

Speech by Mr. Tayfun Bayazit
“Meeting with the Free State of Bavaria Delegation”
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Distinguished Minister, Dear Directors and Guests,

It is a great pleasure for me to welcome you this morning on behalf of TÜSİAD, Turkish Industrialists' and Businessmen's Association. As TÜSİAD delegation in today's meeting we are a number of business people from different sectors but would like to hear about comprises some of our members who are working actively

The relations between Turkey and Germany are multi-dimensional, dynamic and historical. They are determined by a nest of links in bilateral economic affairs, political dialogue to overcome the challenges of 21st century such as the improvement of transatlantic relations, the security of European energy supply, the enhancement of the European and global security as well as strong social relations marked by cultural, academic and scientific exchanges. I believe that this meeting will strengthen bilateral relations and contribute to your understanding and knowledge of Turkey.

First, I would like to briefly inform you about TUSIAD which is one of the leading non-governmental and voluntary organizations in Turkey. TUSIAD's members and their companies realize 80% of Turkey's foreign trade excluding energy import, 65% of industrial production and 50% of the registered employees except agriculture and public servants.

Through its representative offices based in Brussels, Paris, Berlin, Washington and Beijing; TÜSİAD promotes Turkey's interests in these regions and follows the economic and political developments in different parts of the world. TÜSİAD is a member of *BUSINESSEUROPE (Confederation of European Business)*, *BIAC (Business and Industry Advisory Committee of the OECD)*, *UBCCE (Union of Black Sea and Caspian Confederation of Enterprises)* and observer member of *BUSINESSMED (Union of Mediterranean Confederations of Enterprises)*. Being a member of BusinessEurope together with our counterpart BDI and BDA in Germany, TÜSİAD represents Turkey's business world in G-20 activities as well. We took part in G-20 Business Summit held in London in March 2009.

We are also glad to see Bavarian Business Association (VBW) as an observer member of UBCCE since 2008 , which is an initiative of TÜSİAD composed of business organizations from the countries neighboring or having strong geographical ties with the Black Sea and Caspian Region.

Concerning bilateral economic relations, our 24 billion dollars volume of bilateral trade, more than 7 billion dollars of German investments in Turkey and around 14 billion dollars of Turkish investments in Germany combined with the power and the position of Turkish community in Germany are self speaking facts to explain our deep relation. Moreover, the considerable share of the State of Bavaria amounting 20 % within total trade volume in 2008 is the foremost evidence of the need to pay a special attention to your region.

Dear Guests,

As we all know, we are going through a historic period in time. The world has experienced drastic changes. Turkey is naturally a part of this process of change.

The global economic crisis has unavoidably influenced Turkish economy, which has strong economic ties with both the developed and developing world. However, the structural resilience of the economy has allowed the economy to contract without major defaults, bail-outs or stimulus packages. The foundation of the resilience was put in place following the crises of early 2000s. Despite the recession, Turkish banks continue to prosper and are able to provide credit; holdings have shed some workforce, but they kept operating and haven't yet asked for bail-outs; both banks and non-banking enterprises see no problem in accessing credit either in the domestic or foreign markets. Thanks to this resilience, Turkish budget balance performs far better than majority of the states in the developed world, EU in particular. As a confirmation of these arguments, credit rating agencies have improved Turkey's rating during crisis "due to its financial sectors resilience to the global recession."

With this economic structure, Turkey stands as among best prepared for the post crisis recovery. It is expected that Turkey's GDP will return growth rate of above 4% in each year of 2010-2012 period and probably higher in the following years. According to Goldman Sachs projections, Turkey is going to be 9th largest economy in the world by 2050. According to IMF figures, Turkey was 17th economy in 2008.

What we have in Turkey right now is resilient economy insulated from volatilities of the politics, able to get credit in the competitive markets, and ready to take off. With further proper and appropriate economic reform policies, Turkey is bound to become one of the major economic powers in the world providing sustainable returns to the investors.

I would like to conclude my words by expressing my best wishes for further improving the close relations between our two nations. I believe that the opening of the representative office of the Free State of Bavaria, will strengthen our relations in many area.

Thank you very much for your attention.