



BS/TR/WG/R(2008)1

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

Istanbul, 14-15 February 2008

1. The Meeting of the BSEC Working Group (WG) on Transport was held in Istanbul on 14-15 February 2008.
2. The Meeting was attended by the representatives of the following BSEC Member States:

Republic of Armenia
Republic of Azerbaijan
Republic of Bulgaria
Georgia
Hellenic Republic
Romania
Russian Federation
Republic of Serbia
Republic of Turkey
Ukraine
3. The representative of the Parliamentary Assembly of the Organization of BSEC (PABSEC) also participated in the Meeting.
4. The representative of the European Commission (EC) attended the Meeting as Observer.
5. The representatives of the Black and Azov Sea Ports Association (BASPA), the Black Sea International Shipowners Association (BINSIA), the Black Sea Association of Shipbuilders and Shiprepairers (BRASS), and the Union of Road Transport Associations in the BSEC Region (BSEC-URTA) participated in the Meeting as NGOs having sectoral dialogue partnership with the BSEC.
6. The Meeting was attended by the representatives of the International Road Federation (IRF) and the International Road Transport Union (IRU) as Guests.
7. The Meeting was chaired by Mrs. Oksana Reyter, Head of EU integration and International Organizations Division, Department for Foreign and Economic Relations, the Ministry of Transport and Communications of Ukraine.

The list of participants 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.

IMPLEMENTATION OF THE RESOLUTIONS, DECISIONS AND RECOMMENDATIONS OF THE COUNCIL AND THE FOLLOW-UP OF THE DECLARATIONS AND JOINT STATEMENTS ADOPTED BY THE MINISTERS OF TRANSPORT

9. The Russian Delegation, as a Country-Coordinator, positively evaluated the level of transport cooperation of the BSEC Member States. The Work Program of the Working Group 2007 was implemented in general. The work on the implementation of the Memoranda on Facilitation of Road Transport of Goods, Development of the Black Sea Ring Highway and Motorways of the Sea is going on and the realization of the Action plan is also under way.

10. The Delegation of the Russian Federation, as a Chair in the BSRH SC, informed that three Meetings of the Steering Committee on the Development of the Black Sea Ring Highway were held (Istanbul, 2 July 2007, 15-16 October 2007 and 15-16 January 2008).

11. The Steering Committee agreed in general on the draft documents necessary for the activities on the implementation of the MoU and operation of the BSRH Joint Permanent Technical Secretariat. The Draft Agreement on the Establishment of the BSRH Project Special Purpose Cooperation Fund and its Charter will be further considered.

12. The WG welcomed information of the Delegation of Georgia about completion by Georgia of the internal procedures necessary for the entry of the MoU on the Development of the Black Sea Ring Highway into force and encouraged other Parties to the MoU to speed up the completion of their internal procedures in order to commence the practical implementation of the MoU.

13. The Hellenic Republic as a Host and a Chair Country of the First Meeting of the Ad Hoc Working Group (Group) on the Motorways of the Sea (MoS) held in Piraeus, on 29-30 January 2008, informed that the Group has started consideration of issues and draft documents necessary for the implementation of the MoU. A number of events have been planned in order to consider draft documents, including a Master Plan, which is necessary for the implementation of the MoU.

14. The Hellenic delegation confirmed its wish to assume the duties of Coordinator and also proposed the Hellenic Ports Development Center as a candidate to perform the duties of the Joint Technical Secretariat. The Ad Hoc Working Group decided to consider both issues at its next Meeting on the basis of the information to be provided by the Hellenic delegation.

15. The WG welcomed signing by the Republic of Armenia of the MoU on the Development of the Motorways of the Sea during the Council of Ministers of Foreign Affairs in Kyiv on 14 February 2008.

16. The Delegation of the Republic of Turkey as Chair in the Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region informed about the outcome of its Second Meeting held in Istanbul on 12-13 February 2008.

17. It was noted that the Steering Committee started work on the implementation of the relevant MoU, including consideration of the issues on gradual liberalization of transport, monitoring of border waiting times, introduction of the International Vehicle Weight Certificate, harmonization of charging policies etc.

18. It was further noted that a number of questions demand thorough consideration at the next Meeting and a relevant preparatory work should be done for this.

19. The Working Group reiterated the importance of gradual liberalization of transit and bilateral road transport in the BSEC Region which is one of the key issues that MoU addresses for smooth flow of goods.

20. The WG recommended that the Steering Committee undertake necessary steps aimed at the facilitation of the road transport of goods in the BSEC Region as foreseen by the said MoU.

21. The delegation of Ukraine informed that the Ukrainian side will communicate the invitations for the Meeting of the Ministers of Transport of the BSEC Member States to be held in Odessa on 10-11 April 2008, and relevant documents to it in the nearest future.

CONSIDERATION OF PROJECT PROPOSALS

22. The Working Group expressed its satisfaction regarding the decision of the Steering Committee of the Project Development Fund (Istanbul, 28 September 2007) to fund with 15,000 USD the Project Application “Economic study for the opening of new international passenger ferry lines between the Black Sea Ports” submitted by institutions from Russia (Lead Partner), Georgia, Greece, Turkey and Ukraine.

23. Furthermore, the Working Group invited the five Member States whose institutions participate in the said PDF project to provide their assistance in monitoring the process of signing the Grant contract in order for PERMIS to transfer the necessary funds to the partners and officially commence the project study.

24. In addition, participants expressed the hope that the results of the said pre-feasibility study and attached recommendations would be produced before the end of the year so that the Working Group could elaborate further on this important issue.

BSEC COOPERATION WITH INTERNATIONAL ORGANIZATIONS (UNECE, IRU, IRF) IN THE DEVELOPMENT OF EURO-ASIAN TRANSPORT LINKS IN THE BSEC REGION

25. The representative of the European Commission in the capacity of Observer addressed the Meeting and made a statement on the transport priorities of the European Neighborhood Policy, notably the extensions of the Trans-European Transport Network to neighboring countries and regions, including the Motorways of the Seas.

26. In addition she highlighted the importance of transport safety and security, notably in maritime and aviation sectors. To this end the Commission informed on the organization of the First Maritime Safety Working Group for Black Sea and Caspian Sea within the framework of Baky Initiative to be held on 10 April 2008 and explained that the Commission is currently exploring on the possibilities of organizing this Meeting with Ukrainian authorities. Participants of both Black Sea and Caspian Sea countries will be invited to participate in Baky Working Group.

27. She also informed the Working Group of the upcoming EC Technical Assistance projects on Maritime Safety and Motorways of the Sea of relevance for the region, as well as on the current developments of the European Union on the establishment of the European Neighborhood

Facility. This facility aims to support the financing of priority infrastructure projects of international/regional character, including also transport ones, in the neighboring countries.

28. The participants of the Meeting noted the importance of the BSEC-EU cooperation and agreed to reinforce coordination of their activities in the future.

29. Representative of the IRU informed about recent global developments that affect the BSEC region and trade, which require coordinated efforts for facilitation and gradual integration of road transport in the BSEC region.

30. Giving concrete examples of ongoing BSEC-IRU cooperation including organization of the Black Sea Ring Highway Caravan and support for conduct of a BSEC study on a regional quota system for bilateral and transit transport, the IRU expressed continuous commitment to contribute to the work of BSEC subsidiary organs dealing with transport issues in order to implement decisions and instructions of the BSEC Council and Transport Ministers on all levels.

31. IRU also informed the Working Group about its forthcoming 31st World Congress to be held in Istanbul on 15-16 May 2008 and invited representatives of all BSEC Member States to attend this world road transport event.

32. The Hellenic Republic reserved its position and will provide its views in writing with regard to the instruction of NEA and to the Terms of Reference for a possible study.

33. The Hellenic Republic expressed the view that entry into force of a regional quota system has not been agreed already under this MoU and questioned the need for a new quota system given that all the Member States are Parties to the ECMT.

34. The representative of IRF presented the Action Plan which was proposed to BSEC in December 2007 as a follow-up of the MoU between IRF and BSEC signed in November 2006. The Proposed Action Plan identifies five areas where IRF feels they could contribute to the BSEC work on transport: preparation of socio-economic cost-benefit analyses, road management and maintenance, road safety, public-private partnership, environment.

35. The proposals made by IRF could be of relevance to the work of the Steering Committee of the BSRH.

36. The Meeting suggested that the BSRH Steering Committee consider inviting IRF to take part in its work.

37. The Working Group commended valuable contributions of the UNECE, IRU and IRF to the development of the transport sector in the BSEC Region and encouraged them to continue this collaboration in order to achieve more tangible results in the future.

38. The WG took note of the UNDP presentation on border management and encouraged UNDP to pursue this initiative in collaboration with BSEC.

COOPERATION WITH THE BSEC SECTORAL DIALOGUE PARTNERS (BSEC-URTA, BASPA, BRASS, BINSÄ)

39. The WG took note of the information, presented by, BASPA, BINSÄ, BRASS and BSEC-URTA, on their activities and collaboration between them on the basis of the MoU on reinforcement of cooperation among the transport-related NGOs.

40. The representatives of BRASS and BINSÄ noted the importance of adoption by the BSEC Council of the Recommendations in the Sphere of Development of shipbuilding,

shiprepairing and shipping in BSEC. They asked the WG to continue consideration of the issues of maritime industry at its Meetings.

41. The WG supported the application by BINSAs for extension of its status of a Sectoral Dialogue Partner for the next two year period to be considered by the Council of Ministers of Foreign Affairs of the BSEC Member States.

42. The WG appreciated active participation of the NGOs in the work of the organization.

PREPARING WORK PROGRAMME FOR 2008

43. The WG approved the Work Programme of the BSEC transport activities for 2008. The Member States may request the amendment of the Work Programme through BSEC PERMIS. The Work Programme as agreed by the WG is attached as Annex III to the present Report.

ANY OTHER BUSINESS

44. The Hellenic Republic brought to the attention of the WG a recent initiative for the organization of a Meeting between countries in the BSEC Region on flight safety and aviation. The Hellenic Republic expressed the view that: "Any cooperation in the aviation sector should be developed within the framework of BSEC, taking into consideration the international regulations set by ICAO and the EU".

DATE AND VENUE OF THE NEXT MEETING

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

ADOPTION OF THE REPORT OF THE MEETING

46. The Working Group adopted the present report for submission to the Meeting of the Committee of Senior Officials and the Eighteenth of the Council of Ministers of Foreign Affairs.