



**BS/BF/WG/R(2002)1**

**REPORT OF THE  
MEETING OF THE BSEC WORKING GROUP ON  
BANKING AND FINANCE**

**Istanbul, BSEC Headquarters, 15-16 January 2002**

1. The Meeting of the BSEC Working Group on Banking and Finance was held in Istanbul, BSEC Headquarters, on 15-16 January 2002.
2. The Meeting was chaired by Mr. Andriy KONONENKO, Director of Department of Economic Cooperation, Ministry of Foreign Affairs of Ukraine.
3. The Meeting was attended by the following Member States:
  - Republic of Albania
  - Republic of Armenia
  - Republic of Azerbaijan
  - Hellenic Republic
  - Republic of Moldova
  - Romania
  - Russian Federation
  - Republic of Turkey
  - Ukraine
4. The representatives of the PABSEC, the BSEC Business Council, the Black Sea Trade and Development Bank (BSTDB) and the International Center for Black Sea Studies (ICBSS) also participated in the Meeting.

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.

## **AGENDA ITEM 2: CONSIDERATION OF THE DRAFT RULES AND REGULATIONS OF THE PROJECT DEVELOPMENT FUND**

6. In line with the resolutions of the BSEC Council of Ministers of Foreign Affairs the Working Group on Banking and Finance continued its revision work on the Draft Rules and Regulations of the Project Development Fund and drafted the said document, attached as Annex III. The wording relating to the decision making within the Steering Committee of the Fund still remains to be finalized. The draft Rules and Regulations, as elaborated by the Working Group, shall be submitted to the Committee of Senior Officials for final consideration and decision.

7. Furthermore, the Working Group took note of the background paper prepared by the BSEC Permanent International Secretariat in cooperation with the BSEC Business Council on the “Main stages of project elaboration and promotion mechanisms within the BSEC” and expressed the opinion that the ideas contained in this background paper should be elaborated further.

8. This should be done in parallel with the completion of the draft Rules and Regulations and the elaboration of the Project Selection Criteria.

## **AGENDA ITEM 3: CONSIDERATION OF THE DRAFT MODEL PROTOCOL OF INTENT ON COOPERATION BETWEEN THE BSEC AND INTERESTED FINANCIAL INSTITUTIONS**

9. The participants exchanged views on the draft “Model Protocol of Intent on Cooperation Between the BSEC and Interested Financial Institutions” elaborated by the BSEC PERMIS and agreed that it could serve as a general framework for drafting such cooperation agreements whenever need arises. The draft “Model Protocol of Intent on Cooperation Between the BSEC and Interested Financial Institutions” is attached as Annex IV.

## **AGENDA ITEM 4: ANY OTHER BUSINESS**

10. The Working Group welcomed the initiative of the Business Council regarding the creation of a BSEC Equity Fund for SMEs. It took note of the concept papers presented by the BSTDB and the Business Council, attached as Annex V and requested the said Related Bodies to keep the Working Group informed on further developments regarding this issue.

11. The Business Council submitted a paper outlining the scope and the criteria defining a BSEC project as well as a paper on the role of the Working Groups in project generation/development. The said documents are attached as Annex VI.

**DATE AND VENUE OF THE NEXT MEETING**

12. The date and venue of the next Meeting of the Working Group will be communicated in due time through the BSEC PERMIS.

**ADOPTION OF THE REPORT**

13. The present Report was adopted by the Working Group for submission to the next Meeting of the Committee of Senior Officials.

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