

Distinguished participants of the Vienna Economic Forum,

It's a privilege to address such an audience and to be part of such an important event that will discuss the challenges investors face in our Region.

I'd like to begin, by mentioning that entrepreneurs are individuals with innovative solutions to our society's most pressing social concerns. They need to be ambitious and persistent, to tackle social issues by offering new ideas in a wide-scale change of the dynamics in their respective country.

Within this framework especially, funding; directly to education must be the cornerstone of corporate social responsibility efforts for innovative companies.

In regards to my country, Azerbaijan, we feel there's a lack of vocational education. We also, feel that both the government and companies' play a part in the responsibility to improve this particular education sector. There is a misalignment between the education systems and the demands of the local labor market that are not meeting the desired level within the international market.

Another drawback that discourages companies from investing in this type of vocational training is that it requires substantial money and time. There are also gaps in relevant legislation and high taxes, which are among some of the factors that discourage companies from investing in social projects. For example, in Azerbaijan, if a company decides to allocate funds for a social project, it should pay from its profits after paying taxes according to the national tax legislation.

Today, the Azerbaijan government focuses its efforts in developing the non-oil sector.

Despite the fact that most of small and medium size enterprises are concentrated mainly in this sector, the non-oil sector currently produces 45% of the countries GDP. Unfortunately, they still have limited resources to spend on social initiatives compared to the large oil companies.

However, the rapid economic development of the country in the last few years has created diverse opportunities for business growth, in turn better resources that focus on community corporate social responsibility.

Using this occasion, I'd like to mention the initiative and a unique example of the first private, voluntary and non-governmental business organizations in the Black Sea and Caspian Region.

UBCCE - Union of Black Sea and Caspian Confederation of Enterprises.

UBCCE was founded on the initiative of the Turkish Industrialists and Businessmen's association (TÜSİAD) and Azerbaijan Turkey Business Association. ATİB is its vice-president on Entrepreneurship and Innovation.

UBCCE region represents a population of more than 500 million, 2,5 trillion USD GDP, 1.5 trillion USD Annual trade and one of the most important energy hubs in the world.

To day it now covers 18 business associations from 14 countries including Austria, a similar geographical area as the Vienna Economic Forum. In 2009, UBCCE will be representing 21 business associations from 17 countries.

UBCCE's mission towards the development of entrepreneurship is by supporting activities focused on fueling the entrepreneurial mindsets.

To encourage more people to become entrepreneurs, while guiding them in the area of growth and competitiveness they will experience along the way.

Our aims to improve the flow of finance, by creating a more friendly SME- regulatory and administrative framework.

Benefiting from the occasion, I believe it would be profitable to form an alliance between Business Europe, Business Med, Vienna Economic Forum, UBCCE and ATIB in order to investigate and support the promotion of investment potential in the region.

Together we could increase the resources that contribute to a stronger framework and support that would in turn;

Create a stronger private and especially SME sector in the Black Sea and Caspian countries. Businesses would have more resources to invest in social projects.

I'd like to invite you all to join us for the first "Eurasian SME Day" that will be held in Istanbul in the coming year.

Azerbaijan Turkey Business Association (ATIB), which I chair runs the vice-presidency of UBCCE on "Entrepreneurship and Innovation."

**ATIB** is a leading and the most active NGO in the region who's dedicated to furthering economic, social and cultural relations between Azerbaijan and Turkey, and among Azerbaijan and other countries for continual regional development.

ATIB has carried out a series of events and a wide range projects which have contributed to the positive economic potential and social dynamics of the region.

TAR (Turkey, Azerbaijan & Russia) and ATUS (Azerbaijan, Turkey, United States) concepts are among such projects. These concepts identify the sphere of education and innovation as the priority ones for development of relations among Turkey, Azerbaijan and Russia, as well as Azerbaijan, Turkey and the US. These related issues are regularly discussed in the international scientific and practical conferences held within TAR and ATUS concepts.

ATIB contributes and actively promotes the establishment of a favorable environment for investments and entrepreneurship in the Republic.

By doing so

ATIB is functions in the sphere of social projects, particularly by implementing projects that stimulate the qualitative progress of mass education in Azerbaijan.

ATIB has established an Innovation Institute in cooperation with its partners from Turkey and Russia. The institute is currently implementing a range of projects specific to “Distant Learning.”

Another project initiated by ATIB in the field of education is establishing “Education TV.” The idea of Education TV project, is based on the emphasis in the development of elementary education and courses that will improve specific vocational skills to a desirable level through professional retraining.

Programs that support classic education - pre and post-school in the Azerbaijani Republic, as well as those that improve specialized skills in the professional field, following the objectives set:

1. To support children’s pre-school education and improving the level of parents’ knowledge;
2. To provide assistance in elementary, secondary and higher education,
3. In an effort to facilitate solution to one of the most pressing problems of the business community, to provide assistance in the formation of technical and administrative personnel possessing the necessary knowledge and capable of sharing it with workers,

ATIB’s close contacts within academic circles and universities in the country and regularly implements joint projects. By implementing such projects ATIB strives to promote investments in education by its member companies and other organizations.

ATIB is the Founder of Azerbaijan Turkey History Research Foundation – ATAF. The recently established Foundation supports education and research initiatives on the issues common to both Azerbaijan and Turkey’s history. It also aims to contribute to offering solutions to the current problems and conflicts that hinder peace, economic integration and the improvement of the well-being in our region.

**Ladies and gentlemen,**

The future of a country is closely intertwined with its education system. Education plays an important role in resolving the existing economic and social problems and development of a country.

Shifting Responsibilities for Economic Development;

From the Model that a Government drives economic development through Policy decisions and incentives to a

New Model is based on the joint efforts of fruitful relations that create synergy between governmental bodies, business communities, NGO's, institutions of science, technology and education.

With the current economic and political difficulties of the world; we can't expect everything from the governments;

We all have to take a certain responsibility to build Synergy for our future.

I believe the joint efforts in strengthening our cooperation will significantly contribute to the welfare of the society and stability of the world and the region.

**Thank you very much for your attention.**