

News from the Black Sea

Organization of the Black Sea Economic Cooperation

Permanent International Secretariat (PERMIS)



Dear Reader,

I am delighted to introduce herewith the first issue of the bi-monthly *"News from the Black Sea"*. It constitutes the result of efforts by all colleagues in the PERMIS to better disseminate information on the activities of the BSEC Organization and PERMIS itself.

BSEC was established in 1992 and celebrated in 2017 its 25th Anniversary. In its quarter-of-a-century existence, it developed into the most representative and institutionally mature regional Organization, promoting the economic cooperation among its Member States and beyond. BSEC became a unique point of reference, offering a trustworthy

platform for dialogue and understanding in a geostrategic region of growing importance, which faces today unique issues.

Under these circumstances, the presence of "our" Organization is even more indispensable: increased interaction, enhanced coordination and focused, result-oriented cooperation are essential for addressing the challenges and issues of today. BSEC is the perfect, indeed, is the only, regional vehicle for achieving the above.

Through the *"Black Sea Newsletter"* we will try to keep you abreast on the activities and developments related to the BSEC Organization, as well as on its involvement in current affairs of high importance for the wider Black Sea region. I hope that you will enjoy reading it and, hopefully, communicate to us your views or suggestions (info@bsec-organization.org).

Ambassador Michael B. CHRISTIDES
Secretary General



37th Meeting of the BSEC Council of Ministers of Foreign Affairs

The 37th Meeting of the Council of Ministers of Foreign Affairs (CMFA) of the Organization of the Black Sea Economic Cooperation (BSEC) was held in Kyiv, on 15 December 2017 with the participation of all Member States and representatives from the BSEC Related Bodies (PABSEC, BSTDB, BSEC BC, ICBSS), from the Observer States, the Sectoral Dialogue Partners, as well as other guests.

An Informal Meeting of the CMFA preceded the event with the presence of only the Ministers and Heads of Delegation.



The Ministers and other participants highlighted the importance of further enhancing regional economic cooperation in the wider Black Sea area in an effective and project oriented manner.

Among other, the CMFA adopted various Resolutions, Decisions and Recommendations on several issues, including the approval of the “BSEC Climate Change Adaptation Strategy for the Black Sea Region”, the renewal of the Observer status in BSEC of the Czech Republic, Croatia, Israel, Slovakia and the USA; it also adopted the appointment of BSEC PERMIS Staff, including that of Ambassador Michael B. CHRISTIDES as the BSEC PERMIS Secretary General for a second 3-year term (2018-2021).

The Meeting was closed with the Ukraine ceremoniously handing the BSEC Chairmanship-in-Office to the Republic of Armenia, who will hold it from the 1st of January to the 30th of June 2018.

Fisheries and Blue Growth

Blue Growth is essential for maintaining healthy marine ecosystems, thus it closely concerns the wider Black Sea region.

With this in mind, BSEC PERMIS, in close cooperation and with the generous support of the Sariyer Municipality of Istanbul, organized the “*International Conference on Fisheries and Blue Growth*”, which took place in Sariyer in early November 2017, with the participation of experts from Member States, from FAO and the EU, as well as of representatives from various Black Sea regions and private fishing companies.

Participants underlined that some Black Sea

fish stocks are depleted due to various kinds of pollution, climate change as well as due to illegal, unreported and unregulated fishing. A common strategy for the sustainability of fish stocks is required, as well as the urgent need for an adequate regulatory framework and licencing in the sector.

The main issues affecting fisheries management were also examined, as well as their environmental and socio-economic impact on fisheries and aquaculture; some speakers presented a comprehensive evaluation of the perspectives of the future development of these sectors in the Black Sea area.

Finally, the necessity for all BSEC Member States to consider joining the “FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing” was underlined by many participants.

The initiative proved so successful that the organizing partners and participants expressed the wish to establish the Conference as an annual event.



Korea-BSEC ICT Cooperation Program



The ICT sector is evolving rapidly and it is difficult to follow, let alone apply, the new developments and products that this sector almost daily presents to the public. The BSEC Organization tries to follow the relevant advances, at a smaller scale, for the benefit of its Member States.

Consequently, the PERMIS Deputy Secretary General, Ambassador Traian CHEBELEU actively participated in “The 7th Edition of the Korea-BSEC ICT Cooperation”, which took place in Seoul in early November 2017.

The purpose of the Program was to share the knowledge and rich experience of the Republic of Korea in the ICT sector, especially in the development of improved communication and better access to information, with a view to provide higher quality services to the public and private sectors, as well as to expand the development of e-government at national and local levels in the wider Black Sea region.

"Letter of Agreement" signed with the UNFAO for the implementation of a project promoting the trade of agricultural products.

In late December 2017 the PERMIS concluded and signed a "Letter of Agreement" with the Food and Agriculture Organization of the UN (UNFAO) concerning a project, financed entirely by FAO, for the promotion of trade of agricultural food products in the wider region of the Black Sea.

The conclusion of this Agreement is yet another indication of the developing cooperation established between BSEC and FAO, for the benefit of the wider Black Sea region, as well as for the achievement of the relevant UN SDGs on a regional scale. It is also another proof of the newly acquired capability of PERMIS to attract funds from third partners for joint projects.

Visits of University Students in BSEC headquarters

Despite its 25-year long existence and presence in the wider region of the Black Sea, the BSEC Organization is not wellknown to the greater public, even among that of its Member States. Considering the above, the PERMIS spares no effort to provide greater visibility for the activity of the Organization, focusing mainly on the younger generations.

Disseminating effectively more information on BSEC among students of Universities from our host country, Turkey, from other Member States and from third countries is a priority for PERMIS.



Therefore we were glad to receive in our new premises during the last two months of 2017 groups of students from the Kadir Haas and the Marmara Universities in Istanbul.



The BSEC PERMIS Staff had the opportunity to present the history, the functioning and the current and future activities of the BSEC Organization and respond to the vibrant questions of our young visitors on the role of the Organization as a catalyst for promoting regional economic co-operation in the wider Black Sea area.

"The Black Sea Project Promotion Facility" Sponsored by the Russian Federation

**Black Sea Project
Promotion Facility**

Aiming to improve the access to funding for small and medium-sized businesses in the Black Sea region, the Russian Federation proposed and supported in 2017 the establishment of the "*Black Sea Project Promotion Facility*" (BSPPF), providing an initial contribution of USD 1,000,000. The Facility will finance technical assistance services related to the preparation of feasibility studies, of business plans, due diligence analyses, of the establishment of networks or partnerships for activities mostly concerning energy efficiency and renewable sources of energy, environmentally friendly technologies, infrastructure, trade exchanges, and knowledge-sharing.

The Facility is open to contributions from other donor countries or entities.

During the last couple of months the BSPPF has taken off the ground. Both the *Black Sea Trade and Development Bank* (BSTDB) and BSEC PERMIS have, respectively, endorsed the first projects presented to them; PERMIS endorsed an interesting project on Energy Conservation put forward by none other than the UNECE. We are delighted to report that other exciting projects are in the pipeline for endorsement by the responsible Steering Committee.

Green Energy Investment Forum



Climate change is a factor that seriously concerns the entire world community. Its negative effects may not be reversed but could be mitigated! The BSEC Organization is actively involved in raising awareness and in contributing to the efforts made for finding sustainable solutions to the issue.

In late November 2017 PERMIS hosted in its premises an *"Investment Forum on Green Energy"*, with the participation of many stakeholders, like the EBRD, the UNDP, the BSTDB, the Office of the EU in Ankara, the

Energy Policy and Development Centre (KEPA) of the Athens University, the Technical University of Sofia and other.

Participants agreed on the emergency of the issues concerning climate change and elaborated on immediate measures in reducing carbon emissions as well as on the efficient usage of energy; they considered them as primary steps in reversing the negative impacts causing climate change. The need to further promote green energy investments was underlined, while the representatives of the Banks gave insight in the existing funding mechanisms.

The *"HERON Project"*, financed by the EU and realized with the active involvement of the *"BSEC Green Energy Network"*, was presented during the works of the Forum for the benefit of BSEC Member States by representatives from KEPA, which is managing the network under the supervision of PERMIS.

BSEC PERMIS prepares its presence to the *"International Transport Forum"* in Leipzig with an ad hoc Meeting of Ministers and its own expo stand.

With the endorsement of the BSEC Chairmanship-in-Office and that of the Ministers responsible for Transports, PERMIS is finalizing the participation of the BSEC Organization at the *International Transport Forum (ITF)* in Leipzig, Germany, to be held at the end of May 2018. It will be the first time that BSEC will be present at this important Forum with its own stand, through which we will be able to inform the public on all our achievements in the sector of transport and trade facilitation. The Armenian Chairmanship-in-Office has also accepted the PERMIS proposal to host an ad hoc meeting of BSEC Ministers present in the Leipzig Forum, thus enhancing the visibility of the Organization in one of the most important international meetings specialized in Transports.

Upgrading the Communication and Information capacity of the BSEC PERMIS.

PERMIS is right now going through the costly procedure of thoroughly upgrading its website to the technical standards of today, with the hope that this effort will help us present to a greater audience and in a more comprehensive, coherent and easy way the activity, the achievements and the plans of our 25-year old Organization. Seizing the opportunity, PERMIS will at the same time improve its presence in the social networks and increase the digitalization of all its correspondence and the handling of its vast data, for the benefit of its Member States and all interested in its activity. With the advent of the New Year 2018 PERMIS also inaugurates the distribution to a wide number of recipients of a bi-monthly "Newsletter" containing in a succinct way all useful information regarding BSEC and PERMIS activities and projects.

Tourism in the BSEC region

The World Tourism Organization (UNWTO) recently published a brochure on "Tourism in the BSEC region", with a comprehensive description of the socio-economic environment, tourism trends and opportunities for enhancing sustainable tourism in the BSEC region. The brochure, which for the first time singles out the BSEC area as a distinct tourism region, contains valuable tourism data from all BSEC Member States and is the tangible result of the flourishing cooperation between the BSEC Organization and the UNWTO. It represents a joint endeavor of the two Organizations aiming to promote the BSEC region as one of the leading tourism destinations of the world, as well as an attractive region for investments in the tourism sector.

The UNWTO, a UN specialized agency, enjoys the status of a BSEC Sectoral Dialogue Partner; the two Organizations signed a Memorandum of Understanding in 2014.



Tourism in the BSEC region

Overview

- The Organization of the Black Sea Economic Cooperation (BSEC) is composed of 12 Member States in Europe, encompassing the territory of the Black Sea littoral States, the Balkans and the Caucasus. Eight are located within the UNWTO subregion of Central and Eastern Europe; Armenia, Azerbaijan, Bulgaria, Georgia, Republic of Moldova, Romania, Russian Federation and Ukraine, and four are within the sub-region of Southern and Mediterranean Europe: Albania, Greece, Serbia and Turkey.
- The group represents a market of 333 million consumers and a combined GDP of US\$ 2.8 trillion (as of 2016), accounting for 14% of Europe's economy and 4% of the world's. Development and income levels vary substantially across the region.
- BSEC comprises both established and emerging tourism destinations with varying degrees of infrastructure development, connectivity and brand strength. Tourism is a major economic pillar in some mature destinations, while in emerging ones the potential for growth is still huge. Regional collaboration can play an important role in this development.
- The region welcomed 115 million international tourists (overnight visitors) in 2016, equivalent to 9% of the world's total or 19% of Europe's arrivals. BSEC destinations earned US\$ 57 billion (EUR 51 bn) in international tourism receipts last year, an estimated 5% of global receipts.

BSEC Tourism
at a glance

115 million
international tourist arrivals

9%
of international arrivals worldwide

US\$ 57 billion
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5%
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Contents

Overview	1
Socio-economic environment	2
Tourism trends in the BSEC region	3
Opportunities for enhancing cooperation	4

The EU-Eurasia-China Business Summit



The BSEC PERMIS Secretary General, Ambassador Michael B. CHRISTIDES, participated in the EU-Eurasia-China Business Summit entitled “*Building Bridges from East to West*” organized by the “*Economist*” journal in late October 2017 and held in Athens.

Numerous distinguished personalities from Europe, China and the greater Eurasian region participated in this important initiative, which aimed to promote business cooperation and new investments as a way to further enhance relations between Europe and Asia. The Secretary General underlined the role that the BSEC Organization plays in that direction, as the territories of its Member States constitute the geographic “natural bridge” between the two Continents.



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