

*Adaptation of Innovation and Entrepreneurship Policies to
Achieve Sustainable Development Goals in Algeria
(Japan and China Experience as a Model)*

تكييف سياسات الابتكار وريادة الأعمال لتحقيق أهداف التنمية المستدامة في الجزائر
(تجربة اليابان والصين نموذجا)

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Abstract: This study examines the policies that make innovation and entrepreneurship an introduction to transformational and sustainable development goals. Where there must be policies to support innovative projects that are central to development rather than encouraging projects for nothing but for itself and policies to promote entrepreneurship must be an integral part of a broader set of strategies and policies aimed at achieving sustainable development. The role of the state in this framework is to make efforts to address obstacles faced by entrepreneurs.

Key words: innovation; entrepreneurship; sustainable development.

JEL classification: O32, O38, L26, Q56

ملخص: تبحث هذه الدراسة في السياسات التي تجعل من الابتكار وريادة الأعمال مدخلا لإحداث التحول وتحقيق أهداف التنمية المستدامة. حيث لابد من وجود سياسات لدعم المشاريع الابتكارية التي تكتسي أهمية مركزية للتنمية بدل التشجيع على إقامة مشاريع لا لشيء إلا لذاتها، كما يجب أن تكون سياسات النهوض بريادة الأعمال جزءاً لا يتجزأ من مجموعة أوسع من الاستراتيجيات والسياسات الرامية إلى تحقيق التنمية المستدامة. ويمثل دور الدولة في هذا الإطار في بذل الجهود لمعالجة العراقيل التي يواجهها رواد المشاريع.

الكلمات المفتاحية: الابتكار؛ ريادة الأعمال؛ التنمية المستدامة.

تصنيف JEL: O32، O38، L26، Q56.

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1. Introduction:

Entrepreneurship is a fertile field for creativity and innovation and achieving levels of economic growth through discovering business opportunities and successfully seeking to seize and implement them on the ground. As it establishes the concept of self-confidence, self-reliance and responsibility, it also contributes to increasing the demand for manpower and creating new markets for products, in addition to transferring modern technology from developed countries to developing countries.

In Algeria, the attractiveness of including entrepreneurship within the mechanisms for job creation has grown, while it suffers from a limited ability to create jobs and absorb new entrants into the labor market. However, entrepreneurial projects cannot succeed and stand up to the competition and obstacles they face and contribute to achieving sustainable development if they are not accompanied by the existence of mechanisms to support, accompany and direct them towards sustainability. Where the promotion of entrepreneurship policies should be an integral part of a broader set of strategies and policies aimed at achieving sustainable development whose goals include eradicating poverty, ensuring good education, good health, sustainable cities and communities, reducing inequalities, and preserving the environment

The Problematic:

Through the abovementioned, how can policies of innovation and entrepreneurship be adapted to achieve goals of sustainable development in Algeria?

To address this issue, we will address the following sub-questions:

1. What is the concept of innovation and entrepreneurship?
2. What is the relationship of entrepreneurship with the national innovation system?
3. What is the reality of entrepreneurship in Algeria?
4. What are the most important policies to be taken in order to promote entrepreneurial projects in Algeria and to use them to serve the purposes of sustainable development?
5. Why did Japan and China rely on in their promotion of innovation and entrepreneurship projects?

To answer the questions asked, we relied on the following hypotheses:

1. The success of entrepreneurial projects cannot be guaranteed if it is not accompanied by strong political will and the existence of mechanisms to support and accompany these projects.
2. The lack of success of entrepreneurial projects in Algeria is due to the absence of a clear strategy that integrates the goals of these projects with the overall development goals of the country.

Objectives of the study:

This study seeks to achieve a set of objectives:

1. Learn about the concept of both innovation and entrepreneurship.
2. Learn about the most important difficulties faced by entrepreneurs, and search for ways to make entrepreneurial projects successful.
3. Searching for ways to adapt innovation and entrepreneurship policies to serve sustainable development goals.

Research topics:

We divided the study into five topics:

First topic: the concept of innovation and entrepreneurship.

Second topic: the relationship of entrepreneurship with the national system of innovation.

Third topic: the reality of entrepreneurship in Algeria.

Fourth topic: Policies for guiding innovation and entrepreneurship projects in the service of sustainable development.

Fifth topic: Presenting the experiences of Japan and China in encouraging innovation and entrepreneurship.

2. concept of innovation and entrepreneurship.

If we come to the definition of entrepreneurship, we find that this concept is not a new one linked to the latest technological developments, then the follower of this topic believes that the roots of this term "leadership" dates back to the beginnings of the industrial revolution in the countries of Western Europe. In 1776, Adam Smith wrote in his famous book, "The Wealth of Nations": "It is not the generosity of the baker and the goodness of the baker that drives him to provide bread, but his self-motivation and interest that drives him to provide bread." In his view, entrepreneurs are the economic

ambassadors who turned demand into a profitable return. (Raslan, Nasr, 2011, p53)

For Fayoll, entrepreneurship is the creation of a specific activity through the availability of a set of functions and procedures, and he defined it as a special case in which economic and social wealth is created with characteristics which is characterized by risk and uncertainty by individuals with distinct behaviors. (Zidan, 2007, p100)

Joseph Schumpeter is considered as a father of the field of entrepreneurship, which gave the entrepreneur a central picture in economic development through his book "The theory of economic development" in the dispatch of the organized, creator and innovative entrepreneur of entrepreneurial activities that came up with the concept of entrepreneurship inherent in the concept of innovation and he describes this process with the concept of "Creative Destruction" where the innovative business breaks constraints and state of stagnation and balance in the economy by continuous renewal and a qualitative shift in the economic system.

As for Drucker, he sees that innovation is the systematic abandonment of the old, confirming what Schumpeter said that "innovation is creative destruction". At the same time, he sees that entrepreneurship is risk-based creativity, which includes giving resources currently available the ability on creating new value.

In 1986, Gilder asserted in his book "The Spirit of Adventure" that entrepreneurs are the innovators who work to stimulate demand: they create markets, create capital, create opportunities, offer new technological methods, and who are looking for premium products and reformulate desires common to consumers, they are the ones who create wealth and job opportunities, they are exceptions to the well-known rule that determines the necessity for companies to lead markets, they are market leaders (Zidan, 2007, p100)

From the above-mentioned, it can be said that innovation and entrepreneurship are two sides of the same coin; innovation is the adherence to creative ideas reached and transformed into a useful good or service, or a useful way of working. Entrepreneurship is: discovering, exploiting and embodying market opportunities or projects in a project based on knowledge, physical, moral and intellectual

capabilities in order to create value with new and future products and services.

The strategic factor in the advancement of economy is the encouragement of private business and the creation of distinguished institutions that have an innovative dynamic that enables them to adapt to the changes and developments in the economic environment. Entrepreneurship can contribute to a range of benefits by creating wealth, providing superior products, goods and services, and new business opportunities and new markets for goods. As well as through improving national income and export volume, and activating production factors by investing entrepreneurial ability in society and maintaining business competitiveness locally and abroad (Kazem, 2017, p58).

3. relationship of entrepreneurship with the national system of innovation.

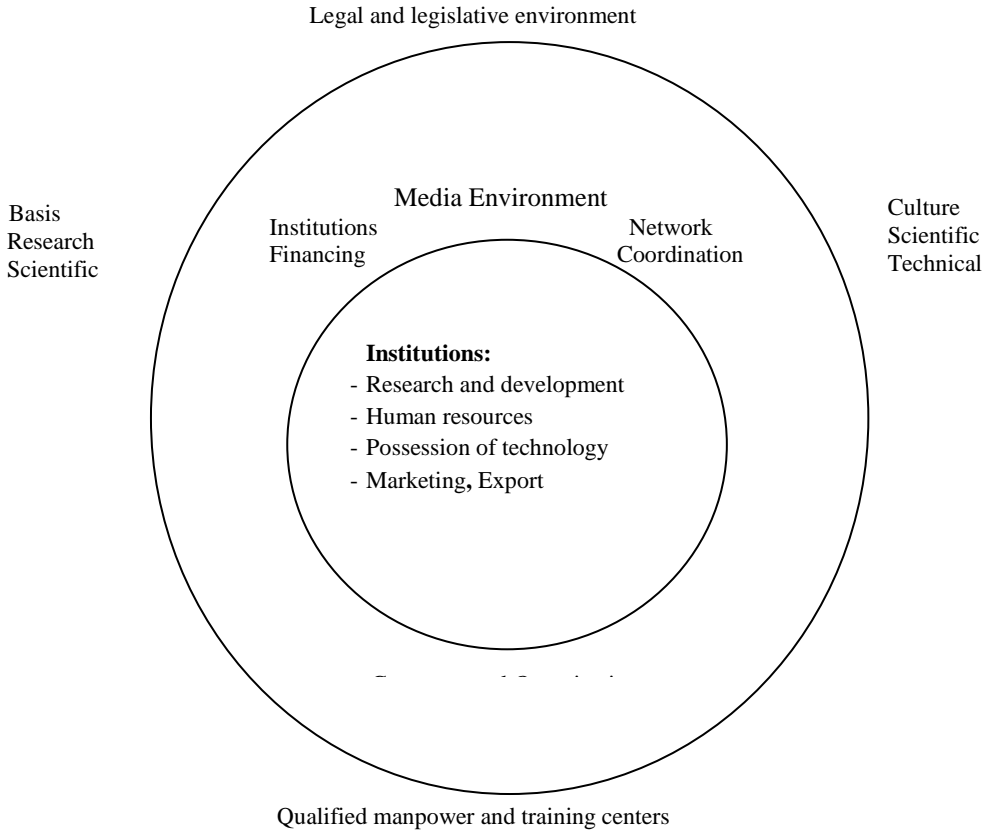
The National Innovation System is called the set of policies, regulations, arrangements, and institutional and structural activities for generating, possessing, disseminating and using scientific and technological knowledge (United Nations, 2003, p13).

The term "System" is generally used to describe a heterogeneous group of entities concerned with a particular mechanism, and national science and innovation system is seen as capable of producing, disseminating, adapting and implementing scientific and technological knowledge, based on elements of inputs and outputs such as human resources, financing, and the accumulated stock of knowledge, in a way both explicit and implicit, as the underlying method is embodied in the technical expertise of the group of employed persons and their networks.

Syndromic social structure, national system of innovation, cannot be subjected to a very careful analysis that is applied more successfully in physical and engineering sciences. However, adopting the idea of system in assessing the state of the national scientific, technological and creative activity will help explain the aspects concerned with the characteristics of the components of the system, its functions, reciprocal interaction and finally its impact on national development. The national innovation system can also be represented as an open system to the environment, technology (science and technology),

social, cultural, economic, political, to feed from its various resources and transform it - resources and information - into innovations in the form of improved or new products or methods (Bin Nadhir, 2001, p54).

Figure 1: National System of Creativity



Source: Cristian, 2005.

Through the figure, it is clear that the national system of innovation is divided into three levels (Cristian, 2005):

- **The institution is at the first level**, with its various functions: research and development, technology acquisition, human resource management, marketing, export, where the contractor (l'entrepreneur) will have the main role in the innovation

process, through his experience in identifying opportunities, mobilizing talent and motivating innovators.

- **The second level** of national innovation system is the media and communication environment, coordination networks (les réseaux de collaboration), funding institutions, and government organizations that support innovation processes.
- **The third level** of this system includes the base of scientific research, scientific and technical culture, plus a qualified and trained workforce that works in a legislative environment and a tax that stimulates innovation.

It is not possible to talk about the existence of a national system of innovation unless there is a framework that works on relationships and ties and coordinates between the three levels.

4. reality of entrepreneurship in Algeria.

Entrepreneurship in Algeria and in various developing countries suffers from major problems and constraints in several areas, whether on the economic, commercial or services levels, particularly in the inability to keep pace with technological developments and standards and requirements for comprehensive quality management aimed at improving and developing the performance of entrepreneurial projects on an ongoing basis and raising from its productivity at the lowest costs, and adapting to the conditions imposed by market mechanisms and mechanisms. In addition to what is characterized by fragility and weakness in the face of very unfair and fierce competition by foreign contracting due to the absence of adequate mechanisms to protect national contracting and the absence of control over imported goods, merchandise and products, especially from some countries, so that the national market is dumped with different types of goods that are often cheaper than national goods and products.

On the other hand, some foreign companies are adopting crooked methods to win deals and public projects by adopting price-breach methods and entering into unfair competition in tenders to obtain projects at the lowest prices and in any way they are interested in achieving profits at a lower cost with specifications, lower quality, and with at least possible cheap labor.

Also, an important percentage of these fortunate foreign companies that receive significant support and benefit from generous concessions,

facilities, loans and incentives from political, administrative and banking entities, some of which could not continue to complete and implement projects and fulfill their obligations towards public sectors and departments and abruptly and in half way abandon the completion of the project, which results from this is problems and loss of national interests (Al-Sharq Al-Maghribia, 2013).

In addition to other obstacles that limit the capabilities of entrepreneurs as result of adhering to the routine and concern for bureaucratic systems and consolidation of centralization, and other obstacles that limit innovation and creativity, and cause frustration to entrepreneurs, the most important of which are (Al-yajouri, 2017, p15):

4.1. Administrative constraints: such as the complexity of and contradictory legislation, consequent disruption in business due to the large and lengthy procedures required by small establishments during the establishment period, with weak incentives and concessions, especially customs exemptions, interest rates supported on loans, or the lack of subsidized energy prices.

4.2. Weakness of financing and difficulty in obtaining it: There are difficulties facing entrepreneurs in obtaining various loans to finance their projects as a result of the various requirements and routine procedures. The weak financing appears in the exaggeration of banks and financial institutions in the guarantees required for financing small projects, and the relative small of loans provided to emerging projects and the rise loan interest rates. Complicating these loans is the regulatory barriers, high levels of corruption in government and absence of transparency in rules and laws that regulate the conduct of business, which makes entrepreneurs vulnerable to harassment of government officials who seek bribery.

4.3. Reduced demand for products and small projects as a result of economic recession: As the economic recession leads to a decrease in demand for products in general, with limited purchasing power for individuals, and it results in a surplus in production capacity, which limits the ability of owners of small and medium enterprises to continue.

4.4. Lack of information: This limits the role of entrepreneurs, so we find there is a lack of information about resource and commodity markets and production requirements, as well as a lack of information

on government regulations and decisions, such as project registration systems, incentives, taxes, social security and labor laws, in addition to the repetition of one activity in the same region because of lack of a map showing the small projects.

4.5. Marketing problems: Lack of marketing expertise in dealing with the problems of the emergence of new alternative products at a lower cost, or a decrease or fluctuation of demand for some products, lack of marketing research, and lack of information on market and consumer (Al-Momani, 2017, p6).

4.6. Lack of entrepreneurs in the next two projects to (entrepreneurial spirit): which is the ability of individual to deviate from the ordinary in thinking and behaving with a lot of openness and flexibility; it requires identifying opportunities and collecting the necessary and different resources in order to transfer them to an institution. And change occurs when the individual becomes sensitive to the problems he faces and to the changes that occur in the surrounding environment, and when he directs creative thinking towards the requirements of working life, especially the field of business (Ghazal, 2018, p29).

4.7. Socio-cultural change: Ambitious entrepreneurs face socio-cultural obstacles. Ovais Naqvi, general manager of Abraaj Performance Acceleration Group, explained it appropriately when he said that the socio-cultural changes that might help entrepreneurs include: family structures and societal, the role of age and respect for it, freedom of opinion and expression, respect for independent and even seemingly inappropriate and extremist views, cultural openness, capacity and depth of this openness, a culture of continuous innovation in the product by launching the product and giving it the opportunity to live and obtain effective support to improve it (Al-Momani, 2017, p5).

5. Policies for guiding innovation and entrepreneurial projects to serve the purposes of sustainable development.

The challenges of sustainable development goals lie in their holistic nature, as they include economic, social and environmental goals, and innovation policies and adapted entrepreneurship do not need to include new elements to meet the sustainable development goals but rather to expand their scope to exceed purely economic goals and include those social and environmental goals, and take into account a variety of key actors.

5.1. Providing informed leadership for science, technology and innovation as a central part of sustainable development strategies:

The success of innovation and leadership policies requires a commitment on the part of the government that accompanies an approach that includes the entire government, and this becomes more important when integrating the sustainable development goals into the policy goals. For example, the Republic of Korea's science and technology plan stresses the role of the so-called creative economy in achieving sustainable economic growth and community welfare with a focus on stimulating innovation, especially at the level of small and medium enterprises, in order to reduce inequality and unemployment and help the country meet environmental challenges and the implications of aging the pyramid population.

Good governance is a prerequisite for the success of harnessing innovation and entrepreneurship policies for sustainable development purposes. So that it is necessary to find policies to support and sustain vital and innovative projects that are central to structural transformation rather than encouraging projects for nothing but for themselves, and this requires effective strategies to develop projects and incentive institutions and structures in order to influence the path of companies and support their sustainability. Where policies for promoting innovation and entrepreneurship must be an integral part of a broader set of strategies and policies aimed at achieving structural transformation and sustainable development, with the necessity of coordination and harmony between public and private sectors. Development plans must also be effectively designed in an appropriate manner to national circumstances and stages of transformation, and continuity must be guaranteed against local political changes and flexibility in dealing with any flaws in program design, and to ensure independence, transparency and accountability in order to avoid them being held hostage to private interests (United Nations, 2018, p115).

5.2. Reform of the regulatory and legislative environment:

regulatory and legislative environment is of the utmost importance in encouraging and developing the growth of economic activities, and it has a significant impact on the performance and efficiency of those activities, which are reflected in the growth and operation of economy in general (Abdullah, Al-Natsheh, 2014, p26).

For the purpose of facilitating entrepreneurship, the government must liberalize the regulatory environment, ease procedures for new entrants into the business world, and make improvements to regulations, including review and analysis impact. It is necessary, for example, that the costs of registering and licensing new companies be low and the time required to do so is short. In addition, governments can set up full-service centers to obtain information and public services.

The role of the State extends at the level of reforming the regulatory environment to include efforts to address the obstacles faced by the Entrepreneurs, through public investment in infrastructure, especially in sectors of transport, trade facilitation, information and communications technology, energy supply, sponsorship of project groups, and enabling companies to take advantage of opportunities of digitization (United Nations, 2018, p24).

5.3. Providing financing for social and environmental projects related to development goals: Financing is one of the main tools for innovation and entrepreneurship policies, especially in Algeria, where public sector undertakes most of research and development activities. National development banks can play an important role in financing structural transformation; they can support the state by financing joint projects between public and private sectors and state-owned projects, financing infrastructure development work, and providing preferential loans and credit guarantees to small and medium enterprises operating in priority sectors.

Support to entrepreneurial projects should also be maintained long enough to enable the project to grow and withstand market cycles and fluctuations, while setting clear performance criteria in preparation for or support to provide support (United Nations, 2018, p22).

Useful policy tools include pre-market purchases that can be used to increase demand for products and services in order to achieve social or environmental benefits. The UK uses this approach in public bidding to provide products tailored to the environmental needs of developing countries, and government procurement also stimulates the private sector to address environmental and social issues by setting specific standards for procurement frameworks. For example, Singapore recently announced certification of specific purchased products, such as high energy efficiency of electrical products and paper produced

through the use of sustainable forest management bearing the Singapore green sign (United Nations, 2017, p116).

In 2015, the Malaysian government launched the Malaysian Social Enterprise Business Plan for the period 2015-2018, which is a road map for developing a social ecosystem for business projects that seeks to create entrepreneurs driven by influencing social, environmental and economic aspects. The aim of the plan is to establish the Malaysian Global Center for Innovation and Creativity as the main institutional component of the ecosystem, and this center focuses on encouraging social enterprise sector by providing financial and non-financial support to it.

The UK government also launched a small-business research initiative to test pre-launch purchases. The initiative uses a process to link the challenges facing the public sector, including social and environmental challenges, with innovative industrial ideas. This provides companies with business opportunities and guides them towards economic growth as well as addressing challenges.

In the same context, the Ministry of International Development launched a competition to establish an affordable solar powered irrigation pump that can be transported to developing regions, especially sub-Saharan Africa. The Ministry used the approach of the Small Business Research Initiative instead of conducting a traditional tender for products in the market, which increased the level of innovation among companies competing to provide the product (United Nations, 2017, p117).

5.4. Adopting an inclusive innovation policy: The concept of comprehensive innovation provides an opportunity to develop innovation based on the needs of poor and marginalized groups of the population, especially in low-income developing countries. Where the World Bank defines inclusive innovation as any innovation that helps expand affordable access to quality products and services that provide livelihood opportunities for excluded populations, and the bank identifies five features that characterize inclusive innovation, namely: access to it at a reasonable price, and producing it in a sustainable manner, and finding goods and services that help provide opportunities to earn a livelihood, and direct it towards the excluded population, primarily those at the base of the pyramid, and its important spread.

There are a set of factors that must be taken into account when formulating policies related to promoting inclusive innovation. For example, the institutional framework requires changes to be made so that pro-poor innovations can be triggered. For example, laws and regulations that regulate intellectual property rights may be biased against the poor. Moreover, it may be difficult to ensure that the poor have access to assets such as land or credit, social norms may prevent women from exercising certain roles required for innovation, and social stratification may prevent the formation of social networks required for innovation, and manipulation of product markets. It may eliminate economic incentives that drive innovation (United Nations, 2014, p4).

Among the other factors that should be taken into account when promoting inclusive innovation are the skills of the targeted population and their competence. There are two main reasons for this, **First:** improving their skills related to innovation and entrepreneurship enables them to achieve innovations appropriate to their socio-economic context.

Second: Nurturing the capabilities of people who form the base of the pyramid enables them to make the most of the available innovations through inclusive policies related to science, technology and innovation.

It limits people's innovative capabilities to a number of factors, including a lack of skills, insufficient provision of public services; an inability to access markets and assets on fair terms and to address related risks. It is also appropriate to consider the educational level of entrepreneurs when studying capacity development policies for low-income markets. If policies and initiatives are not adapted to the capabilities of the poor and if these policies and initiatives do not target skill gaps, then interventions may inadvertently lead to increased social exclusion and erode the social and political legitimacy of inclusive innovation policies (United Nations, 2014, p16).

5.5. Motivating to address social and environmental issues: Public policy can play a crucial role in stimulating and developing talent in schools, universities, institutions and governments and enabling them to address social and environmental issues. As these talents affected positively on the status of the national innovation system and achievement of sustainable development goals. A university model motivated by stimulation, for instance, places students at the center of

difficult problems and challenges for which there are no fixed solutions, so they are forced to delve into different disciplines and work in teams and cooperate with non-academic organizations in order to find appropriate solutions. This model is not considered a substitute for traditional education, but rather a supplement that prepares students for the needs of real life. It is able to build students' capabilities and skills to contribute to achieve the sustainable development goals (United Nations, 2017, p117).

5.6. Establishment of technical business incubators: Business incubators are seen as an integrated framework of place, equipment, services, facilities and mechanisms for support, advice and organization dedicated to assist entrepreneurs in managing and developing new, small and medium productive or service enterprises or specialized in research and development, care and support for these institutions for a limited period (less from mostly two years), in a way that relieves these pioneers from the usual risks and provides these institutions with greater opportunities for success, through a legal entity established for this purpose.

T.MIYAKE has clarified that the idea of incubators has originated in the United States of America since 1959, and, according to the Association of Technical Business Incubators, it is a method that helps small and medium enterprises to survive and grow during the START-UP takeoff period, where they lend a helping hand in the field of administration and finance, in addition to substantive and technical support (Tartar, Halimi, 2010).

Accordingly, business incubators are economic and development institutions that aim to support and nurture entrepreneurs, creators and innovators who have ideas for ambitious projects. Technical incubators are held in universities or specialized institutes to take advantage of the equipment, expertise and research provided by professors and students. Some government institutions also provide for the creation of incubators in the context of developing a specific emerging industry, or in the context of the creation of new jobs, benefiting from the great support that the central government gives to such purposes and interests. Municipalities at various levels also provide great support for the establishment of technical incubators, with the potentials for economic development and expansion of infrastructure for different

production structures. Whereas, major industrial corporations like the global giant "Panasonic" and others adopt to attract young talents and creative ideas, by offering venture capital to help these young people in establishing their own small and medium enterprises so that the incubator owns shares in these institutions.

With the spread of the Internet, virtual incubators can be established anywhere as they do not need a workspace that has a limited space to link the connection between its employees and the parties that need them.

For instance: King Abdulaziz City for Science and Technology launched the National Business Incubator for Information and Communication Technology (BADIR), with the participation of the Saudi Telecom Company and Saudi Credit and Saving Bank. (BADIR) is interested in contributing to the transformation of research-based ideas into commercial products, by lending a helping hand for inventors and innovators to establish companies that produce and market new products. The incubator also provides technical support to the beneficiaries by making use of scientific research services and expertise of researchers at King Abdulaziz City for Science and Technology and the main universities, and the use of government laboratories to develop products (Tartar, Halimi, 2010).

5.7. Entrepreneurship education: Entrepreneurship education seeks to build a mindset that embraces initiative and innovation and has the skill to solve problems. It also creates active citizenship among individuals, and helps young people to become innovative and participate in the labor market. Entrepreneurship is taught through a set of different experiences that provide students with a future vision to take advantage of different opportunities. It also aims to raise the ability of individuals to anticipate and respond to economic and social changes, and encourage them to develop themselves, initiate and take responsibility and risk (Abdul-Fattah, 2016, p 636).

As the educational system can take charge of spreading the culture of entrepreneurship by training faculty members in entrepreneurship decisions, finding mechanisms to link educational institutions with the industrial sector, setting indicators to measure the extent to which youth entrepreneurship values and principles are embedded in educational institutions, supporting student initiatives and encouraging them to set up their own projects, with a mechanism to assess the extent to which

education and training institutions and programs contain the concept of leadership (Al-Rubaie, 2008, p113).

Entrepreneurial education courses aim to:

- Understand the role that small and emerging companies play in the economic system.
- Learn about the general characteristics of innovation process.
- Learn about alternative methods used in identifying and evaluating investment opportunities, and factors that support and hinder innovation.
- Developing capabilities for training, organizing and working in multi-skilled and multidisciplinary teams.
- Identify the general causes for success or failure to innovate and establish new projects.
- Identify the administrative requirements related to running new projects (Zidan, 2007, p296).

6. Presenting the experiences of Japan and China in encouraging innovation and entrepreneurship.

Success of countries in harnessing entrepreneurial projects to serve the purposes of sustainable development depends on the ability of these countries to promote entrepreneurial behavior at an early stage in children and youth, and to encourage entrepreneurial initiatives and incentives to continue creativity, innovation and continuous improvement, and we will present the following success factors in each of the countries of Japan, China and South Korea.

6.1. Japan Experience:

Japan has focused on reforming educational system and universities' process of linking and alliance with each other, as well as with the business sector. We find that universities in Japan have independence from government agencies in developing their educational programs, developing their human resources, and linking university graduates to the labor market. Universities have tended to sign agreements with business sector, in which entrepreneurial organizations were established for younger generation, as well as to set standards for achieving educational quality that enhance creativity, innovation and leadership, which contributes greatly to create an innovative and entrepreneurial generation.

There is also integration between large and small industries, government support to develop small and medium industries, and giving them the appropriate financing to achieve high competitive capabilities.

The Japanese government has supported small projects through direct financing by international financial institutions, insurance against bad debts by ensuring the state covers the losses that financial institutions are exposed to when SMEs do not pay back the loans they receive, and the Japanese government provides technical and professional support. The legislative, and institutional institutions of the small and medium enterprise, in addition to marketing support, as the Japanese government determines its purchases of small and medium industries annually, while requiring governmental organizations to provide an opportunity for this industry as a condition for obtaining contracts and tenders announced by the Japanese government (Al-yajouri, 2017, p18).

6.2. China Experience:

China is interested in small enterprises for several reasons, including the impact of their production on the quantitative economic situation, and as an influencing factor in the stability of society. Among the most important measures to activate small projects in China (Al-yajouri, 2017, p21):

- Reforming small and medium enterprises and factories first by selling them and transferring their ownership from public sector to private sector that is able to manage its price.
- China also decided to establish industrial and technological development zones by providing cheap workforce, raw materials and financial resources to promote the construction of the basic environment in new areas.
- Create an environment conducive to investments in all its forms, as governments exempt new projects from taxes in first and second years, and the calculation of exemption does not start from the date of commencement of work or experimental production, but rather from the first distribution of profits, after which the company pays about 20% of the profits as taxes, and holds the rest to finance research and development, expansions, replacement and renewal. Imports of raw materials and machinery are also exempted from customs.

- China is concerned with enacting legislation and laws and adjusting economic and investment policies with the aim of continuously developing efforts to attract foreign investment.
- Despite the success of Chinese experiment, it always re-arranges itself every period if it is proved to it that there is any form of defect that must be absorbed or addressed.

7. Conclusion:

In view of the importance of technological innovation and scientific research in accelerating development, we find that countries give most of their attention to create all conditions for owning the corner of modern technology, by pledging and motivating institutions working in this field. This study has shown that entrepreneurial projects can contribute effectively to achieving sustainable development in Algeria, but these projects suffer from fundamental difficulties in obtaining capital to finance their investment ambitions, in addition to administrative and social obstacles. For the success of adapting innovation and entrepreneurship policies for sustainable development, a strong political will is required to challenge existing political and economic interests, and the presence of rational leadership, insightful about the importance of science and innovation, that works to support and accompany entrepreneurial projects and simplify procedures before those applying to these projects, and works to harness public policy as a tool to integrate the objectives of these projects with the overall development goals of the country. Finally, we suggest the following recommendations:

- ✓ The need for a national innovation system.
- ✓ Strengthening research and development base and investing the results of national research and technology with the highest possible efficiency.
- ✓ Focusing research efforts in trying to find vital solutions to problems and challenges facing development.
- ✓ Activate the budgets of ministries and government and private institutions, as well as industrial establishments, by allocating a percentage of them to scientific research and development activities.

- ✓ Raising level and quality of the educational system and developing its infrastructure to enable schools, universities, and training centers to fulfill their role in producing highly qualified people capable of innovation in the workplace.
- ✓ Carry out awareness about the importance of innovation activity at all institutions level.
- ✓ Establishing close links between scientific research sector and the industrial sector.
- ✓ Spreading entrepreneurship culture among the community, with the educational system assuming teaching of entrepreneurship courses from the primary to the university stages.
- ✓ Establishing specialized incubators to support entrepreneurial ideas and emerging projects that do not have the necessary ingredients for actual start-up and production.
- ✓ It is necessary to focus on the integration of policies so that they do not operate in isolation from each other, so that there must be integration between the policies of scientific research, innovation, technological transfer, investment and the state's general policy.
- ✓ Create venture capital institutions that finance pilot projects and share risk with project owners.

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