

Mr. Chairman of ATC,

Mr. Chairman of TAIK,

Excellencies, Ladies,

Distinguished Members of American-Turkish Council,

Dear Friends,

It is a great pleasure and honor for me to address such distinguished guests on the occasion of the 30<sup>th</sup> Annual Conference of American-Turkish Council.

I am very impressed with the atmosphere of ATC which brings together such a large scale of distinguished people from government to business.

I am delighted to see so many friends of our respective countries. Meetings and organizations of this kind contribute to bringing closer our approaches towards the global challenges and to mutually develop common sense. So, I would like to thank the Chairman of ATC, Mr. Richard ARMITAGE and the Chairman of TAIK, Mr. Haluk DİNÇER for their great efforts.

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Turkey and the US have a sound and deep-rooted partnership. We stand together in the face of many international issues and challenges. We share the same ideals and values such as democracy, human rights, rule of law and free market economy.

With it's broad agenda, Secretary CLINTON's timely and productive visit to Turkey last July proved to be an important step in highlighting Turkey-US relations.

As two close allies we consult each other, coordinate our efforts and cooperate in conflict prevention and crisis management.

Besides, the level of our military to military cooperation has also been exemplary . Our men and women in uniform have participated side by side in many UN and NATO operations in the past, and are currently taking part in the ongoing operations in various parts of the world.

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Our environment is still (shadowed / clouded) by the persistence of threats. In today's complex security environment, conventional threats are accompanied by new risks such as terrorism, proliferation of weapons of mass destruction. We must also take in to account the emergence of new risks, in a world where the pace of change is rising.

Regional instabilities are amongst the main challenges threatening our globalized world. Turkey has been closely affected by all of these developments due to her geographical location.

Turkey is located in a region that draws the attention of the international community, which in turn creates challenges within the region and beyond.

As a dynamic and responsible member of today's world, Turkey is doing her best to reconcile the West with the East and the North with the South. We try to produce solution-oriented approaches and put them into practice in the most effective manner.

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Distinguished Members of the Council,

Before moving on to regional security issues, let me share our sadness for the latest heinous attacks of terrorists on our security forces ten days ago. We lost 24 young officers and soldiers. We have had

enough of losing our people and are very determined to fight against terrorism.

We are of the opinion that, cooperation between countries is a must to eradicate terrorism which is the biggest common threat for all countries.

The US support in our fight against terrorism is an essential element of our relationship. On the other hand, Turkey's support in the fight against Al-Qaida is also crucial. Continuation of our close cooperation and coordination is important in this area.

As an outcome of our partnership and close alliance we would be happy to see that Turkey-US cooperation against the terrorist organizations will continue increasingly in the future.

In the scope of our fight against the terrorist organizations, we appreciate the US Government's support so far and we expect an approval from US Congress for procurement of the necessary military equipment (UAV's and attack helicopters) which we demanded from US in a timely manner.

Ladies and Gentlemen,

Let me share with you my opinion about the latest developments in the Middle East.

I consider that the situation in Syria has the potential to negatively affect the regional stability. Therefore, dealing with this fragile crisis properly is of great importance in terms of maintaining the regional security.

I believe that the best option would be to focus on policies that may force the Syrian Government to stop using excessive force on protestors and to implement democratic reforms demanded by Syrian People as

soon as possible. In order to achieve this result, increasing international pressure on the Syrian Government should continue in close cooperation.

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Yet another fragile issue, Egypt has embarked on an irreversible path of change and transformation. We are pleased with the announcements made in Egypt regarding the fulfillment of the expectations of the peoples so far.

We believe that if the Egypt revolution is accomplished, it will constitute a model for many countries in the region. To that end we are ready to give technical, institutional and economic support to Egypt during this period.

In Libya, Turkey has been one of the most asset contributing countries to the “Operation Unified Protector” from its outset.

We attach great importance to the independence, national unity and territorial integrity of Libya as well as the well-being and prosperity of the Libyan people.

Our main goal is the establishment of the necessary conditions for the transition to the constitutional democracy according to the legitimate public demand.

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Let me continue with another issue that is, I’m sure, very sensitive both for the US and Turkey.

Ensuring progress in Afghanistan is our common goal.

Turkey has been making substantial contributions towards a successful settlement in Afghanistan premised on the understanding that

the Afghans should be helped to stand on their own feet. Turkey is continuing to provide training to the Afghan police and security forces.

The recent inception of the program to train 500 Afghan National Police every six months in Turkey and our decision to extend, for a second time, Turkey's lead at the Regional Command Capital for another year until November 2012 (since 1<sup>st</sup> November 2009) are concrete manifestations of our commitment to ISAF.

We will support the establishment of a "NATO Support and Assistance Mission in Afghanistan" post-2014 which will operate (to complement/in parallel) [in complementarity] with the NATO-Afghanistan Enduring Partnership Framework.

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Distinguished members of the ATC,

Now I would like touch upon our defense industrial cooperation. It goes without saying that defense industrial cooperation is more meaningful in times of austerity. While we are witnessing a global economic crisis all over the world, international crisis and conflicts are still maintaining their pace.

That means while we have to keep our defense capabilities strong, we should spend our defense budgets more effectively than ever. In these turbulent times, reducing costs of our defense programs are crucial.

Turkey has an increasing defense industrial collaboration capacity with its newly established techno parks, rapidly growing industry and with its qualified workforce. In terms of exports, we are providing defense equipments for allied and friendly countries all over the world.

Dear Guests,

How can we further the existing bilateral cooperation proportional with today's opportunities and what are the advantages of cooperation with Turkish defense industry? Clearly, we can see that there are three wide areas for cooperation.

The first is the Turkish defense market. We are keeping on investing in our defense industry in Turkey. I am confident to say that, currently we have a good level of cooperation for the Turkish defense. The volume of ongoing programs, between Turkey and the US, has exceeded 27 Billion Dollars including F-35 Joint Strike Fighter.

The Prospect of more cooperation for the Turkish defense programs are quite promising bearing in mind our national programs including air defense systems and unmanned aerial vehicles.

Less bureaucracy and faster actions will surely help us realize our bilateral defense programs. We are closely watching the recent initiative of President OBAMA in streamlining the US exports procedures and bureaucracy so as to facilitate defense trade between allies. I am sure this will result in more efficient cooperation between our governments as well.

The second area where we can intensify our cooperation is the US Defense Market. As I have mentioned earlier, economic concerns are also playing an important role in our motives on defense cooperation. Turkey's share in US imports is only about 0.2 percent.

When we look at global balance between Turkey and US in terms of trade the figures are far from reflecting the true potential between Turkey and the United States. Hence, both governments have seen the necessity to take action in improving and balancing our trade.

One of the selected areas within the Framework for Strategic Economic and Commercial Cooperation activities is the defense industry.

Our institutions namely AT&L<sup>1</sup> and SSM, both undersecretaries for defense acquisitions are working together to set up a channel of dialog and drafting a new defense trade agreement so as to refresh and give a new momentum on defense industrial cooperation.

We attach importance to such a bilateral document to describe the common vision for defense industrial cooperation between our countries.

Turkey's main expectations in cooperating within the US defense market are to see the creation of strategic industrial alliances between our defense companies and the easier access of Turkish defense material in use by US Armed Forces.

I would like to reiterate my strong opinion that more cooperation with Turkish companies will result in remarkable cost savings for US programs. For example, integrating Turkish ammunition will clearly decrease the overall cost of the JSF Program.

The third area to widen our collaboration on defense is regional cooperation. Turkey is located in a key geographical place that is important not only during international crises but also in promoting trade and economic cooperation.

Turkey might serve as a logistic hub to the African, the Middle Eastern and other regional markets for the US. Within 4 hours you can reach 70 capitals from Turkey.

We see that the joint cooperation on design and development of new defense systems as well as modernization of old equipment for these markets is a true potential for more fruitful cooperation between our companies.

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<sup>1</sup> Undersecretariat of Defense For Acquisition, Technology and Logistics

On the other hand, looking at the matter from the operational perspective it would also be mutually beneficial for both countries to make Turkey a regional center for the repair and maintenance of the equipment of the US and the allied forces.

A very good recent example of how we accomplish these cooperation opportunities is the Sikorsky Utility Helicopter Program.

While obtaining a remarkable level of helicopter production capability for Turkey we have also been successful in reducing the cost of the program, provided jobs for the Turkish and American companies, agreed on a very promising export plan for those helicopters. It is my firm belief that we can take this example and further it towards other areas of defense industrial cooperation.

A defense industrial cooperation partnership will foster industrial relations between two countries in a mutually beneficial way in terms of trade and economy. I believe, such cooperation will ensure better interoperability of allied forces as a result of joint systems' co-development, and in the final analysis, will be a strong expression of political solidarity between our nations.

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Ladies and Gentlemen,

I would like to underline the role of ATC in strengthening the Turkish - American relations once again. It has been very much contributing to our relations.

As noticed in this Conference, among other similar platforms, ATC is one of the most important that has proven its effectiveness in improving bilateral relations between Turkey and the United States. Its role in strengthening Turkish - US cooperation is essential.

It is our firm belief that the ATC will continue to act as a rewarding platform in enhancing strong relations between Turkey and the US, on the basis of a strategic partnership.

At the end of my speech, I would like to express my appreciation and gratitude to ATC and TAIK personally, for organizing these conferences and contributing to our bilateral relations, mutual understanding and strengthened cooperation in various fields.

Last but not least I avail myself of this opportunity to convey my best wishes to the people of the United States.

Thank you.