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## **Institutional mechanisms to support of the youth entrepreneurship: domestic and foreign experience**

The article highlights the issue of institutional structure of formation, support, stimulation of youth entrepreneurship in the Republic of Kazakhstan. In particular, the essence of the institutional environment of entrepreneurship is determined and normative legal acts are proposed on the basis of the analysis of scientific sources, as well as the structure of the system of state regulation and stimulation of youth entrepreneurship in the Republic of Kazakhstan is analyzed. Estimates of the youth entrepreneurial climate of the Republic of Kazakhstan as an object of state influence for the formation of favorable conditions for the development of the national economy are given. The authors note the importance of a systematic approach to the formation of the state policy of stimulation and support of youth entrepreneurship. The article reveals the features of management and stimulation, and also defines the main priority directions and target parameters of youth entrepreneurship development in foreign countries.

*Keywords:* youth, entrepreneurship, youth entrepreneurship, institutional mechanisms, startups, entrepreneurial code of the Republic of Kazakhstan, youth entrepreneurial climate, systematic approach, institutional environment, competitive advantages.

### *I. Introduction*

State regulation of youth entrepreneurship is a system of providing the state with a favorable environment for the sustainable development of youth entrepreneurship. The functioning of this system is based on the implementation of a set of legal, organizational, economic and other support measures.

As the researcher of the legal problems of youth entrepreneurship I.A. Statkevich notes determination of the status of youth entrepreneurship is a complex problem. This is due to the fact that discussions on the status of the state youth policy continue in the society and primarily in the state structures [1].

Actualization of youth entrepreneurship in modern conditions grows out of the specificity of analytical tools. This specificity is based on the spread of methodological pluralism on the subject-object characteristic of the phenomenon under study. This approach seems to be the most objective, since most economic processes are now developing under the influence of a huge number of endogenous and exogenous factors. Moreover, endogenous factors are also ambiguous in their conceptual design. Therefore, the assessment from the perspective of methodological pluralism will allow to allocate modern dominants more carefully, to integrate them into the mechanism of post-industrial development, to determine the boundaries of the lacunae of uncertainty, to differentiate risks.

### *II. Data, Analysis, and Results*

In institutional terms, the development of youth entrepreneurship in Kazakhstan has two features: first, the legislation of the Republic of Kazakhstan does not single out youth entrepreneurship in a separate category and therefore its functioning and support by the state is carried out on a common basis, which does not always take into account the specifics, we have identified.

Entrepreneurial legislation in our country is based on the Constitution of the Republic of Kazakhstan. Proclaimed by article 26 of the Constitution «the right of everyone to freedom of business, free use of their property for any legitimate business activity», as well as constitutional norms on freedom of economic activity, protection of private property and support of competition, create a constitutional economic order that guarantees the protection of the rights and freedoms of business entities [2].

In the development of entrepreneurial legislation in Kazakhstan, there are four main stages (Table 1) related to the adoption and operation of the following basic laws in the field of entrepreneurship by:

– the Law № 1543-XII «On protection and support of private entrepreneurship» of July 4, 1992 (lost force by the Law of January 31, 2006 № 124-III «On private entrepreneurship») [3];

– the Law № 131-I «On state support of small business» of June 19, 1997 (lost force of the Law of January 31, 2006 № 124-III) [4];

- the Law № 135-I «On individual entrepreneurship» of June 19, 1997 (lost force of the Law of January 31, 2006 № 124-III) [5];
- the Law № 124-III «On private enterprise» of January 31, 2006 (lost force from January 1, 2016 in accordance with the Entrepreneurial Code of October 29, 2015 № 375-V) [6].

Table 1

## Stages of development of entrepreneurial legislation in Kazakhstan

Stages	Main laws	Content of law
1	2	3
First	Law of the Republic of Kazakhstan № 1543-XII «On protection and support of private entrepreneurship» of July 4, 1992 (lost force by law of the Republic of Kazakhstan dated January 31, 2006 № 124-III «On private entrepreneurship»)	The law proclaimed the maximum freedom of entrepreneurial activity, defined the forms and methods of its state protection and support, provided for the protection of trade secrets and the responsibility of state bodies and officials for violation of the rights of entrepreneurs.
Second	Law of the Republic of Kazakhstan № 131-I «On state support of small business» of the June 19, 1997 (lost force by the law of the Republic of Kazakhstan dated January 31, 2006 № 124-III «On private enterprise»)	The law established the basic principles of comprehensive state support of small business as a priority direction of economic development of the country.
	Law of the Republic of Kazakhstan № 135-I «On individual entrepreneurship» dated June 19, 1997 (lost force of the law of the Republic of Kazakhstan dated January 31, 2006 № 124-III «On private entrepreneurship»)	The law ensured the implementation of the constitutional right of citizens of Kazakhstan to freedom of entrepreneurial activity, defining a system of state guarantees for the development of individual entrepreneurship
Third	Law of the Republic of Kazakhstan «On private entrepreneurship» dated January 31, 2006 № 124-III (lost force of the law of the Republic of Kazakhstan dated January 1, 2016 in accordance with the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015 № 375-V)	The law systematized and united in a single legal act the existing legislative acts in the field of business.
Fourth	Decree № 757 of the President of Kazakhstan «On cardinal measures to improve the conditions for business in the Republic of Kazakhstan» dated February 27, 2014	The decree provided for the following measures to improve the conditions for entrepreneurship: the transition to the organization of inspections on the basis of risk assessment; the introduction of liability insurance of business entities as an alternative to inspections; reduction of requirements for business entities and subject to inspection, in the implementation of state control and supervision
	Law of the Republic of Kazakhstan «On amendments and additions to some legislative acts of the Republic of Kazakhstan on cardinal improvement of conditions for business activity in the Republic of Kazakhstan» dated December 29, 2014 № 269-V (with changes and additions on 07.04.2016).	The law provided the following measures to cardinal improve the conditions for entrepreneurship: amendments and additions to 11 codes and 94 laws; the abolition of scheduled inspections of entrepreneurs; the introduction of a simplified procedure for the liquidation of small businesses; the introduction of the institution of the Commissioner for the protection of the rights of entrepreneurs, improving the efficiency of state regulation of entrepreneurial activity

1	2	3
	Entrepreneurial code of the Republic of Kazakhstan dated 29 October 2015 № 375-IV (with changes and additions on 21.07.2018)	The code consists of 7 sections, 31 chapters and 324 articles regulating: legal, economic, social conditions of entrepreneurial activity; interaction of business entities and the state, including issues of state regulation and support

The current stage of development of the legal framework of entrepreneurship in Kazakhstan is associated with the introduction of the Entrepreneurial code (hereinafter the Code) from January 1, 2016. The Code, as a single consolidated legal act, combined the previously existing «functional» laws and General provisions on business and its subjects, state regulation and state support for small and medium-sized businesses, industrial innovation and investment [7]. Further, the provision of entrepreneurship includes a significant array of regulatory legal acts of various industries, as well as government strategic and policy documents aimed at entrepreneurship in General (Table 2).

Table 2

**Applicable regulatory, governmental, strategic and program support of business in Kazakhstan**

№	Classification	Legal acts, strategies, state program
1	2	3
1	Legal acts of the General nature regulating certain aspects of entrepreneurial activity	The civil code of Republic of Kazakhstan (General part) dated December 27, 1994 (with changes and additions on 21.07.2018); The criminal code of the Republic of Kazakhstan dated July 3, 2014 № 226-V (with changes and additions on 12.07.2018); The civil code of the Republic of Kazakhstan (Special part) of July 1, 1999 № 409-I (with changes and additions on 04.07.2018); The civil procedure code of the Republic of Kazakhstan dated October 31, 2015 № 377-V (with changes and additions on 05.07.2018); Code of the Republic of Kazakhstan on administrative offences dated July 5, 2014 № 235-V (with changes and additions on 22.07.2018); Code of the Republic of Kazakhstan «On taxes and other obligatory payments to the budget (Tax code)» dated December 25, 2017 № 120-VI (with changes and additions on 21.07.2018); Code of the Republic of Kazakhstan «On customs regulation in the Republic of Kazakhstan» dated December 26, 2017 № 123-VI (with changes and additions on 04.07.2018); Law of the Republic of Kazakhstan «On state registration of legal entities and registration of branches and representative offices» dated April 17, 1995 № 2198 (with changes and additions on 25.12.2017.); Law of the Republic of Kazakhstan «Patent law of the Republic of Kazakhstan» dated July 16, 1999 № 427-I (with changes and additions on 20.06.2018); Law of the Republic of Kazakhstan «On ensuring the uniformity of measurements» dated June 7, 2000 № 53-II (with changes and additions on 29.10.2015); Law «On technical regulation» dated November 9, 2004 № 603-II (with changes and additions on 24.05.2018); Law of the Republic of Kazakhstan «On accounting and financial reporting» dated February 28, 2007 № 234-III (with changes and additions on 02.07.2018); Law of the Republic of Kazakhstan «On state registration of rights to real estate» dated July 26, 2007 № 310-III (with changes and additions on 04.07.2018)

1	2	3
2	Legal acts regulating the implementation of business activities and its state support	<p>Entrepreneurial code of the Republic of Kazakhstan dated October 29, 2015 № 375-IV (with changes and additions on 21.07.2018);</p> <p>Law of the Republic of Kazakhstan «On changes and additions to some legislative acts of the Republic of Kazakhstan on improvement of regulation of entrepreneurial activity» dated May 24, 2018 № 156-VI;</p> <p>Law of the Republic of Kazakhstan «On business partnerships» dated May 2, 1995 № 2255 (with changes and additions on 27.02.2017);</p> <p>Law of the Republic of Kazakhstan «On production cooperative» October 5, 1995 № 2486 «On production cooperative» (with changes and additions on 27.02.2017);</p> <p>Law of the Republic of Kazakhstan «On limited and additional liability partnerships» dated April 22, 1998 № 220-I (with changes and additions on 24.05.2018);</p> <p>Law of the Republic of Kazakhstan «On trademarks, service marks and appellations of origin» dated July 26, 1999 № 456-I (with changes and additions on 20.06.2018);</p> <p>Law of the Republic of Kazakhstan «On joint stock companies» dated May 13, 2003 № 415-II (with changes and additions on 15.07.2018);</p> <p>Law of the Republic of Kazakhstan «On special economic zones in the Republic of Kazakhstan» dated July 21, 2011 № 469-IV;</p> <p>Law of the Republic of Kazakhstan «On permissions and notifications» dated May 16, 2014 № 202-V (with changes and additions on 04.07.2018);</p> <p>Law of the Republic of Kazakhstan «On agricultural cooperatives» dated October 29, 2015 № 372-V;</p> <p>Resolution of the Government of the Republic of Kazakhstan «On approval of the rules of accreditation of associations of private entrepreneurs» dated December 28, 2015 № 1089</p>
3	Legal acts regulating the state support of innovative activity	<p>Law of the Republic of Kazakhstan «On science» dated February 18, 2011 № 407-IV (with changes and additions on 04.07.2018);</p> <p>Law of the Republic of Kazakhstan «On commercialization of scientific and (or) scientific and technical activities» dated October 31, 2015 № 381-V (with changes and additions on 04.07.2018);</p> <p>Decree of the President of Kazakhstan «On measures to further improve the competitiveness of the national economy within the industrial and innovation policy of the Republic of Kazakhstan» dated March 16, 2006 № 65</p>
4	Legal acts regulating support domestic producers	<p>Law of the Republic of Kazakhstan «On special protective, anti-dumping and countervailing measures against third countries» dated June 8, 2015 № 316-V (with changes and additions on December 26, 2017);</p> <p>Law of the Republic of Kazakhstan «On state defense order» dated January 19, 2001 № 146-II (with changes and additions on June 13, 2017);</p> <p>Resolution of the Government of the Republic of Kazakhstan «On implementation of measures to support domestic producers» dated November 13, 1998 № 1162 (with changes and additions by the government of the Republic of Kazakhstan dated 02.06.99 № 693; from 29.09.99 № 1474; from 25.11.99 № 1789; from 03.07.02 № 716);</p> <p>Resolution of the Government of the Republic of Kazakhstan «On the rules of selection of investment projects to be credited in the framework of measures to support domestic producers» dated September 12, 2000 № 1384 (with changes and additions on decree of the Government of the Republic of Kazakhstan dated 21.08.02 № 935)</p>

1	2	3
5	Legal acts on consumer protection	Law of the Republic of Kazakhstan «On consumer cooperative» dated May 8, 2001 № 197-II (with changes and additions on 29.10.2015); Law «On safety of food products» dated July 21, 2007 № 301-III (with changes and additions on 24.05.2018); Law of the Republic of Kazakhstan «On safety of toys» of July 21, 2007 № 306-III (with changes and additions on 24.05.2018); Law of the Republic of Kazakhstan «On consumer rights protection» dated May 4, 2010 № 274-IV (with changes and additions on 13.06.2018)
6	Legal acts on individual business contracts	Law of the Republic of Kazakhstan «On financial leasing» dated July 5, 2000, № 78-II (with changes and additions on 24.05.2018); Law of the Republic of Kazakhstan «On public procurement» dated December 4, 2015 № 434-IV (with changes and additions on 02.07.2018); Law of the Republic of Kazakhstan «On the comprehensive entrepreneurial license (franchising)» dated June 24, 2002 № 330-II (with changes and additions on 29.10.2015)
7	Strategic documents	Strategy «Kazakhstan-2050», The strategic development plan of Kazakhstan until 2025, approved by the decree of the President of Kazakhstan dated February 15, 2018 № 636.
8	State programs in the field of entrepreneurship	State program of business support and development «Business Road Map-2020», approved by the Government of the Republic of Kazakhstan dated August 25, 2018 № 522; State program of industrial and innovative development of Kazakhstan for 2015–2019, approved by the decree of the President of Kazakhstan dated August 1, 2014 № 874; State program of development of agro-industrial complex of the Republic of Kazakhstan for 2017–2021, approved by the decree of the President of Kazakhstan dated February 14, 2017 № 420; Program of development of productive employment and mass entrepreneurship for 2017–2021, approved by the government of the Republic of Kazakhstan dated December 29, 2016 № 919.

Despite the huge potential of young people in the development of both traditional business and innovative entrepreneurship, presented in table 1 of the legislative, strategic and policy documents of the entrepreneurial sphere, there is no specification and definition of youth entrepreneurship, it does not stand out in a separate independent category and support for its development is carried out on a common basis on an equal basis with other business entities. Since there are no terms «youth entrepreneurship», «subjects of youth entrepreneurship» and «young entrepreneur» in the current business legislation, therefore there is no statistical accounting in this area, which makes it difficult to assess the actual level of youth business activity.

Youth entrepreneurship is mentioned in only three articles of the Law of the Republic of Kazakhstan «On state youth policy in the Republic of Kazakhstan» dated February 9, 2015:

1) in article 4 where as one of the main directions of the state youth policy is designated «creation of conditions for development of business activity among youth»;

2) in article 11, which reveals the competence of the authorized body for entrepreneurship, which: «1) implements the state youth policy; 2) develops measures for the development of entrepreneurial activity carried out by young people; 3) cooperates and cooperates with youth organizations on the development of entrepreneurial activity among young people; 4) exercises other powers provided by this Law, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan»;

3) in article 25, which refers to social services for young people, one of the main activities of which according to the Law is «support and development of entrepreneurial activity of young people» [8].

In addition to the proper legal registration of the status of youth entrepreneurship in Kazakhstan, its effective development is impossible without special institutions and institutions. In this respect, four areas of institutional support can be identified, which are summarized in Table 3.

**Parameters of institutional support of youth entrepreneurship in Kazakhstan**

Directions	Designated purposes	Basic tools	Subjects of institutional impact
Support institutions	Methodological, operational support programs	The system of financial (guarantees, subsidies, microcredit) and non-financial support tools (consulting, services, mentoring, etc.)	The entrepreneurship support Fund «Damu», the Council for the development of youth entrepreneurship, the youth initiatives Fund, the National Agency for technological development, European and Asian banks of reconstruction and development
Programme for the promotion of youth employment	Reduction of youth unemployment in socially vulnerable regions, stimulation of traditional youth entrepreneurship	Microcredit, training in basic principles of entrepreneurship, consulting on business plans, primary elements of business incubation, information service.	The entrepreneurship support Fund «Damu», business support centers, European and Asian banks of reconstruction and development
Youth entrepreneurship development programs	Diversification of the entrepreneurial potential of young people	Guarantees and subsidies for startups, business consulting, project training for business growth, modeling of effective management practices, international mentoring.	The entrepreneurship support Fund «Damu», Youth entrepreneurship development Council, youth initiatives Fund, USA Agency for international development (USAID), etc.
The program of the strategic training of students	Formation of innovative business thinking on the basis of entrepreneurial education.	Innovative methods of entrepreneurial training, initiation of business clubs, student consulting societies on the basis of universities	youth initiatives Fund, Association of entrepreneurial universities, USA Agency for international development (USAID), etc.

First, it is supporting institutions, speakers and operators of programs for the promotion of youth entrepreneurship. The first such institution was the Republican Fund for support of youth entrepreneurship. Today, the most important institutions are the «Damu» development Fund, which is the main operator of most state programs for the development of youth entrepreneurship, the Council for the development of youth entrepreneurship — an Advisory body of the National chamber, the Fund for youth initiatives, the National Agency for technological development (NATR), supporting the creation of technoparks and business incubators. In addition to these specialized institutions, support for youth entrepreneurship is provided by the development Bank of Kazakhstan, «KazAgroFinance», the Fund for financial support of agriculture, the National Agency for export and investment «KaznexInvest», the Kazakhstan Institute for industry development. The activity of these institutions is twofold: it helps to reduce unemployment, and in socially vulnerable regions, i.e. provides a primary level of support for the development of traditional youth entrepreneurship. Secondly, it contributes to the formation of an innovative type of youth entrepreneurship through the development of entrepreneurial potential, support for startups and the formation of strategic parameters of youth entrepreneurship.

Based on this, the second direction of institutional support form programs to promote youth employment in a complex regional environment includes:

1) Program for the creation of business incubators with microcredit organizations for single-industry towns with low and medium potential. The program provides comprehensive support in the form of rental of premises, consulting on business plans, micro-credit, creating a network with mentors and potential consumers. Methodological support for the activities of business incubators will be carried out through the «Damu» Fund with the involvement of resources of international organizations.

2) Program to promote the development of entrepreneurship of self-employed, unemployed and low-income population in each single-industry town. The program provides micro-loans, government assistance

in the form of training courses on business formation, support for the development of the missing engineering and communication infrastructure.

3) Program for the creation of business support centers in single-industry towns, providing information and consulting support.

The third direction is the program to support youth entrepreneurship. The most relevant now are the programs within the framework of the «Business Road map 2020». In particular, within the framework of the fourth direction — «Strengthening of entrepreneurial potential» the following steps are provided free of charge:

- support for startup entrepreneurs (short-term training in business practice, providing standard documents, market research, information on the state of the market of goods, services, works in the country);

- service assistance for a functioning business (consulting services on accounting and taxes, customs procedures, implementation of quality management system, information technology);

- introduction of a proper foreign practices through the implementation of the project «Business communication» (project-based learning with the purpose of business growth and an internship abroad under the guidance of domestic and foreign business coaches) and the project «Senior seniors» (service support of existing business, information support for business standards with the involvement of foreign coaches in specific industries).

In addition, the Fund «Damu» implemented and specialized programs:

- 1) project «Support for opening a new business». This project provides financial support for startups;

- 2) the project «Support of entrepreneurial initiatives of students» involves in-depth training of students in the field of business on the basis of a Memorandum of cooperation of the Fund with leading universities [9].

Finally, the fourth area of institutional support is the strategic preparation of young people for entrepreneurship. It involves the introduction of entrepreneurial education, the transition to mainly entrepreneurial universities to form innovative business thinking of students. For this purpose, the Association of entrepreneurial universities of the country was created; programs for promoting entrepreneurial education were developed.

Sustainable reproduction is necessary for the implementation of the multiplicative-accelerative mechanism of youth entrepreneurship. This is impossible without a system to support early entrepreneurial activity. The analysis of the market supporting and energizing practices allowed identifying the following structural parameters:

- 1) the direction of support for youth entrepreneurship as a way to reduce unemployment and social adaptation;

- 2) the direction of activation of youth entrepreneurship as a way of macroeconomic convergence;

- 3) the direction of conglomerate activation of startups, which, in turn, consists of three components: institutional activation, financial activation and information activation;

- 4) the systematization of effective tools in all areas of youth entrepreneurship.

Thus, the primary link in the system of assistance to youth entrepreneurship is its support in line with the employment system. What helps to minimize youth unemployment?

1. Training and career guidance programs for the unemployed, advice on the choice of activity, the program of assistance to the unemployed who wish to start a business, through additional payments under the unemployment benefit (UK). The specificity of these activities is the availability of 4 sources of funding: private business, the state, voluntary societies for the unemployed and specialized educational funds. Moreover, financing from private business is of paramount importance, thus, budget injections are minimized.

2. The program of subsidizing the initial stage of the organization of their business for unemployed youth, i.e. guaranteed income at the stage of «first steps of business» (Hungary). The main condition is the business justification of the organizational period.

3. The provision of a preferential loan for the organization of small business for unemployed youth (Poland). The main condition for obtaining is the justification of the business plan. The specific operator of the loan is the state employment centers.

Further, from the standpoint of the activation of youth entrepreneurship, it is necessary to highlight the direction of macroeconomic convergence, the classic countries of which demonstrates the experience of India. The allocation of the national IT-ideology as a modern industry-motor and its practical implementation as a youth innovative driver, turned from a underdeveloped, mainly agricultural country, a leading supplier

of high-tech products and an active participant in the world market of telecommunications and software. The results of macroeconomic convergence are very large and diversified. In the industry aspect, they are expressed in the production of standardized computer equipment and its service provision. In the structural is in the formation of intelligent cluster multiprocessor system. From the position of activation of youth business entities the result is the generation of IT-entrepreneurs working in the global innovation market [10].

The most dynamic is the following direction of activation of youth entrepreneurship-conglomerate activation, which consists of 3 elements. The first element of conglomerate activation is institutional activation. It includes three components of different levels of exposure. First, these are institutional programs to build the innovative potential of young people. They mainly include state programs to support education in an innovative way. This approach improves the personal Constitution of young people, preparing them for diverse competitive activities. Secondly, it includes specialized funds to support youth entrepreneurship, programs of its activation. These institutions enable young people to participate in global or national competition in new segments of the innovation market. Thirdly, it is an innovative infrastructure. The formation of business incubators, accelerators, centers of commercialization, allows to channel the creative potential of the model within the framework of applied commercial structures.

For the practice of our country the practice and focus of general institutions on the formation and business motivation of the innovative type of youth as an element of state policy is important. In this aspect, an example is the practice of the United States. The very ideology of education and the general parameters of the social environment contribute to the comprehensive development of young people's creative qualities, the ability to economic self-determination and access to the professional level of industry competitive standards. Its general outlines are as follows:

1) the basis — a quality education that provides independence of economic thinking, political socialization of the individual, the constant of democratic values.

2) the availability of post-industrial scientific and technical base. Currently, the US is a global innovation leader. This provides a dual motivation: the ability of large innovative companies to attract young people to joint investment projects and the desire of young people to participate in the functioning of various elements of the national innovation system [11].

3) a system of long-term partnership between universities and national innovative companies. «Overflow» of innovative projects of youth in applied business is carried out by the system of business incubation and clustering. Through counseling, mentoring, there is a selection of the most attractive projects and creates a method of possible investment. In addition, the usual practice is the internship of innovative-motivated young people in the departments of large corporations, the organization of practice-oriented scientific seminars and schools.

In European countries, this direction is developed at two levels: European and national. Thus, within the framework of a single European approach, the countries-leaders of integration — Germany, France, Italy — jointly intensify activities: to internationalize the research faculties of universities, their integration into research projects; to develop youth research agencies; to form an appropriate innovation infrastructure.

At the country level, the following specifics are identified. Thus, in Germany, the development of innovative initiatives is facilitated by two types of programs: social communication programs (for example, «Come in Contact» — «Get in touch»; «YOU rope-YOU vote» — «You are Europe, you vote»), etc.; legal communication programs (in particular, the youth Department of the German research community DFG) [12]. In France, innovative business initiatives of young people are implemented mainly through the activities of the national network operator of the world network of science parks — RETIS Association [13]. In Italy, youth innovation initiatives are implemented within the framework of the national education system. This is manifested in the framework of the program «students — power» and the specifics of the business incubators, focusing on improving the professional competencies of students and special courses of business education [12].

Specialised funds and programmes carry out the functions of the application helping startup innovators. As the vanguard of this direction is the experience of the United States. It was American practice that formed a network of specialized funds and programs, which then spread to the practice of other countries. These are organizations such as Enactus, The Sundance family foundation (USA), Youth Venture (USA), Peace child International (UK), Citi-YMCA Youth for Causes (Singapore). All young entrepreneurs are also supported by national and international business clubs.



Innovative infrastructure that activates youth entrepreneurship includes youth business incubators, accelerators, centers of commercialization. The purpose of business incubators is to facilitate the implementation of business projects by young entrepreneurs. The functional activity of the business incubator is the selection of innovative projects from the start to the final implementation of the innovative product, the formation of favorable conditions for this, through the provision of consulting services of economic, legal and technological nature. A special feature of business incubators is the ergonomic component: providing inexpensive production office space, modern jobs [14].

Accelerator is an institute of support for graduates of incubators and incubation programs. The purpose of the accelerator is to intensify the development of a startup in exchange for a share in the company capital. The functional activity of the accelerator is mentoring, intensive training, provision of financial and expert services. The specificity of the accelerator is manifested in the provision of seed financing in exchange for the share of capital invested startups; short-term, but intensive acceleration programs (dynamic work with mentors, investors, niche specialists); development of a business model to provide a startup project to investors and attract the next round of financing [15].

Most relevant from the perspective of the implementation of startups is direct financial revitalization. In this vein, the experience of countries such as New Zealand and Singapore is indicative. New Zealand practice is specific in that it uses different types of financing at all three stages of startup development. The General financial panorama looks like this. The initial stage of the startup is financed in three ways: opportunity vouchers, research grants and funds raised on crowdfunding platforms. At the stage of a finished product or a functioning prototype, investment is made at the expense of business angels. At the stage of market stability there is investment in series A. This means that a startup, having stable contracts, minimizes risks for investors by issuing preferred shares for sale (shares of «series A»).

From the point of view of modern tools, crowdfunding system attracts special attention. Its specificity is expressed in the fact that it arises as a modern Internet system for financing. The model of crowdfunding is as follows: the creation of a novice company website with information about its activities, the possible risks to find potential investors; the possibility of turning any Internet user into a participant in the investment of the project; formation of elements of crowdfunding as a financial instrument: crowdfunding platform, intermediaries, founders of the project, crowdfunders (entities involved in the financing of the project).

Now there are 4 types of crowdfunding, based on the objectives of the investment: donation, financing for a fee, financing in the form of a loan from crowdfunders with a further return by the creators of the projects of invested funds with a certain percentage and financing for investment and future participation in the company's activities-obtaining shares, profit distribution, etc. [16, 17].

The specifics of financing startups in Singapore is its availability and variety of sources. Their structure is as follows:

1) the system of accelerators specializing in a particular industry or segment of the economy. For example, InspirAsia — accelerator focuses on banking projects, such as mobile payments, lending, mobile banking, money transfers and more. Projects receive from 50 thousand to 300 thousand US dollars in exchange for a 5–15 % share of the capital;

2) the specialized incubators and venture funds. For example, Clearbridge Accelerator is a venture Fund and incubator that invests in startups specializing in biotechnology and information security. The amount of investment — up to 720 thousand Singapore dollars;

3) the state grants for startups on condition of partial investment of the startup's own capital and lack of business experience;

4) the budget co-financing with venture capital for technology incubation projects [18].

The third element of conglomerate activation is information activation. Its purpose is to create information platforms and provide information resources for the promotion of youth entrepreneurship. The main information platforms for attracting investors are business clubs and business campuses. Their functional activity is to organize discussion clubs; conduct training courses, trainings, business consultations, organization of competitions of business plans. Information platforms for the formation of a common entrepreneurial culture are youth discussion clubs. Their functional activity is the organization of student conferences, business schools, seminars with the participation of experienced businessmen. Information platform applied care act consulting student organization. Their functional activities include assistance in the preparation of business plans and related advice in the field of Finance, marketing and accounting [19].

The most effective institutional instruments of activation are in terms of general institutions — special funds, in terms of institutional infrastructure — business incubation and acceleration of startups. The for-

mation and functioning of special funds allows: to develop the entire ecosystem of youth entrepreneurship; to reduce the imbalance in the country's support for startups; to determine the standards of integrated assistance to startups. Business incubation tools allow increasing employment, tax base, stimulating technology transfer. Startup acceleration allows intensifying the development of a startup at all stages of the project life cycle.

The most effective financial instruments are the mechanism of co-financing startups. It is co-financing that combines budget grants, venture capital, funds of voluntary organizations that allow to minimize the risks of a startup, to reduce all stages of its implementation and to expand the innovative space of industry startups.

The most effective information tool is the formation of information platforms, in particular the model of business clubs, allowing to accumulate information resources to generate expert, mentoring, training, consulting services for the successful promotion of youth startups.

### III. Conclusion

In general, youth entrepreneurship in Kazakhstan, which is at the stage of institutionalization, requires legislative registration and regulation. In this regard, it is necessary to supplement the Entrepreneurial code of the Republic of Kazakhstan with norms relating to youth entrepreneurship, in particular:

- legislatively define the concept of «youth entrepreneurship», «subjects of youth entrepreneurship» and «young entrepreneur» with the establishment of the age limit and subject composition;
- legislate institutional (including infrastructure), financial, non-financial (information) and other measures to support youth entrepreneurship;
- determine the powers (rights and obligations) between the state authorities and the subjects of youth entrepreneurship;
- legislatively ensure the maintenance of a unified register of youth entrepreneurship and their statistical accounting, as well as the formation of a database of youth business ideas and projects.

Thus, the formation of the institutional framework of youth entrepreneurship in Kazakhstan is associated with the formation of a legal unit that provides a legislative framework for the development of business activity of young people, as well as the development of specific forms of institutional support: institutions and support programs that contribute to both the growth of youth employment and the independent development of traditional and innovative youth entrepreneurship.

The revealed subject and object determinants of youth entrepreneurship, its endogenous and exogenous factors, as well as multiplicative and accelerative effects, supplemented by effective support tools, form an optimal model of modern youth entrepreneurship in the mechanism of industrial and innovative growth of the economy.

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### **Жастар кәсіпкерлігін қолдаудың институционалдық тетіктері: отандық және шетелдік тәжірибе**

Мақалада Қазақстан Республикасында жастар кәсіпкерлігін қалыптастыру, қолдау, ынталандырудың институционалдық құрылымы мәселелер баяндалды. Атап айтқанда, кәсіпкерліктің институционалдық ортасының мәні анықталып және ғылыми дереккөздерді талдау негізінде нормативтік-құқықтық актілер ұсынылды, сондай-ақ Қазақстан Республикасында жастар кәсіпкерлігін мемлекеттік реттеу және ынталандыру жүйесінің құрылымы талданды. Ұлттық экономиканы дамыту үшін қолайлы жағдайларды қалыптастыру үшін мемлекеттік ықпал ету нысаны ретінде Қазақстан Республикасының жастар кәсіпкерлік ахуалын бағалау келтірілді. Авторлар жастар кәсіпкерлігін ынталандыру мен қолдаудың мемлекеттік саясатын қалыптастырудағы жүйелі тәсілдің маңыздылығын атап өтті. Мақала шет елдерінде басқару және ынталандыру ерекшеліктерін ашады, сондай-ақ жастар кәсіпкерлігін дамытудың негізгі басым бағыттары мен мақсатты параметрлерін анықтайды.

*Кілт сөздер:* жастар, кәсіпкерлік, жастар кәсіпкерлігі, институционалдық тетіктер, стартаптар, ҚР Кәсіпкерлік кодексі, жастар кәсіпкерлік климаты, жүйелік тәсіл, институционалдық орта, бәсекелестік артықшылықтар

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### **Институциональные механизмы поддержки молодежного предпринимательства: отечественный и зарубежный опыт**

В статье освещается вопрос институциональной структуры становления, поддержки, стимулирования молодежного предпринимательства в Республике Казахстан. В частности, определена сущность институциональной среды предпринимательства и предложены нормативно-правовые акты на основании анализа научных источников, а также проанализирована структура системы государственного регулирования и стимулирования молодежного предпринимательства в Республике Казахстан. Приведены оценки молодежного предпринимательского климата Республики Казахстан как объекта государственного воздействия для формирования благоприятных условий для развития национальной экономики. Авторами отмечается важность системного подхода к формированию государственной политики стимулирования и поддержки молодежного предпринимательства. Статья раскрывает особенности управления и стимулирования, а также определяет основные приоритетные направления и целевые параметры развития молодежного предпринимательства в зарубежных странах.

*Ключевые слова:* молодежь, предпринимательство, молодежное предпринимательство, институциональные механизмы, стартапы, Предпринимательский кодекс РК, молодежный предпринимательский климат, системный подход, институциональная среда, конкурентные преимущества.

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