



BS/TR/WG/R(2005)1

**REPORT OF THE
MEETING OF THE
BSEC WORKING GROUP ON TRANSPORT
Thessaloniki, 26-27 January 2005**

1. The Meeting of the BSEC Working Group (WG) on Transport was held on 26-27 January 2005 in Thessaloniki, the Hellenic Republic.
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
 - Serbia and Montenegro
 - Republic of Turkey
 - Ukraine
3. The representatives of the BSEC Business Council (BC), the Black Sea Trade and Development Bank (BSTDB) and the International Center for Black Sea Studies (ICBSS) also participated in the Meeting.
4. The Meeting was attended by the representatives of the European Commission, the United Nations Economic Commission for Europe and the International Road Federation as Guests.
5. 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) participated in the Meeting as Organizations having sectoral dialogue partnership with BSEC.
6. The welcoming speech to the participants of the Meeting was delivered by H.E. Ambassador George Costoulas, Head of B3 Directorate for Regional Economic Cooperation, Ministry of Foreign Affairs of the Hellenic Republic.
7. The Meeting was chaired by Mr. Georgios PATSIAVOS, Head of the International Relations Department, Ministry of Transport and Communications of the Hellenic Republic.

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

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

CONNECTING BLACK SEA INFRASTRUCTURE TRANSPORT NETWORK WITH TRANS EUROPEAN TRANSPORT NETWORK –ELABORATION OF A DRAFT JOINT DECLARATION TO BE ADOPTED BY THE MINISTERS

9. The Working Group took note of recent establishment under the EU auspices of a High Level Group entrusted with the task to elaborate extension of the major Trans-European transport axes to the neighboring countries and regions.

10. The WG was of the opinion that the highest possible synergy of actions by BSEC and other international organizations and regional initiatives involved in the development of the transport network of the Black Sea region is needed to undertake selection of streamlined priority transport axes.

11. The WG agreed upon the principles of development of transport axes connecting the Trans-European transport Network with the Black Sea infrastructure transport network and selection of projects of the major transport axes that will be presented to the High Level Group to facilitate its work on the extension of Trans-European axes to the BSEC region within the framework of the Euro-Asian transport links.

12. The Draft Joint Declaration on the Connection of the Black Sea Transport Network with Trans-European Transport Network within the Framework of the Euro-Asian transport links, presented by the Hellenic Chairmanship, 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 WG is attached as Annex III.

13. Furthermore, the WG expressed the view that the pace of work of the High Level Group as well as the UNECE-UNESCAP Expert Group on developing Euro-Asian transport linkages should be followed thoroughly so that further concerted actions could be elaborated by the BSEC at the next WG Meeting.

MOTORWAYS OF THE SEA, INTERMODAL TRANSPORT AND THE PROMOTION OF THE NETWORKS. ROLE AND PERSPECTIVES OF THE SEA TRANSPORT IN THE INTERMODAL TRANSPORT CHAIN. PORT SYSTEM DEVELOPMENT

14. Following presentation by the Hellenic institute of Transport and the Ministry of Mercantile Marine the WG deliberated on the motorways on the Sea concept as formulated in the European Transport Policy of 2010, and converged on reasonability of integration of shipping links in the transport network.

15. In order to elaborate an issue, the WG agreed that further discussion on the motorways of the sea, as well as the development of inland waterways and maritime transport on the routes connecting Asia and Europe through the Black Sea, the Caspian Sea and the Mediterranean, particularly a role and perspectives of intermodal transport chain would be put on the agenda of the next meeting.

16. Moreover, the delegations expressed the view that the MoU on the Development of the Motorways of the Sea would be elaborated in the outcome of the abovementioned meeting. To facilitate discussions the WG welcomed kind offer of the Ministry of Mercantile Marine of Greece and the Hellenic Institute of Transport to draft the aforementioned MoU along with the relevant background paper on a basis of inputs from the Member States to be conveyed to the PERMIS by the end of March 2005.

17. The WG noted that various EU programs and funds could contribute to the development of the BSEC projects on improvement of intermodal and combined transport and welcomed in this connection ICBSS's and sectoral dialogue partners' intention to identify such opportunities.

EURO – ASIAN TRANSPORT LINKS

18. The WG was informed of the work of the UNECE-UNESCAP Expert Group on developing Euro-Asian transport linkages at two meetings held in 2004 and welcomed its willingness to cooperate with BSEC for a better coordination.

19. It was stressed that the new links and projects reflecting the dynamic of network development and serving the idea of interconnecting Euro-Asian transport networks should be taken into account, for instance the proposal of the Russian Federation on connecting Black Sea and Caspian Sea by inland waterways.

20. To reach synergy between the BSEC and the UNECE-UNESCAP endeavors aimed at mapping the main routes related to the black Sea region, the participants recommended to the Member States to consider the routes as identified, selected and adopted at the Expert Group Meeting of November 2004 in conformity of those depicted in BSEC map, finalized at a meeting of February 2004.

21. Furthermore, the WG appreciated UNECE proposal to elaborate with the PERMIS a questionnaire to be disseminated to the Member States by 1 March 2005, and instructed the PERMIS to collect the data by 1 May 2005 and convey these to the next UNECE-UNESCAP Expert Group Meeting.

REVIEW OF THE LEGAL BASE FOR COOPERATION:

a) ACCESSION BY THE BSEC MEMBER STATES TO MAJOR INTERNATIONAL CONVENTIONS;

22. The WG appreciated the UNECE comprehensive presentation on the major conventions and agreements related to the development of transport operations within the BSEC region and welcomed information on the latest status report on accession to the latter by the BSEC Member States. Particularly Ukraine informed of its accession to the convention on international road transport of goods and passengers of 1973.

23. The participants invited those Member States which are not yet contracting parties to the abovementioned agreements and conventions to undertake the necessary national legal procedures for accession.

b) MOU ON FACILITATION OF ROAD TRANSPORT OF GOODS:

24. Having recalled the decision of the Council of Ministers of Foreign Affairs held in Baky on 30 April 2004, the WG invited the BSEC Member States, who have not done it, to undertake the necessary steps for completion of their internal legal procedures for the MoU entering into force.

25. The WG welcomed statement made by the delegation of Turkey that the National Parliament had approved the MoU and respective notification would be done soon.

26. The participants took note of the information presented by Romania that the internal procedures with regard to the MoU were underway and the country would access to it in the coming months.

27. The delegations agreed that the issue of the MoU implementation would be thoroughly discussed at the WG meeting to be convened following its entry into force, and instructed the PERMIS to cooperate with UNECE, IRU and IRF in this respect.

c) MOU BETWEEN THE BSEC PERMIS AND THE PS OF IGC TRACECA

28. Following the instructions of the Committee of Senior Officials (Tbilisi, 27-28 October 2004) the Working Group discussed on the Draft Memorandum of Understanding between BSEC and the Intergovernmental Commission TRACECA. Although the participants reiterated the need of such a document to be concluded, they did not reach a common understanding about its modalities regarding the scope of the cooperation activities, to be undertaken, as well as about the level on which it should be concluded (between the organizations themselves or their secretariats). Therefore, the WG decided that discussions should be resumed at its next meeting, following consultations between PERMIS and IGC TRACECA Secretariat.

DRAFT MOU BETWEEN THE BSEC PERMIS AND THE IRU SECRETARIAT

29. The WG advised BSEC PERMIS to resume contacts with the IRU Secretariat and come up with a Draft Memorandum of Understanding between the secretariats of the two organizations, to be discussed at the next meeting of the WG on Transport. Furthermore, it invited BSEC URTA, which has its status in both BSEC and IRU, to facilitate the process of the elaboration of the Draft MoU.

INVESTMENT PRIORITY NEEDS TO IMPROVE THE BSEC REGIONAL TRANSPORTATION NETWORK: IFI INVOLVEMENT AND PARTICULAR ROLE OF THE BSTDB.

30. The WG was informed by Dr. Dimitris TSAMBOULAS, National Technical University of Athens, of the international experience of project selection and investment priority planning. Following the abovementioned presentation the delegations deliberated on methodology of project prioritization and categorization. To avoid duplication of work, they agreed to consider at the next meeting the selection criteria to be elaborated by the Expert Group on Developing Euro-Asian Transport Linkages and the EU High Level Group as well.

31. The WG was informed by the BSTDB of its stance on international capital markets. It was underlined that after acquiring an investment grade credit rating from Moody's in March 2004, the BSTDB's amount of operations has raised giving the Member States better opportunities to benefit from its extended financial capabilities. In the meantime the delegations expressed the view that the Bank was expected to intervene more actively in the development of transport network of the BSEC region, particularly by drawing investments into the area.

ACTIVITIES OF THE BSEC SECTORAL DIALOGUE PARTNERS IN THE WORKING GROUP ON TRANSPORT : BASPA, BINSА, BRASS, BSEC – URТА, СТМ СІS

32. The delegations appraised the BSEC-URТА contribution to the work of the WG, particularly elaboration of the draft legal documents as well as comprehensive presentations made in the course of the Meetings.

33. They took note of BASPA activities related to the BSEC WG on transport and urged the Former to accomplish its restructuring. Being informed of the annual Fourth international transport conference "The Black Sea Area Transport Network Formation" and international exhibition on transport, port complexes and intermodal shipments to be held with PERMIS support on 8-10 June 2005 in Odessa, the delegations invited the interested Member states to participate in the event.

34. The WG also noted the BRASS activities, notably elaboration of a draft Memorandum of Recommendations on developing shipbuilding and shiprepairing industry in the Member States discussed at the latest WG Meeting in September 2004. In this connection they urged the respective national authorities to convey to the PERMIS their comments in order to facilitate further discussions at expert level.

35. The participants were informed of BINSА activities and took note of its offer to provide the next WG meeting with information relevant to development of shipping lines in the Black Sea.

ANNUAL PLAN OF ACTIVITIES FOR THE WORKING GROUP FOR 2005

36. The participants appreciated elaboration by Romania of a draft Action Plan on transport for 2005-2007 and agreed upon its finalization at the next WG Meeting. To that end the Member States were invited to convey to the PERMIS their comments on the Draft by 1 April 2005. The draft Action Plan as presented by Romania is attached as Annex IV.

ANY OTHER BUSINESS

37. The WG welcomed presentation of the IRF concept of the Black Sea Ring elaborated for the development of a coordinated regional highway plan. The delegations positively reacted to the suggestion of the Russian Federation that the aforementioned concept would be developed under the BSEC auspices and agreed to include discussions on this issue on the agenda of the next meeting in order to evaluate its feasibility.

38. The WG welcomed willingness to assume functions of Country-Coordinator as of 1 May 2005 expressed by the delegation of Romania and recommended to the Council of Ministers to take appropriate decision with regard to the aforementioned candidature.

39. The participants expressed their high appreciation to the Republic of Azerbaijan for the successful conducting of functions of Country-coordinator of the WG since May 2003 and underlined the important results achieved in this period.

40. The delegation of Turkey informed that by the date comments from Armenia, Azerbaijan, Bulgaria, Greece, Russia and Ukraine were received with regard to draft map of the BSEC Ring Corridor. Since these were not descriptive enough to be inserted on the map, the Member States were requested to send such comments marked on an original national map by 15 April 2005.

41. The delegation of the Russian Federation drew the attention of the WG to the significance of establishing regular passenger and ferry lines between the Black Sea ports with the support of BSEC and offered preparation of relevant background paper to facilitate deliberations on the issue in a one-month term so that the practical steps could be taken, as suggested by the delegation of the Hellenic Republic, within the term of the Hellenic Chairmanship.

DATE AND VENUE OF THE NEXT MEETING

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

ADOPTION OF THE REPORT OF THE MEETING

43. The Working Group adopted the present report for submission to the next Meeting of the Committee of Senior Officials and the Twelfth Meeting of the Council of Ministers of Foreign Affairs to be held in Komotini, Greece, on 23 April 2005.