



BS/TED/WG/R(2002)1

**REPORT OF THE
MEETING OF THE WORKING GROUP
ON TRADE AND ECONOMIC DEVELOPMENT**

Istanbul, BSEC Headquarters, 23-24 September 2002

1. The Meeting of the Working Group on Trade and Economic Development was held on 23-24 September 2002 at the BSEC Headquarters in Istanbul.
2. The Meeting was attended by the representatives of the following BSEC Member States :
 - Republic of Armenia
 - Republic of Azerbaijan
 - Republic of Bulgaria
 - Hellenic Republic
 - Romania
 - Russian Federation
 - Republic of Turkey
 - Ukraine
3. The Meeting was also attended by the representative of the Republic of Poland as a BSEC Observer.
4. The representatives of the Parliamentary Assembly of the BSEC, BSEC Business Council and Black Sea Trade and Development Bank attended the Meeting in the capacity of the BSEC Related Bodies.
5. The Meeting was also attended by the representative of the BSEC Coordination Center for Exchange of Statistical Data and Economic Information as Guest.
6. The Meeting was chaired by Mrs. Pranvera KASTRATI, Chief of Unit of Trade Facilitation and Information, Ministry of Economy, Republic of Albania

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

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

REVIEW OF THE STATE OF COOPERATION IN LINE WITH THE PREVIOUS INITIATIVES OF THE WG ON BUILDING A MODEL TOWARDS DEVELOPING A SET OF ACTIONS FOR LIBERALIZATION OF TRADE IN BSEC REGION

8. The participants reviewed the state of cooperation in line with the previous initiatives and agreed that the on-going activities of the Working Group should comprise the issues related to the trade liberalization and facilitation paying attention to the existing non-tariff barriers and border-crossing procedures with a view to ensure the follow-up of the decisions previously adopted.

9. A question was raised concerning the potential interest of the Working Group in pursuing some sort of agreement, such as a Memorandum of Understanding, on trade liberalization and facilitation among the Member States. To this end, the MoU on trade liberalization and facilitation under Stability Pact was distributed to be taken into consideration for the up-coming activities of the Working Group on Trade and Economic Development.

10. It was noted that the completion of the process of accession to the WTO for those Member States who had not done so far would accelerate the process of trade liberalization in the BSEC Region.

CONSIDERATION OF THE PAPER “RECOMMENDATION FOR THE PROCEDURE TO ELIMINATE NON-TARIFF BARRIERS ON TRADE IN BSEC REGION”

11. The delegations referred to the paper “Recommendation for the procedure to eliminate non-tariff barriers on trade in the BSEC Region” which was approved by the Fifth Meeting of the Council of Ministers (Antalya, 26 October 2001). They agreed that this document will be used as a model in the activities of the Working Group for identification, monitoring and elimination of non-tariff barriers on trade existing in the BSEC Member States. The said paper is attached as Annex III.

12. The delegations took note of the information on the current situation of the foreign trade regimes of their countries given by the representatives of Albania, Turkey and the Russian Federation.

13. It was noted that existing problems in customs` services, infrastructural insufficiencies, problems in banking systems, differences in road taxation constitute additional problems for trade facilitation within BSEC Region.

14. The representative of Romania noted that the comments of Romanian side regarding the draft paper “Recommendation for the procedure to eliminate non-tariff barriers on trade in BSEC Region” which are containing in the paragraphs b, c, d and e of the letter dated 10 July 2001 would be preferable for the Romanian side to be taken into attention in the process of identification of non-tariff barriers.

15. The representative of Hellenic Republic noted that Greece generally encourages any effort towards the reinforcement of trade liberalization. At the same time Greece as a Member State of the European Union implements the Community Legislation of the Common Commercial Policy, which constitutes exclusive competence of the Union.

EXCHANGE OF INFORMATION ON THE NON-TARIFF MEASURES WHICH ARE APPLIED IN THE MEMBER STATES IN THE FRAMEWORK OF “AN EXEMPLARY LIST OF NON-TARIFF BARRIERS ON TRADE IN BSEC REGION”, ANNEX TO THE AFOREMENTIONED DRAFT PAPER.

16. The participants of the WG noted that as it was agreed at the previous Meeting of the WG in Istanbul held on 28-29 June 2001 the Member States should provide to the BSEC PERMIS the relevant information on the non-tariff measures which are applied in other Member countries in the framework of “An exemplary list of non-tariff measures on trade”. So far such information was sent to the BSEC PERMIS only by Bulgaria. The Exemplary List is attached as Annex IV.

17. The participants agreed that all Member States shall send the aforementioned information to the BSEC PERMIS not later than 30 December 2002. Upon receiving the relevant information the PERMIS shall merge it and distribute it to the Member States and BSEC Related Bodies for further consideration.

18. The delegations agreed that the next meeting of the WG shall discuss the ways for establishing of an appropriate mechanism for elimination of non-tariff barriers on trade in BSEC Region.

DISCUSSION ON POSSIBLE JOINT ACTIONS TOWARD HARMONIZING THE EXISTING CROSS-BORDER AND CUSTOMS REGULATIONS WITH THE AIM OF FACILITATING THE MOVEMENT OF GOODS AND SERVICES WITHIN BSEC REGION

19. The members of the WG discussed the cross-border and customs regulations with the aim of facilitating the movement of goods and people across national boundaries. It was noted that existing restrictive regulations and in some cases heavy bureaucratic formalities on the borders hamper the development of trade within the region.

20. The Participants exchange views on possible joint activities toward harmonizing cross-border and customs regulations with the aim of facilitating the trade within the BSEC region providing they would not intervene with the international obligations of the Member States.

21. They agreed that as a first step during the next Meeting the WG should examine the possibilities of simplification of procedure in international trade by unification and standardization of documents in foreign trade based on United Nations Layout Key for Trade Documents.

22. The participants agreed that for the aforementioned in paragraph 21 purpose the Member States shall provide to the BSEC PERMIS not later than 31 January 2003 a short list and sample of documents on foreign trade that are applied in the BSEC countries. The BSEC PERMIS shall circulate them to all Member States and BSEC Related Bodies upon receiving.

ANY OTHER BUSINESS

23. No other issues were raised by the delegations.

DATE AND VENUE OF THE NEXT MEETING

24. The date and venue for the next WG Meeting will be communicated to the Member States in due course through the PERMIS.

ADOPTION OF THE REPORT OF THE MEETING

25. The Report was adopted for submission to the Council of Ministers of Foreign Affairs, to be held in Tirana on 25 October 2002.