# WRITTEN CONTRIBUTION BY AMBASSADOR LEONIDAS CHRYSANTHOPOULOS, SECRETARY GENERAL OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION (BSEC) PERMANENT INTERNATIONAL SECRETARIAT (PERMIS)

# **AT THE**

17<sup>TH</sup> MEETING OF THE OSCE MINISTERIAL COUNCIL

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### **About BSEC**

Black Sea Economic Cooperation (BSEC) was launched as a regionally owned initiative, with Turkey's lead, back in 25 June 1992 at the Istanbul Summit, at a time when regional cooperation was most needed in the transformation process that the countries of the region were undergoing, following the collapse of the Soviet Union. The idea that stronger economic cooperation among the Black Sea countries would enhance peace and stability in the region was the underlying philosophy behind BSEC.

In 1998, BSEC was officially transformed from an initiative into a regional cooperation organization with the adoption of the BSEC Charter in Yalta. The BSEC Permanent International Secretariat is based in Istanbul.

The BSEC countries which differ from each other in terms of their level of development, size and population encompass an area of approximately 20 million square kilometers with 330 million people.

Today, BSEC is the only full-fledged and the most inclusive regional organization in the Black Sea area, with developed mechanisms and instruments of cooperation and a diverse institutional framework. Transport, energy, trade, economic development, communications, education, culture, tourism, science, technology, healthcare, good governance, customs services, exploration and extraction of hydrocarbon resources and fight against organized crime are among the most active fields of cooperation within the framework of the Organization. BSEC also has four Related Bodies — namely Parliamentary Assembly of BSEC, BSEC Business Council, Black Sea Trade and Development Bank and International Centre for Black Sea Studies — which deal with the parliamentary, business, financial and academic dimensions of cooperation, respectively.

In addition to serving as a forum for cooperation in a wide range of areas, BSEC is also a platform for political dialogue for its 12 Member States. It has a valuable potential to indirectly contribute to the political rapprochement processes in the region, through providing opportunities for interaction between the sides. BSEC meetings create opportunities to bring together, around the same table, the officials of Member States, some of which do not have diplomatic relations.

BSEC cooperation in the fields of culture, tourism, transport infrastructure, institutional renewal and good governance, cross border cooperation, customs, visa facilitation and combat against organized crime also contributes indirectly to the strengthening of security and stability in our region.

In this context, we welcome an important event in which BSEC played a small facilitating role; the signature of the Protocols on the Establishment of Diplomatic Relations between the Republic of Armenia and the Republic of Turkey and on development of relations between these two countries will further contribute to peace and stability in the region and facilitate even more the economic cooperation within BSEC.

### **BSEC** projects

The success of BSEC depends on the concreteness and effective implementation of common projects and this is what the Organization is doing.

There are two BSEC transport infrastructure projects of major significance. These are the Black Sea Ring Highway project and the project on the development the Motorways of the Sea in the BSEC region. They were launched with the signing of two Memoranda of Understanding in 2007. They are related to the development of transport links in the region. They are expected to do much to foster intra-BSEC trade, as well as tourism, infrastructure and transport investments and economic prosperity among the countries of the Black Sea. Most importantly, they will make a concrete difference in the lives of the people of the region and bring them closer together.

The Black Sea Ring Highway project envisages a four lane ring highway system, approximately 7100 km long, to connect the BSEC Member States with each other, and also the European road network to that of Asia. The project on the development of the Motorways of the Sea in the BSEC region, on the other hand, is about strengthening the maritime links among the ports of the BSEC Member States.

Besides transport, one of the areas where the potential of Black Sea economic cooperation is most visible is in the area of trade.

For example, BSEC has been cooperating with the United Nations Development Programme (UNDP) on this matter. Within this framework, the Black Sea Trade and Investment Promotion Programme (BSTIP) - the first joint project between the two organizations — was launched in 2007. The project, which is co-financed by Greece, Turkey, the UNDP and BSEC, aims to develop trade and investment linkages among the BSEC Member States, with the direct participation of the business communities, and has so far been successful in contributing to an increase of intra-BSEC trade.

The two BSEC projects in the area of transport, the Black Sea Ring Highway project and the project on the development the Motorways of the Sea in the BSEC region, are also expected to contribute to the growth of trade among the countries of our region.

The Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region, which was signed in 2002 and which went into force in 2006, is another concrete step taken by the BSEC countries to facilitate regional trade.

The BSEC Agreements on Simplification of Visa Procedures for the Businesspeople and for the Professional Lorry Drivers Nationals of the BSEC Member States, signed in 2008 in Tirana, will also surely contribute to the trade cooperation among the Member States.

BSEC is also active in the area of environmental protection. The gradual degradation of the environment in the Black Sea region in the last decades is a source of grave concern. This degradation has brought about the need to undertake measures to rehabilitate, protect and preserve the environment for future generations. The reasons of degradation show that regional and international cooperation is indispensable for this.

Within this framework, exchange of scientific and technical information, increasing public awareness and incorporation of environmentally friendly approaches in economic development, with particular attention to the promotion of innovative and resource saving technologies, comprise priorities for BSEC.

Currently, BSEC Members are discussing the modalities of upgrading our information exchange mechanism for environmental protection. The initial information system was established in 2007.

BSEC also cooperates with other organizations, institutions and partners in its pursuit of protecting the Black Sea environment. There is an ongoing study on the possibilities of strengthening this cooperation with regard to the issues related to the protection and rehabilitation of the Black Sea marine environment. Also, a project on introducing climate change in the environmental strategy for the protection of the Black Sea will be soon launched, jointly with the UNDP.

BSEC also focuses on the human dimension of sustainable development and tries to serve as a catalyst to ongoing activities on migration management and combating human trafficking.

As far as migration management is concerned, migration is an essential and inevitable component of the economic and social life of every state. If managed properly, migration can be beneficial for both individuals and societies. For this, policy makers and practitioners need to develop a comprehensive understanding of the multi-dimensional phenomenon of migration. A joint project on migration management has been conducted with the International Organization for Migration (IOM) on formulating migration policy recommendations for the BSEC Member States to prevent irregular migration flows and simultaneously facilitate legal ones.

Human trafficking, on the other hand, is a crime which, by nature, has a transnational character and is highly damaging to human security and sustainable development. The challenge for all countries, rich and poor, is to target the criminals who exploit desperate people and to protect and assist victims of trafficking and smuggled migrants, many of whom endure unimaginable hardships in their bid for a better life.

Unfortunately, the Black Sea region is a major source of and transit and destination for the trafficking of women and children for the purpose of commercial sexual exploitation and forced labor. According to the United Nations Office on Drugs and Crime (UNODC) database on global human trafficking patterns, human trafficking affects all BSEC Member States.

BSEC has agreements among its Member States on cooperation in combating organized crime. BSEC, IOM, UNODC and many other relevant bodies in the region are cooperating to fight against human trafficking which is one of the most prevalent forms of organized crime in the Black Sea area.

BSEC, together with the UNODC, launched a regional project on strengthening the criminal justice response to human trafficking in the Black Sea region. Within this framework, a Regional Action Plan was jointly devised. This Action Plan aims at promoting the exchange of expertise and best practices as well as enhancing cooperation among the Member States in combating human trafficking. Along with its policy development and capacity building aspects, the Action Plan gives special consideration to three basic elements in fighting human trafficking — namely, prevention, protection and prosecution.

### BSEC cooperation in confronting the effects of the global financial crisis

BSEC anticipated at an early stage the negative effect on the region of the global financial crisis and convened two meetings of the relevant Working Group, one in November 2008, and the other one in October 2009. The issue was also discussed at the BSEC Council of Ministers of Foreign Affairs that went in Yerevan in April 2008 and called for increased cooperation and coordination of the BSEC Member States in the area of Banking and Finance. In October BSEC jointly organized a Workshop with the World Bank in order to discuss the effects of the global financial crisis and ways to confront it. Our basic conclusion was to support investments in infrastructure and to strengthen our business institutions by untapping our hidden business potential. And we are doing this.

### **BSEC** cooperation in energy

BSEC is currently directing its efforts to further deepen cooperation in the field of energy. In this process, a main priority is to ensure the stability and security of energy supplies by developing a BSEC regional energy strategy and a 2020 strategy.

BSEC is also committed to efforts towards ensuring the integration of the energy markets of BSEC and the EU by developing a joint BSEC-EU Plan of Action in energy and encouraging cooperation with the Energy Community.

With regard to projects in energy, BSEC actively supports the continuation of the "Black Sea Regional Transmission Planning Project". As of November 2009, BSEC's capabilities to finance projects in renewable energy sources and energy efficiency through the BSEC Project Development Fund and the newly established BSEC-Hellenic Development Fund — the two financial instruments of the Organization — has been enhanced.

## **BSEC-OSCE** cooperation

The BSEC Permanent International Secretariat maintains a close relationship with the Office of Economic and Environmental Activities of the OSCE through exchange of information on activities, as well as participation in events.

The project titled "Black Sea and Central Asia Outlook - BSECAO" was implemented jointly by the OSCE, OECD and BSEC, with the latter acting as a project partner and playing a coordinating role for the other regional institutions. The project was important for further promoting regional cooperation and strengthening the organizational capacities of the BSEC institutions.

The International Expert Conference "The Safety of Navigation and Environmental Security in a Transboundary Context in the Black Sea Basin" was organized in Odessa, Ukraine, on 24-26 June 2008 by the Finnish 2008 OSCE Chairmanship together with the Government of Ukraine and with the support of the Office of the Coordinator of OSCE Economic and Environmental Activities and the OSCE Project Coordinator's Office in Ukraine.

The conference elaborated specific recommendations for enhanced co-operation on the safety of navigation and environmental security in the Black Sea basin. It also highlighted the importance of the effective implementation of international and regional legal instruments for improving navigation safety and environmental protection as well as strengthening public participation and public-private co-operation in addressing these issues.

The conference identified areas for further focus related to maritime transport and environmental protection, including oil pollution preparedness and response, combating the transfer of invasive species in ballast waters, ship surveillance and monitoring for oil spill detection and prevention.

### BSEC's relations with other international actors

BSEC is viewed by the international community as an anchor of cooperation in the Black Sea area today. Germany, Austria, France, Italy, Poland, the Czech Republic, Slovakia, Belarus and Croatia, as well as non-European countries such as the United States, Egypt, Tunisia and Israel have Observer status in BSEC. Japan, among others, have applied for Observer status. The UK, Hungary, Montenegro, Iran and Jordan, on the other hand, as well as various regional organizations, have Sectoral Dialogue Partnership status.

The Commission of the European Communities became an Observer in BSEC in 2007. Since then, the Ministers of Foreign Affairs of the European Union and of the countries of the wider Black Sea area came together for the first time in Kyiv on 14 February 2008, during which the Black Sea Synergy was launched. Now, a new period of enhanced relations between BSEC and the EU is underway. Currently, partnerships in the areas of transport, energy and environment are being considered.

BSEC, which has Observer status in the UN General Assembly, has Cooperation Agreements with the UN Economic Commission for Europe (UNECE), UN Environment Programme (UNEP), UN Industrial Development Organization (UNIDO) and UN Development Programme (UNDP). BSEC also has close relations and active cooperation with the UN Food and Agriculture Organization (FAO), World Trade Organization (WTO), World Bank, UN Office on Drugs and Crime (UNODC) and the International Organization for Migration (IOM).

In November 2009, BSEC became a member of the Group of Friends of the Alliance of Civilizations.

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