The Meeting of the BSEC Working Group (WG) on Customs Matters was held in Istanbul, at the BSEC Headquarters, on 10-11 March 2011.

The Meeting was chaired by Mr. Hasan KÖSEOĞLU, Deputy Director General for EU and External Relations, Undersecretariat of Customs, Prime Ministry, the Republic of Turkey who delivered an introductory statement. The text of the introductory statement is attached as Annex I.

The following Member States of BSEC attended the Meeting:

- Republic of Armenia
- Republic of Azerbaijan
- Republic of Bulgaria
- Hellenic Republic
- Romania
- Russian Federation
- Republic of Turkey

The following BSEC Related Body also participated in the Meeting:

Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC)

The following BSEC Observer attended the Meeting:

Czech Republic

The following BSEC Sectoral Dialogue Partner also participated in the Meeting:

Union of Road Transport Associations in the BSEC Region (BSEC-URTA)
The List of Participants is attached as Annex II.

7. The Agenda of the Meeting was discussed, amended and adopted. The Agenda, as adopted, is attached as Annex III.

**STATUS OF IMPLEMENTATION OF RESOLUTIONS, DECISIONS AND RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS RELATED TO CUSTOMS MATTERS**

8. The WG discussed the ways and means of implementation of the Decisions of the 22\textsuperscript{nd} Meeting of the BSEC Council related to customs matters. In particular, the WG welcomed the appointment of the Republic of Turkey as the Country-Coordinator of the WG.

9. The WG acknowledged that the issue concerning the possibility of establishing a mechanism of exchange of preliminary information among the customs administrations of the interested Member States is being considered within the framework of the WG.

**CONSIDERATION OF THE ACTION PLAN OF THE WORKING GROUP ON CUSTOMS MATTERS**

10. The WG considered, amended and adopted the Action Plan, submitted by the Republic of Turkey as the Country-Coordinator, for the two year period. The Action Plan, as adopted, is attached as Annex IV.

11. The Action Plan is open for the additional proposals and amendments from the Member States.

**CONSIDERATION OF POSSIBILITY TO ESTABLISH A MECHANISM OF EXCHANGE OF PRELIMINARY INFORMATION AMONG THE INTERESTED CUSTOMS ADMINISTRATIONS OF THE BSEC MEMBER STATES**

12. The WG continued the consideration of the issue concerning the possibility of establishing a mechanism of exchange of preliminary information among the customs administrations of the interested BSEC Member States.


14. The WG recommended to the interested Member States to use the Draft Protocol in their bilateral negotiations. Some interested Member States supported the proposition by the Russian Federation to use it as a multilateral framework for a future BSEC Agreement on the exchange of preliminary information among interested customs administrations of the BSEC Member States.

15. With this regard, the Republic of Turkey informed the WG on its intention to having progress on its ongoing projects on exchange of information before considering an extension of such cooperation to other countries.
16. The Republic of Azerbaijan expressed its position that, at present, the mechanism of exchange of preliminary information should be established at a bilateral level between the interested Member States.

17. The Republic of Bulgaria and Romania reiterated that within the EU the European Commission is the sole spokesman on the issue of exchange of information and that the EU member states, which are also Member States of BSEC, cannot participate in bilateral arrangements on their behalf.

DISCUSSION ON THE REVISED POSITION OF THE EUROPEAN UNION CONCERNING THE EXCHANGE OF PRELIMINARY INFORMATION AMONG NON-EU MEMBER STATES

18. Taking into account the absence of the representative of the European Commission at the Meeting, the WG agreed to discuss this issue at its next meeting.

CONSIDERATION OF PROJECT PROPOSALS FOR PDF FUNDING

19. The WG took note of the information provided by the Republic of Turkey on the joint use of border-gates projects between Turkey and Georgia, and Turkey and Azerbaijan.

20. The Republic of Turkey (leading partner) expressed its willingness to consider the intention to submit a project to the PDF funding at a later stage according to the results of its ongoing projects with the mentioned neighboring countries.

REVISION OF THE TERMS OF REFERENCE OF THE WORKING GROUP ON CUSTOMS MATTERS

21. Taking into account the recommendation of the Evaluation Report of Ukraine as the previous Country Coordinator of the WG which suggested to renew the Terms of Reference of the Ad-Hoc Expert Group, the WG requested the Country-Coordinator, to revise, in cooperation with BSEC PERMIS, the existing Terms of Reference of the former Ad Hoc Expert Group and elaborate the new Terms of Reference of the WG on Customs Matters, putting a particular focus on the conceptual approach. The Member States are expected to submit their proposals, if any, to the Country-Coordinator which will submit the final draft to the next meeting of WG.

ANY OTHER BUSINESS

22. The Republic of Turkey made a presentation on Turkey’s efforts on the Joint Use of Border Gates with its neighboring countries Georgia, Azerbaijan, Iran and Syria. The presentation comprised the different models of operation at the border crossing aimed at reducing the waiting time and facilitating the movement of goods and persons across the borders. The presentation is attached as Annex V.

23. The representative of BSEC-URTA made a presentation on the extensive use of X-ray technology to scan the commercial vehicles and drivers while crossing the borders of the Member States, making a reference to the IRU Resolution adopted in Geneva on 4 November 2010, on using X-ray equipment for inspecting vehicles at borders and ports.
24. With this regard, the participating Member States discussed the possibility of addressing the issue in the Action Plan of the WG or creating an Ad Hoc WG of Experts to consider the issue proposed by BSEC-URTA. The WG agreed to discuss this issue at its next meeting.

**DATE AND VENUE FOR THE NEXT MEETING**

25. The date and venue of the next Meeting of the WG on Customs Matters will be communicated to the BSEC Member States through BSEC PERMIS.

**ADOPTION OF THE REPORT OF THE MEETING**

26. The WG adopted the present Report for submission to the next Meeting of the Committee of the Senior Officials of the BSEC Member States to be held in Istanbul on 21-22 March 2011.