



**ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION**

**Permanent International Secretariat**

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**REPORT OF THE MEETING  
OF THE BSEC WORKING GROUP  
ON TRADE AND ECONOMIC DEVELOPMENT**

**BSEC Headquarters, 24 September 2014**

1. The Meeting of the BSEC Working Group on Trade and Economic Development (WG) was held in Istanbul, on 24 September 2014.
2. The Meeting was chaired by Mr. Nikos GEORGOPOULOS, Head of Department, Directorate General International Economic Relations, Directorate International Trade Policy, Ministry of Development of the Hellenic Republic.
3. The following BSEC Member States participated in the Meeting:
  - Republic of Armenia
  - Republic of Azerbaijan
  - Republic of Bulgaria
  - Hellenic Republic
  - Romania
  - Russian Federation
  - Republic of Turkey
  - Ukraine
4. The representative of the United Nations Economic Commission for Europe (UNECE) participated in the Meeting as Guest.

5. The List of Participants in the Meeting is attached as **Annex I**.

### **ADOPTION OF THE AGENDA**

6. The Draft Agenda of the Meeting was discussed and adopted. The Agenda, as adopted, is attached as **Annex II**.

### **IMPLEMENTATION OF RESOLUTIONS, DECISIONS AND RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS RELATED TO TRADE AND ECONOMIC DEVELOPMENT AND THE FOLLOW-UP OF THE DECLARATIONS ADOPTED BY THE MEETINGS OF THE MINISTERS IN CHARGE OF ECONOMY**

7. The BSEC PERMIS informed on the state of the Resolutions, Decisions and Recommendations of the 16<sup>th</sup> BSEC Council (Belgrade, 19 April 2007), the 28<sup>th</sup> BSEC Council (Odessa, 21 June 2013), the 29<sup>th</sup> BSEC Council (Yerevan, 12 December 2013), the 30<sup>th</sup> BSEC Council (Varna, 19 June 2014) related to the activity of the Working Group on Trade and Economic Development, and of the provisions of the Joint Declaration of the Ministers in Charge of Economy of the BSEC Member States, adopted at the Meeting in Yalta on 23 May 2013.

8. The Working Group expressed its commitment to take appropriate measures in order to secure proper implementation of the Resolutions, Decisions and Recommendations of the Council, the Joint Declaration of the Ministers and provisions of the BSEC Economic Agenda 2012, relevant to its activity.

9. The Working Group took note of the information presented by BSEC PERMIS on the possibility of inclusion of relevant youth and sports issues in the agenda of the Working Group on Trade and Economic Development or of creating a separate Ad Hoc Working Group on Youth and Sports Issues, exchanged views highlighting such issues like support for young entrepreneurs and dealing with youth unemployment, and agreed to continue consideration of this issue at its next meeting.

10. In this regard the Member States are invited to communicate to BSEC PERMIS their views/observations on the issue.

### **EXCHANGE OF VIEWS ON RECENT DEVELOPMENTS OF ECONOMIC AND TRADE RELATIONS AMONG THE BSEC MEMBER STATES**

#### **i) Mechanism of Information Exchange**

11. The participants discussed the possibility of setting up an information exchange mechanism on trade and economic issues among the BSEC Member States, which is one of the objectives included in the Plan of Action of the Working Group.

12. The representative of Ukraine presented a Working Paper on the Concept of creating such an information exchange mechanism, which is attached as **Annex III**. The participants took

note of the proposal of Ukraine and decided to continue consideration of this matter at the next meeting of the Working Group.

13. The Working Group took note of the presentation of the UNECE representative who invited the BSEC Member States to develop more cooperation among existing and new Single Window Projects and to harmonize data exchange, using international standards and expertise, with focus on what may be done in the BSEC Region. The presentation is attached as **Annex IV**.

#### **ii) The Need for Comparative Statistics**

14. The Working Group discussed the need for comparative statistics and expressed appreciation to the BSEC Member States which submitted their answers to the Questionnaire elaborated by the BSEC Coordination Center for the Exchange of Statistical Data and Economic Information regarding the type of statistical data. The Working Group invited the Member States that had not answered to this Questionnaire to do so at their earliest convenience, prior to its next meeting.

15. Furthermore, the Working Group took note of the work done by the BSEC Working Groups on Customs Matters, on SMEs and on Banking and Finance towards identifying the specific areas in which each of the respective Working Groups might need comparative statistics/analysis.

16. The Working Group called upon the Member States to communicate, through BSEC PERMIS, not later than 1 November 2014, their views on the types of comparative statistical information and data regarding trade and economic development, which could be requested from the BSEC Coordination Center for the Exchange of Statistical Data and Economic Information.

#### **iii) Discussion survey procedure for BSEC Member States “What prevents active development of trade and economic cooperation in the Black Sea region?”**

17. The representative of Ukraine expressed the view that survey procedures among the BSEC Member States could be achieved through the joint preparation of a questionnaire and conducting independent surveys in each Member States on existing limitations on the development of trade and economic cooperation. The results of the analysis should be submitted for consideration to specialized governmental authorities of each Member States as well as to a joint meeting of the relevant Working Groups and serve as a basis for elaborating recommendations to the Governments of the BSEC Member States on practical steps towards reduction of trade barriers. The presentation of Ukraine is attached as **Annex V**.

18. The Working Group took note of the views provided by the Country-Coordinator and agreed to continue discussion of this issue at its next meeting.

#### **iv) The BSEC annual report practice “BSEC: assessment of progress made to overcome barriers to trade”**

19. The representative of Ukraine made a presentation on the issue underlining that this proposal aims at increasing transparency in the development of trade policy of the BSEC

Member States, based on the current practice of the World Trade Organization (WTO) on providing the trade policy reviews. The presentation of Ukraine is attached as **Annex VI**.

20. The Working Group took note of the information on the issue provided by Ukraine, as the Country-Coordinator of the Working Group, and decided to continue discussing it at its next meeting.

**FURTHER EVENTS (REGIONAL INVESTMENT FORUM, UNDER THE AUSPICES OF THE FORUM: SEMINAR “TRADE IN FINANCIAL SERVICES IN THE BLACK SEA REGION” AND ROUND TABLE “SUPPORT AND PROTECTION OF INVESTMENT, RISK INSURANCE”)**

21. The representative of Ukraine made a presentation emphasizing that the purpose of this proposal is to help estimating the current state of cooperation among the BSEC Member States in the field of trade in financial services, in particular to identify strengths and weaknesses of such cooperation. The presentation of Ukraine is attached as **Annex VII**.

22. The representative of Ukraine informed that all relevant information will be provided in due course.

23. The participants took note of the information provided by the representative of Ukraine on this initiative.

**PROPOSAL BY THE REPUBLIC OF TURKEY TO ORGANIZE A WORKSHOP WITH THE THEME “OUR COLLABORATION POINT: COMMERCIAL REGISTRY, TO BE HELD IN EITHER TRABZON OR ISTANBUL IN THE FIRST QUARTER OF 2015**

24. The representative of the Republic of Turkey provided detailed information on the proposal and invited Member States to inform the BSEC PERMIS on their views to cooperate on the subject.

25. The representative of the Republic of Turkey also expressed the view that holding a Workshop on Commercial Registry is in conformity with the Regional Investment Forum proposal, which was discussed at the agenda item 4.

26. The representative of the Republic of Turkey noted that, after receiving the proposals and comments of Member States on the Regional Investment Forum proposal, it would be appropriate to discuss the issue and organize the Workshop on Commercial Registry in the BSEC Region.

27. The participants took note of the information provided by the representative of the Republic of Turkey.

**CREATION OF BSEC NETWORKS IN THE INTERESTED MEMBER STATES AIMED AT PROMOTING INTRA-REGIONAL TRADE AND INVESTMENTS**

28. The Working Group discussed this project-proposal aimed at implementing one of the specific recommendations contained in the BSEC Economic Agenda 2012, namely Goal 1, Item 6: “Recommending to create BSEC networks in the interested BSEC Member States aimed at promoting intra-regional trade and investments”.

29. The Working Group invited the interested Member States to identify focal points, which would coordinate the functioning of the Network, as well as the work among governmental institutions, public and private enterprises, regional and local chambers of commerce, and other economic institutions of that Member States interested in promoting intra-regional trade and investments in the BSEC Region.

30. The Working Group called upon the Member States to inform BSEC PERMIS on their focal points at their earliest convenience.

31. The Working Group requested the Country-Coordinator to develop, in cooperation with the BSEC PERMIS, the Model-tasks for the focal points and the possibility of the creation of a BSEC Network in a Member State, and submit it to the Member States prior to the next meeting of the Working Group.

32. The participants agreed to discuss the state of the implementation of this project at the next meeting of the Working Group.

### **COOPERATION AMONG THE BSEC MEMBER STATES IN THE SPHERE OF ELECTRONIC-COMMERCE.**

33. The delegation of the Russian Federation proposed to discuss the possibility of cooperation among the BSEC Member States in the sphere of the electronic-commerce, with the aim to create conditions and develop a barrier-free e-commerce in the BSEC Region. The presentation is attached as **Annex VIII**.

34. The participants took note of the information provided by the representatives of the Russian Federation. They further agreed to discuss this issue at the next meeting of the Working Group.

35. The delegation of the Russian Federation informed that it would submit the Draft Terms of Reference of the Expert Dialogue on E-commerce until the end of October 2014 and invited the Member States to submit their comments and proposals on the issue until 20 December 2014.

### **CONSIDERATION OF THE DRAFT COOPERATIVE ARRANGEMENT BETWEEN THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION (BSEC) AND THE INTERNATIONAL CONGRESS OF INDUSTRIALISTS AND ENTREPRENEURS (ICIE)**

36. Following the decision of the Committee of Senior Officials (Varna, 17-18 June 2014), the Working Group discussed and suggested amendments to the Draft Cooperative Agreement between the Organization of the Black Sea Economic Cooperation (BSEC) and the International

Congress of Industrialists and Entrepreneurs (ICIE). The draft text of the Cooperative Agreement, with amendments suggested so far is attached as **Annex IX**.

37. The Working Group decided to continue consideration of the draft text at its next meeting.

### **THE “WAY FORWARD FOR AN ACTION PLAN ON THE IMPLEMENTATION OF THE “ECONOMIC AGENDA TOWARDS AN ENHANCED BSEC PARTNERSHIP”**

38. BSEC PERMIS representative informed the Working Group on the provisions of the “BSEC Economic Agenda Towards an Enhanced BSEC Partnership” and on document called “The way forward for an action plan on the implementation of the Economic Agenda Towards an Enhanced BSEC Partnership”.

39. The Working Group took note of the Project entitled “Creation of BSEC Networks in the interested BSEC Member States aimed at promoting intra-regional trade and investments”, and agreed to submit it for discussion during the Joint Meeting of the Working Groups on Trade and Economic Development and on Customs Matters, to be held at the BSEC Headquarters on 26 September 2014.

### **IMPLEMENTATION OF THE BSEC PUBLIC COMMUNICATION STRATEGY**

40. The Working Group considered, amended and approved the text regarding the Section on Trade and Economic Development for the BSEC Website, elaborated by the BSEC PERMIS. The text is attached as **Annex X**.

### **GUIDELINES FOR THE BSEC PROJECT MANAGEMENT UNIT**

41. The BSEC PERMIS representative informed the participants of the “Guidelines for the BSEC Project Management Unit” adopted by a Resolution at the meeting of the Council of Ministers of Foreign Affairs (Varna, 19 June 2014). A booklet with the Guidelines for the BSEC Project Management Unit was distributed to the participants.

42. The Working Group took note of the presentation on the Guidelines of the BSEC Project Management Unit, delivered by BSEC PERMIS, and invited the Member States to start submitting project proposals in compliance with the Project Proposal Template.

### **HOW TO INCREASE THE EFFICIENCY OF THE WORK OF THE WORKING GROUP? – OBSERVATIONS AND SUGGESTIONS**

43. The representatives of the Hellenic Republic, the Russian Federation and the Republic of Turkey provided updated information on their respective representatives on a long-term basis to the Working Group.

44. The Working Group invited the Member States that have not done so to communicate through the Ministries of Foreign Affairs updated information about their representatives on a long-term basis to the Working Group on Trade and Economic Development.

**ANY OTHER BUSINESS**

45. No issue was raised under this agenda item.

**DATE AND VENUE FOR THE NEXT MEETING**

46. The date and venue for the next Meeting will be communicated in due time through the BSEC PERMIS, after consultations with the Chairman-in-Office.

**ADOPTION OF THE REPORT OF THE MEETING**

47. The Working Group on Trade and Economic Development adopted the present Report and submitted it for consideration to the next Meeting of the Committee of Senior Officials.