



TURKISH INDUSTRIALISTS' AND BUSINESSMEN'S ASSOCIATION

**THE SPEECH DELIVERED BY
ÖMER SABANCI
THE CHAIRMAN OF THE BOARD OF TÜSİAD
AT THE EUROPEAN INVESTMENT BANK
CONFERENCE ON
INVESTING IN TURKEY
“BUSINESS OPPORTUNITIES IN TURKEY”**

**Istanbul
March 17, 2005**

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

Headquarters : Meşrutiyet Cad. No:74 Tepebaşı 80050 Istanbul Turkey
Ankara : İnan Cad. No:39/4 Gaziosmanpaşa 06700 Ankara Turkey
Brussels : 13, Avenue des Gaulois, 1040 Brussels Belgium
Washington D.C. : 1250, 24th Street N.W. Suite Nr. 300 Washington D.C. 20037 USA
Berlin : Märkisches Ufer 28 Berlin 10179 Germany
Paris : 12 Rue Godot de Mauroy Paris F-75009 France

Phone:+90(212)249 1929 Fax:+90(212)249 1350
Phone:+90(312)-468 1011 Fax:+90(312) 428 8676
Phone:+32(2) 736 4047 Fax: +32(2) 736 3993
Phone:+1(202) 776 7770 Fax:+1(202) 776 7771
Phone:+49(30) 288 786300 Fax:+49(30) 288 786 399
Phone:+33(1) 42 65 16 40 Fax:+ 33(1) 42 65 17 99

e-mai : tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad-us.org
e-mail: info@tusiad-de.org
e-mail: atan@tusiad.org

Dear Colleagues, Dear Guests,

It's a great pleasure for me to welcome you on behalf of TUSIAD in World of Industry of this year. First of all, I would like to congratulate Hannover Messe International İstanbul and Bileşim Fuarçılık for this very comprehensive and successful organization in general and for providing us a wide-ranging business platform to discuss with our Greek friends in particular.

For us, Greece signifies important thresholds in our path towards the EU. To give an example, the consolidation of democracy in Greece, like Spain and Portugal during their accession process to the EU is a model of political science that exhibits the importance of a foreign anchor for democratization both in its transition and consolidation aspects. The necessary political reforms to be concretized for Turkey in line with the European standards can be evaluated under this model.

On the other hand, both countries have a potential of cooperation within the EU that will accentuate the Mediterranean dimension of the Union besides the Eurasia, which is the main subject of this forum.

Since the Helsinki Summit in 1999, Greece and TÜSİAD's Greek counterpart Federation of Greek Industries, which actually organized this forum, were very supportive for our membership bid to the EU. We extend our gratitude to our counterpart for their support and we believe that this support will keep its momentum during the negotiation process.

Dear Friends,

I also consider this business forum as a good opportunity to share with you an up-to-date picture of the current stage of Turkey-EU relations, which is on the top of our agenda items.

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 TÜSİAD, 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. TÜSİAD 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.

Ladies and Gentlemen,

As a final word, we believe that such platforms offer valuable opportunities to know better each other and to work together for common interests. At the end of these three days the business communities of not only from Turkey and Greece but also from the countries taking part in this fair will become more competitive through shared experiences.

Thank you very much for your attention