Dear Dr. Atkinson! Dear Guests; and Dear Friends

I would like to thank to TÜSİAD for giving me this opportunity to adress such a distinguished audience. I think my duty is to give to our guests a perspective on how TUSİAD is contributing to Science, Technology, Innovation and education policy issues in TURKEY and also give the Framework of a new civil initiative on innovation, launched by TUSİAD in june 2005, The National Innovation Initiative.

TUSİAD is well known and recognized by its reports and policy papers on social, economic and Foreign Policy issues. Here are some examples of such publications in the field of innovation.

- Supporting entrepreneurship in Europe-1999
- Financing Higher Education in Turkey 2000
- Knowledge society and e-Turkey,2002
- Enterpreneurship in Turkey 2002.
- Restructring Higher Education: Basic Principles 2003
- National Innovation Systems, 2003
- Issues on IPR,2004.
- Preschool Education in Turkey,2005.

The Enterpreneurship and Innovation Working Group(voluntary) have organized three Enterpreneurship Conferences in 2004, 2005 and 2006.

TUSIAD have also played an important role in convincing Government for Turkey's participatation in European R& D Framework Programs in 2002. We are a partner of the 6 th FP and hopefully we will also be a partner of 7 th FP as well as the Competitiveness and Innovation FP, for the years 2006-2013.

At this point let us examine the world and try to understand how innovation is perceived globally.

Let us first look at the European Union The head of states of EU made the following important declaration in Lizbon in year 2000. "The European Union has today set itself a new strategic goal for the next decade: to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion.

Since then all was geared for this goal, for instance.

- e-Europe Project
- Increasing R& D expenditures from 2 to 3 % of GDP
- Supporting Enterpreneurship activities, and many other activities.

In the first evaluation in 2003 the target seemed faiding away. There was a big disappointment seeing that 2010 targets are not anymore feasible.

The resolution is, "Growth strategies must be <u>based on Innovation</u>".

There we see new initiatives.

- -Competitiveness and Innovation Framework Program.
- -European Institute of Technology

Let us see what USA is doing in this arena; Council on Competitiveness has launched a National Innovation Initiative in 2004 where the Principles Committee is composed of eight University Presidents and eleven CEO's;

To name some;

MIT IBM STANFORD GM Georgia Inst of Tech Pepsi

Texas A& M Morgan Stanley Verizon

The initiative was organized in Working Groups.

The outcome was the "Innovate America" report in December 2004. The resolution is; quote on quote

"Innovation will be the single most important factor in determining Americas success through 21 th Century and the "America's challenge is to unleash its innovation capacity to drive productivity, standard of living and leadership in global markets. At a time when macroeconomic forces and financial constraints make innovation-driven growth a more urgent imperative than ever before, American businesses, government, workers and universities face an unprecedented acceleration of global change, relentless pressure for short- term results, and fierce competition from countries that seek an innovation-driven future for themselves".

National Innovation Act Queeing at US Senate.

In 2005 National Academy of Science has given a report to ussenate called "Rising the Gathering Storm: Energizing and Employing America for a Brighter Economic Future (Senator Lamar Alexander and Senator Jeff Bingaman). Again the main emphasis was on innovation.

Observing and studying all above initiatives TUSİAD Board of Directors have decided in March 2005 to make a call to 21 individuals, six University Presidents, six CEO's, seven NGO Board members and two members from TUSİAD-SU Competitiveness Forum to join for a civil initiative on National Innovation. The responses were positive and the National Innovation Initiative convened in June 2005 to lay the groundwork for NII.

The aims and scope of the National Innovation Initiative are: to consolidate and promote cooperation among private sector, universities and nongovernment organizations for developing and implementing the innovation policies in Turkey by promoting the

dialog between political authorities, public institutions and civil society, and to increase public awareness on innovation.

To reach the stated goals, the NII Council established five different Working Groups each focusing on different aspects of the scope to be covered: Turkey in 2023 and Innovation, Financing of Innovation, Human Resources and Skills for Innovation, Environment and Infrastructure, and Innovation in the Public Sector. The Working Groups are expected to produce 3-5 concrete proposals for improving innovation in Turkey, which can be realized in short or medium term.

NII has been formally launched by a Workshop held on October 1,2005 with participation of 100 individuals from business world, universities and NGO's. TUSİAD-Sabanci University Competitiveness Forum(REF) serves as the coordinating body for the NII.

Currently, the Working Groups have completed their Draft reports with proposals and a draft strategy document in underway.

The NII Council has decided that a Panel of Global Consultation is formed and the draft report be submitted to their critical review before the final version of the Strategy Document is put into writing. The draft report will be submitted for review to the members of the Panel by mid June. We expect to receive their reviews within 4 to 6 weeks. At the moment 10 experts from Israil, Sweden, US, WB, EU, GB, Israil and Switzerland have accepted to become a member of our Panel of Global Consultation.

We are looking forward to finalizing the Strategy Document and a set of proposals by the end of september 2006 and present the results to the government, to the parliment and to public.