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# Assessment of the current mechanism for managing the socio-economic development of East Kazakhstan region and its districts

**Abstract.** The article presents an assessment of the mechanism for managing the socio-economic development of East Kazakhstan and its regions. It analyzes the main indicators of regional development. Also, it identifies the main problems in the industry and makes a SWOT analysis of the state of development of the industry. The authors note that the key problem in achieving this goal is the disproportionality in the level of development of individual entities and in the presence of territorial entities with a special problematic status with depressed areas in the regions that require more attention. In solving these problems, it is necessary, according to the authors, to ensure the innovative development of depressed territories by modernizing industries based on the introduction of advanced technology and technology, ensuring the accelerated development of science-intensive industries, increasing the share of innovative products in the total volume of industrial production.

**Keywords:** innovation, region, innovation environment, industry, competitive advantages, regional disparities, depressed region.

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### Introduction

There were made several proposals for the project State Program of Industrial and Innovative Development of the Republic of Kazakhstan for 2020-2025 to increase the level of innovative development in Kazakhstan [1].

For innovative development of the economy of the regions of Kazakhstan, there is required a

strict state policy and more significant funding for scientific and innovative spheres.

The purpose of the scientific article focuses on the assessment of the current management mechanism for the socio-economic development of East Kazakhstan region and its districts.

Socio-economic development is a process that should ensure the growth of the economic wellbeing of the population of the region through

effective management and use of all available regional resources. The main indicators for assessing the socio-economic development of the region (SED) include gross regional product (GRP), GRP growth rate, GRP per capita, average annual population, life expectancy, human development index, and consumer price index. First, this is the level of provision of the population with various benefits and the opinion of the population about the sufficiency of this level. The main role of these indicators is to determine the level of socio-economic development, and they also make it possible to compare the development of other regions as accurately as possible. Indicators that characterize the level and degree of achievement of the SER goals. There is no universal system for assessing the socioeconomic development of regions that would easily adapt to any state, considering the mindset and cultural characteristics of the country.

The East Kazakhstan region (EKR) is one of the innovatively developed regions of the Republic of Kazakhstan, which has been formed in 1932. The territory of the region, is in the basin of the upper Irtysh, borders in the South with China and Almaty region, in the north-east with Russia, and in the west - with Karaganda and Pavlodar regions stretching for 283.3 thousand square km. The population of the East Kazakhstan region decreased by 1,408 people (up to 1,368,227 people as of March 1, 2020). The natural population growth of 1,075 people was canceled out by the migration outflow from the region of 2,483 people.

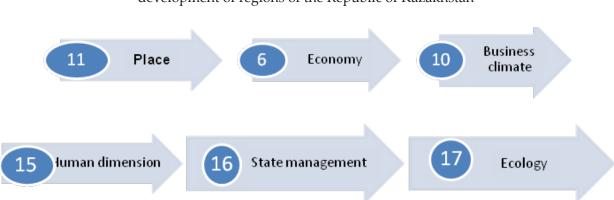
The territory of the region is 283.3 thousand sq. km (10.2% of the territory of Kazakhstan). The level of urbanization (share of the urban population) is 61.8%. Note that on average in Kazakhstan, the level of urbanization is 58.2%. The population density is 4.86 people per square meter.

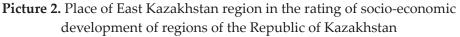
There are 19 administrative-territorial units in the region, with eight mono- and small towns. These are Ridder, Altai, Kurchatov, Serebryansk, Ayagoz , Zaisan, Shar, and Shemonaikha. It includes 13.4% of the region's population, or 184.1 thousand people, 754 villages and towns, and 246 rural and settlement districts (Picture 1). The administrative center is the city of Ust-Kamenogorsk with a population of 316.9 thousand inhabitants, which is 23% of the region's population.

In 2020, in the ranking of regions of Kazakhstan in terms of the standard of living of the population, the East Kazakhstan region took 10th place. The East Kazakhstan region in 2020 showed a growth trend in the main indicators compared to last year. It had an increase in



Picture 1. Administrative division of East Kazakhstan region





industrial production by 13.5%, agriculture – by 2.6%, construction work - by 126.8%, investment attraction - by 60%, commissioning of housing – by 17.4%, and growth in the number of operating SMEs - 1.7%. In the region, there is an increase in gold production by 114% and an increase in engineering by 160%. East Kazakhstan region is also the leader in terms of the growth in the number of public-private partnership agreements.

Positive results in the real sector were reflected in the indicators of the social sphere of the region, For instance, the population's cash income increased by 11.3%, the average monthly wage by 18.3%, and deposits of individuals - by 11.4%.

Foreign direct investment (FDI) is one of the most important forms of capital inflow and economic empowerment. In 2020, the largest amount of FDI came to the Atyrau region (32.2% of the total in the country), Almaty (30%), East Kazakhstan region attracted 2.03 billion dollars. The US or 12% of the total.

# Methodology

The methodological basis of the research is scientific works, theoretical and methodological developments, and current publications of domestic and foreign scientists on strategic planning, regional economics, as well as other disciplines aimed at developing the foundations of strategic, institutional, spatial, and other approaches to analyzing problems and solving problems of the regional economy.

During the research, there were used methods of system, statistical and economic analysis, comparison, methods of expert assessments and ratings, and graphical methods.

# Discussion

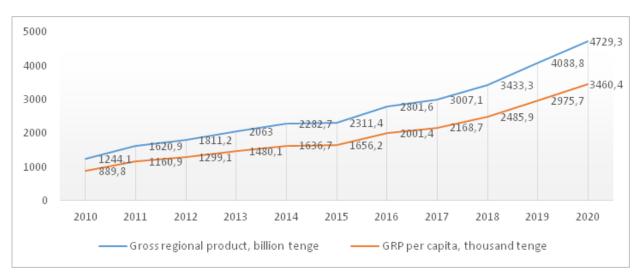
Over the past 10 years, the gross product of the region has increased by 3.6 times. In 2020 GRP amounted to 3 589 332,8 million tenge, and the specific weight of the region in the national GDP is 5.8%, according to this indicator, the region ranks the 6th place among the regions of the country.

East Kazakhstan region took 11th place in the rating of competitiveness of the regions of Kazakhstan. There were carried out studies on the socio-economic development of regions on such factors as economic climate, human dimension, state management, development of small and medium-sized businesses, and ecology (Picture 2).

East Kazakhstan region in 2019 worsened its position, dropping from last year's seventh place to the 11th.

# Results

The East Kazakhstan region is also the main industrial potential of the country. There are located large enterprises in the food and light industries, mechanical engineering, nonferrous metallurgy, and energy. The world's largest plant to produce fuel for nuclear power plants operates



Picture 3. Gross regional product, billion tenge

\* it is compiled by authors according to the data of the Statistics Committee of Kazakhstan NEM

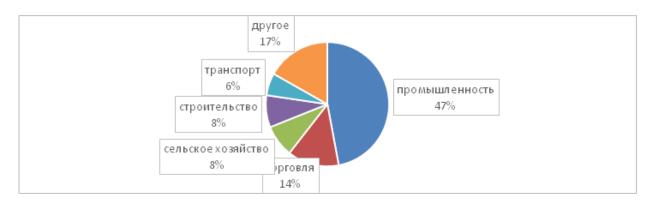
on its territory, beryllium and tantalum are produced. The region is rich in such resources as lead (27% of the balance reserves of Kazakhstan), zinc (48%), and copper (49% of the republican reserves). There are 50 gold deposits here. 6% of industrial products of the entire republic are produced, one-fifth of the manufacturing industry, and a fourth of the products of metallurgy and mechanical engineering are also produced here. In terms of goods, the region primarily specializes in the production of unprocessed lead and zinc - 100% of the republican level. In addition, the region takes the 1st place among the regions for the production of9 more goods, the 2nd place to produce 14 goods, and the 3rd place to produce 16 goods.

The gross regional product tends to increase (Figure 2)

The sectoral structure of the gross regional product (GRP) of the region in 2020 is shown in Figure 4.

The share of industry in the structure of the region's economy reaches 42% in GRP in 2020 and 11% of the total number of employed people in the region (above the national average). The main problems in the industry are depletion of the raw material base, high degree of wear of the OPF, high degree of environmental pollution, technological backwardness, high energy, labor, and material consumption of products, low competitiveness of manufactured products, limited range and low share of domestic

Figure 3. Sectoral structure of the GRP of the East Kazakhstan region

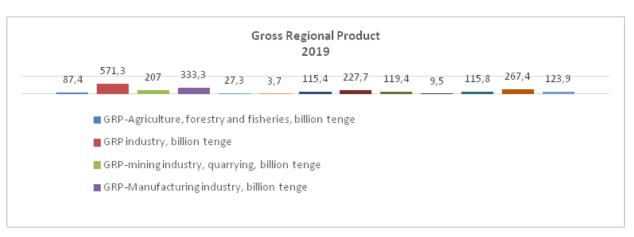


consumption of mechanical engineering and light industry products; insufficient development of the infrastructure of the machine-building complex (research institutes, design bureaus, experimental bases, testing, and technical control centers), in the woodworking industry - the absence of production facilities for the utilization of low-commodity and firewood, a ban on foreign economic activity in the customs territory, export and re-export of timber products of all tree species [3].

At the same time, the agro-industrial complex of the region is also developing rapidly, which is attractive for investors as there are ideal conditions for the implementation of various agricultural projects. The share of agriculture in the region's GRP is 8.7%. For 14 out of 15 districts the basic sector of the economy is agriculture. A powerful forage base creates virtually unlimited opportunities for the development of animal husbandry. In terms of its specialization, the region's agriculture has a predominantly livestock

Strengths (S):	Weaknesses (W):		
1) the presence of its own mineral resource base;	1) a low level of redistribution and a small range		
2) the presence of a regional map of	of metal products;		
industrialization;	2) lack of investment in exploration work;		
3) development of industrial zones;	3) high resource and energy intensity of		
4) availability of potential for clustering in	production in comparison with foreign analogue		
mechanical engineering;	enterprises;		
5) provision of energy resources;	4) low level of labor productivity;		
6) the presence of universities and colleges for	5) low quality of training of technical personnel;		
the training of specialists for the industry;	6) high wear (up to 70%) of technological		
7) the presence of domestic R&D for deep and	equipment, slow renewal of fixed assets;		
complex processing of raw materials;	7) insufficient working capital of enterprises for		
8) the presence of leading companies for the	the modernization and technical re-equipment		
production of export-oriented non-ferrous	of production		
metallurgy products;			
9) proximity to the largest markets-importers of			
products			
(Russia, China).			
Threats (T)	Opportunities (O)		
Threats (T)           1) preservation of the raw material orientation	Opportunities (O)           1) measures of state support within the		
Threats (T)           1) preservation of the raw material orientation of the export of products of the mining and	**		
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Threats (T)           1) preservation of the raw material orientation of the export of products of the mining and	1) measures of state support within the framework of the SPIID for 2020-2025;		
Threats (T)1) preservation of the raw material orientation of the export of products of the mining and metallurgical complex;2) high volumes of imports of machinery, equipment, mechanisms, which hinders the	<ol> <li>measures of state support within the framework of the SPIID for 2020-2025;</li> <li>expansion of the market due to integration into the EAEU, facilitating the export and import of raw materials and components;</li> </ol>		
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Table 3. SWOT - analysis of the state of development of the industry



# Figure 5. Gross regional product for 2020

\* it is compiled by the authors according to the data of the Investment portal of East Kazakhstan region

sector with developed crop production. The region takes 1st place in the country to produce milk, honey, antlers, and sunflower oilseed, and 2nd place to produce meat. The investments made within the framework of the program for the development of dairy farming made it possible to load the capacities of processing enterprises from 29 to 75%. In addition, there are being implemented 2 projects for the construction of meat processing plants.

For 4 months of 2020, gross agricultural output amounted to 82.9 billion tenge, or 111% of the level of 2019. In 2020, investments in fixed assets in agriculture amounted to 30.86 billion tenge. In January-April 2020, investments in fixed assets in agriculture amounted to 4.6 billion tenge.

In the region, in modern economic conditions, integration processes are accelerating, and business entities are becoming active participants in regional and global economic associations. Expansion of borders between countries and integration into the international economic space contribute to the development of foreign trade. Domestic enterprises of the region, through foreign trade, determine their competitive advantages, the level of costs, compliance of manufactured products with international quality standards, etc.

Eastern Kazakhstan is distinguished by its rich nature, which creates ideal conditions for various agricultural projects. A powerful fodder base creates virtually unlimited opportunities for the development of animal husbandry. According to its specialization, the agriculture of the region predominantly livestock breeding with is developed crop production. Animal husbandry forms 62% of the region's gross output. The produced agricultural products of the region were exported to more than 20 countries of the world the Russian Federation, China, the Islamic Republic of Iran, Tajikistan, Kyrgyzstan, Latvia, Lithuania, Turkmenistan, Germany, Turkey, Italy, and other countries. The main types of nonresource exports were wheat flour, buckwheat groats, vegetable oils, poultry meat, fish and fish products, sausages and canned food, butter, and cheese.

Agricultural producers of the region are provided with such state support measures as subsidies and soft loans. In 2020, 30.7 billion tenge of subsidies were allocated to support the development of agriculture in the region. In 2020, 26.98 billion tenge of subsidies were allocated in this direction, including for support of crop production - 5.5 billion tenge, livestock - 9.9 billion tenge, for investment subsidies - 4.98 billion tenge, and in other areas – 6.5 billion tenge. Under lending programs, as of May 12, 2020, through the branches of Agrarian Credit Corporation JSC and the Fund for Financial Support of Agriculture JSC, agricultural producers of the region were provided loans in the amount of

Dynamics of socio-economic development of regions of East Kazakhstan region in 2019				
High	Average	Low		
Ayagoz	Altai,	of Ust - Kamenogorsk		
Kokpektinsky	Zaysansky	Urdzhar district		
Abaysky ,	Ulansky	Kurchatov		
Zharminsky,	Semey	Beskaragaysky		
Shemonaikhinsky	Mr. Ridder	Cato - Karagai		
Borodulikhinsky	Glubokovsky	Tarbagatai		
	Kurchumsky			

Table 2. Intraregional	l analysis of the	e dvnamics of socio-	economic developn	nent for 2020
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4104.2 million tenge. At the same time, there are problems, these are a lack of diversification of exports; fluctuations in raw material prices; a decrease in demand for raw materials, a drop in sales for the traditionally main export positions; lack of innovative technologies in the extraction, processing, and transportation of raw materials; non-development of new markets, etc.

Nowadays 266 PPP projects are in the works, which is 30% of projects in the Republic of Kazakhstan. 29% of regional agreements and contracts with the European Bank for Reconstruction and Development in the Republic of Kazakhstan is the East Kazakhstan region.

Considering the prospects for the development of the region and analyzing strategic longterm reserves that can bring the region to a fundamentally new level, the agrarian complex is defined as the vector direction of the real sector. Thus, experts estimate the Chinese market for soybeans at 97 million tons. PRC annually imports about 3 million tons of corn. It is these two areas that will change the structure of agriculture in the East Kazakhstan region in the next few years.

Another promising development of the economy is the creation of new technologies, and the modernization of production processes based on the mineral resource base of the region. To diversify the economy of mono- and small towns, 13 "anchor" (invested by private business) projects are provided for a total of 55.2 billion tenge. Including in single-industry towns - six projects worth 15.5 billion tenge, and in small towns - seven projects worth 39.7 billion tenge.

So, in Ridder, a project worth 92.5 million tenge was implemented to diversify the production of the mining enterprise "VostokEnergoIndustria" LLP. This year, it is planned to commission the Turgusun hydroelectric power station in the city of Altai. Its cost is 12.5 billion tenge. In the city of Ayagoz, a slaughterhouse with a capacity of 1,400 heads of small ruminants per shift (9.4 billion tenge) and a building materials plant (2.3 billion tenge) are under construction. In 2020, investments in the fixed capital of agriculture amounted to 4.6 billion tenge, 26.98 billion tenge of subsidies were allocated, including support for crop production - 5 % billion tenge, livestock - 9.9 billion tenge for other directions - 6.5 billion tenge

The results of the intra-regional analysis on the dynamics of socio-economic development for 2020 are presented in Table 2.

Ust-Kamenogorsk city. Low values of indicators are noted for the volume index of private investment in fixed assets, the rate of growth of tax and non-tax revenues to the state budget, and the level of detection of grave and especially grave crimes.

Urdzhar district. Low values of indicators for the volume index of construction work, retail turnover, private investment in fixed assets, provision of the population with safe drinking water, and the change in the number of children aged 1-6 years covered by preschool education and training.

Kurchatov city. Low values of volume index indicators of gross agricultural output,

construction work, private investment in fixed assets, the growth rate of the number of operating small businesses, and changes in the incidence of tuberculosis.

Beskaragay district. Low values of indicators for volume index industrial production, gross agricultural output, construction work, provision of the population with safe drinking water, changes in the incidence of tuberculosis, and the number of children aged 1-6 years covered by preschool education and training.

Katon - Karagay region. Low values of indicators for the volume index of gross agricultural output, the growth rate of the number of operating small businesses, provision of the population with safe drinking water, changes in the incidence of tuberculosis, the number of children aged 1-6 years covered by preschool education and training, and changes in the level of crime.

Tarbagatai district. Low values of the indicators of volume index industrial production growth rate of tax and non-tax revenues in the state budget, own revenues in the budget, change the tuberculosis incidence rate, the number of children aged 1-6 enrolled in preschool education and training, and solved grave and especially grave crimes.

The mining industry and the agricultural sector, due to the development of modern technologies, automation of business processes, and informatization of production, are not able to create enough jobs. At the present stage, jobs in sufficient numbers can be offered by the service sector. Service sectors of the economy are developing in urbanized areas. In regional policy terms, this means policy-driven urbanization, which will increase the non-oil GDP of the country. To ensure employment and prevent an increase in the unemployment rate, and obtain stable incomes for the population, an Employment Roadmap is being implemented. As of 01.2020, 7068 people were employed through employment agencies, including 3324 for permanent work. In 2020, it is planned to create about 39 thousand jobs in the region, including 12 thousand permanent jobs. As of May 1, of this year, a total of 7,740 jobs have been created in various sectors of the

region's economy, of which 3,769 are permanent jobs. The number of registered unemployed in employment agencies as of 01.05 in 2020, there were 6,652 people who will be involved in active employment measures and the implementation of infrastructure projects within the framework of the Employment Roadmap. For the realization of free and professional education annually from the state budget within the framework of the Program of development of productive employment and mass business in the years 2017-2021 "Yenbek" allocated 1730 places. In modern conditions, the tourism industry is an important driver of economic growth and a source of new job creation. The program provides for the implementation of more than 800 infrastructure projects worth over 77 billion tenge with the creation of about 20 thousand jobs, including 18870 temporary and 1150 permanent jobs.

In the region, special attention is paid to the quality of life of the population, including health care, education, and social security. Health care in the region is developing according to the principle of catching up to advancement. Within 3 years, 22 billion tenge have been invested in the industry. Accreditation of institutions for compliance with the international "Gold Standard" - Joint Commission International, which will make it possible to take a real step towards the development of medical tourism, is underway. East Kazakhstan region has a high potential for labor resources. According to the statistics of the Ministry of National Economy of the Republic of Kazakhstan, 2161 scientific personnel (9.9% of the entire country) are concentrated in the region, which creates the potential for the development of science-intensive production. In the field of education, all 648 schools in the region are equipped with IT classes. Today the population of East Kazakhstan region is 100% covered by regional electronic health passports. In ensuring an increase in the standard of living of the population, not only budget funds are involved, but also investments of international financial institutions, as well as investments of publicprivate partners. In 2020, it is planned to train 46 specialists in clinics in Israel and Turkey, as well as conduct master classes with the involvement of Kazakhstani and international specialists for a total of 567.8 thousand tenge.

In 2019, 6.82 billion tenge was allocated in mono- and small towns of the region at the expense of budget funds, which are aimed at the development of water supply and sanitation, engineering infrastructure, and housing construction.

One of the industrial areas of the region is Altai region.

The industry is the backbone of the region's economy. The mining industry is the dominant branch of the region, the share of which in the total volume is 63%, including the extraction of metal ores of ZGOK LLP "Kazzinc" - 62.8%. The share of the manufacturing industry in the total production volume is 27.9%.

Electricity is generated at the Bukhtarma hydropower complex of Kazzinc LLP, located near Serebryansk city. The complex produces more than 2.5 billion kW per year.

In addition to ore deposits containing lead, zinc, copper, gold, silver, and other valuable components, the region is rich in natural building materials - sand and gravel mixture, building sands, and brick loams.

A large enterprise in Kazakhstan for the production of cement is JSC "Bukhtarma Cement Company" (Oktyabrsky settlement) operates in the region.

The light industry is represented by the enterprises of Zyryanovsk Garment Factory LLP, Rassvet LLP, and Universal Vector LLP. The products of these enterprises are garments workwear, products for women and children.

CJSC "SZNP" produces roll-filtering material, respiratory protection for enterprises and the population, and assorted plastic products.

Electricity is generated at Bukhtarma Hydropower Complex of Kazzinc LLP, located near Serebryansk city. The complex produces more than 2.5 billion kW per year.

The main types of transport in the region are rail and road. The length of public roads with hard surfaces is 391 km (in 2003, 143.5 km of roads were transferred from the number of ownerless). In addition, the district passes a motorway of republican value Ust-Kamenogorsk

– Zyryanovskin length of 191 km, a section of the railway from the station Zashita up to station Zyryanovsk. Bukhtarminsky gateway and marina Bukhtarmawork on Buhtarminsky reservoir.

The region is one of the main producers of agricultural products, including cereals, with a high yield compared to other regions. The availability of farmland and natural conditions allow for growing a wide range of agricultural crops, of which grain and oilseeds are preferable in economic terms. The leading industry is crop production (66% in the structure of production). In addition to traditional livestock and poultry species, marals are bred in the region.

The food and processing industries are dominated by small and medium-sized businesses and private entrepreneurs in the processing of agricultural products.

Own funds of enterprises and funds of the population remained the main source of investment in construction. The district budget finances mainly the overhaul of social facilities and roads.

At the same time, the analysis of the socioeconomic and innovative activities of EKR subjects showed that the key problem in achieving this goal is also the disproportionality in the level of development of individual subjects and in the presence of territorial entities with a special problem status, among which, special attention is drawn to depressed areas in regions. They acquired this status because of transformational and, consequently, crisis trends in the country's economy. Depressive territories, being constituent parts of a single reproductive system of the country, when certain conditions are created, can use the industrial-production, scientific-technical, human, and natural-resource potential that has developed in them to ensure sustainable self-development [4]. Almost all the problems of sustainable development in the East Kazakhstan region can be associated with omissions in regional development. The regulatory framework regulates only certain aspects of regional policy, they are directed either at significant or problematic regions, but not depressive ones, there is no comprehensive approach, and the approved programs are not

The mechanism for managing the socio-economic system of the region				
Governing bodies	Control objects	Stages	Priorities and goals	Methods and forms
Republican	Business entities,	Planning, goal setting,	Creation of	According to
	sectors of the	development of	conditions for	the forms of
	economy	programs, project plans	activity	implementation
Regional	Population	Provision: methods,	Stimulating the	By means of
		forms and tools	development of	influence
			entrepreneurship	
Local	Environmental	The process of	Creation of	By the extent of the
	sphere	implementing goals,	a favorable	impact
		programs, plans and	investment climate	
		projects		
		Monitoring the	Improving the	By the nature of the
		implementation of	quality of life of the	impact on market
		goals, program plans,	population of the	processes
		projects	region	
		Analysis of the results		
		achieved, evaluation		
		of the effectiveness of		
		the implementation		
		of plans, programs,		
		projects		

coordinated with each other and do not consider the current situation.

In this regard, it seems necessary, in our opinion, to search for more effective mechanisms for managing the socio-economic development (SED) of the East Kazakhstan region, considering the current situation.

It is necessary to invest income from natural resources in the long-term accumulation of all forms of capital - human, physical, social, and institutional, and not in financing current consumption. As practice shows, developed countries invest their natural resource wealth in other financial assets to ensure long-term financial stability. The main document designed to ensure the development of the region is a long-term strategy that includes specific programs for the development of the region. As the analysis showed, a significant drawback is a discrepancy between the strategy of the current situation of the economy and the state of the region, and, consequently, the prospects

for its further development. After all, the strategy implies that the region will follow a predetermined path of development, which in most cases does not correspond to reality (the mutual sanctions introduced require adjustment of the predetermined course of development and urgent measures to find new partners, other markets, establish new ties, etc. ) Consequently, the development strategy requires significant adjustments to take into account the current situation.

One of the effective mechanisms for managing the development of the region is a comprehensive development program that will reflect the main threats and problems of the region, the current potential, economic growth factors, possible development scenarios, as well as the sequence of actions in case of unfavorable developments. At the same time, the program should be developed jointly by the regional and republican authorities. The main part of the activity should be carried out at the regional level (identification of the causes of crisis situations; development of an action plan and measures for its implementation; constant monitoring of implementation; making adjustments in accordance with the current situation; attracting citizens to participate in the process of forming regional policy through the development of local self-government .)

The authorities of the Republic of Kazakhstan, in turn, in addition to developing a development strategy for the Republic of Kazakhstan and republican development programs, should take part in the development of programs for the development of depressed regions, periodically monitor the implementation of specific programs, For the East Kazakhstan region, whose economy is dominated by raw materials, for further growth of the regional economy and maintaining a high standard of living of the population, it is necessary to diversify the economy.

To this end, in our view, some general recommendations can be made to facilitate the region's efforts to stimulate diversification by improving the business environment and supporting entrepreneurship, as well as to push the private sector towards new economic activities that produce more complex products with high added value.

In our opinion, these are favorable conditions for lending to new types of economic activity; creating a competitive macroeconomic environment for investment; active government intervention to support new economic activity (creation of infrastructure, development of marketing and export markets). Such support is necessary to encourage young industries to cooperate with large enterprises and production networks; tax incentives, FDI, domestic resource mobilization

Moreover, with the transition of the economy of the Republic of Kazakhstan to an innovative type, the emphasis on the development of regional socio-economic systems is increasingly moving towards financial and budgetary-tax regulation. The organizational mechanism of the socio-economic development of the region, is aimed at satisfying its interests in the context of the growing role of fiscal policy, as the main goal pursues an increase in the degree of livelihood of the population, which, in our opinion, can be achieved taking into account the best use of the resource potential of the region in the conditions of its real independence No economic structure of any society can function without sufficient financial resources, and if they are limited (or absent) in the regional budget, contradictions arise between the development goals of the region and the real possibilities for their implementation, which need to be overcome. Under these conditions, the most important task is to determine the sources used to form the resource, and economic potential of the region, and take into account the factors (internal and external) that affect the level of financial security of the region.

The region should have its own development strategy with an emphasis on competitive advantages. East Kazakhstan region has all the prerequisites for increasing the pace of economic development, and improving the well-being of the population.

For this, the region has a number of strategic reserves that contribute to long-term development and the solution of national tasks:

- strengthening the role of the region as the largest center for the extraction and deep processing of non-ferrous metals, development and experimental development of technologies in the field of metallurgy;

- expansion of the subsoil use segment, contributing to investment attractiveness, an increase in the capacity of the domestic and foreign markets, the introduction of new technologies, the transition from the raw materials sector to the production of finished products;

- development of a segment of the agroindustrial complex to ensure food security and expand export potential, primarily to the Chinese market;

- strengthening energy security through the use of renewable energy sources to meet domestic demand and eliminate electricity shortages;

- tourism potential - a component of the innovative development of East Kazakhstan in the long term, an economically profitable and environmentally friendly sector of the national economy.

### Conclusion

Thus, the study of the socio-economic development of the East Kazakhstan region has shown that the region has all the competitive advantages, and the use of these reserves will make it possible to annually increase the gross regional product by an average of 3-4%. And the innovative development of the economy of depressed territories should be implemented in close coordination with the strategic directions of the economic and social development of the region and its subjects, with the establishment of socially appropriate relationships between the rates of economic growth in the country and the socio-economic development of its regions [5]. The region should have its own strategy, considering competitive advantages and local characteristics. Hence, the priority of the region's economic development is to create a competitive economy and ensure a high standard of quality of life for the population, considering the resources of the region and the socio-economic conditions of the country's development.

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#### ШҚО және оның аудандарының әлеуметтік-экономикалық дамуын басқарудың механизмін бағалау

**Аңдатпа.** Мақалада Шығыс Қазақстан облысының және оның аймақтарының әлеуметтік-экономикалық дамуын басқару механизмін бағалау ұсынылған, аймақтық дамудың негізгі көрсеткіштері талданған, саладағы негізгі проблемалар анықталған, сонымен қатар салалардың даму жағдайына SWOT талдау жасалған. Авторлар бұл мақсатқа жетудің шешуші проблемасы жеке субъектілердің даму деңгейіндегі және ерекше проблемалық мәртебеге ие аумақтық құрылымдар болған кездегі пропорционалдылық емес деп атап өтті, олардың арасында аймақтардағы депрессиялық аймақтарға ерекше назар аударылады. Бұл аталған мәселелерді шешуде, авторлардың пікірінше, озық техника мен технологияларды енгізу негізінде өндірістерді жаңарту арқылы депрессиялық аймақтардың инновациялық дамуын қамтамасыз ету, ғылымды қажетсінетін өндірістердің жедел дамуын қамтамасыз ету және өнеркәсіптік өндірістің жалпы көлеміндегі инновациялық өнімнің үлесін арттыру қажет.

**Түйін сөздер:** инновациялар, аймақ, инновациялық орта, өнеркәсіп, бәсекелестік артықшылықтар, аймақтық диспропорция, депрессивті аймақ.

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# Оценка действующего механизма управления социально-экономическим развитием ВКО и ее районов

Аннотация. В статье представлена оценка механизма управления социально-экономическим развитием ВКО и ее регионов, был проведен анализ основных показателей развития регионов, выявлены основные проблемы в промышленности, сделан SWOT-анализ состояния развития отрасли. Авторами отмечено, что ключевой проблемой достижения поставленной цели является диспропорциональность в уровне развития отдельных субъектов и в наличии территориальных образований с особым проблемным статусом, среди которых особое внимание обращают на себя депрессивные районы в регионах. В решении этих задач необходимым является, по мнению авторов, обеспечение инновационного развития депрессивных территорий путем модернизации отраслей промышленности на основе внедрения прогрессивной техники и технологии, обеспечения ускоренного развития наукоемких отраслей, увеличения доли инновационной продукции в общем объеме промышленного производства.

Ключевые слова: инновации, регион, инновационная среда, промышленность, конкурентные преимущества, региональные диспропорции, депрессивный регион.

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