

Recommendations

COM/EC/REC/001/FINAL

SIXTH MEETING

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PROSPECTS OF INNOVATIVE ENTREPRENEURSHIP IN TURKPA COUNTRIES

The conducted theoretical and practical study of investments in innovations allowed drawing of the following conclusions and proposals.

- Today, new approaches to the investment policy of TURKPA countries are an important tool for carrying out the necessary structural changes in the economy and responding adequately to the threats and risks facing the countries involved. One of these approaches is the initial focus not on increasing the scale of investments, but on leading improvement in quality and expansion of the structural diversity of investment resources of an innovative orientation.
- Innovative investments are funds invested in the reproduction of innovative resources or involved in the process of reproduction already in the form of innovations (technique, technology, new personnel with new qualifications, information resources, intellectual resources, etc.) that lead to qualitative and quantitative improvements in production activity.
- As a result of the implementation of the priorities in the field of innovative technologies for small and medium-sized enterprise (SMEs) of TURKPA countries, the normative and legislative framework should be brought closer together at the parliamentary level of each participating country, by means of making proposals at TURKPA site in the field of economy, taxation, science and education.
- To organize and stimulate the investment and innovation sphere, the following methods of state support should be used: direct financing, provision of budgetary loans on preferential terms, and establishment of tax preferences, postponement of payment of patent fees for certain types of inventions, accelerated depreciation, etc.

- In order to improve the legislative framework in the field of innovative production in the TURKPA member countries, it is necessary to send members of TURKPA Commission for Economic Cooperation and relevant experts to the thematic international economic forums which are the locomotives for the development of innovative and high technologies. This is the requirement of the present time.
- An important mechanism for activating investment and innovation activities is:
 - Venture financing which involves, along with venture funds, insurance companies and commercial banks;
 - Creation of a favourable investment climate in all regions as the attractiveness and expediency of investing in the country economy depends on economic, social, political, legal, organizational and other conditions;
 - An incentive system of taxation aimed at creating a favourable economic climate for enterprises by reducing the tax burden in order to increase the renewal of their fixed assets, increasing the costs of research and development (R&D), introducing product innovations into manufacturing;
 - Financing innovative projects that are associated with the development of high-tech areas;
 - Mobilization of capital for development of leasing of science intensive equipment and devices;
 - Support of small business in participation in the implementation of investment and innovation programs and projects at the expense of budgetary funds;
 - Advanced training of engineering and technical personnel, as well as staff of research and development institutes of the participating countries;

All of the abovementioned should be considered within the framework of a general Program of Investment Incentives and Support from participating States.