

**3<sup>rd</sup> INTERNATIONAL KAHRAMANMARAŞ MANAGEMENT, ECONOMICS AND POLITICS CONGRESS  
OCTOBER 15-16, 2020  
FINAL DECLARATION**

The Euroasia Socio-Economic Research Association (ASEAD) of Turkey organized the 3<sup>rd</sup> International Kahramanmaraş Management, Economics and Politics (KAYES) Congress online on October 15-16, 2020 in collaboration with The International University of Sarajevo under the theme “Finance and Banking Toward Turkey’s 2023 Goals.”

The KAYES Congress series are organized to fulfill two purposes. The first purpose is to bring academicians together around a theme and generate a convenient environment for them to discuss their studies and findings on the topics. The second is to organize special panels by bringing all stakeholders around the table for a discussion toward a solution on the problems and needs of the country or region in which the Congress is organized.

Since the KAYES III Congress was organized in collaboration with The International University of Sarajevo, Bosnia and Herzegovina’s demands and needs, and ways and means to improve the relations between Turkey and Bosnia and Herzegovina shaped the First Special Panel in the Congress. The First Special Panel was held on the small and medium enterprises (SMEs). Nisvet Hrnjić, Minister of Economy of the Central Bosnia Canton, Salih Tuna Şahin, Vice President of the Small and Medium Enterprises Development Organization (KOSGEB) of Turkey, Enes Ališković, Director at the Foreign Trade Chamber of Commerce of Bosnia and Herzegovina, Amer Bukvić, CEO of Bosna Bank International, Hasan Demirhan, Vice President of the Black Sea Trade and Development Bank and Uğur Özyiğit, Vice President of ZiraatBank - Bosnia and Herzegovina, participated the panel, and discussed the probable collaborations between the two countries and the steps to be taken on the SMEs.

The Second Special Panel was arranged on the Istanbul Finance Center (IFC). The Turkish government has taken drastic actions to bring the IFC idea to life, from allocating land, to financing buildings, encouraging financial institutions to relocate, and promoting the IFC abroad. Dr. Serkan Yüksel, Director of Department of Istanbul Finance Center at The Presidency of The Republic of Turkey, Ömer Çekin, Department Head of Participation Banking at the Banking Regulation and Supervision Agency (BDDK) of Turkey and Hasan Demirhan, Vice President of the Black Sea Trade and Development Bank participated the panel, and discussed the potential of the IFC and its probable contributions to the Turkish economy.

In the academic panels of the Congress, Covid-19 pandemic, financial crises, the Istanbul Finance Center, participation banking, monetary policies and other topics were discussed by the participants.

At the end of two special panels and two-day long academic panels held during the KAYES III Congress, the following issues were brought to the public attention:

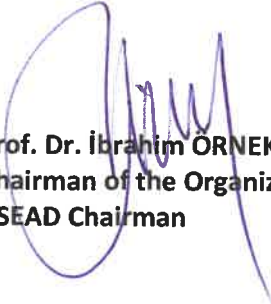
1. Small economy and its subjects, natural and legal persons, especially small and medium enterprises, are the basic pillar of almost all developed economies, the source of employment and business ideas, the condition of economic growth and progress, and thus the priority of any successful economy.
2. With the establishment of a KOSGEB-like institution in Bosnia and Herzegovina, all levels of government in Bosnia and Herzegovina will be able to pool their efforts, financial and human resources, to support small and medium-sized businesses, in order to make detailed legal and regulatory changes at all levels and in all sectors. In this way, the role of small and medium enterprises in Bosnia and Herzegovina in the sector of entrepreneurship and development will be defined, as well as the relationship and manner of support to small and medium enterprises between national and entity or regional / cantonal levels.



3. Exchange of experiences and good practices, encouraging discussions through conferences, congresses, forums, business meetings on the topic of small and medium enterprises at the global level will enable the promotion of Bosnia and Herzegovina economy and politics in order to accelerate the development of small and medium enterprises and increase interest in the direct investments.
4. It is important for Bosnia and Herzegovina to enlarge its effective area through the memberships of international organizations. Becoming a member of the Organization of Black Sea Economic Cooperation (BSEC) and shareholder of the Black Sea Trade and Development Bank (BSTDB) would contribute to the Bosnia and Herzegovina economy.
5. According to the Doing Business 2020 report, Bosnia and Herzegovina is ranked 90<sup>th</sup> among 190 economies. In the Starting a Business area, Bosnia and Herzegovina is ranked 184<sup>th</sup>. Hence, the Bosnia and Herzegovina government should take necessary measures to ease starting a business.
6. For the promising firms in Bosnia and Herzegovina, regardless of their sizes, to be able to access financing easily and at low cost, a credit guarantee fund, similar to The Credit Guarantee Fund (CGF) of Turkey which was established as a separate entity in partnership with the public and private sectors, should be established with the guidance of KOSGEB. The CGF of Turkey was established in 1993 as a corporation, and among its shareholders are state and private banks, KOSGEB, The Union of Chambers and Commodity Exchanges of Turkey (TOBB). The sources of The CGF of Turkey exceeds 53 billion TL (about 7 billion USD), including its own capital, Treasury Funds and foreign funds.
7. KOSGEB celebrates its 30<sup>th</sup> year in 2020. KOSGEB has a very important role in the development of SMEs in the Turkish economy through variety of its supports. These supports range from entrepreneurship training to development, growth, R&D and financial supports. At the Federal and Cantonal levels, Bosnia and Herzegovina should take advantage of KOSGEB's more than a quarter century of experience in Turkey and overseas through cooperation in more areas.
8. In recent months, small and medium-sized enterprises faced a major challenge due to the Covid-19 pandemic. Given their significant contribution to local economies, coordinated assistance to small businesses will be of great importance when it comes to reduce the impact of the pandemic.
9. Covid-19 pandemic redefined the platform for all. Technology, especially communication, shopping, banking and education, became very important. Hence, both public and private sector need to make necessary investment in technology to be able to catch this fast change.
10. As in the case of Turkey, The Covid-19 pandemic should help increase cooperation among countries, instead of moving them to nationalism. Turkey became a good example of cooperation in the world by donating medical supplies and humanitarian aid to many countries, from the most developed to the least, during the time countries confiscated each other's medical supplies. The road to the wealth of nations is the cooperation.
11. Research indicates that financial literacy rates are higher among the developed countries than those developing and least developed countries. For Turkey and Bosnia and Herzegovina to be able to reach the financial literacy rates of the developed countries, they should start the financial literacy education of their population at an early age, as early as at the middle school.

12. Participation (interest-free) banking should be promoted in the world as an alternative to the interest-based banking. The promotion should not only target Muslims, but also members of other religions and even non-believers.
13. The Istanbul Finance Center which is in the establishment stage with its physical, human, technological and product infrastructure, is a promising candidate, initially, to become a regional finance center and then a global finance center.
14. Grants provided by government and private institutions to Social Sciences should be increased. Even though engineering skills make the production, Social Sciences dictate what is to be produced.
15. The support to interdisciplinary studies in universities should be increased, and collaboration across universities in the country or abroad should be improved.
16. The University-Industry Collaboration in Social Sciences should be encouraged. For this purpose, all stakeholders should be brought around the same table to be able to generate the necessary synergy.

We hereby respectfully announce to the public.



**Prof. Dr. İbrahim ORNEK**  
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