

Innovation Performance Review of Kazakhstan

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Review

***Chapter 7. Financing of Innovative
Entrepreneurs***

***Chapter 8. Innovation and International
Economic Integration***

Approach

- Chapter 7. Cultural anthropology approach
- Chapter 8. Public Policy Analyses

Chapter 7

- Are there any cultural, historical and institutional factors which impact the innovative environment in Kazakhstan?
- What kind of factors? How do they affect?
- Are there any cultural, historical and institutional factors which impact the business environment in the country?
- What kind of factors? How do they affect?

Research background

- Research on SME conducted by CU team in 2008
- Research on innovation strategy conducted by CU team in 2011
- Personal interviews and observations

Chapter 7 (evaluation)

- It provides a solid and comprehensive coverage of entrepreneurial financing:
- A) background;
- B) institutional structure;
- C) organizational changes;
- D) scope of the work;
- E) major problems

Recommendations (evaluation)

- Financing of the SME;
- Development of public innovation finance system to deal with large number of publications;
- Development of corporate venture capital;
- Development of integrated programs

Chapter 7. What makes Kazakhstan's innovation system different?

- Underdevelopment of service sector, especially retail trade and catering before the 1990s;
- Long-standing tradition of so-called “bazaar economy” – a very dynamic system of a large number of family-based SMEs;
- Social segmentation – “bazaar economy” is dominated by representatives of representatives of some regions and ethnic groups;
- Strong tradition of extended family financing;
- Existence of the informal ways of mitigation of bureaucratic barriers – so called “otkat”

Where to search for innovative sectors?

- Large and medium size industrial enterprises who often use technology transfer for their work;
- Small scale production of traditional national products (food, clothes, etc.);
- Music, video and IT production;
- Small scale trade and catering

Recommendations

- Capacity building among a new generation of entrepreneurs;
- Develop microfinancing programs at university level;
- Adapting financing system to the existing system of family-based businesses;

Chapter 8 (evaluation)

- It provides a solid and comprehensive coverage of regional and international integration efforts:
 - A) background;
 - B) institutional structure;
 - C) organizational changes;
 - D) scope of the work;
 - E) major problems

Recommendations (evaluation)

- Capacity building;
- EU-Kazakhstan integration
- Integration of scholars from Kazakhstan into the international innovation initiatives;
- Regional integration

Suggestions (Chapter 8)

- More attention to the relations with South Korea and PRC;
- More attention to outsourcing of some manufacturing and services;
- Rethinking possible integration and cooperation in the context of WTO accession;

Suggestions (recommendations)

- Add recommendations on integration with East Asian partners (South Korea, PRC);
- Integration with Kyrgyzstan and Uzbekistan in the form of outsourcing of some services and prototype manufacturing;
- Strengthen regional integration by building the networks of incubators and technoparks and by developing a meeting platforms for interactions and cooperation;
- Develop Y-to-Y diplomacy (Youth-to-Youth)

Thank you

- Please let me know if you have any questions