

**EU-TURKEY
HIGH-LEVEL ECONOMIC DIALOGUE
28 February 2019, İstanbul**

Dear Vice-President Katainen,

Dear Ministers Albayrak, Pekcan and Turhan,

Dear Commissioner Bulc,

Representatives of Businesses Organizations,

It's my pleasure to attend the 3rd high-level economic dialogue meeting. As the President of DEİK – the private sector organization, coordinating Turkey's foreign economic relations with its 145 country to country Business Councils where 37 of them are in Europe - I'd like to express 3 main messages:

First and foremost, in the current context of global trade wars and uncertainties, we firmly believe in the necessity of improving economic relations between Turkey and the EU. In this regard, the long-awaited negotiations to improve the existing EU-Turkey Customs Union Agreement, will certainly be an excellent response to the isolationist and protectionist trends and raising barriers ahead of the global trade.

That being said, we're gradually considering the continuous obstruction of this process as another form of isolationism. For 4 years now, no substantial progress has been made on this issue to satisfy our expectations, while the EU continues FTA initiatives and due negotiations with various countries around the world. Isolationist and protectionist policies have shown us that, businesses need "credible trade partners for long term plans". Unfortunately, the lack of clarity in the modernization of the Customs Union, negatively effects the EU's perception as a credible partner for Turkey.

Recently, we have observed that, funds supplied by the EBRD and EIB have been downsized. Combined with the current monetary tightening and lowering liquidity conditions, in the global arena, such downsizing will have a negative multiplier effect, especially in the economic relations between Turkey and the EU. As being EU's fifth-largest trade partner, in terms of the trade volume, healthy and strong functioning of the Turkish economy, is also essential to our leading trade partners. We, therefore, invite officials of the ERBD & EIB to review their positions on this issue and ask for your support.

Last but not least, as I've said in the previous Economic Dialogue Meeting in Brussels, **"the constructive and regular dialogue is very critical in maintaining good relations and mutual investments"**. Meanwhile, in the current context of the EU-Turkey relations, we also need some concrete and substantial steps that are directly concerning our people and the business community. By that, I particularly mean the visa-free dialogue process, the lifting of quotas for Turkish transporters and the modernization of the Customs Union Agreement.

These potential improvements will help us convey key messages to the public, in terms of touching people's hearts and minds, while strengthening ties between Turkey and the EU.

Thank you for your attention.

Nail OLPAK
DEİK President