



ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION

Permanent International Secretariat

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BS/WG/T/R(2016)1

REPORT OF THE MEETING OF THE BSEC WORKING GROUP ON TRANSPORT

Sochi, the Russian Federation, 30-31 May 2016

1. The Meeting of the BSEC Working Group on Transport was held in Sochi, the Russian Federation, on 30-31 May 2016.
2. The Meeting was chaired by Mr. Sergey ANDREEV, Deputy Head of International Cooperation Department, Ministry of Transport of the Russian Federation.
3. The following BSEC Member States participated in the Meeting:
 - Republic of Albania
 - Republic of Armenia
 - Republic of Azerbaijan
 - Republic of Bulgaria
 - Georgia
 - Hellenic Republic
 - Republic of Moldova
 - Romania
 - Russian Federation
 - Republic of Turkey
4. The representatives of the Black Sea Region Association of Shipbuilders and Shiprepairers (BRASS) and the Union of Road Transport Associations in the BSEC Region (BSEC-URTA), as Sectoral Dialogue Partners, participated in the Meeting.
5. The representative of the International Road Union (IRU) participated in the Meeting as a Guest.
6. The List of Participants of the Meeting is attached as **Annex I**.

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

AGENDA ITEM 2: IMPLEMENTATION OF THE RESOLUTIONS, DECISIONS, RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS AND MEETINGS OF MINISTERS OF TRANSPORT

8. The Working Group took note of information provided by the BSEC PERMIS concerning the Resolutions and Decisions of the Meeting of the 33rd Council of Ministers of Foreign Affairs of the BSEC Member States (Bucharest, 11 December 2015), including those related to the adoption of the new Terms of Reference of the BSEC Working Group on Transport, General Provisions of the Terms of Reference of the Working Group and the Action Plan of the BSEC Working Group on Transport for the period of 1 July 2015 – 30 June 2017. The Terms of Reference of the BSEC Working Group on Transport are attached as **Annex III**.

AGENDA ITEM 3: THE BSEC ECONOMIC AGENDA: TOWARDS AN ENHANCED BSEC PARTNERSHIP (2012): PRIORITIES FOR THE SECOND MEDIUM-TERM (2016-2018)

9. The Working Group underlined the importance of achieving the goals of transport cooperation enshrined in the BSEC Economic Agenda towards an Enhanced BSEC Partnership and decided to increase its efforts during 2016-2018 in the priority areas adopted at its meeting at the BSEC Headquarters on 21-22 September 2015.

AGENDA ITEM 4: STATE OF AFFAIRS WITH REGARD TO APPOINTMENT OF REPRESENTATIVES TO THE WORKING GROUP ON TRANSPORT

10. In line with the Council's resolution "Assessment of the work deployed in the BSEC Working Groups", adopted in Belgrade on 19 April 2007, the Working Group considered the state of affairs regarding the appointment by the BSEC Member States of their representatives to the Working Group.

11. Furthermore, the Working Group invited the Member States to timely update, whenever necessary, information regarding their representatives. The updated list of representatives is attached as **Annex IV**.

AGENDA ITEM 5: CONSIDERATION OF A PROPOSAL TO ORGANIZE A JOINT MEETING OF THE BSEC WORKING GROUPS ON TRADE AND ECONOMIC DEVELOPMENT, ON CUSTOMS MATTERS AND ON TRANSPORT

12. Following the discussions on the issue at its previous meetings, the Working Group invited the BSEC PERMIS to continue consultations with incoming BSEC Chairmanships on the possibility to convene such a meeting.

13. The Working Group supported the proposal and invited the BSEC PERMIS to continue consultations with the incoming BSEC Chairmanships on the possibility to convene such a meeting and to inform, respectively, the Member States.

14. The Working Group reconfirmed the substantive items which were adopted at the Meeting of the BSEC Working Group on Transport (21-22 September 2015, BSEC Headquarters) to be included in the agenda of the Joint Meeting of three BSEC Working Groups:

i) Development of the Transit Traffic in the BSEC Region;

ii) Implementation of the provisions of the Joint Declaration “Transport Facilitation: Paving the Way to Trade and Development in the BSEC Region” adopted by the Ministers of Transport of the BSEC Member States at their Meeting in Chişinău, on 14 May 2015;

iii) Implementation of the provisions of the Baku Declaration “Initiatives of Customs Administrations in Trade Facilitation” adopted by the Heads of Customs Administrations of the BSEC Member States at their Meeting in Baku, on 26 November 2014.

AGENDA ITEM 6: CONSIDERATION OF A PROPOSAL TO ORGANIZE A JOINT MEETING OF MINISTERS IN CHARGE OF TOURISM AND TRANSPORT IN 2017

15. The Working Group supported the proposal and invited the BSEC PERMIS to continue consultations with UNWTO and the incoming BSEC Chairmanships on the possibility to convene such a meeting and to inform, respectively, the Member States.

16. The Working Group recommended to hold expert level consultations of the competent organs responsible for transport and tourism sectors for substantial consideration of the issues included into the agenda of the joint meeting.

AGENDA ITEM 7: STATE OF AFFAIRS TO OPERATION OF THE PROJECT DEVELOPMENT FUND AND THE PROJECT MANAGEMENT UNIT

17. The Working Group took note of the information provided by the PERMIS about financial situation of the Project Development Fund and invited the Member States, who wish to do so, to initiate project proposals in the transport field in compliance with the Guidelines of the Project Management Unit.

AGENDA ITEM 8: BSEC TRANSPORT COOPERATION WITH INTERNATIONAL ORGANIZATIONS AND THE BSEC SECTORAL DIALOGUE PARTNERS

18. In terms of increasing the BSEC cooperation opportunities, the Working Group welcomed recent signing of Memoranda of Understanding between BSEC and the Developing-8 Organization for Economic Cooperation, the Council of the Baltic Sea States, the International Union of Railways and the United Nations Alliance of Civilizations.

19. The Working Group took note of presentations and information about recent concrete activities in the transport fields provided by BSEC-URTA and BRASS. The BSEC-URTA Resolution adopted on 26 May 2016 in Bucharest is attached as **Annex V**.

20. Furthermore, the Working Group underlined the significant contribution of the BSEC partners to the overall BSEC efforts in achieving goals of the Economic Agenda towards an Enhanced BSEC Partnership.

AGENDA ITEM 9: STATE OF AFFAIRS WITH REGARD TO IMPLEMENTATION OF THE MEMORANDUM OF UNDERSTANDING FOR THE COORDINATED DEVELOPMENT OF THE BLACK SEA RING HIGHWAY

21. The Working Group took note of the Report of the 8th Meeting of the Steering Committee on the Development of the Black Sea Ring Highway, Sochi, 30 May 2016, and encouraged the Parties to the Memorandum of Understanding for the Coordinated Development of the Black Sea Ring Highway to undertake concrete steps for the achieving the goals of the MoU.

AGENDA ITEM 10: STATE OF AFFAIRS WITH REGARD TO IMPLEMENTATION OF THE MEMORANDUM OF UNDERSTANDING ON THE DEVELOPMENT OF THE MOTORWAYS OF THE SEA IN THE BSEC REGION

22. The Working Group took note of the Report of the Meeting of the Ad Hoc Working Group on the Development of the Motorways of the Sea, Sochi, 30 May 2016, and encouraged the Parties to the Memorandum of Understanding on the Development of the Motorways of the Sea at the BSEC Region to proceed further with achieving goals of the MoU.

AGENDA ITEM 11: CONSIDERATION OF THE DRAFT MEMORANDUM OF UNDERSTANDING ON THE DEVELOPMENT OF MULTIMODAL FERRY AND PASSENGER LINES IN THE BLACK SEA REGION, PROPOSED BY THE RUSSIAN FEDERATION

23. The Working Group took note of positions and proposals of the Republic of Azerbaijan, the Republic of Bulgaria, Georgia, Romania, the Republic of Turkey, Ukraine and legal opinion of the BSEC PERMIS made with regard to the Draft Memorandum of Understanding on the Development of Multimodal Ferry and Passenger Lines in the Black Sea Region, presented by the Ministry of Transport of the Russian Federation.

24. Furthermore, the Working Group discussed and amended the Draft Memorandum of Understanding and agreed to continue its consideration at its next meeting. The text as discussed is attached as **Annex VI**.

AGENDA ITEM 12: CONSIDERATION OF DRAFTS FINAL DOCUMENTS OF THE MINISTERIAL MEETING

25. The Working Group considered, amended and agreed on the text of the Draft Sochi Joint Declaration on the Prospects of Cooperation in the Field of Transport in the BSEC region “Through the synergy of transport and tourism to further development of the BSEC region”. The Draft will be submitted for adoption during the Meeting of the Ministers of Transport of the BSEC Member States in Sochi, the Russian Federation, on 1 June 2016. The text of the final draft is attached to the present Report as **Annex VII**.

26. The Working Group also considered, amended and agreed on the text of the Draft Report of the Meeting of the Ministers of Transport of the BSEC Member States (Sochi, the Russian Federation, 1 June 2016). The text of the draft Report is attached to the present Report as **Annex VIII**.

27. The Working Group with reference to the relevant provision of the BSEC Draft Declaration of the Ministers of Transport instructed the BSEC PERMIS to make a survey with regard to the existing physical and non-physical barriers at the border crossing points in cooperation and collaboration with the BSRH Permanent Technical Secretariat, BSEC-URTA and other relevant bodies.

28. The Working Group instructed the Secretariat to inform the BSEC Member States on the results of this survey one month prior to the next meeting of the BSEC Working Group.

AGENDA ITEM 13: ANY OTHER BUSINESS

29. The Working Group appreciated the efforts of the Chairmanship-in-Office and the BSEC PERMIS aimed at attracting the interest of the international financial institutions in financing the BSEC infrastructure projects.

AGENDA ITEM 14: ADOPTION OF A REPORT OF THE MEETING

30. The participants adopted the Report of the Meeting of the BSEC Working Group for its submission to the Ministers of Transport, Committee of Senior Officials and the Meeting of the Council of Ministers of Foreign Affairs.