



BS/WG/TED/R(2010)2

**REPORT OF THE
MEETING OF THE BSEC WORKING GROUP
ON TRADE AND ECONOMIC DEVELOPMENT**

Istanbul, 18-19 October 2010

1. The Meeting of the BSEC Working Group on Trade and Economic Development was held at the BSEC Headquarters in Istanbul on 18-19 October 2010.
2. The Meeting was chaired by Mr. Sarantis MOSCHOVIS, First Counsellor for Economic and Commercial Affairs, Directorate for Economic Relations with SE Europe, CIS and BSEC, Ministry of Foreign Affairs of the Hellenic Republic.
3. The following BSEC Member States participated in the Meeting:
 - Republic of Armenia
 - Republic of Azerbaijan
 - Hellenic Republic
 - Republic of Moldova
 - Romania
 - Russian Federation
 - Republic of Serbia
 - Republic of Turkey
4. The representatives of the Parliamentary Assembly of the BSEC (PABSEC) and the BSEC Business Council participated in the Meeting as BSEC Related Bodies.
5. The representatives of the Arab Republic of Egypt also participated in the Meeting as BSEC Observer.
6. The representative of the Republic of Hungary attended the Meeting as BSEC Sectoral Dialogue Partner.
7. The List of Participants of the Meeting is attached as Annex I.

8. The Chairman-in-Office made an introductory presentation on Hellenic Republic priorities during the Chairmanship-in-Office with regard to the events that have taken place so far while stressing on the importance of the Meeting of BSEC Ministers of Energy held in Nafplion, Greece, on 12 October 2010. At the same time, he emphasized the significance of the forthcoming Meeting of the Ministers of Tourism to be held in Athens on 15 November 2010, as well as the Black Sea Business Forum ‘The New Era of Green Entrepreneurship’ in parallel to the Meeting of the Ministers of Foreign Affairs of the BSEC Member States to be held in Thessaloniki on 26 November 2010.

9. With regard to the organization of the Black Sea Forum to be held in Thessaloniki on 26 November 2010, the Secretary General of the BSEC Business Council expressed the willingness and readiness of the BSEC Business Council to participate and to contribute to the success of the said event.

ADOPTION OF THE AGENDA

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

IMPLEMENTATION OF THE RESOLUTIONS, DECISIONS, AND RECOMMENDATIONS OF THE BSEC COUNCIL AND THE FOLLOW-UP OF THE DECLARATIONS AND JOINT STATEMENTS ADOPTED BY THE MINISTERS RESPONSIBLE FOR TRADE AND ECONOMIC DEVELOPMENT

11. The representative of the PERMIS informed on ways and dynamics of the implementation of the Resolution of the 15th BSEC Council (Moscow, 1 November 2006) with reference to the activities of the Working Group on Trade and Economic Development (WGTED) relative to the implementation of the BSEC Council Resolutions, Decisions and Recommendations starting from 2002 till today.

12. The participants acknowledged information on the issue provided by the BSEC PERMIS and expressed willingness to proceed more actively in determining their future priorities and start upon securing the necessary dynamics of the implementation of the Council Resolutions, Decisions and Recommendations.

13. The participants invited the BSEC PERMIS in its capacity as temporarily Country-Coordinator, assisted by the BSEC Business Council, to prepare the Evaluation Report on the activities of the Working Group and submit it to the next meeting of the Group for assessment.

REVIEW AND ASSESSMENT OF THE WORKING GROUP ACTIVITIES

14. The Chairman-in-Office made a written proposal regarding the steps to be followed for a more efficient functioning of the Working Group. The proposal is attached as Annex III and will be discussed in the next Meeting of the Working Group. The Member States decided to communicate their comments through BSEC PERMIS.

15. The participants stated the BSEC Council Resolutions, Decisions and Recommendations related to the Working Group on Trade and Economic Development have not been always fully implemented.

16. The implementation of the provisions of the BSEC Council instructions could be secured provided that the Member States determine those priorities which may reach a common understanding.

EXCHANGE OF VIEWS ON RECENT DEVELOPMENTS OF ECONOMIC AND TRADE RELATIONS AMONG BSEC MEMBER STATES

17. The Hellenic delegation made a detailed presentation on Greek foreign trade with BSEC Member States. The presentation is attached as Annex IV.

18. Romanian delegation also made a presentation on Romanian trade with BSEC Member States. The presentation is attached as Annex V.

19. The participants commended the presentations.

20. The participants decided to have a regular exchange on foreign trade data among the BSEC Member States. In this regard, the BSEC Business Council, stressing the importance of unified statistical data for the Working Group, proposed the reactivation of the Center for Exchange of Statistical Data which is a BSEC Affiliated Center, hosted by the State Institute of Statistics of the Republic of Turkey. The delegation of the Republic of Turkey was invited to consider this proposal.

INFORMATION ABOUT REGIONAL PROGRAMS ON IMPROVING BUSINESS AND INVESTMENT CLIMATE IN THE BSEC

21. The BSEC PERMIS made a brief notice on the second phase of the “Black Sea Trade and Investment Promotion Program (BSTIP)” for the period of 2011-2012.

22. The participants took a brief note on the termination of joint BSEC – OECD project “BSECAO Regional Initiative”.

RECONSIDERATION OF THE DRAFT TERMS OF REFERENCE

23. The participants discussed the Draft Terms of Reference of the Working Group, decided to entrust the BSEC PERMIS to make a revised draft of the Terms of Reference, taking into account Para.15 of the present Report, to be disseminated to the Member States for further consideration in due course.

WORKING PRIORITIES AND IMPLEMENTATION FRAMEWORK: DISCUSSION ON ADVANCED AND EXPECTED PROPOSALS AND SUGGESTIONS

24. The Secretary General of the BSEC Business Council made a presentation on the BSEC BC proposals on the activation of the Working Group on Trade and Economic Development.

Furthermore, she informed on the 'barriers to trade' report system. The presentation is attached as Annex VI.

25. Dr. Klearchos EFSTRATOGLU from the Greek Export Credit Insurance Organization (ECIO) made a presentation on the activities aimed at insuring foreign trade operations. The presentation is attached as Annex VII.

26. The ECIO expressed its willingness to explore ways of cooperation in the field of export credit insurance with other Export Credit Agencies (ECAs) of the BSEC Member States. The outcome of these contacts is to be communicated by ECIO within the Working Group for further consideration.

27. The Secretary General of the BSEC Business Council, stressing the importance of cooperation among the ECAs for promoting exports in the region, proposed to explore the possibility of establishing a Task Force within the Working Group at a later stage.

28. The participants decided to continue the discussion on the priorities at the next Working Group Meeting.

29. The participants requested the BSEC PERMIS to prepare a conceptual paper on the issue of the Working Group priority activities and to communicate it to the Member States in due course.

BSEC PROJECT DEVELOPMENT FUND

30. The participants agreed to list the priority areas for PDF funding at the next Working Group Meeting.

ANY OTHER BUSINESS

31. No issues were raised under this Agenda Item.

ADOPTION OF THE REPORT

32. 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 20-21 October 2010.