

BAKY DECLARATION ON ENERGY COOPERATION IN THE BSEC REGION

BAKY, AZERBAIJAN, 19 SEPTEMBER 2003

The Ministers of Energy of the BSEC Member States having gathered in Baky on the 19th of September 2003,

Underlining the significance of energy in further developing the cooperation and integration processes in the Black Sea region;

Underlining the role of energy in the sustainable development of the BSEC Member States;

Taking into account the strategic importance of the Black Sea region in the further development of energy infrastructure in Eurasia;

Noting the importance of national energy networks in enhancing the vital bridging role of the Black Sea region between Europe and Asia;

Stressing the existing beneficial bilateral and multilateral cooperation between the countries they represent;

Considering conflicts as the major impediment for development of both bilateral and multilateral cooperation in the region;

Stressing that cooperation at all times shall be based on the respect and adherence to the principles and norms of international law;

Stressing the importance of unhindered exercise of sovereign rights to exploitation, development and transportation of energy resources in the frame of international law;

Aiming to expand their current cooperation and establish more advanced modes;

Conscious of the great potential for further cooperation in the energy field;

Stressing the importance of environmental sustainability issues in the Black Sea region;

Emphasising the role of the Organization of the Black Sea Economic Cooperation as the instrumental mechanism for development of

multilateral cooperation in the region;

Stressing the provisions of the BSEC Economic Agenda adopted by the Moscow Council of Ministers of Foreign Affairs of the BSEC Member States in April 2001, which emphasised the need to set priorities and objectives in the energy sector, as well as other relevant resolutions of the Ministers of Foreign Affairs;

Emphasising the role of the Parliamentary Assembly of the Black Sea Economic Cooperation, the BSEC Business Council, the Black Sea Trade and Development Bank and the International Centre for Black Sea Studies as additional important mechanisms for multilateral cooperation;

Welcoming the establishment of the BSEC Project Development Fund;

Pursuing the BSEC strategic objective to develop a balanced, mutually beneficial cooperation with the EU;

Being aware of the provisions of the Energy Charter Treaty and the Energy Charter Protocol on Energy Efficiency signed in December 1994 and entered into force in April 1998

Have agreed:

- *To strengthen* the rule of law on energy-related issues by ensuring a level playing-field of rules for all BSEC Member States;
- *To progressively* liberalise trade in energy materials, products and energy-related equipment by identifying and systematically eliminating trade barriers, with due regard to WTO rules and regulations and the other international obligations of the BSEC Member States;
- *To ensure* continuing freedom and security of all modes of hydrocarbon transport also taking into account the international commitments of BSEC Countries;
- *To ensure* further security of energy supplies, including the diversification of energy transport routes;
- *To take* all necessary measures towards improving energy efficiency;
- *To create* an attractive environment for foreign investments in the energy field by continuing, among others, reforms towards the elimination of legislative and administrative barriers;
- *To work* closer on the issues of interconnection of Electric Power Systems in the BSEC region taking into account the intentions of some

Member States to join the UCTE;

- *To improve* the legal framework for energy sector operators taking into consideration the international and European requirements in each Member State;
- *To promote* objectives stipulated in the Energy Charter Treaty and the Energy Charter Protocol on Energy Efficiency; and to undertake required steps in order to resolve any problems obstructing full adherence to its Protocols;
- *To work* closer together towards inter-state co-operation with respect to improving and interconnecting their oil and gas pipeline networks and linking them in particular to the Trans-European energy networks;
- *To work* closer together towards further diversification of oil and gas export routes from the broader Caspian and Black Sea regions to the European and international market;
- *To promote* policies focused on environmental protection in order to manage the environmental problems arising from the exploitation and transportation of energy sources, particularly with regard to the Black Sea, by integrating environmental issues and sustainability into the energy policies and by supporting the development of renewable energy sources;
- *To develop* initiatives ensuring the physical safety and security of transport and energy supply networks;
- *To continue* active cooperation with the European Commission and the United Nations Economic Commission for Europe on energy-related issues;
- *To improve* the gathering, dissemination and exchange of energy-related information by fully involving the BSEC-related institutions and to encourage co-operation and exchange of best practices among energy professionals in the BSEC region;
- *To invite* the Country Coordinator to lead the activities of the Working Group on Energy in order to implement the provisions of the present Declaration.