



TURKISH INDUSTRIALISTS' AND BUSINESSMEN'S ASSOCIATION

SPEECH DELIVERED BY
FEYHAN KALPAKLIOĞLU
A MEMBER OF TÜSİAD
AND THE CHAIRMAN OF YAŞAR GROUP

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MEMBER OF THE UNION OF INDUSTRIAL AND EMPLOYERS CONFEDERATIONS OF EUROPE (UNICE)

Headquarters: Meşrutiyet Cad. No: 74 Tepebaşı 80050 İstanbul - Turkey
Ankara Office : İnan Cad.No:39/4 Gaziosmanpaşa 06700 Ankara - Turkey
Brussels Office: 13,Avenue des Gaulois, 1040 Brussels-Belgium
Washington D.C. Office: 1250 24th Street, NW Suite 300, Washington D.C. 20037 - USA

Tel: (90-212) 249 19 29
Tel: (90-312) 468 10 11
Tel: (32-2) 736 40 47
Tel: (1-202) 776 77 70

Fax:(90-212) 249 13 50
Fax:(90-312)428 86 76
Fax: (32-2) 736 39 93
Fax: (1-202) 776 77 71

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: tusiad@tusiad.be
e-mail: usoffice@tusiad-us.org

web sitesi: www.tusiad.org

Your Royal Highness, Excellencies, Distinguished Guests,

It's a great pleasure for me to welcome you on behalf of the Turkish Industrialists' and Businessmen's Association in this meeting, which, we believe, bears special importance for Turkey. We consider this gathering not only as an occasion for furthering the friendship and cooperation between Turkey and Denmark but also a good opportunity to share with you a picture of the recent developments in Turkey.

But before doing so I would like to give a brief description of TUSIAD and its role inside and outside Turkey.

TÜSİAD's 500 members are all owners or executives of Turkey's leading industry and services corporations producing nearly half of the added value generated in our country. In other words our members are all leading actors of the Turkish economy.

Throughout its history of 30 years TÜSİAD has always upheld what the EU represents in terms of democratization, supremacy of law, human rights and liberalism as well as in the context of competitive free market economy. All our activities are being carried out from the perspective of Turkey's full membership to the EU.

TÜSİAD became a member of UNICE in 1987, the umbrella organization of the European business world and has furthered its presence in Europe by opening representation offices in Brussels in 1996, Berlin in 2003 and Paris in 2004. Apart from its activities through these representation offices, TUSIAD continues its active lobbying with government authorities of the EU members and candidate states.

Distinguished guests,

Over the past two years Turkey made great strides in bringing itself up to par with the Copenhagen Criteria. We have also, under the duress of an almost complete meltdown of our economy, begun to restructure our economic system.

Since the devastating crisis of 2001 the Turkish society made great sacrifices. We did indeed; all of us paid our share.

With the guidance of a program supported by the IMF we have finally reached calm waters. From now on, the Maastricht criteria and the Lisbon Strategy of the European Union are also our main guidelines.

As of March, the rate of inflation dropped to single digit levels, a stable situation forgotten for over a generation. Growth has been restored to the economy even if employment figures have not yet caught up with the rebound. Interest rates are at their lowest since a quarter century ago and budgetary discipline has been mostly restored. Turkish companies are emerging as world-class competitors in sophisticated industrial products.

We are yet to restructure our expenditures, move ahead with privatization, formalize the informal economy and broaden our tax base. Administrative reform is an absolute must and work on it has already begun. We are confident that these goals are achievable and they will be attained.

These are issues that are dear to us at TÜSIAD. But as importantly perhaps is our commitment to bring Turkey's economy to the standards of most competitive countries in terms of its technological sophistication.

With the start of the negotiations early next year, we expect an influx of foreign direct investment. This should enhance the intensification of economic activities in our country. Our economic dynamism is also helping the economies of neighboring countries such as Syria, Iraq, Georgia, Russia, Iran and other regional countries.

By the beginning of the next decade Turkey will be an energy corridor as gas and oil pipelines cross the country north to south and east to west. The European Union would be one of the beneficiaries of such a development since these multiple pipelines will enable it diversify its sources of energy.

Distinguished guests,

As I tried to explain it before, at TÜSIAD we worked hard and long for Turkey's democratization. We have taken risks, staked our reputation and pushed our democratic agenda relentlessly. The legal aspects of the reforms are almost completed. Implementation is our real challenge and it is already gaining pace.

We are closely following up of the reform process. We will not let it fail. Moreover we have no doubts in our minds that our current government is fully committed to the membership agenda. This agenda includes the supremacy of civilian authority as well. What we ask from our partners in the EU is encouragement and a fair assessment when December arrives. Turkey is ready for the process of negotiations, which we know will take several years to successfully conclude.

By that European Council, Turkey will have done its part in securing a Cyprus resolution. From now on, we will not wait longer than two days to see the pace of resolution that will come out from the result of the referendum in both sides of Cyprus.

We believe that Turkey is likely to play an extraordinary role in strategic terms in the world that is being shaped. September 11 and the conduct of the war against Iraq led all of us to a reassessment of Transatlantic relations.

We are all more appreciative of a world order where secular thinking prevails. We all have a common interest in not allowing a so-called clash of civilizations. Just as much we have a common interest in stabilizing the Middle East and assure the emergence of a secular, representative political order in that critical region.

I am sure you share my view that such a task would be almost impossible without Turkey's participation and contribution. Developments of the past year and a half, particularly the context of the Iraq war have highlighted the

commonality of interests for Turkey and the European Union. We should work to deepen our dialogue and understanding. And this can only be achieved as our partnership evolves to fellow membership in a EU that becomes a full player in world politics.

The decision to start accession negotiations will propel Turkey towards the final stage of its political, economic and social transformations. We then hope to contribute to the shaping of Europe that is being launched as the continent unifies.

Your Royal Highness,

I would like to also point out the importance of the long lasting relationship between our countries. Turkey and Denmark have been engaged in strong economic and commercial relations.

Denmark has always been a close Business Partner in many fields, such as Energy, Transport, Technology, Beer Manufacturing and Food. I believe the establishment of new cooperation in different fields and strengthening of the existing trade relations will produce satisfactory win-to-win situations for our business people as well as our countries.

Also the support and participation of (IFU) “The Industrialization Fund for Developing Countries” and Danish Trade Council over the years, contributed to developing partnerships and funding of many significant investment projects in Turkey.

We strongly believe that our business relations will flourish with membership of Turkey to EU. Today we look forward for the future potential business opportunities with Danish Business Delegation headed by His Royal Highness Prince Joachim.

Your Royal Highness, Excellencies, Distinguished guests,

I thank you for your patience and I express my gratitude for giving us this opportunity to share our views with you.

I would like to also express my gratitude to Confederation of Danish Industries, Chairman Mr. Johan Schröder for his kind cooperation with TÜSİAD to promote Danish-Turkish relations. I wish all, productive meetings in Danish-Turkish Business Forum.

Thank you very much for your attention.