

ENTREPRENEURSHIP AND ECONOMIC GROWTH: GOVERNMENT SUPPORTS FOR SMEs IN TURKEY AND KOSOVA

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Abstract

Entrepreneurship is beneficial and necessary for economic growth. The contribution of entrepreneurs in industry and services is crucial for economic growth, productivity, innovation, competitiveness and job creation. Over 95% of firms in OECD countries are SMEs and these account for 60-70% of employment in most countries. Particularly, onwards 1970s together with the intensification of global competition, the increase in economic uncertainty, the growth in market fragmentation, changes in the character of technological progress, new economic opportunities and increasing rates in unemployment stimulate entrepreneurial activities and affect resulting in a shift from large to smaller firms. Entrepreneurship associated with small business is regarded as the key vehicle for the creation of new enterprises. Most of the governments, particularly in developed countries have recognised the importance of entrepreneurship and have made the encouragement of entrepreneurial activity an important aspect of their economic policies and programmes.

In this paper, first of all, concept of entrepreneurship, importance, benefits and trends in entrepreneurship are emphasized. Secondly, as the case studies government supports in Turkey and Kosova, particularly for SMEs are examined. In the final part of the study, some recommendations are developed.

Key words: Entrepreneurship, SMEs, Government supports, Economic Growth

GİRİŞİMCİLİK VE EKONOMİK KALKINMA: TÜRKİYE VE KOSOVA'DA KOBİLER İÇİN DEVLET DESTEKLERİ

Özet

Girişimcilik ekonomik kalkınma için yararlı ve gereklidir. Sanayi ve hizmet girişimcilerin sektörlerinde girişimcilerin verimlilik, yenilikçilik, rekabetçilik ve istihdam yaratmaları ekonomik kalkınma için elzemdir. OECD ülkelerinde firmaların %95'inden fazlası KOBİlerden oluşmakta ve birçok ülkede istihdamın %60-70'ini sağlamaktadırlar. Özellikle yetmişlerden itibaren küresel rekabetin yoğunlaşması, ekonomik belirsizliğin artması, pazar bölünmesinin ivme kazanması, teknolojik sürecin karakterinin değişmesi, yeni ekonomik fırsatların ortaya çıkması ve artan işsizlik oranları girişimcilik faaliyetlerini canlandırmış ve büyük işletmelerden, küçük işletmelere doğru bir değişimin ortaya çıkmasını etkilemiştir. Küçük işletmelerle bütünleşen girişimcilik, yeni işletmelerin

yaratılmasının temel aracı olarak kabul edilmektedir. Özellikle gelişmiş ülkelerde birçok hükümet, girişimciliğin önemini kavramakta ve girişimcilik faaliyetlerinin teşvik edilmesini, ekonomik politikalarının ve programlarının önemli bir unsuru olarak ele almaktadırlar. Bu çalışmada, ilk olarak, girişimcilik, önemi, yararları ve girişimcilik eğilimlerine değinilmektedir. İkinci olarak, Türkiye ve Kosova'daki KOBİlere yönelik devlet teşvikleri incelenmektedir. Çalışmanın son bölümünde bazı öneriler geliştirilmektedir.

Anahtar Kelimeler: Girişimcilik, KOBİler, Devlet destekleri, Ekonomik kalkınma

Introduction

There is ample evidence that economic activity moved away from large firms to small firms in the 1970s and 1980s (Carree and Thurik, 2002:3). Acs (1992) distinguishes four consequences of the increased importance of small firms: entrepreneurship, routes of innovation, industry dynamics and job generation. His claims are that small firms play an important role in the economy serving as agents of change by their entrepreneurial activity, being the source of considerable innovative activity, stimulating industry evolution and creating an important share of the newly generated jobs. From the many varied definitions in existence it is apparent that entrepreneurship is a complex and rich phenomenon and is a particular approach to wealth creation (Ball, 2005:5). Entrepreneurial activities generally develop newly combined means of production, new products, new markets, new methods of manufacturing or distribution, new sources of material, or new forms of organisation (Schumpeter, 1934). As policy-makers scramble to avert a return to recession, much depends on entrepreneurs' ability to help generate economic growth. While large corporations in particular must build and sustain innovation-oriented cultures to retain their roles as market leaders, effective public policy is also critical. With regulators needing to work together more closely, governments have to facilitate, assist and support entrepreneurs wherever possible. Providing the necessary infrastructure — from current proven techniques broadband to modern transport links — is just one of many ways they can help (Peuch-Lestrade, 2011:3).

The influence of entrepreneurship on economic development

Many studies states that entrepreneurship is beneficial and necessary for economic prosperity (Ball, 2005:1; Peuch-Lestrade, 2011; Baumol, 2009; Lundström, 2009; Boz and Boz,2014). For example; Peuch-Lestrade (2011:3) emphasizes that, entrepreneurs have a crucial role in determining the future prosperity of the G20. With countries haunted by the prospect of a return to recession, it is the creation of new business that will have the greatest impact on growth and employment. According to Baumol (2009:71) the future prosperity of any economy depends to a considerable extent on its success in promoting entrepreneurship, innovation, and the effective and prompt importation of technological advance from abroad. In all of these, the small firms and, in particular, those that were recently established play a critical role in the growth of the economy. It is a serious mistake for public policy to overlook measures that encourage their activities.

Entrepreneurship is an important force behind success in any industry. This is particularly so in the dynamic and rapidly evolving hospitality, leisure, sport and tourism industries throughout the world. These entrepreneurial industries are major contributors to national economies and their growth, and are guaranteed to grow both in terms of their quantity and quality. There are challenges though related to reaching growth targets and these relate to capacity, availability and skills of the workforce, developing new products and services, and ways of delivering these to the customer, and so on (Ball, 2005:5-6). In Entrepreneurship Barometer Report (2011) specified that, perhaps the most critical one in today's economic climate — is job creation. Small and medium-sized enterprises (SMEs) with less than 250 employees represented, on average, two-thirds of total employment in the OECD countries in 2007. And the European Commission showed in its SME Performance Review that the number of jobs in SMEs had increased at an average annual rate of 1.9%, while the number of jobs in large enterprises increased by only 0.8% between 2002 and 2008.

Entrepreneurial Framework Conditions (EFC)

The GEM (Global Entrepreneurship Monitor) model identifies the structural condition of the socio-economic factors that affect the development of entrepreneurial activity. The model assumes that all firms are affected by national characteristics, and is

referred to as the Entrepreneurial Framework Conditions (EFC). The nine entrepreneurial framework conditions are (Karadeniz, 2010:39):

EFC1-Financial support: the availability of financial resources, equity and debt for new and growing firms, including grants and subsidies.

EFC2-Government policies: the extent to which government policies, reflected in taxes or regulations or the application of either, are either size-neutral or encourage new and growing firms.

EFC3-Government programs: the presence of direct programs to assist new and growing firms at all levels of government (national, regional and municipal).

EFC4-Education and training: the extent to which training in creating or managing small, new or growing business is incorporated within the educational and training systems at all levels.

EFC5-Research & development transfer: the extent to which national research and development will lead to new commercial opportunities, and whether or not these are available for new, small and growing firms.

EFC6-Commercial and Professional infrastructure: the presence of commercial, accounting, and other legal services and institutions that allow or promote the emergence of new, small or growing businesses.

EFC7-Market Openness: the extent to which commercial arrangements are prevented from undergoing constant change and redeployment, thus preventing new and growing firms from competing and replacing existing suppliers, sub-contractors and consultants.

EFC8-Access to the physical infrastructure: the ease of access to available physical resources –communication, utilities, transportation, land or space at a price that does not discriminate against new, small and growing firms.

EFC9-Cultural and social norms: the extent to which existing social and cultural norms encourage, or do not encourage, individual actions that may lead to new ways of conducting business or economic activities and, in turn, that lead to a greater dispersion in wealth and income.

Entrepreneurship in Turkey

Turkey has embarked on a challenging journey to transform itself into an entrepreneurial society. As indicated G20 Entrepreneurship Barometer 2013 Report, the country's ecosystem for entrepreneurs is relatively under developed, but new initiatives are helping Turkey to improve. It is particularly promising to see the private sector playing a bigger role, with established entrepreneurs acting as role models and contributing to accelerator programs that will help the next generation of businesses to break through. The Government has made considerable progress at cutting back red tape. The time it takes to set up a business has been reduced to six days, among the lowest in the G20. However, the tax system could be more supportive for entrepreneurs — prohibitive indirect taxes offset a relatively competitive corporate tax structure. The labor market is an area of weakness that causes numerous problems for entrepreneurs. Rigid regulations deter hiring and have contributed to the development of a large informal sector of small-scale, low-tech businesses. Meanwhile, deficiencies in the education system mean that skills gaps are a brake on slow growth and innovation in the entrepreneurial business sector. There are some big challenges ahead for Turkey — but also huge opportunities for the country to put growth on a firmer footing (Canogullari and Elhadeif, 2013:2).

TOBB (The Union of Chambers and Commodity Exchanges of Turkey) President M. Rifat Hisarciklioglu states that Turkey has come a long way in terms of economic and private sector development since 1980s, and now classified as one of the efficiency driven economies in the world, in a group that includes high-growth economies such as Brazil and China. Firms in an efficiency-driven economy compete and grow by cutting down costs, while firms in an innovation-driven economy compete and grow by creating unique value at the global level. In order to upgrade to an innovation-driven stage, Turkish economy needs high-impact enterprises that are able to scale-up to the global level by creating unique value. Entrepreneurship is a key factor in creating high-impact enterprises (Karadeniz, 2010:7).

Government Policies

Government policies are rated in two sections (Karadeniz, 2010:42).

1. The government supports policy, which all levels of government (national, regional, municipal) considers new and growing firms a high priority. Government support policies towards entrepreneurship have been changing over the years, the Turkish government has become more supportive and supporting policies have become more favorable. Turkey's political stability is seen as an important positive contribution to encouraging entrepreneurship.

2. The Government regulation policies, which pertain to the tax and administrative burden on business, are a problem for new and growing firms in Turkey. Government regulation policies regarding the tax and administrative burdens remain a problem for new and growing firms in Turkey. While the general trend is positive, the experts believe that these burdens have lifted only slightly during the last few years. This is still a key area of complaint among the experts.

Government Support Programs

Government programs refer to the presence and efficiency of direct programs to assist new and growing firms at all levels of government (national, regional, and municipal). Generally, confidence in government programs has been increasing since 2007. Turkish experts have been more positive in their opinions as to the centralization of the diverse kinds of government assistance and whether an adequate number of government programs exist for new and growing firms. However, Turkish experts still express negative opinions as to the effectiveness of government programmers to provide adequate support for new and growing firms and with regard, as well, to the competence and effectiveness of the personel working within government agencies (Karadeniz, 2010:44). Some governmental organizations which support entrepreneurship are as follow.

Regional Development Agencies

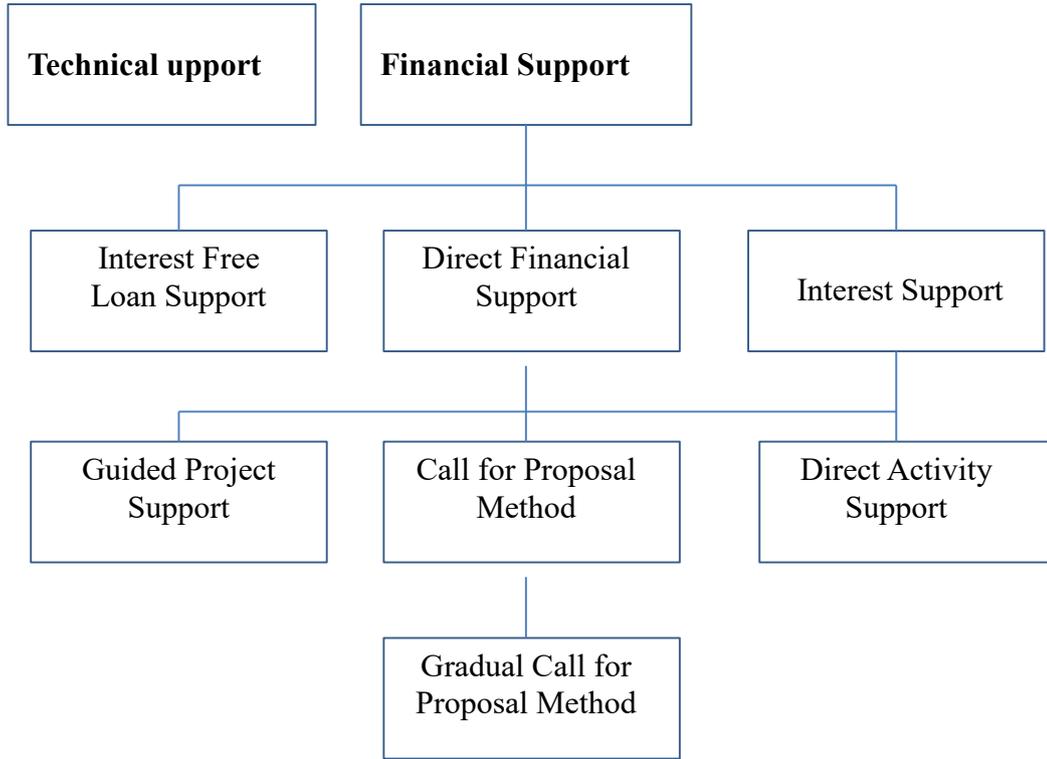
Regional development agencies are institutions established as a structure independent from the central government of Turkey. The main purpose of establishing regional development agencies in Turkey is to implement regional strategies, to support regional and nation-wide enterprises, to examine local and regional solution for the near future of private sectors, to search new financial guaranties and solutions to the demand for new products and services (Yesilbas, 2014). The history of the development

agencies in Turkey traces back to 2006, when two pilot development agencies were established. Afterwards, the structuring of the development agencies has demonstrated a rapid increase and the establishment of the 26 agencies were completed as of 25 July 2009. With the establishment of regional development agencies, the understanding of development in Turkey has taken a new shape (Ankara Development Agency, 2014).

Some of the objectives of development agencies are as follow (Ankara Development Agency, 2014)

- Cooperating with relevant organizations in supporting new entrepreneurs and SMEs in areas such as administration, production, promotion, marketing, technology, financing, organization and human resources training.
- Monitoring public, private and civil society organizations' projects of high importance with respect to regional plans and programmes.
- Improving the collaboration between public sector, private sector, local administrations and civil society organizations towards realizing the regional development targets.
- Exchanging knowledge and experience with domestic and foreign actors for increasing the entrepreneurial capacity in the region
- Developing projects that will increase capacities of SMEs through competitiveness, with actors operating within and outside Turkey.

Figure 1: Supports of Regional Development Agencies



Source: Ankara Development Agency, 2014. The Potential of the Capital is on the move. www.ankaraka.org.tr

TOBB (The Union of Chambers and Commodity Exchanges of Turkey)

TOBB President M. Rifat Hisarcıklıoğlu declares that TOBB is more than willing to play its part in this important process. TOBB has already established two very active groups of entrepreneurs: TOBB Women Entrepreneurs Board in 2007 and TOBB Young Entrepreneurs Board in 2009. Moreover, Turkish Venture Capital Assembly, established this year, works to improve the climate for early stage investments and strengthen the networks of business angels and venture capitalists, which are essential factors of the entrepreneurship ecosystem.

In addition to these dynamic groups, TOBB launched the Turkey chapter for the Partners for a New Beginning Program (PNB) with Aspen Institute and the U.S. State Department, which aims to build public-private partnerships to advance economic opportunity, science & technology and education. TOBB University of Economics and Technology contributes to the education side of this combined effort of TOBB. The newly established Department of International Entrepreneurship of the TOBB

Economics and Technology University admitted its first students in the school year 2010-2011. This department aims to raise entrepreneurs that study economics and at the same time Russian and Arabic and that are capable of doing business both in Turkey and in the countries of the region. Another TOBB program, Allworld Turkey 25, which identifies and celebrates the fastest growing entrepreneurs of Turkey, is about to be completed. The results will be announced at the Presidential Summit on Entrepreneurship this December (Karadeniz, 2010:7-8)

KOSGEB (Republic of Turkey Small and Medium Enterprises Development Organization)

Kosgeb Support Programmes

- Thematic Project Support Programme
- Cooperating-Leaguing Support Program
- Entrepreneur Support Programme
- General Support Programme
- SME Project Support Programme
- R&D, Innovation and Industrial Application Support Programme
- Emerging Enterprises Market SME Support Programme

- Loan Interest Support Programme

Motives And Objectives Of The Programme

- Developing and disseminating the entrepreneurship as the basic factor for solving the economic development and employment issues,
- Establishing successful and sustainable enterprises,
- Disseminating the entrepreneurship culture ,
- Developing entrepreneurship by establishing the Business Improvement Centers (BICs),
- Raising the employment level,

Supporting the entrepreneurship based on the local dynamics

Table 1: New Entrepreneur Support Components

SUPPORT COMPONENT		UPPER LIMIT (TL)	SUPPORT RATIO (%)	SUPPORT RATIO (%)
Enterprise Establishment Support	No Payback	2.000	60 (Female or handicapped entrepreneur:70)	70 (Female or handicapped entrepreneur:80)
Establishment Period, Machinery, Equipment and Office Hardware	No Payback	18.000		
Operational Costs Support	No Payback	30.000		
Fixed Assets Investment Support	With Payback	50.000		

Source: KOSGEB (2018)

Entrepreneurship Support Programme Comprises of 3 subprogrammes:

- 1. Applied Entrepreneurship Training:** It includes training and workshop studies of minimum 60 hours (entrepreneurship abilities testings, business idea exercises and business plan preparation). Applied Entrepreneurship Trainings can be organized by KOSGEB or other foundations or institutes (universities, ISKUR, professional organizations, municipalities etc.). Trainings are arranged for general and specific (youngs, women, disadvantaged groups) target groups. No charge from participants.
- 2. New Entrepreneur Support:** This support is available for the entrepreneurs who had completed the applied entrepreneurship training and started his/her own business, ISGEM entrepreneurs (Table1).
- 3. Business Improvement Centre (BIC) Support:** Business Improvement Centers are centers founded and operated with an aim of enabling the companies under its umbrella to pass through the critical early years healthily and grow up by extending services such as business improvement consultancy, workshop sites that can conveniently be afforded, shared office equipments and office services. Municipalities, universities, special administrations, development unions, professional organizations and non-profit organizations can solely or collectively apply for the Business Improvement Centers establishment (Table 2).

Table 2: Business Improvement Center (BIC) Support Components

SUPPORT COMPONENT		UPPER	SUPPORT RATIO	SUPPORT RATIO
BIC Establishment Support	No Payback	650.000	60	70
Building renovation		500.000		
Furniture Hardware		100.000		
Staff Expenses		50.000		
BIC Operational Support	No Payback	200.000		
Staff Expenses		100.000		
Training Consulting		50.000		
Small Renovation		20.000		
BIC promotional /		30.000		

Source: KOSGEB (2018)

SME Project Support Programme

Enterprises are given support for the projects they submit on manufacturing, administration-organization, marketing, foreign trade, human resources, fiscal transactions and financing, information management and the fields related with those.

Motives And Objectives Of The Programme:

- Need for a program in which the problems specific to the enterprises are handled in those enterprises' projects that can financially be supported.
- Developing the project preparation culture and awareness in SMEs,
- Enhancing enterprises' project developing capacity,
- Need for flexible supporting system

Program And Project Limits:

Program period	: 3 year.
Project period	: 6-24 months (+12 months)
Support Upper Limit	:150.000 TL
Support Ratio	: 50 % for 1st and 2nd Regions, 60 % for 3rd and 4th Regions

Supported Project Costs: The Board keeps the authority to decide the project costs to be supported. Nevertheless, costs related to building sites, buildings, construction, furbishments, furnishing and etc., vehicles, taxes, duty and fees, social securtiy premiums, communication costs, personnel costs not related with the project, energy and water costs, rental costs, financing costs and the-; other costs not related with the project are not supported. KOSGEB support for machinery-equipment, raw materials and tools in the project scope cannot be more than 10 % of the total KOSGEB support admitted by the Board. KOSGEB support for software purchasing is out of this limitation.

Entrepreneurship in Kosova

It is well known that development of entrepreneurship and establishment of SME-s appears as an essential generator of economic growth of the country which must be developed further based on the existing advantages, aiming to overtake the obstacles and weaknesses, and to reduce them through the strategy and economic policies and measures (M.Mustafa at all., 2006). Therefore, in this direction the Government of Kosovo considering the economic development of the country as one of its primary goals, commits to achieve this goal through developing enterpreneship increase of competitiveness, strengthening the private sector, employment generation, improvement of the image of Kosovo for investments,safe and stable environment for business (KASh 2012-2014). It is thought, that if such commitments are fulfilled and they do not remain as promises in paper, Kosovo shall have a considerable increase in the reports of future years about creating one more suitable environment, more stable and safer for investment. Main concentration in this case would include before all the following elements:

- Completing the legal infrastructure in harmony with those of EU

- Reduction of obstacles in trade and harmonising the trade policies which reduce the costs, time and other obstacles of trade,
- Development of financial markets and improvement of financial sector efficiency,
- Favouring production businesses in the policy of fiscal charges and creation of industrial and trade zones.
- Improvement of governmental procurement by increase of transparency in local and central governments' tenders in order to eliminate increase of corruption;
- Moving from informal economy into the formal one;
- Cash Economy (METE,2007) constitutes one of the most sensitive problems of the informal sector;
- Meeting the standards for not delaying the decision for ending monitoring of the independence;
- Advancement of reforms of public services and privatisation process;
- Efficiency on implementation of laws and economic policies which indicate continuously that the war against corruption has great importance for the country, especially for the image of Kosovo which has an impact on discouraging the investors;
- Acceleration of process of integration into EU
- Accession of Kosovo into international, regional and world organisations;
- Improvement of education quality by achieving international standards;

In view of what was mentioned above, we can establish that it is necessary for Kosovo to become an attractive country for local and foreign investments, toward building a successful society. We are aware for the unfavourable conditions provided by the current economic situation for solving the abovementioned issues, but we also believe that conditions can be created for development of a convenient environment, attractive, safe and successful for the business. Achievement of the goal implies important changes toward improvement of governance, based on the law enforcement, build capacities of human resources, improvement of education system and public infrastructure, enrolling and increase of cooperation with international financial institutions and speeding up the process of integration into EU.

To support SME enterprises, the agency for the support of small and middle Enterprises (SME), was established in year 2005. The agency for the support of SME was created as a need for private sector in Kosovo to get an institutional support in all fields where the businesses are hit, in order to enable a free and unhindered development guarded from either physical obstacles or procedural and bureaucratic. The purpose of the establishment of the Agency was and remains the creation of environment for development of strong businesses with high competitive capabilities in internal market and regional market and wider.

The agency consists of two divisions:

1. Division for analysis, strategies and policies of private sector- as policy-making structure

2. Division for the support of enterprises and regional development – as a structure for executing the policies of MTI in the support of private sector in Kosovo through programs and projects. The agency for the support of SME is dedicated to taking the leading role in the support of the development of private sector in Kosovo, in order to create conditions for a long-term growth and sustainable development of entrepreneurship sector. The agency for the support of SME offers education, training, and advice for the private sector in Kosovo, through:

- Voucher Schemes of advices and trainings through licensing of OSHB,
- Innovative Programs
- Standards on quality and certification projects,
- Conferences, Forums, Workshops
- Info-export programs, new markets and partnership research
- Informative Packages
- Top Enterprise of the Year
- Support for participation in national and international missions,
- Entrepreneurship programs for secondary schools,
- Entrepreneurship programs for university levels
- Manuals – materials for initial businesses (including women and minorities),
- Business simulations at university and secondary school levels.

Strong support for the development of businesses in Kosovo is also provided by economic chambers, such as Economic Chamber of Kosovo (ECK) and American Economic Chamber of Kosovo. Finally we can conclude that the mission of the Agency for Support of Small and Medium Enterprises is to contribute to the further realization of a market economy in Kosovo, helping to build a society in which undertaking such entrepreneurs of Small and Medium Enterprises (SMEs) develop successfully and achieve their potential, with an increase in the number of people who intend to enter the business. Also, another goal of the agency is also improving in terms of overall productivity and competitiveness of SMEs, becoming a key mechanism for ensuring the representation more powerful and more effective SME (ASSME, 2014).

Challenges and perspectives for the Kosovo Government about entrepreneurship

Without doubt the greatest challenges to the success of the National Strategy for Entrepreneurship Education and Training are the limited existing human and financial resources necessary for implementation. The need to maximise the limited available resources is a major challenge which will require all the actors to work together for the achievement of the best possible result for Kosovo.

The major challenge facing Business Schools today is how to encourage and develop the entrepreneurial skills of students (Paul Burns, 2001). With such a diverse approach to Entrepreneurship Education and Training already being undertaken a major challenge is to bring some coherence to the development so that it is easy for the individual to identify the way ahead. A major challenge is to create a teacher training and trainer training programme which reflects the need to provide professional development modules for in-service and initial teacher training which use material and approaches already successfully implemented. The new modules have been available for the first training session programmed to take place in summer 2007. Another challenge is to provide curriculum time in primary and general secondary education to accommodate Entrepreneurship Education as a result of a curriculum review. There is a need for greater liaison and cooperation between education and training organizations and local industry and commerce in order to provide a significant increase in the work placement and on the job training opportunities (MEST 2007).

Main Goals and Implementation Plan about Entrepreneurship

The major objective is to create a system which provides the people of Kosovo with a provision of Entrepreneurial Education and Training which allows for the enhancement of knowledge and skills for all age groups and has the effect of stimulating the growth of business activity and an entrepreneurial culture (MLSW, 2007). This will require the development of a greater awareness of the benefits of Entrepreneurship Education and Training to be promoted by the main beneficiaries and a provision of opportunity for all ages to gain from the various routes by which such knowledge and skills may be gained.

Major goals by sector are spelled out below (MTI,2007):

G.1. Goals for all education and training levels

The National Strategy for Entrepreneurship Education and Training and the National Standards for Entrepreneurship Education and Training shall be developed in 2007. New modules for Entrepreneurship Education and Training shall be developed and provision shall be made for the inclusion of Entrepreneurship Education and Training at all levels.

G.2 Goals for primary and secondary levels (Responsibility MEST)

Entrepreneurship Education shall be included in the primary and secondary Curriculum.

G.3 Goals for Higher Education (Responsibility UP and MEST)

Modules to introduce Entrepreneurship Education and Training to students of all faculties in all post secondary education institutions shall be developed. Extra-curricular training to support developments in industry and commerce which are related to business development shall be created.

G.4 Goals for Teacher Training and Trainer Training

In-service course for teachers and trainers to increase their skills in delivering Entrepreneurship Education and Training activities shall be developed. Entrepreneurship Education and Training modules to be part of the initial teacher training provision shall be developed.

G.5 Goals for non-formal learning.

The enhancement of the provision of Entrepreneurship Education and Training through

outsourcing and small local initiatives, e.g. mobile training centres shall take place

The 3 incubation units of the MTI shall be operational and commence work as soon as possible. Entrepreneurship and/or self employment shall be recognised for all VET activity, including Adult Re-Training which shall be delivered to NQF standards. Discussion shall take place to integrate and publicize the provision of training programmes for SME managers by December 200 and on.

Conclusion

The Government's aim should be that a greater number of children, students and adults to provide practical and theoretical knowledge in entrepreneurship. So far, only a few pupils, students and adults were offered education and training in entrepreneurship (MAST,MLSW AND MTI, 2013). Their goal is to change this. In accordance with the Lisbon Strategy, Kosovo government goal have to improve policies and implementation of education and training in entrepreneurship , in line with the EU Charter for Small Enterprises, Education and Training in Entrepreneurship and Availability of skills. Taking into account the recent recommendations of the European Parliament and Council on key competences and the Oslo Agenda for Entrepreneurship Education , during the first phase of implementation (2007 - 2015). Government of Kosovo will further expand entrepreneurship education in secondary vocational education and provide supportive measures for the development of professional competence in entrepreneurship through elective courses (ISCED 4 and ISCED 5).

In the longer term, Kosovo aims to ensure that every pupil / student would be :

- involved in enterprise learning ,
- to develop entrepreneurial habits and way of thinking ,
- integrated approach using cross- curricular and / or materials development of entrepreneurial skills .

To achieve those goals, Kosovo has to develop standardized teaching materials; planning and implementation of teacher training and support school management and local carriers. These priorities must make up the main focus for the current government and future governments too, through which Kosovo would synchronise the steps with the rest of the European countries. Other words ,for achievement of fulfilling such priorities, drafting a Strategic Development Plan is considered as crucial and necessary. Finally, having in consideration the importance of entrepreneurship, we can conclude that SMEs need to return to the first generators of employment and economic development of the Kosovo.

In Turkey, government supports for SMEs increase over years, but these supports can be used more fruitfull and bureaucratic procedures should be reduced and facilitated.

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