STRENGTHENING THE LEGAL BASE FOR INNOVATIVE ENTREPRENEURSHIP DEVELOPMENT IN AZERBAIJAN

Abstract. The thesis is dedicated to strengthening the legal framework for the innovative development of business entities in the country. The names of economically important normative legal documents and a number of adopted state programs stimulating the development of entrepreneurship are given and it is shown that the existing legal framework has ensured the acceleration of economic development in Azerbaijan. At the same time, it is noted that in order to develop a promising innovation system, the existing regulatory and methodological framework in world practice should be studied and applied to the Azerbaijani economy. Finally, relevant recommendations and suggestions are made to ensure the development of innovative entrepreneurship and the innovation infrastructure that serves it.

Keywords: Innovation, startup, small business, medium business, innovation infrastructure.

The mechanism of state support and state regulation is of great economic importance in Azerbaijan in improving the structure of the national economy and achieving the goals set for the development of innovative entrepreneurship within the framework of strategic roadmaps. In order to achieve high results in this direction, it is especially important to take a wide range of measures, revise and improve the norms and rules.

Legislative framework has been created in Azerbaijan for the formation of innovation infrastructure that stimulates the development of innovation-oriented entrepreneurship, laws have been adopted to stimulate the development of innovative entrepreneurship and regulate the development of innovation infrastructure, legal and regulatory acts have been prepared.

Activity” (15.12.1992), the rights and responsibilities of business entities in the country are regulated on the basis of market economy laws, relations between business entities and other entities are defined, as well as innovative development directions of entrepreneurs.


The Law of the Republic of Azerbaijan on State Assistance to Small Entrepreneurship (June 4, 1999) defines the economic, legal and organizational bases of state assistance to entrepreneurs.

The State Program for the Development of Small and Medium Enterprises (2002-2005), approved by the Decree of the President of the Republic of Azerbaijan dated August 17, 2002, had a significant impact on the development of entrepreneurship and created conditions for several times GDP growth in the country.

Stimulation of development of innovative entrepreneurship (startups), reduction of financial costs of projects of public and state importance, support of small and medium enterprises, quantitative and qualitative development of import-export operations.


The solution of the issues envisaged in the above-mentioned normative legal documents is aimed at the effective development of the economy by ensuring the innovative development of entrepreneurship in the non-oil sector in the country today and in the future. The establishment of parks and thousands of agro-industrial enterprises, construction and repair and construction enterprises is a clear proof of this.

In order to ensure the creation and development of innovation systems in our country, a number of reforms have already been implemented at the state level.

The State Programs and decrees adopted by the President of the Republic of Azerbaijan on the employment strategy and reforms in science in this direction are especially important. According to the State Program on Implementation of the Employment Strategy of the Republic of Azerbaijan (2007-2010), in order to
develop macroeconomic policy and entrepreneurship in the country, to develop science-intensive areas, study advanced technologies and innovations of foreign countries and create a database in this field. The 2008 decree “On the establishment of the State Commission on Reforms in Science in Azerbaijan” stipulates the implementation of reforms in the field of science as soon as possible, as well as the urgent solution of a number of tasks [2].

In order to meet the needs of the republic for scientific and technical information, the main condition is to organize the market of information products and services within the state, to enter the foreign information market. For this, there is a need to prepare catalogs of innovative technologies of products and services in an elegant form and print bulletins.

Information systems in many areas have been established in our country, information on innovation projects and surveys has been collected at different times and will continue to be collected regularly. The collected information should be updated and placed in catalogs that meet international requirements.

In order to ensure the development of innovation infrastructure in Azerbaijan, the main tasks should be to improve the system of application of innovative technologies, to study the advanced innovation technologies of foreign countries and to increase the efficiency of work in this field:

– To study modern, innovative changes in the field of technology in advanced countries and to apply them to the country's manufacturing industries;

– To master the existing priorities in developed countries in order to ensure the strategic development of innovation infrastructure, to strengthen the database in this field by preparing theoretical training of innovation infrastructure in the country, to create innovative networks between countries, to adopt advanced technologies and direct them to use in the country;

– Compile various innovative classification tables on scientific and technical information and achieve their application in the territory of the republic;

– Preparation of innovation infrastructure projects by creating a network of flexible innovation systems in the country, creating qualified scientific human resources, analyzing and forecasting research and marketing, creating generalized
funds in various fields of science;

– Carry out research in scientific institutions, on the basis of orders, in the field of innovative technologies and apply the results to production;

– To closely participate in scientific-practical and scientific-theoretical conferences dedicated to the achievements of science and innovation in our country and abroad for the purpose of exchanging innovative technologies;

– To create training and technical courses in order to provide highly qualified personnel to work in the field of innovation and innovation infrastructure in the country and to motivate the involvement of participants through the use of advertising and information activities;

– To ensure the exchange of various types of information on the achievements of scientific and technological progress on the basis of agreements with foreign scientific institutions;

In order to develop a promising innovation system in Azerbaijan, at the same time, the existing regulatory and methodological framework in world practice should be studied and analyzed. In order to exchange information, it is necessary to conduct research on scientific and technical sources of information in our country, create a database of information services in accordance with international standards on resources and ensure its security [3].

In order to ensure the long-term development of the innovation system in Azerbaijan, in addition to the above, access to international scientific and technical information resources of this system must be provided [4].

The state documents envisage the following directions of measures to be taken to ensure the maximum development of business entities:

– Expand analysis and research in the field of entrepreneurship development;

– To increase the promotion and encouragement of the adoption of innovative technologies to achieve a competitive advantage of innovative products of large enterprises;

– To provide access to profitable financial resources to ensure the sustainable development of entrepreneurs;

– Further improve the mechanism of economic regulation of business
activities, as well as all areas of economic activity in order to ensure the role of SMEs in increasing GDP;

– To bring production areas, management systems and manufactured goods in line with international standards;

– Take care to increase the knowledge and skills of staff, train innovative-minded staff, provide business entities with new staff potential;

– Increase the supply of quality products, works and services in accordance with the demand in the market, etc.

After gaining independence, the development of entrepreneurship in Azerbaijan is always in the focus of the government and necessary measures are taken to this end. The President of the Republic of Azerbaijan State programs on reliable food supply, poverty reduction and sustainable development, socio-economic development of the regions and industrial growth, development of entrepreneurship, further improvement of the business environment in the country, improvement of mechanisms to protect the rights and interests of entrepreneurship.

In order to eliminate the country's dependence on oil to stimulate exports by increasing production and improving quality in the non-oil sector, as well as to support the work of entrepreneurs in addressing important issues such as employment and better organization of the business environment, a series of important government measures Implementation continues today in the following areas:

– Establishment of special service centers providing consulting services to quickly eliminate problems in order to assist in the development of business entities;

– Reducing the number of licenses previously provided for a number of areas of activity and minimizing the amount of fees to be paid for this purpose;

– Simplification of the stages of obtaining consent and permission from the relevant government agencies in connection with entrepreneurial activity;

– Establishment of Boards of Appeal in order to regulate entrepreneurial activity in the country and protect their rights;

– Providing long-term (7 years) tax and customs benefits to improve the investment provision of entrepreneurship;
– Improvement of simplification of import-export procedures by electronicization of customs services at customs checkpoints during foreign economic activity.

Summarizing our research in the field of normative and legal support for the development of innovation infrastructure in entrepreneurship, we can conclude that:

– In Azerbaijan, the government has always paid attention to the development of entrepreneurship in an innovative direction and the expansion of innovation infrastructure that stimulates entrepreneurship in this direction, for this purpose, a solid regulatory framework has been created;

– Decisions, state programs and decrees adopted by the President of the Republic of Azerbaijan stimulated the development of entrepreneurship and created conditions for their innovative development.

Based on the stable, regulatory framework created in the country to ensure the development of innovative entrepreneurship and innovation infrastructure serving it, it is considered expedient to continue to implement the following:

– Electronicization of services provided to entrepreneurs;

– Production of competitive and value-added products;

– Relevant regular assessment of the implementation of reforms;

– Improvement of legislation in the field of innovative entrepreneurship (startup), increasing access to financial resources and consulting services in this area;

– Improvement of legislation in the field of public-private partnership, development of cooperation;

– Improvement of legislation in the customs (import-export operations), tax and judicial-legal systems;

In our opinion, the implementation of the above-mentioned targeted measures to strengthen the regulatory framework will further stimulate the development of innovation-oriented entrepreneurship in the country.

References:


