



BS/SME/WG/R(2007)1

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

Istanbul, BSEC Headquarters, 4-5 October 2007

1. The Meeting of the BSEC Working Group (WG) on SMEs was held at the BSEC Headquarters in Istanbul on 4-5 October 2007 under the Chairmanship-in-Office of the Republic of Turkey.

2. The Meeting was attended by the following BSEC Member States:

Republic of Armenia
Republic of Azerbaijan
Republic of Bulgaria
Hellenic Republic
Republic of Moldova
Romania
Republic of Serbia
Republic of Turkey
Ukraine

3. The representative of the Parliamentary Assembly of the Organization of BSEC (PABSEC) participated in the Meeting.

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

4. The Meeting was chaired by Mr. İsmail KAYIPLAR, Deputy General Director, Directorate General of EU Coordination, Ministry of Industry and Trade of the Republic of Turkey.

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

STATUS OF IMPLEMENTATION OF RESOLUTIONS, DECISIONS AND RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS RELATED TO SMES

6. The participants took note of the decision of the 15th Council of Ministers of Foreign Affairs of the BSEC Member States held in Moscow on 1 November 2006, concerning the consideration of implementation of Resolutions, Decisions and Recommendations of the Council at each meeting of the WG on SMEs.

7. It was mentioned that two decisions of the 15th Council of Ministers regarding SMEs have been implemented in general terms.

CONSIDERATION OF PROJECT APPLICATIONS FOR FUNDING TO THE BSEC PROJECT DEVELOPMENT FUND

8. Under this agenda item, the Project Coordinator of BSEC PERMIS made a presentation regarding the BSEC Project Development Fund (PDF), its goals and activities, the procedures of drafting, submitting, considering and financing of project proposals.

9. The WG acknowledged the lack of project proposals in the field of SMEs for PDF funding. They agreed to inform the relevant institutions and organizations in their countries regarding the activities of the BSEC PDF and submit in future relevant project proposals to BSEC PERMIS.

COOPERATION OF THE BSEC MEMBER STATES IN THE FIELD OF SMES

10. The participants exchanged views on the possibilities of cooperation of the BSEC Member States in the field of SMEs.

11. On this regard it was suggested that the private sector should be involved in the activities of the BSEC, and in particular in the activities of the Working Group on SMEs and other related activities.

12. The participants agreed to submit to the PERMIS their suggestions and proposals concerning the future cooperation of the BSEC Member States in the field of SMEs.

EXAMINATION OF THE INSTITUTIONAL ASPECTS OF THE SMES FUNCTION IN THE BSEC MEMBER STATES (IN JOINT SESSION WITH THE WORKING GROUP ON INSTITUTIONAL RENEWAL AND GOOD GOVERNANCE)

13. According to the decision of the BSEC Council (Belgrade, 19 April 2007) and the instructions of the Committee of Senior Officials (Belgrade, 17-18 April 2007) a joint session of the Working Group on Institutional Renewal and Good Governance and of the Working Group on SMEs was held.

14. The participants welcomed the presentation made by the Hellenic Republic, the Country-Coordinator of the Working Group on Institutional Renewal and Good Governance, regarding the pilot project for the implementation of the regulatory reform principles in the topic of the facilitation of business action in the area of SMEs, to be jointly implemented by the two BSEC Working Groups. The said presentation is attached as Annex III.

15. The delegations participating in the two Working Groups discussed on the modalities of the implementation of the project and took note of the timetable proposed by the Hellenic Republic:

- The Hellenic Republic shall transmit to the Member States via PERMIS an invitation letter for the participation in the project with the specification of all necessary technical requirements by 26 October 2007;
- The Member States shall confirm their intention/interest to participate in the project by 20 December 2007.

16. Furthermore, the two Working Groups agreed to continue deliberations on this topic at their next meetings and requested PERMIS to ensure coordination between the two Working Groups.

EVALUATION OF THE IMPLEMENTATION OF THE ACTION PLAN OF THE BSEC WORKING GROUP ON SMES

17. Under this agenda item, the representative of the Republic of Turkey made a presentation on the implementation of the two-year Action Plan of the Working Group on SMEs. The said presentation is attached as Annex IV.

18. The activities carried out within BSEC during the two-year period, including a meeting of the WG on SMEs in July 2006 and two Workshops on SME Clustering, hosted in December 2006 and October 2007 respectively, were mentioned.

19. The participants also mentioned other activities in the field of SMEs organized in Greece, Serbia and Moldova.

20. The WG agreed that in general terms the provisions of the two-year Action Plan were implemented.

21. Following the relevant Resolution of the 15th BSEC Council of Ministers of Foreign Affairs, the participants asked the present Country Coordinator of the WG on SMEs, to present to the Member States through PERMIS an evaluation report of the activities of the WG on SMEs for the last two years, based on the implementation of the two-year Action Plan of the WG.

22. The participants agreed to submit their proposals to BSEC PERMIS and to the incoming Country Coordinator of the WG on SMEs regarding future activities in the field of SMEs to be included in the next two-year Plan of Actions of the WG.

NOMINATION OF THE NEW COUNTRY-COORDINATOR OF THE WORKING GROUP ON SMES

23. The participants expressed their appreciation and gratitude to the Government of the Republic of Turkey, as the Country Coordinator of WG on SMEs, for the work and activities carried out during the period 1 November 2005-31 October 2007.

24. The WG took note of the willingness of the Hellenic Republic to assume the role of Country Coordinator of the WG on SMEs for the next two years period.

ANY OTHER BUSINESS

25. Under this agenda item, the representative of the Republic of Bulgaria made a presentation on “The Government Support to SME Sector in Bulgaria”. He informed the WG on the role and activities of the Bulgarian SME Promotion Agency, the programs and projects in the field of SMEs in Bulgaria. The above-mentioned presentation is attached as Annex V.

DATE AND VENUE OF THE NEXT MEETING

26. The Working Group welcomed the willingness of Ukraine to organize the next meeting of WG on SMEs in Ukraine in March 2008. The exact date of the meeting would be communicated by PERMIS to the Member States at a later stage.

ADOPTION OF THE REPORT OF THE MEETING

27. The Working Group adopted the present Report for submission to the next Meeting of the Committee of Senior Officials of the BSEC Member States to be held in Ankara on 23-24 October 2007 prior to the 17th Meeting of the Council of Ministers of Foreign Affairs of the BSEC Member States (Ankara, 25 October 2007).