



UBCCE QUARTERLY BULLETIN

Spring 2009 N°9

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www.ubcce.org



Today's world is much different than the one when UBCCE was established 3 years back. Uncertainty in the global economy has affected economies in many parts of the globe including our region. The crisis has brought to the fore basic problems which several countries face, structural problems which stand in the way of self-generated growth. There is no doubt that the crisis is spilling over into the real economy. This continued uncertainty is reflected in business in most countries and gives hard time to enterprises in their efforts to create

wealth. Firms are faced with lower demand, both domestically and internationally, unemployment might increase, credit lines are already drying up.

The crisis threatens us but also challenges us. Business can lead the adverse of the negative climate and pave the way to recovery for a brighter future. It is the responsibility of business communities to inject societies with developing and competitive consciousness. Societies have the right to expect a lot from business. We need to have responsible enterprises which will lead the restructuring and development efforts. If Governments can ensure a healthy modern framework of business operation, then businesses will join forces and do their part so that people of all Black Sea and Caspian countries may live in conditions of prosperity, social equality, friendship and peace.

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FORTHCOMING UBCCE EVENT **UBCCE BUSINESS DEVELOPMENT VISIT**

Tbilissi, Telavi, Georgia, June 4 – 6

For more p. 28 or www.ubcce.org

UBCCE Quarterly Bulletin

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The importance of Black Sea and Caspian is on the rise. The Region represents a huge market of more than 450 million people, with its high growth potential, vast natural and human resources. It is becoming a centre of gravity regarding oil, energy and trade. We have every reason to believe that this trend will continue and, therefore, the “Black Sea dimension” will be important to world economics. All countries of the region have to open new options towards renewed development policies, to the active participation of firms and societies in a mutually beneficial co-development and regional integration. While democratic transformation process is currently under way in the Region, increasing interdependence requires synergies and regional cooperation. Accelerated reforms, modernization of infrastructures, use of new technologies, focus on innovation, a widespread spirit of entrepreneurship are critical to achieve a truly functional economic cooperation. Above all knowledge, the key-element of our century, the competitiveness nucleus strongly related to economic intelligence has to be adequately produced and provided.

UBCCE is a unique platform. It was conceived by business organizations with the scope to promote investment and trade in the region. Even in its early stage this new Union of private initiative has identified as key in its strategy to create partnerships between firms from countries of the region, but also with counterparts from the European Union. Europe is keen to strengthen its relations with Black Sea and Caspian countries as it is aptly reflected in its Neighbourhood Policy. UBCCE can take advantage of this interest to explore new horizons. It is vital to promote constructive relations with other international actors who possess resources and expertise to move ahead with regional projects. In the recent visit to Brussels and high level meetings with EU Institutions we received encouraging signs by Commissioners, officials, BUSINESS EUROPE and EESC pointing out the crucial role of business for sustainable development, stabilization and social cohesion in the region.

Assuming the Chairmanship we will continue to give high priority to transform our Union to a dynamic representative of the collective voice of business in the region. Our Organisation shall provide the grounds for exchange of information, positions, experience and know-how to respond to needs and challenges. It may also become a facilitator to bring companies together so that they can explore opportunities, discuss on proposals, match interests and eventually benefit from partnerships. We may belong to different economic groupings, but we share similar needs, aspirations and visions. Cooperation from all sides implies teamwork, coherence, planning, multilateral networking, a spirit of commitment. I believe that in the years to come UBCCE will bring each of us closer, will enrich our strategic vision and will stimulate us to bring new thinking and dynamism. After all, our common goal is same: stability, economic prosperity and a secure environment for all. If we all make it our belief and if we spare no efforts, UBCCE may become an active player, an appealing locomotive of business lobbying and interaction in the region.
Let's work together.

Dr. Athanase Lavidas
UBCCE President & SEV Vice President

UBCCE SECOND GENERAL ASSEMBLY AND EXECUTIVE COMMITTEE MEETING Istanbul, Turkey, March 2

The Second General Assembly of UBCCE was held on March 2, in Istanbul Ceylan Intercontinental Hotel, right after the Executive Committee Meeting, with the participation and representation by proxy of the national private sector organizations of Albania, Armenia, Austria, Azerbaijan, Bulgaria, FYROM, Georgia, Greece, Iran, Iraq, Kazakhstan, Romania, Serbia, Turkey and Ukraine.

The Meeting was held in two sessions. In the first (open) session of the Meeting, President of Turkish International Cooperation and Development Agency, Musa Kulaklıkaya, President of International Congress of Industrialists and Entrepreneurs (ICIE), Victor K. Glukhikh, President of Turkish Enterprise and Business Confederation (TÜRKONFED), Celal Beysel, Board Member of International Federation for Sustainable Development and Fight Against Poverty in the Mediterranean-Black Sea (FISPMED), Paolo Segala, and Executive Director of Commission on the Protection of the Black Sea against Pollution, Profesör Ahmet Kideys, delivered special addresses, with the common point of underlining the need for developing cooperation in the Region from their perspectives.



From left to right: Musa Kulaklıkaya, Victor K. Glukhikh, Celal Beysel, Paolo Segala, Ahmet Kideys.

Following this first session, the Meeting of Presidents started in a closed session where the issues on the agenda were discussed. The General Assembly unanimously approved the 2008 Activity Report and Budget as well as the 2009 Program and Budget.

MoUs with ICIE and TÜRKONFED

During a ceremony held prior to the General Assembly, UBCCE signed memorandums of understanding and cooperation with ICIE, International Congress of Industrialists and Entrepreneurs, and TÜRKONFED, Turkish Enterprise and Business Confederation.



UBCCE President Yalçındağ and ICIE President Glukhikh signing MOU.

UBCCE new governing bodies elected: the Presidency passed from TÜSIAD to SEV

UBCCE Presidency passed from Turkish Industrialists' and Businessmen's Association (TÜSIAD) to Hellenic Federation of Enterprises (SEV) for the term 2009 - 2011 whereas the following organizations were elected as Vice Presidents;

- Azerbaijan Turkey Business Association (ATIB), First VP in charge of Regional Economic Integration;
- National Economic Chamber of Kazakhstan (ATAMEKEN), VP in charge of Business Environment Development;
- Turkish Confederation of Employer Associations (TISK), VP in charge of Innovation and Entrepreneurship;
- Alliance of Romanian Employers' Confederation (ACPR), VP in charge of Relations with European Union and BUSINESSEUROPE.



Yalçındağ elected as the "Honorary President" of UBCCE

New members from Armenia, Georgia, Iraq and Ukraine joined UBCCE

The General Assembly also approved the membership requests of Union of Manufacturers and Businessmen of Armenia (UMBA), Georgian Entrepreneurs Confederation (GEC), Iraqi Businessmen Union (IBMU), Confederation of Employers of Ukraine (CONFEU) and Federation of Employers of Ukraine (FEU). With the admission of new comings, the number of UBCCE members has increased to 22.

UBCCE became a member of FISPMED

The membership to the International Federation for Sustainable Development and Fight Against Poverty in the Mediterranean-Black Sea (FISPMED) was also approved by the General Assembly.

NEW FULL MEMBERS

UMBA

President: Arsen Ghazaryan
Int. Relations: Inga Sarkisyan
Tel: + 374 10 24 07 15
Fax: + 374 10 54 07 16
Website: www.umba.am

GEC

President: Mamuka Skhvitaridze
Secretary General: Sofia Gurgenzidze
Tel/Fax: + 995 32 33 30 09
Website: www.gec.ge

FEU

President: Yuriy Boyko
Director General: Vladimir Grishenko
Int. Relations: Rotislav Kurinko
Tel: + 380 44 251 70 11
Fax: + 380 44 251 70 62
Website: www.fru.net.ua

NEW ASSOCIATE MEMBER

IBMU

President: Ragib R. Bleibel
Board Member: Mohammed Abdulaimi
Tel/Fax: + 964 1 71 93 887
Website: www.ibmuiq.org

NEW OBSERVER MEMBER

CONFEU

President: Olexander Sokolovskiy
Vice Chairman: O. Miroshnychenko
Advisor: Rodion Kolyscho
Tel: +380 44 591 63 91
Fax: +380 44 591 63 90
Website: www.confeu.org

UBCCE – CEOE – TÜSIAD INTERNATIONAL JOINT SEMINAR Madrid, Spain, March 4

UBCCE, CEOE and TÜSIAD International have organized a seminar in Madrid to present trade and investment opportunities in the Black Sea and Caspian countries.

UBCCE together with Spanish Confederation of Employers' Organizations (CEOE) and TÜSIAD International have organized a seminar in Madrid, Spain, on March 4, with a view of sharing the trade and investment opportunities of the Black Sea and Caspian Region with Spanish entrepreneurs.

During the Seminar where the opening speeches were delivered by CEOE Vice President Juan Lazcano, TÜSIAD Energy Working Group Member Erdal Aksoy, CEOE Energy Commission President Antonio Garamendi, TÜRKONFED President Celal Beysel and the Director General of Spanish Ministry of Infrastructure and Construction Pascule Villate, country based presentations of Azerbaijan, Bulgaria, Georgia, Turkey and Ukraine along with a presentation of BSEC took place and potential cooperation areas were analyzed.

Held at CEOE Headquarters in Madrid, the Seminar was attended by more than 70 delegates representing Spanish companies along with high level representatives from diplomatic missions of UBCCE countries and Spanish Ministries of Infrastructure and Construction; Industry, Trade and Tourism, and Foreign Affairs.

During a ceremony held prior to the seminar a Memorandum of Understanding and Cooperation was signed between UBCCE and CEOE to further develop institutional relations.



The Seminar was held in CEOE Headquarters in Madrid.

ABOUT CEOE

Founded in 1977, the Spanish Confederation of Employers' Organizations (CEOE), is the major representative institution of the Spanish business community.

With a voluntary membership of one million public and private companies in all sectors (agriculture, industry and services), whose affiliation to the CEOE is channelled through 200 regional and trade organizations and 2,000 primary associations.

The CEOE carries out ongoing analyses of the Spanish economy and the social and labour situation, in order to propose solutions for increasing the competitiveness of Spanish companies.

For more: www.ceoe.es

INTERNATIONAL CONFERENCE “COOPERATION ON ENVIRONMENTAL PROTECTION FOR SUSTAINABLE DEVELOPMENT IN THE BLACK SEA & CASPIAN” Istanbul, Turkey, March 17

UBCCE together with the Commission on the Protection of the Black Sea Against Pollution and the Caspian Environment Programme, organized an International Environment Conference on March 17, within the framework of the 5th World Water Forum which brought in Istanbul some twenty thousand participants from all over the globe between March 16 - 22.



Speakers of the Conference

Entitled “The Cooperation on Environmental Protection for Sustainable Development in the Black Sea and Caspian”, the Conference was aiming to discuss the environmental challenges in the Black Sea and Caspian and the ways to achieve the “Green Business” in the Region.

Attended by over 70 delegates, the Conference brought together not only the business community of the Region but also the high level officials and academicians from different countries and representatives of international organizations interested in the Black Sea and Caspian.

The opening speeches of the Conference were delivered by the President of TÜSİAD Environmental Working Group, Musa Galip Eroğlu and the Deputy Minister of Environment and Water of Bulgaria and the Chairwoman of Black Sea Commission on the Protection of the Black Sea Against Pollution, Lubka Katchakova.



The Commission on the Protection of the Black Sea Against Pollution (or the Black Sea Commission) via its Permanent Secretariat is the intergovernmental body established in implementation of the Convention on the Protection of the Black Sea Against Pollution, its Protocols and the Strategic Action Plan for the Environmental Protection and Rehabilitation of the Black Sea. For more: www.blacksea-commission.org

The Caspian Environment Programme was developed, with assistance from the Global Environment Fund, as a comprehensive response to the key environmental problems facing the region and to address priority transboundary issues. The overall goal of the CEP, which includes all Caspian littoral states, is “environmentally sustainable development and management of the Caspian environment”. For more: www.caspianenvironment.org

UBCCE HIGH LEVEL CONTACT VISIT Brussels, Belgium, 18 March 2009

UBCCE paid its second high level contact visit to Brussels, Belgium, on March 18. UBCCE delegation, comprised of senior representatives from ATIB (Azerbaijan), SEV (Greece), ICEA (Iran), ACPR (Romania), TIAD (Romania) and TÜSIAD (Turkey), held meetings with European Economic and Social Committee (EESC), **BUSINESSEUROPE** and European Commission officials with the aim of promoting and increasing the visibility of the Union in the European capital.

The “Mare Negra and Caspium Strategy Paper”, the newly drafted strategy document of the Union, was also presented for the occasion of the visit. The strategy paper reflecting the perception of the Region from a business perspective by setting priorities and taking into account the related documents of the European Commission and the ongoing global crisis, has been welcomed with great interest by European officials met for the occasion.

UBCCE representatives underlined in every occasion the belief of the Union in the big economic potential of the Region and its commitment to improve further joint and coordinated action to activate this potential through working together with its European partners with a “strategic view” based on “partnership and union”.

Meeting with the EESC

Following the presentations of Irini Pari, EESC Vice President and Filip Hamro-Drotz, President of External Relations Committee on EESC structure and activities in partnership with the Council and the Commission and as an instrument of the EU to communicate with the public opinion, Dr. Athanase Lavidas, the newly elected President of UBCCE, has briefly presented the Union, its achievements and its agenda set out for the year 2009.

UBCCE President also underlined the positive effect of the active involvement of Irini Pari and Prof. Mihai Manoliu (ACPR, Romania) to EESC activities in developing relations between two respective organizations.



Meeting with Filip Hamro Drotz at EESC Premises.

UBCCE President finally expressed the willingness of the Union to further develop the already established cooperation with the EESC and especially with the External Relations Committee by searching ways for bridging the Black Sea and Caspian Region with Europe and also the Mediterranean.

Meeting with **BUSINESSEUROPE**

During the meeting both parties expressed their satisfaction with the developing cooperation between the two organizations and their willingness to find ways to further strengthen it.

Adrian van den Hoven, International Relations Director of **BUSINESSEUROPE**, presented its organization’s views on issues including WTO, Doha Round, Cooperation on energy sector and ongoing financial crisis. Within this framework, he set the restoration of normal access to capital as the primary goal of **BUSINESSEUROPE** and encouraged the economic stimulus plans leading to better job and competitiveness.

UBCCE Events

Regarding the expectations of European business from the Black Sea and Caspian Region, Van den Hoven put the emphasis on the improvement of the business climate, trade liberalisation and the need for investment in strategic sectors such as energy in the Region.



UBCCE Delegation with Adrian van den Hoven.

In order to further develop the relations between the two respective organizations, UBCCE Secretary General proposed **BUSINESSEUROPE** the signing of a MoU for the occasion of UBCCE Third Business Forum to be held in Athens, in October 2009, expressing his firm belief that this flagship event of UBCCE to be hosted by SEV this year, will be a good opportunity to bring together all partners of the Union from the Black Sea, Caspian, the Mediterranean and Europe. He also called **BUSINESSEUROPE** to encourage its members to be involved in UBCCE activities.

Meetings with EC officials

UBCCE delegates respectively held meetings with Robert Soltyk, Policy Officer at European Commission for European Neighbourhood Policy, Andris Piebalgs, Commissioner for Energy, Benita Ferrero - Waldner, Commissioner for Neighborhood Policy and External Affairs and Catherine Wendt, Member of Cabinet of Commissioner for Trade Catherine Ashton and informed them on the mission and strategies of the

Union and exchanged views for possible future cooperation.

Robert Soltyk made a presentation on ENP, fixing it as the key priority in the foreign policy of the EU, since its ultimate goal is the creation of close, peaceful and cooperative relations with the EU's neighbouring countries. Concerning the visa issue pointed out by UBCCE delegation, Soltyk admitted that the EU can not fully deliver on many aspects of the ENP if the ability to undertake legitimate short-term travel remains constrained. He explained that the visa facilitation process is working very slowly because it is up to the agreement of all EU countries. He also pointed out some issues obstructing the implementation of a common visa policy, such as the absence of consulates of all or some member states in certain third countries, or their location, which obliges applicants to travel long distances or to neighbouring countries to even apply for visas.

Commissioner Piebalgs expressed that diversification of supply sources and transport routes is the EU's key energy priority and therefore the implementation of the Southern Corridor and the Nabucco Project carries high importance for the Union. He specified that the Nabucco Project is still in the phase of intergovernmental negotiations and in this regard the conclusion of transit regime talks with Turkey would be decisive.



UBCCE President Lavidas together with Commissioner Piebalgs.

The Energy Commissioner pointed out also the liberalisation of energy markets (electricity, gas and nuclear) also as a key priority issue and emphasized the importance of developing credible plans for the energy efficiency and the use of renewable energy. In this regard, he encouraged the extension of the principles of the Energy Community and Energy Charter to ENP partners. With this occasion, the Commissioner underlined once more the openness of the Commission on working together on certain issues and especially on regulatory framework.

Commissioner Ferrero-Waldner underlined that there are no changes in the priorities of the EU towards the Region due to the global financial crisis and the main purpose of the ENP is still to create a new model of good-neighbourly relations. She repeated that the ENP is about mutual interest in supporting reforms and modernization, fostering better governance and ensuring the political stability in the Region.



President Lavidas together with Commissioner Ferrero – Waldner.

Concerning the difference between the Black Sea Synergy and the Eastern Partnership, Commissioner Ferrero-Waldner stated that the Black Sea Synergy, covering five Eastern ENP countries, Russia and Turkey, and other regional cooperation initiatives will be complementary to the Eastern Partnership.

The Black Sea Synergy aims at solving problems which require region-wide efforts and attention and its centre of gravity is the Black Sea, whereas the Eastern Partnership will pursue alignment of partner countries with the EU and its center of gravity will be Brussels. Finally, Commissioner Ferrero-Waldner explained that for each cooperation initiatives developed in the framework of the ENP, the leitmotif is the principle of “more for more”, meaning that the more deeply a partner engages with the Union, the more fully the Union can respond, politically, economically and through financial and technical cooperation.

Finally, Member of Commissioner Ashton Cabinet, Catherine Wendt gave short information about the activities and priorities of the Trade Commission and underlined that bilateral trade and investment flows are of crucial economic importance for both the EU and the countries of the Black Sea and Caspian Region. In this regard, she mentioned the ongoing negotiations of free trade agreement with Ukraine and the feasibility studies made for Moldova, Georgia and Armenia. She also stressed the importance of accession of all the countries of the Region to World trade Organization (WTO).



TÜSİAD Board Member Volkan Vural together with Catherine Wendt.

BLACK SEA & CASPIAN Events

12th Eurasian Economic Forum

Istanbul, Turkey, May 6 – 8

The Changing Politics of Energy and Security in Eurasia

Istanbul, Turkey, April 30

World Bank Knowledge Economy Forum

Fontainebleu, France, April 29 – May 1

BSEC and the EU

Prospects for Enhanced Interaction

Brussels, Belgium, April 29

ICIE Council Meeting

Moscow, Russia, April 14

All-Russia Forum of Industrialists and Entrepreneurs

Moscow, Russian Federation, April 15

World Turkish Entrepreneurs Assembly

Istanbul, Turkey, April 10 - 11

Eurasia Competitiveness Programme “South Caucasus and Ukraine Initiative” Ministerial Conference

Paris, France, March 31 - April 1

European Business Summit

Brussels, Belgium, March 26 – 27

5th World Water Forum

Istanbul, Turkey, March 16-22

EESC – ILO Joint Conference

“Civil Society Dialogue in the Black Sea Region and the Eastern Partnership Countries”

Brussels, Belgium, March 2 – 3

Mediterranean Investment Forum

Beirut, Lebanon, February 20 – 21

International Conference

“Turkey where the Opportunities Abound”

Istanbul, Turkey, Feb 11 – 12

12th Eurasian Economic Forum

Istanbul, Turkey, May 6 – 8

The 12th Eurasian Economic Forum was held in Istanbul, between May 6 and 8. Annually organized by the Marmara Group Strategic and Social Research Foundation, the Eurasian Economic Summit aims to explore ways of enhancing relations between the European Union, the Countries of Central Asia, as well as the Caucasia, and the Middle East. This year’s summit, where UBCCE Secretary General also delivered a speech, had three main topics: Energy, Economy and Ecology.

BSEC and the EU: Prospects for Enhanced Interaction

Brussels, Belgium, April 29

The European Policy Center in collaboration with the BSEC Secretariat and the International Center for Black Sea Studies organized a Round Table discussion entitled “BSEC and the EU: Prospects for Enhanced Interaction” in Brussels on April 29. The meeting gave attention to the current relationship and synergy between BSEC and the EU, assessing where the key challenges and priorities lie and look at potential possibilities for further enhancing interaction and cooperation in the future.

Eurasia Competitiveness Programme South Caucasus and Ukraine Initiative Ministerial Conference

Paris, France, March 31 - April 1

Organised in collaboration with the European Union Presidency, this Ministerial Conference launched the South Caucasus and Ukraine Initiative of the Eurasia Competitiveness Programme. It focused on how to increase investment and competitiveness in the region. Ministers from the region and senior leaders from the private sector also debated business climate priorities and opportunities in South Caucasus and Ukraine. UBCCE Secretary General also delivered a speech during the Conference. UBCCE members from Armenia, Azerbaijan, Georgia and Ukraine are included in the programme.

BLACK SEA & CASPIAN Events

5th World Water Forum Bridging Divides for Water Istanbul, Turkey, March 16-22

The 5th World Water Forum took place at Istanbul's Golden Horn Congress and Exhibition Center between March 16-22 bearing its "Bridging Divides For Water" theme with the aim of generating solutions to water-related problems by proposing specific policy changes to improve water management around the world.

EESC – ILO Joint Conference "Civil Society Dialogue in the Black Sea Region and the Eastern Partnership Countries" Brussels, Belgium, March 2 – 3

The European Economic and Social Committee (EESC) together with the International Labour Organization (ILO), organized a conference on "Civil Society Dialogue in the Black Sea Region and the Eastern Partnership Countries." Bringing together around 100 representatives of employers', employees' and various interests organisations from the EU Member States as well as Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia, Turkey and Ukraine, the Conference provided an opportunity to exchange views on civil society contribution to the Eastern Partnership and the Black Sea Synergy initiatives, the promotion of effective social dialogue in the region, and civil society networks at national and regional level.

Recognising the Committee's experience in developing civil society networks, the participants called on the EESC to play a substantive role in setting up the Eastern Partnership Civil Society Forum. Other recommendations included a call for better coordination of future actions that fall under the two initiatives and capacity-building measures for social partners and civil society organisations in the region. It was furthermore

agreed that civil society should be consulted in the upcoming negotiation processes for association agreements between the EU and partner countries.

This conference, where UBCCE Secretary General also delivered a speech, was also a step forward in the relations between the EESC and the ILO in the framework of the cooperation agreement concluded three years ago.

Mediterranean Investment Forum Beirut, Lebanon, February 20 – 21

The Mediterranean Investment Forum was held on February 20 - 21, in Beirut, Lebanon. The Forum was organized by BUSINESSMED and Al-Iktissad Wal-A'mal Group, in cooperation with a number of regional and international organizations and coincided with the General Assembly of BUSINESSMED. More than 1500 business and investment leaders from Europe and the Mediterranean countries were invited to attend the Forum as well as representatives of Gulf development funds and financing authorities.

International Conference Turkey where the Opportunities Abound Istanbul, Turkey, Feb 11 – 12

YASED, the International Investors Association of Turkey, held its biannual conference on February 11 – 12, in Istanbul, entitled "Turkey, Where the Opportunities Abound - A Safe Haven For Investment." The fundamental objective of the conference was to outline the vision and strategy of Turkey, as an outstanding center of investment on the world, on her journey to full EU membership. The best-in-class examples for FDI inflows, emerging international FDI trends, the strategy Turkey should implement and the vision she must adopt for future were analyzed in the Conference.

EUROPEAN BUSINESS SUMMIT

DARE & CARE: SUSTAINING EUROPE'S AMBITIONS, FINANCING, STAFFING AND GREENING

Brussels, Belgium, March 26 – 27

The 7th edition of the European Business Summit took place on March 26 - 27, in Brussels under the theme: “Dare and Care: Sustaining Europe’s Ambitions, Financing, Staffing and Greening”. During the Summit business leaders discussed with high-level decisionmakers, academics and NGOs from around the world on issues like the financial crisis, clean tech innovation, skills, climate change, energy and ageing. The goal was to come up with concrete solutions for a sustainable and ambitious Europe that is really “Daring and Caring”.

European Business Summit 2009: How to sustain Europe’s ambitions

During the 2009 European Business Summit (EBS), organized by the Federation of Enterprises in Belgium (FEB) and BUSINESSEUROPE, influential policy makers from across the continent sent out a strong message to the EU institutions and its Member States to work for a Europe that remains ambitious in the face of the economic crisis and called for concrete steps in various areas to realize this.

The theme of this year’s summit was “Dare and Care: sustaining Europe’s ambitions: Financing, Staffing, Greening” and over 100 speakers from various fields such as politics, business and academia participated in a total of 15 workshops and three plenary sessions. While these events covered different angles of sustainability, the speakers agreed that Europe needs to remain ambitious and entrepreneurial but in the same time maintain the social consciousness that underpins its commercial attractiveness.



The Turkish President Abdullah Gül delivering a keynote speech, as the Guest of Honour at the Presidents’ debate.

WHO SAID WHAT?

Ernest-Antoine Seillière, BUSINESSEUROPE President

“Companies themselves are the solution to get out of the crisis. As is the case with all crises, this one will eventually end. In the meantime, we entrepreneurs are not only doing our best to survive and keep workers in employment; we are also doing all we can to prepare for the future. In the long run, our success depends on successful companies.”

Jose Manuel Barroso, President of the European Commission

“There is no dichotomy between stimulating the economy and improving global financial regulation. We need both if we are to get the economy moving again and to restore confidence in a lasting way. Now we must implement our recovery plans vigorously. We know what we have to do: work with businesses to keep people in jobs and keep investing in productivity, efficiency and low-carbon technologies.”

Turkish President Abdullah Gül, outlined his country’s European credentials and called for an even closer cooperation between the EU and Turkey. President Gül noted that further EU enlargement would contribute to a swifter economic recovery across the continent as well as providing energy security of supply. Gül also highlighted that protectionism is a dangerous threat and that consumers are the ones paying the price of it. He assured that in this respect Turkey is ready to collaborate with the EU and the G20.

REPORTS IN FOCUS

BUSINESSEUROPE REPORT

SPRING ECONOMIC OUTLOOK

The Spring Economic Outlook analyses the current and prospective state of the European economy, based on a survey by business federations in the 27-EU member states. The survey identified the biggest problems in companies' access to finance and protectionism.

EUROPEAN REFORM BAROMETER - SPRING 2009

The European Reform Barometer provides a comprehensive review of structural reforms across EU member states based on a survey of BUSINESSEUROPE's national member federations conducted in January and February 2009. It presents a business perspective on recent reform progress and on key priorities against the backdrop of a severe economic recession and rising structural challenges.

OECD REPORTS

OECD FACTBOOK 2009

OECD Factbook 2009, providing a global overview of today's major economic, social and environmental indicators, has been published. This year the special feature is inequality. The Factbook includes country statistics for all OECD countries plus those involved in enhanced engagement and accession - more than 100 indicators cover a wide range of areas providing comparative data.

REGIONS AT A GLANCE 2009

OECD recently published its "Regions at a Glance" Report 2009, which provides comparable data and trends across regions in OECD countries on a wide range of social and economic topics ranging from GDP to education levels and from patent applications to ageing populations, illustrated with graphs and maps.

WORLD BANK REPORTS

GLOBAL MONITORING REPORT 2009

The World Bank together with the International Monetary Fund recently published "The Global Monitoring Report 2009: A Development Emergency" report which reassess the world's economic crisis that is threatening the attainment of the 2015 Millennium Development Goals. The Report warns that, although the first goal of halving extreme poverty by 2015 from its 1990 level is still reachable based on current projections, risks abound.

RESTRUCTURING OF RESEARCH AND DEVELOPMENT INSTITUTES IN EUROPE AND CENTRAL ASIA REPORT

The World Bank's "Restructuring of Research and Development Institutes in Europe and Central Asia" report draws on case studies of RDIs in several Europe and Central Asia countries – Russia, Ukraine, Croatia, Serbia, Poland, and Bulgaria – to investigate the status of these RDIs today, the role they play in providing R&D services to industry, and the challenges these organizations face.

IMF REPORTS

WORLD ECONOMIC OUTLOOK "CRISIS AND RECOVERY"

The International Monetary Fund has released its World Economic Outlook Report entitled "Crisis and Recovery". In this recent Report, the IMF gives a rather pessimistic outlook for the global economy, and particularly for advanced economies, which are expected to contract by an unprecedented 3.8 per cent in 2009. Nevertheless, the IMF expects the global economy will recover gradually in 2010. However, it warns that recovery will only be achieved if authorities continue efforts to heal the financial sector, while continuing to support demand with monetary and fiscal easing.

BLACK SEA & CASPIAN Agenda

ECONOMY

Azerbaijan economy continues growing despite the global economic crisis

New period of economic development began in Azerbaijan in 2009, according to Azerbaijani President Ilham Aliyev. President Aliyev announced that “Azerbaijani economy grew 2.6 times, industrial production 2.5 times, budget expenditures over 10 times over the last five years and Azerbaijani GDP grew 4.1 percent compared to the same period of the last year in January-March”. President Aliyev underlined that the Azerbaijani government will continue to render support to the development of entrepreneurship and increase funds for them via the National Entrepreneurship Support Fund on the backdrop of the world crisis.

“One window” principle for migration processes in Azerbaijan

President Aliyev issued a decree on implementation of “One window” principle in the control of migration processes on March 4. According to the decree, currently as a result of complicated registration procedures, foreigners are obliged to address to different bodies for getting corresponding permission. Therefore, implementation of one-stop shop principle is required to improve the migration control mechanism, granting of corresponding permission for legal residence and labor activity of foreigners and the people without citizenship arriving in the Azerbaijan Republic, simplification of their registration procedure domiciliary and ensuring transparency in this field. The new regulations will be implemented from July 1.

Unemployment in BiH

Companies in Bosnia and Herzegovina dismissed about 25,000 workers in the first four months of the year because of the global economic crisis. Statistics published on April 13 showed that the number of unemployed in the Federation of BiH increased by 20,000 and in Republika Srpska by 5,000.

Bulgaria with highest construction output in EU

In February, the seasonally adjusted production in the construction sector in Bulgaria was the highest among the EU Member States. The data, released by Eurostat, lists the construction output in Bulgaria at +2 percent. Bulgaria is followed by Germany (+1.9 percent) and Slovenia (+1.1 percent). The largest decreases were recorded in Romania (-8.6 percent), Spain (-5.3 percent) and Czech Republic (-2.0 percent).

Bulgaria industrial investments to shrink

Bulgaria’s industrial enterprises plan to shrink their investments by 36 percent in 2009 compared to 2008. The data is based on a poll regarding industrial investment plans by the end of March, conducted by the National Statistics Institute. Managers from the private sector foresee a 33 percent reduction in their investment programs, compared to 2008, while those in the public sector expect a 46 percent reduction. The energy and water sectors are expected to keep their largest investment share in 2009 (over 45 percent), but the reduction of investments is expected to be down by 30 percent relatively to the previous year. The sectors involved in the manufacturing of foods and beverages rank second by the expected investments for 2009 (13 percent) with a forecasted investment reduction of nearly 30 percent as well.

Greece approves employment support plan

The Greek government approved on April 14, a €2.5 billion action plan to support employment. According to the Labour Minister Fanny Palli-Petralia, 70 percent of the money would come from EU funds and pay mostly for job training. The programme will benefit 500,000 people from the worst-hit sectors: construction, tourism, and small and medium-sized businesses. According to official statistics, Greece’s unemployment rate rose to 9.4 percent in January from 8.9 percent in December 2008.

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Iran opens door to foreign investors

The Iranian capital markets regulator, the Securities and Exchange Organisation, plans to remove two of the most onerous regulations deterring foreigners from investing on the Tehran Stock Exchange. The amendments, if adopted, will remove the requirement for foreign investors to hold shares for a minimum of three years before they can withdraw their capital. The new rules will also remove the cap on foreigners holding more than a 10 percent stake in any company listed on the Tehran Stock Exchange.

The number of Turkish entrepreneurs in the EU reaches 131.500

It has been announced that the number of Turkish entrepreneurs in the European has reached 131 thousand 500, their investment has climbed to €14 billion 465 million. According to the statement made by Turkish German Education and Scientific Researches Foundation, 4 million 217 thousand Turkish citizens reside in 27 countries within the EU.

Turkish unemployment rate reaches all-time high of 15.5 percent

Turkey's latest unemployment figures, ringing in at 15.5 percent, the highest in the history of the Republic. The figures also cast doubt on the government's recently announced projections that the unemployment level for the year will be around 13.5 percent. Released on April 15, by the Turkish Statistics Institute, the figures indicate that the number of unemployed persons in January 2009 increased by 1.59 million over the same month last year. The total number now stands at about 3.650 million, which represents a 3.6 percent increase over the figure from the same time last year.

ENERGY

Armenia to hold nuclear tender soon

Armenia will open a tender for the construction of a new nuclear power plant and all countries, including Turkey, are welcomed

to participate in the tender, according to the Armenian Energy Minister Armen Movsesian.

Azerbaijan and Russia to conclude gas sales deal

Russia's gas monopoly Gazprom and the State Oil Company of the Azerbaijani Republic (SOCAR) will formalize a gas sale agreement this May, said the newly appointed Russian ambassador to Baku, Vladimir Dorokhin. Gazprom and SOCAR signed a memorandum of understanding on March 27, to pave the way for the upcoming agreement. Under the memorandum terms, Baku and Moscow will refurbish the pipeline link between the two countries to help connect Azerbaijan's gas export infrastructure to Russia's pipeline network. Since the memorandum's signing, the two sides have been working to reconcile the particulars of the upcoming deal.

Bulgaria to get natural gas from Egypt

A MoU was signed between Bulgaria and Egypt during the "Natural Gas for Europe" Summit in Sofia on April 24-25. Bulgaria will receive 1 billion cubic meters of natural gas from Egypt annually starting 2011-2012. The Egyptian gas will be delivered to Bulgaria first through the Arab Pipeline to Turkey, and then through the liquefied natural gas terminals in Southeast Europe.

Bulgaria to have 40 percent alternative gas supplies in 2020

Until 2020, around 40 percent of the natural gas that Bulgaria uses will be provided through the Greek TGI pipeline, Nabucco gas pipe, and liquefied gas terminals, according to the Energy Minister Petar Dimitrov, who also said that currently there was no proper infrastructure for import of liquefied gas for alternative gas supplies. Country's future plans are gas pipelines from Russia, Caspian region, Near East, and North Africa to pass through Bulgaria.

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Iran, Germany to boost gas cooperation

Iran and Germany signed an agreement to bolster gas cooperation on April 15 according to the National Iranian Oil Company (NIOC). The NIOC and Germany's Bayerngas signed the agreement in a two-day meeting of the Marketing Committee of the International Gas Union (IGU) in Tehran. IGU is a global non-profit organization which focuses on advancing technology and economic growth of gas industry.

Iran discovers new oil field in Persian Gulf

Iran has discovered a new offshore oil field in the Persian Gulf with reserves of 1 billion barrels of heavy crude according to the Iranian Offshore Oil Co. Iran, OPEC's second biggest oil producer, controls about 5 percent of global oil supply.

Iran, Brazil to boost energy cooperation

Iran and Brazil agreed to boost mutual cooperation in building power plants and developing oil and gas fields. The agreement was made in meetings between Iranian Deputy Oil Minister Hamid Chitchian and Deputy Energy Minister Hossein Noqrekaar Shirazi and Brazilian deputy mine and energy minister. At the meetings, the two sides agreed that Iranian companies introduce their plans for building power plants in Brazil, given the existing potentials in the Latin country for exploiting water and thermal resources. It was also agreed that the Brazilian companies expand their investments in gas, oil and petrochemical fields in northern and southern Iran, and Iranian companies, in turn, run activity in Brazil's oil fields. Negotiations between the deputy ministers took place during a recent visit to Brasilia by Iranian Foreign Minister Manouchehr Mottaki.

Iran, Venezuela Sign 9 MoUs

Iran and Venezuela signed 9 Memorandum of Understandings at the presence of the two countries presidents on April 5. The MoUs were inked on foundation of a corporation for exploration and exploitation of minerals,

agricultural research and technology development cooperation, the "road map" of the two states' foreign ministries, visa cancelation for the two governments, holding the seventh joint committee of energy and oil, the agenda of the seventh committee of energy and oil, export of technical, engineering and managing services of refineries and processing natural gas to liquid gas, export of technology for building industrial units of production of medicine, and technical-economic studies of Venezuela's Ayacucho oilfield. An Iran-Venezuela joint bank was also inaugurated by presidents of the two countries for this occasion.

Kazakhstan to control Caspian crude supplies

Kazakhstan plans to control the supplies of its crude through the Caspian Sea. Currently, the government is involved in difficult negotiations with its partners for a 51 percent control stake in the Kazakhstan Caspian Transportation System, according to the Kazakh Minister of Energy and Mineral Resources, Sauat Mynbayev.

Iran, China to sign € 2.5 billion gas deal

Iran and China signed on March 14, a € 2.5 billion deal to produce liquefied natural gas in the South Pars gas field. A consortium of three Chinese companies will finance and implement the project, which is one of the three LNG production projects in South Pars. The project will be carried out in two stages, each of which will be completed in three years. The National Iranian Oil Company and China's National Petroleum Corp signed a \$1.76 billion deal in January on the development of Iran's North Azadegan oil field, which has estimated reserves of six billion barrels of oil. Iran and China's trade volume is estimated at \$24 billion. Iran currently provides 13 percent of China's oil and is a major supplier of LNG to the energy-hungry country.

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Samsun – Ceyhan pipeline to carry Kazakh oil

The construction of Samsun-Ceyhan crude oil pipeline, which is to be built by Tapco, a consortium between the Italian energy company Eni and Turkish Calik Energy, is scheduled to start in the first quarter of 2010. The pipeline will transfer oil not only from Caspian fields, but also from Eni's fields in Kashagan and Karachaganak in Kazakhstan. All the engineering works for the \$4 billion pipeline will be financed by Eni.

TRANSPORT & COMMUNICATION

Iran, Turkey to Boost Transport Cooperation

Iranian and Turkish officials signed on March 2, an agreement on expansion of bilateral cooperation in transportation, economic and trade fields for the occasion of the sixth meeting of Iran-Turkey joint commission on transportation cooperation.

Railway to Link Iran, Armenia to Black Sea

Iran and Armenia have agreed to build a railway that would connect the two neighboring countries and boosts economic cooperation. Iranian Minister of Road and Transportation said that the construction of the 470-kilometer railway, the bulk of it passing through Armenian territory, would take at least five years and cost up to \$1.2 billion. The railway construction will amount to a restoration of the historic Silk Road.

Work begins on Baghdad airport masterplan

The Baghdad Mayoralty and Iraq's Transport Ministry will begin drafting a formal masterplan in the summer for the \$50 billion redevelopment of the area around Baghdad International airport. In the meantime, for the first time in 19 years Iraqi Airways flew on April 1st to Europe, to Stockholm, via Athens. The fleet was grounded in 1990 after the Iraq invasion of Kuwait. Further flights

are now planned to Bahrain, Qatar, India and Germany.

Azerbaijan, Iran and Russia to set up railway company

Azerbaijan, Iran and Russia have decided on March 26, on the construction of a 375-kilometer-long railroad connecting the Azerbaijani border city of Astara with the Iranian city of Kazvin. A joint enterprise uniting the Azerbaijani, Iranian and Russian railway administrations will be set up shortly to build the railway link. All three sides will have an equal stake in the company, and the project will cost at more than \$200 million.

3G deals are inked in Turkey

The Information Technologies and Communication Authority signed a deal for "Third Generation" (3G) that will provide a high-speed internet via the GSM network with officials from Turkcell, Vodafone and Avea. As a result, the Turkish government received revenues worth TRY 2 billion (€ 1 billion) in one day through the bid bond taken in cash under the terms of the deal. Binali Yildirim, the Turkish Minister of Transportation and Communication, stated every enterprise will hire 400 engineers each in three years.

COMPANIES & INVESTMENT

Albania signs € 1 billion energy deal with Italian Group

Albania has signed a €1 billion project with Italy's Marseglia Group, on January 31, to build an energy park. The Italian company will build a 140-megawatt liquid biomass energy plant and two 234-megawatt wind farms. The deal also provides for an undersea power link between Italy and Albania and converter substations in the Lezha district, 60 miles north of capital Tirana.

Total signs EDPSA with SOCAR for the Absheron block in Azerbaijan

France's energy major Total announced on February 27 that it signed an agreement with

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state oil company of Azerbaijan SOCAR. The exploration, development and production sharing agreement covers a license on the Absheron offshore block. This block is located in the Caspian Sea, 100 kilometers from Baku, in a water depth of around 500 metres. Total will be the operator of the Absheron Block during the exploration phase. For the development phase, Total and SOCAR will jointly form an operating company for the management of operations.

Nabucco Pipeline partner wins exploration rights in Caspian

German energy giant and partner in the Nabucco pipeline project, RWE AG, has won exploration rights in Turkmenistan and is set to examine the exportation of gas directly to Europe. According to Michael Rosen, a spokesman for the supply and trading arm of the company, RWE and Turkmenistan have agreed on long-term cooperation covering various aspects of energy including upstream and gas supply.

Tehran to launch Iran Air privatisation

Iran will launch a complete restructuring of the nation's aviation sector this year, beginning with the privatisation of the national airline, Iran Air, and the introduction of foreign management to the country's airports. Tehran will also restructure the country's Civil Aviation Organisation, by breaking up the watchdog to leave a core regulatory unit.

Firms invited to bid for Kish Gas Field

The state-run Iranian Petroleum Engineering and Development Company (PEDEC) has issued the tender on March 10, inviting companies to bid for drilling of a second offshore appraisal well in Kish gas field. The tender follows a deal signed in 2008 between PEDEC and National Iranian Drilling Company for the first phase of drilling development in the field, which is estimated to hold 48 trillion cubic feet of gas. The National Iranian Oil Company had previously

forecast production of 3.5 billion cubic feet a day from the field. It thinks that 75 percent of all gas reserves are recoverable.

Iran, Turkey signs petrochemicals deal

Iran's state-run National Petrochemical Company (NPC) has signed on April 22, a preliminary contract with Turkey's Petrochemical Holding Corporation (Petkim) for the creation of a methanol and polyethylene facility in the Islamic Republic. The partnership between NPC and Petkim will be a 50-50 joint venture. The polyethylene facility will have a capacity of 300,000 tons a year, while the methanol plant will have a capacity of 1,650,000 tons.

Foster Wheeler wins deal to design Iraq refinery

Iraq has signed a \$128 million contract with Foster Wheeler to draw final engineering designs for a 300,000 barrel per day oil refinery in its south. Iraq sits atop some 116 billion barrels of oil, the world's third largest reserves after Saudi Arabia and Iran, but it needs billions of dollars of investment to overhaul its oil sector.

Nissan, Renault proposed to establish line on inexpensive cars production in Kazakhstan

Large auto concerns Nissan and Renault proposed to establish in Kazakhstan new line of secure and inexpensive cars, according to the Kazakh Minister of Industry and Trade Vladimir Shkolnik.

OYAK Cement Group acquires three Lafarge plants in Turkey

OYAK Cement Group, a Turkish cement producer, has announced the signing of a deal with France-based group Lafarge for the acquisition of shares in three cement and concrete plants in Turkey. Under the terms of the deal, OYAK is to take over 97.3 percent and 50 percent of French group's cement factories in Aslan and Eregli, respectively.

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Meanwhile, OYAK also acquired a 24.24 percent stake in Lafarge's concrete plant.

First Turkish trade center abroad opens in Sofia

Kürşad Tüzmen, the Turkish State Minister for Foreign Trade, has opened the first Turkish trade center abroad in the Bulgarian capital Sofia in order to establish connection between foreign investors and the Turkish businessmen.

€300 million investment from Tofaş

Tofaş, Fiat's second largest manufacturing plant after Italian car maker's Brazil factory, continues investing despite the global turbulence. Ali Pandir, CEO of Tofaş, said they will make a €300 million investment in 2009. Pandir stated that Tofaş has the largest manufacturing capacity in Turkey and that Fiat is one of the three important centers in regard to R&D.

Auchan turns to Turkey after acquiring Ramstore in Russia

After closing a deal with Enka to acquire the Ramstore supermarket chain in Russia for \$260 million, French retailing giant Auchan is attempting to enter the Turkish market. With an annual turnover of €36 billion, Auchan Group owns supermarkets in 12 countries and hypermarkets in 5 countries.

Turkish – German partnership to invest € 2.5 billion in energy

An energy partnership between the German company EnBW and Turkish conglomerate Borusan Holding will invest € 2.5 billion over the next eight to ten years. EnBW acquired a 50 percent stake in Borusan Enerji from Borusan Holding at an unspecified price. The deal is subject to regulatory approvals.

Turkey's Şişecam to invest \$190 million in Russian plant

A unit of Şişecam, a Turkish glass manufacturer owned by İş Bankası announced on February 16, it plans to build a sheet-glass

factory in Russia. The investment will be worth between \$180 million and \$190 million, according to Cem Kozlu, the head of the Turkish-Russian business group. Trakya Cam, a Sisecam unit, has signed an agreement with the government in Russia's Tataristan region to carry out feasibility tests on building the plant, according to a Trakya Cam filing with the stock exchange.

BSEC

20th meeting of Council of Ministers of BSEC was held in Armenian capital

The BSEC held its 20th meeting of Council of Ministers on April 16, in Yerevan, with participation of the Ministers of Foreign Affairs. During the Summit where Armenia passed the Presidency term on to Azerbaijan, Amb. Leonidas Chrysanthopoulos was reappointed Secretary General with the consensus of all members. Amb. Sumru Noyan was appointed First Deputy Secretary General, becoming the first female to take over a directorial post at the Secretariat, contributing to the gender balance in the Secretariat. Representatives of BSEC member states also decided to establish a "transit permit system" with a view of simplifying the road transportation between Black Sea countries.

EUROPEAN UNION

EU Summit "Eastern Partnership"

The EU Eastern Partnership Summit was held in the Czech capital, Prague, on May 7 with the presence of heads of state or government representatives of the EU countries, Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. During the Summit the "Eastern Partnership" was officially established a more ambitious partnership between the EU and the aforementioned partner countries was announced officially.

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“Southern Corridor: New Silk Road” Summit

The Czech presidency of the EU hosted an energy summit in Prague on May 8 that brought leaders from Azerbaijan, Egypt, Georgia, Iraq, Kazakhstan, Turkey, Turkmenistan and Uzbekistan together to discuss the energy corridor, which included the heralded Nabucco gas pipeline. Officials from the United States, Russia and Ukraine were invited to take part as observers. The official declaration from the Prague summit considers “the Southern Corridor concept as a modern Silk Road, interconnecting countries and people from different regions and establishing the adequate framework necessary for encouraging trade, multidirectional exchange of know-how, technologies and experience.”

SAA with Albania comes into force

The Stabilization and Association Agreement (SAA) between Albania and the EU, signed three years ago, officially came into force on April 1st. According to European Enlargement Commissioner Olli Rehn, the implementation of the SAA between Albania and the EU marks a new beginning that will increase Albania’s obligations, as well as expectations in the country, adding that the EU will continue to support Tirana’s EU integration.

European Council Meeting on March 19-20 in Brussels

The economic and financial situation, energy and climate change and the Eastern Partnership were the main topics on the agenda of the spring European Council in Brussels on March 19 and 20. Apart from the stability of financial markets, the heads of state and government of the 27 EU countries discussed the EU’s strategy for jobs and growth - a traditional subject of any spring summit but of particular importance in the present situation.

Western Balkans: enhancing the European perspective – update 2009

The European Commission published on February 3, a working paper providing an overview on EU regionally relevant activities in the Western Balkans 2008 - 2009. The document outlines more than 90 concrete EU activities implemented in 2008 and planned for 2009. The supported activities cover a wide range of sectors, varying from promoting people-to-people contacts or supporting good governance to fostering trade integration and investing in economic and social development of the region.

BUSINESSEUROPE

Jürgen R. Thumann to succeed Ernest-Antoine Seillière

Taking effect on July 1st, Jürgen R. Thumann, former President of the Federation of German Industries (BDI) will succeed Ernest-Antoine Seillière, BUSINESSEUROPE President since 2005. Thumann was chosen unanimously by the Council of Presidents. According to BUSINESSEUROPE’s statutes, the President is elected for a period of two years, renewable once.

Joint seminar of the European social partners in Turkey

BUSINESSEUROPE, together with the European Association of Craft, Small and Medium-sized Enterprises, the European Public Sector Employers and the European Trade Union Confederation organised a seminar on the European social dialogue on February 3, in Ankara, Turkey. Turkish employers and trade unions discussed how to prepare for future participation of national players in the European social dialogue and developed joint actions to be carried out in the next months. BUSINESSEUROPE presented different capacity-building tools developed through the Employers Resource Centre and called on national social partners to make full use of them.

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WORLD BANK

World Bank supports improved transport efficiency and safety in Kazakhstan

The World Bank approved on April 30, a \$ 2.125 billion loan for the Kazakhstan South-West Roads Project to help upgrade the trade route linking China to Russia and Western Europe through Kazakhstan, bringing a helpful economic stimulus to some of Kazakhstan's poorest provinces. The project will boost Kazakhstan's competitiveness and bring significant economic benefits to the country, as well as to Kyrgyz Republic, Tajikistan and Uzbekistan.

World Bank to invest \$45 billion in infrastructure

A new World Bank Infrastructure Recovery and Assets Platform will provide \$45 billion in infrastructure lending over the next 3 years, an increase of \$15 billion over the three years preceding the crisis. In addition, IFC, the World Bank Group's member focused on private sector investments, set-up an Infrastructure Crisis Facility, which was developed to bridge the gap in available financing for viable, privately-funded or public private partnership infrastructure projects in emerging markets that are facing financial distress as a result of the financial crisis. IFC will contribute up to \$300 million in equity with other sources expected to bring in at least \$2 billion more to co-finance infrastructure projects. This is likely to help mobilize additional funding worth three times that, covering around \$10 billion worth of infrastructure projects.

GEF supports Armenia's geothermal energy development

The World Bank's Vice President for Europe and Central Asia approved on February 24, the Armenia Geothermal Energy Development project. The project, funded by a grant of \$1.5 million from the Global Environment Facility (GEF) Trust Fund, is the second operation financed under the

Geothermal Energy Development Program (GeoFund), a \$25 million regional program funded by the GEF and implemented by the World Bank jointly with the International Finance Corporation. The objective of the GeoFund is to systematically promote the use of geothermal energy in the Europe and Central Asia region by removing barriers, and allowing for diversification in energy use and an increase in the demand for similar projects. The Project will assess the feasibility of exploratory drilling in Armenia in sites with the highest geothermal potential.

World Bank and Global Environment Facility support agricultural and rural development in Montenegro

The World Bank approved on April 21, a € 11 million loan and a \$4 million Global Environment Facility Grant to the Republic of Montenegro to support sustainable agricultural and rural development to meet European Union standards. The Montenegro Institutional Development and Agriculture Strengthening Project will be overseen by the Ministry of Agriculture, Forestry, and Water Management which is charged with mainstreaming sustainable land use and natural resource management throughout the country.

BILATERAL

Turkish President visited Russia

Turkish President Abdullah Gül made a state visit to Russia on February 12-15 at the invitation of President Dmitry Medvedev. The agenda of the visit being quite comprehensive, included a wide range of bilateral and international issues, including energy.

Croatian PM visited Turkey

A Croatian government delegation led by Prime Minister Ivo Sanader paid an official visit to Turkey on February 17-18. PM Sanader and Turkish PM Recep Tayyip Erdoğan met to discuss bilateral relations, ways of promoting economic ties and the two

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countries' aspirations to join the EU. During the visit, the two countries also signed several agreements, including a strategy to strengthen bilateral relations, a memorandum of understanding in energy cooperation, an agreement on environmental protection, an agreement on economic cooperation and an additional protocol amending the agreement on investment promotion and protection.

Azerbaijani President Aliyev paid an official visit to Greece

President Aliyev paid an official visit to Greece and held a number of meetings with high level officials on February 23. The meetings held focused on exploring ways in order to take forward the existing ties between the two countries and also holding discussions over issues of mutual interest. A number of intergovernmental documents regulating tax evasion, bilateral relations in communication technologies, air communication, and cooperation in renewable energy development and encouraging mutual investments were agreed and signed by the respective governmental bodies.

Azerbaijani President visited Iran and attended the ECO Summit

Azerbaijan's President Ilham Aliyev paid an official visit to Iran on March 10, to meet with his Iranian counterpart. Following the discussions seven inter-governmental agreements regulating a range of bilateral links were signed between the two countries. In the course of the visit, President Aliyev also attended the 10th Summit of the Economic Cooperation Organization (ECO) on March 11. The summit which brought together the leaders of Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan and Uzbekistan, reviewed the world's financial crisis and ways to face the economic challenges. It also held talks on the techniques to accelerate the implementation of agreements between ECO member states and fighting drug trafficking.

Turkish President Gül Visited Baghdad

President Abdullah Gül traveled Iraq on March 23, to hold bilateral meetings, the highest-level visit between the two countries since 1976.

Iran, Kazakhstan to Broaden Cooperation

A high-ranking Iranian delegation headed by President Mahmoud Ahmadinejad paid a two day visit to Astana, Kazakhstan on April 6-7, to discuss ways for improving bilateral cooperation in different fields including the oil sector. Iranian President said that ties between Iran and Kazakhstan are very promising and expansion of cooperation between the two sides will result in regional development. To further uphold existing level of relation, both sides recognized the need for broaden cooperation in various fields such as transportation, finance, and monetary sectors as well as joint investment. For the occasion of his visit, President Ahmadinejad also underlined his support to the possible membership of Kazakhstan to the Organization of the Petroleum Exporting Countries (OPEC).

President of Ukraine visited Azerbaijan

Ukrainian head of state Viktor Yuschenko paid a visit to Azerbaijan on April 9-10, to meet with his Azerbaijani counterpart Aliyev. The meeting focused upon the existing bilateral relations between Azerbaijan and Ukraine and looked at the ways of how to further expand the ties.

Armenian President Sargsyan visited Iran

Armenian President Serzh Sargsyan's two-day visit to Iran produced a potential breakthrough deal that could ease Armenia's economic isolation. Sargsyan and Iranian President Mahmoud Ahmadinejad signed eight agreements during the Armenian leader's two-day stay in Tehran on April 13-14. Two of those pacts stand to give a big boost to Armenian foreign trade. The first provides a blueprint for the construction of a 470-kilometer railroad between the two countries

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and the second would lower Iranian trade barriers to Armenian exports. At present, Armenia's only viable overland routes to the outside world run through Georgia.

ELECTIONS

Azerbaijan Constitutional Referendum

A constitutional referendum was held in Azerbaijan on March 18, consisting of 29 measures voted on separately; including the abolishment of presidential term limits.

Turkey's ruling party AKP wins local elections

Turkey's ruling Justice and Development Party (AKP) won the local elections held on March 29, but public support for the party fell. AKP gained around 39 percent of votes for provincial councils, seen as a proxy for the general elections, down from 46.6 percent in the 2007 general elections, and from 41.7 percent in the 2007 local elections. AKP held its mayoral seats in the largest city of Istanbul and the capital Ankara. However, the race with candidates of the main opposition Republican People's Party, or CHP, ran neck and neck. With the results of the March 29 election, the political map of Turkey changed with the northwestern and western provinces dominated by CHP, and AKP losing ground against DTP in the southeastern provinces and also the northern regions. However, AKP maintained its strongholds in central Turkey.

Moldovan parliamentary elections

A parliamentary election was held in Moldova on April 5. The Party of Communists of the Republic of Moldova (PCRM) won a majority of seats (60 out of 101) for the third consecutive occasion. The new parliament will elect a new President of Moldova as the incumbent Vladimir Voronin has to stand down after completing two terms.

OTHER

Albania and Croatia becoming the new members of NATO

Just ahead of NATO's 60th anniversary, the collective security alliance added Albania and Croatia April 1st as the newest members. The enlargement marks the sixth time the organization has expanded its borders.

Iran applies for Berne Union membership

Export Guarantee Fund of Iran (EGFI) applies for membership of the world's main export credit agencies and insurers. EGFI Managing Director expressed his belief that the Berne Union would vote for membership of the Iranian fund in the near future if the apply is not subjected to a political discrimination. The mission of the Berne Union is to actively facilitate cross-boarder trade by supporting international acceptance of sound principles in export credits and foreign investments and by providing a forum for professional exchanges among its 51 members.

ECJ: Turkish nationals can visit EU countries without visas

The European Court of Justice (ECJ) ruled on February 19 that visas should not be required from Turkish nationals planning to enter the EU member states to provide service. In a decision sent to a German court, the ECJ said that the EU can not require visas from Turkish nationals based on Article 41 of an Additional Protocol signed by Turkey and the European Economic Community on November 23, 1970.

Turkey ratified Kyoto protocol

Turkish Parliament signed on February 5, an agreement to ratify the Kyoto Protocol. Three voted against as 243 lawmakers voted in favor of the protocol. Turkey's ratification leaves the United States and Kazakhstan as the only significant large nations still out in the Protocol.

From Members

ATIB – Azerbaijan

ATIB finalized its researches in spheres of Health, Education, Finance and Fair Competition

ATIB has been implementing a research program since 2008 for improving access of business people functioning in Azerbaijan to information in economic and social spheres and for supporting the country's development priorities. Within this program public discussion of the research work on "Azerbaijan Health Sector: Current Status and Development Perspectives" took place at ATIB office on March 11. Main goals of the study was analysis of the business opportunities in health sector, assessment of current status of health services, their financing mechanisms and investments and making recommendations to Government and also business community on development perspectives of health sector.

In coming days ATIB will hold public discussions on the researches titled "Azerbaijan Finance Sector Report", "Current Status of Free Competition in Azerbaijan and Its Impact on National Economy" and "Development Perspectives of Education Sector – Business Relations in Azerbaijan" within its research program. Results of the studies will be published and will be brought to the attention of wider community.

BIA – Bulgaria

The IN-5 Annual Awards

The IN-5 Annual Awards Ceremony was held on April 25, the birth date of BIA, and the awards were presented in the attendance of high representatives of the legislative and the executive authorities of Bulgaria. The IN-5 Annual Awards were launched in 2005 on the occasion of the 25th Anniversary since the foundation of BIA. The name of these awards reflects the five basic poles of the economic prosperity – Industry, INvestments, INnovations, INitiative and INtellect.

BIA celebrated its 29th anniversary

The Bulgarian Industrial Association founded on 25 April 1980 as a voluntary, non-governmental organisation of the Bulgarian industry celebrated this year its 29th anniversary. In its 29th anniversary, the Association incorporates over 25 000 commercial companies among which 263 out of the top 300 largest companies in Bulgaria.

SEV – Greece

Luncheon for the occasion of the opening of the Ziraat Bank

SEV together with the Business Council Greece –Turkey organized a working lunch on February 17, on the occasion of the opening of the Ziraat Bank in Athens, with guest speaker the State Minister and Vice Prime Minister of Turkey Nazım Ekren. The Greek Deputy Minister of Foreign Affairs Miltiadis Varvitsiotis, the President and CEO of the National Bank of Greece Takis Arapoglou, the Deputy CEO of Eurobank Nikolaos Karamouzis, along with the executives from the Greek banking sector and members of the Business Council Greece - Turkey were present at the lunch.

For the occasion, Dr. Athanase Lavidas stressed the importance that Greek companies assign to the Turkish market of more than 70 million consumers, as well as their intention to expand to eastern markets in collaboration with their Turkish partners.

Meeting with AZPROMO

In the framework of the visit of the President of Azerbaijan, Ilham Aliyev, SEV Vice President Athanase Lavidas, and International Relations Director Ioannis Patsiavos, held a meeting with the President of AZPromo, Rahim Huseyinov and the Director of Investment Promotion Anar Guliyev on February 17. Both sides reaffirmed their commitment to foster their partnership and sign a Memorandum of Understanding during the forthcoming visit of the Greek Deputy Minister of Foreign Affairs in Azerbaijan.

From Members

Open Forum 2009

Wishing to address the current negative consequences and challenges for the Greek economy and institutions, SEV organized on April 7, “Open Forum 09” offering the platform for public dialogue on a wide range of issues including the need for national reforms, the current crisis in relation with the society and the political system.

ATAMEKEN – Kazakhstan

International Roundtable Meeting

An international roundtable meeting entitled “Participation of business in elaboration and realization of anti-crisis policy” organized by ATAMEKEN was held in Astana on April 7 with the participation of delegates from Kazakhstan, Kyrgyzstan, Russia and Ukraine. The Event was highly attended and included representatives from different ministries and members of parliament, businessmen, analysts and academicians from the respective countries.

TIAD – Romania

10th General Assembly of TIAD

The 10th General Assembly of TIAD was held on March 12, in Bucharest. Ömer Susli was elected as the new President of the Association for 2009-2011 period whereas Ahmet Hamdi Demirel, Ismail Hakkı Tuyun and Mesut Yetişkul assumed the Vice Presidencies.

TÜSİAD – Turkey

TÜSİAD visited the Czech Republic

A TÜSİAD delegation headed by Chairwoman Yalçındağ paid a visit to the Czech Republic, current holder of the EU rotating presidency, between February 25-26, where they met government officials and representatives of the Confederation of Industry of the Czech Republic, TÜSİAD’s counterpart organization in the country.

TÜSİAD Delegation visited Cyprus

A TÜSİAD delegation headed by Chairwoman Yalçındağ visited Nicosia, Cyprus on March 12, to introduce the recently published TÜSİAD report on the Northern Cyprus economy. The visit was also an opportunity for the prominent business organizations of Cyprus, Greece and Turkey (SEV, OEB, ISAD and TÜSİAD) to call upon the two communities in Cyprus to continue negotiating in good faith to achieve a comprehensive and enduring settlement of the Cyprus problem.

TÜSİAD and KAGIDER organized a gender equality seminar in Brussels

TÜSİAD together with KAGIDER (Women Entrepreneurs Association of Turkey) organized a seminar on “Gender Equality in Turkey and the EU” in the European Parliament in Brussels, on March 18 with the support of the Alliance of Liberals and Democrats in Europe.

TÜSİAD represented Turkish private sector at G20 Summit

TÜSİAD represented Turkish private sector at G20 Summit which took place in London, on March 18. The Event was hosted by TÜSİAD’s British counterpart, Confederation of British Industry (CBI) and was attended by British PM Gordon Brown. During the summit, the expectations of private sector representatives were expressed prior to G-20 Leaders Summit which was held on April 2.

New TÜSİAD Report

TÜSİAD Chairwoman Arzuhan Doğan Yalçındağ, introduced “Reconstructing the Alliance: A New Era in Turkish-US Relations: A Turkish Perspective” report at a seminar in Washington, on April 13. The TÜSİAD report, covering various issues such as Turkey’s EU bid, regional security, the Armenian issue, energy policies and economic relations, as well as concrete policy proposals on these issues, was announced at the Brookings Institute.

From Members

TISK – Turkey

The 26th Meeting of Turkey-EU Joint Consultative Committee

The 26th Meeting of Turkey-EU Joint Consultative Committee was held in Istanbul on April 27-28. Tuğrul Kudatgobilik, President of TISK and Vice President of UBCCE is currently running the Co-Chair of the Committee. The joint declaration issued at the end of the meeting called for the Turkish government to speed up the reform process in the country as well as the current Czech and future Swedish Presidency of the EU to open new chapters in Turkey's accession talks.

The Committee also called for EU Commission and member states to apply the European Court of Justice decree dated February 19, stating that citizens of Turkey who worked in businesses founded in Turkey did not need visa to enter EU member states if they were entering while carrying out a service. The next meeting of the Committee is expected to be held in Stockholm, Sweden in fall this year.

CONFEU – Ukraine

MoU signed between all-Ukrainian employers' organizations

Process of efforts consolidation of employers' organizations on national level was completed on April 2, by signing Memorandum on mutual understanding between Federation of Employers of Ukraine, Confederation of Employers of Ukraine and All-Ukrainian Association of Employers.

FEU – Ukraine

Meeting with Commissioner Verheugen

Upon initiative of FEU and with assistance of the EU - Ukraine Business Council, the representatives of the Ukrainian business met with Günter Verheugen, Vice President of the European Commission during his visit to Kiev, on February 16. At the meeting both

sides exchanged their opinions on the necessary measures to develop further in constructive way the Ukrainian business.

Federation of Employers proposes anti-crisis program to Ukrainian government

FEU presented on March 20, a "National anti-crisis measures" program during its all-Ukrainian conference in Kyiv, which it plans to offer for realization to all government institutions of Ukraine. The program was developed by the FEU in cooperation with the National research centre for industrial development problems at the National Academy of Science of Ukraine. The program foresees three periods for overcoming the crisis: short-term, middle-term and long-term. The short-term period focuses, first of all, on boosting banks' liquidity and preventing the bankruptcy of systemic banks, supporting the liquidity of systemic enterprises in the real economic sector and preventing their bankruptcy, stabilizing the hryvnia, balancing the state budget and stimulating employment. The middle-term period is devoted to the fulfillment of an effective industrial policy of import substitution, aimed at filling the market with domestic products, primarily consumer goods, supporting and stimulating small and medium enterprises, and pursuing a state tax policy to boost a number of enterprises in the major industries.

The long-term period, which is aimed, according to the program designers, at preventing further foreign crises impacting Ukraine, foresees an improvement of government, its development as an integral and coordinated system, the elaboration and realization of a strategy and the setting of clear priorities for social and economic as well as scientific and technical development.

The FEU proposed to create a trilateral anti-crisis committee under a 2008-2009 general agreement consisting of representatives of the Cabinet of Ministers of Ukraine, national employers associations and professional unions, and parties of the general agreement, who would monitor the program.

Upcoming Events

BRIDGING THE MEDITERRANEAN THE ATHENS BUSINESS FORUM Athens, Greece, July 8 - 10

One year after the official launch of the Union for the Mediterranean, politicians, decision makers and business representatives will meet in Athens on July 8 – 10, to engage in a debate of assessment, evaluation and future planning for the long anticipated Euro-Mediterranean economic integration. The Athens Forum will reflect on achievements, requirements and prospects to build a truly functional economic entity across the two shores of the Mediterranean basin.

The Forum convenes at a time of unprecedented turmoil in global financial markets, economic downturn and recession, which call for sustaining competitiveness, trade and investment, social cohesion. In these difficult times, to navigate successfully through the crisis, both European and Mediterranean communities shall reaffirm their unwavering commitment to foster their economic ties which will lead to development, growth and job creation in the region.

The Union for the Mediterranean provides a new momentum to move from declarations to reforms, from words to deeds. Business is ready to play its part to contribute to a successful partnership, but expects to witness political commitment with concrete steps and actions. Key aspects in the Euro-Mediterranean strategy are better governance, better regulation and regulatory convergence, speeded reforms, enhanced South-South relations, sectors liberalization, access to finance especially for SMEs, investment incentives and facilities, skilled labour force, new technologies and innovation.



BRIDGING THE MEDITERRANEAN
The Athens Business Forum

July 8th - 10th, 2009

The Athens Forum will offer the platform for reflection, challenging debates, practical proposals and suggestions to complement and build on the Barcelona Process and in anticipation of concrete projects' implementation and funding. More importantly, it expects to gather more than 800 businessmen and managers, Business Organisations' executives and officials from all Mediterranean countries who will have the opportunity during the 3-day event to conduct individual meetings, take stock on existing ventures, or meet potential partners and identify future possibilities for cooperation. The 2009 Athens EuroMed Business Forum invites all companies to be part of it as a dynamic stakeholder of the Euro-Mediterranean community.

INVEST IN MED ANNUAL CONFERENCE

The second Invest in Med annual conference will be held in parallel to the Forum. Gathering business supporting organisations from the Euro-Med region (IPAs, CCIs, Business Associations and economic development agencies), it will present the progress of the Invest in Med programme and offer a room for participating institutions to meet and discuss future cooperation opportunities.

For more: www.athensmedforum.gr

Upcoming Events

UBCCE Business Development Visit

Tbilissi, Telavi, Georgia, June 4 – 6

UBCCE will pay a two day visit to Georgia on June 4-6. The business development visit aiming at exploring business and investment opportunities primarily in wine and energy sectors in Georgia and will be hosted by Georgia Entrepreneurs Confederation (GEC) and supported by Georgia Employers' Association (GEA).

Along with representatives of local wine and energy companies, top management of the Ministry of Economic Development (including the Minister Lasha Zhvania) and Georgian National Investment Agency will be involved in the overall program, which includes plenary discussions, special presentations, visit to the Wine & Spirits Fair and visits to business sites in Telavi.

All interested companies of wine and energy sector are invited to participate in the Business Visit. For more information and registration you are advised to get in touch with UBCCE & GEC Secretariat or visit UBCCE Website.

The Black Sea Region: New Opportunities and Challenges for Regional Cooperation

Berlin, Germany, May 14 - 15

The Southeast Europe Association together with the German Association for East European Studies, is organizing an International Conference entitled “The Black Sea Region: New Challenges and Opportunities for Regional Cooperation”, on May 14 - 15, in Berlin, Germany. The main objective of the conference is to critically reflect on the present needs and realistic options for enhanced regional cooperation in the Wider Black Sea Region. The particular focus will be on the perceptions from the region regarding each country's role in the region, the key issues in foreign and security policy, and the views and visions on sustainable regional cooperation. This year's event, like last year, supported by UBCCE.

International Labor Conference

Geneva, Switzerland, June 3 - 19

The International Labor Conference will be held this year between June 3 and 19. Among the task of the Conference are crafting and adoption of international labour standards, examination of the Global Report, discussion on social and labour questions of importance

to the entire world, passing resolutions that provide guidelines for the ILO's general policy and future activities.

10th OECD Forum

Paris, France, June 23 – 24

The OECD Forum is a “multi-stakeholder summit” which brings together business and labour leaders, civil society personalities, government ministers and leaders of international organisations to discuss the hottest issues on the international agenda. The event will take place in conjunction with the annual OECD ministerial summit which will be chaired by Korean Prime Minister.

First European SME Week

Across Europe, May 6 - 14

The Black Sea Region: New Opportunities and Challenges for Regional Cooperation

Berlin, Germany, May 14 - 15

International Labor Conference

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