



BS/TR/WG/R(2006)1

**REPORT
OF THE MEETING OF THE
BSEC WORKING GROUP ON TRANSPORT**

Bucharest, 13-14 March 2006

1. The Meeting of the BSEC Working Group (WG) on Transport was held in Bucharest, Romania, on 13-14 March 2006.
2. The Meeting was attended by the representatives of the following BSEC Member States:
 - Republic of Albania
 - Republic of Armenia
 - Republic of Azerbaijan
 - Republic of Bulgaria
 - Georgia
 - Hellenic Republic
 - Republic of Moldova
 - Romania
 - Russian Federation
 - Republic of Turkey
 - Ukraine
3. Representatives of the Republic of Belarus, the Republic of Croatia, the State of Israel, the Republic of Poland, the Slovak Republic, the Republic of Tunisia and the United States of America attended the Meeting as Observers.
4. The representative of the BSEC Business Council (BC) also participated in the Meeting.
5. The Meeting was attended by the representative of the International Road Federation (IRF) as Guest.
6. The representatives of the Black and Azov Seas Ports Association (BASPA), the Black Sea International Shipowners Association (BINSAs), the Black Sea Region Association of Shipbuilders and Shiprepairers (BRASS), the Union of Road Transport Associations in the BSEC Region (BSEC-URTA) and the Coordinating Transport Meeting of the Member States of the Commonwealth of

Independent States (CTM CIS) participated in the Meeting as Organizations having sectoral dialogue partnership with BSEC.

7. The Meeting was co- chaired by Mrs. Dana CONSTANTINESCU, Director General, Department for EU and International Coordination, and Mrs. Catalina PATRASCU, Head of Unit within the Department for EU and International Coordination, Ministry of Transport, Constructions and Tourism of Romania.

8. The draft agenda of the Meeting was discussed and adopted. The agenda, as adopted, is attached as Annex I.

ELABORATION OF DRAFT JOINT DECLARATION OF THE MEETING OF MINISTERS OF TRANSPORT OF THE BSEC MEMBER STATES

9. The Draft Joint Declaration on the further developments in the field of transport in the BSEC Region, presented by the Romanian Ministry of Transport, Constructions and Tourism was reviewed and submitted to the Meeting of the Ministers of Transport of the BSEC Member States for adoption. The Draft Joint Declaration, as finalized by the Working Group, is attached as Annex II.

10. Regarding the joint actions to promote the development of trade and tourism in the Black Sea region by facilitating border crossing procedures, the Greek Delegation emphasized the implementation of the relevant international agreements and especially the Schengen Agreement.

11. The Greek Delegation expressed its reluctance concerning the establishment of an ad hoc Group of Experts for the elaboration of appropriate criteria and methodology for the future regional projects of mutual interest, given that this work could be undertaken by the existing Working Group on Transport.

CONNECTING THE BLACK SEA TRANSPORT NETWORK WITH THE TRANS-EUROPEAN TRANSPORT NETWORK

12. The Working Group recalled its view expressed at the meeting held in Thessaloniki, on 26-27 January 2005, that the work of the High Level Group on the extension of the major Trans-European Transport axes to the neighboring countries and regions established by the European Commission, as well as the UNECE-UNESCAP Expert Group on developing Euro-Asian transport linkages, should be followed thoroughly.

13. In line with this, the delegations considered the Report from the High Level Group “Extension of the major Trans-European Transport axes to the neighboring countries and regions” of November 2005, the Final report of the 3rd Expert Group Meeting on Developing Euro-Asian Transport Linkages, held on 27-29 June 2005 and “Europe-Asia Links: Synthesis Report and political Decisions required” approved at the 2005 Moscow session of the ECMT Council.

14. To achieve a higher level of cooperation with international institutions, the Working Group agreed that implementation of the Action Plan of BSEC in the field of Transport for 2005-2007, adopted at the Meeting of 8-9 November 2005, will take into consideration recommendations by the High level Group, as well as that of UNECE-UNESCAP Expert Group and ECMT.

15. Furthermore, the following undertakings were considered as the current priorities for the Working Group activities:

- Finalization of the BSEC Ring Corridor Map as a starting point for identification of regional projects;
- Concluding the MoU on the development of Motorways of the Sea as a model for coherent actions in this field;
- Commencement of implementation of the MoU on Facilitation of Road Transport of Goods in the BSEC region with convening the Meeting of its Steering Committee as soon as the document enters into force;
- Collecting data on transport infrastructure, relevant legislation and regulatory mechanisms in the BSEC Member States, useful for the operators of all modes of transport, as a tool for Public-Private Partnership development;
- Identification and promotion of large-scale projects having regional impact.

INTEGRATION OF SHIPPING LINES IN THE TRANSPORT LINKS

a) Development of inland waterways and maritime transport on the routes connecting Asia and Europe

16. The Working Group took note of the presentation by the Delegation of the CTM CIS of the project on the establishment of a waterway to connect the Black and the Caspian Seas through construction of a new channel which could have international legal status similar to that of Pan-European Transport Corridor VII (the Danube).

17. It was recommended that the expediency of the above proposal would be considered in the process of identification by the Working Group of large-scale projects having regional impact.

b) Discussion on the Draft Memorandum of Understanding on the Development of the Motorways of the Sea

18. The Working Group recalled the provision of the Joint Declaration adopted by the Ministers of Transport of the BSEC Member States at their Meeting in Thessaloniki, on 28 January 2005, that the development of transport axes connecting the Black Sea transport infrastructure network to the Trans-European Transport Network should incorporate the new concept of Motorways of the Sea.

19. The draft MoU on the Development of the Motorways of the Sea elaborated by the Ministry of Mercantile Marine of Greece and the Hellenic Institute of Transport in compliance with the decision of the Working Group taken at the Meeting in Thessaloniki, was submitted to the participants for consideration.

20. Taking note of the general comments and concrete proposals by a number of delegations to the draft MoU, the Working Group invited all the BSEC Member States to communicate their proposals in written form by the end of April 2006 so that the matter shall be considered at the next Meeting of the Working Group. The draft MoU as presented to the Working Group is attached as Annex III.

STATE OF AFFAIRS WITH RESPECT TO THE LEGAL BASIS FOR COOPERATION IN THE FIELD OF TRANSPORT:

a) Draft Memorandum of Understanding between BSEC and IRU

21. The Working Group considered the draft MoU between BSEC and IRU, preliminary agreed by the Secretariats of the two Organizations with the mediation of BSEC-URTA, as well as the amendments to it by the BSEC Member States. The Working Group agreed on the final draft of the MoU between BSEC and IRU, which is attached as Annex IV to the present Report. Furthermore, the Working Group recommended to the Committee of Senior Officials to endorse the said MoU and adopt a draft Resolution by the BSEC Council, mandating the Secretary General of BSEC PERMIS to sign the document on behalf of BSEC.

b) Memorandum of Understanding on Facilitation of Road Transport of Goods in the BSEC Region

22. The Working Group assessed the state of affairs with respect to the entering into force of the MoU for Facilitation of Road Transport of Goods in the BSEC Region. It took note of the information provided by the delegations of Romania and Armenia that their national procedures with reference to the said document are in their final stage, namely consideration by their national Parliaments.

PRESENTATION OF PROJECT PROPOSALS

23. In line with the decision of the Working Group Meeting of 8-9 November 2005, the participants considered the project proposal titled “Economic Expediency of Opening New International Passenger Line (Ferry) between Ports of Istanbul – Odessa – Yalta – Novorossiysk – Sochi or other” submitted by the Delegation of the Russian Federation.

24. The following delegations proposed that their ports are worth inclusion in the above mentioned project:

- The Delegation of Bulgaria - the ports of Burgas and Varna;
- The Delegation of Romania – the port of Constantza;
- The Delegation of Turkey – the ports of Samsun and Trabzon.

25. Furthermore, the participants took note of the opinion of BSEC PERMIS that the Standard Application for Funding a BSEC Project submitted by the applicants of the above mentioned project needs further elaboration in order to meet the requirements set up by the PDF regulations.

26. The Working Group expressed its support for the promotion in the BSEC framework of the project proposal on opening new international passenger line (ferry) between the ports of the Black Sea and agreed that a decision on its recommendation to the Committee of Senior Officials with a view of its funding from PDF will be taken at the next Meeting provided that the institutions of interested Member States are involved and the application form corresponds to the regulations.

27. The Delegation of Azerbaijan informed the Meeting of the commencement of operations on container shipment along the route Poti-Baku-Aktau-Almaty, as well as of the project on the construction of a new railway line Kars-Akhalkalaki-Tbilisi-Baku.

ACTIVITIES OF SECTORAL DIALOGUE PARTNERS IN THE BSEC WORKING GROUP ON TRANSPORT

28. The Working Group took note of the BSEC-URTA report, in which the need to maintain and develop the ECMT quota system as an important tool for facilitation of road transport was underlined since any restriction imposed on the quotas of the BSEC Member States impedes trade and transport operations.

29. Furthermore, BSEC-URTA presented to the Working Group information concerning the revitalizing of the Silk Road by the Beijing-Brussels truck Caravan organized in the framework of the Joint IRU Ministerial Conference on 29 September 2005 and requested the Working Group to reinforce this initiative through progressive elimination of existing administrative barriers and facilitation of border crossing procedures.

30. The Working Group appreciated the willingness of CTM CIS to collaborate with BSEC in its capacity of sectoral dialogue partner, particularly in the implementation of projects on international transport infrastructure development.

31. Being informed by the Delegation of BASPA of its activities in 2005 and the working program for 2006, the delegations invited the interested Member States to participate in the 5th International Transport Conference “The Black Sea Area Transport Network Formation” to be held with BSEC PERMIS support on 7-8 June 2006 in Odessa.

32. The delegations took note of the work done by BRASS on drafting of the “Memorandum of Recommendations in the Sphere of Development of Shipbuilding, Shiprepairing and Shipping” and its presentation to the BSEC subsidiary organs.

33. The Working Group took note also of the information by BINSА on the adoption of general guidelines for BINSА activities, including those to be carried out in the BSEC framework, by the Board and the decision of the latter to apply for IMO membership.

EXCHANGE OF VIEWS ON THE ESTABLISHMENT OF AN AD HOC EXPERT GROUP ON DRAFT MEMORANDUM OF RECOMMENDATIONS IN THE SPHERE OF DEVELOPMENT OF SHIPBUILDING, SHIPREPAIRING AND SHIPPING

34. The delegations took note of the consideration of the Draft Memorandum of Recommendations in the Sphere of Development of Shipbuilding, Shiprepairing and Shipping by the BSEC Working Group on Trade and Economic Development which recommended to the Committee of Senior Officials its further elaboration by the ad hoc Expert Group to be set up to that purpose.

35. The Russian Federation informed that it would explore the possibility of organizing the first meeting of the ad hoc Expert Group during its forthcoming BSEC Chairmanship-in-Office (May-October 2006).

ANY OTHER BUSINESS

36. The Working Group agreed that in order to finalize the map of the BSEC Ring Transport Corridor, the relevant data, in a text format and indicated on a national map should be forwarded to BSEC PERMIS by the end of April 2006.

37. The delegations welcomed presentation by Romania of the concept of a website to be launched by the Ministry of Transport, Constructions and Tourism, elaborated in order to provide useful data and relevant information and reach high level of coordination of actions by the Member States, Observers, Related Bodies and Sectoral Dialogue Partners.

38. The Republic of Turkey underlined the importance of gradual liberalization of the international road freight transport in the BSEC Region and expressed the view that the ECMT multilateral quota system, which is one of the first practical steps towards a gradual liberalization, has played a pivotal role in allowing trade to develop in Europe. It significantly increased the technical standards of goods transport vehicles registered in non-EU Member States and contributed to harmonization of national legislation governing road transport. Therefore, the Turkish Delegation emphasized that unilateral measures in the ECMT quota distribution could distort competition and damage trade and business.

39. The Working Group took note of the proposal by the International Road Federation (IRF) to develop a formal relationship with BSEC. It recommended BSEC PERMIS to enter in contact with IRF and to come up with a draft Memorandum of Understanding focused on improving the quality, quantity and safety of the road infrastructure in the BSEC Region. The said draft MoU shall be considered at a next Meeting of the Working Group on Transport. The Working Group also considered in a positive manner IRF's stated intention to apply for a sectoral dialogue partnership with BSEC.

40. The Romanian Delegation informed that it has entered in contact with the European Commission requesting the latter's point of view regarding those provisions of the Draft Agreement on Mutual Recognition of Diplomas / Certificates and other Evidence of Formal Qualification for Road Haulage Operator and Road Passenger Transport Operator that should be amended or eliminated for achieving the full conformity of its provisions with the EU legislation on this matter.

41. The Secretary General of the BSEC Business Council informed the delegations on a regional project developed with the Marine Environmental Protection Association of Greece (HELMEPA) and of Turkey (TURMEPA), asking for the support of the Working Group for these efforts, which aim at promoting cleaner and safer environmental practices by the shipping industry.

42. The Working Group welcomed an offer by the Russian Federation to draft a MoU on the development of the Black Sea Ring Highway for its consideration at a next meeting.

DATE AND VENUE OF THE NEXT MEETING

43. The Working Group agreed that the date and venue of its next meeting would be communicated to the Member States through BSEC PERMIS.

ADOPTION OF THE REPORT OF THE MEETING

44. The Working Group adopted the present report for submission to the next Meeting of the Committee of Senior Officials and the Fourteenth Meeting of the Council of Ministers of Foreign Affairs to be held in Bucharest, on 26 April 2006.
