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**Report on**

**"The use of Key National Indicators of SAI of Kazakhstan"**

Dear participants of the fourth meeting of the Working Group INTASAI on Key National Indicators, as you all know social development is entering an era of rapid change under the influence of globalization and integration processes.

Nowadays in the period of post-crisis formation and development in Kazakhstan, much attention is paid to the implementation of Key National Indicators in all sectors of the economy that allows the state to project clearly the depth at matrix plan level and scope of government regulation of the economy.

In this case, one of the tools of economic regulation is a state financial control, which as an immune system of the body, timely identifies, eliminates and prevents the negative factors & protects the economy from the irrational decisions and inefficient investments.

In the modernization of the economy the role of independent financial control increases over the management of financial resources and state assets with key national and transnational performance.

In the present context the focus of the Accounts Committee of the Republic of Kazakhstan concentrated on ensuring maximum transparency and openness in the work, as well as tight control of budget and specific recommendations to promote & improve economic and social policy, and most importantly - the quality of life of all Kazakhstan citizens.

As a good example of effective use of the key national indicators during performance audit process are the results of evaluation of the Accounts Committee of the Programme of development of cardiology and cardiac surgery in the Republic of Kazakhstan.

Control established that the reforms in the health system as a whole showed positive results. However, particular concern for today causes diseases of circulatory system.

Conducted performance audit with the use of key indicators showed that among the causes of disability and mortality in the country first place is occupied by cardiovascular diseases.

Total number of patients at the beginning of the current year comprises over 10% of the total population of Kazakhstan. Annually from diseases of the circulatory die more than 80 thousand people or more than 50% of total mortality.

The main causes of high mortality and disability from diseases of the circulatory system in Kazakhstan are the lack of population awareness about the factors which increase the risk of cardiovascular diseases, prevention and clinical examination at the level of outpatient care, the provision of prehospital care, the use of high-tech diagnostic and treatment methods, training of doctors (especially primary managers), lack of pediatric cardiology, cardiac surgeries at antenatal clinics and the high cost of preferential drug provision of the circulatory disease patients.

Analysis of the plan for implementing the Program shows that the initial lack of a comprehensive vision, the initial and final key indicators of cardiology and cardiac care in the Republic of Kazakhstan assisted to reaffirm high-cost activities, without adequate attention to the factors of warning and prevention of diseases of the circulatory system.

Dear colleagues, the Accounts Committee of the Republic of Kazakhstan, after investigating the possibilities of key national indicators in the work, has identified areas of their application, which are the next:

* stage of planning control and analytical measures based on risk assessment, based on analysis of financial indicators in three variations. In particular: horizontal, vertical & trending and comparison.

However, the major objectives of the risk management system are:

detected high-risk areas, risk assessment, analysis of the level of risk, development of appropriate risk reduction measures, measures to maximize coverage of risk areas of control activities of the Accounts Committee.

* stage of studying the object of control is based on creating a tree of the state financial control, where the criteria are as following:

effectiveness - reflecting the positive impact that controls the content of the test object;

efficiency - the ratio achieved by the controlling authority results of goals and objectives;

economy - depends on the ratio of outlays to monitoring outcomes;

results rating - is needed to assess conducted control measures with a view to enhancing its effectiveness.

* stage of preparation for the control measures aimed at ensuring the social, institutional and economic effect

Social benefits are expressed in the improvement of key indicators reflecting the degree of welfare and the public.

Organizational effects - show the quality of governance, the degree of spending limited resources, improving the administration of public management and business.

The economic effect - achieved by improving the performance of government bodies and quasi-public sector entities, in terms of cost savings and extra-budgetary funds, improving profitability, turnover, reduce costs, etc.

* phase of the state financial control is based on the logical-structural analysis in conjunction with the goals and tasks to specific key performance indicators with a breakdown of activities to achieve them. In accordance with the Budget legislation of the Republic of Kazakhstan supreme audit institution control is directed to conduct audits of facility monitoring and assessment of its impact on the economy or its individual branches.
* stage of conclusion and summing up the control necessarily reflect the results of situation analysis, reflecting the degree of influence of a control object to key national and transnational indicators, as well as social and economic development of the country.

Thus, we see that the activities of SAI of the Republic of Kazakhstan is closely linked to key performance indicators.

Dear Colleagues, The supreme audit institution of the Republic of Kazakhstan, being an effective tool of state regulation of economy, being proactive in protecting the public interest, improving the indicators of progress that promote fiscal discipline is the guardian of public interest and it helps the key national and transnational indicators.

Therefore the question of systemizing of key national indicators which are used in the SAI activities is the development of appropriate methodology which should be essential for supreme audit institutions.

**Thank you for your attention!**