



BS/WG/AAI/R(2008)3

**REPORT OF THE
MEETING OF THE BSEC WORKING GROUP
ON AGRICULTURE AND AGRO-INDUSTRY**

Krasnodar, 18 November 2008

1. The Meeting of the BSEC Working Group on Agriculture and Agro-Industry was held in Krasnodar, Russian Federation, on 18 November 2008.

2. The following BSEC Member States participated in the Meeting:

Republic of Armenia
Republic of Bulgaria
Hellenic Republic
Romania
Russian Federation
Republic of Serbia
Ukraine

3. The representative of the BSEC Business Council (BSEC BC) attended the Meeting as BSEC Related Body.

The List of Participants of the Meeting is attached as Annex I.

4. The Draft Agenda of the Meeting was discussed, amended and adopted. The Agenda, as adopted, is attached as Annex II.

5. An inaugural statement was delivered by Mr. Vadim DEMIYANENKO, Deputy Director of Department of International Cooperation of the Ministry of Agriculture of the Russian Federation.

6. In his statement, Mr. DEMIYANENKO welcomed the participants on behalf of the Ministry of Agriculture of the Russian Federation and mentioned the necessity of consolidated efforts at the international level in order to overcome the crisis developments, including those in the agricultural sector. He expressed the hope that the meeting of the representatives of the BSEC Member States would signify the beginning of the joint projects that would contribute to the solution of the problems in the agricultural sector of the Black Sea region.

7. Mr. A. AMERKHANOV, President of the Taganrog Interregional Chamber of Commerce and Industry, Chairman of the Board of Directors of the BSEC Business Council, made a statement on behalf of the Secretary General of the BSEC Business Council. In his speech he stated that agro-industry has always been one of the high priorities of the Business Council. Whenever talking to prospective foreign investors, food and agro-industry are mentioned as the most important growth sectors in the Black Sea region.

BSEC Business Council has already initiated in the past – and will progressively do more in the future, as the resources allow it – various activities in this sector. The plans for the future include training and organizing conferences that will bring businesspeople together and help them find avenues of cooperation.

8. The Meeting was co-chaired by Mr. Vadim DEMIYANENKO, and Mr. Alexander FEDORINOV, Second Secretary, Department of Economic Cooperation, Ministry of Foreign Affairs of the Russian Federation.

THE GOVERNMENT SUPPORT IN THE AGRICULTURAL SECTOR. THE MINOR FORMS OF BUSINESS IN AGRICULTURAL SECTOR AND THEIR IMPACTS ON THE AGRICULTURAL MARKET

9. Under this agenda item the participants discussed the policies of their governments in supporting the agricultural sector in the BSEC Member States, including activities of small businesses and their impact on the agricultural market.

10. Mr. M. KULIKOV, Deputy Head of Division, Ministry of Agriculture of the Russian Federation, made a presentation on ‘Measures of Government Support of Small Business in Agriculture’ in which he mentioned the main directions of governmental policy of the Ministry of Agriculture aimed at supporting and assisting the agro-industry, including references to small business. The presentation is attached as Annex III.

THE PERSPECTIVES OF OPTIMIZATION OF THE COOPERATION BETWEEN THE BSEC MEMBER STATES IN VINE-GROWING AND WINE-MAKING SECTORS

11. The participants discussed the opportunities of cooperation of the Member States in vine-growing and wine-making sectors.

12. Mr. A. BRAJKO, Vice-President of the Union of Grape and Wine Producers of Russia made a presentation on the Concept of Intensive Development of Grape and Wine Production in Russia in 2008-2020. The text of the presentation is attached as Annex IV.

13. Mr. Milan KUZNIK, Senior Adviser, Serbian Chamber of Commerce, made an overview of Serbian Viniculture and presented the latest information on vine-growing, wine-production and wine consumption in the Republic of Serbia. The text of the presentation is attached as Annex V.

14. Ms. Nevena MILENCHEVA-BABEVA, State Expert, Ministry of Agriculture and Food of the Republic of Bulgaria, disseminated a presentation on financing the vine and wine sectors in the Republic of Bulgaria. The text of the presentation is attached as Annex VI.

OPPORTUNITIES OF THE JOINT COOPERATION IN THE FIELDS OF FISHERY, REHABILITATION OF AQUA- AND MARINE CULTURE IN THE BLACK SEA

15. In conformity with the Action Plan of the BSEC Working Group on Agriculture and Agro-industry, the participants discussed the opportunities for cooperation of the Member States in the field of fishery, rehabilitation of the aqua- and marine culture in the Black Sea.

16. Mr. Y. USENKO, President of the Aquafond Company, made a presentation on Thermal and Industrial Fishery.

17. Ms. Mariana VELIKOVA-ENCHEVA, Expert, National Agency of Fisheries and Aquaculture of the Republic of Bulgaria, made a presentation on the opportunities of the joint cooperation in the fields of fishery, rehabilitation of aqua- and marine culture in the Black Sea. The presentation is attached as Annex VII.

18. Mr. M. CHEBANOV, Deputy Director General, South Branch of the Federal Breeding Genetic Center of the Ministry of Agriculture of the Russian Federation, made a presentation on the culture of sturgeons in Russia, production of juveniles for stocking and meat for human consumption. The text of the presentation is attached as Annex VIII.

19. The participants expressed the view that participation of the Commission of the Protection of the Black Sea against Pollution in the Meetings of the Working Group on Agriculture and Agro-Industry would be beneficial as the Commission, as a BSEC Observer, is negotiating the Draft Convention for Fisheries and Conservation of Living Resources of the Black Sea (CFCLRBS).

PERSPECTIVE OF COOPERATION OF THE INSTITUTIONS OF THE MEMBER STATES IN SUBMITTING THE JOINT PROJECT APPLICATIONS FOR FUNDING TO THE BSEC PROJECT DEVELOPMENT FUND

20. The participants discussed the possible cooperation of the relevant institutions of the Member States in elaborating and submitting joint project applications for funding to the BSEC Project Development Fund.

21. Taking into account the instruction of the Committee of Senior Officials (Tirana, 21-22 October 2008), the Working Group defined the priorities of its activities in the field of agriculture and agro-industry to be considered when drafting the annual budget of the Project Development Fund. The said document is attached as Annex IX.

22. The participants agreed to submit to PERMIS by 15 December 2008 any proposals or amendments to the said document.

ANY OTHER BUSINESS

23. The participants took note of the information concerning the intentions of THE Republic of Armenia to organize a Meeting of the Ministers of Agriculture of the BSEC Member States in Yerevan in March-April 2009.

24. Mr. A. AMERKHANOV, President of the Taganrog Interregional Chamber of Commerce and Industry, Chairman of the Board of Directors of the BSEC Business Council, made a presentation on strategic directions of the BSEC Business Council till 2010. The presentation is attached as Annex X.

DATE AND VENUE FOR THE NEXT MEETING

25. The date and venue of the next Meeting of the Working Group, including the organizational aspects of the Ministerial Meeting in Yerevan, will be communicated to the BSEC Member States through BSEC PERMIS.

ADOPTION OF THE REPORT OF THE MEETING

26. The Working Group adopted the present Report for submission to the next Meeting of the Committee of the Senior Officials of the BSEC Member States to be held in Istanbul on 21-22 January 2009.