

SESSION 5

SME's Regional Economic Integration

Friday 10 April 2009, 11.30-13.00

The general objective of this short paper is to provide the distinguished participants with the broad scope of the discussions that will take place during this session of the conference and with the details of the session's structure. While suggesting an overall framework as well as some keywords for the proposed issue it aims to set the tone of the debates.

The distinguished participants are kindly invited to feel free to refer to the subjects proposed below as a support in order to guide the design of their interventions during the session.

Detailed programme

Moderator of the session: *Turkish Television/Radio Host from Dünya or other Turkish media*

11.30 – 13.00	<p><i>Round Table/ Interaction with the audience:</i></p> <ul style="list-style-type: none">- Compared competitiveness factors and Turkish SME's market shares in the Euro-Mediterranean area Gündüz Findikçioğlu, Chief economist TSKB- The European "Small Business Act" Françoise Le Bail, Deputy Director-General and SME envoy, Enterprise and Industry Directorate-General, European Commission/ Small Business Act- Future Perspectives for Turkish SMEs Ömer Cihad Vardan, Chairman MÜSIAD (Independent Industrialists & Businessmen's Association) <p>Turkish SME CEO, case study</p>
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Proposed Format of the Session

The session's structure will be as follows:

The Session will be structured as a one hour and a half long Round Table during which the keynote speakers will have the opportunity to:

- Contribute to the debate by presenting their experience and stand concerning the discussed subject
- Participate to the discussions that will be moderated by a professional media host. The discussion will be substantially in line with the issues detailed below.
- Engage into interaction with the audience during the whole length of the Round Table.

Important:

This session is a moderated Round Table. Thus, please kindly note that individual presentations of the keynote speakers shall no case exceed 15 minutes each.

Practical Issues:

Various support tools (short media, diaporama, barco etc) may be provided by the panellists. Please do not hesitate to come back to us for more information. However please note that the documents should be in English.

Presentations as well as the Round Table Discussions will be conducted in English. There will be simultaneous English/Turkish translation.

The distinguished participants are invited to attend after the session a Lunch with the audience. Each panellist will chair an assigned table. Members of the audience will choose their table according to the subject presented by the panellist.

Important:

Please note that every panellist is expected to provide the organizers beforehand the conference with a short memo, not longer than 2 Word pages, which will include:

- A short presentation of the panellist (biodata, experience in the considered field of activity). This information will be used for the conference purposes only in the program as well as for the presentation of the panellist during the session.
- The panellists' position regarding the proposed issues, the subjects on which he/she would like to elaborate more specifically, the business cases, experiences and best practices that he/she would like to mention. This part is intended for the organizers and will NOT be published.

Targeted audience of the conference:

- Turkish SMEs
- SMEs from Mediterranean and other emerging countries
- Banks and Development Banks interested in the Turkish market
- Business associations, Industrial Zones and Chambers of Commerce
- Export credit insurance and Venture Capital companies
- Turkish authorities (i.e. Ministry of Finance, Under secretariat of Treasury , State Planning Organisation, Central Bank, Ministry of Industry and Trade)
- Local and International Media

Suggested Scope of the Session

The conference is oriented towards the business community and is designed to address best practices, funding opportunities as well as to identify trends and innovations in SME sector development.

This session will focus on private and public regional economic integration initiatives, particularly into the European and Mediterranean markets. The experience of a leading industrialized and regionally integrated Turkish SME will be discussed.

Competitiveness factors and Turkish SME's recent market shares growth on the European and Mediterranean markets will be explored. In this regard SMEs quality standards, technical regulations, price and quality advantages will be discussed. Examples on certification, quality, environment, labelling, safety and social standards will be presented.

The ways to develop competitive advantages, to enter higher value-added markets or to respond to the growing regional consumer market will be presented. European private and public initiatives to further involve SMEs from both sides of the Mediterranean area within the framework of the customs union will be discussed.

It is a concluding session aimed at opening regional perspectives. Recent economic developments may be included into the discussion topic.

This Session is a monitored Round Table organized taking into account the memos received from each of the keynote speakers. The keynote speaker is the ambassador of his/her subject, however other speakers will have the opportunity to speak as per their wish mentioned in their memo. The moderator will organize and liven up the discussion.

The experience of a Turkish SME will be presented and then analyzed with other panellists.

1. The European Union “Small Business Act”

*Keynote speaker: **Françoise LE BAIL**, Deputy Director-General and SME envoy, Enterprise and Industry Directorate-General, European Commission*

Adopted in June 2008, the “Small Business Act” shows the willingness of the European Commission to acknowledge the essential role played by SMEs in European Economy. For the first time, it gives a global political frame for European Union and states members. It delivers a group of principles aimed at guiding the conception and the implementation of policies for the EU and for the state members. It is an ambitious package of concrete and very significant measures.

This European law formulates 10 driving principles intended to facilitate SMEs’ operations among which: an easier access to government aids, a “European private company” statute, the decrease of administrative procedures required to register a company, lower VAT rates for locally supplied services, payment delays reduced to a maximum of 30 days.

Moreover, in order to facilitate the access to credit for SMEs, EIB (European Investment Bank) has allocated a Euros 30 Billion budget in terms of new loans for the 2008-2011 period through the channels of commercial banks.

- Small Business Act demonstrates the strong interest and support of the European Union towards SMEs. What is the rationale for a pan-European SME support plan?
- What are the key principles of Small Business Act? What are the impacts expected from this support program?
- What are the advantages of the “European Private Company” statute to European SMEs?
- How can SMEs take concrete advantage of the 30 billion Euros budget allocated by EIB? Where should they apply? For what kind of investment? Can EIB loans finance investments related to innovation? To CSR?
- How can European Commission make easier the access to public contracts for SMEs?
- What are the perspectives of the Small Business Act within the Barcelona process?

2. Compared competitiveness factors and Turkish SME’s market shares in the Euro-Mediterranean area

*Keynote speaker: **Gündüz FINDIKCIOGLU**, Chief economist TSKB*

The EUROMED partnership, also called Barcelona process has been created in 1996 at the initiative of the European Union and of 10 others Mediterranean States including Turkey. During July 2008 a strengthened partnership has been established within the frame of the Union for the Mediterranean called “Barcelona Process: Union for the Mediterranean”.

Simultaneously to the political process, employers’ federations from the Northern part and the Southern part of the Mediterranean met in Marseille in July.

A Turkish delegation led by Mr. Yalçıntaş was present and had the opportunity to discuss with other company managers for transnational development projects.

Within this new context and in an environment which will become very competitive, it is important to analyze the positioning of the Turkish companies and specifically SMEs with regard to their competitiveness, quality and compliance with international standards.

3. What are the perspectives for Turkish entrepreneurs?

*Keynote speaker: **Ömer CIHAD VARDAN**, Chairman of MÜSIAD (Independent Industrialists & Businessmen’s Association)*

Agreements are in progress between employers’ federations from various countries in the Mediterranean area. These agreements are related to issues common to most countries, as for example, problems related to water (supply and treatment), environment with particularly shore preservation (erosion, waste), transportation means, communications and telecommunications.

Their goal is also to encourage joint-ventures between firms to Mediterranean countries.

The Turkish employers' federations are very active in this field and have always expressed a strong interest during international meetings about the Mediterranean.

- What do Turkish entrepreneurs expect from "Barcelona Process: Union for the Mediterranean"
- What are the opportunities given to them, what are the challenges they have to face?
- What are currently the strengths and the weaknesses of the Turkish SMEs?
- What is their positioning compared with the enterprises belonging to Mediterranean countries?
- How are they organized?
- What could be the possible partnerships?