

BLACK SEA BUSINESS FORUM “THE NEW ERA OF GREEN ENTREPRENEURSHIP”

Message by

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Your Excellencies,
distinguished guests,
Ladies & Gentlemen,

On behalf of SEV Hellenic Federation of Enterprises, welcome to the Black Sea Business Forum, which takes place at a challenging time.

We host this event in parallel to the BSEC Black Sea Economic Cooperation (BSEC) Summit of Foreign Affairs Ministers, as we believe we need to work together with Governments to redefine our common action plan and reverse the negative economic and business climate. I am glad to notice that, despite any difficulties and without hesitation, 75 business representatives from various countries and 100 from Greece responded to our call and came to participate.

Our goal today is to discuss our path to the future in a region, which is considered one of the most emerging and promising. Enterprising in green economy is gaining more importance than ever. To achieve long-term sustainability, our priority should be the benefits of innovative, less energy consuming and eco-friendly activities.

A pro-business agenda is a key element to release the potential of our societies and to prepare for better days. We need strong and coordinated actions to rebalance fixed deficit policies, to decide and implement structural reforms, to eliminate protectionism tendencies, to gain credit for business development. The unemployment rate of youth is unacceptable and our societies cannot afford a “lost generation”.

The visionary and creative business community assumes the responsibility to be in the lead for development, so that future generations of our region may live in prosperity. We need new and innovative ideas of

- ☑ how to do business in the diverse Black Sea markets,
- ☑ what it takes to develop new technologies and
- ☑ which are the requirements to enhance investment and trade.

There is no doubt that 2009 and 2010 were challenging years for global economy and the impact of international financial crisis did not miss to affect the Black Sea as a whole. For many of our countries, the crisis has brought forward long-standing problems. Recession has affected the real economy and companies are suffering from lower demand and credit drying-up in an unstable environment. Nonetheless, we believe we can still reveal unexploited business potential.

Black Sea and Caspian is one of the most vital parts of the world, located at the crossroads of East and West. From an economic perspective, the region presents high potentials of growth, as it is rich in energy resources and it offers available markets of more than 450 million potential consumers. Although the region’s countries have complementary economies, we believe they do not perform to their full potential, either among them or in relation with the European Union. Regional integration and cooperation are of paramount importance. Differences, conflicts and setbacks are slowing down trade development in the region.

On the other hand, they have to offer open economies favouring private initiative, in order to attract foreign investors. This requires institutional capacity, infrastructures, stable regulatory framework, fair judicial system, fair taxation and equal access in public procurement. Business needs Governments to create a fertile environment for them to grow and develop, achieving economic prosperity and stability. In this regard, we envision the establishment of a Black Sea Free-Trade Area, which will motivate new investments and joint-ventures.

The region’s call for diversification and better use of energy resources requires common strategies and well-designed activities. All the more, since we cannot afford to disregard the consequences of uncoordinated intervention on nature. We should focus on promotion of environmental protection and cleaner technologies in a cost-effective way. Green energy technologies minimize risks and can become key to regional development.

To cover our increasing needs for energy, we have to turn to renewable resources, the use of which can both protect the environment and attract investors. They present a stable cost, provide significant return, offer export opportunities and allow jobs creation. Considering that the European Union has set a target of 20% share in renewable energy consumption, innovative constructions and eco-friendly building materials may be the response to current stagnation in the construction sector in some countries, like Greece.

Ladies and Gentlemen,

The private sector of Greece has taken the lead since the early 90's as an investor in the Black Sea and Caspian area, especially in South Eastern Europe. Over 4,000 firms of Greek interests are positioned in the region with an invested capital recorded to 17 billion Euros. Several opportunities arise in wind farms, biomass and natural gas networks, pharmaceuticals and health services, agro-industry, transportation and logistics.

I invite all business communities to actively participate in developments in the region. In respect to Black Sea Economic Cooperation (BSEC), we should be a lead actor of this process and not a simple executor or follower. The feedback on real needs and priorities from the private sector is essential for shaping a sound and integrated policy framework. UBCCE, the Union of Black Sea and Caspian Confederation of Enterprises, currently presided by SEV, is a unique example in the region and has a role to play. It gathers under one umbrella, sharing a common voice, the real economic players of all Black Sea and Caspian countries. As Chairman of this Organisation, I would like to repeat our request from BSEC to recognise our Union as an "observer member", which will enable us to have a more active role in the region.

At the same time, we need participation and active involvement of national Business Organizations and member companies, which will lobby, interact and partner with others to seize new opportunities. After all, we must have in mind that economic nationalism is no more a solution. Partnership, based on common values and interests, international cooperation and open markets are the key to economic growth and social cohesion.

Concluding, I would like to thank Minister Kouvelis for his presence here today and his active support, as well as the Federation of Industries of Northern Greece for the exemplary cooperation we enjoyed in joining forces to organize this event. I would also like to thank our sponsors and speakers.

I invite you all to actively engage to the proceedings of the Forum and I hope that the plethora of individual business meetings planned for today, can be a starting point for future agreements, partnerships and ventures. In the end, this will be the added value of our initiative.

Thank you for your attention.