



TURKISH INDUSTRIALISTS' AND BUSINESSMEN'S ASSOCIATION

THE SPEECH DELIVERED BY
ÖMER SABANCI
THE CHAIRMAN OF THE BOARD OF TÜSIAD
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Headquarters: Megrutiyet Cad. No: 74 Tepebaşı 80050 İstanbul - Turkey Tel: (90-212) 249 19 29 Fax: (90-212) 249 13 50 e-mail: tusiad@tusiad.org
Ankara Office :Iran Cad.No:39/4 Gaziosmanpaşa 06700 Ankara - Turkey Tel: (90-312) 468 10 11 Fax: (90-312) 428 86 76 e-mail: ankoffice@tusiad.org
Brussels Office: 13 Avenue des Gaulois, 1040 Brussels-Belgium Tel: (32-2) 736 40 47 Fax: (32-2) 736 39 93 e-mail: tusiad@tusiad.be
Washington D.C. Office: 1250 24th Street, NW Suite 300, Washington D.C. 20037 - USA Tel: (1-202) 776 77 70 Fax: (1-202) 776 77 71 e-mail: usoffice@tusiad-usa.org
web sitesi: www.tusiad.org

Dear Colleagues, Dear Guests,

It's a great pleasure for me to welcome you on behalf of TUSIAD in this meeting. We consider this gathering as a good opportunity to share with you an up-to-date picture of the current stage of Turkey-EU relations.

For us, Denmark and Copenhagen signify important thresholds in our path towards the EU. For instance, the necessary political reforms to be concretized in line with the European standards are entitled "Copenhagen political criteria". Moreover, on the eve of the EU's 17th December Summit, our counterpart in UNICE, Danish Industries, whose representatives are here today, was very supportive for our membership bid to the EU. Their brochure entitled "Turkey on Track: Potentials and Pitfalls of Turkey's EU membership" was a major and objective contribution to the Europe-wide debate on Turkey. We extend our gratitude to our counterparts for this action.

As you know, the European Council, decided to open membership negotiations with Turkey on October 3, 2005. With this historic decision, the European Council is heralding a new era both for Europe as well as Turkey. However, the opening of negotiations is only the beginning of a long, challenging but irreversible process, which will require adoption of the *Acquis Communautaire* with a significant commitment and hard work on the part of Turkey.

We are both realistic and optimistic about this process. Turkey has been experiencing serious transformation in the recent years and this has important repercussions on its prospective membership to the EU. Turkey's accession, on the other hand, would potentially have much broader economic and political consequences for the EU than any of the past expansions.

Within this picture, the recent constitutional arrangement realized in France that necessitates the public approval of a country for enlargement is very controversial for Turkey's position vis-à-vis the other candidate states. If the EU's decision is to be determined by referendum results, then overcoming negative public opinion in some European countries might actually be the biggest challenge for us.

Consequently, we consider these calls for referenda for Turkey's membership with suspicions and contrary to the perspective given especially in 1999 Helsinki Summit. Actually this referenda call in France is discriminatory against Turkey. As TUSIAD, we are strongly critical against this Constitutional change.

Turkey will simultaneously undertake diplomatic, non-diplomatic, and non-governmental efforts to convince the European public opinions that the benefits of Turkey's membership exceed the costs. TUSIAD will focus particularly on this issue formulated as Third Pillar in the European Commission Recommendations on October last year. We established a new Committee on Turkey's promotion abroad and in particular in European Union countries. We are in the process of devising a strategy targeting each country on its own distinctiveness.

Lastly, on the Cyprus issue, we believe that Turkey has taken initiatives for the resolution of the issue within the framework of a comprehensive understanding of political and social compromise. The initiative in question was based on the will to pave the way for sovereignty,

well-being and happiness for the Turkish Cypriots and strengthening Turkey's position in relation to its prospects of full membership.

This understanding maintains its relevance today as regards the current state of affairs and requires every effort to bring the question to a successful end within the context of the Annan Plan. We should keep in mind that the process entails a collective responsibility and each party will bear its share of such responsibility. In this regard, we regret the Greek Cypriots' rejections of a mutually acceptable solution plan and urge the EU to carry out, without further delay, their undertakings towards ending the economic isolation of the Turkish side on the Island.

We also believe that Turkey's commitment to extend the scope of the Customs Union Agreement to the new members of the EU should be addressed within a convenient time frame this year.

As a final word, we will also closely watch and contribute to the EU's evolution towards a globally competitive economy and towards an institutionally efficient political entity. And we will be successful in transforming Turkey's potentials into political, economic, social, cultural and security assets for Europe's future.

Thank you very much for your kind attention, bon appetit.