



ORGANIZATION OF
THE BLACK SEA ECONOMIC COOPERATION

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BSEC Activities in support of Trade and Transport Facilitation through ICT Technics

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The Organization

- BSEC came into existence on 25 June 1992 in Istanbul at the Meeting of the Heads of State or Government of Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey, Ukraine.
- BSEC is a regional undertaking, which belongs to the generation of regional organizations that have appeared shortly after the end of the Cold War.
 - ♦ It was conceived as a political and economic framework aimed at fostering peace, stability and prosperity in this area.
 - ♦ With the adoption of its **Charter that entered into force in 1999**, BSEC became a full-fledged regional organization.
- **Member States:** BSEC brings together the 6 Black Sea littoral states – Bulgaria, Georgia, Romania, Russia, Turkey and Ukraine – and 6 other neighbouring states – Albania, Armenia, Azerbaijan, Greece, the Republic of Moldova and Serbia.
- On 28 June 2019 the membership application of the Republic of North Macedonia was accepted and it will be effective as of the date of the deposit of its instrument of accession to the Charter.

The Organization (Ctd.)

- **BSEC Related Bodies** and Affiliated Centers consist of :
 - ♦ The Parliamentary Assembly (PABSEC)
 - ♦ The Business Council (BSEC-BC)
 - ♦ The Black Sea Trade & Development Bank (BSTDB)
 - ♦ The International Center for Black Sea Studies (ICBSS)
- **Observers:** Austria, Belarus, Croatia, Czech Republic, Egypt, France, Germany, Hungary, Israel, Italy, Poland, Slovakia, Tunisia, United States of America, and also the European Commission, the Commission on the Protection of the Black Sea against Pollution, International Black Sea Club, Energy Charter Secretariat.
- **Sectoral Dialogue Partners:** Japan, Republic of Korea, Montenegro, Slovenia, as well as 10 governmental and non-governmental organizations: World Tourism Organization, Danube Commission, BSEC-URTA, BASPA, BINSa, BRASS, CPMR, INSME, BRAf, BSUN

BSEC Region – a Region of Great Geostrategic and Economic Importance



- Straddles three continents: Europe, Asia and Africa
- Area of 20 million km²
- Market of 337 million consumers
- Total GDP of the BSEC countries: 2017 - \$ 3.1 trillion (compare to \$ 658 billion in 1992)
- Intra-regional trade volume 264 billion USD annually
- The region welcomed 115 million international tourists (overnight visitors) in 2016, equivalent to 9% of the world's total or 19% of Europe's arrivals.
- BSEC destinations earned US\$ 57 billion (EUR 51 billion) in international tourism receipts in 2016, an estimated 5% of global receipts.

The Economic Agenda

- The Member States shaped a common vision of their cooperation through the BSEC, by adopting the *BSEC Economic Agenda: Towards an Enhanced BSEC Partnership*, endorsed by the BSEC Summit, held in Istanbul on 26 June 2012, to face the new challenges and opportunities in the global and local environment.
- The *Economic Agenda* is a document of a strategic nature for guiding the cooperation in the BSEC framework in order to meet the goals set by the BSEC Charter.
- All the BSEC Working Groups are considering actively specific action to implement the *Economic Agenda*.
- Particular attention is given to strengthening the project-oriented dimension of the Organization and to identifying concrete and feasible joint projects that would be of interest to the Member States.

Activities in support of trade and transport facilitation through ICT technics

Trade Facilitation

- The initiatives and projects discussed in the specialized BSEC Working Groups focus on:
 - ♦ identifying constraints affecting intra-regional trade expansion, particularly policy barriers that enterprises have to overcome, and other barriers that hamper the trade of goods and services;
 - ♦ promoting cooperation among custom authorities with a view to facilitating border crossing and transit traffic;
 - ♦ encouraging intra-regional trade and investments.
- Special attention is given to reducing bureaucracy and red tape, through:
 - ♦ Gradual liberalization of Transport;
 - ♦ Simplify documentation for border-crossing and harmonize customs procedures;
 - ♦ Visa facilitation;
 - ♦ Introduction of the UNECE International Vehicle Weight Certificate;
 - ♦ Promotion of intermodal transport;
 - ♦ Implementation of innovative tools like Single Window.

- The introduction of new ICT technologies – namely the digitalization and automation of procedures for international trans-border and transport – in combination with the relevant adaptation of national legislation and policies.

- ♦ The Parliamentary Assembly of BSEC adopted in June 2018 two Recommendations to the Parliaments and Governments of the BSEC Member States on:

- The prospects of the development of Digital Economy in the BSEC Member States; and
 - Strengthening cooperation in Cybersecurity in the BSEC Member States.

- ♦ A Seminar on "International trade and transport facilitation through digitalization" (Baku, 5 September 2018) made a set of recommendations to the Member States.

- Instruments for promoting regional trade under consideration, close to finalization:
 - ♦ Regional Trade Facilitation Strategy for the BSEC Region
 - ♦ Framework for BSEC Single Window Cooperation

Transport Facilitation

- The Organization has developed several important regional projects, mutually complementary, which are of major significance for the Black Sea Region, as well as for the Euro-Asian Region.
- The Ministers of Transport of the BSEC Member States meet frequently and discuss development of transport infrastructure and measures for facilitating transport procedures.
- Special attention is also paid to the integrated approach in maritime and inland waterways activities, including the development of competitive shipping and port infrastructure for providing sustainable multimodal transport.
- Implementation of provisions of the key UN transport-related conventions and agreements as well as the WTO Trade Facilitation Agreement providing seamless cross-border transport and transit.

Major Transport Projects

- The **Black Sea Ring Highway** project envisages a four lane ring highway system, approximately 7500 km long, to connect the BSEC Member States with each other.



• **The project on the development of the Motorways of the Sea (MoS) in the BSEC Region** aims at creating the necessary infrastructure for better connecting the Black Sea ports and, also, the Black Sea with the Mediterranean and the Caspian Seas, which include:

- upgrading of port facilities and infrastructure in 42 ports of the BSEC Member States;
- identification of projects of common interest;
- Increase of the cargo volume transported by sea;
- securing free and fair competition in international shipping;
- facilitation of access to all modes of transport and promotion of multimodal transports;
- establishment of functioning maritime lines;
- enhancement of maritime security and safety in the BSEC Region.

• **The project on Facilitation of Road Transport of Goods in the BSEC Region and its sub-projects** aim to facilitate road transport and regional trade.

- Within this framework, a pilot project on the establishment of a BSEC Permit System for the road transit of goods was launched in 2010. Encouraged by the positive results, the BSEC Permit Project became permanent, with the participation of 8 Member States.

Need for synergies

- The Black Sea ports will continue play their considerable role in world trade in the coming years and it is to be expected that the significance of the Black Sea for the regional and world trade and tourism will play its role in attraction of investments for the development of its seaports.
- The regional cooperation activities of BSEC are strengthened by involvement and support received from other international organizations and institutions.
- In fact, much of the BSEC success in the development of cooperation in transport, tourism and other areas belongs to its fruitful teamwork with other international and regional organizations, governmental and non-governmental, and business associations, and in particular:
 - BASPA (Black and Azov Seas Ports Association);
 - BINSa (Black Sea International Shipowners Association);
 - BRASS (Black Sea Region Association of Shipbuilders and Shiprepairers); and
 - BSEC-URTA (Union of Road Transport Association in the BSEC Region).

- The transport and trade developments in the region demand the continued input of the private sector and joint efforts of the public and private sectors in seeking innovative approaches for the improvement of regional infrastructure networks, the removal of physical and administrative barriers, and for increasing the transit capacity of the regional trade flows.
- It also require identifying new joint priority projects of regional impact, to be implemented through existing BSEC mechanisms, public-private partnerships and other funding schemes, with the support of other international organizations and financial institutions.
- This is what motivates our Organization in participating in this Conference.

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