnosis of paratuberculosis	RVL	2019	Goods	15.9	Open tender	Open tender	15.9	15.9	15	15	18	2	30	2	2	33	0	0	0	0	0.00
75	03014000199 8/190466/00	Passenger minibus	RVL	2019	Goods	15.8	Auction	Auction	15.8	15.8	15	52	43	2	60	28	2	95	0	0	0	0	0.00
76	03014000199 8/190463/00	Diagnosticum for determination of FMD antibodies in blood serum of all types of vaccinated animals by ELISA type A	RVL	2019	Goods	323.1	Open tender	Open tender	321.2	321.2	15	15	56	6	84	85	4	71	1	1	0	0	0.00

77	03014000199 8/190462/00	Diagnosticum for determination of FMD antibodies in blood serum of all types of vaccinated animals by ELISA type O	RVL	2019	Goods	311.8	Open tender	Open tender	276.8	276.8	15	15	57	6	83	58	4	72	0	0	0	0	0.00
78	03014000199 8/190435/00	Diagnosticum for determination of FMD antibodies in blood serum of all types of vaccinated animals by ELISA type Asia-1	RVL	2019	Goods	323.1	Open tender	Open tender	321.2	321.2	15	15	44	6	96	96	4	59	0	0	0	0	0.00
79	03014000199 8/190419/00	Car	RVL	2019	Goods	16.8	Auction	Auction	15.6	15.6	15	15	27	2	90	9	2	42	0	0	0	0	0.00
80	03014000199 8/190370/00	Passenger car	RVL	2019	Goods	51.8	Auction	Auction	50.4	50.4	15	15	29	2	90	52	2	44	0	0	0	0	0.00
81	03014000199 8/181007/00	Diesel fuel	RVL	2018	Goods	14.7	Open tender	Single source after a failed bidding	14.7	14.7	15	42	4	1	45	43	1	46	0	0	0	0	0.00
82	03014000199 8/181006/00	Diesel fuel	RVL	2018	Goods	14.3	Open tender	Open tender	14.2	14.2	15	15	19	2	47	41	2	34	0	0	0	0	0.00
83	03014000199 8/180862/00	Work on the reconstruction of power supply networks according to the project "Reconstruction of utility networks and communications"	RVL	2018	Works	12.7	Open tender	Single source after a failed bidding	12.7	12.7	15	36	1	1	60	59	1	37	0	0	0	0	0.00
84	03014000199 8/180852/00	Gasoline	RVL	2018	Goods	87.0	Open tender	Single source after a failed bidding	87.0	87.0	11	27	1	1	153	10	1	28	0	0	0	0	0.00
85	03014000199 8/180717/00	Immunoassay (ELISA) analyzer	RVL	2018	Goods	91.4	Open tender	Open tender	68.5	68.5	15	15	44	11	60	39	4	59	0	0	0	0	0.00
86	03014000199 8/180716/00	Washer for simultaneous washing of 96 wells microplate during enzyme immunoassay	RVL	2018	Goods	12.8	Open tender	Single source after a failed bidding	11.6	11.6	17	54	7	1	40	37	1	61	0	0	0	0	0.00
87	03014000199 8/180690/00	Spectrometer	RVL	2018	Goods	32.5	Open tender	Single source after a failed bidding	31.2	31.2	15	49	1	1	60	61	1	50	1	1	0	0	0.00

88	03014000199 8/180682/00	Laboratory electric burner	RVL	2018	Goods	29.4	Open tender	Open tender	15.0	15.0	17	17	39	10	60	89	3	56	1	29	0	0	0.00
89	03014000199 8/180604/00	Car	RVL	2018	Goods	74.2	Auction	Auction	74.2	74.2	16	16	37	2	60	16	2	53	0	0	0	0	0.00
90	03014000199 8/180552/00	Test system for detecting animal viral diarrhea	RVL	2018	Goods	13.6	Open tender	Open tender	13.6	13.6	15	15	31	2	30	24	2	46	0	0	0	0	0.00
91	03014000199 8/180533/00	Test system for detecting animal rhinotracheitis	RVL	2018	Goods	12.5	Open tender	Open tender	12.5	12.5	17	17	33	2	30	11	2	50	0	0	0	0	0.00
92	03014000199 8/180524/00	Incinerator (incinerator)	RVL	2018	Goods	31.3	Auction	Auction	31.3	31.3	20	20	20	2	250	131	2	40	0	0	0	0	0.00
93	03014000199 8/180393/00	Diesel fuel	RVL	2018	Goods	15.1	Open tender	Open tender	13.8	13.8	15	15	37	2	273	264	2	52	0	0	0	0	0.00
94	03014000199 8/180392/00	Diesel fuel	RVL	2018	Goods	19.7	Open tender	Open tender	18.8	18.8	15	15	37	2	273	264	2	52	0	0	0	0	0.00
95	03014000199 8/180389/00	A4 paper	RVL	2018	Goods	15.5	Auction	Single source after a failed bidding	15.3	15.3	15	34	7	1	30	29	1	41	0	0	0	0	0.00
96	03014000199 8/180317/00	Tip for electronic pipette dispenser, polypropylene	RVL	2018	Goods	30.3	Open tender	Open tender	30.0	30.0	15	15	39	8	133	64	4	54	0	0	0	0	0.00
97	01024000134 3/190453/00	Test system for the detection of animal Schmallenberg disease	NVRC	2019	Goods	44.2	Auction	Auction	43.3	43.3	16	16	21	3	110	39	3	37	0	0	0	0	0.00
98	01024000134 3/190297/00	Test system for detecting animal smallpox in sheep	NVRC	2019	Goods	11.2	Auction	Single source after a failed bidding	11.2	11.2	15	78	3	1	179	11	1	81	0	0	0	0	0.00
99	01024000134 3/190281/00	A set of disposable columns for retrofitting a sample preparation device FMS for 192 studies.	NVRC	2019	Goods	11.7	Open tender	Single source after a failed bidding	11.7	11.7	15	56	4	1	45	42	1	60	0	0	0	0	0.00
100	01024000134 3/190167/00	Test system for the quantification of trenbolone	NVRC	2019	Goods	14.6	Auction	Auction	14.6	14.6	15	15	39	3	251	26	2	54	0	0	0	0	0.00
101	01024000134 3/180374/00	Laboratory / Training Equipment Maintenance Services	NVRC	2018	Services	16.7	Open tender	Open tender	16.6	16.6	15	15	22	4	32	15	2	37	0	0	0	0	0.00
102	01024000134 3/180334/00	Educational and laboratory equipment "Geoinformation system"	NVRC	2018	Goods	12.3	Open tender	Open tender	12.3	12.3	17	17	36	2	60	28	2	53	0	0	0	0	0.00

103	01024000134 3/180238/00	Test system for the determination of sulfamethazine in foods by ELISA	NVRC	2018	Goods	81.8	Open tender	Open tender	30.0	30.0	16	16	30	6	206	42	5	46	0	0	0	0	0.00
104	10014000398 7/190358/00	Ear tags for identification of large farm animals (cattle)	RAED	2019	Goods	242.9	Auction	Auction	236.5	236.5	15	15	42	5	203	24	4	57	0	0	0	0	0.00
105	10014000398 7/190264/00	Mineral wool thermal insulation mat, grade MVS-125	RAED	2019	Goods	14.5	Auction	Auction	12.3	12.3	15	15	75	9	45	96	7	90	1	51	0	0	0.00
106	10014000398 7/190165/00	Summer diesel	RAED	2019	Goods	11.6	Open tender	Single source after a failed bidding	11.5	11.5	16	40	1	1	307	189	1	41	0	0	0	0	0.00
107	10014000398 7/180294/00	Access Control System	RAED	2018	Goods	11.4	Auction	Single source after a failed bidding	11.3	11.3	15	35	1	1	153	55	1	36	0	0	0	0	0.00
108	10014000398 7/180221/00	Ear tags for identification of large farm animals (cattle, camels)	RAED	2018	Goods	272.2	Auction	Auction	265.9	265.9	15	15	63	11	241	27	4	78	0	0	0	0	0.00
109	10014000398 7/180186/00	Gasoline and diesel	RAED	2018	Goods	21.8	Open tender	Single source after a failed bidding	21.8	21.8	16	34	1	1	271	82	1	35	0	0	0	0	0.00
110	11124000465 9/190078/00	AI-92 gasoline	ARTI	2019	Goods	11.8	Open tender	Single source after a failed bidding	11.4	11.4	17	39	1	1	20	3	1	40	0	0	0	0	0.00
111	11124000709 9/180162/00	Residential insulated trailer trailers on the chassis	WKRTI	2018	Goods	20.9	Open tender	Open tender	19.0	19.0	16	16	36	3	39	36	2	52	0	0	0	0	0.00
112	11124000661 5/180176/00	Residential insulated trailer trailers on the chassis	NKRTI	2018	Goods	13.9	Open tender	Open tender	10.9	10.9	16	16	30	3	45	40	2	46	0	0	0	0	0.00
113	11124000395 8/180129/00	Residential insulated trailer trailers on the chassis	PRTI	2018	Goods	27.9	Open tender	Single source after a failed bidding	27.8	27.8	15	43	6	1	54	54	1	49	0	0	0	0	0.00
114	15094000018 0/170043/00	Services for installation and configuration of the Software Product	NASEC	2017	Services	8.6	Open tender	Single source after a failed bidding	8.0	8.0	15	27	4	1	125	119	1	31	0	0	0	0	0.00

115	15094000018 0/170013/00	Ai92 gasoline	NASEC	2017	Goods	1.5	RFQ	Single source after a failed bidding	1.5	1.5	7	9	1	1	324	320	1	10	0	0	0	0	0.00
116	15094000018 0/170036/00	Audit services for financial statements for 2016	NASEC	2017	Services	2.0	Open tender	Open tender	0.6	0.6	15	35	10	4	30	31	3	45	1	1	0	0	0.00
117	15094000018 0/180065/00	Computers	NASEC	2018	Goods	5.5	RFQ	RFQ	3.5	3.5	7	7	2	20	18	15	20	9	0	0	0	0	0.00
118	15094000018 0/180073/00	Furniture set for a guide	NASEC	2018	Goods	4.0	RFQ	RFQ	2.6	2.6	7	7	8	12	15	33	12	15	1	18	0	0	0.00
119	15094000018 0/180031/00	AI-92 gasoline	NASEC	2018	Goods	1.3	Open tender	Single source after a failed bidding	1.2	1.2	15	73	1	1	255	230	1	74	0	0	0	0	0.00
120	15094000018 0/190055/00	Financial Reporting Audit Services	NASEC	2019	Services	6.0	Open tender	Open tender	3.0	3.0	11	18	8	4	217	30	3	26	0	0	0	0	0.00
121	15094000018 0/190085/00	Business laptop	NASEC	2019	Goods	2.5	RFQ	RFQ	2.4	2.4	8	8	8	4	15	21	4	16	1	6	0	0	0.00
122	15094000018 0/190040/00	Gasoline for spark ignition engines	NASEC	2019	Goods	1.4	RFQ	RFQ	1.3	1.3	7	7	1	3	321	6	3	8	0	0	0	0	0.00
123	15094000018 0/190017/00	Paper for office equipment	NASEC	2019	Goods	1.2	RFQ	RFQ	1.0	1.0	7	7	1	9	15	6	9	8	0	0	0	0	0.00
124	07104000115 1/170076/00	Server	NASEC	2017	Goods	4.3	RFQ	RFQ	1.4	1.4	7	7	1	21	15	13	21	8	0	0	0	0	0.00
125	07104000115 1/170073/00	Analyzer and distiller	NASEC - RIAHF P	2017	Goods	2.6	RFQ	RFQ	1.0	1.0	7	7	24	12	15	32	12	31	1	17	0	0	0.00
126	07104000115 1/170057/00	Passenger car	NASEC - RIAHF P	2017	Goods	8.0	RFQ	RFQ	8.0	8.0	7	7	8	2	15	2	2	15	0	0	0	0	0.00
127	07104000115 1/180074/00	Activity receiver and collar	NASEC - RIAHF P	2018	Goods	7.0	RFQ	RFQ	5.5	5.5	7	7	13	12	4	14	12	20	1	10	0	0	0.00
128	07104000115 1/180100/00	Ultrasound scanner iScan IS P RS	NASEC - RIAHF P	2018	Goods	8.4	RFQ	RFQ	3.2	3.2	7	7	9	17	15	32	17	16	1	17	0	0	0.00
129	07104000115 1/180099/00	Ultrasound scanner iScan IS P	NASEC - RIAHF P	2018	Goods	5.8	RFQ	RFQ	2.1	2.1	7	7	9	15	15	32	15	16	1	17	0	0	0.00

130	07104000115 1/180092/00	Automatic weighing system	NASEC - RIAHF P	2018	Goods	5.0	RFQ	RFQ	1.5	1.5	7	7	10	15	9	7	15	17	0	0	0	0	0.00
131	07104000115 1/180091/00	Herd management system. For adaptation with a herd management PC	NASEC - RIAHF P	2018	Goods	4.2	RFQ	RFQ	3.2	3.2	7	7	8	5	11	36	5	15	1	25	0	0	0.00
132	07104000115 1/180090/00	MP 600mm with a total load of 2000 kg	NASEC - RIAHF P	2018	Goods	2.0	RFQ	RFQ	1.5	1.5	7	7	13	6	6	9	6	20	1	3	0	0	0.00
133	07104000115 1/180085/00	Ultrasound scanner for determining the pregnancy of farm animals.	NASEC - RIAHF P	2018	Goods	8.0	RFQ	RFQ	3.0	3.0	7	7	14	20	5	3	20	21	0	0	0	0	0.00
134	07104000115 1/190047/00	Dumping tractor trailer for transportation of various cargoes	NASEC - RIAHF P	2019	Goods	2.4	Open tender	Open tender	1.9	1.9	16	16	35	2	15	18	2	51	1	3	0	0	0.00
135	07104000115 1/190045/00	Laboratory furniture	NASEC - RIAHF P	2019	Goods	2.4	RFQ	Single source after a failed bidding	2.1	2.1	7	12	8	1	15	14	1	20	0	0	0	0	0.00
136	07104000115 1/190037/00	Baler press sorter	NASEC - RIAHF P	2019	Goods	3.2	RFQ	RFQ	2.6	2.6	7	7	1	4	15	12	4	8	0	0	0	0	0.00
137	07104000115 1/190035/00	Computers	NASEC - RIAHF P	2019	Goods	9.3	RFQ	RFQ	4.1	4.1	7	7	11	19	15	39	19	18	1	24	0	0	0.00
138	07104000115 1/190036/00	Rotary mower	NASEC - RIAHF P	2019	Goods	0.8	RFQ	RFQ	0.6	0.6	7	7	2	5	15	5	5	9	0	0	0	0	0.00
139	08104000709 3/170092/00	coal	NASEC -NKRIA	2017	Goods	3.1	RFQ	RFQ	2.6	2.6	7	7	1	2	15	27	2	8	1	12	0	0	0.00
140	08104000709 3/170087/00	current repair of the heating system	NASEC -NKRIA	2017	Works	1.5	RFQ	RFQ	1.3	1.3	12	12	5	4	111	106	4	17	0	0	0	0	0.00
141	08104000709 3/170014/00	coal	NASEC -NKRIA	2017	Goods	0.8	RFQ	RFQ	0.8	0.8	7	7	1	3	97	97	3	8	0	0	0	0	0.00
142	08104000709 3/180078/00	Ai92 gasoline	NASEC -NKRIA	2018	Goods	0.6	RFQ	Single source after a failed bidding	0.5	0.5	7	7	1	1	83	62	1	8	0	0	0	0	0.00
143	08104000709 3/180072/00	car	NASEC -NKRIA	2018	Goods	6.3	Open tender	Single source after a failed bidding	6.3	6.3	15	35	1	1	38	33	1	36	0	0	0	0	0.00

144	08104000709 3/180060/00	Ai93 gasoline	NASEC -NKRIA	2018	Goods	1.1	RFQ	failed bidding	1.0	1.0	7	7	3	4	200	103	4	10	0	0	0	0	0.00
145	08104000709 3/190002/00	Ai92 gasoline	NASEC -NKRIA	2019	Goods	1.0	RFQ	Single source after a failed bidding	1.0	1.0	7	7	1	1	255	250	1	8	0	0	0	0	0.00
146	07094001598 4/170024/00	Plastic windows	NASEC - SWSRI LPP	2017	Goods	2.8	RFQ	RFQ	2.2	2.2	11	11	17	15	100	90	15	28	0	0	0	0	0.00
147	07094001598 4/170008/00	Cleaning services for buildings, premises and premises	NASEC - SWSRI LPP	2017	Services	1.4	RFQ	RFQ	1.3	1.3	7	7	2	6	220	244	6	9	1	24	0	0	0.00
148	07094001598 4/180038/00	Office tables	NASEC - SWSRI LPP	2018	Goods	1.6	RFQ	RFQ	0.9	0.9	7	7	7	7	11	31	7	14	1	20	0	0	0.00
149	07094001598 4/180036/00	Mesh and pipe	NASEC - SWSRI LPP	2018	Goods	2.4	RFQ	RFQ	2.0	2.0	7	7	4	8	21	26	8	11	1	5	0	0	0.00
150	07094001598 4/180025/00	Polyethylene pipe Dn = 50 SDR17 GOST 18599-2001	NASEC - SWSRI LPP	2018	Goods	3.1	RFQ	RFQ	2.2	2.2	7	7	1	8	17	19	8	8	1	2	0	0	0.00
151	07094001598 4/180023/00	Atomic Absorption Spectrometer	NASEC - SWSRI LPP	2018	Goods	5.4	RFQ	RFQ	4.0	4.0	8	8	12	5	20	66	5	20	1	46	0	0	0.00
152	07094001598 4/180014/00	Construction of a seasonal pasture fence for grazing in the Baidibek district of South Kazakhstan	NASEC - SWSRI LPP	2018	Works	26.2	Open tender	Open tender	17.0	17.0				5			5	34	0	0	0	0	0.00
153	07094001598 4/180008/00	Ai92 gasoline	NASEC - SWSRI LPP	2018	Goods	2.3	RFQ	RFQ	2.3	2.3	16 7	16 7	18 7	3	47 242	47 25	3	14	0	0	0	0	0.00
154	07094001598 4/180001/00	Cleaning services for buildings, premises and premises	NASEC - SWSRI LPP	2018	Services	1.4	RFQ	RFQ	1.0	1.0	12	12	1	7	278	268	7	13	0	0	0	0	0.00
155	07094001598 4/190042/00	Services for the development and implementation of a system for monitoring the efficiency of water consumption from	NASEC - SWSRI LPP	2019	Services	14.2	Open tender	Single source after a failed bidding	14.2	14.2	17	39	1	1	30	34	1	40	1	4	0	0	0.00

		the Bugunsky reservoir																					
156	07094001598 4/190027/00	laptop	NASEC - SWSRI LPP	2019	Goods	0.8	RFQ	RFQ	0.7	0.7	7	7	5	11	30	6	11	12	0	0	0	0	0.00
157	07094001598 4/190026/00	Sheep-producer of a breed of sheep DORPER	NASEC - SWSRI LPP	2019	Goods	1.2	Open tender	Single source after a failed bidding	1.2	1.2	15	128	1	1	30	13	1	129	0	0	0	0	0.00
158	07124001845 0/170267/00	Three-phase voltage stabilizers kW 15,30,60	NASEC -KSRVI	2017	Goods	3.7	RFQ	RFQ	3.0	3.0	7	7	6	12	67	50	12	13	0	0	0	0	0.00
159	07124001845 0/170231/00	Maintenance of the building	NASEC -KSRVI	2017	Works	6.7	Open tender	Open tender	5.9	5.9	15	15	32	4	60	99	4	47	1	39	0	0	0.00
160	07124001845 0/170167/00	Personal computers	NASEC -KSRVI	2017	Goods	2.6	Open tender	Open tender	2.2	2.2	16	16	24	3	15	9	3	40	0	0	0	0	0.00
161	07124001845 0/170148/00		NASEC -KSRVI	2017	Goods	10.0	Open tender	Single source after a failed bidding	10.0	10.0				1			1	7	0	0	0	0	0.00
162	07124001845 0/170125/00	car Maintenance and repair of laboratory equipment	NASEC -KSRVI	2017	Services	4.9	RFQ	RFQ	3.0	3.0	6 7	6 7	1 5	4	45 258	1 252	4	12	0	0	0	0	0.00
163	07124001845 0/180250/00	Tablet, water	NASEC -KSRVI	2018	Goods	1.4	RFQ	RFQ	1.1	1.1	7	7	5	5	20	35	5	12	1	15	0	0	0.00
164	07124001845 0/180231/00	Membrane pilot machine for fluid flow regulator	NASEC -KSRVI	2018	Goods	3.6	RFQ	RFQ	3.0	3.0	7	7	8	4	32	13	4	15	0	0	0	0	0.00
165	07124001845 0/180229/00	Analyzer for the determination of oxygen, nitrogen, hydrogen, in the production of tantalum production	NASEC -KSRVI	2018	Goods	4.4	RFQ	RFQ	1.9	1.9	7	7	2	21	39	35	21	9	0	0	0	0	0.00
166	07124001845 0/180181/00	Maintenance of the building	NASEC -KSRVI	2018	Works	3.6	Open tender	Open tender	2.3	2.3				5			5	42	0	0	0	0	0.00
167	07124001845 0/180078/00	Maintenance of the entrance group	NASEC -KSRVI	2018	Works	3.8	Open tender	Open tender	2.6	2.6	16 15	16 15	26 30	8	112 25	88 23	8	45	0	0	0	0	0.00
168	07124001845 0/190186/00	Maintenance of the building (laboratory) of the Institute of KazNIVI, Almaty	NASEC -KSRVI	2019	Works	3.6	Open tender	Open tender	2.4	2.4	15	15	25	6	45	45	5	40	0	0	0	0	0.00

169	07124001845 0/190158/00	Work station	NASEC -KSRVI	2019	Goods	1.7	RFQ	RFQ	1.5	1.5	7	7	9	2	15	15	2	16	0	0	0	0	0.00
170	93104000005 5/170173/00	Cattle Locking Machine	NASEC -RCBL	2017	Goods	2.0	RFQ	RFQ	0.8	0.8	7	7	1	10	15	40	10	8	1	25	0	0	0.00
171	93104000005 5/170162/00	Security Services	NASEC -RCBL	2017	Services	1.6	Open tender	Single source after a failed bidding	1.0	1.0	19	33	1	1	61	81	1	34	1	20	0	0	0.00
172	93104000005 5/170135/00	Acquisition of synthetic diluents	NASEC -RCBL	2017	Goods	2.6	Open tender	Single source after a failed bidding	2.5	2.5	15	34	1	1	20	39	1	35	1	19	0	0	0.00
173	93104000005 5/170122/00	Financial audit	NASEC -RCBL	2017	Services	2.0	Open tender	Open tender	0.9	0.9				5			5	32	0	0	0	0	0.00
174	93104000005 5/180029/00	Audit Services	NASEC -RCBL	2018	Services	0.9	Open tender	Open tender	0.7	0.7	15 20	15 20	17 31	5	15 20	11 14	2	51	0	0	0	0	0.00
175	93104000005 5/190027/00	Diesel (summer)	NASEC -RCBL	2019	Goods	2.1	RFQ	Single source after a failed bidding	2.1	2.1	7	24	1	1	245	177	1	25	0	0	0	0	0.00
	Total:					7,386			6,695	6,720	2,288	3,643	3,738	854	21,295	14,567	745	7,381	28	478	8	3	0.38

Payments for selected contracts

Implementing agency	Contract ID	Invoice' Number	Invoice' Date	Contractual provisions for payment (days)	Payment' Date	Time taken from invoice' to payment' date	Difference between contractual and actual (days)	Payment on time (Y=1; N=0)
MOA	94104000235/190106/00	59850149	22-Jul-19	30	20-Aug-19	29	1	1
MOA	94104000235/190089/00	35469299	22-Apr-19	30	24-Apr-19	2	28	1
MOA	94104000235/180134/00	50235283	21-Dec-18	30	21-Dec-18	0	30	1
MOA	94104000235/190093/00	65567364	26-Apr-19	30	03-May-19	7	23	1
MOA	94104000235/180185/00	43530470	04-Dec-19	30	04-Dec-19	0	30	1
MOA	94104000235/190113/00	38784322	30-Jul-19	30	30-Jul-19	0	30	1
MOA	94104000235/180097/00	64995045	26-Oct-18	30	26-Oct-18	0	30	1
MOA	94104000235/180097/00	70333200	28-Dec-18	30	28-Dec-18	0	30	1
MOA	94104000235/180097/00	70358260	28-Dec-18	30	28-Dec-18	0	30	1
MOA	94104000235/180183/00	33115609	25-Dec-18	30	25-Dec-18	0	30	1
MOA	94104000235/180146/00	56654368	13-Nov-18	30	05-Dec-18	22	8	1
MOA	94104000235/180191/00	37819424	11-Dec-18	30	11-Dec-18	0	30	1
VetCom	111040018852/190018/00	54669690	28-Mar-19	30	19-Apr-19	22	8	1
VetCom	111040018852/190004/00	31621934	27-Mar-19	30	19-Apr-19	23	7	1
VetCom	111040018852/190013/00	34867797	01-Apr-19	30	19-Apr-19	18	12	1
VetCom	111040018852/190008/01	37209374	01-Apr-19	30	19-Apr-19	18	12	1
VetCom	111040018852/190039/00	37867222	30-Jul-19	30	01-Aug-19	2	28	1
VetCom	111040018852/190015/00	62197566	05-Aug-19	30	21-Aug-19	16	14	1
VetCom	111040018852/190041/00	44877657	17-Jul-19	30	30-Jul-19	13	17	1
VetCom	111040018852/190037/00	62513569	20-Jun-19	30	02-Jul-19	12	18	1
VetCom	111040018852/190029/01	43067662	17-May-19	30	25-Jun-19	39	-9	0
VetCom	111040018852/190035/00	43971924	08-May-19	30	25-Jun-19	48	-18	0
Total in %:								90%

Source: e-procurement web-portal (www.goszakup.gov.kz) and e-invoice web-portal (www.esf.kz)

Annex 3. Budget Execution Analysis 2017 (in thousand KZT)

Budget classification code	P4R supported budget sub-programs	Original budget	Revised budget	Actual	Absolute Variance between original and revised budget	Percentage Variance between original and revised budget	% (Actual vs Original Budget)	% (Actual vs Revised Budget)
	TOTAL	179,006,543	233,589,303	233,578,562	54,582,760	30.5%	30.5%	0.00%
001	Services on planning, regulation and management in the area of agriculture and land resources use	11,829,095	11,699,926	11,689,340	-129,169	-1.1%	-1.2%	-0.09%
249	Creation of enabling environment for development of the livestock sector and production, processing and sale of livestock products	23,115,843	32,729,714	32,729,559	9,613,871	41.6%	41.6%	0.00%
250	Improvement in affordability of financial services	72,612,713	106,312,713	106,312,713	33,700,000	46.4%	46.4%	0.00%
259	Improvement in accessibility of the information on land resources	5,447,152	7,567,007	7,567,007	2,119,855	38.9%	38.9%	0.00%
131 (267)	Improvement of accessibility for knowledge and scientific research	894,800	1,270,143	1,270,143	375,343	41.9%	41.9%	0.00%
053	Subsidizing of costs of development of pedigree livestock farming and improvement in productivity and quality of livestock production	65,106,940	74,009,800	74,009,800	8,902,860	13.7%	13.7%	0.00%

2018

(in thousand KZT)

	TOTAL	185,356,994	206,198,277	206,091,805	20,841,283	11.2%	11.2%	-0.05%
001	Services on planning, regulation and management in the area of agriculture and land resources use	12,295,124	13,802,429	13,695,958	1,507,305	12.3%	11.4%	-0.77%
249	Creation of enabling environment for development of the livestock sector and production, processing and sale of livestock products	21,995,311	21,977,907	21,977,906	-17,404	-0.1%	-0.1%	0.00%
250	Improvement in affordability of financial services	68,149,133	76,198,131	76,198,131	8,048,998	11.8%	11.8%	0.00%
259	Improvement in accessibility of the information on land resources	9,295,209	9,295,209	9,295,209	0	0.00%	0.00%	0.00%
267	Improvement in accessibility of knowledge and research	4,624,217	8,263,601	8,263,601	3,639,384	78.7%	78.7%	0.00%
053	Subsidizing of costs of development of pedigree livestock farming and improvement in productivity and quality of livestock production	68,998,000	76,661,000	76,661,000	7,663,000	11.1%	0.00%	0.00%

Annex 4. – Program Expenditure Economic Classification with Budget Codes

	Expenditure Economic classification	Budget code	Estimated % proportion in expenditure framework for FY2021-2025
1	Salary, taxes and social payments	110-139	1.2%
2	Goods	140-149; 410-451	2.7%
3	Services	150-159	10.9%
5	Subsidies	310; 330	85.7%
	Total		100.0%

Annex 5. Procurement Profile for Livestock Sustainable Development Program PforR

#	Budget codes	Contract description	Procuring entity	Method	Procurement Plan for 2020*, US\$ million	Procurable items for 2021-2025, US\$ million*					Total Procurable items for P4R (2021-2025), US\$ million	Procurement amount for past 3 years, US\$ million						Comments
						2021	2022	2023	2024	2025		2017		2018		2019		
												Procured from local companies	Procured from foreign companies	Procured from local companies	Procured from foreign companies	Procured from local companies	Procured from foreign companies	
Goods:																		
1	001-111	Trailer - insulated residential carriage on the chassis	MoF Procurement Committee	Open tender	0.09	0.12	0.00	0.29	0.29	0.29	1.00	0.00	0.00	0.00	0.00	0.00	0.00	Procurement governed by the Public Procurement Law (PPL)
2	249-101	Disinfectant	MoA Veterinary Committee	Auction	0.13	0.13	0.13	0.12	0.12	0.12	0.62	0.04	0.00	0.04	0.00	0.11	0.00	Procurement governed by the PPL
3	249-101	Livestock Listeriosis Vaccine for Cattle	MoA Veterinary Committee	Auction	0.002	0.00	0.00	0.00	0.00	0.00	0.01	0.057	0.000	0.000	0.000	0.000	0.000	Procurement governed by the PPL
4	249-101	Horse Rhinopneumonia Vaccine	MoA Veterinary Committee	Auction	0.37	0.37	0.37	0.35	0.35	0.35	1.79	0.13	0.00	0.27	0.00	0.40	0.00	Procurement governed by the PPL
5	249-101	Allergen for the diagnosis of glanders in horses	MoA Veterinary Committee	Auction	0.08	0.08	0.08	0.08	0.08	0.08	0.40	0.24	0.00	0.07	0.00	0.07	0.00	Procurement governed by the PPL
6	249-101	Plague vaccine	MoA Veterinary Committee	Auction	0.09	0.09	0.09	0.08	0.08	0.08	0.42	0.14	0.00	0.09	0.00	0.07	0.00	Procurement governed by the PPL
7	249-101	Tuberculin for mammals	MoA Veterinary Committee	Auction	0.43	0.44	0.44	0.41	0.41	0.41	2.10	0.09	0.00	0.38	0.00	0.19	0.00	Procurement governed by the PPL
8	249-101	Vaccine against bradzet, malignant edema, enterotoxemia and dysentery	MoA Veterinary Committee	Auction	0.16	0.16	0.16	0.15	0.15	0.15	0.76	0.18	0.00	0.05	0.00	0.12	0.00	Procurement governed by the PPL
9	249-101	Plague Vaccine	MoA Veterinary Committee	Auction	0.12	0.13	0.13	0.12	0.12	0.12	0.60	0.12	0.00	0.04	0.00	0.09	0.00	Procurement governed by the PPL

10	249-101	Cattle Infectious Rhinotracheitis Vaccine	MoA Veterinary Committee	Auction	0.07	0.07	0.07	0.06	0.06	0.06	0.32	0.29	0.00	0.21	0.00	0.08	0.00	Procurement governed by the PPL
11	249-101	Cattle vaccine against emphysematous carbuncle (emcar)	MoA Veterinary Committee	Auction	0.10	0.10	0.10	0.10	0.10	0.10	0.50	0.04	0.00	0.05	0.00	0.09	0.00	Procurement governed by the PPL
12	249-101	Drug for the prevention of helminthiasis (echinococcosis)	MoA Veterinary Committee	Auction	0.06	0.06	0.06	0.06	0.06	0.06	0.29	0.05	0.00	0.08	0.00	0.05	0.00	Procurement governed by the PPL
13	249-101	Farm Animal Anthrax Vaccine	MoA Veterinary Committee	Auction	0.71	0.71	0.71	0.67	0.67	0.67	3.44	0.57	0.00	0.37	0.00	0.65	0.00	Procurement governed by the PPL
14	249-101	Animal rabies vaccine	MoA Veterinary Committee	Auction	0.85	0.85	0.85	0.80	0.80	0.80	4.11	0.75	0.00	0.19	0.00	0.49	0.00	Procurement governed by the PPL
15	249-101	Trivalent FMD vaccine (type A, type O and type Asia-1) for cattle	MoA Veterinary Committee	Auction	1.41	1.41	1.42	1.33	1.33	1.33	6.82	0.00	0.63	0.00	0.63	0.00	0.63	Procurement governed by the PPL. Contracts in 2017-2019 were signed with a foreign supplier (Russia) from a single source after a failed auction
16	249-101	Contagious pustular dermatitis vaccine	MoA Veterinary Committee	Direct Contracting	0.03	0.03	0.03	0.02	0.02	0.02	0.13	0.05	0.00	0.01	0.00	0.03	0.00	Direct contracting based on Article 39(3)(3) of the PPL (purchase of patented goods)
17	249-101	Cattle Nodular Dermatitis Vaccine	MoA Veterinary Committee	Direct Contracting	3.18	3.18	3.19	2.99	2.99	2.99	15.35	2.76	0.00	6.15	0.00	10.35	0.00	Direct contracting based on Article 39(3)(3) of the PPL (purchase of patented goods)
18	249-101	Highly Pathogenic Influenza Vaccine	MoA Veterinary Committee	Direct Contracting	0.10	0.10	0.10	0.09	0.09	0.09	0.46	0.21	0.00	0.07	0.00	0.09	0.00	Direct contracting based on Article 39(3)(3) of the PPL (purchase of patented goods)

19	249-101	Smallpox vaccine	MoA Veterinary Committee	Direct Contracting	0.08	0.08	0.08	0.07	0.07	0.07	0.37	0.11	0.00	0.03	0.00	0.08	0.00	Direct contracting based on Article 39(3)(3) of the PPL (purchase of patented goods)
20	249-101	Cattle pasteurellosis vaccine	MoA Veterinary Committee	Direct Contracting	0.20	0.20	0.20	0.19	0.19	0.19	0.97	0.34	0.00	0.16	0.00	0.21	0.00	Direct contracting based on Article 39(3)(3) of the PPL (purchase of patented goods)
21	249-101	Animal Leptospirosis Vaccine for Cattle	MoA Veterinary Committee	Direct Contracting	0.12	0.12	0.12	0.11	0.11	0.11	0.56	0.20	0.00	0.07	0.00	0.17	0.00	Direct contracting based on Article 39(3)(3) of the PPL (purchase of patented goods)
22	249-101	Attributes for the identification of farm animals (tags)	Public institution Anti-epizootic squad	Auction	1.18	1.18	1.18	1.11	1.11	1.11	5.68	1.74	0.00	1.15	0.00	0.56	0.00	Procurement governed by the PPL
Sub-total for goods:					9.55	9.61	9.48	9.21	9.21	9.21	46.71	8.10	0.63	9.49	0.63	13.90	0.63	
Services:																		
23	249-100	Animal Disease Diagnostic Services	MoA Veterinary Committee	Direct Contracting	7.22	14.23	14.23	14.99	14.99	14.99	73.42	12.73	0.00	14.03	0.00	11.22	0.00	Direct contracting based on Article 39(3)(27) of the PPL (contracting with a subordinate enterprise)
24	249-101	Veterinary storage services	MoA Veterinary Committee	Request for Quotation	0.02	0.02	0.02	0.02	0.02	0.02	0.08	0.00	0.00	0.00	0.00	0.00	0.00	Procurement under the PPL
25	249-101	Serological research on brucellosis of agricultural animals, sampling for the quality of disinfection during final disinfection	Public institution Anti-epizootic squad	Direct Contracting	0.35	0.35	0.35	0.33	0.33	0.33	1.70	0.29	0.00	0.28	0.00	0.20	0.00	Direct contracting based on Article 39(3)(27) of the PPL (contracting with a subordinate enterprise)
26	249-102	Veterinary monitoring / reference services	MoA Veterinary Committee	Direct Contracting	0.89	0.89	0.89	0.54	0.54	0.54	3.38	0.47	0.00	0.47	0.00	0.53	0.00	Direct contracting based on Article 39(3)(27) of the PPL (contracting with a subordinate enterprise)

27	249-103	Food Safety Services	MoA Veterinary Committee	Direct Contracting	0.37	0.37	0.37	0.34	0.34	0.34	1.76	0.29	0.00	0.27	0.00	0.33	0.00	Direct contracting based on Article 39(3)(27) of the PPL (contracting with a subordinate enterprise)
28	001-104	Maintenance of the information system for managing industries of the agro-industrial complex "E-Agriculture"	MoF Procurement Committee	Open tender	0.48	0.48	0.49	0.72	0.72	0.72	3.12	0.05	0.00	0.10	0.00	0.00	0.00	Procurement governed by the PPL
29	259-100	Aerial photography, interpretation of aerial photographs and photographic plans, creation of agricultural maps	MOA Land Committee	Direct Contracting	3.86	3.78	3.48	3.37	3.37	3.37	17.36	3.81	0.00	3.81	0.00	3.81	0.00	Government assignments (excluded from Public Procurement Law)
30	259-100	Geobotanical survey	MOA Land Committee	Direct Contracting	6.84	6.71	6.16	5.97	5.97	5.97	30.77	3.00	0.00	6.16	0.00	6.53	0.00	Government assignments (excluded from Public Procurement Law)
31	259-100	Creation of geobotanical maps in electronic form	MOA Land Committee	Direct Contracting	0.55	0.54	0.50	0.48	0.48	0.48	2.48	0.24	0.00	0.50	0.00	0.53	0.00	Government assignments (excluded from Public Procurement Law)
32	267-100	Knowledge dissemination services for agribusiness entities at no cost	MoF Procurement Committee	Open tender	0.78	0.78	0.78	2.66	2.66	2.66	9.53	0.91	0.00	1.05	0.00	1.24	0.00	Procurement governed by the PPL
33	267-101	Scientific research	MOA	Direct Contracting	14.14	16.96	16.96	14.14	14.14	14.14	76.34	3.30	0.00	10.11	0.00	9.49	0.00	Procurement governed by Science Law (excluded from Public Procurement Law)

<i>Sub-total for services:</i>					35.51	45.11	44.21	43.54	43.54	43.54	219.95	25.09	0.00	36.79	0.00	33.89	0.00
Total:					45.06	54.71	53.70	52.75	52.75	52.75	266.66	33.20	0.63	46.28	0.63	47.79	0.63

* Projection based on the Program Expenditure Framework

Share of contract type by value

Contract type	2020-2025	2017	2018	2019
Goods	21%	26%	22%	30%
Services	79%	74%	78%	70%

Share of procurement methods by volume

Procurement method	2020-2025	2017	2018	2019
Open tender/Auction	16%	16%	9%	9%
Direct Contracting	84%	84%	91%	91%

Share of local and foreign suppliers/contractors by volume

Residency	2017	2018	2019
Local companies	98%	99%	99%
Foreign companies	2%	1%	1%

Share of procurement by contract size for 2017-2019 including direct contracts established by PPL

Contract type	Contract size	Number	Share
Goods	< 1 \$US million	61	92%
Goods	> 1 \$US million	5	8%
Sub-total:		66	
Services	< 1 \$US million	18	61%
Services	> 1 \$US million	15	39%
Sub-total:		33	
Total:		99	

Share of contract type by number

Contract type	2020-2025	2017	2018	2019
Goods	67%	67%	67%	67%
Services	33%	33%	33%	33%

Share of procurement methods by number

Procurement method	2020-2025	2017	2018	2019
Open tender/ Auction	58%	55%	55%	55%
Direct Contracting	42%	45%	45%	45%

Share of local and foreign suppliers/contractors by number

Residency	2017	2018	2019
Local companies	97%	97%	97%
Foreign companies	3%	3%	3%

Share of procurement by contract size for 2017-2019 excluding direct contracts established by PPL

Contract type	Contract size	Number	Share
Goods	< 1 \$US million	46	88%
Goods	> 1 \$US million	2	12%
Sub-total:		48	
Services	< 1 \$US million	7	78%
Services	> 1 \$US million	2	22%
Sub-total:		9	
Total:		57	

Share of procurement by contract size for 2021-2025 including direct contracts established by PPL

Contract type	Contract size	Number	Share
Goods	< 1 \$US million	95	86%
Goods	> 1 \$US million	15	14%
<i>Sub-total:</i>		110	
Services	< 1 \$US million	32	58%
Services	> 1 \$US million	23	42%
<i>Sub-total:</i>		55	
Total:		165	

Share of procurement by contract size for 2021-2025 excluding direct contracts established by PPL

Contract type	Contract size	Number	Share
Goods	< 1 \$US million	70	87%
Goods	> 1 \$US million	10	13%
<i>Sub-total:</i>		80	
Services	< 1 \$US million	12	80%
Services	> 1 \$US million	3	20%
<i>Sub-total:</i>		15	
Total:		95	