REPORT
OF THE MEETING OF THE
BSEC WORKING GROUP ON TRANSPORT

Istanbul, 3-4 July 2007

1. The Meeting of the BSEC Working Group (WG) on Transport was held in Istanbul on 3-4 July 2007.

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 Serbia
   Republic of Turkey
   Ukraine

3. The representatives of the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC), the BSEC Business Council (BC) and the International Center for Black Sea Studies (ICBSS) also participated in the Meeting.

4. The Meeting was attended by the representatives of the United Nations Economic Commission for Europe (UNECE), the International Road Federation (IRF) and the International Road Transport Union (IRU) as Guests.

5. The representatives of the Black and Azov Seas Ports Association (BASPA), the Black Sea International Shipowners Association (BINSA) and the Union of Road Transport Associations in the BSEC Region (BSEC-URTA) participated in the Meeting as Organizations having sectoral dialogue partnership with BSEC.

6. The Meeting was co-chaired by Mr. Suat Hayri AKA, Deputy Undersecretary of the Ministry of Transport and Communications of the Republic of Turkey and Mr. Erdem DİREKLER, Head of
7. The draft agenda of the Meeting was discussed and adopted. The agenda, as adopted, is attached as Annex I.

IMPLEMENTATION OF THE RESOLUTIONS, DECISIONS, RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS AND THE FOLLOW-UP OF THE DECLARATIONS AND JOINT STATEMENTS ADOPTED BY THE MINISTERS OF TRANSPORT, STATE OF AFFAIRS ON:

- Coordinated Development of the Black Sea Ring Highway;

8. The Working Group took note of the consideration at the start-up Meeting of the Steering Committee on the Development of the Black Sea Ring Highway.

9. The delegations appreciated the work done by the Russian Federation in drafting documents necessary for the implementation of the MoU. They urged the Steering Committee to finalize the regulatory documents at their earliest convenience.

10. The Working Group invited the Member States to inform PERMIS as soon as possible about finalization of their internal procedures necessary for the entering of the MoU into force.

11. Furthermore, the Working Group invited the Member States which have not done so to nominate their representatives to the Steering Committee.

- Development of the Motorways of the Sea in the BSEC Region;

12. The delegations took note of the proposal by the Hellenic Ministry of Mercantile Marine, which initiated within the BSEC activity on this MoU and which has worked in the past on similar projects, to undertake a coordinative role for the promotion of issues related to this MoU, in close cooperation with the BSEC institutions.

13. The Hellenic Republic also stressed that Greece has been authorized by the CMFA to proceed to all necessary initiatives and actions for the promotion of the cooperation between the EU and BSEC and the MoU is providing, inter alia, cooperation on policy matters regarding the development of the Motorways of the Sea and/or extending the MoS already established in the EU, to the BSEC region.

14. It was proposed by the delegation of the Hellenic Republic that the Ad Hoc Working Group on the Memorandum of Understanding for the Development of the Motorways of the Sea which would be set up in accordance with relevant provisions of the MoU to take place once a year and if necessary additional sessions would be arranged.

15. The Working Group invited the Member States to inform PERMIS as soon as possible about finalization of their internal procedures necessary for the entering of the MoU into force.
16. Furthermore, the Working Group invited the Member States which have not done so to nominate their representatives to the Ad Hoc Working Group to be established in accordance with the provisions of the MoU.

- Facilitation of Road Transport of Goods in the BSEC Region.


18. The Working Group noted the importance of the adoption by the Council of Ministers of Foreign Affairs of the BSEC Member States of the draft Agreement on Simplification of Visa Procedures for Professional Drivers Nationals of the BSEC Member States and stressed the need of signing it by the interested BSEC Member States in the nearest future.

19. In this regard the interested Member States were invited to finalize, at their earliest convenience, their internal procedures, necessary for signing the Agreement and inform PERMIS about their readiness to do so.

20. Following the deliberations on the MoU the Working Group invited the Steering Committee to take further steps necessary for its implementation in accordance with the time-table, elaborated by the SC at its First Meeting.

21. The delegation of the Hellenic Republic submitted that the gradual liberalization of bilateral and transit quotas should be connected to specific action and deadlines for the facilitation of border crossing and to the entry into force of the revised (AETR) European Agreement on the work of crews of vehicles. As regards multilateral quotas the delegation of the Hellenic Republic noted that only bilateral and transit quotas fall within the scope on the MoU.

22. Furthermore, the Working Group invited the Member States which have not done so to nominate their representatives to the Steering Committee.

23. The Working Group appreciated the presentation of UNECE on international practices used in facilitation of road transport of goods.

24. With regard to the major conventions and agreements related to the development of transport operations within the BSEC region, the Working Group invited the BSEC Member States which are not yet contracting parties to the abovementioned agreements and conventions to undertake the necessary national legal procedures for their accession and full implementation.

**APPROVAL OF THE ACTION PLAN FOR 2007-2009**


26. Following the discussion, the Draft Action Plan was approved by the Working Group and recommended for implementation. The text of the Action Plan, as approved by the Working Group, is attached as Annex II to the present Report.
27. On the basis of the Action Plan the BSEC Member States may present further proposals.

28. The delegation of the Hellenic Republic expressed the following reservations concerning the Action Plan:

1) Article 5.2 and 5.3. The Hellenic Republic asked for their elimination taking into account the non-competence of the Working Group on Transport in matters of regulation of business practices and rules of competition between enterprises in the market of the Member States;

2) Article 4. The Hellenic Republic asked for the addition of the phase “in accordance with the EU legislation wherever applicable”;

3) Article 8.2. The Hellenic Republic noted that this area of air transport is already regulated by ICAO and the EU regulation.

29. The relevant footnotes have been inserted in the Action Plan as adopted by the Working Group.

CONSIDERATION OF PROJECT PROPOSALS

30. The Working Group, upon information provided by BSEC PERMIS, expressed its satisfaction regarding progress on the PDF Application “Economic study for the opening of new international passenger ferry lines between the Black Sea Ports” submitted by institutions from Russia (Lead Partner), Georgia, Turkey and Ukraine and already forwarded to the Committee of Senior Officials by the Working Group (Antalya, 23-24 November 2006).

31. The delegation of the Hellenic Republic reiterated its official request that the “Hellenic National Centre of Port Development-EKAL” joins the PDF Application as a partner.

32. Furthermore, upon previous requests by Albania, Romania and Turkey, the ports of Durres, Constanza, Istanbul, Samsun and Trabzon have been included, by the Lead Partner, for study in the project.

33. The Working Group expressed its hope that the Committee of Senior Officials will examine, at its next Meeting, the said Application in a favorable way.

BSEC COOPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS (UNECE, IRU, IRF) IN THE DEVELOPMENT OF EURO-ASIAN TRANSPORT LINKS IN THE BSEC REGION

34. The Working Group highly appreciated the existing level of cooperation between BSEC and UNECE, IRU and IRF.

35. The representative of IRF reported on the 1st Black Sea and 4th Silk Road Conference held in Istanbul on 14 – 16 May 2007 which addressed in particular practical issues of the development of the Black Sea Ring Highway. The Conference Declaration was adopted.
36. The representative of UNECE expressed readiness to further contribute into the work of BSEC in the development of road infrastructure, facilitation of road transport of goods and development of motorways of the sea.

37. The Working Group positively evaluated the successful completion of the Black Sea Ring Highway Caravan organised by BSEC PERMIS in partnership with the IRU and BSEC-URTA, with a view to promoting the future Black Sea Ring Highway to the peoples of the BSEC region.

38. The Working Group welcomed the readiness of IRU to co-finance a study on a possible model for a BSEC multilateral system of quotas and developing jointly a regional professional driver database compatible with the Schengen Agreement with respect to the BSEC Agreement on Simplification of Visas for Professional Drivers, to be considered by the PDF Steering Committee.

**COOPERATION WITH THE BSEC SECTORAL DIALOGUE PARTNERS (BSEC-URTA, BASPA, BRASS, BINSA)**

39. The Working Group took note of the BSEC-URTA and BASPA activities in 2007 and expressed its appreciation for their contribution to the development of transport in the BSEC region.

40. The Working Group considered the request of the BSEC-URTA for the renewal of its Sectoral Dialogue Partnership Status within the BSEC Organization and submitted a proposal to the BSEC Committee of Senior Officials to renew it for another two-year period.

41. Furthermore, the Working Group welcomed the request of the BSEC NGOs having Sectoral Dialogue Partnership in BSEC to involve them into implementation of the MoU on the Development of the Motorways of the Sea in the BSEC region.

42. The participants took note of the presentation by the Organization Panacademic Health Services about the “Wellness Program for Commercial Drivers” in Turkey. The Working Group expressed its view that this Program could also be implemented in other countries through the relevant road transport associations.

**DRAFT DECLARATION OF MINISTERS OF TRANSPORT**

43. The Draft Joint Declaration on Cooperation in the Sphere of Transport in the BSEC Region on the Occasion of the 15th Anniversary of BSEC, presented by the Turkish Chairmanship, was reviewed and submitted to the Meeting of the Ministers of Transport of the BSEC Member States for adoption. The text of the Final Draft is attached to the present Report as Annex III.

44. The delegation of the Republic of Azerbaijan in accordance with the Memorandum of Understanding on the Development of the Motorways of the Sea in the BSEC region and from the perspectives of the development of the transport links between Europe and Asia proposed to mention the importance of the close cooperation in the Black Sea and the Caspian Sea regions.

45. In this regard the delegation of the Republic of Azerbaijan asked to keep the wording “Caspian Sea” in the para 7 of the Preambula of the Joint Declaration.
ANY OTHER BUSINESS

46. The Working Group took note of the information by PERMIS about the conferences held in May-June 2007 in the BSEC Region (First Black Sea and Fourth Silk Road Conference (Istanbul, 14-16 May 2007), First International Transport Forum and Exhibition "Transport of Russia 2007" (Sochi, 1-2 June 2007), “InterTransPort 2007” and the Sixth International Conference “The Black Sea Area Transport Network Formation” (Odessa, 6-8 June 2007) held in accordance with the Work Program of the Working Group.

EXPRESSION OF THANKS

47. The Participants expressed their high appreciation to the Government of the Republic of Turkey for the warm hospitality extended to them in Istanbul and the excellent organization of the Meeting.

DATE AND VENUE OF THE NEXT MEETING

48. 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

49. The Working Group adopted the present report for submission to the next Meeting of the Committee of Senior Officials.