



BS/CM/WG/R(2002)2

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

Istanbul, BSEC Headquarters, 1-2 October 2002

1. The Meeting of the BSEC Working Group on Communications was held at the BSEC Headquarters in Istanbul on 1-2 October 2002.
2. The Meeting was chaired by Mr. Gazmir ISAKAJ, Head of Regulatory Sector, General Directorate of PT, Ministry of Transport and Telecommunications of the Republic of Albania.
3. The Meeting was attended by the representatives of the following BSEC Member States :

Republic of Albania
Republic of Armenia
Republic of Azerbaijan
Hellenic Republic
Russian Federation
Republic of Turkey
Ukraine
4. The Meeting was also attended by the representatives of the PABSEC and the BSEC Business Council.

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

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

CREATION OF APPROPRIATE MARKET ENVIRONMENT IN THE FIELD OF COMMUNICATIONS IN THE BSEC REGION

6. Under this agenda item, the delegations of the Republic of Albania, Republic of Azerbaijan, Hellenic Republic, Russian Federation, Republic of Turkey and Ukraine presented information and exchanged views on different national and international legal aspects of liberalization of national telecommunications markets, extent of liberalization, privatization and prospects of further liberalization in the BSEC Member States.

7. It was noted that in the last decade, the telecommunications market in the BSEC Member States has moved substantially towards greater liberalization and increased competition. At the same time, the Member States are at different stages of the liberalization process. Most of the countries have already adopted or are in the process of adoption of new legislation concerning liberalization and privatization of telecommunications in their countries. Large telecommunications companies in most of the Member States have been privatized or are in the process of privatization.

8. It was stressed that with the growing number of countries undertaking major liberalization efforts in their telecommunication markets it has become increasingly important for countries to ensure that they could receive necessary information on different aspects of the liberalization process as well as to possess the necessary facilities and know-how to efficiently and effectively manage competition issues.

9. The WG considered it important to start reviewing national liberalization and privatization policies on a permanent basis in order for its members to benefit from information on good practices and, if needed, to provide expertise and assistance to other countries.

10. It was also stressed that there is a necessity to study and exchange experience on the introduction of third generation networks.

11. The PERMIS was requested to collect from Member States and disseminate updated information on the progress of liberalization and privatization processes in the region. For that purpose the PERMIS was requested to work out, in consultation with the Country-Coordinator and Member States, a matrix for systematization of information on the developments in the telecommunications market in the Member States (country profile, administrative and regulatory bodies, legislation, liberalization, privatization, tariff policies, license regulations, certification, regulatory framework for operators, management of resources etc.).

12. The WG took note of the proposal of the Greek Delegation with regard to the need of liberalization of some kind of telecommunications services (attached as Annex III).

13. The WG recommended to submit the proposal for consideration by relevant national authorities and for finalization of this proposal at the next Meeting of the WG.

DEVELOPMENT OF MULTILATERAL PROJECTS IN THE BSEC REGION

14. The representatives of the Hellenic Republic, Russian Federation and the Republic of Turkey presented information on possible directions of cooperation and project proposals about joint projects in the field of telecommunications.

15. The participants took note of OTE's (Greece) proposal concerning elaboration feasibility study for two projects – 1.“Megri-Marand Fiber Optic Cable”; 2.“Multi Protocol Level Switching (MPLS) Point-of-Presence (PoP) in Armenia,- which, in opinion of OTE, could enhance the telecommunication services in the BSEC region by opening alternative routes to all telecom operators towards Far East and Western Europe.

16. At the same time, the participants expressed their view that the proposal is worthwhile to consider but it should be presented from a regional perspective with participation of all interested parties following the criteria for the BSEC Project Development Fund.

17. The representative of the Russian Federation made a presentation of ROSTELECOM and drew attention to large possibilities for cooperation of telecoms of the region and to the need of : creation of market environment for telecommunications in the BSEC region; creation of highly efficient telecommunications systems involving national programmes of the BSEC Member States; uniting regional telecommunications infrastructure through realization of joint projects; providing for access to international network.

18. Turk Telekom made a presentation regarding its capability of satellite earth station and telecommunications satellites operating itself in geosynchronous orbit. Having three Turksat satellites in Ku-band, Turk Telekom proposed to make cooperation to use satellite capacities for package solution among the BSEC Member States. In order to realize tele medicine, e-learning and multimedia application, Satellite and existing optical fiber systems are suitable transmission media in BSEC region. The proposal contains evaluation and assessment to subject applications with participation of all BSEC Member States. Additionally, BSEC community may consider to collaboration on satellite operation and put the new satellite or drift one of the existing satellite to available geosynchronous orbital locations which are registered to Turk Telekom.

19. The delegations of Azerbaijan and Ukraine expressed their interest in cooperating with Turkey in utilization of satellite communications systems for rendering telecommunications and information services as well as cooperation in launching Turkish satellites and orbiting them in the future.

20. In between sessions period the Member States will communicate their proposals on project elaboration through PERMIS in order to utilize real possibilities of telecommunications overall infrastructure.

21. It was also suggested that utilization of experience of International Telecommunications Union for the BSEC region would play an important role for the strengthening of cooperation among the BSEC Member States.

COUNTRY-COORDINATOR AND BSEC SHORT-TERM PLAN ON COMMUNICATIONS

22. The participants congratulated the delegation of the Republic of Turkey with assumption of the country-coordinatorship in the WG on Communications for the period of November 2002-October 2004.

They appreciated its proposals with regard to the future activities of the WG, contained in a Frame Text for the Short Term Action Plan, presented by the Ministry of Transport of the Republic of Turkey (attached as Annex IV).

23. The WG recommended that by 1 January 2003, all Member States will send to the PERMIS their proposals to the short-term Plan of Action in order to enable the country-coordinator to finalize the Plan of Action and present it for the consideration by the Member States.

24. The participants were invited to provide updated information to the BSEC Directory on Communications (attached as Annex V) on a regular basis and appoint contact points for the BSEC WG on Communications.

ANY OTHER BUSINESS

25. No issues had been raised under this Agenda item.

DATE AND VENUE OF THE NEXT MEETING

26. The date and venue of the next Meeting of the WG will be communicated to the Member States through the BSEC PERMIS.

ADOPTION OF THE REPORT OF THE MEETING

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