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## Powers Partners Projects EU and Black Sea Regional Cooperation Common goals Common interests

Report on the **International Workshop (Berlin, 26 and 27 March, 2007)**  
**International Conference (Berlin, 7 and 8 May, 2007)**

*This document presents the statements and discussions during the preparatory international workshop held in Berlin 26-27 March, 2007, as well as the Results of the Working Groups of the International Conference that took place on the 7<sup>th</sup> and 8<sup>th</sup> of May, 2007. The report summarizes the views expressed by the participants and do not necessarily represent the opinion of the organizers. The aim of the two meetings was threefold: to investigate in which way the EU could strengthen its policy towards the Black Sea region; to define which lessons learned from other regional cooperation could be applied to the context of the Black Sea countries and how; and to identify thematic areas of cooperation and concrete projects, feasible in a relatively short time.*

*The report of the workshop was compiled by Elena Tegovska and Johanna Deimel, Wim van Meurs has written the introduction. The organisers very much appreciate the readiness of the rapporteurs of the Four Working Groups held during the international conference to substantively contribute to further enhance the discussion:*

**Working Group I: Economic cooperation: Trade, investment and transport facilitation**  
*Ihor Burakovsky and Volkhart Vincentz*

**Working Group II: Economic cooperation: Energy, Infrastructure and Environment**  
*Renaud van der Elst and Ahmet Kideys*

**Working Group III: Internal security: Migration, combating organised crime, trafficking in human beings and in drugs**  
*Sorin Sterie and Dimitrios Triantaphyllou*

**Working Group IV: Governance, local cross border cooperation and civil society**  
*Fabrizio Tassinari and Ognyan Minchev.*

## Introduction

On the eve of the 2004 Eastern enlargement, the EU launched a comprehensive strategy for relations with and among its neighbours – the neighbours across the Mediterranean and the new eastern neighbours. Eventually the European Neighbourhood Policy (ENP) emerged from the initial “Wider Europe” strategy and included states in the Middle-Eastern and Caucasian regions too. The ENP’s key challenge concerned the formulation of an EU policy towards countries explicitly barred from an EU accession perspective and those for which a perspective of EU integration was “not on the agenda” for the short and medium term. Yet, the EU endeavoured to contribute to democracy, prosperity and stability in these regions facing substantial problems in economic and political development as well as intrastate conflict and fragile statehood. ENP came to integrate experiences from the Barcelona Process for the Mediterranean and regional cooperation in the Baltic Sea region (the EU’s Northern Dimension and the Council of the Baltic Sea States) with some instruments and practices from the enlargement process.

The accession of Romania and Bulgaria to the European Union on 1 January 2007 not only rounded off the process of Eastern enlargement, but also meant that the EU received a lengthy coast on the Black Sea. The Black Sea region in a wider sense (including the six littoral states,

Greece, Turkey, Russia, Azerbaijan and Armenia) has an importance for the European Union unequalled by the Mediterranean and the Baltic Sea region. In *positive terms*, the economic potential of the region is largely untapped due to unfinished processes of economic transition, deficits in transport infrastructure and regional tensions. The region’s importance as a provider and transit region for energy resources has increased markedly in recent years. In *negative terms*, however, issues of state consolidation, political tensions between the states of the region and frozen conflicts continue to trouble the Black Sea region. Economic disparities, the hardships of transition to a market economy, insufficient border controls and political instabilities have contributed to the Black Sea’s reputation as a transit area for organised crime, illegal migration and trafficking that concern EU member states directly. Therefore, the EU Commission launched a new Black Sea Synergy as a new regional cooperation initiative of the EU to address opportunities and challenges in the Black Sea region<sup>1</sup> to be submitted to the European Council in June 2007.



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In the case of the Black Sea, the EU’s interests have been upped and the time has come to take stock of the lessons learned from earlier EU endeavours of regional-cooperation promotion (partly) beyond its outer borders. At the same time, the first phase of the European Neighbourhood Policy has almost passed and in June 2007 the European Commission plans to submit a report on the further development of an “ENP plus” to the European Council. Although the ENP was designed to cover Europe’s neighbouring regions from Tanger to Murmansk, the regional-cooperation dimension in particular tends to cluster around three seas, the Mediterranean Sea, the Black Sea and the Baltic Sea.

<sup>1</sup> Communication from the Commission to the Council and the European Parliament: Black Sea Synergy – A New Regional Cooperation Initiative, COM (2007) 160 final, Brussels 11.04.2007

In terms of EU endeavours of regional cooperation, a much smaller “sea” may actually offer the most adequate lessons learned – Lake Ohrid. The Balkans feature as the most intense EU project of inducing heterogeneous and partly inimical states and nations to lay the foundations for sustainable cooperation.

Even without the dilemma of EU integration, the Barcelona Process for the Mediterranean only partially lived up to European expectations. European bilateral assistance and the promise of enhanced relations did produce some results in political and economic reforms, but the limited leverage of the EU beyond its external borders failed to produce crucial breakthroughs, e.g. in democratisation. Multilateral regional cooperation among the southern littoral states by and large failed to materialise, too. Conversely, the various fora of regional cooperation around the Baltic Sea involving Russia and sometimes Belarus are often applauded as role models for the transformative and stabilising effects of European strategies. Apart from the clear advantage of the democratic consolidation and economic prosperity of the Scandinavian and Baltic states as well as the absence of bilateral tensions, the key lesson from Baltic cooperation is to involve Europe’s strategic partner Russia on a strictly non-political level of cooperation with tangible benefits for both sides and no political strings attached.

Not unlike the Black Sea, the Balkans involved a number of countries with strenuous relations, to say the least, that had never before considered themselves “a region” in its own right. In terms of frozen conflicts such as Moldova and the Caucasus, the Black Sea region and the Balkans face similar major stumbling blocks to regional cooperation. The role of the European Union as a promoter of cooperation among the riparian states of the Black Sea, however, is further complicated by the region’s prime geostrategic importance and the proximity of two strategic powers – Russia and Turkey. In the case of the Balkans, the EU wielded the powerful incentive of the EU membership perspective, which certainly pushed and guided reform efforts in Bulgaria and Romania, and has been crucial as a momentum for reform in the Western Balkans as well, even though progress is still less far reaching.

The fundamental strategic challenge of the Black Sea region concerns the accepted fact that EU membership is a reality for Romania and Bulgaria, a long-term promise for Turkey and a non-option for Ukraine, Russia and the Caucasian states. The lessons learned from the Balkans not only concern the intricacies of calibrating the bilateral relations with (potential) candidate countries with the multilateral process of regional cooperation, but also the dilemma’s of Europeanising a heterogeneous region encompassing member states, candidate countries as well as non-candidates.

After eight years of implementing a comprehensive program for multilateral cooperation of unrivalled ambition, the Stability Pact for Southeastern Europe is currently winding down and with the establishment of the Regional Co-operation Council (RCC) handing over responsibility for the regional co-operation processes under its auspices into regional ownership in partnership with the South-East European Cooperation Process (SEECP). In retrospect, some of the most relevant and critical lessons from the engagement in South Eastern Europe are the following:

1. Internationally driven initiatives require a degree of regional/local ownership from the outset to be successful;
2. Even the most comprehensive program of regional cooperation should define its key priorities in line with existing local interests and political will in order to use political commitment and available resources efficiently;

3. The creation of new fora and institutions should be considered with utmost caution;
4. Preference should be given to existing platforms and organisations for cooperation;
5. Rather than to insist on having all states of the region on board for every initiative, regional cooperation initiatives should rely on the attraction of a successful endeavour and be ready to start with a committed core group of countries;
6. The structural tension between cooperation within the region and cooperation between the region and the European Union should be addressed constructively and strategically; and
7. The role of local civil society as a monitor and an active partner should be a primary concern rather than an afterthought.

Apart from the geostrategic issues and the frozen conflicts, the set of relevant policies for regional cooperation should take the following lessons and priorities into account. Firstly, energy resources and energy security measures have played a powerful role in the Balkans in enhancing the commitment to regional cooperation. The same applies, secondly, to trade facilitation and the reduction of administrative barriers to free movement of goods, persons, services and capital. Apart from administrative measures for the transparency and compatibility of business and investment related laws, customs and tax systems, cross-border communication and cooperation also require the upgrading of the transport infrastructure. Conversely, free movement implies shared levels of measures against illegal migration, trafficking and organised crime, e.g. in terms of border management and policing. Last, but not least, among neighbours with a history of conflict, confidence-building on the civil-society level and the facilitation of a pooling of resources e.g. in higher education is an asset for further projects of regional integration. After all, the much-acclaimed “regional identity” can only be the outcome of an incremental process of successful cooperation turning the region into a meaningful category. In sum, the lessons learned from the Balkans and Baltic and Mediterranean regions of cooperation are not a blueprint for the unique challenge of the Black Sea region, but nevertheless provide policy-makers from the region and from Europe with an insightful list of does and don'ts.

In comparison to the Northern Dimension / the Baltic Sea and South Eastern Europe the Black Sea is much more diverse and complex. Hard issues were never tackled for example in the Northern Dimension Initiative thereby avoiding the obstruction of other projects. As such, this would be a lesson learned for the Black Sea Region: In the short-term strategy, one should consider refraining from tackling hard security issues in order to negotiate and implement the project rapidly and effectively.

The experiences in the Balkans have shown that regional cooperation, which has started with the Royaumont Process for Stability and Good Neighbourly Relations in 1996 and continued with the Stability Pact for South Eastern Europe since 1999, is a value in itself. The Stability Pact succeeded in match making, i.e. bringing donors and countries together to define priorities of action and cooperation, and to make good use of limited funds. Furthermore, the SP experience shows that bilateral issues can be easier and earlier addressed within a regional framework and cooperation on technical issues as a first step to more political cooperation.

While the Balkans are shaped by several regional initiatives, like the Stability Pact for South Eastern Europe, Adriatic-Ionian Cooperation, Southeast Europe Cooperation Process SEECP, the question arise whether this might happen in the Black Sea. The main driving force for the Stability Pact was the EU membership perspective with the EU the only real player in the region. In the Black Sea region not only the EU but also other players, such as Russia, Turkey as a EU candidate and the USA are relevant. Thus, the main difference between South Eastern

Europe and the Black Sea region is that the EU cannot apply the same pressure on the latter. In this respect, the two mechanisms of peer pressure and peer review used by the Stability Pact in the Balkans could be applied in the Black Sea region in this particular context. Throughout these two mechanisms, reform in one country has triggered reforms in the neighbouring countries. As the EU is perceived as a pole of attraction for all countries in the Black Sea region, it already has the necessary leverage to consider including the two instruments in its policy strategy towards the Black Sea Region.

### **Workshop “EU and Black Sea regional cooperation,” Berlin 26-27 March 2007**

*Below we summarize the statements and discussions during the preparatory international workshop held in Berlin 26-27 March 2007 that should be considered as a base for debates of the international conference that will take place on the 7<sup>th</sup> and 8<sup>th</sup> of May, 2007.*

### **European Neighbourhood Policy: Achievements and Shortcomings in the Black Sea Region**

The EU involvement in the Black Sea region has so far been based on bilateral agreements such as the Action Plans (Armenia, Azerbaijan, Georgia, Moldova, Ukraine), Europe Agreements (Bulgaria and Romania until they joined the EU in 2007 as well as with the EU accession candidate Turkey), and the Partnership and Cooperation Agreement and Four Common Spaces with Russia. Since ENP lacked a regional dimension to the Black Sea, ENP for the Eastern neighbours would benefit from substantial synergies through the adoption of a more coordinated regional approach. Enhanced political dialogue with the Black Sea countries is much needed. Increased regional cooperation might not only generate economic growth but will also support confidence building and the creation of a regional voice. Last but not least enhanced regional cooperation can set up a framework for facilitating conflicts.

ENP was seen by the participants from the Black Sea region as a tool to get closer to the EU. During the discussion the EU was defined as an exclusive organisation (compared to the inclusive ones like UN and OSCE), with EU and NATO having more power to leverage and consequently to induce reforms. Addressing the crucial question, i.e.

how can an enhanced ENP work without further EU enlargement perspective, the comparison to Norway and Switzerland that adopted most of the *acquis* has been raised during the workshop as positive examples. Enhanced EU policy in the Black Sea region does not require new institutions, but may use already existing regional initiatives.

#### **EU Black Sea Synergy**

- enhanced political dialogue with the Black Sea countries
- not new institutions but use of existing
- increased sectoral co-operation among the circle of the 10 Black Sea countries (energy, transport; environment; border security; civic protection; illegal migration et.al.)
- confidence building

Participants addressed several shortcomings of ENP in the Black Sea region:

The *lack of short-term dimensions*. Political instabilities, economic hardships, and in some cases frozen conflicts mean that the basis the countries in the Black Sea region are build on are fragile. The long term benefits that closer ties with the EU promise, are not sufficient to address these short-term urgencies, which would require closer engagement and short term benefits as part of the EU ENP approach.

The *implementation gap of ENP* in certain areas. The Erasmus exchange programme, for example in Moldova, where only 14 students gained stipends for abroad in 3 years, and

TAEIX which only now holds its first seminars in Moldova, were particularly mentioned as illustrative of the weak functioning of ENP on the ground.

*The border security dilemma:* Romania and Bulgaria as EU member states have to strengthen their borders with their eastern neighbours. This complicates and even is contradicting the promotion of regional cooperation. Ways should be found to avoid the status quo this situation produces. In contrast to the Barcelona process (Political and Security Chapter – Barcelona Declaration) ENP does not address security problems. As to whether the EU should engage in so-called hard security issues, NATO was mentioned as already involved in this area. It was noted that the EU could engage more in conflict resolution and in democratisation. Regional cooperation could help setting a framework in which a solution for frozen conflicts would be easier to reach. Indeed, it is easier to address bi-lateral issues in a regional cooperation structure. For example, BSEC is already providing a framework where countries like Armenia and Azerbaijan are sitting together around the table, which is per se a climate that facilitates cooperation.

Finally, there is problem of expecting Bulgaria and Romania to facilitate the *democratisation and Europeanization of the region*. Romania and Bulgaria are still very much in transition and barely have resources to take the lead in the regional reform process.

A clear and unanimous message from all Black Sea region participants of the workshop was that being part of the EU is the ultimate goal for their countries. Since this will not happen in the near future, it was argued that the EU should improve its visibility and the attractiveness of its offers to these countries. This could be done by creating a comprehensive and holistic approach of the ENP; raising public awareness on EU values and benefits of implementing effective regional cooperation; reaching agreements on visa facilitation; developing bottom-up projects; supporting academic exchanges; and conducting courses on the EU at the universities of the Black Sea Region, but also providing seminars on the Black Sea region in European universities.

In order to ensure the basic principle of ownership of the countries in the region and to concretise EU policy for the Black Sea area, the EU could identify a lead country or organisation that already has a substantial experience in one particular area, thereby ensuring the implementation of the related project. In order to create a homogenous and coherent regional approach, it was suggested to set up Thematic Action Plans (TAP) in addition to Country Action Plans. These TAPs would be the starting point for boosting regional cooperation. Every main area of cooperation would be defined by a specific Thematic Action Plan with a limited number of feasible projects and with one year as the maximum duration of each project.

**Set up of Thematic Action Plans (TAP) in addition to country Action plans in**  
 - specific areas of cooperation  
 - with a clear time frame  
 - and a leading country / organisation

On a more general note, in order to enhance the regional cooperation, every project should be based on the “flexible geometry approach”: The position of the EU has to be flexible: whoever in the region is interested should be part of the cooperation. The EU was asked to identify areas where the cooperation is feasible and where short term priorities will be tackled. Once again, if there is one particular country or organisation in the region that has

experience in a particular area it should take the lead in cooperation.

## **Main areas of cooperation**

### **a) Internal security - Organised crime, border management and illegal trafficking**

Internal security issues in the Black Sea region affect the EU directly and have become a major concern for the EU. During the discussions the following topics have been raised:

*Organised crime and border management:* Data collection at border levels should be more effective and more coherent. The assessment of the effectiveness of measures taken to combat organised crime is crucial in this context. One lesson learned is that in the Balkans the effectiveness was evaluated on a state level, which proved to be totally insufficient when talking about organised crime. Participants strongly argued that the EU must have a much better insight of what is actually happening on the ground.

Strengthening the exchange of information is indispensable. From a more general perspective, one participant argued that creating FRONTEX and at the same time forbidding the exchange of personal data between FRONTEX, OLAF and Europol was a suboptimal solution. Through this weakness, effectively combating organised crime and illegal migration is jeopardised. The existing instruments are already in place; however there is a need for closer cooperation between the relevant bodies. Not a single meeting on border issues should happen without Europol, Eurojust or FRONTEX being present. A consolidation of processes is needed. In addition, EU institutions and agencies are not always connected to each other, which often duplicates the efforts and causes loss of time and money.

The SECI Centre in Bucharest was mentioned as a potential model to be used in the Black Sea Region for the exchange of data and with regard to assessing organised crime. It was critically added during the discussion that the SECI Centre still is not ruled by public law and needs a convention in order to exchange information and personal data. Per se the SECI Centre was regarded as a good example for the Black Sea region, though one must keep in mind that it is still adapting and becoming more functional, which means that it can not be transposed as such to the Black Sea region. Taking into account that SECI Centre has already Bulgaria, Moldova and Romania as Member states and it might be worth to consider a SECI enlargement or offering an observer status to the rest of the countries of the Black Sea region. Concerning *illegal trafficking*, it was argued that a higher degree of cooperation between governments has to be established. A concrete problem here is for instance the absence of cooperation between Armenia and Turkey due to the non-existence of bilateral diplomatic relations.

On a more general note, when analysing the internal security issues, one must keep in mind that the Justice and Home affairs subjects are inter-governmental within the EU, therefore the European Commission has only limited capabilities. This is the reason why the leadership should come from the region itself; a country or an organisation could take the lead in facilitating co-operation on internal security issues. Due to its experience in such issues, BSEC was mentioned several times as the most suited actor.

### **b) Energy, Transport, Environment**

The Black Sea region is of growing significance to the EU as a transit area for energy. Participants from the region reminded that the countries from the Black Sea region are too small to adopt individual *energy policy strategies*. If the EU does not develop its own energy policy these countries are, as one discussant has put it, “condemned to be dependent on Russia”. While it was commonly accepted that the EU needs a strategy for diversifying its energy resources, it was critically mentioned that the absence of a coherent energy policy cannot be used as an excuse for pursuing national interests - the Burgos-Alexandroupoulis

pipeline was mentioned as an example.

Whereas oil will always find its way to the markets, this does not apply for natural gas. Gas is a bilateral long-term issue, which is challenged by the global market. The triangle between EU, Russia and Turkey was regarded as crucial. At present no one can tell how bilateral agreements between these three parties will look. It was questioned whether the EU can afford to make agreements with both - Turkey and Russia - or does it have to choose? If the EU wants energy security it either has to bring Russia on board or to face up to Russia. In consequence, the attitude of the countries of the Black Sea region in this area might be shaped by the ups and downs of the relations between the EU, Russia and Turkey.

The expansion of the Energy Community Treaty to Moldova, Turkey and the Ukraine was supported by the participants of the workshop, as a way to enhance dialogue on energy security and to improve the alignment with the EU acquis.

In addition, regional cooperation in the energy sector could also focus on electricity interconnections, the Bosphorus bypass issue, promotion of energy efficiency; the development of renewable energy sources, integration of energy and environmental planning.

Concerning regional *transport*, corruption was identified as a serious obstacle to effective projects in this area. The EU must find ways to overcome this problem by having a better overview of what is happening on the ground and where the money is going to.

The *environmental issue* is by definition cross border and regional. More involvement by the EU in this area would be welcome. The EU was perceived by the participants from the Black Sea region as being barely interested in Black Sea environmental issues. It was stressed that the EU should be more involved in the rehabilitation and protection of the Black Sea. Concerning common efforts for monitoring water, the implementation of river waste projects should be fostered. It was suggested that the European Commission should take the role of an observer in the Bucharest Convention. Concerning the Danube Black Sea environmental issue there is also more space for EU involvement.

### **c) Civil society and bottom-up cooperation**

When talking about civil society, lessons learned from the Balkans should be taken into account where NGOs and the civil society often became highly dependent on external aid and donors. On the other hand non state actors seriously lack resources. Enhanced exchange could be developed on municipal level (between towns and communities; port cities in the region). In the context of developing effective democratic institutions and good governance the experience of cross border cooperation on municipality level in Serbia is evocative. Cooperation on the local level is much easier to develop. Projects such as environment protection, waste management, and culture and education exchange can be implemented in a relatively short period of time. Moreover, these projects contribute to a sense of local ownership because they will gradually be handed over to local level actors. Very good results were achieved in Serbia through the twinning projects involving municipalities. Such programmes can be introduced in the Black Sea region not only concerning municipalities but also involving NGOs and think-tanks. In many cases the learning-by-doing approach proved to be one of the most successful tools the EU can use.

Still, NGOs in the Black Sea region are not engaged enough in the process of democratisation. As democratisation of the region is quite challenging, the EU should pay more attention to the NGO sector. NGOs and civil society of the Black Sea region are lacking face to face contacts. Thus, to extend cooperation with the civil society sector and to increase the inclusion of sub-state levels in regional cooperation would be desirable. It was also argued

that there is still no real civil society in place (even the term “fake civil society” was used). A clear political support for the development of the civil society is needed. The Euro-Mediterranean partnership involving two networks of institutes has proven to be a very successful format for dialogue and regional cooperation. Through publications on policy and societal issues it has even managed to influence key policy makers. This initiative could be transposed to the Black Sea region as well.

#### **e) Economic cooperation**

The region with its 350 million population has a great potential for economic growth and for becoming an important partner for the EU.

*Creating a Free Trade Area* was mentioned as a way for enhancing economic cooperation. The fact that three countries from the Black Sea region are not members of the WTO should not be such a big problem for creating this free trade area (Bosnia and Herzegovina, Montenegro and Serbia are not members of the WTO but of CEFTA). What is more problematic is the fact that Turkey is in a customs union with EU. In order to overcome the Turkey issue, it would be more easy to start with bilateral Free Trade Agreements which are easier to negotiate. These agreements would have the advantage of tackling particular needs of the countries.

#### **4. The Role of Regional Organisations**

The Black Sea Economic Cooperation (BSEC) was regarded as an unique organisation with a wide membership and Russia and Turkey as founding member states. Therefore, there is no alternative but to work with BSEC. Nevertheless BSEC does neither reflect regional identity nor a clear community of interests. Thus, it is necessary to think long-term and start from the bottom. The EU could help in implementing some projects piloted by BSEC. While the organisation has already developed a pretty sound institutional structure, the institutional capacities in the member states diverge and are often hindrances to achieve adequate results in all countries. GUAM was mentioned in this context as having a deeper level of integration . BSEC is an inclusive organisation with a good basis for regional cooperation but with still only limited influence. Enhanced dialogue between BSEC and the EU is welcome. Some participants shared the opinion that BSEC is influenced by the EU anyhow. Thus, BSEC is a core partner for the EU policy regarding the region with the BSEC agenda to be more europeanised.

The interaction with the EU has already led to a process of reform of BSEC. Besides the intergovernmental nature of BSEC, the EU might also take advantage of the parliamentary dimension within BSEC as it does within the EMPA - Euro-Mediterranean Parliamentary Assembly. Since its establishment BSEC has been in evolution. It established a culture of meetings and of cooperation with more and more substance in the discussions. Worthy to note that Russia is on board in most of the BSEC projects. Although the Black Sea Development Bank is a regional financial institution and a BSEC Business Council has been set up, interest of business is still lacking.

At present the Czech Republic, Germany, France, Italy, Austria, Poland and Slovakia hold an observer status with BSEC.

#### **5. The Role of Russia**

Russia is one of the major actors in global politics, and particularly in the Black Sea region. It was underlined that the EU has to develop a transparent regional cooperation with the Black Sea region and to enhance confidence building towards Russia. For some projects, the EU may use the existing regional cooperation formats such as BSEC, therefore avoiding an

isolation of Russia or Turkey. If the EU approach is exclusively based on ENP it will leave out Russia. The reality is that major projects in the region are impossible without Russia's consent. The EU must therefore not create the impression that Russia is isolated and can use amongst others the inclusive structure of BSEC for the implementation of small projects. Regional cooperation will not succeed unless EU and Russia resolve the strategic issues. The harmonisation of activities with Russia would be warmly welcomed.

To prevent anything that might fuel nationalism and anti-European mood in Russia was strongly emphasised during the debate. Russia should be interested in a stable Black Sea region, she even has a more fundamental interest in having a stable environment securing energy supplies. Engaging Russia on smaller projects will help confidence building and will remove the impression that the EU is isolating Russia. In order to avoid further tensions in EU-Russia relations, the energy policy of the EU should be based on multilateral cooperation and a functional approach that does not exclude anyone.

**International Conference  
Berlin, 7 and 8 May 2007**

**Powers  
Partners  
Projects  
EU and Black Sea Regional Cooperation  
Common goals  
Common interests  
Common strategies**

**Report Working Group I**

**Economic cooperation: Trade, Investment and Transport Facilitation**

**Rapporteurs**

**Ihor Burakovsky**, Director, Institute for Economic Research and Policy Consulting, Kiev

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**General Conclusions and Recommendations**

1. Some conclusions of this working group will naturally overlap to some extent with those of working group II that also covered economic topics. It should be specially noted that the discussion of working group concentrated predominantly on proposals and topics developed within BSEC framework since most of the participants in this working group were related to this institution. Therefore views of stakeholders outside BSEC might be underrepresented in the following report.
2. Virtually all countries of the region currently face the challenge of deep structural and institutional reforms. Taking the absence of the prospects of EU membership for number of countries like Ukraine, Russia, etc. as a starting point, it is clear that incentives for reform have to be addressed explicitly in all proposals of cooperation. The issue of ownership of reforms is essential for the results of Black Sea countries - EU cooperation as past experience with ENP demonstrates. The cooperation demands a clear and credible demonstration of political will for reform. This can and should be fostered by a variable geometry of cooperation patterns, which favors countries and subregions according to their ability to reform. Competition and cooperation among the different national partners is essential to provide sufficient incentives to keep up the "reform spirit".
3. Black Sea Economic Cooperation is an organization where all the countries of the regions are represented and therefore the creation of new institutions to develop regional cooperation is not necessary, rather existing structures will gain from enhanced transfer of knowledge and intensive communication. An important potential source for concrete projects can come from the 17 working groups of BSEC which cover five broad areas: energy, environment, trade, transport, and fighting corruption. This institutional infrastructure provides ample region-specific knowledge and analysis and can indicate fruitful directions of further development.

4. Using EU's "Black Sea Synergy" paper as the basis BSEC working groups should interact with EU partners to develop concrete projects. BSEC should clearly prioritize its agenda and develop a demand driven list of practical areas of cooperation. On the other hand the EU has to clarify its requirements towards the partners in more concrete manner than before. Only clear and measurable cooperation projects provide sufficient incentives to overcome potential obstacles from short-sighted partisan policies. The purpose of detailed projects includes the possibility to monitor and measure the results. This is not always simple, as in case of the investment climate, but can be helped by clear sub-objectives that are coordinated between EU, the International Financial Institutions and the Black Sea partners.

5. The important area of trade can be used as an example. The EU demands for "deep free trade" which go beyond simple free trade are too general for practical purposes. The partners have to work together to break down the general objective to concrete projects. Non-tariff barriers, in many cases more important than tariffs, have to be studied tediously which will most likely lead to country- rather than region-specific proposals for action. Thus, the cooperation on the regional level has to be supplemented by interactions on the national levels.

6. "Deep free trade" goes beyond simple trade and covers foreign direct investment and technology transfer. Monitoring the investment climate is particular fruitful since it in a way summarizes the results of the reform efforts. In cooperation with UNDP BSEC took already first steps to measure the improvements for investors. These activities can be enhanced using the experiences from the Western Balkan. Within the investment compact the OECD worked out a detailed assessment of the investment climate that may be also of significant value in the Black Sea region since it points to strengths and weaknesses of the sub-areas which compose the investment climate. Ultimately investment is driven by the private sector which should be in the center of any development effort. Therefore it is important that the voice of private business enters the recommendation and proposals of BSEC.

7. BSEC already started to develop detailed transportation projects. The well documented project of a Black Sea highway may provide several starting points for cooperation. However the feasibility study of the highway has still to be prepared. In a way a competing project is the modernization of the ports that will facilitate the sea transport. In any case such projects have to be supplemented by the harmonization and streamlining of the border procedures that represent a significant non-trade barrier. The issue of an inter-regional airline was as yet not discussed.

8. The participation of private capital in financing infrastructure projects is another promising area of cooperation. EU's experience can be a source of valuable insight in advantages as well as pitfalls of public-private endeavors. In any case the inclusion of private business in infrastructure projects is not only owed to the sheer size of the tasks but also to the expected efficiency gains. Support from the region will be provided by Black Sea Development Bank.

9. WTO accession is a critical policy objective for Russia and Ukraine. In addition to generally known benefits (establishment of the legal framework and market-based institutions in support of international trade, better market access to external markets, possibility to use WTO trade dispute settlement mechanism, etc.), WTO membership is a precondition to establish free trade area between EU and the countries like Ukraine.

10. As international experience proves the most well-performing countries are those that

found means and ways to leverage greater international trade into more rapid economic growth. They have met this challenge not only by liberalizing trade policies, but they have also implemented behind-the-border (domestic) reforms that foster trade. These reforms inter alia have included promotion of competition among companies, development of sound governance, deregulation of services sectors, development of necessary infrastructure systems that facilitate trade, attraction of FDI, etc.

**11.** Further development of trade in the region will depend upon individual countries efforts in the fields of trade promotion and trade facilitation. The countries of the region should pay special attention to the measures necessary to improve coordination of activities of relevant agencies both within and across countries, simplification of customs procedures by making customs codes and relevant regulations transparent and commercially friendly, etc. Visa facilitation and dramatic improvement of customs clearance procedures play vital role in development of cooperation in such fields as transportation.

**12.** Improving governance will require efficient institutions that facilitate effective resolution of commercial disputes. Policies aimed at the simplification and cost reduction of formal legal procedures as well as bolstering out-of-court mechanisms will strengthen contract sanctity and property rights and improve the level of investor confidence in the region.

**13.** The national policy regimes governing FDI should be brought in line with international best practice, which means that the countries should ensure transparency, predictability, and consistency of the FDI policy framework across different levels of government and different industry sectors.

**14.** Efforts are to be intensified not only to develop closer links between EU and Black Sea countries but also to enhance intra-regional cooperation as well. Clear distinction should be made between current opportunities and medium and long-term priorities.

**15.** Taking stock of barriers hampering cooperation in the region is very important. Now these activities has been already started but it should be accelerated and become more problem oriented. Involvement of business into the discussions of the barriers hampering development of economic cooperation in the region and identification of areas for priority actions is of paramount importance.

**16.** EU should more clearly identify its medium and long-term intentions towards Black Sea region. These intentions inter alia may include in perspective elaboration of intensified cooperation pattern or something like this allowing to move beyond simple economic interaction. At the same time taking into account differences among the countries (level of economic development, policy priorities, reform dynamics) a variable geometry of relations among Black Sea countries may be useful to intensify intra-regional cooperation.

**17.** There is real need to channel more financial resources to the region but at the same time the countries of Black Sea region should also increase their financial and other contributions to implement various economic projects.

**18.** There is a need to dramatically improve the channels and mechanisms of transfer of BSEC recommendations to the governments of member countries to transform them into relevant changes at the national level of economic policy-making.

## Report Working Group II

### Economic cooperation: Energy, Infrastructure and Environment

#### Rapporteurs

**Renaud van der Elst**, Expert in Energy, Stability Pact for South Eastern Europe, Brussels

**Ahmet Kideys**, Executive Director, Permanent Secretariat to the Commission on the Protection of the Black Sea against Pollution, Istanbul

#### **PART I: Renaud van der Elst**

#### **ENERGY**

##### I. Benchmarking the success factors of the Energy Community:

- Political will (at the outset and now through Ministerial Council & Permanent High Level Group)
- Economic incentive to attract investment (structural electricity deficit & limited fiscal space) in the least cost manner (integrated markets)
- Clear legal framework (based on EU energy policy)
- Pragmatic & result-oriented approach: roadmaps tailored to the specificities of each party and reporting
- Support of the European Commission and IFIs/Donors
- Importance of creating common market rules (Energy Community Regulatory Board)

##### II. Extension of the Energy Community

- Ukraine (application for membership pending)
- Moldova (application for membership pending)
- Turkey (observer status)

##### *Steps:*

- Need to overcome the technical hurdle of synchronizing the UCTE grid with Ukrainian and Moldovan grids)
- Due diligence review by European Commission

##### III. Proposal to organise inter-parliamentary conferences with BSEC members

- Necessity to involve MPs (and permanent staff on relevant commissions) early in the process
- Would help to disseminate best practices, harmonize rules and approximate EU regulations
- Would help to anticipate social, economical and environmental consequences and ensure all stakeholders remain on board

##### IV. Long-term perspective to create a Black Sea electricity ring through bi-lateral inter-connections?

It needs to take into account:

- A lack of political will
- Huge investment needs (EUR 66bn until 2015)
- Overcoming the technical and political difficulties of synchronizing EU and Russian grids
- Interconnection projects must be bankable to attract IFIs and industrial investors (based on mutual needs)

### *Conclusions*

- Need to create market-oriented frameworks with common standards that are not biased by political considerations
- Major projects should:
- Seek endorsement by all stakeholders
- Address the timely availability of the upstream primary fuels
- Be bankable

## **TRANSPORT**

### I. The projects should draw on the existing processes:

- The Transport Corridor Europe-Caucasus-Asia program (TRACECA)
- The Baku Processes (where TRACECA is identified as the co-ordination mechanism to develop and strengthen transport cooperation)
- The extension of the major axis of the Trans-European Network identified by the High Level Group:
- The Central Axis (linking central Europe to Ukraine)
- The South Eastern Axis (linking the Balkans, Turkey, Caucasus and the Caspian)
- Motorway of the Sea

### II. Future regional investments should:

- Be implemented according to clear prioritisation criteria
- The European Commission has issued a communication to be discussed in the Council
- Black Sea stakeholders should actively participate in this prioritisation process
- Ensure inter-operability:
- Approximation of legal and technical standards
- Lowering of non-physical barriers (customs control and procedures; delays in ports; consignment note in railways)
- Proposal to replicate the Trade & Transport facilitation program developed in SEE (role of Bulgaria & Romania)
- Fulfil socio-economical criteria (including the proposed ring road project of BSEC)

## **PART II: Ahmet Kideys**

### **ENVIRONMENT**

There are inherent political problems among the countries or organizations for a successful Regional Cooperation. However, the WG on environment stressed that the environment issue is the easiest area of cooperation that could accommodate all partners in the region and even some other external ones. If environmental politics are taken together with sectoral politics, whilst taking on board all countries in the region along with potential donors and ensured NGO participation, proposed projects would have better chance of success. Extending the cooperation to even some external actors such as the US may be possible. In this connection, success of NATO Science Programs during the late 1980s and 1990s has been mentioned where under the leadership of the Middle East Technical University (Ankara), major relevant institutes from the Black Sea riparian countries had started a fruitful cooperation that continues today within the framework of several other collaborations, such as bilateral agreements and EU framework programs. Such intense collaboration on marine science did not only enable direct interaction of hundreds of regional scientists with each other but also increased the scientific knowledge on the Black Sea ecosystem extensively. Since the Black Sea is almost an enclosed sea, with a relatively simple ecosystem and oxic marine life being limited to only its thin (ca. 150 m) surface layers, knowledge gathered here are now being used to understand and explain events occurring in other marine regions. The Black Sea was therefore also mentioned as an area to understand the impact of climate change on world's marine ecosystems in general. This was partly the reason for the Romanian initiative to set up a Study Center on Climate Change, the main reason being the assessment of this emerging problem for the Black Sea environment.

Environment is for the sake of everybody, and therefore everybody is potentially interested in the issue. Successful environmental cooperation is also functioning in the Baltic Sea region where EU members and other countries such as Norway and in particular Russia contribute to a common fund for supporting specific projects. The steering committee of the Northern Investment Bank actively monitors the setup and progress of these projects, ensuring the success from the financial point of view. Such a model could be also considered for the Black Sea.

One of the most important prerequisites of a regional project is the existence of the legal structure for a joint action. In this connection, the Black Sea has a great advantage. As early as 1992, the environmental ministers of six Black Sea countries (i.e. Bulgaria, Georgia, Romania, Russia, Turkey and Ukraine), signed the Bucharest Convention that was later ratified by their parliaments. Due to efforts of the regional UNDP/GEF Program, in the years following several other protocols and a strategic action plan were also agreed upon. The Black Sea Commission (BSC) is the responsible body for implementing the Bucharest Convention. The EU has already an observer status in the Black Sea Commission, actively participating to the work of the commission. The BSC has a well established structure encompassing all environmental aspects of the Black Sea through its "Advisory Groups" coordinated by the activity centres, one in each country. These are as following:

- Environmental Safety Aspects of Shipping
- Pollution Monitoring and Assessment
- Control of Pollution from Land Based Sources
- Integrated Coastal Zone Management
- Conservation of Biological Diversity
- Environmental Aspects of Management of Fisheries and other Marine Living Resources
- Information and Data Exchange, coordinated by the Commission Secretariat.

So, the Black Sea Commission is *the* major focal point for the marine environment, and with the recent EU membership of two of its members (i.e. Bulgaria and Romania), a stronger cooperation is envisaged with its sister organizations, most notably the Barcelona, Baltic & Ospar Commissions, to share experiences and to harmonize approaches in environmental management. There is already a satisfactory cooperation between the BSC and the Danube Commission as the Danube is the major river flowing to the Black Sea and any activity on this trans-boundary river may have a certain impact in the Black Sea.

**The WG suggested the following concrete projects:**

1) Strengthening the structure, visibility and functioning of the Black Sea Commission and developing an action plan for moving to a good environmental status in and a sustainable use of the Black Sea. Possibly this is the overarching project in this connection. Increasing the efficiency of BSC to make it a better organizer of environmental activities in the region means decreased duplication of efforts and saving time and finance needed to fund environmental projects. Unfortunately, at present, most organizations are unaware of the BSC. Strengthening the BSC will greatly help concerted efforts for the Black Sea environment. In addition to this, policy development will be the other important project activity. For this, the experience of other European conventions (i.e. BARCELONA, HELCOM and OSPAR) will be useful to the BSC to set up an efficient information gathering and dissemination system, acting as a clearing house mechanism for major Black Sea environmental information and policy related activities.

2) Networking of Green Initiatives:

Networking of green initiatives, providing a framework for stake-holders innovative participation was proposed during the workshop. It aims at preparing a white paper for Romanian stakeholders and elaborating on a Green paper through an expert workshop and setting up “the Black Sea forum for dialogue and partnership on environment”.

3) EU Regional Water Initiative

From 1 January 2008 Romania will take over from the European Commission the chair and leadership of the EECCA (Eastern Europe, Caucasus & Central Asia) component of the European Union Water Initiative (EUWI) which aims at promoting the Millenium Development Goals for water supply and for sanitation in the region through integrated water resource management. The initiative is based on the establishment of national dialogues on water governance issues, subsequent governance reforms in the countries concerned and followed by an investment phase with capital from IFIs and private sources. National water governance dialogues are already under way in Armenia and Moldova and new dialogues are in preparation for the Ukraine, Georgia and a Central Asian country. This is a very robust project as the introduction of integrated water resource management including improvements in the water supply and sanitation situation in the countries in the Black Sea region or basin will contribute to a measurable improvement in the environmental quality in the Black Sea and at the same time contribute to sustainable economic development and to improved public health in the countries concerned. DABLAS will naturally be able to play a key role in the financing phase of implementing the reforms.

4) Assessment of oil spill and identification of sensitive areas in the Black Sea

The Black Sea has experienced a tremendous increase in the number of ships and in the amount of oil being transported during the past few years, especially in view of economic recovery in the Black Sea coastal states, fuelled with the increasing demand and exploration activities for oil. These trends are expected to increase, threatening the sustainable use of marine living resources. First hand priorities are risk analysis and contingency plans, oil pollution evaluation, port reception facilities and methodologies to establish efficient

recommendations in these areas and development of a common cost recovery fee system for reception and management of ship generated waste in the Black Sea. In this context it would be useful to draw on the experience of Helcom which has a well developed system for oil spill prevention and detection, as well as of EMSA (European Maritime Safety Agency) and JRC (Joint Research Center) in this area.

#### 5) Alien species

With the increasing maritime traffic, ballast and fouling mediated transport of alien species among world seas has been one of the major problems for the ecosystem integrity. The Black Sea has experienced a very serious case of negative impact from an invasive species during the late 1980s and early 1990s. A jellyfish accidentally transported from the eastern American coast competed out the commercially valuable native fish feeding on zooplankton. The damage imposed through this impact to the economy of the riparian countries was tremendous. Despite warnings, the same species was later transported to the Caspian Sea that is experiencing an ecosystem disaster at present. Pelagic fishery virtually stopped along the southern Caspian because of this invasion. By late 2006, the same species was spotted in the North Sea and Baltic Sea!. Sharing the experience on this issue among regional seas, such as improving the methodology for an assessment of the impact and looking for the best remedies may help finding a solution to this specific problem, whilst it is being used as an example for the worldwide management of alien species which are becoming an ever increasing problem, in particular with the warming of seawaters.

#### 6) Coastal road

There are plans to build a ring road around the Black Sea which expectedly will have a significant positive impact on the progress of the riparian countries, both economically and socially. However, unfortunately in the Black Sea there have been already some bad examples of similar construction activities that allegedly have destroyed large areas of the coastal marine ecosystem, irrecoverably. Therefore, a proper possible impact study should be started, before the road works actually start, in order to evaluate background values of the marine ecosystem compartments, as well as for identifying the sensitive areas from the point of view of biodiversity and fisheries.

#### 7) Development of art-of-state monitoring tools

With the development of technology, marine environmental monitoring is becoming easier, replacing manual human efforts with that high-tech equipment. There are now methods available serving for different purposes simultaneously. One of those tools is the Automatic Identification System, traditionally used for an anti-collision system among commercial vessels. Such a system could be also set up for fishing vessels, for increasing maritime safety as well as for obtaining environmental measurements at the same time. With the support of the BSC, the Black Sea is an ideal area for application of such technology at the regional level.

#### 8) Fisheries

Fishery is an important economic activity in the region, providing both income and employment for local communities. After the recent membership of Bulgaria and Romania to the EU, the management of fishery is even a more urgent task in the Black Sea where most fish stocks are trans-boundary. A proper assessment of stocks and any decision making process require a regional approach to the problem by using an ecosystem approach as envisaged by the WSSDs in Rio (Agenda 21, 1992) and Johannesburg (2002). Although there are efforts for management at the national level, organizing of these efforts to a regional scale is very important due to the trans-boundary character of the fish. Again, the Black Sea could be an ideal area of cooperation.

### 9) Climate change

As stated above, one of the most important emerging issues is the climate change. World and its marine waters are warming due to increasing levels of anthropogenic greenhouse gases (CO<sub>2</sub>, methane and nitrous oxide) as reported by the IPCC's latest scientific assessment "Climate Change 2007". Based on the extensive data collected in the past, there are now successful ecosystem models in the Black Sea. These models could be further developed by collecting up-to-date environmental data (perhaps even via automated systems as mentioned above), to test the impact of global warming in the Black Sea ecosystem. The first thing to do in this connection is the organization of a regional workshop for assessing the existing and possible impact on climate change on the ecosystem, based on extensive information on marine life and oceanography of the Black Sea.

## **Report Working Group III: Internal security: Migration, combating organised crime, trafficking in human beings and in drugs**

### **Rapporteurs**

**Sorin Sterie**, Expert on Organised Crime, Stability Pact for South Eastern Europe

**Dimitrios Triantaphyllou**, Executive Director, International Center for Black Sea Studies, Athens

### **Conclusions of the discussion**

#### **A. Challenges in the Black Sea area**

- The Black Sea region is an origin, transit and, recently destination area for different types of organised crime activities.
- The threat coming from organised crime activities requires an appropriate answer also within the Black Sea region.
- The expansion of the EU to the Black Sea region implies more coordination with EU specialised agencies and instruments.
- There is a great need to harmonise the definition of organised crime activities and the reporting systems.
- The necessary legal instruments are in place, but there is a strong need for a better/more efficient implementation.
- The organised crime phenomena should be addressed both in terms of supply and demand.
- There is a need for efficient law enforcement institutions, both at national and regional levels.
- There is a need for more political will to implement and enforce the legislation.
- The social and economic difficulties are among the main reasons for originating organised activities.
- The lack of preventive measures.
- Limited cooperation among the existing law enforcement agencies
- besides the flow of organized crime, especially the flow of trafficking of human beings, the threat of the spread of infectious diseases should not be discounted

#### **B. General recommendations**

- Improvement of border management and customs cooperation within the Black Sea area. The EU Border Assistance Mission for Moldova and Ukraine (EUBAM) and the Ohrid Border Process have been mentioned as good examples.
- Development of further practical cooperation on countering cross-border crime by channelling experience from similar initiatives in South East Europe and the Baltic Sea area (SECI Centre and Baltic Sea Task Force). Also, the Black Sea Border Coordination and Information Centre, based in Burgas, together with the Network of Liaison officers from the BSEC Member States have been mentioned as good examples.
- To make use of existing institutions such as BSEC, SECI Centre, GUAM, for

strengthening the fight against organised crime within the Black Sea region. Eventually, a better coordination among them would be required. The idea of a Memorandum of Understanding between the SECI Centre and BSEC has been mentioned.

- More EU action is required, in cooperation with Russia for a better border control, especially in the territories where there are “frozen conflicts”.
- Visa facilitation could improve the level of trust within the countries in Black Sea area, doubled by appropriate structures and mechanisms for the border control.
- Compliance with international standards related to travel documents.
- Training of border personnel.
- Strengthening information gathering and information sharing, combined with an in-depth analysis of all phenomena of organised crime among the countries concerned within the Black Sea region.
- Making effective preventive tools such as the use of Interpol data bases, especially the data of Lost and stolen documents which is composed by 14 million stolen and lost documents through the global and secure Interpol communication system **I-24/7** which is already installed and in use in the Black Sea region countries.
- Any future initiative should be initially limited in time and prolonged only if it produces results.
- There should be evaluation mechanisms to each project/initiative.

#### **C. Specific recommendations for the EU and its Member States**

- The fight against organised crime and terrorism within the Black Sea area must be stepped up by the current 27 EU Member States in a very close coordination with other existing bodies (Council of Europe, SECI Centre, BSEC) and with enhanced involvement of EUROPOL, EUROJUST, FRONTEX and OLAF.
- In particular, the BSEC is an organisation whose ample experience in internal security issues should be utilised. This is reflected in many of its key documents (Decennial Summit Declaration of June 2002, BSEC Economic Agenda for the Future of April 2001), its institutional makeup – especially through the BSEC Working Group on Cooperation in Combating Crime, in particular in its organized forms and the Network of Liaison Officers on Combating Crime, and its cooperation with other international bodies such as the IOM, the SECI Center and the UNODC.
- EU should seek similar approach as to the Balkan region, particularly a multidisciplinary approach including: legislative improvement, judicial capacity, efficient border control, strategic and operational cooperation, comprehensive anticorruption strategy, well-functioning prison system, twinning program assistance.

#### **D. Some recommendations related to legal migration**

- Bilateral labour agreements between the Black Sea region’s countries;
- Ratification and implementation of the UN Convention on protection of rights for migrant workers and their families.

**Report of Working Group IV:**  
**Governance, Local Cross Border Cooperation and Civil Society**

**Rapporteurs**

**Fabrizio Tassinari**, Center for European Policy Studies, Copenhagen

**Ognyan Minchev**, Executive Director, Institute for Regional and International Studies, Sofia

Two overarching issues emerged forcefully throughout the lively discussion that took place in this working group.

First, there is the all-important argument about the tension between regional cooperation in the Black Sea, on the one hand, and the so-called transformative power of the European Union, on the other. Cooperation, argued a majority of the participants, can only be effective if the gravitational power of the EU is visible and unambiguous. What could correlate regional cooperation and the EU's transformative power is, of course, a European perspective for the countries in the region. The participants of the working group were pragmatic enough to realise that this may not mean, for the time being, an EU membership perspective for most of the countries in the region. But there also emerged a clear argument about the need for the EU to remain open about its final projection.

The second argument concerned the need on the part of the EU to review and recalibrate its democracy assistance mechanisms. More specifically, this relates to the way in which the EU channels aid to civil society: EU instruments—previously Tacis or Phare, now the ENPI—are highly bureaucratized and even the most experienced and well-connected civil society activists find it difficult to access them.

In order to address this conundrum, 5 five concrete recommendations were put forward:

- 1) The EU should tap in the expertise and current work of certain EU member states (the United Kingdom and the Netherlands were mentioned) in the field. Democracy promotion activities carried out by member states provides the sort of gradual, long-term-oriented work that is more effective and accessible to civil society activities.
- 2) Black Sea cooperation, and EU initiatives in this field, should be warned against relying too much on regional cooperation experiences in other parts of the European periphery—particularly the Stability Pact for South Eastern Europe and the Northern Dimension. In the field of civil society assistance and promotion of good governance these initiatives were only effective to the extent that they were (or are) correlated to the European perspective for the region.
- 3) A particular emphasis was placed on the role of parliaments. Parliaments can potentially function as a bridge between governments and civil society. This was in fact one of the positive lessons from the Western Balkans. The crucial condition for this to work in the Black Sea region is of course the democratic legitimacy of the parliaments in the region.
- 4) The question of ownership was raised repeatedly during the discussion. Here the problem lies in the lack of representation of civil society actors in the Black Sea region. In this context, the participants mentioned the role of local authorities, particularly majors, and Euroregions in this process.
- 5) Thriving youth cooperation is pivotal to enhance governance in the region. The importance of EU scholarships for students from the region cannot be overestimated. But so are more targeted initiatives bringing together young leaders from the region, along the lines of the European Youth Centre along the lines of the one established in Budapest.



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## International Conference Berlin, 7 and 8 May 2007

**Powers**

**Partners**

**Projects**

**EU and Black Sea Regional Cooperation**

**Common goals**

**Common interests**

**Common strategies**

**Conference Venue**

The German Chambers of Industry and Commerce  
Breite Straße 29, 10178 Berlin

**Conference Language**

English

**Conference Committee**

Johanna Deimel, Deputy Director, Southeast Europe  
Association

Björn Kühne, Senior Political Advisor, Stability Pact for South  
Eastern Europe

Wim van Meurs, Radboud University Nijmegen

Franz-Lothar Altmann, German Institute for International and  
Security Affairs (SWP), Berlin

Hansjörg Brey, Executive Director, Southeast Europe  
Association

**Under the direction of**

Gernot Erler, MP, Minister of State at the German Federal Foreign Office / President  
Southeast Europe Association (Südosteuropa-Gesellschaft / Southeast Europe  
Association)

Erhard Busek, Special Coordinator of the Stability Pact for South Eastern Europe

<b>MONDAY, 7 MAY 2007</b>
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**09:00 hrs      WELCOME**

**09:15 hrs      BLACK SEA POLICY – EUROPEAN NEIGHBOURHOOD POLICY  
AND REGIONAL COOPERATION**

**Chair: Markus Ederer**, Head, Policy Planning, German Federal Foreign Office, Berlin

- **Gernot Erler**, MP, Minister of State at the German Federal Foreign Office / President Southeast Europe Association (Suedosteuropa-Gesellschaft / Southeast Europe Association), Berlin
- **Erhard Busek**, Special Coordinator of the Stability Pact for South Eastern Europe, Brussels
- **Leonidas Chrisanthopoulos**, Secretary General of the Permanent International Secretariat, Black Sea Economic Cooperation (BSEC), Athens
- **Janos Herman**, Principal Adviser, DG External Relations, European Commission, Brussels

**10:30 hrs      Coffee / Tea**

**11:00 hrs      COMMON GOALS, COMMON INTERESTS,  
COMMON STRATEGIES?**

**Chair: Gernot Erler**, MP, Minister of State at the German Federal Foreign Office / President Southeast Europe Association (Suedosteuropa-Gesellschaft / Southeast Europe Association), Berlin

- **Valeriu Ostalep**, Deputy Minister of Foreign Affairs and European Integration of the Republic of Moldova, Chişinău
- **Nikoloz Vashakidze**, Georgian Deputy Foreign Minister in charge of regional cooperation and BSEC, Tbilisi
- **Celalettin Kart**, Ambassador, Director General, Ministry of Foreign Affairs of the Republic of Turkey, Ankara
- **Nadejda Arbatova**, Head of Section of International Political Problems in Europe, Institute of World Economy and International Relations, Moscow
- **Stephen F. Larrabee**, Corporate Chair in European Security, RAND Corporation, Washington D.C.

**13:00 hrs      Lunch**

**14:00 hrs      WORKING GROUPS: SECTORAL AREAS OF COOPERATION**

The workings groups meet from 14.00 hrs until 17:30 hrs. Coffee break at 15:30 hrs

<b>Working Group I: Economic cooperation: Trade, investment and transport facilitation</b>
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**Moderators**

**Mary O'Mahony**, Senior Economic Advisor, Stability Pact for South Eastern Europe, Brussels

**Rainer Geiger**, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD, Paris

**Short Statements related to Trade – Investment – Transport Facilitation**

**Sergiy Korsunsky**, Director-General, Economic Department, Ministry of Foreign Affairs of Ukraine, Kiev

**Prokopios Mantzouranis**, Directorate-General for Bilateral Economic Relations, Ministry of Foreign Affairs of the Hellenic Republic, Athens

**Marina Naumova**, Counsellor, Department of Economic Cooperation, Ministry of Foreign Affairs of the Russian Federation, Moscow

**Rapporteurs**

**Ihor Burakovsky**, Director, Institute for Economic Research and Policy Consulting, Kiev

**Volkhart Vincentz**, Executive Managing Director, Institute for Eastern European Studies, Munich

<b>Working Group II: Economic cooperation: Energy, Infrastructure and Environment</b>
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**Moderators**

**Edgar Thielmann**, Head of Unit and Acting Director for Trans-European networks - Energy and transport, European Commission, Brussels

**Peter Gammeltoft**, Head of Unit, Directorate D: Protection of Water and Marine Environment, Brussels

**Short Statements related to Energy, Infrastructure, Environment**

**Dan Manoleli**, Chairman, Black Sea NGO Network, Bucharest

**Slavcho Neykov**, Director, Energy Community Secretariat, Vienna

**Atanas Atanassov Paparizov**, Member of the Bulgarian National Assembly, Chairman of the European Integration Committee, Republic of Bulgaria, Sofia

**Rapporteurs**

**Renaud van der Elst**, Expert in Energy, Stability Pact for South Eastern Europe, Brussels

**Ahmet Kideys**, Executive Director, Permanent Secretariat to the Commission on the Protection of the Black Sea against Pollution, Istanbul

**Working Group III: Internal security: Migration, combating organised crime, trafficking in human beings and in drugs**

**Moderators**

**Argentina Szabados**, Regional Representative, International Organisation for Migration, Budapest

**TBA**

**Short Statements related to Migration; Combating Organised Crime, Trafficking in Human Beings and Drugs**

**Uwe Kranz**, LEAN Europe, Obernzell

**Mitja Mocnik**, Director of the SECI Regional Center for Combating Trans-Border Crime, Bucharest (**TBC**)

**Ioan Mircea Paşcu** MEP Vice-Chairman Committee on Foreign Affairs European Parliament, Brussels / Strasbourg (**TBC**)

**Rapporteurs**

**Sorin Sterie**, Expert on Organised Crime, Stability Pact for South Eastern Europe

**Dimitrios Triantaphyllou**, Executive Director, International Center for Black Sea Studies, Athens

**Working Group IV: Governance, local cross border cooperation and civil society**

**Moderators**

**Alina Mungiu Pippidi**, President, Romanian Academic Society, Bucharest

**Ulrich Bohner**, Chief Executive, Congress of Local and Regional Authorities, Council of Europe, Strasbourg

**Short Statements related to Administrative cooperation / capacity building; Towns and Communities; Role of the Civil Society**

**Leila Alieva**, President, Center for National and International Studies, Baku

**Petra Blaess**, Senior Consultant on Parliamentary Cooperation, Stability Pact for South Eastern Europe, Brussels

**Igor Munteanu**, Director, Institute for Development and Social Initiatives (IDIS) 'Viitorul', Chisinau

**Rapporteurs**

**Fabrizio Tassinari**, Center for European Policy Studies, Copenhagen

**Ognyan Minchev**, Executive Director, Institute for Regional and International Studies, Sofia

**15:30 hrs**      **Coffee / Tea**

**16:00 hrs**      **Continuation of the Working Groups**

**17:30 hrs**      **End of the first conference day**

<b>TUESDAY, 8 MAY 2007</b>
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**09:00 hrs    Part II: Reports of the Working Groups**

**Chair: Franz-Lothar Altmann**, Member of the Board of Southeast Europe Association /  
**Wim van Meurs**, Member of the Board of Southeast Europe Association

Working Group I

Working Group II

Working Group III

Working Group IV

**11:00 hrs Coffee**

**11:30 hrs    Looking Ahead: EU and Black Sea Regional Cooperation**

**Chair: Ambassador Hans-Dieter Lucas**, Special Envoy for Eastern Europe, Central Asia  
and Caucasus at the German Federal Foreign Office, Berlin

<b>Political issues</b>
-------------------------

- **Peter Semneby**, EU Special Representative for South Caucasus, Council of the European Union, Brussels
- **Kálmán Mizsei**, EU Special Representative for the Republic of Moldova, Council of the European Union, Brussels

<b>Financial support</b>
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- **Panayotis Gavras**, Head, Policy and Strategy Department, Black Sea Trade and Development Bank, Thessaloniki
- **Franz Kaps**, Senior Partnership Advisor, World Bank, Europe and Central Asia Region and Special Representative of the World Bank Group for South East Europe Office for South East Europe; European Commission / World Bank, Brussels
- **Andreas Verykios**, Deputy Director General, European Lending Operations, European Investment Bank, Luxembourg

**Concluding Remarks**

- **Gernot Erler**, Minister of State at the German Federal Foreign Office / President Southeast Europe Association, Berlin

**13:00 hrs    Lunch/ End of the Conference**

## List of Participants

- Alieva Leila, President, Center for National and International Studies, Baku
- Altmann Franz-Lothar, Member of the Board Southeast Europe Association / German Institute for International and Security Affairs, Berlin
- Arbatova Nadejda, Institute of World Economy and International Relations, Head of Section of International Political Problems in Europe, Moscow
- Aydin Mustafa, Professor of International Relations, University of Economics and Technology, Ankara
- Bavdaz Kuret Darja, Ambassador, Ministry of Foreign Affairs of the Republic of Slovenia, Ljubljana
- Becker Helen, , German Federal Ministry for Economic Development and Cooperation, Berlin
- Bergner Tobias, Head of Section, Section EU-Relations with CIS countries, German Federal Foreign Office, Berlin
- Bläss Petra, Senior Consultant on Parliamentary Cooperation, Stability Pact for South Eastern Europe, Brussels
- Bohner Ulrich, Chief Executive, Congress of Local and Regional Authorities, Council of Europe, Strasbourg
- Bouchez Aurelia, Vice Director, Eastern European Department, French Ministry of Foreign Affairs, Paris
- Brey Hansjörg, Executive Director, Southeast Europe Association, Munich
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**Azerbaijan:** Shahbazov Parviz, Ambassador  
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Agayev Nasimi

**Bulgaria:** Plugtschieva-Alexandrova Meglena, Ambassador  
Ivanova Dessislava, Second Secretary

**Georgia:** Duchidze Levan, Ambassador

**Greece:** Sourvanos Dionyssios, First Counsellor

**Italy:** Marchesi Anna, Political Office  
Tortorella Sabina, Political Office

**Moldova:** Corman Igor, Ambassador  
Manoli Mihaela, First Secretary

**Romania:** Tantareanu Calin, Secretary

**Ukraine:** Dolhov Ihor, Ambassador  
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