



THE ADDRESS OF
MR. MUHARREM YILMAZ
PRESIDENT OF THE BOARD OF DIRECTORS OF
TÜSİAD
AT THE 43RD GENERAL ASSEMBLY

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Four Seasons Hotel, Istanbul

TÜSİAD AVRUPA İŞ DÜNYASI KONFEDERASYONU (BUSINESSEUROPE) ÜYESİDİR

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Very Esteemed Founders, Presidents of TÜSİAD, Esteemed TÜSİAD members, and Distinguished Members of the Media,

I salute you all with my sincere regards.

I am grateful you deem me and my colleagues worthy for this honorable mission.

I know well that the Presidency of the Board of Directors is not an easy mission, and it requires from the undertaker sacrificing a certain amount of his own business and family life. I am fully aware of the responsibilities of the mission. I and my colleagues elected to the Board of Directors, we will try to fulfill our mission according to the Charter, values and goals TÜSİAD. Our success depends on your support and contributions as much as our own efforts. I hope that you will be generous in giving your support.

As an institution and through the efforts of its members, our association has been one of the architects of the emerging Turkey and its highly respected international standing. I am proud of this fact, and I think we all should be proud of it. We have always defended the open, competitive market economy. We have worked hard to convey the idea that such an economic system can only exist and be sustained together with individual rights, freedom of enterprise, supremacy of law, and a well functioning judiciary system.

Ms. Boyner will always be remembered in the collective memory of our society with her determined attitude during her presidential term, as a defender of these principles. Her leadership and performance inspired the Board of Directors, of which I was a member, and she provided us a period of work which we will always keep in mind with pleasure and pride. We owe Ms. Boyner a debt of gratitude. Thank you my dear President, I wish you will always be by our side.

Esteemed members of TÜSİAD,

During the founding years, the main function of TÜSİAD was to make clear the role of private enterprise in the development of the country. In the '80s we contributed to the struggle of implementing the rules and the institutions of market oriented open economy. Following the end of Cold War we strived for the deepening our democracy in line with the spirit of the new era. 2000s were the years of the struggle for democracy and support of the EU membership process as a way of attaining contemporary standards.

Both Turkey and the world of 2010s are different from the past. The economic relations and the playground of the foreign policy of our country have been diversified. As a result of the economic and diplomatic performance of Turkey in the last decade our country is now among the major actors of the new international system. Our economy has grown and our economic activities has expanded and diversified. Private enterprise has spread all over the country. Turkish entrepreneurs have created new markets and have strengthened their position in there.

In consequence of these developments the issues on our agenda and our representative responsibilities have multiplied. A need for further deepening and specialization is now the order of the day. There are new responsibilities to be assumed by the Board of Directors. Hence, we increased the number of the members of the Board of Directors to 12, with your recent approval. We have also achieved a better representation of our expanding member base in the Board of Directors with this new arrangement.

Esteemed members of TÜSİAD,

The coming period will require the deployment of all our institutional resources in full force. In the era of the restructuring of the world order our country will face political, economic, social and foreign policy choices which will shape our future. These choices will affect closely the welfare, the quality of life, the level of development of our people and the place of our country in the global arena.

I want to share with you in broad stroke our assessment of the current situation and the ensuing priority issues we are planning to consider during the term of office of our Board of Directors.

First, we hope that Conciliatory Committee of the National Assembly completes its work on the new Constitution before the end of this year. We keenly expect that as a result of this work, we will have a constitution securing the individual rights, enlarging the sphere of rights and freedom, restoring the check and balance of powers and protecting the judiciary independence and impartiality. TÜSİAD will continue to contribute to this process with all its means.

Esteemed members of TÜSİAD,

The new constitution will be a very important step towards to answer the chronic problems of Turkey. The events of the last month demonstrate that the public opinion is in favor of using all legitimate methods in order to achieve a social reconciliation. In this context, we give our support to all efforts to end the terrorism and to work a solution for the Kurdish problem.

Esteemed members of TÜSİAD,

As regards to the economy, we all know that while we recovered from the 2008 crisis quite rapidly, this recovery caused macroeconomic imbalances in the years of 2009 and 2010. This is why, a series of stability measures aiming at remedying these imbalances are on the agenda since 2011. These measures are implemented successfully and we achieved an economic soft landing.

Carrying on these successful monetary and fiscal policies with due discipline is still a prerequisite of the stable development of the economy. However in order to leave behind the current low growth process, the micro reform measures which are the fundamental components of the sustainable growth should be introduced rapidly. On the one hand, we will follow closely the horizontal factors within the context of industrial strategy, affecting all sectors through their impact on the overall competitiveness and on the other hand, we will keep our eyes on the sectoral policies and maintain our support and collaboration with the sectoral institutions. Hence we expect that our members will be active in their respective sectoral institutions and help us to develop this collaboration.

Government initiatives aiming at providing solutions in the micro reform spheres, such as New Incentive Scheme, Industrial Strategy, Input Procurement Strategy and Secure Flexible Employment Program, will keep their place on the working program of TÜSİAD and will be followed with due care.

Another obstacle to the sustainable growth is regional development disparities. In this area, we will maintain and develop the cooperation with the regional development agencies initiated during the previous term. The structuring of the local business organizations in parallel with the regional development agencies and strengthening them to become an actor influencing regional development plans, is one of our preferential projects.

We live in a global economic system, and hence, our business community should follow global development closely. TÜSİAD is a member of BUSINESSEUROPE since 1987. We are also active in the B-20 initiative within the G-20. In parallel with the increasing economic power of Turkey, our weight in these organizations also increases. In the coming period, both with our representative offices abroad and the Global Economic Relations Committee to be established soon, we will participate in the activities of the international institutions, and we will try to develop strategically important economic, trade and investment relations and to contribute to shaping a system favorable to our interests as well.

Now, I want to talk on the subject of EU, which is one of our principal fields of activities. I know that nowadays, this is not a popular subject. However the crisis in the EU will end sooner or later. I believe that it is crucial for Turkey to be present in the process through which EU will redefine and restructure itself. I want to declare that we are planning a comprehensive study on the new architecture of EU, in collaboration with our counterpart organizations in EU countries.

During our EU process starting with the Customs Union implemented in 1996, our country underwent an important transformation. While the Customs Union brought in competitive power to our economy, full membership process promoted the adoption of higher democratic standards. To revive the negotiation process with the European Union which constitutes a \$17,5 trillion market with a population of 500.000 and per capita income of \$35.000, is one of our most important priorities.

On the other hand, deep power shift in the world affect also our country strongly. With their dizzying growth rates, China and India are candidates to rank among the foremost countries of the future. Russia will continue to translate its power acquired by its oil and natural gas revenues into the global political arena. While Iran aspires to boost its regional weight with its nuclear energy program, the probability of instability in Iraq increases.

We still can't predict when the tragic civil war in Syria will end. In North Africa the process of the "Arab Spring" cleared the way of new, promising, however uncertain developments. All these must be taken into consideration whenever our country has to assess alternatives it faces. We believe that the principle of "Peace at Home, Peace in the World" is the key to live in peace in this global turmoil, and particularly in our region.

Esteemed members of TÜSİAD,

I shared with you the main issues on the agenda of the Board of Directors and our general opinions about them. While addressing these issues, we will need your support, suggestions and warnings. On the brink of a period of restructuring, we believe that the leadership mission of TÜSİAD is more important than ever. We hope that as a result of our efforts, our business community will achieve an enhanced and wide-ranging representative power and we will be able to contribute more effectively to the social accord required for the solution of fundamental problems of our country.

I would like to conclude by expressing once more, on behalf of myself and my colleagues, our gratitude for deeming us worthy for this mission. Please accept my deepest regards.