



UBCCE QUARTERLY BULLETIN

October 2007 N°3

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October 2007 was indeed a very important month for UBCCE with a range of large scaled events. UBCCE, as a very recently established organisation, held its **First Business Forum on “Foreign Direct Investment in the Black Sea and Caspian Region”** on October 2 in Baku, Azerbaijan hosted by Azerbaijan Turkey Businessmen Association (ATIB). This First Business Forum of UBCCE, being the flagship event of our Union for 2007, was quite successful taking into consideration the level and number of participants and the results achieved.

High level government officials of Azerbaijan together with high level representatives of international organisations and leaders of the business community of the Region delivered important speeches and gave some important messages for future cooperation in the Black Sea and Caspian. Useful discussions were held during the Conference on some key issues like trends and strategies for investment in the Region, policies to attract Foreign Direct Investment and of course energy. In addition, an agreement on mutual understanding and cooperation was signed between UBCCE and Union of Mediterranean Confederations of Enterprises (UMCE-BUSINESSMED) and the Federation of Austrian Industry (IV) agreed in principle to be the “associate” member of UBCCE.

It is also important to note that the President of Azerbaijan, H.E. Ilham Aliyev accepted UBCCE President for the occasion of the Business Forum on October 2. During the meeting, President Aliyev expressed UBCCE President, Mrs. Arzuhan Doğan Yalçındağ that he appreciated the initiative and hoped that it will play an important role in the development of regional economic cooperation and further advancement of economy of Azerbaijan.

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Following the Forum, our Union held its Second Management Committee. As a result of the discussions, it was decided to hold a UBCCE Business Forum on a regular annual basis, to help create a platform for discussing regional cooperation issues. Furthermore, an action plan towards meeting goals for coming years were also discussed.

A UBCCE delegation composed of senior level representatives of member organizations also held some **high level contacts in Brussels** for discussing regional cooperation issues and increasing the visibility of our Union in the European capital on October 10. The delegation had the opportunity to meet with representatives of BUSINESSEUROPE, European Commission officials for European Neighborhood Policy (ENP), and EU Commissioners for Energy, Employment, Social Affairs and Equal Opportunities and Environment. During the Meetings, UBCCE tried to underline that efforts should be made for simplifying EU visa procedures for its member countries, especially ensuring easier travel for business people throughout the EU.

Preparation of a White Paper regarding the outcomes of the First Business Forum of UBCCE and organization of a joint Conference on the Caspian (and possibly Black Sea) Ecological Problems were agreed in discussions with EU Commissioner for Environment. Undeniably, the Caspian Environment is of great interest for many people in the region. Scientists and technical specialists have been challenged by the Caspian's unique nature as the largest land-locked body of water on Earth. The petroleum industry has been tapping its oil and gas wealth for decades, gourmets have extolled the virtues of its caviar and those concerned with ecological resources have recognized its valued biodiversity.

A mutual understanding of cooperation in the sphere of development of small and medium enterprises and non-oil sector was also reached during the meetings in the European Commission.

It is no doubt that SMEs form the backbone of a healthy functioning market economy and are a precondition for sustainable development and a higher standard of living for all involved in the process of globalization, accelerated technological change and innovation. SMEs contribute significantly to regional and local development, by playing an important role in cross-border cooperation and facilitating the development of various areas in the regional economy. On the other hand, globalization, enhancement of technological changes and innovation create new challenges for SMEs.

UBCCE supports the cooperation of its members contributing to the development of favorable political and economic environments, policies, measures aiming at the creation of a stronger SME sector in the member countries. Joint efforts in strengthening the cooperation between SMEs themselves and large enterprises will significantly contribute to the welfare of the society and stability of the UBCCE Member States.

Taking all into consideration, UBCCE should act towards building networks across existing business and innovation structures in the region, while supporting the initiation of projects for successful establishment of intermediate formations and encouraging and supporting the efforts of the countries of the Region on national level. Our efforts must be oriented to enhance further multilateral exchange of experiences and good practice in order to strengthen partnerships and co-operation among UBCCE countries as well as with other parts of the World.

Ahmet Erentok
UBCCE Vice President & ATIB Chairman

UBCCE FIRST BUSINESS FORUM CONFERENCE ON FOREIGN DIRECT INVESTMENT: OPPORTUNITIES AND CHALLENGES FOR BLACK SEA & CASPIAN REGION

Baku, Azerbaijan, October 2

UBCCE, the first independent and voluntary business organization of the Black Sea and Caspian Region held its First Business Forum on “Foreign Direct Investment” in Baku, Azerbaijan, on October 2, 2007.

Hosted by Azerbaijan Turkey Businessmen Association (ATIB), the UBCCE First Business Forum entitled “Foreign Direct Investment: Opportunities and Challenges for Black Sea & Caspian Region” was held with great success and high level of participation in Baku Hyatt Regency Hotel, Azerbaijan on October 2.

UBCCE delegation paid a visit to the mausoleum of Heydar Aliyev and Heydar Aliyev Fund the day before the Forum followed by a city tour of Baku. President of Azerbaijan, H.E. Ilham Aliyev also accepted UBCCE President Mrs. Arzuhan Doğan Yalçındağ at the Presidential Palace on October 2.



Meeting with H.E. President Ilham Aliyev.

Attended by over 300 delegates, the UBCCE First Business Forum brought together not only the business community of the Region but also the high level officials from different countries and representatives of international organizations interested in Black Sea and Caspian Region.



Mrs. Arzuhan Doğan Yalçındağ and H.E. Heydar Babayev delivering their speeches at the opening ceremony.

The 9th President of Republic of Turkey H.E. Süleyman Demirel delivered via video broadcast, a message of support to the work of UBCCE at the opening ceremony of the Forum which was inaugurated by UBCCE and TÜSİAD President Mrs. Arzuhan Doğan Yalçındağ, UBCCE Vice President Mr. Ahmet Erentok and Minister of Economic Development of Azerbaijan H.E. Heydar Babayev.

The Forum was held in three different panels where the representatives of the business community and high level officials from different countries of the Region had the opportunity to share their views on foreign direct investment, a key issue for development, in this emerging part of the globe.

The first panel was dedicated to “Energy and Regional Investment Strategies”. The speakers of the second panel entitled “Policies to Attract FDI: Regional and International Experiences” shared their own experiences on attracting Foreign Direct Investment with the audience.

H.E. Mr. Natig Aliyev, Minister of Industry and Energy of Azerbaijan also delivered a special statement during the last panel of the Forum under the theme “Energy and Regional Investment Strategies”.

A Memorandum of Understanding and Cooperation between UBCCE and Union of Mediterranean Confederations of Enterprises (UMCE-BUSINESSMED) was signed for the occasion of the Forum along with a ceremony where Federation of Austrian Industries (IV) agreed in principle to be associate member of UBCCE.



More than 300 people attended the Forum.



Whirling Dervishes Ceremony at Baku Philharmonic Society Building attended by Business Forum participants.

UBCCE Business Forum is intended as a regional event that the Organization wants to hold annually in a different country of the Region, on different themes, with the principle aim of bringing together the business community and the officials of different countries of the Black Sea and Caspian in order to create a platform of dialogue for raising the voice of private business.

UBCCE SECOND MANAGEMENT COMMITTEE MEETING **Baku, Azerbaijan, October 3**

UBCCE held its Second Management Committee Meeting, a day after the Business Forum, as a closed session to be attended by representatives of member federations to evaluate the past activities and to discuss the upcoming events of the Union including the scheduled High Level Visit to Brussels on October 10 aiming to increase the visibility of UBCCE in the eyes of the European business community and EU Institutions.

During the Meeting the Agenda prepared by UBCCE Secretariat was followed and the following were discussed and decided in brief:

1. The General Assembly of UBCCE will be held in Istanbul on March 11, 2008. The Executive Committee Meeting will be held the day before.
2. All three UBCCE Thematic Committees will meet in Istanbul before the end of the year in order to decide on the content and field of their activities. All member organizations are invited to send their experts to the Committees for eventual contribution.
3. The Second Business Forum of UBCCE will be held in Tbilisi Georgia in Fall 2008 on a theme to be decided later on.
4. A Conference on “Environmental Problems of the Caspian Sea (and possibly the Black Sea)” will be held within 2008.
5. “Mare Negra and Caspium” Strategy Paper of UBCCE will be published within 2008 as a reply of an NGO of the Region to the “Black Sea Synergy Paper” of EU Commission dated April 11, 2007.



Management Committee II Meeting Family Photo.

UBCCE HIGH LEVEL CONTACT VISIT TO BUSINESSEUROPE AND EUROPEAN COMMISSION

Brussels, Belgium, October 10

A delegation composed of high level representatives from UBCCE Member Federations paid a quite important and fruitful visit to Brussels on October 10, 2007.

During the visit organized by Hellenic Federation of Enterprises (SEV) running the Vice-Presidency of UBCCE in charge of EU and BUSINESSEUROPE relations, UBCCE delegation held meetings with European Commission officials and BUSINESSEUROPE and informed on the mission and strategies of the Union and exchanged views for possible future cooperation.

The fact that such a young Union met and discussed with three Commissioners speaks in itself. The content of the meetings were indeed valuable not only because it provided first hand information on key elements of the respective EU policies but also left ample space for continuous synergies in the future. For example during the meeting held with EU Commissioner Responsible for the Environment, Mr. Stavros Dimas asked UBCCE federations to lobby with their Governments to reach an international agreement by 2012 in the direction of Kyoto protocol. He also passed the message that companies should see compliance to

environmental requirements as an opportunity to growth, using clean technologies, while he underlined that consumers nowadays demonstrate tendency to environment compatible products.



EU Commissioner for Environment, Mr. Stavros Dimas

The Deputy Director of Commissioner Andris Piebalgs Responsible for Energy, Mr. Fabrizio Barbaso, described the European priorities focusing on energy security, diversification of energy suppliers and energy corridors as well as loosening of tensions in the Black Sea which affect smooth supply of energy products and pricing. He emphasized on the importance to develop renewable resources of energy and invited UBCCE and its member Federations to provide business point of view to the Commission with positions and proposals that can help EU to lobby effectively with Governments in the region.

Commissioner Responsible for Social Affairs and Equal Opportunities Mr. Vladimir Spidla focused basically on mobility of employment and on combating illegal migration and illegal employment. He also welcomed UBCCE to facilitate in passing messages driven from the European social model to Black Sea and Caspian authorities to achieve a developed labor market and social welfare and prosperity.



UBCCE Delegation at the European Commission.

Equally useful was the meeting with Commission officials responsible for the European Neighborhood Policy (ENP) and the related financial instrument (ENPI). Mr. John O'Rourke, Head of ENP General Coordination Unit and Mr. Janos Herman Principal Advisor of above mentioned unit invited UBCCE member Federations to evaluate the measures and activities foreseen in ENP and –most importantly- to feed with benchmarking reports on stepbacks in reforms in the respective economies, so that ENP may redirect its actions and may push for accelerating changes and improvements to the benefit of economic development.

Finally, the meeting with BUSINESSEUROPE Secretary General Mr. Philippe de Buck and Director of International Relations Mr. Adrian van den Hoven launched collaboration with expected added value for both. It is true that BUSINESSEUROPE has not dealt enough with the region so far, while UBCCE needs to keep



BUSINESSEUROPE Secretary General Philippe de Buck and International Relations Director Adrian van den Hoven together with UBCCE Vice President Athanasios Lavidas.

track of lobbying performances and best practices experienced at European level. UBCCE may and shall become reliable counterpart and partner for BUSINESSEUROPE and expects to interact progressively in the future and possibly to implement joint programmes.

CONTACTS of UBCCE Secretariat

On October 25, Meeting with Mr. Krzysztof Bobinski, President of Unia-Polska Foundation and Mr. Jan Pieklo, Executive Director of Polish-Ukrainian Cooperation Foundation (PAUCI) in Istanbul.

On October 22, Participation at the Presidential Council of Union of Mediterranean Confederations of Enterprises (UMCE-BUSINESSMED) in Brussels and the ceremony of "Blue of the Mediterranean Award" presented to EU Commissioner for European Neighbourhood Policy, Ms. Benita Ferrero Waldner.

On October 17, Participation at "Place and Role of Turkey, Azerbaijan and Russia in Eurasian Geopolitics" Conference organized by Azerbaijan Turkey Businessmen Association (ATIB) and Modern Humanitarian Academy of Russia in Moscow.

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On September 28, Participation at the Press Conference organized by Azerbaijan Turkey Businessmen Association (ATIB) for the occasion of UBCCE First Business Forum.

On September 12-13, participation at the BSEC-US Joint Symposium entitled "Environmental Protection for Economic Growth: Best Practices Exchange".

Fore more: Black Sea and Caspian Events/p.8

BLACK SEA & CASPIAN Events

Energy 2007: Challenges Across Europe

Brussels, Belgium, October 29-30

Third Macedonia Business and Investment Summit

Skopje, FYROM, October 24-25

Black Sea Synergy Conference

Odessa-Istanbul, October 21-23

▶▶▶▶ [Read for more](#)

12th International Gas Summit

Paris, France, October 17-18

International Conference on "Place and Role of Turkey, Azerbaijan and Russia in Eurasian Geopolitics"

Moscow, Russia, October 17

The 7th Regional Finance & Investment Conference for SouthEast Europe

Dubrovnik, Croatia, October 16-17

Caspian Sea Littoral States Summit

Tehran, Iran, October 16

▶▶▶▶ [Read for more](#)

Russian Regional Investment Summit

Moscow, Russia, October 15-17

Energy for Development 2007

Beja, Portugal, October 10-12

SME Innovation Forum

Yalta, Russia, Oct 4-5

KIOGE 2007

Kazakhstan International Oil and Gas Conference

Almaty, Kazakhstan, October 2-4

Competitiveness Forum

Plovdiv, Bulgaria, September 28

▶▶▶▶ [Read for more](#)

Second Albania Business & Investment Summit

Tirana, Albania, September 14-15

Black Sea Synergy Conference

Odessa-Istanbul, October 21-23

Ukraine Office of Konrad – Adenauer -Stiftung organized an international conference on Black Sea Synergy between October 21-23. One of the primary aims of this three day event was to bring together experts and key decision makers from all Black Sea countries as well as from the EU and the USA, in order to discuss possible future joint projects promoting Black Sea cooperation.

Caspian Sea Littoral States Summit

Tehran, Iran, October 16

The second summit of the heads of the Caspian Sea Littoral states was held in Tehran on October 16. During the meeting attended by the presidents and foreign ministers of the Caspian Sea littoral states namely Iran, Russia, Azerbaijan, Kazakhstan and Turkmenistan, participants discussed different Caspian related issues including the legal regime of the Caspian Sea and their impacts on the five littoral states as well as other significant regional and international developments. The first Summit of the Caspian Sea Littoral States was held in Ashgabat, the Turkmen capital in 2002.

Competitiveness Forum

Plovdiv, Bulgaria, September 28

More than 100 representatives of the business community and administration took part in the "Competitiveness" Forum that was held in Plovdiv on September 28. The forum was organized by BIA and the Spanish consultant company MTM Group.

The forum's accent was put on the sharing of experience from the Spanish experts on the matter of creating and managing projects related to the competitiveness of the business.

BSEC-US Joint Symposium

**Environmental Protection for Economic Growth: Best Practices Exchange
Istanbul, Turkey, September 12-13**

On September 12-13, the Organization for Black Sea Economic Cooperation (BSEC) and the United States Department of State hosted an

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BSEC-US Joint Seminar “Environmental Protection for Economic Growth: Best Practices Exchange”

Istanbul, Turkey, September 12-13

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The Russian & CIS Investment Forum: Return of Risk?

Moscow, Russia, Sept 11-12

Iran Trade Conference

Seoul South Korea, September 7

▶▶▶▶ [Read for more](#)

KazEnergy 2nd Eurasian Energy Forum

Astana, Kazakhstan, September 6-7

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Black Sea Oil & Gas Summit

Istanbul, Turkey, September 5-6

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environmental symposium entitled “Environmental Protection for Economic Growth: Best Practices Exchange”. The symposium brought together government, business and civil society leaders from BSEC’s twelve members (Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Serbia, Turkey, Ukraine) and the United States to discuss how environmental protection could boost economic development and broader cooperation in this critical region, home to 350 million people.

This meeting is the first of its kind since the United States acquired observer status at BSEC in October 2005 and called the topic both challenging and timely.

Iran Trade Conference Seoul, South Korea, September 7

A conference entitled “Trade & Investment Opportunity in Iran” was held in the South Korean capital of Seoul on September 7. Organized as a result of a joint effort of the Iranian Embassy in South Korea, the Foreign

Investment Opportunity Organization of Iran's Ministry of Economy and the International Exhibition Centre, the conference aimed to introduce Iran's investment potential to South Korean companies and institutions. Iranian tax and customs officials took part in the event, explaining regulations to potential foreign investors.

KazEnergy Second Eurasian Energy Forum Astana, Kazakhstan, September 6-7

The second Eurasian Energy Forum took place on September 6-7 in Astana, Kazakhstan. Inaugurated by Karim Masimov, Prime Minister of Kazakhstan and Timur Kulibayev, Chairman of the Association KazEnergy, the Forum brought together representatives of the state bodies, the chairmen of the oil-and-gas and energy companies, leading experts and analysts from different countries of the world.

The purpose of carrying out KazEnergy Forum is discussion of pressing questions of development of oil-and-gas and power branch: the review of the analytical information, development of proposals and recommendations, coordination of uniform approaches to creation of effective legislative mechanisms and practical tools of activity of key sectors of the economy.

Black Sea Oil & Gas Summit Istanbul, Turkey, September 5-6

Organized by Turkey's Energy Ministry, Turkish Petroleum Corporation (TPAO) and Turkish Association of Petroleum Geologists, the Black Sea Oil and Gas Summit took place in Istanbul on 5-6 September bringing together a number of important international companies, oil and gas ministers of Black Sea coastal countries, and investment and finance companies. Regional cooperation, energy security, relations with the European Union, environmental problems, the security of the Turkish Straits, pipelines, and regional opportunities were among the main topics of the Summit.

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ECONOMY & FINANCE

World Bank's Fifth Annual Doing Business Report

Economic reforms implemented between April 2006 and June 2007 have allowed Eastern Europe and the former Soviet Union to surpass East Asia in terms of ease of doing business, according to the "World Bank's Fifth Annual Doing Business Report" released on September 26. Three Balkan countries - Croatia, FYR Macedonia and Bulgaria - were named among the top ten reformers. Romania, Turkey and Greece also have improved their rankings, while Albania, Bosnia and Herzegovina, Montenegro and Serbia moved down the ladder. Romania ranks 48th, Turkey is 57th and Greece is 100th. Of the three, Turkey has made the greatest progress, moving up 34 places. Reforms appear to have slowed down in Serbia, which now ranks 86th among the 178 countries in the world, down from its 68th position last year. Albania ranks lowest among the SEE countries. It is 136th now, 16 positions down the ranking it was given last year. Montenegro is 81st and Bosnia and Herzegovina is 95th.

Turkey deficit to grow further in 2008

Turkey is expected to post a current account deficit of \$39.246 billion in 2008, up from \$36.388 billion this year, according to a report of the State Planning Organization. The current account deficit is a major weak spot of the Turkish economy, which has grown strongly amid sharply falling inflation in recent years, supported by multi-billion dollar International Monetary Fund (IMF) loans. The official planning report also said net tourism revenues will rise to \$16,2 billion in 2008 from \$15,4 billion this year. Privatization revenues are forecasted to rise to YTL 11.798 billion (\$9,7 billion) in 2008 from 11.581 billion this year. The IMF said in a report on October 23 that Turkey's economic outlook was bright with growth mounting and inflation heading down.

Turkish unemployment unchanged

Turkey's estimated unemployment rate remained unchanged at 8,8 percent in the three months to the end of August compared to the same period last year according to the Turkish Statistics

Institute. A survey based on interviews of about 84.500 people showed the number of jobless to have increased by 45.000 to 2.296.000. The jobless rate was estimated at 9,9 percent for the whole of 2006, down from 10,3 percent in 2005. High unemployment remains a major challenge for the Turkish government despite several years of strong growth. The figures provide the only unemployment data in Turkey, but experts say they do not reflect the overall picture because they exclude undeclared or hidden unemployment, or the employment of educated, qualified people in menial, unqualified jobs.

Bulgaria's GDP growing by a real 6,4%

Bulgaria's gross domestic product (GDP) in the first six months of 2007 was €12,51 billion, growing by a real 6,4% compared to the same period of last year according to the country's statistics board NSI. In the second quarter, real growth was 6,6%, compared to 6,2% in the first quarter. The 2,3% drop in the agriculture output had virtually no effect on the final figure, since the sector accounts for only 4,6% of GDP. Industrial growth was 9,1% and growth in the services sector 8,8%.

Latest datas on Romanian economy

National Commission for Prognosis revised its first estimations regarding Romanian economy in 2007. The economic growth is estimated to be 6,1% against 6,5% initial estimation. Inflation will be 4,2% against 4,5%. The current account deficit will represent 13,4% from GDP against 10,3%. The level of current account deficit by July 31 was € 9 billion against 4,5 billion in July 2006. The exports will decrease by € 0,4 billion and imports will increase by €1,68 billion. Agriculture will decrease by 11,2% against an increase by 3% and this due to the drought. Construction sector will increase by 25,2% against 17,2% previous estimation.

Oil prices rise to record above \$93

Oil prices spiked above \$93 a barrel to a new trading high on October 29 before falling back, propelled by news that Mexico's state oil company was suspending about a fifth of its oil production due to a storm. The strong price is

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due to supply concerns in general, on top of the geopolitical news.

Dollar plumbs to record low

The dollar slid to a record low against a basket of major currencies on October 29, extending its broad sell-off on expectations that the Federal Reserve will trim interest rates this week and possibly again later this year. The dollar's woes helped drive oil prices to a new record peak above \$93 a barrel and sent gold to a 28-year high near \$793 an ounce.

Trade

Turkey's imports and exports in numbers

Turkey ranked 15th in import and 22nd in export last year in the world league. In addition to attaining the world average of 16 percent increase in exports, it also became one of the top 10 countries based on growth in import. The European Union, whose exports amounted to \$1.48 trillion in 2006, ranked first in world exports with a 16,4 percent share.

Turkey Bulgaria collaborate

Turkish-Bulgarian Economical and Technical Collaboration Committee 16th period Protocol was approved by the Council of Ministers on September 3. According to the Portocol, both countries will make an effort to develop and diversify the composition of the binary trade for the benefit of both parties.

Turkish exports to Russia increased

Closer commercial relations between Turkey and Russia resulted in export increase of 58,9 percent in the first six months of 2007 compared to same period of 2006. Turkey's exports to Russia, which totaled \$1,95 billion in the first six months of 2006, reached \$2,53 billion in the first six months of 2007. The increase of export volume is notable in iron and non-iron products, the building sector and fresh and dry vegetable fruits. Low value of ruble against dollar and Turkish exporters' policy tagreting the whole of Russia contributed to the increase. Economic stability between the two countries, growing awareness of Turkish brands and increase in shuttle trade also boosted export figures.

Romanian foreign trade volume reached € 45 billion

As per data of the National Statistics Institute, the foreign trade volume by the end of July 2007 reached €45 billion, from which exports represented 16,7 and imports €28,2 billion. Exports increased by 12,4% and imports by 28,6% compared with 2006 same period. The intracomunitary exchanges represented 72% from exports and 71% from imports.

Romania – Turkey bilateral trade

The bilateral trade between Romania and Turkey reached \$3.775 million by the end of July 2007. Exports were 1.590,2 million and imports 2.184,8. The general volume was 42,7% higher, exports 12% and imports 78,9% higher than in 2006. The trade deficit was \$594,6 million for Romanian side.

Carpet Tops Iran Non-Oil Exports

Iran's hand-woven carpet ranks first in non-oil export and third in overall export, according to National Iranian Carpet Centre. Iran's carpet is a sign of national identity for the Iranians. Foreign firms should eye deeper on Iranian carpets as the best ones in the world over.

Investments

Turkey ranked 16th in FDI inflow

Turkey was 16th among the countries drawing the most foreign direct investment (FDI) in 2006 with \$20.1 billion, according to the latest World Investment Report of the United Nations Conference on Trade and Development (UNCTAD). The report, which was announced on October 16 by the International Investors Association (YASED) in Istanbul, has also shown that Turkey placed 51st in FDI outflows and 27th in total FDI stock. For FDI inflows, Turkey was in 23rd place in 2005.

Bulgaria ranks 7th as per the effectiveness of FDI

Bulgaria ranks 7th as per the effectiveness of foreign investments in the period from 2004 to 2006 according to the latest report on World Investments in 2007 of the United Nations Conference on Trade and Development. Fifteen years ago the country occupied the 92nd position

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in the chart. The main factors for attracting foreign capital are cheap labor and the country's recent membership of the European Union. So far Bulgaria and Romania have attracted a total of \$62 billion: that is, 18 times more compared to 10 years ago.

Kazakhstan to invest in Turkey

Kazakhstan's Capital Partners the owner of Moscow's Ritz Carlton hotel, announced that it is reparing to invest \$1,5 billion in Turkey's tourism sector. The firm said that it is planning to build a holiday resort called Kaplankaya on a 4,8 million square meter plot of land in Bozbük, Milas. The resort will include 2000 houses and five hotels.

China invests in Turkey

Turkey is about to introduce a new strategy in its economic relations with China, which has decided to establish production plants in Istanbul, Ankara, Izmir and Mersin. Chinese products, the quality of which Turkish industrialists often criticize, will in the future be produced in Turkey, though the volume of investment and types of products to be produced in Turkish soil have not yet been disclosed. According to the DTM, Turkey's imports from China totaled \$6,8 billion in 2005 and reached \$9,6 billion in 2006. On the other hand, although the foreign trade imbalance is high, Turkey's exports to China are also increasing. Having sold goods worth \$500 million to China in 2005, Turkey increased this figure to \$693 million in 2006.

Petrol Ofisi expands into Georgia

Petrol Ofisi, Turkey's biggest fuel retailer, will open its first gas stations in Georgia in the coming months. Petrol Ofisi is also expecting the process of procuring a license to build a refinery in Ceyhan, southern Turkey, to be complete in the coming weeks. The firm, which is waiting for the outcome of its bid for oil exploration in Iran, is planning further expansion in the region. Petrol Ofisi's gas stations in Georgia will be located in the two largest cities of the country – Tbilisi and Batumi – as well as the main highway connecting them. The plan of Petrol Ofisi for the next three years is to open 30 retail outlets in Georgia and reach a market share of 10 percent.

The main players in the Georgian gas station market are Russian Lukoil and Greek Eko.

Dimes launches fruit juice production in Azerbaijan

Turkish fruit juice brand Dimes is building production facilities in Azerbaijan as the first step of its \$10 million plan to invest abroad. Dimes aims to become a notable regional player in the Central Asian juice markets in the mid-term. In addition to Azerbaijan, Dimes eyes to launch production in Russia and other Turkic Republics. The facilities in Baku, which cost \$2 million, will start operating later in 2007. Dimes exports its products to 52 countries and represents 60 percent of all Turkish juice exports. In the domestic arena, Dimes dominates 40 percent of the market.

Russian Mirax buys Sungate Port Royal Hotel

One of Turkey's most luxurious hotels Sungate Port Royal Hotel located in Antalya's Kemer-Beldibi district and owned by Cengiz Construction company was sold to one of Russia's largest real estate and construction companies for \$340 million.

ArcelorMittal JV to invest \$500 million

Turkey's leading steel producer Borusan Holding and the world's largest steel firm ArcelorMittal held a press meeting on October 22 to announce a 50/50 joint venture partnership consisting of an investment of \$500 million for the construction of a new hot strip mill in Gemlik, northwestern Turkey. The mill, which is expected to have an annual production capacity for 4,8 million tons, will be fully operational by 2012. According to Michel Wurth, member of ArcelorMittal's group management board the Turkish steel market is expected to grow at an annual rate of at least 6 percent over the next 10 years. Turkey is the second largest growth market for steel in the world after China.

Greece's Eurobank Properties eyes expansion in the Balkans

Greek real estate investment company Eurobank Properties said it had nearly clinched a deal to buy a Romanian property worth as much as € 40 million (\$54,7 million) and is eyeing more Balkan

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investments. The property investment arm of Greece's third-largest lender, EFG Eurobank, said on September 1 it was keen to take advantage of recent changes in Greek investment laws that allow local real estate companies to venture more freely abroad. Greece recently adjusted its laws to allow real estate investment companies to invest up to 10 percent of their assets in non-European Union countries through special companies that own and lease property.

SOCAR conducting a study on investment opportunities

The State Oil Company of Azerbaijan is conducting a study whether it should seek investment opportunities in Romania. In addition to opening offices in Romania and Georgia, the company has also opened a representative office in Britain. SOCAR is considering opening an Office in Kazakhstan as it looks toward the possible transit of Kazakh hydrocarbon production via the Caspian, through Azerbaijan and onto the world market.

Privatization

Iranian Parliament Ends Debate on Provisions to Implement Article 44

Iranian Parliament ended on October 15 debate on provisions consistent with Article 44 of Constitution which envisages privatisation and obliges the government to cede its stakes in large enterprises to the public. According to the provisions, Ministry of Science, Research and Technology and Ministry of Education have been excluded from privatisation. The Parliament also obliged the government to recognise membership of chairman or representative of Iran's Chamber of Commerce, Industries and Mines (ICCIM) in decision making councils on economy through modifying procedural formalities. According to the Parliament approval, chairman of ICCIM will be formally represented in the Economy Council, Board of Trustee of the Foreign Investment Board in charge of ceding large enterprises.

Iranian State Assets to be Privatized

The government's privatization program aims to distribute wealth and help enhance stock

exchange markets throughout the country. The trend of privatization in Iran has been growing in the past two years. The government is planning to privatize the \$2.400 billion worth of state assets. There are 5.000 state companies in Iran, of which 1.000 – 1.500 are in the process of being privatized. The government's privatization is expected to help enhance monetary turnover of Iran's stock exchange market, which currently stands at some \$42 billion.

Foreign Firms Eyeing Iran Telecom

Foreign firms from Asia, Europe and Arab states have offered to purchase shares of Iran's Telecom Company (ITC). The Privatisation Organisation of Iran (IPO) has been waiting for ITC reports to be provided to potential bidders. Bank shares will also be offered through the Tehran Stock Exchange (TSE) by December this year. The IPO referred to Saderat and Mellat Banks as the first banks to go on sale on the TSE. The Privatisation Organisation of Iran, affiliated to the Ministry of Economic Affairs and Finance, is in charge of setting prices and offering shares to the general public and foreign companies through the country's stock market.

Fereydoun- Kenar port To Be Privatized

Discussions on privatization of Fereydoun-Kenar port in Iran has been finalized on October 9 and the related contract will be concluded within the next two months. The port will be leased to the private sector for a specified period and following the signing of the contract, the private sector will complete and manage the warehouses, sites, reservoirs, installations and other sections of the port. The port was constructed nearly 10 years ago and was handed over to the "Ports and Shipping Organization" following the completion of its pier and pond. After a few years of correspondence, the Iranian government recognized the port as a legal customs border, and issued a license for its activities.

Turkish highway sell-off in 2008

Turkey's privatization of highways and bridges expected to bring more foreign investment to Turkey is due to be launched in early 2008. As part of a broad privatization programme Turkey plans to sell eight highways and two landmark

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bridges which cross the Bosphorus Strait in Istanbul.

Bulgarian Electricity distributing company (EDC) Privatization

The problem with the Electricity distributing company (EDC) Sunny beach privatization was solved out of court. An agreement was signed between Austria-based EVN, the Privatization agency and the Post-Privatization Control Agency. The Austrians paid BGN 44.2 million (\$32.7 million) for the shares, announced the CEO of the Privatization agency Todor Nikolov. The agreement solves the matter with the case brought to the International arbitration in Paris Industrial Association because of the state not selling the Electricity distribution company until now.

Banking & Stock Exchanges

Kazakhstan holds key rate unchanged

According to Kazakhstan's central bank, Kazakhstan key refinancing rate unchanged at 9 percent despite inflationary pressure. The bank said in a statement on September 27, it had also decided to postpone raising its minimum reserve requirements on banks' foreign liabilities to January 15 next year from October 9. Kazakh banks rely heavily on foreign borrowing to fund their rapid growth and the global credit squeeze has had a knock-on effect in the oil-rich Central Asian state. The Central Bank has already postponed raising minimum reserve requirements due to a domestic liquidity squeeze at the end of August. Consumer prices rose 6,3 percent in the first eight months this year compared with 5,3 percent in the same period last year. Inflation accelerated to 8,6 percent in 2006 from 7,6 percent in 2005. Kazakh banks nearly doubled their assets in the same period, having become heavy issuers on international bond markets.

Bulgaria's Corporate Commercial Bank posted BGN 18,7 million net profit

Bulgaria's Corporate Commercial Bank posted BGN 18,7 million (\$13,8 million) net profit for the first nine months of 2007, a nearly four-fold year on year increase. The increase may be put

down to the higher revenue from interest, which more than doubled to BGN 25,89 million (\$19,2 million). The total assets of the bank stood at BGN 1,39 billion (\$1,02 billion) as at the end of September 2007.

Government support on Petkim bid boosts Turcas

Turcas Petroleum A.Ş., the Turkish partner of Dutch Shell Plc, rose the most in three months in Istanbul trading after winning government support to buy 51 percent of Petkim, the state chemicals maker, for \$2,04 billion.

Biggest Bourse Transaction in Iran

Tehran Stock Exchange experiences its biggest transaction as the shares of the National Iranian Copper Industries are sold at a value of \$1,1 billion. Total available shares amounting to 20 per cent of the company's overall value was sold by the stockbroker of "Bank Melli Iran" to Hafez stockbroker at a price of 8.770 Rials (\$0,94) per share.

ENERGY

Natural Gas & Petroleum

OPEC oil output rises in October

OPEC is already raising oil production in response to record-high prices and in advance of its agreement to increase output from November. OPEC's 10 members subject to output limits, all except Iraq and Angola, are set to pump 27,5 million barrels per day, up from a revised 27,2 million bpd in September. The estimate indicates that OPEC may be relaxing adherence to supply curbs in response to a jump in oil prices. On September 11, the group formally agreed to lift production from November 1.

Azerbaijan to raise gas exports

Azerbaijan will pump 6,6 billion cubic meters of natural gas to Turkey within two years according to the Industry and Energy Minister of Azerbaijan. Minister Aliyev noted that in accordance with a 15-year deal between the two countries Turkey will receive 78 billion cubic meters of gas.

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Second phase of Azeri Shakh-Deniz gas field delayed to 2013

The start of the second, \$10 billion phase of Azerbaijan's biggest gas field, Shakh-Deniz, has been delayed by one year to 2013 as the project faces development problems. Potential buyers of the gas from phase two are Georgia, Turkey and southern European countries, who are seeking an alternative gas supply from Russian gas export monopoly, Gazprom. Currently Shakh-Deniz produces around 15 million cubic meters of gas per day and has reserves of 1,2 trillion cubic meters all of which is sent to Turkey via Georgia.

Azerbaijan to build refinery in Turkey

Azerbaijan is going to build a high-tech oil refinery in Ceyhan Port, Turkish port at the end of Baku-Tbilisi-Ceyhan Pipeline carrying the Caspian oil from Azerbaijan to the world market via Georgia and Turkey. The state oil company of Azerbaijan SOCAR announced it will start building the \$4 billion oil refinery in 2008. The refinery, expected to have capacity of 15 million tons annually. It will consist of an oil refining unit and a petrochemicals unit.

Azerbaijan to build a new oil terminal

Azerbaijan State Investment Company and KavkazTransService plan to build a 1 million barrel-per-day oil terminal in Baku, which could help the country double its oil export capacity. The terminal will have an annual capacity of over 50 million tonnes of oil products and cost \$150 million. Azerbaijan exports 50 million tonnes of oil products a year.

Kazakhstan allows government to change, break oil contracts

Kazakh lawmakers passed a bill on September 26 allowing the government to unilaterally break contracts with foreign companies, potentially threatening an Italian-led consortium developing a giant oilfield. Kazakhstan has already stopped operations at the huge Kashagan oilfield run by Italian energy firm Eni in a row over mounting costs and project delays but the legislation raises the stakes still further. Under the law, the oil-rich state could force retrospective changes to any contracts or break their terms altogether with foreign and domestic companies, if it deemed a threat existed to country's national security.

Gazprom unit may bid for Turkish natural-gas grid

DAO Gazprom, the world's biggest natural-gas provider, may bid for the Turkish capital's gas grid in a sale that could fetch as much as \$3 billion. Bosphorus Gaz Corp., owned by Gazprom and Turkey's Tur Enerji, is interested in buying the Ankara grid and other Turkish networks to be sold in the future.

OMV targets natural gas markets

Austria-based energy company OMV, a partner of Petrol Ofisi Turkey, held its Fifth Media Summit between October 9 and 10 in Vienna. Turkey is potentially in the front rank for OMV's plans, thanks to the size of its natural gas market.

Turkey to fund \$3,5 billion Iran Gas Deal

Turkey will finance a \$3,5 billion investment in Iranian gas production entirely from a state company of its own as U.S. opposition has put off foreign investors.

Aygaz and Chevrolet collaborate

Aygaz and Chevrolet decided to collaborate in hopes to wide spread the usage of LPG in Turkey. As part of the deal between the two companies all Chevrolet customers are informed about the LPG. Chevrolet provides all its customers purchasing LPG vehicles with free of charge or discounted Aygaz Euro LPG advantage by the company.

Iran-Syria sign billion dolar gas deal

Iran have signed in early October an agreement on export of three cubic metres (105 billion cubic feet) of natural gas annually to Syria. The agreement is the latest sign of the expanding political and economic ties between the two countries. Iran plans to export about 100 billion cubic feet of natural gas to Syria every year, according to Iranian state-run media. The deal would require the gas to be transported through Turkey by pipeline. The exports are set to start in 2009 and will be worth \$1 billion to Iran annually.

Iran-Tabriz Oil Refinery Shares on Sale

Shares of Tabriz Oil Refinery would go on sale as of November 22. As Tabriz Oil Refinery was a lucrative plant and had desirable industrial

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infrastructure, it enjoined favorable features for being offered in the stock exchange at different stage. The member companies of Oil Products Export Development Fund of Iran have voiced their readiness to the Iranian Privatization Organization to purchase the shares of Tabriz and Isfahan refineries. The Fund's members have expressed their preparedness and are eager to buy the stakes of Tabriz and Isfahan refineries that are offered either by tender or in the stock exchange. The companies aimed to promote the country's refinery industry by increasing the variety of products, optimizing fuel consumption, renovating and developing refineries' inlets and outlets, and boosting output.

Zorlu eyes gas distribution tenders

Turkey's Zorlu Energy plans to participate in the upcoming round of natural gas distribution tenders. Turkey's state pipeline group Botaş sold 16 lots of distribution Networks last year to buyers including Royal Dutch Shell and Bosphorus Gas.

Bulgargaz Overgas to create a joint gas distribution venture

Bulgargaz, the Bulgarian state-owned gas supplier, said it is in talks with private counterpart Overgas Inc. to create a joint gas distribution venture. Establishing a foothold on the segment for retail gas sales to household customers is part of Bulgargaz's development strategy. The state-run corporation intends to have a majority control in the planned joint venture. The partnership will have to be approved by the energy ministry and the government because it would involve a major state-owned enterprise. Bulgargaz will also have to apply for a gas distribution licence for the new company.

Petrol Ofisi sees no need for 3rd refinery in Turkey

Petrol Ofisi and its Austrian owner, OMV AG, have a license to build a \$3 billion refinery in Ceyhan in southern Turkey. The state regulator has also approved a \$4,9 billion plant planned by Indian Oil Corp. and Turkey's Calik Holding, and a \$4 billion facility by Azerbaijan's Socar and Turcas Petrolculuk, a local gas-station chain. The three plants would double Turkey's refining

capacity to 62 million tons a year. Petrol Ofisi is likely to decide in November whether to build its planned refinery, for which it won approval in June.

Pipelines

West-East natural gas pipeline

China is likely to start the second phase of the West-East natural gas pipeline Project around end of 2007 or early 2008. Over the last four years, China has seen a 62 percent increase in the growth of its oil and gas pipeline networks which now extend a total of 48.000 km according to the official figures.

Bourgas-Alexandroupolis oil pipeline

Kazakhstan President Nazarbayev promised Kazakh oil supplies for the Bourgas-Alexandroupolis oil pipeline during the visit of Bulgaria's Deputy Prime Minister to Astana. Thus, Bulgaria will meet Russia's requirement to supply crude oil for the pipeline corresponding to her share of twenty-four and a half percent. Moscow insists that Bulgaria should sell her share if it fails to provide the necessary quota of crude oil.

Kazakhstan, Azerbaijan Sign Oil and Gas Cooperation Accords

Kazakh state-run oil and gas company KazMunaiGaz and Azerbaijan's state-owned oil company SOCAR signed an agreement on strategic cooperation in the oil and gas sectors and a memorandum on the joint implementation of a trans-Caspian Project on October 17. The agreement mainly focuses on transportation of Kazakh oil and petrochemical products and joint use of the SOCAR's oil and gas infrastructure. The memorandum outlines the details of the agreement signed last June between Kazakh President Nazarbayev and his Azeri counterpart Ilham Aliyev and specifies the assistance deemed for transportation of Kazakh oil via the Caspian Sea, Azerbaijan and further to European markets through the Baku-Tbilisi-Ceyhan pipeline. The initial volume of transport is expected to hit 500.000 barrels of oil a day, with a further increase to 750.000 barrels a day in the future.

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Nabucco countries search for sixth partner

The five signatory companies to the Nabucco Pipeline Project – Austria's OMV, Hungary's MOL, Romania's Transgaz, Bulgaria's Bulgargaz and Turkey's Botaş are in talks with Germany's RWE and France's Gaz de France to choose a sixth partner.

Five-nation oil pipeline bypasses Russia

Five former communist-bloc countries Azerbaijan, Georgia, Poland, Ukraine and Lithuania have signed a deal to extend an oil pipeline that bypasses Russia, in a move that could diversify supplies and cut Moscow's energy clout. The specific goal of the five governments is to create a new oil route linking the Caspian and Baltic seas, based on an existing pipeline running through Ukraine, with the aim of opening the taps by 2011. The Ukrainian pipeline currently ships Russian oil from the Black Sea port of Odessa to Brody, near Ukraine's western border with Poland. The plan is to extend the pipeline to the central Polish city of Plock, home to the country's largest refinery, allowing new supplies to be shipped onward to the seaport of Gdansk. Officials from the five governments plan to meet again in 2008 in the Ukrainian capital, Kiev, to set down the "entire schedule" of the pipeline deal, including its precise route and funding.

For more please refer to the point of view by Amin Charkazov in the second issue of UBCCE Quarterly Bulletin.

Other Energy News

Turkey Iran electricity deal

Turkey and Iran will sign the preliminary agreement on establishment of electric transmission lines on November 7 in Ankara. Turkish and Iranian officials, in August, agreed on building three power plants using natural gas to generate 6,000 megawatts of energy. The two countries decided to develop electricity transmission lines, which will render possible the electricity exchange. With this agreement three to six billion kilowatts per hour of electricity will be exchanged annually, at times when electricity consumption peaks.

EnerjiSA to invest \$530 million in Turkey

EnerjiSA, a Turkish electricity generation and energy trading company half-owned by Austria's Verbund AG, will invest \$530 million to develop five hydroelectric power plants within Turkey's Anatolian region. The plants set to build in the province of Kahramanmaraş, are to be completed by 2012. The investments will help Sabancı Holding of Turkey to reach its goal of making 15 percent of its revenue from energy by 2015.

Alarko to spend \$1.2 billion on energy

Alarko Holding of Turkey plans to invest YTL 1.4 billion (\$1.16 billion) in energy in Turkey. Istanbul-based Alarko decided to increase the capacity of one of its plants in the Northwestern city of Kırklareli after reaching agreement with its partners. Alarko also intends to build two 500 megawatts plants in the city of Samsun in northern Turkey.

Innovative Energy - Turcas sign deal

Turcas the first private petroleum distribution company in Turkey signed an agreement with Innovative Energy Group on October 8, for founding, developing and managing windpower santrals in Turkey.

Tranzgas shares to start trading

Transgaz SA, Romania's state-owned natural gas distributor, could start trading on the Bucharest Stock Exchange in March after an initial share sale late this year. According to the Romanian officials, the government will start talking bids for shares in November and end the sale in December.

Romanian gas company Rompetrol sells 75 percent of shares

The Rompetrol Group has sold 75 percent of its shares to Kazakhstan's state-owned energy company, KazMunaiGaz. The deal, signed on October 5 in Almaty, would double the Kazakh company's refinery capacity and give it 630 gas stations in seven countries including Romania, Georgia, Bulgaria, Spain, Moldova and France - boosting its presence within the European Union. Rompetrol did not give a sale figure, but the oil company - Romania's second largest and a major regional energy player - is worth \$3,6

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billion - suggesting the price of the deal was around \$2,7 billion. The sale, which still needs approval from EU regulators will offer Europe "an energy bridge that does not depend on Russia," Rompetrol chairman and CEO Dinu Patriciu declared.

GdF-Suez merger seen as challenge to EU

After 18 months of political and legal setbacks, the two French utilities, the Gaz de France and Suez, announced on September 3 the conclusion of a merger deal that will create the world's third-largest utility around €70 billion, to become Europe's biggest purchaser and supplier of natural gas as well as its largest natural-gas distributor. Supporters say that the new entity will help ease Europe's concerns about ensuring the security of its energy supplies, by reinforcing France's position as a major player on European and global energy markets and reducing the bloc's dependence on Russian gas.

TRANSPORTATION

Iran Turkey hold maritime talks

Turkish maritime officials were in Tehran to attend the first Iran-Turkey conference on ports and shipping cooperation. The transit of Turkish goods to other states via Iranian ports, and the construction of marine fueling stations for Turkish vessels in the Persian Gulf were among the issues raised at the meeting held between September 4-6.

'Iron Silk Road' becoming a reality

On September 20, Turkey took the first step for the construction of a strategic railway line linking it to Central Asia, increasing hope for a much better economic and political integration with that part of the world. Fourteen companies have submitted bids to participate in the construction of the 76-kilometer long Turkish part of the Baku-Tbilisi-Kars railway. Turkey put aside YTL 380 million (\$282 million) from its budget for the 258-kilometer project that will hook up its rail network with that of Georgia and energy-rich Azerbaijan. Experts praise that the railway project will revive the historic "Iron Silk Road" and the steps taken so far clearly indicate the willingness of Turkey, Azerbaijan and Georgia to realize the long-awaited project despite obstacles.

BSEC

Council of the Foreign Ministers of BSEC

The Council of the Foreign Ministers of the Black Sea Economic Cooperation met in Ankara on October 25 for the 17th time. The Foreign Ministers from the BSEC member states of Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, the Russian Federation, Serbia and Ukraine came together to make significant decisions on the implementation of the Summit Declaration of June 25 and released final Ankara Declaration, an essential document for the implementation of energy, trade, transport and environmental projects with the European Union.

The 16-article statement said the foreign ministers renew their commitment to undertake further steps towards consolidating the BSEC's character as a project-based, result-oriented organization.

In the final declaration, the foreign ministers instructed related organs to explore areas where it is desirable and realistic to develop new legally binding instruments for multilateral cooperation in a regional format, especially in areas of cooperation of energy, trade and transport.

According to BSEC Secretary General Leonidas Chrysanthopoulos, the summit declaration reflects the new period of enhanced relations between the BSEC and the EU. In BSEC summit in June 2007, the European Commission was granted observer status toward the BSEC. The Ankara meeting of BSEC foreign ministers ended with the transfer of chairmanship from Turkey to Ukraine. BSEC countries recorded a growth rate of 6,2 percent in five years to reach a \$3,4 trillion, or 7,6 percent of world economy.

EUROPEAN UNION

European Parliament Resolution on Turkey

An EP resolution drafted by Ria Oomen-Ruijten (Dutch MEP from Christian Democrats Group) congratulated Turkey on its recent legislative elections and welcomed especially the new government's renewed commitment to reforms. The resolution also indicated areas in which further progress was still necessary, especially

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concerning the content of upcoming constitutional reforms, while also expressing concern about possible Turkish military actions in Northern Iraq. Members supported the opening of negotiations on the energy chapter, and encouraged Turkey to join the European Energy Community, given the country's importance as a transit hub for gas supplies.

Stabilisation and Association Agreement between Montenegro and EU

Montenegro and the European Union have signed a key agreement that is the first step towards EU membership for the former Yugoslav state. The Stabilisation and Association Agreement (SAA) opens up trade between the EU and Montenegro, which broke away from Serbia in May 2006. Significant judicial and constitutional reforms are required in the country, struggling with corruption. Montenegro is not yet officially a candidate for EU membership.

EU-Russia Summit

The European Commission proposed in August to stop non-EU firms from buying energy transmission networks if their home countries did not have a prior agreement with Brussels, a move regarded as targeting Gazprom, Russia's state gas giant. President Vladimir Putin discussed the proposals with EU Commission President Jose Manuel Barroso at EU-Russia Summit held in Portugal on October 26. Differences over energy and Europe's reluctance to endorse Russia's bid to join the World Trade Organization were sticking points at the one-day summit. A dispute over Russia's ban on the import of Polish meat has stopped the EU and Russia starting talks on a new partnership and cooperation agreement to replace one which expires in December. Brussels and Moscow are also haggling over other trade issues, including Russia's export duties on timber, which the EU wants resolved before blessing Moscow's entry into the WTO.

Bulgaria Prime Minister met with EU External Affairs Commissioner

The prime minister of Bulgaria Sergei Stanishev had talks with the EU External Affairs Commissioner Benita Ferrero - Waldner on

September 17. On the meeting the prime-minister Stanishev and the Commissioner Ferrero-Waldner discussed the specific European initiative on security, stability and the cooperation in the Black Sea region. A topic issue was also the EU project on the absorption of the neighbourhood policy with non-member states. Commissioner Ferrero-Waldner stated that "Bulgaria plays special role in the European neighborhood policy and more precisely in such EU initiatives like "The Black Sea Synergy" and in relation to the dialogue with the countries from the Western Balkans, Russia, Turkey, Ukraine and Georgia. In the European integration process the country had gained valuable experience in carrying out the reforms, which experience now should be transferred."

OTHER REGIONAL NEWS

Constitutional Referendum in Turkey

A constitutional referendum on electoral reform took place in Turkey on October 21. The constitutional amendment that allows for the election of future presidents by popular vote instead of being elected by parliamentarians received the backing of 69 percent of the public.

Terrorist attacks by PKK

Attacks by the outlawed terrorist organization PKK caused lives of 13 Turkish soldiers on October 7 and 12 more on October 21. Following the aggressions, the Turkish Grand Assembly granted the government the official permit for a cross border operation in Northern Iraq.

Early Elections held in Ukraine

Early parliamentary elections took place in Ukraine on September 30. The alliance of two electoral blocks associated with the "Orange Revolution" have gained a narrow victory before the "Party of Regions" of Prime Minister Viktor Yanukovich. Party of Regions has obtained around 35% of the votes and won 175 seats in the 450 seats Parliament whereas Yulia Tymoshenko Bloc has received around 31% of the votes with 156 seats and Our Ukraine–People's Self-Defense Bloc with around 14% of the votes and 72 seats.

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Parliamentary Elections in Kazakhstan

The party of President Nursultan Nazarbayev has won all available seats in Kazakhstan's new Parliament following the elections held on August 18-19 monitored by the Organization for Security and Cooperation in Europe (OSCE), President Nazarbayev's Party obtained 88% of the votes casted.

General Elections held in Greece

The governing conservative party of PM Costas Karamanlis has won Greece's anticipated general elections held on September 18, retaining a slim majority in the parliament. (42% of the votes, 152 seats in the 300 seat Parliament.) George Papandreu's Socialist PASOK party followed Karamanlis New Democracy Party by nearly ¼ of the votes. (38% of the votes, 102 seats) The vote was overshadowed by forest fires that caused the loss of 63 lives in August. The Government declared a state of emergency in merely all regions and implied the destruction could be part of an orchestrated campaign of arson. The Government announced generous measures for the relief of families and aid to businesses and communities. The social partners, including the Hellenic Federation of Enterprises (SEV), declared their commitment to take actions for the restructuring of economic and social life in the affected regions and called upon enterprises and individuals to express their social responsibility by providing any possible contributions and assistance.

Turkish contractors acknowledged

Some 22 Turkish firms have ranked among the world's 225 largest international contracting firms in 2007. Following the United States and China, Turkish contracting firms protected their third-place spot on the list. Firms that made the list included ENKA, Yapı Merkezi, Alarko, Soyak, Doğuş and Tekfen.

Security and energy dominate Central Asia Summit

The leaders of Russia, China and four Central Asian states – Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan – came together on August 16 for the meeting of the Shanghai Cooperation Organization (SCO) in the Kyrgyz

capital Bishkek to sketch out plans to put energy cooperation at the heart of their mutual security.

Uzbek President Karimov's visit to Turkmenistan

President of Uzbekistan Islam Karimov visited Turkmenistan on 18 and 19 of October for a two-day state visit on the invitation of Turkmenistan's President Gurbanguli Berdimukhammedov. At the meetings in Ashgabat, the two presidents discussed expansion of Uzbek-Turkmen cooperation and important international problems representing mutual interest. Signing of a number of bilateral documents aimed at deepening cooperation between the two states in various spheres also took place during the visit. The Uzbek President confirmed the interest of his country to join the new railway line which will connect Turkmenistan, Kazakhstan and Iran. The trilateral accord concerning the construction of a new railway line was signed during the Caspian Summit held in Tehran on October 16.

From Members

Azerbaijan - ATIB

International Conference on “Place & Role of Turkey, Azerbaijan and Russia in the Geopolitics of Eurasia”

Azerbaijan Turkey Businessmen Association (ATIB) jointly organized with Russian Humanitarian Academy, an international conference on “Place & Role of Turkey, Azerbaijan and Russia in the Geopolitics of Eurasia” on October 16 in Moscow. The Conference, sponsored by Azercell, International Bank of Azerbaijan and AtaHolding, was held at President Hotel.

A number of high level government officials, business representatives and scientists from Azerbaijan, Turkey and Russia joined the Conference and had useful discussions on the issues concerning Eurasian geopolitics, the role of NGOs for approaching business community for developing business environment, human resources and innovation. Ahmet Erentok, UBCCE Vice President & ATIB Chairman, Mikhail Karpenko, Rector of Modern University of Humanity, Polad Bulbuloghlu, Ambassador of the Republic of Azerbaijan to Russia, Kurtuluş Taşkent, Ambassador of Turkey to Russia, Süleyman Demirel, 9th President of Turkey, Hikmet Çetin, Former Minister of Foreign Affairs of Turkey, Aleksandr Duggin, Leader of Russia-Eurasia Movement, Alimirzamin Asgarov, Head of Department at Azerbaijan Foreign Affairs Ministry, Abbas Abbasov, Former First Deputy Prime Minister of Azerbaijan, Murat Zöngür, UBCCE Acting Secretary General, representatives of sponsors and other government and business community delivered speeches during the Conference. At the end, participants decided to have Conferences of this type on a regular basis for contributing to the resolution of economic, political and scientific problems of the region.

Bulgaria - BIA

BUSINESSEUROPE visit to Bulgaria

On the invitation of Union of Bulgarian Industries, BUSINESSEUROPE’s Secretary General Mr. Philippe de Buck visited Sofia on September 21 - 23. During his visit, Mr. de Buck

presented BUSINESSEUROPE priorities to BIA’s board. He also met the Bulgarian Minister for European Affairs, Gergana Grancharova, the Bulgarian Deputy Prime Minister and Minister of Foreign Affairs, Ivailo Kalfin, and Georgi Pirinski Chairman of the National Assembly. During the conversations with Mr. de Buck an emphasis was placed on the conditions and the perspectives before the Bulgarian Economy in the new and competitive environment; the role of the European Sector Organizations and the participation of the Bulgarian Sector Organizations, members of BIA in their activities; European Business issues, etc.

Romania - TIAD

Release of TIAD Investors Guide

On September 25, ACPR presented itself in front of the Romanian mass-media, presenting its points of view regarding patronates law, the minimum salary in Romania and the trade unions assets (real estate). Using the occasion, TIAD President, Mr. Halit Öztürkmen underlined the active presence of TIAD within ACPR and business community in Romania. During the press conference TIAD had the opportunity to present and promote the new edition of the TIAD Investors Guide for Romania.

Turkish Prime Minister’s visit to Romania

Turkish Prime Minister Recep Tayyip Erdoğan paid an official visit to Romania between October 25-26, at the invitation of his Romanian counterpart Calin Popescu Tariceanu. The two leaders assessed the possibilities to improve the bilateral relations between Turkey and Romania, and regional and international matters. During the visit, Turkish Prime Minister Erdoğan had also a meeting with Turkish community in Marriott Hotel. For the occasion of Prime Minister’s visit, TIAD hosted a reception in Intercontinental Hotel following the Romanian – Turkish Business Council Meeting held on October 25.

From Members

Turkey - TISK

TISK and HAK-İŞ Conclude Joint Social Dialogue Project

TISK and HAK-İŞ (HAK-İŞ Trade Union Confederation)'s joint grant project under the framework of the EU funded "Strengthening Social Dialogue for Innovation and Change in Turkey" Programme implemented by the Turkish Ministry of Labour and Social Security was concluded with a Final Conference held on September 11 at TISK's Headquarters in Ankara.

The grant project was called "Building a Model of Bipartite Social Dialogue for Effective Implementation of the Labour Law" and as the name suggests it aimed to contribute to efficiently implementing labour law through a more peaceful and rewarding industrial relations network between employees and employers on all three levels; on the confederations level, on the member associations level and directly between employers and employees on the enterprise level.

The Final Conference held in Ankara with attendance from the recently appointed Minister of Labour and Social Security Mr. Faruk Çelik provided a platform where presidents of both Confederations agreed for the sustainability of good dialogue created through the Project in signing the Final Declaration.

In the Declaration, flexibility of labour legislation and occupational health and safety measures are noted as primary fields of common work for both Confederations.

EUROCIETT President Anne-Marie Muntz at the 11th meeting of TISK Social Policy Agenda

Ms. Anne-Marie Muntz, the President of EUROCIETT, the European Confederation of Private Employment Agencies was TISK's guest speaker at the 11th Social Policy Agenda Meeting that took place at Mövenpick Hotel in Istanbul on September 13.

Muntz delivered a presentation on "Temporary Agency Work in Light of EU Experience" to a distinguished audience of human resources professionals and employer representatives and

stressed the role of temporary agency work as a major element of flexicurity that helps certain disadvantaged groups enter the labour market while offering flexibility for enterprises and workers alike at different stages of their lives. Muntz also provided information about the organization of EUROCIETT, the temporary agency work sector in Europe and the position of EUROCIETT with regard to the flexicurity debate and other major policy debates that are of interest to them as one of "sectoral social partner" organizations recognized by the European Commission.

"The Interregional Conference for Sharing Experiences and Lessons Learnt in Combating Child Labour"

"The Interregional Conference for Sharing Experiences and Lessons Learnt in Combating Child Labour" organized by ILO Bureau for Employers' Activities and hosted by TISK was held in Istanbul on September 27-28. The Conference was attended by high level representatives of employers' organizations from Albania, Azerbaijan, Bosnia-Herzegovina, Georgia, FYR Macedonia, Kyrgyzstan, Moldova, Ukraine, Uzbekistan and Kazakhstan as well as representatives from ILO Headquarters in Geneva, ILO Ankara Office and TISK.

The Conference helped share TISK activities on child labour which are depicted as "good practice" with the representatives of participating employers' organizations as well as inform them about other country experiences and avail them of the possibility to see the activities on the field. After the round table session "The Role of Employers' Organizations in the Region in Combating Child Labour" where further exchange of information was carried out, a "Joint Statement" was announced undersigned by business representatives from 12 countries.

TISK and TÜRK-İŞ Cooperate For Employment Growth

"Final Conference for Activating Monitoring and Guidance Mechanisms at Local Level Project" run in cooperation by TISK and Turkey's biggest labour unions confederation TÜRK-İŞ was held in Ankara on September 25. The "TISK and

From Members

TÜRK-İŞ Joint Final Declaration” issued following the Conference affirmed the necessary steps to be taken in establishing a “Labour Market Information System”.

The Joint Project of the two Confederations of TİSK and TÜRK-İŞ was implemented from December 2006 through September 2007 and run under the Ministry of Labour and Social Security’s Social Dialogue Grant Scheme supported by the EU.

The designing of the Project was born by the facts that the Provincial Employment Boards’ activities were not based on a social dialogue and cooperation atmosphere comprehensive of all institutions, that the idea of using existing labour market statistics and the existing statistics were still insufficient.

TÜSİAD - Turkey

Inauguration of Beijing China Office

TÜSİAD will be opening on November 27 a new office in Beijing aiming to contribute to the representation of the Turkish private sector in the Asia-Pacific region. Ms. Iraz Turhan is assigned as the director of Beijing Office of TÜSİAD. The office is being inaugurated in collaboration with the European Union Chamber of Commerce in China (EUCCC), the leading European private sector organization in China.

According to the agreement reached between TÜSİAD and EUCCC, TÜSİAD Beijing office will operate inside the EUCCC complex. TÜSİAD Beijing office will benefit from the infrastructure, logistics, working groups, communication personnel and activities of EUCCC. The Beijing office will assist TÜSİAD members in their export, investment and partnership dealings with China and play an informative and confidence-building role with Chinese interlocutors interested with Turkey.

Trade volume between Turkey and China was more than \$10 billion in 2006 - heavily in China's favor with some \$8 billion worth of exports to Turkey - and is expected to reach \$15 billion in 2007, according to Turkish foreign trade figures.

TÜSİAD already has representation offices in Washington and Brussels and branch offices in Berlin and Paris.

Competitiveness Congress, November 8

TÜSİAD – Sabancı University Competitiveness Forum (REF) is to host its 3rd Annual Congress on Competitiveness on November 8 in Istanbul Conrad Hotel. The theme of this year’s congress will be the “Growth Dynamics”. The inaugural speeches of the event will be delivered by Minister of State Mehmet Şimşek, Chairman of Federation of Industrial Associations (SEDEFED) Bülent Akgerman, SEDEFED Board Member and Head of the Congress Organization Committee Emre Aykar, and Borusan CEO Agah Uğur. The congress will feature presentations by leading international experts in the fields of competitiveness.

16th Quality Congress, November 12-14

TÜSİAD and KalDer (Turkish Society for Quality) will convene 16th Quality Congress with the theme of “Global Competitiveness and World Citizenship” in Istanbul, between November 12-14. In this gathering 2.500 top executives, managers from various disciplines, auditors, trainer and consultants from different sectors will search for providing opportunities for in depth discussions about contemporary management issues, as well as present problems rapidly facing the world such as global warming, inequality in income distributions, etc. In this gathering, approximately 150 speakers will try to influence the participants in more than 25 parallel sessions such as Management Approaches for Logistics, New Tools and Techniques in Management, Good Practices for Innovation, Audit Quality, TQM Applications in Public Sector, Competitiveness Worldwide: US, Europe and Lisbon Strategy, Different Cultural Elements' Synergy in Enterprises, Responsible Investment: Environment Management, Innovation Models in Competitive Enterprises, Leading Different Cultures, Corporate Social Responsibility and Global Compact, Knowledge Economy for a Better World, Profile of the Global Leader, Measuring Public Services: Citizen Satisfaction, Role of Business Life in Future.

BUSINESS CAN TAKE THE LEAD TO BRIDGE THE BLACK SEA AND CASPIAN REGION WITH EUROPE

By Mr. Ioannis Patsiavos, Director of International Relations, Hellenic Federation of Enterprises (SEV)

The diversity of the countries and the economies of the Black Sea and the Caspian Region makes generalizations difficult, however one can safely assume that future economic developments in the region depend basically on two factors: First, on the growth of the region itself, on its ability to expand intra-regional trade, investment and business cooperations. Second, on the gradual rapprochement and closer co-operation of the region with the European Union (EU).

The European industry is currently undergoing a process of restructuring and change: Traditional industries decline and move to other parts of the world, new industrial branches emerge, to meet the new needs of the market. European enterprises, in their effort to meet the demands of competition are constantly in the move, trying-among other things- to diversify their production base. These trends accelerate their mobility and increase the supply of foreign direct investment in other suitable countries of the world. Therefore future developments in European business world are important not only for the economies of European countries but also for other countries who aspire to attract new investments in their territory. In other words, if the present trends observed in the European companies continue into the future, Black Sea and Caspian countries can benefit from it, provided of course that they create an attractive environment for those European firms which are ready to move.

Greece finds itself well positioned bridging the regions and currently being involved in major energy infrastructure projects. The two other power-houses, Russia and Turkey, have the size but not the economic clout. Bulgaria and Romania are making their first steps as fresh members in the European family and are speeding up internal processes to achieve real convergence with EU and adapt to European standards. The other countries still have various problems in their economies and some like Georgia and Moldova, with noticeable weaknesses, barely function as sovereign states.

From business point of view the region has enormous potential, given the wealth of natural resources found, especially in the eastern-most of the countries. There is perhaps as much oil under the Caspian Sea as under the North Sea and a huge amount of gas there and in Central Asia, good for energy-hungry Europe. A region that is crisscrossed by oil and gas pipelines and several more in the planning stage.

These infrastructures projects are of major importance for the economies of the countries involved, but also for various industrial sectors. Synergies between construction and energy companies and relevant services providers are expected to emerge focusing on both public and private sector projects and on cross-border ones. Similarly, financial institutions will take the challenge to tap part of the potential by supporting projects which demonstrate positive economic impact and which promote regional economic cooperation. But apart of energy, many other non-oil sectors provide grounds for profitable activities such as telecommunications, high-technologies, constructions in various infrastructures, agro-industry, pharmaceuticals and cosmetics and health services.

There is also going to be an increasing demand for financing SME's, which is the backbone of the domestic private sector in most member countries of the Black Sea and Caspian Region. Modern financial instruments and quality products are key for micro or small and medium size firms in order to perform in emerging or developing markets.

Another area of business interest and cooperation is the promotion of environmental sustainability and soundness and cleaner technologies in a cost-effective manner. Focusing on the objective to preserve natural conditions and to prevent pollution of ground water, wetlands, coastal areas, natural parks, protected areas, forests or fisheries, a variety of investments and economic activities of significant value can take place.

According to international observers, we are witnessing a general progress towards economic restructuring in the region, although its distribution across the constituent countries remains somewhat uneven. These restructuring efforts focus particularly on the industrial sector, specifically high-tech development, on agricultural reform and on the rehabilitation of the service industry. Adherence to market reforms tends to sustain forward momentum in a number of the region's economies. Many countries advance steadily in this respect, with large-scale privatization and institution-building initiatives. In addition, they have important advantages which facilitate creation of a more ample business environment: important raw materials, a young population which increases education capacities and technical skills, new consumption tendencies which approach western standards and a desire to improve quality of life.

However, Black Sea and Caspian countries can not develop and thus attract foreign capitals if they are not able to improve and complete their infrastructures. In some cases, this is not possible to be achieved through national budgets. In fact, if it had been possible they would have been achieved. What they need is to have private sector and foreign financial schemes entering into the picture. Aside from infrastructures, foreign capital investment may be directed to manufacturing industry, agriculture and agro-industry, tourism and services sectors. Success in this respect requires open economies, reforms, institutional capacity, stable regulatory framework, fair judicial system, favorable tax schemes. To attract international investors an appropriate business climate should be in place creating conditions favoring entrepreneurship. Possible ways of achieving this include enhancing

competitiveness, lowering inflation and unemployment, ensuring more stable sources of financing to help reduce the effects of structural deficits. Some countries are increasing efforts to achieve progress in institutional reforms. Transparency, accountability, democratic processes are prerequisites for economic players to feel comfortable and on the safe side in doing business. Admittedly, most of these economies are moving in the direction of democratic principles even though individual paces may differ with occasional slowdowns or setbacks.

Transparency is a critical challenge not only for the state but also for private sector firms. If local enterprises wish to have access to international capital markets, they should recognize transparency as a necessary medicine. All stake holders should endorse to the mentality of clearness and openness, being the minimum requirements for beneficial partnerships.

In any country, region or regional cooperation, minimizing involvement of the State in economic activities is an essential necessity. Especially in this region of Black Sea and Caspian a strong belief that the State should avoid being entrepreneur in a liberalized economy is key to success. Moreover, strengthening the States to enhance their credibility and determination to promote state-building and capacity are significant factors to mobilize investors bring in capitals and, thus, create new jobs. Continued implementation of measures at national level would enable more international investors to redirect investment and trade towards the region, which will help balance existing differences in developing the region as a whole.

The European private sector can play an important part in promoting co-operation both within the region and with the European Union. Cooperation, which is the key to growth and can take many forms, ultimately depends on the common understanding of both parts that they stand to benefit from it. What is needed to facilitate this understanding is powerful lobbying, accurate and specialized information –even intelligence- and direct contacts. I believe that is the task of Business Organizations both in the EU and the countries of Black Sea and Caspian

Region to cooperate closely and deliver services to member companies. An important step is strengthening capacity of Employers Organizations in the Black Sea and Caspian which admittedly lag behind their European counterparts. We expect that in this direction UBCCE may prove to be a valuable platform where experiences and best practices are exchanged and joint activities are undertaken with tangible outcomes.

UBCCE was conceived by Business Organizations with the scope to promote investment and trade in the region of Black Sea and Caspian Region in collective voice and activities of member Federations. Even in its early stage this new Union of private initiative has identified as key in its strategy to create partnerships with its counterparts in the EU as well as in the Mediterranean. In the EU in particular, synergies with BUSINESSEUROPE is not only a wishful expectation but also a necessity for a Union with so similar structure, goals and planned activities and having for of its members coming from the European family. Also, UBCCE has to liaise with the European Commission, establish a reciprocal dialogue to identify areas of common interest in order to ensure that European policies and relevant programmes are in line with the real needs of the economies of the concerned countries and of the respective business communities.

SOME IMPORTANT UPCOMING EVENTS

2nd Energy Forum

Prague, Czech Republic, November 4-6

4th Vienna Economic Forum

“Investment Development in the Countries from the Adriatic to the Black Sea - Problems and Solution Proposals”

Vienna, Austria, November 5-6

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3rd Annual Asia Gas Congress

Beijing, China, November 7-9

20th World Energy Congress

Rome, Italy, November 11-15

TIOGE 2007

Turkmenistan International Oil and Gas Conference

Ashgabat, Turkmenistan, November 14-15

10th CEI Summit Economic Forum

“Mobilising resources for a common future”

Sofia, Bulgaria, November 20-21

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BUSINESSEUROPE

SME Action Day

Brussels, Belgium, Nov 21

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The 3rd Annual European Energy Policy Conference 2007:

“EU Energy Policy and Technology Challenges”

Brussels, Belgium, Nov 21-22

Energy in Central & Eastern Europe

Bucharest, Romania, Nov 21-22

4th EU-China Business Summit

Beijing, China, November 27

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Official Kick-off Meeting of Black Sea Trade and Investment Promotion Programme of UNDP

Athens, Greece, December 3

The European Gas Conference

Vienna, Austria, January 23-25, 2008

Upcoming Events

4th Vienna Economic Forum “Investment Development in the Countries from the Adriatic to the Black Sea - Problems and Solution Proposals”

Vienna, Austria, November 5-6

The Vienna Economic Forum (VEF) will organize on November 5-6 its 4th Summit on the “Investment Development in the Countries from the Adriatic to the Black Sea”. Ministers and high-level government officials from the VEF member countries – Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, FYR Macedonia, Moldova, Montenegro, Romania, Serbia, Slovenia and Turkey - will take part at this event. This year the traditional VEF Annual Meeting will concentrate on four main topics including Investment Development in Telecommunication Finance and Energy Sectors; Innovation and Technology; Ecology and Sustainable Development.

10th CEI Summit Economic Forum “Mobilising resources for a common future” Sofia, Bulgaria, November 20-21

10th CEI Summit Economic Forum (SEF) "Mobilising resources for a common future", will take place in Sofia on 20-21 November under the 2007 Bulgarian Presidency of the Central European Initiative (CEI). The event, which will take place alongside the Roundtable of Economic Ministers of the 18 CEI member countries, precedes the annual CEI Summit of Heads of Government. During this year's conference special discussions will take place on energy infrastructure, energy efficiency, and credit lines for the residential sector; on the development of regional railway networks to support freight transport; on technical cooperation needs in the region and how international organisations can respond to those in partnership with donor governments. The President of BIA, Mr. Bojidar Danev, will participate in the forthcoming CEI Summit as a speaker in the first session on "Focus on Bulgaria - Supporting Businesses, Growth and Reforms Consolidation".

For more information: www.ceinet.org

BUSINESSEUROPE SME Action Day Brussels, Belgium, November 21

The "SME Action Day" will take place on November 21 at Hotel Plaza in Brussels. Acknowledging that SMEs are the backbone of the European economy and the foundation stone for prosperity, participants will exchange best practices for growth and debate successful paths for SMEs to become strong players in a globalized world. The opening session will be focused on the topic "SME's and Entrepreneurship: Where are we now?" followed by 4 workshops: Workshop 1 will emphasize on the question: "SMEs care about Europe, does Europe care about SMEs?" Workshop 2 will focus on innovative SMEs while workshop 3 will analyze how can SMEs become more global. Finally, EU environmental policies and competitiveness will be discussed during the Workshop 4.

Fore more information:

<http://www.business europe.eu/Content/Default.asp?PageID=497>

4th EU-China Business Summit Beijing, China, November 27

The 4th EU-China Business Summit will take place on 27 November in Beijing right before the Tenth Annual Summit meeting of political leaders of China and the European Union which to be held on 28 November.

This year the Business Summit will focus on making the EU-China business relationship more sustainable in the years to come and will include a plenary session with political and business leaders and practical working group discussions which will address how to make the China - Europe business partnership more sustainable.

Fore more information:

<http://www.summits.aip.pt/China/index.asp>

UBCCE Executive Committee Meeting to be held on March 10, 2008, in Istanbul.

UBCCE General Assembly to be held on March 11, 2008 in Istanbul.

Second UBCCE Business Forum to be held in Fall 2008, in Tbilisi, Georgia.