



BS/TR/WG/R(98)1

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

Sofia, 8-9 October 1998

1. The Meeting of the Working Group on Transport was held on 8-9 October 1998 in Sofia.
2. The Meeting was chaired by Mr. Petko TABAKOV, Deputy Minister of Transport of the Republic of Bulgaria.
3. The Meeting was attended by the following Participating States of the BSEC:
 - Republic of Albania
 - Republic of Armenia
 - Republic of Azerbaijan
 - Republic of Bulgaria
 - Hellenic Republic
 - Republic of Moldova
 - Romania
 - Russian Federation
 - Republic of Turkey
 - Ukraine
4. The representatives of the Arab Republic of Egypt, Austria, Israel, Italy, Poland, BSEC Business Council, and the International Black Sea Club attended the Meeting as Observers.
5. The Meeting was also attended as guests by the representatives of the General Road Administration, Ministry of Trade and Tourism, General Customs Administration of the Republic of Bulgaria, as well as the Black Sea Regional Association of Shipbuilders and Shiprepairers (BRASS), the Black Sea International Shipowners Association (BINSIA), the Bourgas Airport, the Port of Bourgas and the Railways of Bourgas.

The list of participants of the Meeting is attached as Annex I.

6. Mr. Petko TABAKOV delivered an opening address on behalf of the Minister of Transport of the Republic of Bulgaria. The text of the opening address is attached as Annex II.

7. The Working Group discussed and adopted the draft agenda of the Meeting. The agenda, as adopted, is attached as Annex III.

EXCHANGE OF VIEWS ON THE EXISTING INFRASTRUCTURE IN THE BSEC COUNTRIES: STATEMENTS OF NATIONAL DELEGATIONS

8. The participants held an extensive exchange of updated information regarding the existing infrastructure in the BSEC countries and the current activities carried out by the relevant authorities in the Participating States.

9. They agreed that this information should be taken into consideration in the process of elaborating recommendations and decisions concerning further development of transport infrastructure in the BSEC Participating States and its integration into the Pan-European Transport System.

10. The delegations underlined the importance of the development of transport infrastructure in the Black Sea region as a major factor for enhancing mutually advantageous cooperation among the Participating States and pointed out its significance for the improvement of communication in Europe.

11. They also discussed the possibility of developing transport zones close to maritime ports in the BSEC area with the considerable role of maritime transport. It was stressed that this approach would promote trade and investment in these zones.

STATE OF AFFAIRS CONCERNING TRANSPORTATION POLICIES, PROJECTS AND PRIORITIES OF THE BSEC PARTICIPATING STATES

12. Under this agenda item the delegations exchanged information on transport policies, projects and priorities of the Participating States.

13. The delegations emphasized that all necessary measures should be undertaken in order to alleviate the repercussions of introducing any changes in the regulations concerning transport policies in the Participating States. The Working Group requested the Twelfth Meeting of the Ministers of Foreign Affairs (MMFA) to endorse a resolution calling upon all Participating States to cooperate more closely on this subject.

14. Several delegations presented a series of specific projects of multilateral cooperation in the field of transport, justifying the ways and means of implementing them taking into account the required joint efforts of the interested Participating States.

15. The participants agreed to consider the said projects at their regular meetings with the view of identifying concrete modalities for collaboration among the BSEC countries.

16. The delegations had a thorough exchange of views on priority projects related to some Pan-European transport corridors No. IV, VII, VIII, IX and X. They stressed the need for joint efforts aimed at proper implementation of the said projects.

17. The delegations recalled the decisions of the Third Pan-European Transport Conference according to which the concept of Pan-European Transport Area of the Black Sea Basin was endorsed. In this regard, the delegations stated that the development of infrastructure in this area should be carried out by realization of the Black Sea Ring Corridor Project and connection of the ports of the BSEC area. They also reiterated that cooperation in this field could be made via liberalization of transport, more specifically the road transport.

18. The participants took note of the results of the International Conference on Rehabilitation of the Historical Silk Road held in Baku on 7-8 September 1998 with the participation of 32 countries and 13 international organizations. The Main Multilateral Agreement on International Transport for the Development of Europe-Caucasus-Asia Corridor was signed by 12 countries, 8 of them being BSEC Participating States. They emphasized the importance of the corridor Europe-Caucasus-Asia (TRACECA) as a continuity of the Pan-European Transport Corridors.

19. The delegations were also informed on the results of the First Euro-Asian Conference on Transport held in St-Petersburg on 12-13 May 1998 where a wide range of issues concerning transport and transport links were discussed. The main aspects of the development of transport links between Europe and Asia were formulated in the Declaration of this Conference.

20. As regards the operational sector and transport facilitation, the delegations agreed that the Participating States should develop, in addition to infrastructure, policies addressing operational issues of transport aiming at improving institutional regulatory framework, gradually liberalize transport markets, and harmonize respective regulations and charging policies in the BSEC Participating States. In that sense, adherence to the international institutional framework should be encouraged.

21. In this respect, the adherence of the Participating States to the existing international transport agreements and conventions should be considered as a priority.

DEVELOPMENT OF THE REGIONAL TRANSPORT NETWORK IN THE CONTEXT OF THE THIRD PAN-EUROPEAN TRANSPORT CONFERENCE

22. The participants held a thorough discussion concerning the development of the regional transport network with due regard to the decisions and recommendations of the Third Pan-European Transport Conference held in Helsinki on 23-25 June 1997.

23. As the concept of Pan-European Transport Areas was endorsed at the Helsinki Conference, the Black Sea Basin Area being among the four transportation areas proposed for development during the next 10-15 years, the participants reiterated the necessity of an infrastructure development plan for the Black Sea Basin Area including its links with the Pan-European Corridors and the transport network of Central Asia.

24. The participants expressed the opinion that it would be advisable to conclude a Memorandum of Understanding among the countries of the Black Sea region concerning the Black Sea Basin Transport Area and agreed to further consider this matter at the next Meeting of the Working Group. They stressed the necessity of close cooperation on this issue with the relevant bodies of the European Commission.

POSSIBILITIES AND PERSPECTIVES FOR FINANCING OF TRANSPORTATION PROJECTS AND INVOLVEMENT OF THE PRIVATE SECTOR IN THEIR IMPLEMENTATION

25. The participants exchanged views with regard to concrete opportunities for partnership of state and private investors in the realization of specific projects of cooperation in the field of transport and development of regional transport network.

26. In this regard the delegations called upon the relevant authorities of the Participating States to take into consideration the Public Private Partnership concept endorsed by the European Commission in order to attract direct investments from the private sector.

27. The participants welcomed the readiness of the Hellenic Republic to supply the appropriate know-how in the development of the respective legal framework and in the implementation of such schemes.

28. The representative of the BSEC Business Council informed the Meeting on the possible ways of involving the private sector in the elaboration and implementation of projects and programs in the field of transport. The delegations took note with interest of the information presented and agreed to provide the Business Council Secretariat with relevant information regarding transport issues, including transport liberalization and privatization process.

29. The participants stressed the role of the Black Sea Trade and Development Bank and other financial institutions in financing the projects and programs, including their feasibility and pre-feasibility studies, in the field of transport.

REVIEW OF THE EXISTING LINKS BETWEEN NATIONAL INFRASTRUCTURES IN THE BSEC REGION

30. The participants shared the view that the development of transport cooperation within the framework of BSEC should take into consideration the necessity of interaction with neighbouring regions.

31. In the light of the Third Pan-European Transport Conference the delegations agreed on the necessity of taking specific measures through their national authorities for improving the effectiveness and safety of the transport system in the region and for developing national infrastructures with appropriate links to the Pan-European Transport System.

ALTERNATIVE PROPOSALS FOR FACILITATION OF BORDER CROSSING FORMALITIES IN THE BSEC PARTICIPATING STATES

32. The delegations had an exchange of views on the issue related to border crossing formalities in the BSEC Participating States. They reiterated the value of this item as substantial method of promoting economic and commercial relations within the BSEC region.

33. The Working Group came to the conclusion that simplification and harmonization of the customs and border crossing procedures on the basis of the existing international agreements and practices will be a considerable contribution to increasing the effectiveness of international transportation.

34. The participants shared the view that it would be beneficial to invite the Participating States to present their proposals on the means and modalities of exchanging information on the existing national legal framework concerning border crossing.

35. They also considered that the necessary measures should be undertaken by the Participating States in order to provide the necessary equipment for speeding up the border crossing procedure and organizing a relevant training program for the personnel.

36. The participants expressed the view that the recommendations of the SECI Project Group on Border Crossing Facilitation could be taken into consideration in order to facilitate border crossing procedures in the BSEC region.

MARITIME TRANSPORTATION IN BLACK SEA REGION: RECENT DEVELOPMENTS IN THE SHIPPING POLICIES OF THE PARTICIPATING STATES

37. After a wide exchange of information on the assessment of the measures taken towards a market oriented maritime transport environment, the delegations reaffirmed the need to ensure and further promote competitive conditions by the progressive elimination of existing obstacles, while adhering to the principle of free and fair competition prevailing in international maritime transport.

38. The participants recognized the need for further development of the Black Sea area and considered it helpful to proceed by concluding bilateral and multilateral agreements between the Participating States in the field of maritime transport.

39. The delegations further agreed that the Participating States make their best endeavors to solve any practical problems faced by their ships in the ports of the Participating States.

40. They recognized the need to facilitate merchant vessels and their crews when calling in the ports of Participating States in order to overcome any bureaucratic problems and to avoid undue delays.

41. The participants discussed the proposal to establish a new BSEC Working Group on Maritime Transport and, in absence of consensus on this matter, agreed to refer to it at a later stage. They shared the view that a BSEC conference on maritime transport in the Black Sea, with the participation of interested international organizations, could be convened in order to have a broader discussion concerning maritime transportation in the region.

42. The delegations took note in a positive manner of the information presented by the BSEC Business Council regarding the establishment of the BSEC “Training Center for the Rescue Personnel” and invited the interested parties to take part in this project.

43. In order to create the appropriate legal environment for maritime transport development, the participants shared the view that the Participating States should be encouraged to accede to the international agreements and conventions on maritime transport.

44. The delegations took note of the proposal of Romania to establish a regional search and rescue center on the Black Sea shore of Romania. Taking into account that a similar center is now being established in Gelendzhik, Russian Federation, they stressed the necessity of coordinating the operations of the centers in order not to overlap their activities.

45. The delegations were also informed on the forthcoming Meeting of the Coordinating Committee on Transport of the CIS countries to be held in Odessa on 20-21 October 1998, where issues on maritime transport will be also discussed.

COOPERATION OF BSEC COUNTRIES IN THE SHIPBUILDING/SHIPREPAIRING SECTORS

46. The delegations provided information on shipbuilding/shiprepairing industry in their countries and proposed possible ways of cooperation in this field.

47. The delegations have expressed the interest of the Participating States to widen cooperation on matters of shipbuilding and shiprepairing, including the creation of joint ventures.

48. They also stressed the importance of attracting the attention of the private sector to the broad opportunities of collaboration existing in the BSEC Participating States in the above-mentioned sectors.

APPOINTMENT OF THE COUNTRY COORDINATOR OF THE WORKING GROUP ON TRANSPORT

49. The participants considered the proposal to appoint a country-coordinator for the Working Group on Transport in line with the relevant provision of the Yalta Summit Declaration.

50. They stated that the appointment of country-coordinator could enhance and facilitate the joint work specifically on the development and implementation of BSEC projects and programs in the field of transport.

51. The participants welcomed the willingness expressed by Azerbaijan, Romania, Russian Federation, Turkey and Ukraine to assume the role of country-coordinator. In order to have the final decision on this matter at the Twelfth MMFA, they asked the above-mentioned countries to elaborate concrete plan of actions the coordinator would undertake and present them to the Senior Officials Meeting prior to the MMFA.

52. The delegations decided to consider certain functions and mandate of country-coordinator at the next Meeting of the Working Group, taking into account the resolutions of the Twelfth MMFA.

COOPERATION WITH NGOs IN THE FIELD OF TRANSPORT

53. The participants took note of the information provided by the Black Sea Regional Association of Shipbuilders and Shiprepairers (BRASS) and the Black Sea International Shipowners Association (BINSIA) regarding their activity and proposals of cooperation with the relevant bodies of the BSEC.

54. They expressed their support for the willingness of BRASS and BINSA to take part in the activities of the BSEC Business Council and on this regard reiterated the necessity of involvement of the private sector in elaboration and implementation of the projects and programs in the field of transport.

55. Taking into account the relevant articles of the BSEC Rules of Procedure and the signed Charter of the Organization of the BSEC, the Working Group requested the Twelfth MMFA to adopt a special resolution to consider the possibility of promoting relations between the BSEC and the said NGOs through sectoral dialogue partnership within the BSEC Working Group on Transport.

ANY OTHER BUSINESS

56. Taking into consideration the necessity of ensuring continuity of the activities of the Working Group, the delegations expressed the common view that the members of the national delegations should be nominated on a permanent basis.

EXPRESSION OF THANKS

57. The delegations expressed their sincere gratitude to the Government of the Republic of Bulgaria and the Ministry of Transport for hosting the Meeting and for the excellent arrangements as well as the warm hospitality extended to them.

DATE AND VENUE OF THE NEXT MEETING

58. The Working Group agreed that the date and venue of its next meeting would be communicated to the Participating States through the Permanent International Secretariat of the BSEC.

ADOPTION OF THE REPORT OF THE MEETING

59. The Working Group adopted the report for submission to the Twelfth Meeting of the Ministers of Foreign Affairs to be held in Sofia on 22 October 1998.
