



ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION

Permanent International Secretariat

PRESS RELEASE ON LAUNCHING OF THE BLACK SEA PROJECT PROMOTION FACILITY 19 October 2017

Aiming to improve investment access for small and medium-sized businesses in the Black Sea Region, the Russian Federation proposed, in July 2016, to create the Black Sea Project Promotion Facility (BSPFF) providing an initial contribution of USD 1,000,000. The Facility will finance technical assistance services related to the preparation of feasibility studies, business plans, due diligence analysis, creation of networks or partnerships for activities mostly related to energy efficiency and renewables, environmentally friendly technologies, infrastructure, trade exchanges, and knowledge-sharing. The Facility is open to contributions from other donor entities or countries.

Statutory documents shaping the legal framework and ground rules of the Facility were adopted at the beginning of 2017, including the Cooperation Agreement between the BSEC PERMIS and the Black Sea Trade and Development Bank, the Donor Agreement between the Government of the Russian Federation and the above regional bodies and the Operating Guidelines specifying the working modalities of the new Facility. These documents along with a set of practical documents (including a Call for Proposals) have been posted on the website of the BSEC Secretariat (PERMIS) and are now accessible to potential applicants (<http://www.bsec-organization.org/Pages/black-sea-project-promotion-facility.aspx>).

Any legal entity from the public or private sector operating in BSEC Member States and any international governmental or non-governmental organization contributing to the development of the Black Sea area is eligible to benefit from the BSPFF. A Steering Committee has been established to review and approve the allocation of funds. Applications will be vetted based on the public good they promote as well as their response to economic needs. The Facility is focusing on pilot medium-sized projects meeting the established criteria and requirements of BSEC PERMIS and BSTDB. Approved projects are to be implemented in a period not exceeding one year.

Last month, the first project submitted to the Steering Committee for a consultant to undertake an environmental and social due diligence for a pulp and paper potential business client of BSTDB has been completed. Encouraged by this first success and armed with a flexible and functional approval mechanism, the Facility is looking forward to contribute positively and meaningfully to the overall investment environment in the Black Sea Region.