

BS/TR/WG/R(2010)1

REPORT OF THE MEETING OF THE BSEC WORKING GROUP ON TRANSPORT

Istanbul, 24 March 2010

1. The Meeting of the BSEC Working Group (WG) on Transport was held in Istanbul on 24 March 2010.

2. The Meeting was chaired by Ambassador Ivan PETKOV, the Special Envoy and Representative of the Bulgarian BSEC Chairmanship-in-Office.

3. The Meeting was attended by the representatives of the following BSEC Member States:

Republic of Armenia Republic of Azerbaijan Republic of Bulgaria Georgia Republic of Moldova Romania Russian Federation Republic of Serbia Republic of Turkey Ukraine

4. The representative of the Czech Republic attended the Meeting as an Observer.

5. The representatives of the Islamic Republic of Iran, the Black and Azov Sea Ports Association (BASPA), the Black Sea International Shipowners Association (BINSA), the Black Sea Association of Shipbuilders and Shiprepairers (BRASS), and the Union of Road Transport Associations in the BSEC Region (BSEC-URTA) participated in the Meeting as Sectoral Dialogue Partners.

6. The Meeting was attended by the representatives of the International Road Federation (IRF) and the International Road Transport Union (IRU) as Guests.

The list of participants is attached as Annex I.

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

IMPLEMENTATION OF THE RESOLUTIONS, DECISIONS, RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS (YEREVAN, 16 APRIL 2009 AND BAKU, 22 OCTOBER 2009) AND OF THE COMMITTEE OF SENIOR OFFICIALS (BAKU, 20-21 OCTOBER 2009), THE FOLLOW-UP OF THE DECLARATION ADOPTED BY THE MINISTERS OF TRANSPORT "YEREVAN DECLARATION ON PROSPECTS OF COOPERATION IN THE FIELD OF TRANSPORT IN THE BSEC REGION" (YEREVAN, 27 MARCH 2009)

8. The WG took note of the PERMIS information "Development of the BSEC Cooperation in Transport" highlighting the BSEC activities since the last meeting of the WG (Information is attached as Annex III). In particular, it was noted that in this period the Member States paid due attention to cooperation in developing the road and maritime infrastructure as well as facilitation of road transport of goods.

9. The BSEC strengthened cooperation and had joint activities with other international organizations and associations, in particular, UNECE, CEI, IRU and IRF. The BSEC Sectoral Dialogue Partners - BASPA, BRASS, BINSA and BSEC-URTA greatly contributed to the BSEC transport cooperation. The BSEC was thoroughly promoted at the different international transport fora.

10. The institutional capacity of the BSEC transport field was more strengthened with granting by the BSEC Council to the Danube Commission and the Conference of Peripheral Maritime Regions of Europe the status of Sectoral Dialogue Partnership.

STATE OF AFFAIRS ON:

a. Coordinated Development of the Black Sea Ring Highway

11. The WG took note of the information provided by the Russian Presidency in the Steering Committee on the Coordinated Development of the Black Sea Ring Highway about its activities. In particular, during the year the Steering Committee had two meetings. The issues related to organizational matters regarding functioning of the Steering Committee and its Secretariat were resolved and the BSRH Action Plan was adopted. Currently, the Participating States are working on finalizing the main BSRH route and its connections.

12. The WG was informed that on 23 March 2010 in Istanbul the consultations of the BSRH JPTS with the representatives of the Republic of Armenia and Romania on the main BSRH route in their countries were held. The Republic of Armenia presented the main as well as the alternative routes in the country. The results of these consultations will be brought to the next meeting of the Steering Committee.

b. Development of the Motorways of the Sea in the BSEC Region

13. The WG took note of the information provided by the Russian Presidency in the Ad Hoc Working Group on the Development of the Motorways of the Sea and its latest developments. In particular, three meetings were held. The Ad Hoc WG elaborated on the organizational matters related to its future activities. Romania, the Russian Federation and the Republic of Turkey reconfirmed their interest in hosting the MoS JPTS. The WG also took note of Ukraine's

willingness and readiness that the Illichevsk port be the host for the MoS JPTS. The Illichevsk port is also the secretariat place for BASPA.

14. The Delegation of the Russian Federation proposed to bring the issue on location of the Secretariat to the level of ministers of transport. It was suggested to organize discussions on the issue at the margins of the Meeting of Ministers of Transport of the BSEC Member States to be held in Sofia.

15. At the same time the Republic of Armenia proposed such a meeting to be organized in the format of the ministers of transport of the four interested countries.

16. The delegations of the Republic of Turkey, Ukraine and Romania expressed their position that it will be premature to discuss the issue at the ministerial level as the issues of conceptual nature regarding the operation of the Ad Hoc WG have not been resolved.

17. The WG recommended continuing consultations in the Ad Hoc WG on the issue among the interested countries in order to find mutually accepted decision.

18. The delegation of the Republic of Azerbaijan, with reference to its position reflected in the Report of the Meeting of the Ad Hoc Working Group on the Development of the Motorways of the Sea (Constanta, 4-5 March 2010), raised an issue related to the creation and future functioning of the MoS JPTS. With this regard, explanation by PERMIS was given that following the decision of the 18th Council of Ministers of Foreign Affairs, the Ad Hoc WG of MoS is not included into the list of the BSEC subsidiary organs. Respectively the Ad Hoc WG is invited to consider the issues raised by the Azerbaijani delegation.

<u>c. Facilitation of Road Transport of Goods in the BSEC Region. Discussion of the Report of the Fourth (Extraordinary) Meeting of the Steering Committee (Istanbul, 9 September 2009) in compliance to the recommendation of CSO Report (Baku, 20-21 October 2009)</u>

19. The delegations of the Republic of Armenia, Georgia, the Republic of Moldova, Romania, the Republic of Serbia and the Republic of Turkey noted the positive developments going on within the implementation of the BSEC pilot project on the BSEC transit permit and reiterated their support to the project.

20. The Russian Federation reiterated its position regarding the BSEC pilot project for the issuing of the BSEC transit permit (the Statement of the Russian Delegation, the Note N111/n of 30 November 2009, Note N116/n of 4 December 2009 and Note 2/n of 3 February 2010 and the Report of the Fourth Meeting of the Steering Committee is attached as Annex IV).

21. The Delegation of Ukraine supported the Russian delegation and reiterated its position that deliberations on the liberalization of the road transport of goods in the BSEC Region and, in particular, on the elaboration of the BSEC Permit (including bilateral and transit transportation as well the third country operations) should be continued on the basis and experience of the ECMT Multilateral quota system.

22. In accordance with the request of some delegations, a legal opinion on the issues raised in the Statement of the Russian Federation was presented (attached as Annex V).

DISCUSSION OF THE WORKING PAPER ON THE POSSIBLE COOPERATION IN THE AREA OF CIVIL AVIATION

23. The participants of the WG exchanged opinions regarding the initiative and the Working Paper submitted in this regard by the Republic of Turkey in order to establish cooperation in the area of civil aviation.

24. The delegation of the Republic of Turkey referring to the relevant decisions of the Ministers of Transport taken in the Ministerial Meeting held in 2007 in Istanbul and in 2009 in Yerevan made a presentation which highlighted the positive prospects of such cooperation.

25. The delegations of the Republic of Armenia, the Republic of Azerbaijan, Georgia, the Republic of Moldova, Romania, the Republic of Turkey and Ukraine supported the initiative of establishing an Ad Hoc Working Group of Experts on Cooperation among the BSEC Member States in the area of Civil Aviation.

26. Taking into account the above mentioned discussions held, the WG made recommendation to the Council of Ministers of Foreign Affairs to establish an Ad Hoc Working Group of Experts on Cooperation among the BSEC Member States in the area of Civil Aviation, which should consider in detail prospects on the cooperation in the field and identify areas where such cooperation can be applied.

27. The delegation of the Russian Federation reiterated its position which was reflected in the relevant note that the area of air transport is already regulated by ICAO and other international organizations. Therefore, the proposal of the Republic of Turkey will duplicate this work in most of the areas.

28. The delegation of the Republic of Bulgaria referred to the existing EU legislation in the field of civil aviation. It has underlined that Bulgaria cannot commit itself unilaterally to the adoption of additional rules and standards in that field, as possible contradictions with the EU legislation may occur.

<u>RECOMMENDATIONS FOR INTEGRATED MARITIME POLICY IN THE FIELD OF</u> <u>MARITIME TRANSPORT, PORTS, SHIPBUILDING AND SHIPREPAIRING IN THE</u> <u>BLACK SEA BASIN.</u>

29. The Delegation of the Bulgaria presented the Background paper "Integrated Maritime Policy in the Field of Maritime Transport, Ports, Shipbuilding and Shiprepairing in the Black Sea Basin" based on the integrated approach to the different elements of this regional policy. The proposal was prepared by BRASS in coordination with BASPA, BINSA and BSEC-URTA. The establishment of a particular Ad Hoc WG was proposed by the Bulgarian Delegation to organize the discussions to follow (the document is attached as Annex VI).

30. The WG welcomed the proposal and invited the Member States to exchange views and comments on the Background paper via PERMIS and to consider the issue in detail at the next meeting.

BSEC COOPERATION WITH EU AND INTERNATIONAL ORGANIZATIONS (UNECE, IRU, IRF) IN THE DEVELOPMENT OF EURO-ASIAN TRANSPORT LINKS IN THE BSEC REGION, WITH THE BSEC SECTORAL DIALOGUE PARTNERS (BSEC-URTA, BASPA, BRASS, BINSA).

31. The WG took note of the information of the PERMIS about the BSEC cooperation with other international organizations and expressed its appreciation to the UNECE, CEI, IRU, IRF as well as the BSEC Sectoral Dialogue Partners - BASPA, BRASS, BINSA and BSEC-URTA for their valuable contribution into the development of transport in the BSEC region.

32. A presentation on the IRF-developed greenhouse gas calculator for road construction projects was disseminated and is attached as Annex VII.

33. The Delegation of the Russian Federation reiterated its position that the cooperation between the BSEC and the European Union should be developed on the equal and mutually beneficial basis but not in the framework of the EU initiatives suggested for implementation between two institutions.

CONSIDERATION OF PROJECT PROPOSALS

34. No project proposals were submitted.

35. The WG invited Romania as a Country-Coordinator, based on the contributions of the Member States, to elaborate the list of priorities for elaboration of project proposals in the transport field with utilization of the Project Development Fund.

CONSIDERATION AND ADOPTION OF THE ACTION PLAN OF THE WG ON TRANSPORT

36. The Working Group discussed, and amended the Draft Action Plan for 2009-2011 submitted by Romania as a Country-Coordinator. The delegation of the Russian Federation reserved its right to present its position with regard to Article 6 "Maritime Surveillance" & Article 7 "Integrated Maritime Policy" before the Ministerial Meeting on Transport to be held in Sofia and with this regard requested the final approval of the draft to the Meeting of Experts on Transport to be held prior to the Ministerial Meeting.

37. The text of the Action Plan, as amended by the Working Group, is attached as Annex VIII to the present Report.

38. The WG took note of the BSEC PERMIS information that further amendment of the Action Plan to include activity in civil aviation is possible provided that the appropriate decision on establishment of an Ad Hoc Working Group of Experts on Cooperation among the BSEC Member States in the area of Civil Aviation is taken.

PREPARING A WORK PROGRAM FOR 2010

39. The WG approved the Work Program of the BSEC transport activities for 2010. The BSEC Member States were invited to amend the Work Program with other activities if they represent interest for the Member States. Relevant proposals should be sent to the Member States

through BSEC PERMIS. The Work Program as agreed by the WG is attached as Annex IX to the present Report.

ANY OTHER BUSINESS

40. The Delegation of Bulgaria informed the participants about the organizational arrangements for the forthcoming meeting of the Ministers of Transport of the BSEC Member States to be held in Sofia on 15 April 2010 and the Meeting of Experts to be held on 14 April 2010 to prepare a final document of the Ministerial meeting (the information is attached as Annex X). The invitations to the Members States were sent through the diplomatic channels. The PERMIS was requested to extend invitation to the Observer States, Sectoral Dialogue Partners and international organizations to take part in the event. The Draft Final Document will be sent by the Bulgarian Side shortly.

DATE AND VENUE OF THE NEXT MEETING

41. The WG agreed that the date and venue of its next meeting would be communicated to the Member States through the BSEC Secretariat.

ADOPTION OF THE REPORT OF THE MEETING

42. The Working Group adopted the present report for submission to the Meeting of the Committee of Senior Officials and the Twenty-second Meeting of the Council of Ministers of Foreign Affairs.

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