THE FINANCIAL INCENTIVES MANAGEMENT INCLINED TOWARDS ENTREPRENEURS AND ITS APPEARANCE ON E.U. COUNTRIES AND TURKEY

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ABSTRACT

The financial incentives aimed at both the fiscal balances and increasing productivity, which are primary objectives by developing countries. This fact has an important systematic role as a systematic plan including the innovation strategies. All over the world, governments should be making financial development programs to the future while they keep the aimed fiscal balances and fiscal incentives in the related other macroeconomic facts. Therefore, they need the optimal fiscal management and public incentive programs having to be shaped via public decision-making, which aim to increase the market productivity level and entrepreneurships' catching the fiscal resources. In addition, developing countries, like Turkey, need taking lessons from EU countries because of their developed financial management and profitable growth, which is only occurred by means of the suitable fiscal allocation in the productivity market. Hence, the innovation strategies related to financial incentives in the scope of financial management have to being constructed by public decision makers oriented toward entrepreneurs. These structural approaches assist in GDP by the way of investments and market dynamics. On the other hand, the financial applications can inhibit some the aimed utility of financial incentives, but the national tax structure and tax applications would not be suitable and congenial in the current fiscal events. However, the public financial management that is carried on by public fiscal approach must be revised and regulated aimed at entrepreneurships and national investments. This means that financial incentives decisions have to be considered by financial market dynamics together with in the production and market entrepreneurs. It is appear that this approach results in fiscal enabling factors, which regard the fiscal knowledge capabilities in the innovation-cycle management.

KEY WORDS: financial incentives, fiscal balances, fiscal knowledge, innovation-cycle management.

1. INTRODUCTION

The financial incentives that aim to develop the sectorial investments in the suitable manner entrepreneurs' decisions have an important role in the economic growth process and this fact need to improve throughout the financial applications' structural location related to public fiscal management process. The financial application plans that go into effects have to comprise benchmarking process consulting practical process oriented towards the long-term. There are structural questions which has been inevitably deal with in the financial applications process required because of the many studies have explored the effect of varying levels of incentive in many different tasks. Undoubtedly, in the same process, these analyzes of structural about financial incentives are very important both the impact of trend and the course of financial inventions that are effected by public decision-making process drawing up the attention of probably business innovations throughout the extensive markets and sectoral dynamics[1]. The financial practices' roadmap that integrate publican law that regulate markets and business fiscal conditions shapes these tributary trends and process, which mean that the market interventions are supported via the publically financial supports. We know well that the entrepreneurs assume to reach the expected utility of their investments via the aimed maximum profits within respect to the financial market dynamics together with the currency public

[1] Salvador Barrios Cobos, Holger Görg and Eric Strobl (2002), Multinationals' Locations Choice, Agglomerations Economies and Public Intensives, **ECONSTOR,** Working Paper-Internationalization of Economic Policy Research Paper: 2002\33, Leibniz: Leverhulme Centre for Research on Globalization and Economic Policy and Leibniz Information Centre of Economics, 2002\33, p. 3.

financial politics, which should be taken into consideration macroeconomic balances in the same period.

In addition, the entrepreneurs have financial management and applications that are controlled by market dynamics and these components are usually manipulated by entrepreneurs' practice operations in the market relationships. The structural market relationships' have to be selected, as a relating with theirs budgets constraints, by the entrepreneurs aiming to rise to the occasions[2]. In the point, sometime the market structure covering the financial market risks directed towards entrepreneurs can be in the opposite of liberal politic approaches or this phenomenon needs to public interventions aiming to regulate the structure of investment dynamics to bring into macro balance. In the other hand, the matter that must be required is how it can be management in a suitable manner, which creates the optimal market value on a sustainable basis and dynamic balances[3]. Therefore, the entrepreneurs have to consider some important points in contact with public financial management including financial incentives in term of public applications. Certainly, these mutual approachable relations have some important futures pertaining to ensure the financial dynamics in order to maintain the desired effects of financial incentives inclined towards entrepreneurs that plan for the investments in the complex market relationships.

Many developing countries simply do not possess the resources to make these kinds of investments and the importance of innovations capability for investment decisions depend on the largely location in public financial incentives[4] as the divided financial values. Therefore, some the prime costs for assessment of investment risks can bring up sectoral awareness programs and policy coordination to improve understanding of sustainable investing throughout financial decision making process in term of entrepreneurs in order to establish the optimal investments conditions[5]. So, the probable innovations or sectoral investments dynamics to the future have to be considered together with the oriented financial valuation assisting GDP's augmentations meaning all the publically incentives must be taken up the additive criteria giving financial values to GDP[6]. The effective financial instruments for the investments' management need to support via public decisions and interventions because of the market failures generally can be maintained by public regulations in the wrong financial approaches that which fact gives responsibility of financial obligations[7].

In addition, investors and entrepreneurs need to more understand the level of financial management effects considered in the scope of public financial supports connecting with the macroeconomics objectives[8]. Therefore, sectoral development agencies including private investment dynamics have to being regulated in the common knowledge as a systematic management[9]. This described financial fact should bring up the potential improvements' level throughout the financial management inclined towards the desired investments in contact with the market opportunity. Promoting external funding via publically financial supports the portfolio investments should be aligned with sustainable financing strategies to supplement local and regional funds for sectoral developments by financial incentive decisions. In this respect, the public financial intensives have an important role in the being talked of sectoral development process due to the financial supports and incentives reduce entrepreneurs' investment risk as the basic principle of priority factorial costs coordinating to improve understanding of sustainable investing[10].

As Turkey developing countries that aim joining to EU in their own progression, know that national investments are not enough aimed at both economic growth and integrations process. Developing countries must deal with international capital movements' advantages by way of financial regulations' positive effects. In the other hand, these being talked of countries should come to terms with the other important structure alterations appeared in their national fiscal process. Therefore, developing countries have to be considered together with theirs different fiscal futures comparing with the other members of EU countries' financial structures. Namely, their financial incentives limits inclined towards entrepreneurs have to be debated in the normative financial formation comparing with the developed countries in EU framework[11].

2. THE SYSTEMATIC STRUCTURE OF FINANCIAL INCENTIVES IN TOUCH WITH INVESTMENTS AND ENTREPRENEURS

We know that the classic due diligence via financial tools and financial actors interested in funding can highly assess inclined toward SMEs[12], which based on the past performance and level of assist in GDP. But, the main problem is that their can not properly determine an SME's innovation capability related to financial incentives due to legal relating to law publically regulations' lacks. Hence, the

[2] Hideki Nishigaki (2008), "Are The Fiscal Policies and monetary Policies of The G-7 Countries Effective in Decreasing The U.S. Trade Deficits", **Econıomics Bulletin**, Vol. 6, No: 27, (July 2008), p. 4.

[3] Nishigaki, p. 6.

[4] Europe Innova- Innovation Management, "The Importance of Innovation Management Performance for Financial Investors Decision-Making: Lessons Learned from The Survey of German Investors**", Europe Innova Paper February 2011,** Duesseldorf: European Commission Directorate General Enterprise and Industry-The IMP[3]rove-Europe an Innovation Academy, February 2011, p. 3.

[5] Graham Elliot, Ivana Komunjer and Allan Timmerann (2005), "Esimation and Testing of Forecast Rationality Under Flexible Loss", **Review of Economic Studies**,Vol. 27, No. 2, p. 1114.

[6] Cobos, Görg and Strobl, p. 17.

[7] Europe Innova- Innovation Management, p. 7.

[8] Joseph E. Stiglitz (2000), **Econonomics of The Public Sector**, 3rd Ed., New York: W.W. Norton & Company, p. 780.

[9] Europe Innova- Innovation Management, pp. 3-4.

[10] David Burgstahler, Luzi Hail and Cristan Leuz (2004), "The Importance of Reporting Incentives: Earnings Management in European Private and Public Firms", **Public Institutions Center**, (February 2004), p. 21

[11] Eva Diedrichs, Kai Engel and Kristina Wagner (2006), "Assessment of Current Practices in Innovation Management Consulting Approach and Self-Assessment Tools in Europe to Define The Requirements for Future "Best Practices", **European Innovation Management Landscape Europe Innova Paper No: 2,,** Duesseldorf: European Commission Directorate General Enterprise and Industry-The IMP[3]rove-European Innovation Academy, (November 2006), p. 19.

[12] SMEs = Small and Medium Enterprises

financial incentive structures that are supported by financial actors need to be frequently considered in the scope of innovation management with currently application towards entrepreneurs and investments. In this point, certainly the normative structure of financial regulations depends on the publically sanctions that are suggested by making the right investment decisions taking into considerations the public polls, sectoral purposes and publically choices to the future[13].

First of all, the systematic structure financial incentives is well-adjusted and taken by public decisions in the under business conditions and the management approaches that make a change have to be involved in the line business strategies[14]. In the other hand, EU countries' politic cultures and involving market evaluation process are the main characteristics, which designate the institutionally financial relations related towards financial incentives management connected with entrepreneurs. The improvement of enabling factors giving a business-investment opportunity is directly committed to the financial management performance and control including the transparency of financial incentives' application in touch with financial resources' allocation[15]. In the other hand, these improve level express the national innovation capability aimed at both public and private sectors in order to divide up among themselves. The financial incentives being founded on the national saving and tax income in the current period including overall political stability with the degree to which rule of law is respected and enforced by the financial laws and regulations that impact access to capital and credit aimed at the improvement of entrepreneurs. The systematic structure of innovation in the financial framework can separate in appearance fundamental five points in each other as follow[16]:

Figure 1. Innovation Circular Process Aimed at Financial Management and Financial Reasonable Approaches

Figure 1 express the important circular circumstances in the deductive reasoning points directly aimed at the financial management process connected with investments from public incentives to entrepreneurs. This means that an effective response to meaningful capital formation that require also regulatory financial interventions covers the financial process improving the capacity of banks together with the other financial institutions[17] as well. And undoubtedly, the principal objectives aimed tightening regulatory financial flush to the investment markets have the limited credit reserves in the application process including thorough more less risk and financial cost[18]. Hence, the financial management unit, as seen on the figure 1, that inevitably connects with in the circular flexibility is in the linear adjustment both institutional and financial applicable dynamics.

3. THE IMPACTS OF STRUCTURALLY APPROACHES IMPROVING THE ASSOCIATED FINANCIAL UNITS OF PUBLICALLY FUNDS

We know that the publicly savings funds have an effectively locations using for entrepreneurs in the market investments, which must be considered directed towards market dynamics including the other financial resources. In addition, indeed the optimal financial distributions inclined towards entrepreneurs need the fiscal transparency having their locations and effects in financial application observing process controlling too[19]. Especially, the desired income and productivity levels covering small and medium enterprises have effectively a determinative structure for taking encouragement credits and financial incentives because of their systematic and methodological approaches reveal the different results sometimes[20].

Furthermore, it is not possible to find common management values that determine all the countries' approve the standardized financial rules in in the scope of circular application reasoning[21]. The methodological structurally approaches of investment management related to economic performance and entrepreneurs who favor changes at the basic investments ground directed toward the future include some the main developing points considered by public financial supports and the other public regulations in contact with the improving process. The methodological approach points possible to order as follow[22]:

[13] Laura Albereda, Josep M. Lozano and Tamyko Ysa (2007), "Public Polices on Corporate Social Responcibility: The Role of Governments in Europe, **Journal of Business Ethics,** Vol. 74, (Springer 2007), p. 92.

[14] Europe Innova- Innovation Management, **The Importance of Innovation Management Performance for Financial Investors Decision-Making,** p. 4-5.

[15] Yoshihiro Toyoma, "Privatization of Public Enterprises and It's Problems in Japan", **International of Social Economics,** Vol. 25, No: 2-4, (1998), pp. 391-392.

[16] Europe Innova- Innovation Management, **The Importance of Innovation Management Performance for Financial Investors Decision-Making,** p. 8.

[17] The World Bank, **Turkey Country Economic Memorandum: Sustaining High Growth: Selected Issues**, Vol. II-Expanding Report, Report No: 39194, (April 2008), p. 31.

[18] Tanzi, Vito, "Financial Markets and Public Finance in Transformation Process", in **Transition to Market: Studies in Fiscal Reform,** Vito Tanzi (ed.),Washington D.C.: International Monetary Fund, (1993), pp. 13-14.

[19] Colin F. Camerer and Robin M. Hogarth (1999), **The Effects of Financial Incentives in Experiments: a Revıew and Capital-Labor-Production Framework,** Division of The Humanities and Social Science-Social Science Working Paper No: 1059, Pasadena: California Institute of Technology 1999, p. 7.

[20] Camerer and Hogarth, p. 20

[21] J. Michael Steele (2001), **Stochastic Calculus and Financial Applications, Stochastic Modelling and Applied Probability,** New York: Springer-Verlag, 2001, pp. 258-259.

[22] Kai Engel, Eva Diedrichs and Sabine Brunswicker et al. (2010), **Imp³rove: A European Project with Impact: 50 Success Stories on Innovation Management,** European Commission: Enterprise and Industry, Europe INNOVA Paper No: 14, Luxemburg: European Union European Commission, Luxemburg 2010, p. 23.

Figure 2. The Interactions and Responsibilities in The Innovations' Methodological Approach Aimed at Entrepreneurs

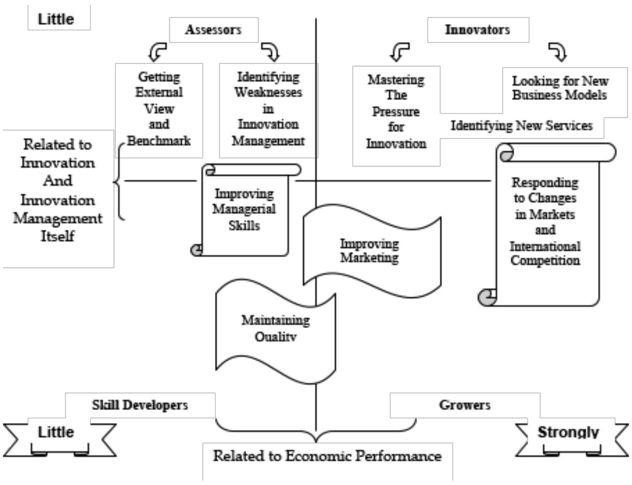

Figure 2, bring up the relationships of the investment management process including their favors change in the innovatively investments that probably result in the different impacts with their own dynamics connecting with public financial incentives turned towards firms and entrepreneurs. In this framework, the financial incentives management with its' own strongly and remarkable impacts have to bring into the investment process as both the structural innovatively dynamics related to economic performance and the publically incentive dynamics for innovatively investments that are supported via publically financial decisions to the probably financial balance options in the future taking into considerations the effects on the public budget balances connected with the currently macroeconomic balances[23]. Because, the resources of public financial incentives are the national saving, the commercial banks and the other public incomes, and all the recentness investments' dynamics considered in the basic economic relations require an optimal resources allocation[24] in order to obtain the entrepreneurs' who favors meaningfully change investment options.

To improve the financial managerial skills especially for public financial regulations connected with public decision-making are directly affected by public decision dynamics responding to changes in the investment markets for entrepreneurs, and the fact come to mean that this is typically conducted by on-site inspections of potentially competitive projects within entrepreneurs. In addition, this national and international competitive capital operations need to establish the innovation business models via the methodological approach[25]. Hence, the systematic-methodological structurally formations are almost in the unsuccessfully investment efforts for entrepreneurs if there are not enough limits that are ensured by directly public financial incentives required maintaining the meaningful financial quantity via the financial resources straightly dividing among themselves. Indeed, the most of EU countries have the methodological incentive applications to the investment market dynamics or market forming, and there are important structural reasons of this financial operationally fact as both the countries' strongly financial infrastructure and the desired highly levels of national savings[26].

4. THE STRATEGICALLY APPEARANCE OF FINANCIAL INCENTIVES ON EU COUNTRIES AND THE STRUCTURALLY FUTURES OF FINANCIAL MANAGEMENT

The financial management strategy aimed at investors and entrepreneurs with the priority objectives in the scope of productive manufacturing industrial structure have the resemblance characteristic peculiarity of the financial incentives in EU countries including the structural futures. These financial appearances on EU countries express to support related to the identification of innovation management performance within both the change needed of productive sectoral formation to the future and the harmony of the associated financial movement in them selves. In the other hand, also this fact means that the financial incentives' sustainability effects on the stabilized future of EU countries directed towards the desired financial support via largely publically incentives and the suitable allocation of financial incentive resources[27].

4.1. The Legislative Background Of Incentives In European Commission

The associated market formatting is the priority objective aimed for all EU countries and European Commission is concerned about the important financial obligations directed towards the member countries. The financial intensives measurement is the one of the matters related financial intensives in European Commission's relationship in touch with the other member countries of EU[28]. And then the last assemble related to financial incentives was held on 21th September 2010 in order to the other aimed fiscal regulations and especially the environmental pollution reducing was purposed due to the business operations resulted in an important financial costs. Certainly, there are the decisions related to the fiscal

[23] Mark Leonard and Jan Zielonka (2012), **A Europe of Incentives: How to Regain The Trust of Citizens and Markets**, London: European Council on Foreign Relations, (June 2012), p. 17.

[24] Leonard and Zeilonka, p. 25.

[25] Hugh T. Patrick "Financial Development and Economic Growth in Developing Countries", in **Money and Monetary Policy in Less Developed Countries: A Survey of Issues and Evidence,** Warren L. Coate, Jr. and Deena R. Khatkhate (eds.), Oxford: Pergamon Press, 1980, p 49.

[26] Vittorio Corbo and Klaus Schmidt-Hebbel, **Public Policies and Saving in Developing Countries,** The World Bank Country Economics Department, Working Papers-WPS 574, 1991, p. 25. .

[27] Corbo and Klaus Schmidt-Hebbel, pp. 46.48.

[28] European Commission (EC) (2013), **Guidelines on Financial Incentives for Clean and Energy Efficient Vehicles,** Commission Staff Working Document, Brussels: 28.02.2013 SWD (2013) 27 Final, p. 2.

regulations including financial incentives as the ensured decisions in the European Commission decision process including the opinions of European Commission's member. However, these comprehensive approaches have taken care of this more meaningful financial constituting, which have increased the financial incentives' effects, than the previous existed incentives regulations[29].

Hence, the European Commission gathering about the communication of the member countries in the scope of the review fiscal adjustment have recognized the demanded fiscal incentives including largely the public financial incentives in 2010 and the intended obligations ensuring the incentives' effects at the internal market of EU. In the other hand, the defectively financial coordination's negative effectives have to be exceeding for preventing the distortion of EU's internal markets, and then the commission's functionally expressions result in the European Council and European Parliament declared in order to put up with the financial intensives' guidelines. Furthermore, the taken obligations on the process were determined by European Council carrying out the special seminar, which was hold on 21th September 2010 and the member countries' financial experiences covering financial incentives that were accepted for enabling the identification of best practicing[30]. In this period, also the financial incentives came to mean an important the financial policy measures as the inevitable publically polices, which have been suited via the requirements of the regularly development funding for investment encouraging and entrepreneurs' innovation opinions aimed at the productive manufactured goods and sectoral services like transporting in the more sensitive and responsibility environmental conditions[31]. It is appeared that European Commission' responsible financial policies for developing EU's internal markets and services supported by public financial subsidies in the points of E.Us' view. And then the other fact connecting with financial incentive regulations holding on 21th September 2010 was hold at the 6 June 2012 for bring up the final report adopted in the other financial incentives regulations in the framework of these finally decisions to today's.

4.2. The Obligatory Principles of Financial Incentives Taken on The Member Countries in EU

In this approaches of financial incentives, also it is an important point interested in the management of financial incentives accepted by all the member countries is to become the familiar with basic investment concepts and learn about institutions actively providing access to capital for sustainable investment projects directed towards financial incentive applications. In addition, this structure fact has a legislation power on these EU's member countries and this adjustment process has the some inevitable characteristic futures with important criteria concerned in the financial incentives management of EU in order to achieve the productive and suitable incentives applications' ground as follow:

- First of all, the financial incentives' management have to be regulated and shaped in the European Commission directives' framework, which bring up Directive 98/34/EC including the other technical regulation (Article 1 of Directive 98/34/EC[32]). It means that this interrogate and cross-examine EU's the associated financial strategy together with the different and alternative approach, which is under debate in the last period.

- Financial incentives must be distributed according to the effects of special incentives recommended by decision making to apply step by step and each of the application. The held structural formations have to be considered directed towards to transparency in the spite of financial incentives' different effects (Article 8/1 of Directive 92/59/EEC[33]; Article 8/1 and Article 9 of Directive 98/34/EC). So, the proportionally financial incentives dividing among themselves are meaningful as an inevitable application and obligations' totality.

- Therefore, sometimes the super credit applications can be supported, as public subsidies concerned within EU's countries not found very strange. The solution of this phenomenon is not to be against EU's the financial objects (Article 6/2 of Directive 98/34/EC).

- All the financial adjustments in the framework of EU' member countries need to technological neutrality that can provide the financial inspection analyzes approved of the held in common acceptance by all the member countries. Therefore, the technological wholeness must bring up an inevitable associational identity provision in order to ensure that nothing goes wrong to the meaningful and suitable results (Article 7 and Article 9 of Directive 98/34/EC) .

- Certainly, the extent and size of financial incentives take plane with different effects in the financial process because of the member countries have the different levels of economic growth and this phenomenon results in the declined financial standardization in themselves. In the other hand, the size and contain of incentives may bring forth some risks on the production process and especially, manufacturing sector that need the financial subsidies aimed at the other probably risk factors and sectoral balances. Hence, the financial extent has to express together with the associated financial regulations in order to reduce the probably risk factors and market failures by fair means (Article 9 of Directive 98/34/EC).

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[29] Kevin T. Davis,and Mervyn K. Lewis, "Deregulation and Monetary Policy", in **Current Issues in Financial and Monetary Economics,** Kewin Dowd and Mervyn K. Lewis (eds.), New York: St. Martin's Press, 1992, pp. 131- 133.

[30] European Commission (EC) (2013), **Guidelines on Financial Incentives for Clean and Energy Efficient Vehicles,** p. 3.

[31] Ibid.

[32] European Council (EC), **Directive 98/34/EC** of The European Parliament and Of The Council of 22 June 1998 on The Laying Down a Procedure For The Provision of Information in The Field of Technical Standards and Regulations.

[33] European Economic Council (EEC), Directive 92/59/EEC at 29 June 1992 Directed Towards General Product Safety, Regulate: OJ L 228, 11.8.1992, p. 24.

- The legislation power of EU related to incentives regulations would be into the positive effects and progressions, and then the relevant EU legislation would be put forth the clearly recommended standards (Article 1/4 of Directive 98/34/EC)[34]. But the held in common regulations, as aimed at the financial structure and applications, are involved in the meaningfully place of decision making process inclined towards the optimal financial factors, fiscal adjustment balances or etc., in order to have not harmful effect on the member counties in EU (Article 10/4 of Regulation
- (EEC) No. 793/93[35]. In the case of an existing substance or in Article 3/2 of Directive 67/548/EEC[36] in the case of a new substance).

These general financial criteria have to be taken on as important printed notices that get financial incentives in shape for the candidate countries' completely new financial structures like Turkey.

5. THE APPEARANCE OF FINANCIAL INCENTIVES MANAGEMENT ON TURKEY AND ITS' SOME IMPORTANT POINTS

Turkey is not the perfectly member of EU because of Its' financial conditions are not enough and respond to the perfectly member conditions, and which mean that Turkey should achieve the based financial incentives throughout Its' financial adaptation process within financial fragility. In this point, the matter is that the productive firms -or companies- have the different approaches how to maintain and exceed the growth targets of entrepreneurs including a rough estimate of costs and potential income for the community. However, a wide variety of organizations, including government agencies, industry trade associations and research firms regularly need to financial analyses that are provided by research evaluation techniques, which are supported via the publically financial incentives in both general and specialized enterprises.

And also, these arguments' ground brings up the financial risk management considered, and furthermore, the structural phenomenon contains the effects of inevitable public decision making with the financial management arguments in Turkey. This undesired formation have continuing since a long time in order to deal with the negative structural aimed at bring to a successful conclusion. In other words, the adaptation process inclined towards being the completely member to EU make inevitable the financial regulations via the changed legislations and alterations considered in decision making in this framework. The financial criteria that are in lieu of law to the member countries in the scope of EU[37], as a phenomenon, can be the cause of undesired structural financial options for both financial-structural objectives arriving at the level of international standards and all the associated international trade operations in Turkey.

5.1. The Financial Incentives' Appearance on The Currently Financial Structure

In Turkey, it is apparent that the financial incentives especially are shaped via the Turkish Tax System that contain the applicative components, which have been considered in the tax operations like the other majority countries all over the world. Hence, the regulations related to the national tax structure have been the most important financial options directed towards the expression of financial alterations including the national financial incentives too.

This currently financial situation and its' location connecting with the tax operations in Turkey can attempt to bring up watching on the figure (3) in the circumstances framework to Turkey, as follow[38]:

Figure 3. Financial Incentives System's Appearance and Its' Systematical Distribution of Financial Management in Turkey

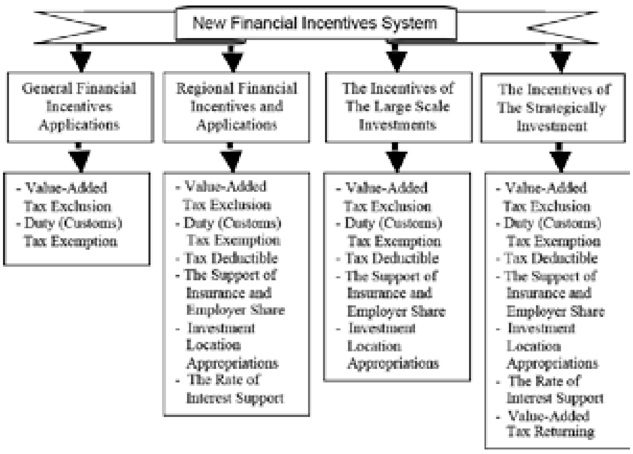

Figure 3 express the fundamental appearance of Turkish financial incentives considered in the distributive financial management within the incentive items have been in the financial friendship shaped by the indirect taxes including regional incentives for a long time. But, indeed the practically important incentive applications with their remarkable effects are in the extent of the direct

[34] European Council (EC), **Directive 98/34/EC**, p. 4.

[35] European Economic Council (EEC), Regulation made by Council (EEC) in The Regulated Framework No. 23 793/93 of 23 March 1993 as a The Evaluation and Control of The Risks of Existing Substances, Regulation: OJ L 84, 5.4.1993, p. 1.

[36] European Economic Council (EEC), Directive Regulated by EEC in The Regulation 67/548 /EEC Framework at 27/June/ 1967 on The approximation of The Laws, Regulations and Administrative Provision in touch with The Labeled Classification of The Intensives Directed Towards Dangerous substances and The Other Manufacturing Operations, Regulation: OJ L 196, 16.8.1967, p. 1. And also, European Economic Council (EEC) The Other Directive considered and regulated as altered by Directive 92/32/ EEC, Regulation: OJ L 154, 5.6.1992, p. 1.

[37] Şimşek, Hayal Ayça ve Ayşe Günay Bekar, "The Effects of Fiscal Policy Rules on Fiscal Balance: The Perspectives on Turkish Economy", **Sosyo Ekonomi**, 2008-2 080256, (Temmuz-Aralık 2008-2), pp. 102-104.

[38] Resmi Gazete, 19 Haziran 2012 tarih ve Sayı: 28328; Lore Danışmanlık, http://lore.com.tr/p_252_yeni-tesvik-paketi_2?gclid=CM3Bro6nmLYCFcRQ3godGxsAHQ (25.03.2013).

tax financial operations being personal income tax and cooperation tax[39] in spite of banks' credits and subventions. The completely adaptation matter occurs in this point and Turkey come face to face the meaningful alterations aimed at the participation process of EU including the reformist tax investigation, which are to being useful for the propose of entrepreneurs within both the effectively tax management and its' financial balances concerned with the new incentive concept.

5.2. What Must Be Done to Achieve The Obligatory Adaptation Dynamics to EU?

This structural question that has debated since a long time, is which there are any the perfectly solution or not for the desired financial adaptation process including the integrations dynamics because of the financial reform process' containing have to be defined and considered via the financial management preferences. Certainly, this ground of arguments includes the financial incentives' applications that express usually the politically process' obligatory dynamics and also this frame put forth Turkey's financial policies for consideration as the some brief objectives inclined towards the provisions view of EU for completely being membership.

- First of all, these financial entirely concept has some the adjustment matters that have to deal with related to financial investments in order to be completely EU's member via the supported entrepreneurs in Turkey. As Turkey the politic process provides not the optimal distribution of financial incentives and the negative phenomenon results in the deviated from the optimal distributive effects in order to achieve an international financial unity at the future.

- The optimal financial framework accepted by all the member countries have to give some answers related to the financial management matters directed towards entrepreneurs in Turkey and EU's financial obligations are obviously stated containing financial incentives strategies[40] for developing countries like Turkey.

- The interrogated priority matters are related to manufacturing companies that are interested in EU's financial decisions. The point of the view EU means that which sectoral enterprises priority supported by public financial resources or what the limits of publically financial supports are directed towards entrepreneurs in the market regulations aiming at the market expectations' financial limits. Usually, the financial regulations have been focus on the provided criteria via the financial analyses due the financial analyzes are at the first sight in the incentives application process of EU.

- The being talked of financial incentives applications have a meaningful important in Turkey as well as EU countries because of these countries' financial strategies and especially these countries have the different money units regarding fiscal policy, a fiscal expansion–an increase in the fiscal deficit–may or may not be depending on the composition of the fiscal incentives. Therefore, especially Turkey's monetary and fiscal application policies must be constituted as an important fiscal contradictions arranging the integration process like all counties' financial obligations appeared in the scope of EU's financial conditions[41].

- The other important matter, as a strategically approach questioned from the point of countries in EU, is the dilemma of how important to the benchmarking of innovation strategies or how much the structural alterations accepted aimed at currently the national financial balances and objectives[42]. Because, these member countries' entrepreneurs and investors connected with sectoral innovations are appraised and supported by public incentives, which are taken shape in the different national own priorities like Turkey.

- The needed manner that have to bring up connected with the appearance on EU in the financial incentives management is the structural financial alterations that are result in the different outcomes and effects. Hence, the financial analyses based on the notion of an economic development principal are the best thought of as a normative framework of EU and the financial analyses determining how different values of an independent variable impacts depend on the variable financial under a given set of assumptions in Turkey. These required conditions state that however Turkey needs to be a financial distinctiveness having on the well-used of financial incentives turned towards entrepreneurs with socially responsible investing for Turkey' member[43].

6. CONCLUSION

The financial incentives are the important phenomenon that must be considered in the compliance process with together with all fiscal background like tax discounts and the other financial exemptions, which should be constructed in the international normative fiscal items forms. This fact prohibits any discrimination throughout internally national taxation in the particular approaches aimed at the sporting the domestic manufacture sector under EC obligations. Moreover, this fact includes the associated adjustment fiscal rules in order to be together with the other EU countries in the same concept. In this respect, the financial incentive management reveals the different special features that appear in the member countries due to these countries' the distinctive and fragility financial structures related to

[39] Ahmet Başpınar, **Tax Law and Turkish Tax Systrem,** Ankara: Republic of Turkey Ministry of Finance Strategy Development Unit, Issue No: 2009\394, 49-50.
[40] World Bank, **Turkey Country Economic Memorandum**, Vol. II,-Expanded Report, Report No: 39194, (April 2008), p. 129.
[41] World Bank, **Turkey Country Economic Memorandum,** pp. 131-132.

their own different management ways. So, the countries' incentive systems and methodological approaches have to be constituted with the assorted effects for both financial management that came on the financial markets due to having different institutionally features and these countries' foreign commercial relationships being in the different financial expected.

In this point, the considered matter pertaining to the financial incentives aimed at entrepreneurs is the classification of financial incentives inclined towards the incentives' contents as well as the entrepreneurs' preferences in the established sectoral developments including their own aims comparing with the different investment costs. In the other hand, the entrepreneurs' investment preferences become a reality bring up a linear correlations for both investments costs and the considered investment plans that are supported via financial incentives. Because, the dominant diagnostic items of financial incentives creature the additive criteria on the desired investment, which bring forth the contributed criterion effect on the economic growth being the conclusion of financial incentive applications. As Turkey, also the financial incentives' structural location is considered in the adjustment process in order to ensure being a membership of EU as an inevitable financial condition in order to ensure to achieve the international associated incentives ground. Therefore, the analyzed adaptation process aimed at the membership of EU provide to access with the proposed financial regulations including the basic financial incentives standards in Turkey. This practically approach that is situated in the adaptation process means the accepted mutual recognitions in term of EU countries.

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