1. The Meeting of the BSEC Working Group on Trade and Economic Development (WGTED) was held in Istanbul, at the BSEC Headquarters, on 18-19 October 2012.

2. The Meeting was chaired by Ms. Elçin EDİS, Head of Department, Ministry of Economy of the Republic of Turkey.

3. The following BSEC Member States participated in the Meeting:
   - Republic of Armenia
   - Hellenic Republic
   - Romania
   - Russian Federation
   - Republic of Serbia
   - Republic of Turkey
   - Ukraine

4. The representatives of the Arab Republic of Egypt, Republic of Italy and the United States of America attended the Meeting as BSEC Observers.

5. The representative of the United Nations Development Program Black Sea Trade & Investment Promotion Program (BSTIP) attended the Meeting as Guest.

The list of participants 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.
7. The BSEC PERMIS representative informed on the ways and dynamics of the implementation of the Resolution of the 15th BSEC Council (Moscow, 1 November 2006), with reference to the activities of the Working Group on Trade and Economic Development relative to the implementation of the BSEC Council Resolutions, Decisions and Recommendations, since the last Meeting of the Working Group (Istanbul, 27-28 March 2012).

8. The participants acknowledged the information on the issue provided by the BSEC PERMIS and expressed willingness to proceed more actively in order to secure the necessary dynamics of the implementation of the Council Resolutions, Decisions and Recommendations.

IMPLEMENTATION OF THE PROVISIONS OF THE “BSEC ECONOMIC AGENDA: TOWARDS AN ENHANCED BSEC PARTNERSHIP”


10. The Working Group decided on the following:

   - to call upon the relevant authorities of the Member States to expedite sending their replies on the Survey;

   - to consider updating the existing Terms of Reference and the Plan of Action (2012-2013) to be discussed at the next Meeting of the Group, on the basis of the outcome of the Survey and the goals of the BSEC Economic Agenda.

IMPLEMENTATION OF THE BSEC PUBLIC COMMUNICATION STRATEGY

11. The Working Group took note of information provided by the BSEC PERMIS representative regarding the newly adopted BSEC Public Communication Strategy and the outcome of the Meeting of the Communication Officers held in Istanbul on 15 October 2012.

12. The PERMIS informed the participants that the text of the BSEC Public Communication Strategy has been added to the new Manual prepared by the PERMIS for the Country-Coordinators of the Working Groups in order to ensure that it is taken into consideration in the planning and carrying out of the Working Group activities.

13. The Working Group decided that the process of developing key messages regarding its activities and achievements in accordance with Part VI of the Strategy should be based on the results of the “Medium-Term (2013-2015) Orientation Survey”.

2
CONSIDERATION OF THE WORKING PAPER ON THE PRIORITIES FOR THE
FUTURE ACTIVITIES OF THE WORKING GROUP ON TRADE AND
ECONOMIC DEVELOPMENT: CLUSTER I - WAYS AND MEANS OF
DEVELOPMENT AND FACILITATION OF INTRA-REGIONAL TRADE AND
INVESTMENT

14. The Working Group took note of the information by the BSEC PERMIS representative
regarding the “Priorities for the future activities of the BSEC Working Group on Trade and
Economic Development”, and started to consider the priorities of Cluster 1 on the Ways and
means of development and facilitation of intra-regional trade and investment.

15. The BSEC PERMIS representative suggested to launch a BSEC project aimed at
implementing one of the specific recommendations contained in the Economic Agenda,
namely Goal 1, item 6: “Recommending to create BSEC networks in the interested BSEC
Member States aimed at promoting intra-regional trade and investments.” The proposed
stages for the implementation of the project are as follows:

   a) to identify a focal point in each interested Member State;

   b) to develop a Model – tasks of the focal point and how to create a BSEC network in a
   Member State;

   c) to organize a meeting of the focal points and agree on their concrete tasks and on a
   system of interaction among them.

16. Such a project could be developed in cooperation with interested organizations and
institutions with financial capacity to fund it.

17. The Working Group took note of the presentation of the UNDP-BSTIP on the Trade
and Investment Promotion Programme in the Black Sea region, attached as Annex III.

18. The Working Group welcomed the readiness of BSTIP to support the project on the
networks of intraregional trade and investment and to elaborate a paper on the issue of trade
facilitation for consideration at its next Meeting.

19. The participants also stressed the need to discuss the impact of the current economic
crisis on the BSEC Member States at the next Meeting of the Working Group.

20. The Working Group decided to continue consideration of the Priorities incorporated in
the Working Paper and the newly presented proposals at its next Meeting.

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

21. The BSEC PERMIS representative recalled that the Working Group had decided that
the exchange of foreign trade data should be kept as a permanent item on the Agenda.

22. The representative of Turkey presented the current situation with regard to the BSEC
Coordination Centre for the Exchange of the Statistical Data and Economic Development and
reiterated its readiness to reactivate the Centre in case the Member States were committed to
provide the relevant data in a standardized and timely manner.
23. The representative of Romania supported the reopening of the Centre and expressed the readiness of his country to provide relevant data.

**BSEC PROJECT DEVELOPMENT FUND (PDF)**

24. The BSEC PERMIS representative recalled that the Working Group, at its last Meeting, adopted the following priorities for PDF funding in the area of Trade and Economic Development: 1. Mechanism building for the development of intra-regional trade and improvement of intra-regional investment climate among the BSEC Member States; 2. Capacity building of human resources and infrastructure aiming at facilitating trade and investment cooperation among the BSEC Member States; and 3. Regional effects of the economic crisis and regional responses.

25. In view of the difficult financial situation of the PDF, the Member States were invited to make voluntary financial contributions to the PDF.

**ANY OTHER BUSINESS**

26. The proposals made by Turkey (BS/INFO.2012.0701 of 15 October 2012) on Consideration of the Opportunities to Enhance Cooperation Regarding Trade Facilitation in the BSEC Region and Establishment of a BSEC Trade Centre in Bursa, which were suggested as separate Agenda items, were discussed under the present Agenda item upon the decision of the Working Group.

27. The delegation of Turkey presented the Concept Paper on Enhancing Cooperation Regarding Trade Facilitation in the BSEC Region. The Paper is attached as **Annex IV**.

28. Following the discussion, the Working Group decided to:
   - invite the Member States to send through BSEC PERMIS their comments/views on the proposal of Turkey on trade facilitation by 22 November 2012;
   - establish a network of experts for trade facilitation and to invite the Member States to appoint by the same date their respective experts on trade facilitation as Focal Points of the network;
   - invite Turkey to present the proposal at the upcoming Meeting of the BSEC Working Group on Customs Matters, to be held at the BSEC Headquarters in Istanbul, on 15 November 2012;
   - consider organizing during the first half of 2013 a Joint Meeting of the Working Groups on Trade and Economic Development and on Customs Matters to further discuss the issue.

29. The Working Group took note of the proposal by Turkey on establishing a BSEC Trade Centre in Bursa aimed at facilitating and developing trade among the BSEC Member States. The presentation on the proposal is attached as **Annex V**.

30. The participants exchanged their views on the issue and suggested to continue consideration of the proposal of Turkey at the next Meeting, in the light of the outcome of the Workshop to be held in Bursa on 12-15 November 2012.

31. The BSEC PERMIS representative, while recalling that no Country-Coordinator for the WGTED was appointed up to now, invited the Member States to consider this issue and put forward their respective candidature for this important function.
ADOPTION OF THE REPORT OF THE MEETING

32. The Working Group adopted the present Report for the submission to the Meeting of the Committee of the Senior Officials of the BSEC Member States to be held in Istanbul on 31 October – 1 November 2012.