

# Black Sea NEWS

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**FROM THE BSEC PERMANENT  
INTERNATIONAL SECRETARIAT (PERMIS)**

## **BSEC COUNCIL OF MINISTERS OF FOREIGN AFFAIRS MEETS IN BUCHAREST**

The 24th Meeting of the Council of Ministers of Foreign Affairs of the Organization of the Black Sea Economic Cooperation was held on 8 June 2011, in Bucharest. H.E. Mr. Teodor BACONSCHI, Minister of Foreign Affairs of Romania chaired the meeting in his capacity as the Chairman-in-Office of the Organization.

The representatives of the BSEC Member States, as well as Related Bodies, BSEC Observers, Sectoral Dialogue Partners and other guests delivered statements at the meeting.

The Ministers exchanged views on issues of common concern to the region. They acknowledged the rising importance of the wider Black Sea area in world affairs, entailing increased responsibility on part of the Organization. Referring to the challenges faced by the countries of the region, they underlined the role of BSEC as a useful platform to address these challenges through cooperation and dialogue and emphasized the importance of updating the BSEC Economic Agenda for the Future. They also highlighted the need to continue the ongoing efforts to further increase the efficiency, effectiveness and visibility of BSEC. With the 20th anniversary of BSEC approaching, to render its work relevant to the peoples of the BSEC Member States, it was emphasized that the Organization should identify and implement more projects which could contribute in a concrete way to sustainable development at the national and regional levels.

Some of the items on the agenda of the meeting in Bucharest were related to the adoption of the BSEC Budget for 2012, the use of the BSEC Project Development Fund and BSEC Hellenic Development Fund for projects of regional impact, the appointment of Country-Coordination Groups for some of the BSEC Working Groups, the review of the state of cooperation among the Member States, the status of implementation of BSEC Council Resolutions, Decisions and Recommendations and the assessment of the activities of the Permanent International Secretariat as well as the Related Bodies of BSEC. During its Bucharest Meeting, the BSEC Council of Ministers of Foreign Affairs also decided to renew the Observer and Sectoral Dialogue Partnership status of various countries and organizations.

The Council set up an Ad Hoc Group of Experts on the BSEC Economic Agenda for the Future and adopted its Terms of Reference. The aim of this Ad Hoc Group will be to revise and update the BSEC Economic Agenda for the Future which was adopted back in 2001, so that it meets the requirements of the current state of affairs in the BSEC region and its future development. This document will constitute a solid basis for the discussions during the 20th Anniversary Summit of BSEC in 2012.

At its Bucharest Meeting, the Council also established a Green Energy Development Task Force within the BSEC Working Group on Energy by adopting its Terms of Reference. The said Task Force will promote innovative, environmentally friendly and resource saving technologies for achieving sustainable development, enhancing energy security and protecting and managing the natural resources and environment of the region.

At the conclusion of the meeting, a ceremony took place whereby Romania handed over the Chairmanship-in-Office of BSEC to the Russian Federation. The Russian Federation officially assumed the Chairmanship as of 1 July 2011, for a period of six months until 31 December 2011.

The motto of the Romanian Chairmanship was "Building Sustainability, Enhancing Commitments," with the main objective to strengthen the economic component of BSEC and to develop projects consistent with the existing financial resources of the Organization. Romania implemented a rich calendar of events during its Chairmanship, which included three ministerial meetings, namely, the meetings of the Ministers of Interior, Economy and Environmental Protection.



H.E. Mr. Teodor BACONSCHI, Minister of Foreign Affairs of Romania, chaired the meeting in his capacity as the Chairman-in-Office of BSEC.



## **PRIORITIES FOR RUSSIA'S CHAIRMANSHIP OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION**

I appreciate the opportunity to comment in the pages of the newspaper of the Black Sea Economic Cooperation Organization, "Black Sea News." I cordially greet all those working as part of the Black Sea Economic Cooperation - in the BSEC Member States, Observers, Sectoral Dialogue Partners - as well as the Secretariat's senior management and staff.

On 1 July 2011 Russia re-assumed the BSEC Chairmanship. Like five years ago, when our country already exercised the Chairmanship function, we consider this mission a very honorable and responsible one. Certain expectations are associated with our Chairmanship that we intend to justify. We look forward in this connection to support and constructive cooperation in the implementation of Russian initiatives on the part of all members of the Organization.

We note with satisfaction that all BSEC countries retain the political will to further develop business exchanges within its framework. We are convinced, just like our partners that the BSEC is a dynamic and workable structure, which demonstrates its relevance and has considerable potential to promote economic and social development and the creation of an atmosphere of cooperation and trust in the Black Sea region.

Proposals are heard from time to time that the Organization start discussing political issues. For us and most of the BSEC Member States the answer is obvious - it's a counterproductive approach. BSEC was not created to dive into the political agenda. This does not mean that we close our eyes to the problems existing in the region. But to tackle political issues and regional conflicts there are other active formats. Therefore, we have consistently opposed the introduction into its work of functions not intrinsic to this Organization. We also will firmly adhere to this approach during our tenure as Chairman.

In determining the emphasis for the period of its Chairmanship, Russia has focused on real needs and a harmonious combination of the interests of the region's states, including of course its own. And it would be correct to call the list of priorities formulated by us a common list corresponding to the requirements of most BSEC members. The main task of the Russian Chairmanship is to promote the further unfolding of the capacity of the Organization to intensify its activities in the most relevant areas for the member countries. That is why we have chosen as the slogan of our Chairmanship the very name of the Organization - Black Sea Economic Cooperation.

We proceeded on the principle of continuity, as well as on the tasks identified in the long-term strategic document, The BSEC Economic Agenda for the Future, adopted in 2001 at the BSEC Ministerial Meeting in Moscow. Many of the tasks laid out in the Agenda are still relevant.

First of all, they include improving the efficiency and the role of the BSEC as a key international organization that promotes cooperation in the Black Sea region. At the same time, this document requires an inventory, because over the ten years tangible changes have occurred in the world and the Black Sea region in the domain of economic relations. We hope that by joint efforts we will soon be able to launch this work.

I think there is no need to argue that the activation of steps to create an integrated transport infrastructure, including primarily the Black Sea Ring Highway and the development of the Motorways of the Sea, will benefit all countries in the region. The appropriate Memoranda have been signed and the transport authorities of our countries are working on their implementation.

Cooperation in this area appears very promising in light of the upcoming Winter Olympics in Sochi in 2014. The Russian Ministry of Transport is currently preparing a number of initiatives aimed, inter alia, at developing multimodal transportation in the Black Sea region, which, in our view, could arouse the interest of our partners in the Organization.

Collaboration in the field of maritime transport in the Black Sea region is an important connecting link for other areas of cooperation, particularly in the field of tourism. Without the development of adequate port and marine infrastructure, to promote commercially viable tourism projects appears difficult.

The priority now and in the future is dialogue in the energy sector. In all the countries of the region, without exception, the reliability of energy supply, energy efficiency and conservation have become integral parts of national strategies for energy sector development. Stronger joint activities in this area would benefit all participants. Intensifying efforts to promote such a large project as the gradual formation of a Black Sea electricity ring to synchronize power systems in the region remains a relevant task.

An important focus of our work is the preservation and restoration of ecosystems and biological resources of the Black Sea and its coastal zone. Here, as in no other field, there is a need for joint and purposeful action by all countries of the BSEC.

Member States have created a solid base of cooperation in emergency situations. The events of recent years in the US, Japan and several other countries in the world

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have once again shown the vulnerability of humanity in the face of elemental forces. The BSEC's response capacity to natural and manmade disasters should be increased and the collaborative arrangements optimized.

We consider it important to continue the line on the intensification of exchanges between law enforcement bodies and special services of the Black Sea countries in the field of combating terrorism, transnational organized crime, illicit capital turnover, arms and drug trafficking, money laundering and terrorist financing.

More attention should be paid to agricultural cooperation. BSEC countries are actively discussing food safety and consumer protection. Russia's Ministry of Agriculture came up with the proposal to organize a meeting of the Ministers of Agriculture of the BSEC countries, which was welcomed by our partners. We hope that this event, held for the first time in the framework of the Organization, will give the appropriate impetus to the establishment of practical cooperation in this field.

In a globalized world, modern means of communication are becoming increasingly important. Without the Internet and mobile communications it is no longer possible to organize effective work. This topic was discussed in the Secretariat of the Organization. In particular, the discussion focused on arranging a series of meetings in online format. Our closer dialogue in the field of information and communication technologies, and scientific and technical exchanges in general, appears to be a vital necessity.

The Black Sea Trade and Development Bank acts as an important tool of the BSEC; it has a solid credit portfolio and a high rating, and has established strong links with other major financial players in the region. Full use should be made of its potential to finance projects that promote bilateral and multilateral economic, commercial and investment cooperation. An important factor in the further development of the Bank's activity is the fulfillment of the obligations of all its members to increase its authorized capital.

Good opportunities in the work on regional projects are provided by the BSEC Hellenic Development Fund and Project Development Fund. We believe that the revitalization of these instruments will facilitate interaction among the business circles of the Black Sea region. We all need new interesting projects.

We intend to devote particular attention to the work of the BSEC Business Council. The Russian National Committee on Black Sea Economic Cooperation heads the Council during the period of our Chairmanship. In December of this year, Moscow is due to host the 'Black Sea 2011-Parade of Innovation and Investment Projects' International Economic Forum and Exhibition, to which representatives of business circles of all BSEC countries, Observers and Sectoral Dialogue Partners are invited.

Further promotion of integration processes, the strengthening of stability and prosperity in the Black Sea region is served by the Parliamentary Assembly of the BSEC, which works efficiently in general.

During the Russian Chairmanship we intend to continue the line on furthering BSEC's dialogue with the UN, EU and other international, including financial, organizations, and to promote the involvement of BSEC Observers in the concrete actions of our Organization.

I would especially like to focus on exchanges between the BSEC and the EU. Russia, like other members of the Organization, considers the EU - an Observer at the Organization - as a very promising partner of the BSEC. The interaction between BSEC and the EU has great potential in environmental, transportation and other areas, which meets the interests of the Black Sea states.

Today it is necessary to establish the proper coherence of efforts by BSEC and the EU. We believe that our two organizations can and must build up dialogue on a mutually beneficial and equitable footing. But so far, we do not see the EU's interest to develop an algorithm of partner interaction with the BSEC. Together with other interested countries we will continue discussions with the EU in order to find mutually acceptable solutions on the organization of cooperation.

The program of Russia's Chairmanship in the second half of 2011 is very rich. It consists of three meetings of sectoral ministers - Transport, Emergency and Agriculture - and many sessions of working groups, round tables, seminars and exhibitions. Scheduled are two meetings of the Council of Ministers of Foreign Affairs - an informal one, held in September in New York; and the Council to be convened in Moscow in December. We hope that the high tempo undertaken by us in our Chairmanship will help to advance the work in BSEC to new frontiers.

In conclusion, I would like to emphasize that today BSEC is an important factor in strengthening the friendly relations and partnerships between the Black Sea states. We note with satisfaction the continued mindset of the participating countries to maintain and improve the Organization as a mechanism enabling tackling the problem of regional development in a spirit of good neighborliness and cooperation, seeking and finding common interests.

I am convinced that through joint projects and by improving the efficiency and practical impact of the activity of its bodies, the BSEC Organization can make a significant contribution to the process of further rapprochement of the region's states and provide real assistance in achieving the aims of sustainable development and prosperity for all peoples inhabiting the Black Sea region.

**H.E. Mr. Sergey V. LAVROV**  
Chairman-in-Office of BSEC,  
Minister of Foreign Affairs of the Russian Federation

## RUSSIAN CHAIRMANSHIP-IN-OFFICE ANNOUNCES PRIORITIES AT THE BSEC HEADQUARTERS

H.E. Ambassador Mr. Mikhail VANIN, Director General of the Ministry of Foreign Affairs of the Russian Federation, representing the Russian Chairmanship-in-Office BSEC, visited the BSEC Headquarters in Istanbul on 6 July 2011.

At the BSEC Headquarters, Director General VANIN presented the priorities of the Russian Chairmanship to the representatives of the BSEC Member States, Related Bodies, Observers, Sectoral Dialogue Partners and special guests. These priorities will constitute the roadmap for BSEC for the next six months.

In this framework, the BSEC Economic Agenda for the Future which was adopted back in 2001, will be revised and updated, so that it meets the requirements of the current state of affairs in the BSEC region. This document will constitute a solid basis for the discussions during the 20th Anniversary Summit of BSEC in 2012.

The Russian Chairmanship will focus on enhancing the economic efficiency of BSEC activities through more intensive implementation of the existing projects. In this context, progress will be strived in the implementation of the two flagship infrastructure projects of BSEC, namely, the Black Sea Ring Highway and the Development of the Motorways of the Sea at the BSEC region. The development of an integrated energy market in the region will also be further pursued.

Environmental protection, strengthening cooperation between law enforcement agencies, improving collaboration capacities

in emergency situations, further enhancing cooperation in the areas of transport, agriculture, quality control and safety of medical products, sanitary protection of the territories of the BSEC Member States, information and communication technologies and social exchange through tourism projects constitute other priorities for the Chairmanship.

The capacities of the BSEC Related Bodies will be used more extensively. The enhancement of relations between BSEC and other regional and international organizations, including the specialized agencies of the United Nations, will be promoted. More involvement of the Observers in the BSEC process will be sought. Building partnerships between BSEC and the EU on the basis of equality and mutual benefit in the implementation of projects of importance to the Black Sea region constitutes another objective.

As is known, the Russian Federation has assumed the Chairmanship-in-Office of BSEC as of 1 July 2011, for a term of six months ending on 31 December 2011. During this period, the Russian Chairmanship has envisaged to implement a comprehensive calendar of events to enhance BSEC cooperation in a number of areas. The high level events include, in addition to the Meeting of the Council of Ministers of Foreign Affairs in Moscow in December 2011, an informal meeting of the Ministers of Foreign Affairs on the sidelines of the United Nations General Assembly general debate in New York, in September and sectoral ministerial meetings in the spheres of transport, emergency situations and agriculture.



H.E. Ambassador Mr. Mikhail VANIN, Director General of the Ministry of Foreign Affairs of the Russian Federation, presenting the priorities of the Russian Chairmanship-in-Office at the BSEC headquarters in Istanbul, on 6 July 2011.



Reception held at the BSEC headquarters on the occasion of the announcement of the priorities of the Russian Chairmanship-in-Office, on 6 July 2011.

## editorial



Dear Readers,

The Romanian Chairmanship-in-Office was well organized and prolific. The motto of the Chairmanship was "Building Sustainability, Enhancing Commitments," with the main objective to strengthen the economic component of BSEC and to develop projects consistent with the financial resources of the Organization. Romania implemented a rich calendar of events. In addition to the Meeting of the BSEC Council of Ministers of Foreign Affairs, three sectoral ministerial meetings, namely, the meetings of the Ministers of Interior, Economy and Environmental Protection were organized. All three of the sectoral ministerial meetings were concluded with the adoption of joint declarations, which provide the political impetus for deepening cooperation in the concerned fields. You may find comprehensive information on these meetings in this issue of our newsletter.

The 24th Meeting of the Council of Ministers of Foreign Affairs was held on 8 June 2011, in Bucharest. The Council set up an Ad Hoc Group of Experts on the BSEC Economic Agenda for the Future. The aim of this Ad Hoc Group will be to revise and update the BSEC Economic Agenda for the Future which was adopted back in 2001, so that it meets the requirements of the current state of affairs in the BSEC region and its future development. This document will constitute a solid basis for the discussions during the 20th Anniversary Summit of BSEC in 2012.

At its Bucharest Meeting, the Council also established a Green Energy Development Task Force within the BSEC Working Group on Energy. The Task Force will promote innovative, environmentally friendly and resource saving technologies for achieving sustainable development, enhancing energy security and protecting and managing the natural resources and environment of the region.

Apart from these Ministerial events, many Working Group meetings, workshops and other events in different spheres of cooperation were also organized.

After the successful Chairmanship-in-Office of Romania, the Russian Federation has assumed the BSEC Chairmanship as of 1 July 2011, for a term of six months ending on 31 December 2011.

As you will see from the article by H.E. Mr. Sergey LAVROV, Chairman-in-Office of BSEC, Minister of Foreign Affairs of the Russian Federation, on the cover page, a very rich agenda has been set for the Organization, with a set of important priorities, which will constitute the roadmap for BSEC until the end of this year.

The informal meeting of the BSEC Ministers of Foreign Affairs was held in New York, on 25 September 2011, during which Ministers exchanged views on the issues of the region and of the Organization.

I am pleased to note that the first ever Meeting of the BSEC Ministers of Agriculture on 7 October 2011, in Moscow, was a success. All three sectoral ministerial events, including the Meeting of the Ministers for Emergency Situations and the Heads of the Emergency Services and the Meeting of the Ministers of Transport, held in Moscow on 7 and 21 October 2011, respectively, produced joint declarations containing important decisions.

The joint declaration of the Ministers of Agriculture envisages a review of the opportunities for the simplification of export and import procedures for agricultural products among the BSEC Member States, which can be a crucial factor for the transport of fresh fruits and vegetables where delays can easily lead to the decay and spoiling of the goods.

The declaration of the Ministers of Transport includes the decision to intensify efforts to improve road, navigation and flight safety in the region, as well as to modernize the fleet of vehicles, vessels and aircrafts in order to reduce their harmful effects on the environment. It also endorsed a Russian initiative concerning the development of Black Sea Ferry and Passenger lines.

The joint declaration adopted by the Ministers for Emergency Situations and the Heads of the Emergency Services, on the other hand, includes a proposal for the establishment of an Ad Hoc Working Group on Massive Forest Fires and an Ad Hoc Working Group on Floods and Torrents within BSEC, under the Working Group on Cooperation in Emergency Assistance.

In the meantime, the relations of BSEC have continued to grow with other regional and international organizations.

As far as our relations with the UNDP are concerned, the UNDP Black Sea Trade and Investment Promotion Programme (BSTIP)

Steering Committee Meeting was hosted by the Ministry of Foreign Affairs of the Republic of Turkey at our headquarters in Istanbul on 19 July 2011. BSTIP activities of the previous year were reviewed. The work plan for the second half of 2011 as well as the strategic direction for the 2012-2013 phase of the Programme were discussed. Ideas on the potential activities for 2012-2013 were shared. As is known, BSTIP is a significant project for BSEC. It is the first partnership project between BSEC and UNDP. It is also the first programme jointly financed by Turkey and Greece under the auspices of the UNDP. The overall aim of the Programme is to support economic growth and development in the Black Sea sub-region through closer economic integration and to expand intra-regional trade and investment links among the BSEC Member States. The beneficiaries of the BSTIP are SMEs. The programme, launched in December 2006, is being implemented successfully in cooperation with the local chambers of commerce and business support organizations in each of the BSEC countries.

With regard to our relations with the OSCE, upon invitation of the Lithuanian Chairmanship, on 14 July 2011, I addressed the Permanent Council of the OSCE in Vienna, receiving many comments and questions from the Permanent Representatives of the OSCE Member States, allowing greater understanding and interaction between the two organizations. This constituted the first time a Secretary General of BSEC addressed a meeting of the OSCE Permanent Council. We look forward to the continuation of such valuable exchange on a regular basis.

A joint ICT Cooperation Program was conducted in September 2011, in Seoul, with the Republic of Korea which became a Sectoral Dialogue Partner of BSEC as of January 2011. We look forward to organizing more of such successful joint events with the Republic of Korea and also with our other Sectoral Dialogue Partners and Observers in BSEC in the nearest future.

In our next issue, I look forward to sharing with you new developments and projects for the common benefit of our region and its peoples.

**Ambassador Leonidas CHRYSANTHOPOULOS**  
Secretary General of the Organization of the  
Black Sea Economic Cooperation (BSEC)  
Permanent International Secretariat (PERMIS)

### MINISTERS OF INTERIOR OF THE BSEC MEMBER STATES CONVENE IN BUCHAREST

The Ministers of Interior of the BSEC Member States held a meeting in Bucharest on 14 April 2011.

During the meeting which was chaired by H.E. Mr. Constantin Traian IGAS, Minister of Administration and Interior of Romania, the Ministers and Heads of Delegations delivered general statements and discussed strategies, developments and cooperation in the sphere of fighting organized crime and corruption in the Black Sea region.

At the conclusion of the meeting, a joint declaration was adopted by the Ministers. The Joint Declaration on Regional Efforts on Preventing and Combating Corruption aims to deepen dialogue on preventing and combating corruption, which is a serious threat closely linked to issues in the fight against organized crime, including types of organized crime of transnational character.

The Declaration envisages the elaboration of a BSEC Action Plan to prevent and combat corruption, increase public awareness and promote ethical behavior. The Action Plan will facilitate the development of a network among the national bodies mandated to enforce

anti-corruption measures, with a view to exchanging information and sharing best practices.

Fighting organized crime is among the priority areas of cooperation within BSEC. BSEC has a Working Group on Cooperation in Combating Crime in Particular in Its Organized Forms, established in 1998, which meets regularly to foster regional cooperation in fighting organized crime. The legal framework for cooperation among the BSEC Member States in this area includes the Agreement Among the Governments of the Black Sea Economic Cooperation Participating States on Cooperation in Combating Crime, in Particular in Its Organized Forms (Corfu, 2 October 1998); the Additional Protocol to the Agreement Among the Governments of the Black Sea Economic Cooperation Participating States on Cooperation in Combating Crime, in Particular in Its Organized Forms (Kyiv, 15 March 2002); and the Additional Protocol on Combating Terrorism to the Agreement Among the Governments of the Black Sea Economic Cooperation Participating States on Cooperation in Combating Crime, in Particular in Its Organized Forms (Athens, 3 December 2004). A Network of Liaison Officers on Combating Crime has been established in compliance with the Additional Protocol of 2002.

### MEETING OF THE MINISTERS OF ECONOMY HELD IN ROMANIA

The Ministers in charge of Economy of the BSEC Member States held a meeting in Bucharest, on 17 May 2011, which constituted the first meeting of the BSEC Ministers in charge of Economy.

During the meeting which was chaired by H.E. Mr. Karoly BORBELY, State Secretary of Romania, the Ministers and Heads of Delegations delivered general statements and discussed strategies, developments and cooperation for sustainable economic growth, following the global financial and economic crisis that broke out in 2008. In addition to issues related to the adjustment of national strategies and policies, the role that regional cooperation can play in support of those strategies and policies was also discussed. The potential of BSEC to contribute to increased cooperation in the Black Sea region, generating economic benefits for its Member States, was acknowledged.

At the conclusion of the meeting, a Joint Declaration was adopted. The document provides a guideline for future work to address trade and economic development challenges faced by the Black Sea region. It reflects the strong political commitment of the Member States to promote sustainable development and long term prosperity in the BSEC region, based on a balanced and harmonious relationship between social needs, economic activity and the protection of the environment.

The Joint Declaration suggests priorities for regional action through BSEC, which include, engagement of human resources and natural capacities with the aim to facilitate trade and economic cooperation among the Member States; development of the intra-regional trade; expansion of investment opportunities in the Member States and development of the intra-regional investments; establishing a trade and investment facilitation mechanism in the region for further enhancing trade cooperation and exchanges; addressing the issue of establishing an institutional framework for a favorable investment and business climate; promoting innovation in and among the Member States as a source for sustainable growth and economic development; and encouraging technical cooperation in institution building concerning foreign trade, investment promotion and export credit insurance issues among the BSEC Member States on a multilateral basis.



MINISTERS OF ENVIRONMENT DISCUSS STRATEGIES FOR THE PROTECTION OF THE ENVIRONMENT IN THE REGION

The Ministers in Charge of Environmental Protection of the BSEC Member States gathered at a meeting in Bucharest, on 31 May 2011, which was preceded by the Meeting of the BSEC Working Group on Environmental Protection on 30 May 2011.

During the meeting which was chaired by H.E. Mr. Lazslo BORBELY, Minister of Environment and Forest of Romania, the Ministers and Heads of Delegations delivered statements and discussed strategies, developments and cooperation for the protection, preservation and rehabilitation of the environment in the region.

At the conclusion of the meeting, a Joint Declaration was adopted by the Ministers. The Joint Declaration provides a guideline for future work to address the global environmental challenges faced by the region. It reflects the strong political commitment of the Member States to achieve sustainable development based on a balanced and harmonious relationship between social needs, economic activity and the protection of the environment in the region.

The Joint Declaration includes the decision to update the BSEC Action Plan on Environmental Protection, according to the new challenges and priorities of the region. It underlines the importance of an enhanced cooperation among the BSEC Member States, by harmonizing the environmental approaches at the regional level, promoting exchange of good practices and transfer of technical know-how and concrete measures and projects related to biodiversity conservation, integrated coastal zone and river management, tackling of pollution sources, as well as to environmental integration monitoring, research and eco-innovation activities.

The need to develop harmonized legislation on environmental protection is reaffirmed in the Joint Declaration, which also stresses the importance of improving the current monitoring system.

The document suggests speeding up the establishment of the BSEC Information Exchange Mechanism for Environmental Protection and strengthening cooperation with regional and international organizations dealing with environmental issues.

As the gradual degradation of the environment in the Black Sea area in the last decades has brought about the need to undertake measures to rehabilitate and preserve it for future generations, among other areas, environmental protection has become a priority for BSEC. Over the years, the BSEC Working Group on Environmental Protection has proven to be one of the most active groups in the Organization.

BSEC promotes cooperation among its Member States in this field, focusing on joint scientific and technical research and programs; joint projects; exchange of scientific and technical information, experts, researchers and representatives of NGOs; organizing training programs, conferences and symposia and increasing the public awareness on the Black Sea environment and the need to protect it. BSEC also serves as a forum to discuss the development of harmonized legislations on environmental protection, based on best practices in the Pan-European region. Incorporation of environmentally friendly approaches in the economic development of the Member States, with particular attention to the promotion of innovative and resource saving technologies comprise priorities for BSEC.

Recent BSEC activities in this field include a project concept on Introducing Climate Change in the Environmental Strategy for the Protection of the Black Sea and a project on Legal Framework for a Green Economy within the BSEC Member States. A project on introducing climate change in the environmental strategy for the protection of the Black Sea will be soon launched, jointly with the UNDP. Discussions on the modalities of establishing an information exchange mechanism for environmental protection is also underway. The initial information system was established in 2007.

BSEC cooperates closely with the Commission on the Protection of the Black Sea against Pollution (BSC), the UN Environment Programme (UNEP), the UN Development Programme (UNDP) and the Danube Commission on environmental issues.

BSEC MINISTERS OF AGRICULTURE HOLD THEIR FIRST MEETING

The Ministers of Agriculture of the BSEC Member States held their first ever meeting in Moscow, on 7 October 2011.

During the meeting which was chaired by H.E. Ms. Elena SKRYNNIK, Minister of Agriculture of the Russian Federation, the Ministers and Heads of Delegations delivered general statements, assessed the cooperation in the field of agriculture and agro-industry in the region and discussed potential mechanisms for further strengthening this cooperation.

At the conclusion of the meeting, a joint declaration was adopted which constitutes an ambitious road map to further enhance cooperation in the agricultural field. In the adopted document, the Ministers agreed to intensify joint efforts to promote cooperation in order to help reduce regional disparities and to give impetus to regional trade in agricultural products. Cooperation in vine-growing and wine-making sectors, are

also envisaged in the joint declaration.

Another important part of the declaration is the decision of the Ministers to review the opportunities for the simplification of export and import procedures for agricultural products among the BSEC Member States, which can be a crucial factor for the transport of fresh fruits and vegetables where delays can easily lead to the decay and spoiling of the goods.

Furthermore, the document anticipates cooperation among the Member States' national genetic banks of plants in order to secure biodiversity and also exchange expertise and best practices among agrarian research and education institutions.

The declaration puts emphasis on cooperation among the veterinary, phyto-sanitary and plant quarantine services of the

Member States. Consultations to harmonize the labelling standards for food products, as an important part of food quality and food safety, are also anticipated in the joint declaration.

Before the adoption of the joint declaration by the Ministers of Agriculture, the Organization mainly focused on cooperation and exchange of information and experience in the area of food safety within the framework of its Working Group on Agriculture and Agro-Industry established in 1993 In this context, ongoing cooperation between BSEC and FAO is expected to result in a joint pilot project on promoting risk assessment of food hazards at the country level. Up to now, two BSEC Project Development Fund projects related to agriculture have been implemented with the participation of private and public institutions from six Member States.

TRANSPORT MINISTERS MEET FOR A SAFE, SECURE, COHERENT AND EFFICIENT TRANSPORT SYSTEM IN THE BLACK SEA REGION

The Ministers of Transport of the Member States of the Organization of the Black Sea Economic Cooperation (BSEC) met in Moscow on 21 October 2011.

During the meeting which was chaired by H.E. Mr. Igor LEVITIN, the Minister of Transport of the Russian Federation, the Ministers and Heads of Delegations delivered general statements and discussed the current developments and prospects in the sphere of transport in the Black Sea region.

At the conclusion of the meeting, a joint declaration was adopted. In the adopted document titled the "Moscow Joint Declaration on Strengthening the Co-operation in the Field of Transport in the BSEC Region: Towards safe, secure, coherent and efficient transport system in the Black Sea region," the Ministers appreciated the initiative regarding the development of modern competitive Ro-Ro, ferry and cruise lines in the region.

The Ministers also decided to establish cross-sector cooperation between the BSEC Working Groups on Transport and Tourism in relation to passenger ferries and cruise shipping.

Another important element of the joint declaration was the decision on intensifying efforts to improve road, navigation and flight safety in the region, as well as to modernize the fleet of vehicles, vessels and aircrafts in order to reduce their harmful effects on the environment.

While focusing on the implementation of projects aimed at ensuring transport interconnectivity of the regions and transport interoperability, as well as on the introduction of intelligent transport systems, the Ministers agreed to promote harmonized information support systems in the BSEC Member States, including electronic data interchange, automatic issuance and electronic processing of transport and accompanying documents, electronic pre-declaration of cargo, development of telecommunication networks in the transport sector.

Transport is one of the priority areas of cooperation for BSEC. The Organization has two flagship projects in this sphere: the Black Sea Ring Highway project and the project on the development of the Motorways of the Sea in the BSEC region. The Black Sea Ring Highway project envisages a four-lane ring highway system, approximately 7700 km long, to connect the BSEC Member States with each other. The project on the development of the Motorways of the Sea in the BSEC region, on the other hand, is about strengthening the maritime links among the ports of the BSEC Member States. Both projects are expected to foster intra-BSEC trade, as well as tourism, infrastructure and transport investments and economic prosperity among the countries of the Black Sea. Most importantly, they are intended to make a concrete difference in the lives of the people of the region and bring them closer together. The Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region, which went into force in 2006, was another step taken by the BSEC countries to facilitate road transport and regional trade.

MINISTERS FOR EMERGENCY SITUATIONS AND THE HEADS OF THE EMERGENCY SERVICES CONVENE IN SOCHI

The Meeting of the Ministers for Emergency Situations and the Heads of the Emergency Services of the Member States of the Organization of the Black Sea Economic Cooperation (BSEC) was held in Sochi, on 7 October 2011.

During the meeting which was chaired by Mr. Vladimir PUCHKOV, State Secretary-Deputy Minister of Civil Defense, Emergencies and Disaster Relief of the Russian Federation, the Ministers and Heads of Delegations delivered general statements, assessed the developments and cooperation in the field of emergency situations and discussed the possibilities for further strengthening this cooperation.

Among the agenda items of the meeting was strengthening the capacity of emergency response to natural and man-made disasters, including the activity of the Network of Liaison Officers, in the face of global challenges such as climate change. The meeting also addressed the readiness of the emergency forces to provide safety for the 2014 Winter Olympic Games and Paraolympic Games to be held in Sochi. Cooperation on prevention of seismic risk was also on the agenda.

At the conclusion of the meeting, a joint declaration was adopted which constitutes an ambitious road map to further enhance cooperation in emergency situations. In the adopted document, the Ministers agreed to strengthen the implementation of the BSEC Agreement on Collaboration in Emergency Assistance and Emergency Response to Natural and Man-made Disasters and its Additional Protocol for achieving a high level of preparedness for emergency situations in the region.

The joint declaration envisages the further strengthening of cooperation in humanitarian assistance and the eradication of the consequences of emergency situations.

An important part of the document is related to the proposal for the establishment of the Ad Hoc Working Group on Massive Forest Fires and the Ad Hoc Working Group on Floods and Torrents within BSEC, under the Working Group on Cooperation in Emergency Assistance. The Working Group on Cooperation in Emergency Assistance which was established in 1998 is one of the most active Working Groups within BSEC. The BSEC Agreement on Collaboration in Emergency Assistance and Emergency Response to Natural and Man-made Disasters and its Additional Protocol provide the legal basis for BSEC cooperation in this sphere. The BSEC Network of Liaison Officers on Emergency Assistance was created in 2009 The Ad Hoc Working Group of Experts on Seismic Risk was established in 2011 for early warning and to elaborate recommendations for rescue operations. Various regional trainings and seminars are organized in BSEC on the prevention of emergency situations and the elimination of their consequences.

## AD HOC WORKING GROUP ON THE DEVELOPMENT OF THE MOTORWAYS OF THE SEA ADOPTS ITS RULES OF PROCEDURE

The Meeting of the Ad Hoc Working Group on the Development of the Motorways of the Sea (MoS) was held in Constanta on 7-8 April 2011.

The meeting was attended by the representatives of the Parties to the Memorandum of Understanding on the Development of the Motorways of the Sea at the BSEC Region, which was signed on 19 April 2007 in Belgrade. The representatives of the BSEC Permanent International Secretariat, the Parliamentary Assembly of the Black Sea Economic Cooperation and the Black and Azov Sea Ports Association also attended the Meeting.

With regard to the establishment of the Joint Technical Secretariat (JTS) of the Ad Hoc Working Group on the Development of the Motorways of the Sea in the BSEC Region, the delegations of

Romania, the Russian Federation, the Republic of Turkey and Ukraine reiterated their interest to host the JTS. The Working Group agreed that the JTS would be hosted by the interested Parties on a biannual rotation basis. Discussions on the issue regarding the order of hosting the JTS by the interested Parties will continue at the next meeting of the Working Group. The issue of the establishment and operation of the website of the JTS was also among the issues discussed by the Working Group.

During its meeting in Costanta, the Working Group discussed a series of important documents. Within this framework, it adopted its Rules of Procedure as well as the Rotation List of Chairmanships in the Working Group. The Working Group also considered the Draft Regulations of the JTS and the Draft Terms of Reference of the Experts Correspondence Network, on which

it will continue discussions at its next meeting.

The Working Group took note of the Questionnaires submitted by some of the participating Parties on national ports to be included in the Master Plan.

Transport is among the priority areas of cooperation for BSEC. The project on the development of the Motorways of the Sea, one of the flagship projects of the Organization, is related to the strengthening of the maritime links among the ports of the BSEC Member States. It is expected to foster intra-BSEC trade, as well as tourism, infrastructure and transport investments and economic prosperity in the countries of the region. Most importantly, it is intended to make a concrete difference in the lives of the people of the region and bring them closer together.

## STEERING COMMITTEE ON FACILITATION OF ROAD TRANSPORT OF GOODS CONVENES

The 6th Meeting of the Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region was held in Rostov-on-Don, the Russian Federation, on 28 September 2011.

The meeting was chaired by Mr. Damir LEDENCAN, Head of the International Road Transport Department of the Ministry of Infrastructure and Energy of the Republic of Serbia. The representatives and experts of the BSEC Member States attended the meeting.

With regard to the progressive liberalization of the international road transport of goods, participants expressed that attention should be paid to the elimination administrative, technical and legal barriers which hamper the international transport of goods.

As far as the pilot project on the issuing of the BSEC Transit Permit for Trucks is concerned, 6 participating Member States, namely Armenia, Georgia, Moldova, Romania, Serbia and Turkey, expressed their interest to extend the validity of the project until the beginning of 2013. The pilot project was launched in February 2010 for a one-year period, after which its term was extended for an additional year in November 2010.

The delegation of the Republic of Turkey informed that a positive decision has been taken by Turkey concerning the usage of 200 BSEC Permits only for transit by Armenian hauliers until 31 January 2012 within the framework of the pilot project.

Issues related to the accession to international agreements, harmonization of maximum permissible weights and dimensions, charging policies, facilitation of visa procedures for professional drivers and X-ray controls of transport at borders were also discussed. The Steering Committee decided to organize a Meeting of Experts for the elaboration of concrete measures for starting the implementation of the International Vehicle Weight Certificate. The Steering Committee decided to also hold a joint BSEC-IRU meeting of experts on taxation in order to start reassessing the charging policies during the Serbian Chairmanship-in-Office which will cover the first half of 2012.

The Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region, which went into force in 2006, was an important step taken by the BSEC countries to facilitate road transport and regional trade. The Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region was established in compliance with the said Memorandum of Understanding.

## WORKING GROUP ON INSTITUTIONAL RENEWAL AND GOOD GOVERNANCE MEETING HELD IN ISTANBUL

The Meeting of the BSEC Working Group on Institutional Renewal and Good Governance was held at the headquarters of the Organization in Istanbul, on 19-20 April 2011. It was chaired by Mr. Dmytro CHUPRYNA, Deputy Director of the Center for Adaptation of the Civil Service to the Standards of the European Union, Main Department of the Civil Service of Ukraine.

During the meeting, the representatives and experts of the BSEC Member States made presentations and exchanged views and experiences on issues related to institutional renewal and good governance.

Ukraine, in its capacity as the Country-Coordinator of the Working Group, delivered an evaluation report on the activities of the Working Group over the period of 2009-2011.

Some of the participants informed the Working Group members on the latest developments in the administrative reforms process in their countries. An extensive discussion took place on staff reduction in the public service sector and its consequences. Issues related to human resource management, including promotion, benefits and compensation system for civil servants were also addressed.

A draft paper on the possibilities of collaboration between the relevant structures of international organizations and the BSEC Working Group on Institutional Renewal and Good Governance, elaborated by Ukraine, was discussed by the Working Group.

The Working Group agreed that one of the topics of its next meeting would be government communication and coordination. Turkey, in its capacity as the incoming Country-Coordinator of the Working Group, named administrative simplification, transparency and e-government as issues to be considered during its term in 2011-2013.

A project idea was presented by Ukraine on the establishment of a Project Management System for the BSEC Working Group on Institutional Renewal and Good Governance.

The BSEC Working Group on Institutional Renewal and Good Governance was created in 2005 to facilitate the establishment of a regional network for public policy dialogue and enhancing capacity for policy reform among the Organization's Member States, especially in the vital sectors of public administration, trade and investments, energy, transport, communications, environment, tourism and agriculture. Achieving effective governance in the face of the dynamic forces of the new century is seen by BSEC as one of the biggest challenges facing governments. The Working Group focuses on key topics of governance, such as legality and legitimacy, effective partnerships, policy integration, responsible budgeting, investing in government capacity, anticipating crisis management and building key networks.

## STEERING COMMITTEE ON THE DEVELOPMENT OF THE BLACK SEA RING HIGHWAY MEETS IN ROSTOV-ON-DON

The 6th Meeting of the Steering Committee on the Development of the Black Sea Ring Highway was held in Rostov-on-Don, the Russian Federation, on 27 September 2011.

The Meeting was chaired by Mr. Stefan POPOV, Chief Expert of the National Transport Policy Directorate of the Ministry of Transport, Information Technology and Communications of the Republic of Bulgaria. The meeting was attended by the representatives and experts of the BSEC Member States who discussed the main Black Sea Ring Highway route passing through their territories. The participants agreed on most of the points of alignment of the Black Sea Ring Highway. It was decided that the final version of the main route would be considered as adopted upon receiving the notifications from the relevant Member States that they accept the proposals.

The Steering Committee decided to include the issue of creating the Model Highway along the Black Sea Ring Highway sections into the future project of the Master-Plan and to cooperate with the International Road Transport Union in preparing the Feasibility Study on the Model Highway Initiative project.

The Black Sea Ring Highway project is one of the flagship projects of the Organization. It envisages a four-lane ring highway system, approximately 7700 km long, to connect the BSEC Member States with each other. The project is expected to foster intra-BSEC trade, as well as tourism, infrastructure and transport investments and economic prosperity among the countries of the Black Sea. The Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region, which went into force in 2006, was another step taken by the BSEC countries to facilitate road transport and regional trade.

## WORKING GROUP ON TOURISM CONVENES IN GELENDZHNIK

A meeting of the BSEC Working Group on Cooperation in Tourism was held in Gelendzhik, Russian Federation, on 28 October 2011. The meeting was chaired by Mr. Alexander RADKOV, Head of the Federal Agency for Tourism of the Ministry of Tourism, Sport and Youth Policy of the Russian Federation.

During the meeting, the participants discussed a number of topics in the field of tourism of importance to the BSEC Member States. These included the implementation of cultural tourism projects, institutional frameworks of BSEC tourism cooperation, areas of cooperation in the field of tourism, national policies and best practices in the field of sustainable tourism development in the Member States and participation in tourism events and fairs held in BSEC countries.

The representatives of the Member States exchanged views on the ways and means of promoting cultural tourism

projects and securing their implementation. As regards the areas of cooperation in tourism, the importance of maritime and nautical tourism cooperation, balneology, wellness and spa tourism and the project on the University Environment Integration for Specialist Training in Tourism Sphere of the Black Sea Region was emphasized. During the meeting, information on national activities and plans for holding conferences, forums and seminars on various aspects of tourism were exchanged.



Meeting of the Working Group on Tourism organized in Gelendzhik, the Russian Federation.

## BSEC INTERNATIONAL CONFERENCE ON TOURISM FOCUSES ON TOURISM INFRASTRUCTURE DEVELOPMENT

BSEC International Conference "Tourism Infrastructure Development in the Black Sea Region" that was held in Gelendzhik, the Russian Federation, on 27-28 October 2011. The conference attracted more than 180 participants from the BSEC Member States, international organizations, associations and scientific institutes and universities dealing with tourism issues, around the agenda of tourism infrastructure development in the Black Sea region.

During the meeting, participants had lively discussions and exchanged views within the framework of three round tables organized on a number of practical issues pertaining to tourism development. The round table topics included the role of modern tourism infrastructure in competitive tourist product development, actual issues and perspectives of cultural tourism development and human resources development for the tourism industry.

It was pointed out that in order to further develop tourism, the Black Sea region needs common initiatives and projects and a joint marketing approach toward third countries to attract more tourists from outside the region. Investment in tourism infrastructure development was highlighted as the main precondition for any future developments in this field.



## CUSTOMS EXPERTS CONSIDER EXCHANGE OF PRELIMINARY INFORMATION

Customs experts from the BSEC countries continued the consideration of the issue concerning the possibility of establishing a mechanism of exchange of preliminary information among the customs administrations of the interested BSEC Member States.

The issue was discussed during the Meeting of the BSEC Working Group on Customs Matters at the BSEC headquarters in Istanbul, on 10-11 March 2011. The participants welcomed the "Model Draft Protocol on the Exchange of Information on the Movement of Goods and Conveyance" elaborated by the Russian Federation and decided to continue deliberations on the possibility of establishing a mechanism of exchange of preliminary information among the interested customs administrations of the Member States. It was recommended to the Member States to use the Draft Protocol in their bilateral negotiations. Some Member States supported the proposition by the Russian Federation to use it as

a multilateral framework for a future BSEC Agreement on this subject.

The Working Group also adopted the two-year Action Plan submitted by the Republic of Turkey as the Country-Coordinator and decided to renew its Terms of Reference.

The experts deliberated on the BSEC-URTA presentation on the extensive use of X-ray technology to scan the commercial vehicles and drivers while crossing the borders of the Member States. A reference was made to the IRU Resolution adopted in Geneva on 4 November 2010, on using X-ray equipment for inspecting vehicles at borders and ports. The participants discussed the possibility of addressing the issue in the Action Plan of the Working Group or by creating an Ad Hoc Working Group of Experts.

## MEMORANDUM OF UNDERSTANDING SIGNED BETWEEN BSEC AND THE CENTRAL EUROPEAN INITIATIVE

A Memorandum of Understanding (MoU) on Cooperation was signed between the Organization of the Black Sea Economic Cooperation Permanent International Secretariat (BSEC PERMIS) and the Central European Initiative Executive Secretariat (CEI-ES), at the BSEC Headquarters in Istanbul, on 7 March 2011.

The said MoU was signed by the Secretary General of the BSEC PERMIS H.E. Ambassador Leonidas CHRYSANTHOPOULOS and the Secretary General of the CEI-ES H.E. Ambassador Gerhard PFANZELTER, on behalf of the two organizations.

The MoU is expected to provide a general framework for the coordination of activities of BSEC and CEI on a regular basis and for strengthening their relations, with the aim of enhancing cooperation on issues of common interest.

Before the signing ceremony, bilateral consultations were held, during which relations as well as envisaged areas of cooperation between BSEC and CEI were discussed.



Signing ceremony of the Memorandum of Understanding on Cooperation between the BSEC Permanent International Secretariat and the Central European Initiative Executive Secretariat.

## BSEC-OSCE INTERACTION ENHANCED

Upon the invitation of the Lithuanian Chairmanship of the OSCE, BSEC PERMIS Secretary General H.E. Ambassador Leonidas CHRYSANTHOPOULOS addressed the 874th Meeting of the Permanent Council of the OSCE on 14 July 2011, in Vienna. This constituted the first time a Secretary General of BSEC addressed a meeting of the OSCE Permanent Council.

The Secretary General focused on the importance, activities and projects of BSEC and also expanded on the role of its Related Bodies, receiving many comments and questions from the Permanent Representatives of the OSCE Member States, allowing greater understanding and interaction between the two organizations.

## BLACK SEA TRADE AND INVESTMENT PROMOTION PROGRAMME STEERING COMMITTEE MEETING HELD AT THE BSEC HEADQUARTERS

The UNDP Black Sea Trade and Investment Promotion Programme (BSTIP) Steering Committee Meeting was hosted by the Ministry of Foreign Affairs of the Republic of Turkey at the BSEC headquarters in Istanbul, on 19 July 2011.

Representatives of the governments of the Republic of Turkey and the Hellenic Republic, the UNDP, the BSEC PERMIS and the BSEC Business Council attended the meeting and their reflections on the BSTIP programme and its direction as well as its potential for the region.

BSTIP activities of the previous year were reviewed. The work plan for the second half of 2011 as well as the strategic direction for the 2012-2013 phase of the Programme were discussed. Ideas on the potential activities for 2012-2013 were shared.

A discussion session took place on what results the Steering Committee would like to see from the BSTIP. Some of the suggestions included larger scale multilateral events, focus on climate change and green business, facilitation of SME startups through relevant training programmes, assistance in reviewing the BSEC Economic Agenda for the Future and increasing investment facilitation and cooperation with investment agencies.

After the discussions, BSTIP Regional Programme Manager from the UNDP Mr. Barry KOLODKIN presented a future programme and the rationale for the programme, together with Ms. Naciye Gökçen KAYA, Deputy Director General for Multilateral Economic Affairs of the Ministry of Foreign Affairs of the Republic of Turkey and Ms. Olga DRITSA, Head of Department of International Economic Organizations of the Ministry of Development, Competitiveness and Shipping of the Hellenic Republic. The presentation included the revalidation of the trade flow study, commission of an external evaluation, new projects with OSCE and USAID, potential collaboration with BSTDB and envisaged events.

As is known, BSTIP is a significant project for BSEC. It is the first partnership project between BSEC and UNDP. It is also the first programme jointly financed by Turkey and Greece under the auspices of the UNDP. The overall aim of the Programme is to support economic growth and development in the Black Sea sub-region through closer economic integration and to expand intra-regional trade and investment links among the BSEC Member States. The beneficiaries of the BSTIP are SMEs. The programme, launched in December 2006, is being implemented successfully in cooperation with the local chambers of commerce and business support organizations in each of the BSEC countries.



BSTIP Steering Committee Meeting held at the BSEC headquarters in Istanbul.

## BSEC-EU INTERACTION

The European Parliament in its Resolution of 20 January 2011 on an EU Strategy for the Black Sea stressed that an institutional dialogue bringing together the EU and the BSEC could constitute a step towards creating a genuine partnership in the region.

Within this framework, the BSEC Committee of Senior Officials, in its meeting on 21-22 March 2011 in Istanbul, took note of the European Parliament Resolution and proposed that relevant consultations in view of developing tangible cooperation between the two organizations start as soon as possible. BSEC Member States are looking ways of possible involvement of BSEC in the process of shaping the EU Black Sea Strategy.

The Executive Manager in charge of EU Affairs of the BSEC Permanent International Secretariat Mr. Edouard PANOIAN held consultations with a number of representatives from European Union institutions in Brussels on 14-15 April 2011.

During these consultations, Executive Manager PANOIAN presented the position and approaches of BSEC in promoting BSEC-EU interaction. In particular, the interlocutors were informed of the willingness of BSEC to convene regular consultations with the COEST Working Party, to continue substantial discussions on mutually agreed agenda items and to consider the possible ways of involvement in the process of shaping the EU Black Sea Strategy. The representatives of the Directorate-General of Environment and Research were informed that three BSEC Working Groups have decided to have the item of BSEC-EU cooperation in their agendas on a permanent basis and that the perspective of more targeted interaction were discussed with them.

The possibility of organizing a common BSEC-EPC event similar to the Roundtable Discussion on "The BSEC and the EU: prospects for enhanced interaction" held on 29 April 2009 in the premises of the European Policy Centre was discussed with the representative of the EPC, a leading think-tank in Brussels.



## JOINT BSEC-JICA-EIE-TIKA WORKSHOP ADDRESSES ENERGY MANAGEMENT STANDARDS

A Workshop on "How to Implement Energy Management Standards in BSEC Countries" took place in Ankara and Istanbul on 2-4 March 2011, jointly organized by Japan International Cooperation Agency (JICA), Turkish International Cooperation and Development Agency (TIKA), Directorate of Electrical Power Resources Survey and Development Administration of Turkey (EIE) and the BSEC PERMIS.

The aim of the Workshop was to promote the implementation of energy management standards in the BSEC Region and to acquire knowledge and share experience on the current situation in their respective countries.

Representatives of six BSEC Member States - Republic of Albania, Republic of Azerbaijan, Georgia, Republic of Moldova, Romania and Republic of Turkey - made comprehensive presentations related to the implementation of energy management standards, energy efficiency and energy legislation standards in their respective countries. The national presentations were followed by a panel discussion on "How to Implement Energy Management Standards and Programs".

The Workshop provided a framework for valuable exchanges at expert level regarding standards of energy management and highlighted the useful role the BSEC Organization can play in the promotion of the cooperation on energy issues among the Member States.

## JOINT BSEC-GIZ PROJECT IN THE COURSE OF IMPLEMENTATION

The implementation of the joint BSEC-GTZ project "Legal Framework for a Green Economy within the BSEC Member States - Regional Review," launched in the second half of 2010, has started, while the name of GTZ has been changed into GIZ (German Agency for International Cooperation) as of January 2011.

The joint project envisages the elaboration of a regional review on the basis of studies of framework conditions and incentives for a Green Economy in three pilot countries, namely, Azerbaijan, Russia and Ukraine. Renewable energy and energy efficiency were determined as the main focus of the studies to be conducted. Three workshops in each pilot country, mainly addressing the national audiences, were planned.

In this context, the first workshop was held in Kiev, Ukraine, on 17 June 2011. The workshop aimed to reckon up the existing legal framework and policies of Ukraine for a Green Economy.



Joint BSEC-GIZ workshops organized in Kiev and Baku.

The event, organized by the Ministry of Environment and Natural Resources of Ukraine and the Academy for Postgraduate Education and Management, was inaugurated by the Vice-Rector of the said Academy. Representatives from the Ukrainian legislative and executive bodies, academia and NGOs took part in the workshop. The activities and efforts of other international organizations such as UNEP, OECD and EU, and Germany for developing a green economy and usage of renewable sources were outlined by the representatives of GIZ and the Bavarian Ministry of Environment. Further discussions focused on the current legal basis in Ukraine and necessary measures for its development for promoting green growth, particularly, regarding energy efficiency and renewables.

The second workshop within the framework of the joint BSEC-GIZ project was held in Baku, Azerbaijan, on 5 September 2011. The meeting was organized by the Ministry of Industry of the Republic of Azerbaijan and the State Agency on Alternative and Renewable Energy Sources (ABEMDA). The event brought together the representatives of the executive bodies, business and academia of Azerbaijan. The representatives of UNDP and the Embassy of Norway in Baku also attended the workshop.

Discussions took place on issues of energy efficiency and renewable energy in the context of greening the economy in Azerbaijan. One of the outcomes of the workshop was a proposal to establish a national working group on normative-legal framework and renewable energy tariffs in Azerbaijan.

A visit was organized to the research and training center for development of renewable and alternative energy technologies in the Qobustan region on 6 September 2011. The Azeri side expressed that the center could be used for educational programs, including those for the representatives of the BSEC Member States.

## FOCUS ON ENERGY EFFICIENCY, RENEWABLE ENERGY, WASTE MANAGEMENT AND RECYCLING

The Congresses and Exhibitions on Energy Efficiency and Renewable Energy, and on Waste Management and Recycling, took place in Sofia, on 13-15 April 2010.

The events which were included in the calendar of events of the Romanian Chairmanship-in-Office of BSEC were the sixth in a series of similar yearly events devoted to energy efficiency and renewable energy in South-East Europe organized by the Bulgarian organizer of international conferences and exhibitions Via Expo Ltd., based in Plovdiv. This year the organiser enlarged the area of countries on which the events have been focused to include also countries from the Black Sea region.

The purpose of the events was to familiarize the participants with the latest technological developments related to the energy efficiency and renewable energy, and to the waste management and recycling, with opinions of the business leaders in these sectors and with the main financial and economic issues affecting the energy market. The events also aimed at facilitating links with leading companies working in these sectors.

Over 50 speakers consisting of government officials, representatives of energy recycling industries, business executives, investors and prominent experts addressed the sessions of the congresses. The events were organized around the themes of energy efficiency and renewable energy sources financing, energy efficiency and decentralized energy, waste management, waste to energy, recycling and electricity from renewable sources and smart grid platform.

The exhibitions hosted more than 200 stands of companies, local authorities, chambers of commerce and industries and other energy stakeholders from the region, as well as from outside the region including leading service providers from Austria, China, the Czech Republic, Denmark, Finland, Germany, Slovenia, Spain, Switzerland and the United States, already doing or interested in doing business in the region.

## BSEC RELATIONS WITH ACADEMIC INSTITUTIONS AND CIVIL SOCIETY STRENGTHENED

Student delegations from the Paris School of International Affairs, Istanbul Kültür University and the Maastricht University School of Business and Economics, consisting of undergraduate and graduate students, visited the BSEC Headquarters in Istanbul on 28 February, 9 March and 30 June 2011, respectively.

The delegations were received by First Deputy Secretary General of the BSEC PERMIS Ambassador Sumru NOYAN and Executive Manager Meltem GÜNEY who informed them of the activities and projects of BSEC and developments related to the region, after which interactive discussions were held.

On the occasion of the United Nations Day with the Lions, a commemoration event was organized by the International Association of Lions Clubs District 118-T at the BSEC Headquarters, on 17 March 2011. The event was organized in the format of a conference, followed by a reception and a recital. The theme of the conference was "Peace at Home, Peace in the World." The First Deputy Secretary General of the BSEC PERMIS Ambassador Sumru NOYAN delivered a speech on the added value of BSEC for promoting peace, security and sustainable development in the Black Sea region.



First Deputy Secretary General of the BSEC PERMIS H.E. Ambassador Sumru NOYAN addressing the students of the Maastricht University School of Business and Economics at the BSEC headquarters in Istanbul.



Students of the Maastricht University School of Business and Economics during their visit to the BSEC headquarters on 30 June 2011.



## JOINT KOREA-BSEC ICT COOPERATION PROGRAM ORGANIZED IN SEOUL

A joint ICT Cooperation Program was conducted on 26-30 September 2011, in Seoul, with the Republic of Korea which became a Sectoral Dialogue Partner of BSEC as of January 2011.

The Program was organized by the Ministry of Foreign Affairs and Trade of the Republic of Korea (MOFAT) and the National Information Society Agency (NIA). The officials from 11 BSEC Member States and the BSEC PERMIS took part in the workshop.

The representatives of the relevant agencies and institutions introduced to the participants the issues on ICT development in Korea. Presentations were made on topics including Korea's e-government policy, its history and challenges; conceptual framework from e-government to u-government; introduction of ICT in rural areas with the aim to promote sustainable development (INVIL project); guidelines for Green ICT and Green ICT maturity assessment and integrated emergency management system (IEMS).

A special session was organized whereby information was provided on public-private partnership in Korea for promoting e-government as well as the experiences of Korean companies in implementing projects on the introduction of digital technologies for improving government services in other countries.

During the Program, on-site visits and trainings were also organized. The participants visited the Information Network Village and the National Computing and Information Agency (NCIA-Governmental Internet Data Center) in Dea-Jeon Province as well as the Korean National Police Agency and the Digital Media City exhibition in Seoul.



Participants of the Korea-BSEC ICT Cooperation Program organized in Seoul.



## INTERNATIONAL BLACK SEA DAY CELEBRATIONS AND THE PRESENTATION OF THE BLACK SEA BOX EDUCATION PROJECT

A series of activities were held to mark the International Black Sea Day which is celebrated every year on 31 October.

In this context, the "Clean Sea for Clean City" environmental initiative was organized in the host city of the 2014 Winter Olympic Games and Paralympic Games, Sochi. The event was organized by the Sochi City Administration, Sochi 2014 Organizing Committee and The Coca-Cola Company. It was dedicated to the International Black Sea Day and the World Clean-Up Day.

The "Black Sea Box" education project which is comprised of teaching materials prepared with the joint cooperation of the Organization of the Black Sea Economic Cooperation (BSEC), World Wildlife Fund - Turkey (WWF-Turkey), United Nations Development Programme (UNDP) and The Coca-Cola Company was presented to the participants. "The Black Sea Box" is set to be introduced to classrooms across the BSEC Member States and incorporated into various educational subjects at primary and secondary school level.

Within the framework of the initiative, an educational ECO-town was set up on Sochi's central square. Schoolchildren, students and Sochi 2014 Volunteers all took-part in the eco-activities. An educational roundtable, dedicated to raising environmental awareness and culture was organized. Representatives of the Sochi City Administration, civic environmental organizations and the business community as well as academics and celebrities participated in the event.

The International Black Sea Day and the World Clean-Up Day were joined by 16 Sochi 2014 volunteer centres in 12 Russian cities. More than 3,500 volunteers across the country undertook clean-ups as well as a number of creative and social projects.

As is known, in order to protect the Black Sea from pollution and other adverse effects, on 21 April 1992, Bulgaria, Georgia, Romania, the Russian Federation, Turkey and Ukraine signed the Convention on the Protection of the Black Sea Against Pollution (Bucharest Convention) which was ratified by all signatories in 1994. For the effective implementation of the Bucharest Convention, its signatories adopted the Black Sea Strategic Action Plan on 31 October 1996 and hence this date has since been celebrated as the International Black Sea Action Day.

International Black Sea Action Day is a regional event designed to increase environmental awareness in all Black Sea countries and coastal communities and to celebrate their shared marine environment. It is a collaborative effort among relevant regional organizations, NGOs, national government agencies and coastal municipalities working together to protect this important shared resource. Its main objective is to promote the urgent need for greater regional cooperation against the threats facing the Black Sea and to raise public awareness of these threats, ranging from pollution and poorly regulated fishing to unsustainable coastal development.

## BRANDING AND INTERNATIONAL FRANCHISE EXHIBITION HELD IN BUCHAREST

The second edition of the Branding and International Franchise Exhibition (IFBE 2011) and the Franchise Forum for Balkans and Black Sea Area took place in Bucharest, on 20-22 May 2011, organized by the Romanian Franchise Association, with the support of the Black Sea Franchise Federation, under the patronage of the BSEC Romanian Chairmanship-in-Office. The First Edition of the Branding and International Franchise Exhibition was held in Istanbul on 20-22 May 2010.

The purposes of the Exhibition were to offer companies all over the world interested in franchising their products or services in the Balkans and Black Sea area the possibility of presenting their information and offers to the participants, to promote national brands and trade marks of the states of the region and to facilitate business contacts and on the spot transactions among interested companies.

The Franchise Forum offered a platform for an open debate on problems related to the economic cooperation among the states to which the franchise associations members of the Black Sea Franchise Federation belong, with a view to improving the performances of the franchise markets in the region.

The opening meeting of the Forum was chaired by Mr. Constantin ANTON, Chairman of the Romanian Franchise Association and Vice-Chairman of the Black Sea Franchise Federation.

Approximately 50 exhibitors from Bulgaria, Greece, Romania, Serbia, Turkey, Ukraine, Spain and France participated in the IFBE 2011 with their own stands and gave information about their brands or services available for franchising. The Exhibition was visited by approximately 2000 business people.

In the Forum, several speakers made presentations on the legal and business aspects of the international franchising, how to franchise business, business coaching in the franchising system, interdependence between franchising and branding, franchising in the Balkans and franchising in Bulgaria.

The Forum was supplemented by two workshops in order for the participants to benefit from the expertise of reputed experts and from the experience of the success stories in the field of franchising.

The objective of the organizers was to make of the Forum and the related workshops, as well as of the Exhibition, a complex event of practical interest for both experienced entrepreneurs and beginners in the business, in addition to strengthening ties among the members of the Black Sea Franchise Federation and among national franchise associations from Balkan States.





## BLACK SEA TRADE AND DEVELOPMENT BANK (BSTDB)

### BSTDB HOLDS ITS ANNUAL MEETING AND BUSINESS FORUM IN TIRANA



Nezir HALDEDA, Chairman of the BSTDB Board of Governors, Deputy Minister of Finance of Albania (right) together with Andrey KONDAKOV, BSTDB President opens the BSTDB Annual Meeting in Tirana.



BSEC and Observer institutions participating in the Open Session of the BSTDB Annual Meeting in Tirana.

The Board of Governors of BSTDB held its **13th Annual Meeting** in Tirana, on 19 June 2011, under the Chairmanship of Mr. Nezir HALDEDA, BSTDB Governor for Albania and Deputy Minister of Finance of the Republic of Albania.

The Board approved the Bank's financial statements for 2010. The Bank posted a net profit (EUR 10.7 million) for the sixth consecutive year, despite the negative effects of the global financial crisis. The Bank's operational activity gathered pace in 2010 after the difficult but necessary policy of caution and consolidation pursued in 2008-2009.

New operational approvals reached EUR 215 million in 2010, a 36% increase in comparison to 2009; while new project signings increased 90% year on year to EUR 199 million. During 2010, BSTDB also managed to maintain the high credit quality of its loan portfolio.

The Board of Governors granted Observer Status to the European Bank for Reconstruction and Development (EBRD), which brought the number of BSTDB Observer institutions to nine.

Mr. Arthur JAVADYAN, Governor for Armenia was elected as the new Chairman of the BSTDB Board of Governors, and the Governors for Azerbaijan and Bulgaria as Deputy Chairmen of the Board for a period of one year. The next BSTDB Annual Meeting of the Board of Governors will take place in Yerevan, Armenia in June 2012.

On the occasion of the Annual Meeting in Tirana, the Bank also held a **Business Forum** "Albania: Working Together to Promote Development Opportunities". H.E. Mr. Ridvan BODE, Minister of Finance of Albania opened the Forum. Mr. Fatos IBRAHIMI, First Deputy Governor of the Bank of Albania, also addressed the Forum participants. Albania's economic and investment policy makers, representatives of development financial institutions and international investors participated in the event together with Albanian banks and businesses. The discussion focused on the national economic policy priorities and challenges and the role of the financial sector in the country's development. Representatives of EIB, EBRD, the World Bank Group, KfW, the Austrian Development Bank and Proparco presented their strategies for Albania and explored opportunities for coordinated investment activities in the country.

Transport and social infrastructure development, improving environmental standards, technical assistance particularly to the SME sector were identified as key areas for cooperation between development banks, the Government and private investors. Forum participants urged BSTDB and government representatives to accelerate PPP investment in order to facilitate technology and know-how transfer.



BSTDB President Andrey KONDAKOV (centre) answers questions from the Forum audience.

### BSTDB OBTAINS A STRONG CREDIT RATING FROM STANDARD AND POOR'S

BSTDB's good operational performance and strong shareholder support contributed to the assignment of initial credit rating of A from Standard & Poor's on 16 June 2011. This followed the Bank's long term rating upgrade to A3 from Moody's in September 2010. These ratings are considerably higher than the average sovereign rating of BSTDB member countries. As a result, BSTDB became a much stronger financial institution capable to further expand its development assistance in the region and offer financing at better terms to its clients in the member countries.

### BSTDB EXPANDS COOPERATION WITH ITS OBSERVER FINANCIAL INSTITUTIONS

BSTDB continues to expand its cooperation with other partners in development to attract additional resources for projects in the member countries. In April-June 2011, the Bank signed three loan agreements with its Observer institutions - KfW of Germany, Nordic Investment Bank and Proparco of France to the total amount of EUR 100 million that BSTDB intends to invest in the member countries to support projects in renewable energy and energy efficiency, social infrastructure, agribusiness and small business development.

### BSTDB SUPPORTS DEVELOPMENT OF THE LARGEST STEEL PRODUCER IN ALBANIA

BSTDB signed its second € 20 million loan agreement with Kürüm International Albania, the largest steel producer in the country.

This medium-term BSTDB financing will assist Kürüm International, a member of Kürüm Group (Turkey), to increase further its production output, while meeting the national and EU environmental, health and safety standards. BSTDB's first loan supported the company's investment program for modernization and maintenance of its production facilities in Albania.

"The Bank's continued support to the development and modernization of Kürüm International will contribute to economic growth, employment and expansion of export capacity in Albania.

Furthermore, the operation has an important regional integration impact, reflecting the priority we attach to promoting cooperation between our member countries, in this case Turkey and Albania", stated Andrey KONDAKOV, BSTDB President, at the signing ceremony in Tirana.



## THE BANK ATTRACTS NEW FINANCIAL INSTITUTIONS INTERESTED IN THE REGION AS OBSERVERS

BSTDB granted its Observer Status to EBRD in June 2011, and Vnesheconombank of Russia became the first national development bank from a member country to obtain the Status in September 2011.

Observer Status strengthens synergies and developmental effectiveness of the Bank operations, as well as enhances its funding opportunities.

## BSTDB SUPPORTED SOUTHEASTERN EUROPE AND THE MEDITERRANEAN PPP FORUM IN THESSALONIKI

The Southeastern Europe and the Mediterranean PPP Forum was organized by the World Bank Institute and the Ministry of Regional Development and Competitiveness of Greece on 16 May 2011. The PPP agenda is important for BSTDB as it plans to substantially increase its involvement in PPP projects across the region over the medium term. During the event, organizers, representatives from countries in the region, EIB, EC and BSTDB representatives shared experiences in financing PPP projects.

Speaking at the Forum, Ms. Orsalia KALANTZOPOULOS, BSTDB Secretary General highlighted the opportunities for development and growth presented by well designed PPP programs and the importance of a sound legal and regulatory environment as a pre-condition for transparency and competition.

## BSTDB ADOPTS NEW COUNTRY STRATEGIES FOR THE MEMBER COUNTRIES

In February - April 2011, the BSTDB visited the member countries to discuss key economic developments and national economic policy priorities in the framework of the elaboration of new BSTDB country strategies aligned to the corporate operational targets set forth in the Medium-Term Strategy and Business Plan of the Bank for the period 2011-2014.

On that occasion, BSTDB presented its activities to the business and banking communities in the member countries and discussed cooperation opportunities with interested local banks and companies.

## BSTDB INCREASES SUPPORT FOR LEASING OPERATIONS IN RUSSIA

BSTDB provided a USD 20 million medium-term SME Leasing Facility to Europlan, a leading leasing finance company in Russia. The Facility will be used to finance leasing of capital goods, mainly equipment, vehicles, and machinery, to small and medium-sized enterprises (SMEs) in Russia.

The operation has a substantial development impact by helping improve access of Russian SMEs to much-needed leasing finance.

## BSTDB COOPERATES WITH KfW TO SUPPORT REHABILITATION OF MUNICIPAL INFRASTRUCTURE IN BATUMI

The BSTDB will provide an unfunded risk participation under the loan of EUR 20 million extended by KfW (Germany) to the Finance Ministry of Georgia to rehabilitate communal infrastructure in Batumi and surrounding villages.

The project involves rehabilitation of the water distribution network and the wastewater system including installation of a wastewater

treatment plant. It will ensure a 24-hour supply of hygienically sound water to the people and treatment of wastewater. Special emphasis is put on the protection of natural resources and the achievement of positive health and environmental impacts, especially for the Black Sea. With the total cost of EUR 44 million, the project represents the final stage of the Rehabilitation Programme of Municipal Infrastructure in Batumi.

## BSTDB INVESTS IN A REGIONAL PRIVATE EQUITY FUND TO SUPPORT THE SME SECTOR DEVELOPMENT IN UKRAINE AND MOLDOVA

BSTDB has committed USD 12 million to the Europe Virgin Fund L.P. (EVF), a regional private equity fund sponsored by Dragon Capital, a leading investment bank in Ukraine.

The Fund has the target size of USD 150 million and will provide equity financing to up to a dozen private small and medium-sized businesses with primary operations in Ukraine and Moldova, in particular focusing on consumer goods, retail, industrial, telecom,

media, technology, pharmaceuticals, construction materials and financial services sectors.

EVF started operations in the region, having raised USD 57 million to date from private partners and development finance institutions, including the European Bank for Reconstruction and Development and the Swiss Investment Fund for Emerging Markets.

## BSTDB SUPPORTS TURKISH ABANK IN COOPERATION WITH IFC AND FMO

BSTDB partnered with IFC, a member of the World Bank Group, and FMO, the entrepreneurial development bank of the Netherlands, to provide a \$105 million subordinated loan to ABank in Turkey.

The loan will help ABank expand its capital base and increase lending to SMEs, its traditional clients. SMEs represent nearly 99 percent of all businesses and 75 percent of total employment in Turkey.

BSTDB lent \$30 million, with \$50 million coming from IFC and \$25 million from FMO. The 10-year loan is the first syndicated subordinated facility in Turkey to qualify as Tier II capital, which is the second-most reliable form of capital in regulatory terms.

## BSTDB SUPPORTS UKRAINIAN ENERGY SECTOR

BSTDB will provide a USD 30 million loan to Galnaftogaz, Ukraine to finance the expansion of its retail network by 75 gas filling stations and the associated increase in working capital. The maturity of the loan is 9 years.

The total project cost is estimated at USD 210 million, co-financed by BSTDB, IFC, EBRD, FMO and commercial banks.



BSTDB Vice President BORAN (fifth from the right) and Galnaftogaz partners at the project signing ceremony in Lviv, Ukraine.

## ROUNDTABLE DISCUSSION CO-HOSTED BY BSTDB AND THE GREEK MINISTRY FOR DEVELOPMENT



H.E. Mr. Michalis CHRISOHODIS, Minister of Development, Competitiveness and Shipping of Greece, opens the roundtable discussion in Thessaloniki.

On the occasion of the Thessaloniki International Fair, the BSTDB and the Ministry for Development, Competitiveness and Shipping of Greece hosted a Roundtable Discussion "Development Banks: Their Role in the Growth Agenda" on 9 September 2011.

Minister CHRISOHODIS, BSTDB President KONDAKOV and EIB Vice President KOLLATZ-AHNEN highlighted the role of multilateral banks in supporting sustainable development in Europe and in the Black Sea region, and discussed the growth challenges facing Greece.

Panelists representing national development institutions - Austrian Development Bank, Bulgarian Development Bank, Croatian Bank for Reconstruction and Development, China Development Bank and KfW of Germany - exchanged views on policy approaches to development finance. The participants debated on how multilateral and national development institutions can improve synergies to help accelerate growth in middle-income countries.

The discussion gathered over 100 participants, including Greek government officials, members of parliament, bankers and businessmen, as well as diplomatic corps and the media.



Secretary General of the BSTDB Ms. Orsalia KALANTZOPOULOS

## NEW BSTDB SECRETARY GENERAL ASSUMES DUTIES

Following a proposal of the Government of the Hellenic Republic, the BSTDB Board of Directors appointed Ms. Orsalia KALANTZOPOULOS Secretary General of the Bank as of 16 March 2011, for a period of 4 years. Mrs. Kalantzopoulos replaced Mr. George KOTTAS.



## BSTDB SUPPORTS WINE PRODUCTION AND AGROTOURISM IN SOUTHERN RUSSIA

BSTDB provided a 7-year EUR 25 million loan to Russian ZAO "Abrau-Durso", a leading Russian sparkling wine producer. The loan will help upgrade the quality and increase the capacity and efficiency of the company's production facilities. The proceeds of the loan will be also used for the construction and operation of a high standard hotel located in the vicinity of lake Abrau in the Krasnodar region and thus will contribute to the development of the tourist infrastructure in the Black Sea region of Russia.



Andrey KONDAKOV, BSTDB President (left) and Boris TITOV, Director General of "Abrau-Durso" signing the loan agreement in Moscow.

## BSTDB ENHANCES SUPPORT FOR THE SME SECTOR IN BULGARIA



BSTDB President A. KONDAKOV (left) and A. YAGODIN, Chairman and CEO, Bulgarian Development Bank.

The BSTDB provided a EURO 31 million loan to the Bulgarian Development Bank (BDB) to on-lend to SMEs in Bulgaria. The facility aims at financing the modernization and expansion of the SME sector. Also, it will be used for export financing and working capital needs of SMEs engaged in manufacturing, agriculture and the service sector.

The operation builds upon successful cooperation between BSTDB and BDB started in 2004 and is the second SME facility provided by BSTDB, following a EUR 8 million SME loan extended in 2009.

"This operation will have a development impact through creation of new jobs, increased export capacity and competitiveness of Bulgarian SMEs. The Black Sea Bank is fully committed to strengthening synergies with development finance institutions active in the region, leveraging lending to clients and promoting social cohesion" stated Andrey KONDAKOV, BSTDB President at the signing ceremony in Sofia on 19 September 2011.

The BSTDB portfolio in Bulgaria includes 12 operations of a total amount of EUR 123 million, of which over 75% is dedicated to the development of the SME sector.

## BSTDB STRENGTHENS PARTNERSHIP WITH MOLDOVAN BANKS TO SUPPORT THE SME SECTOR DEVELOPMENT

The BSTDB extended its first USD 10 million loan to Moldindconbank in Moldova. The proceeds of the loan will be used by Moldindconbank to finance eligible Moldovan SMEs.

The operation will contribute to SMEs access to credit and to the development and expansion of the SME sector, a key business segment of the Moldovan economy. Furthermore, it demonstrates continuing BSTDB support to Moldovan banking sector and to fostering competition.

In 2011, BSTDB provided USD 24 million for assistance to the SME sector development, including leasing facilities, through its partner financial institutions in Moldova.



## PARLIAMENTARY ASSEMBLY OF THE BLACK SEA ECONOMIC COOPERATION (PABSEC)

### 37th PLENARY SESSION OF THE PABSEC GENERAL ASSEMBLY FOCUSES ON LEGISLATIVE SUPPORT TO TRANSITION TO GREEN ECONOMY

The 37th General Assembly of the Parliamentary Assembly of the Organization of the Black Sea Economic Cooperation was held in Kyiv on 30 June - 2 July 2011 upon the invitation of the Verkhovna Rada of Ukraine. The Plenary Session was opened by Mr. Volodymyr LYTUVYN, PABSEC President, Chairman of the Verkhovna Rada of Ukraine, who also presented the message of the President of Ukraine, H. E. Mr. Viktor YANUKOVICH. The message of Mr. Sergey LAVROV, Minister of Foreign Affairs of the Russian Federation, BSEC Chairman-in-Office, was presented by Ambassador of the Russian Federation in Ukraine, H.E. Mr. Mikhail ZURABOV. The participants were addressed by Mr. Petros EFTHYMIU, President of the Parliamentary Assembly of the OSCE.

The General Assembly was attended by the national delegations of Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Serbia, Turkey and Ukraine. The BSEC and its Related Bodies were represented by the Secretary General of the BSEC Permanent International Secretariat, the Secretary General of the BSEC Business Council, and the President and Secretary General of the Black Sea Trade and Development Bank. Among observers and guests were representatives of the National Assembly of the French Republic, the National Council of the Slovak Republic, the European Parliament, the Interparliamentary Assembly of the Commonwealth of Independent States (IPACIS), the Interparliamentary Assembly of the Eurasian Economic Community (IPA EurAsEC), the Parliamentary Assembly of the Organization for Security and Cooperation in Europe (OSCE PA), the Parliamentary Assembly of the Union Belarus-Russia (PAUBR), the Parliamentary Union of the OIC Member States (PUIC), the Parliamentary Assembly of the Turkic-Speaking Countries, the Black Sea Universities Network and the Marmara Group Strategic and Social Research Foundation.

The topic of the General Debate was "Legislative support to the transition to the green economy". The participants stressed that during the last two decades the world community has developed environmental and world economy renovation programs and formulated the concept of "green economy", which is generated to ensure the harmony of its three main components: social, environmental and economic. The involvement in the process of transition to the green economy of both national governments and international environmental and economic organizations offers a wide range of tools, such as targeted support of research and development efforts to create clean technologies; promotion of renewable energy and the increase of public investment in this sector and public procurement policies encouraging the production of environmentally friendly goods and services. The participants also noted that the transition to a green

economy is the only way to respond to environmental challenges of the current century.

The PABSEC members conducted debates on the Reports drafted by the PABSEC specialized Committees during their spring meetings on "GMO (genetically modified organisms) application in the BSEC countries: economic and environmental aspects"; "The role of parliaments in providing legislative support for enhancing scientific and technological progress"; "Observance of the sanitation standards of the World Health Organization in the BSEC Member States". The Assembly adopted Recommendations on these subjects addressed to the Parliaments and Governments of the Member Countries and to the Organization of the BSEC. The participants also adopted the conclusions of the debates on the "European Parliament Resolution on an EU Strategy for the Black Sea".

The participants reviewed the results of the meetings held during the Hellenic and Romanian BSEC Chairmanships-in-Office: the 23rd Meeting of the Council of Ministers of Foreign Affairs of the BSEC Member-States, 26 November 2010, Thessaloniki; the Meeting of the Ministers in charge of Tourism of the BSEC Member States, 15 November 2010, Athens; the 24th Meeting of the Council of Ministers of Foreign Affairs of the BSEC Member States, 8 June 2011, Bucharest; the Eighth Meeting of the Ministers of Interior of the BSEC Member States, 14 April 2011, Bucharest; the Meeting of the Ministers in charge

Ministers of Environment Protection of the BSEC Member States, 31 May 2011, Bucharest.

The Assembly elected Mr. Asaf HAJIYEV, Head of the Azerbaijan PABSEC Delegation, Mr. Rafgat ALTINBAYEV, Member of the Russian PABSEC Delegation, Mr. Enver YILMAZ, Member of the Turkish PABSEC Delegation, as Vice-Presidents of the Assembly, and Mr. Ioannis AMOIRIDIS, Member of the Hellenic PABSEC Delegation, as Vice-President of the Assembly in charge of Financial Matters, for a two-year term of office, starting from 2 July 2011.

The Assembly elected Mr. Kyryl TRETYAK (Ukraine), as PABSEC Secretary General for a term of office of three years, starting from 1 November 2011. The members also elected Mr. Svilen KRAYCHEV (Bulgaria) as Deputy Secretary General in charge of Organizational Matters for the term of office of three years starting from 1 January 2012; Mr. Murat BAKIR (Turkey) as Deputy Secretary General in charge of Administrative and Financial Matters for the term of office of three years starting from 1 January 2012 and Mr. Alexander KRIVENKO (Russia) as Deputy Secretary General in charge of Interparliamentary Relations and Protocol for the term of office of three years starting from 1 January 2012.

At the end of the Kyiv Session, the PABSEC term Presidency was taken over for the next six months by Mrs. Jozefina Topalli



Family photo at the 37th General Assembly of the Parliamentary Assembly of the Organization of the Black Sea Economic Cooperation in Kyiv.



## ACTIVITIES OF THE PABSEC COMMITTEES IN AUTUMN 2011

During autumn 2011, the three PABSEC Committees debated and drafted recommendations on topics of major importance for the countries of the Black Sea region.

### Meeting of the PABSEC Cultural, Educational and Social Affairs Committee in Baku addresses Lifelong Learning in BSEC Countries

The 37th Meeting of the Cultural, Educational and Social Affairs Committee was held on 29-30 September 2011, in Baku. The main subject on the agenda was "Lifelong Learning in the BSEC Member States". The Rapporteur on the Report was Mr. Alexandru MAZARE, Vice-Chairman of the Committee (Romania) and the Recommendation was presented by Mrs. Zhala ALIYEVA, Chairman of the Committee (Azerbaijan).

PABSEC recognizes that cooperation in the field of education positively contributes to further bilateral and multilateral cooperation and that education and training play a key role in the European integration process while promoting sustainable development, stability and prosperity in all BSEC Member States. Although the existing frameworks of lifelong learning development vary across the BSEC region, there are common challenges and opportunities regarding its development. Regional cooperation within BSEC and its Related Bodies through exchange of information and experience is of paramount importance to identify policy priorities and common strategies relevant to the region and its peoples. According to the Report, promoting multilingualism, information and communication technologies and mobility, while raising awareness of the benefits of continuous learning and personal improvement could attract and motivate more people to engage in lifelong learning processes.

During the meeting, Ms. Zhala ALIYEVA (Azerbaijan) was elected Chairperson of the Committee, while Mr. Alexandru MAZARE (Romania) and Mr. Resat DOGRU (Turkey) were elected Vice-Chairmen of the Committee, for a period of two years until September 2013.

The Thirty-Eight Meeting of the Committee will be held on 14-15 March 2012 in Chisinau. The main subject on the agenda will be "Child protection in the BSEC Member States: an assessment of recent developments". Mr. Muharbek DIDYGOV, Member of the Committee (Russia), was designated as Rapporteur.



Participants to the 37th Meeting of the PABSEC Cultural, Educational and Social Affairs Committee held in Baku.

### PABSEC Legal and Political Affairs Committee focuses on Implementation of Agreements among BSEC Member States on Combating Organized Crime at its meeting in Burgas



38th Meeting of the PABSEC Legal and Political Affairs Committee in Burgas.

The 38th Meeting of the PABSEC Legal and Political Affairs Committee was held in Burgas, on 14-15 September 2011. The main item on the agenda was "Implementation of the Agreements among the BSEC Member States on Combating Organized Crime". The Report was presented by Mr. Stoyan GYUZELEV, Member of the Committee (Bulgaria), and the Recommendation by Mr. Michael YEMELIANOV, Chairman of the Committee (Russia).

PABSEC expresses its deep concern over the negative economic and social implications related to organized criminal activities and is convinced to strengthen cooperation to prevent and combat such activities more effectively at the national, regional and international levels. Each country has a regional and international responsibility to establish necessary synergies and responses for efficient combat of organized crime. In this context, the Report recommends that the governments and parliaments of the BSEC Member States work individually and collectively to effectively contribute to combating organized crime in the region and in the world at large.

The 39th Meeting of the Committee is envisaged be held in Tbilisi, on 4-5 April 2012. The main subject on the agenda will be "Report on the PABSEC Regulations on Elections". Mr. Asaf HAJIYEV, PABSEC Vice-President, Member of the Committee (Azerbaijan) was designated as Rapporteur.

### Meeting of the PABSEC Economic, Commercial, Technological and Environmental Affairs Committee in Tbilisi discusses ways of improving taxation systems in BSEC Member States

The 37th Meeting of the PABSEC Economic, Commercial, Technological and Environmental Affairs Committee was held in Tbilisi, on 12-13 October 2011. Mr. Dimitar ATANASOV, Member of the Committee (Bulgaria), presented a Draft Report on the "Improvement of taxation systems in the BSEC Member States", while the Draft Recommendation on the same subject was presented by Mr. Gagik MINASYAN, Chairman of the Committee (Armenia).

PABSEC stresses that an effective taxation system constitutes one of the primary mechanisms for sustainable economic growth. Given that taxes are a major source of revenue, taxation requires careful consideration of the constituent elements of the tax system so as to protect the interests of the state and businesses alike. PABSEC emphasizes that the improvement of the taxation system demands an effective and stable taxation policy that would result in sufficient budgetary recharge and implementation of efficient social policies. Building a fair and efficient tax system, ensuring its clarity, predictability and stability are essential for improving business and investment activity, progress in the BSEC countries and integration of the economies of the Black Sea region into the European and world economy.

During the meeting, the members of the Committee re-elected Mr. Gagik MINASYAN (Armenia) as Chairman of the Committee, as well as Mrs. Jorgovanka TABAKOVIC (Serbia) and Mr. Giorgi GOGUADZE (Georgia) as Vice-Chairpersons of the Committee, for two-year terms until October 2013.

The next meeting of the Committee is expected to be held in Belgrade, on 29 February-1 March 2012. The main topic of the agenda will be "Perspectives of development of the vine-growing and wine-making sectors in BSEC Member States". Mr. Giorgi GOGUADZE, Vice-Chairman of the Committee (Georgia), was designated as Rapporteur.



Participants to the 37th Meeting of the PABSEC Economic, Commercial, Technological and Environmental Affairs Committee organized in Tbilisi.





## INTERNATIONAL CENTRE FOR BLACK SEA STUDIES (ICBSS)

### ICBSS HOSTS EVENT ON THE BLACK SEA AND CENTRAL ASIA ECONOMIC OUTLOOK

The ICBSS hosted on 30 May 2011, in Athens, an event on "Black Sea and Central Asia Economic Outlook: Evaluation of the present developments and new perspectives in a shifting-wealth world".

As the keynote speakers of the event Mr. Mario PEZZINI, Director of OECD Development Centre and Mr. Kiichiro FUKASAKU, Head of Regional Desks of OECD Development Centre presented the activities of the OECD DC in the field of economic

cooperation and development in the wider Black Sea and Central Asia region. Deputy Minister of Foreign Affairs of the Hellenic Republic Mr. Spyros KOUVELIS delivered a welcome address.

In her opening remarks, ICBSS Director General Dr. Zefi DIMADAMA presented the role and the work of the OECD Development Centre in the fields of work and well-being. The Director General also presented the role and contributions of ICBSS in the wider Black Sea area.



ICBSS hosting the Black Sea and Central Asia Economic Outlook event in Athens.



### ICBSS ORGANIZES WORKSHOP ON INNOVATION IN THE WIDER BLACK SEA

The ICBSS organized a Workshop on "Innovation in the wider Black Sea region: Policies and Structures" in the context of the EU co-funded project S&T International Cooperation Network for Eastern European and Central Asian Countries (IncoNet EECA) in Athens, on 15-17 June 2011.

The main objectives of this workshop were to present latest developments in innovation policies and regarding the European Commission's initiatives; to provide insight on successful innovation policies and activities in the countries of the Black Sea, including the establishment and operation of innovation related infrastructure such as technological parks and incubators; and to investigate concrete opportunities for regional cooperation in the field of innovation.

### SUMMER SCHOOL 2011 ON REFORMING PUBLIC ADMINISTRATION AND LOCAL GOVERNMENT



2011 Summer School, 18-23 September 2011, Vouliagmeni.

The 2011 Summer School on "Rescaling Government: Reforming public administration and local government", supported by EURA (European Urban Research Association) and EUROLOC was hosted and financially supported by the ICBSS.

This year's summer school took place on 18-23 September 2011 on the coastal zone of Athens, Vouliagmeni.

The 2011 Summer School aimed at organizing specialized courses for Ph.D. students whose research topics are related to the field of public policy and local government. Given the latest institutional reforms that have been made in countries such as Denmark and Greece, this year's Summer School put emphasis on the evaluation of territorial and functional reforms and the methodology used for this purpose.

Apart from the scientific exchange among Ph.D. candidates and tutors, the Summer School also sought to create linkages among the participants of different national and cultural backgrounds.



### 4TH INTERNATIONAL BLACK SEA SYMPOSIUM 2011 - YOUNG GENERATION OF BLACK SEA EXPERTS CONVENE IN VOULIAGMENI

The ICBSS hosted the 4th International Black Sea Symposium on "The Black Sea Region in Transition: New Challenges and Concepts" in Vouliagmeni, on 19-23 September 2011.

The 17 young professionals who participated in the event were researchers, academics, policymakers and students. They represented the countries of the Black Sea region, EU member states, the United States and Taiwan. They attended three days of sessions with 16 renowned experts presenting on topics such as security concerns, regional cooperation and sustainable development, and environmental governance. During workshops, participants made their own presentations guided by expert coordinators Dr. Nadia ARBATOVA, Head of the Department on European Political Studies, Institute for World Economy and International Relations of the Russian Academy of Sciences in Moscow and Dr. Vassilis MONASTIRIOTIS, Lecturer in the Political Economy of Southeast Europe, Hellenic Observatory,

European Institute at the LSE in London.

In her speech, the Director General of ICBSS Dr. Z. DIMADAMA emphasized that "the ICBSS fosters the dual concept of 'knowledge' and 'sustainability' that could gradually form the basis of a coherent long-term strategy for the Black Sea region, comprised of clearly defined priorities in different competitive sectors such as energy. The Director General also stated that "the ICBSS acknowledges the fact that the momentum is right to encourage the shift from 'government' to 'governance' in the area; based on arguing forms that will finally open a window to regional and inter-regional cooperations and new policy measures".

The International Black Sea Symposium project was launched in 2008 with the aim of contributing to dialogue, cooperation and understanding in the Black Sea region and beyond. It does so by providing a forum for study and networking in a multicultural and interdisciplinary environment to young professionals and international experts.



4th International Black Sea Symposium in Vouliagmeni, on 19-23 September 2011.

### CLIMATE CHANGE AND RENEWABLE ENERGY RESOURCES IN THE WIDER BLACK SEA AREA

The First Round Table Discussion on "Climate Change and Renewable Energy Resources in the wider Black Sea area," was organized jointly by the Center for Strategic Research under the patronage of the President of the Republic of Azerbaijan (SAM) and the ICBSS, within the framework of the "Hellenic-Azerbaijani Green Energy Network Forum" in Baku, on 8 July 2011.



Round Table Discussion on "Climate Change and Renewable Energy Resources in the wider Black Sea area" in Baku, on 8 July 2011.

At the initiative of Dr. Gulshan PASHAYEVA, Deputy Director of SAM and of Dr. DIMADAMA, Director General of the ICBSS, the "Hellenic-Azerbaijani Green Energy Network forum" aims to promote a regular dialogue between them for cooperation in the field of green energy, and to build up sustainable structures and networks for further collaboration within the wider Black Sea area.

The event focused on climate change, challenges for renewable energy sources and possibilities of mobilizing financial resources for adaptation to climate change. Speeches were delivered by the Minister of Ecology and Natural Resources of the Republic of Azerbaijan, Mr. Huseyn BAGIROV and the Deputy Director of the

Center for Strategic Studies, Dr. Gulshan PASHAYEVA.

In her speech, Dr. DIMADAMA noted that the countries of the Black Sea region need to implement multilateral environmental agreements and to establish a more strategic environmental cooperation in the area. Moreover, she stressed the significance of cooperation between the EU and the Black Sea countries in order to develop strategies, policies and legal frameworks for environmental protection. "Environmental governance can be a vehicle to cope with the negative impacts of climate change, overcoming inefficiency and fragmentation, leading towards a more balanced energy security model, based on the new vision of 'greening' the Black Sea Area", Dr. DIMADAMA pointed out.

A Second Round Table Discussion on "Energy Cooperation and Environmental Protection in the wider Black Sea area" is planned to take place in Athens, in November 2011.

### SELECTED ICBSS PUBLICATIONS

- Policy Brief No. 22, June 2011, Notes on the Margins A Longer View: Reflections about the Future, by T. JAPARIDZE.
- Policy Brief No. 23, July 2011, Food Security, Human Security and the Black Sea: The Instructive Case Study of 2010-2011 Events, by Ilia ROUBANIS and Zefi DIMADAMA. (For free downloads visit [www.icbss.org](http://www.icbss.org).)



## BSEC BUSINESS COUNCIL (BSEC BC)

### 40TH MEETING OF THE BOARD OF DIRECTORS OF THE BSEC BUSINESS COUNCIL CONVENES IN BUCHAREST

The 40th Meeting of the Board of Directors (BoD) of the BSEC Business Council was held in Bucharest at the premises of the Chamber of Commerce and Industry of Romania, on 24 June 2011.

Representatives of the BoD Members from the capitals and the Embassies participated in the meeting. Mr. M. DARABAN, Vice President of the Romanian Chamber of Commerce and Industry who chaired the meeting, Mr. S. TINCA, Director General from the Ministry of Foreign Affairs of Romania, H.E. Ambassador Leonidas CHRYSANTHOPOULOS, Secretary General of BSEC PERMIS and Mr. Barry KOLODKIN, Manager of the UNDP Black Sea Trade and Investment Promotion Programme also attended the meeting, welcoming the participants and stressing the importance of the BSEC BC to the business cooperation in the region. The BSEC BC Secretary General reported on the activities of the International Secretariat and the efforts undertaken last year to institutionalize cooperation with strategic partners for implementing projects of mutual interest.

### NEW WEBSITE FOR THE BSEC BC INTERNATIONAL SECRETARIAT

With reference to the introduction of the new information and communication system of the BSEC BC International Secretariat, a new official website ([www.bsec-bc.org](http://www.bsec-bc.org)) is currently under construction and will be initiated soon. The main e-mail address to contact the BSEC BC International Secretariat is [secretariat@bsec-bc.org](mailto:secretariat@bsec-bc.org).

### ESTABLISHMENT OF GREEN BUSINESS NETWORK IN THE BSEC REGION



The project titled "Green Business Network in the BSEC region" was approved for co-financing by the BSEC Hellenic Development Fund. The project is being implemented by the BSEC BC International Secretariat, in partnership with the Hellenic Organization of Small and Medium Sized Enterprises and Handicraft (EOMMEX). The proposed network is envisaged to be the first, most inclusive and diverse in the region, extended to all BSEC Member States, with a multi-stakeholder focus mainly on enterprises, business organizations and state organizations in charge of SMEs and green entrepreneurship.

The network could function as a direct communication platform for businesses, state authorities and policy makers and enable to advance the initiatives of the private sector, public policies, technological and research innovation and the civil society's debate towards green entrepreneurship.

The project intends to highlight the importance of the clean energy market, including the renewable energy sources and energy efficiency in the wider Black Sea area and to mobilize the business community and the state authorities towards initiatives and investments for the benefit of the national and regional economies, while increasing public awareness on the issues of a sustainable and more ethical economy.

Actions of the project focus mainly at local-country level and are in process. Business community, state authorities, universities and civil society initiatives are invited to participate to the network's actions and activities. Concrete information per country will be communicated soon.

### CREATING "ATALANTA: THE WOMEN ENTREPRENEURS NETWORK IN THE BLACK SEA REGION"

A project proposal under the title "ATALANTA: The Women Entrepreneurs Network in the Black Sea region " was finalized and submitted for funding to the 2nd Call for Proposals of the EU Black Sea Basin Joint Operational Program 2007-2013. The project proposal based on an idea launched by the BSEC BC is presented in partnership with numerous women organizations from several BSEC Member States. The main objective of the project is to establish, through networking activities, a cross boarder partnership, community participation and connectivity for the development of the women entrepreneurship, by raising the public awareness, supporting women empowerment and providing new economic and social opportunities.



### E-LEARNING/E-TRAINING FOR BUSINESS PEOPLE IN BSEC COUNTRIES

The BSEC BC International Secretariat is elaborating the implementation of a variety of target-oriented educational projects for business people using advanced e-learning technologies, in cooperation with local universities and business organizations. The projects will offer periodically integrated online seminars and workshops aiming to enhance professional skills, give easy access to information on the institutional framework and the real market conditions for business development. Interest to participate in this initiative has been already expressed by various universities from Greece, Russia, Turkey and Ukraine, while the objective is to include at least one university from each BSEC Member State.

## BSEC PROJECT DEVELOPMENT FUND (PDF)

The Seventeenth Meeting of the Steering Committee of the BSEC Project Development Fund was held in Istanbul, at the BSEC Headquarters, on 23 March 2011.

The Committee considered the state of affairs with regard to the implementation of the resolutions, decisions and recommendations of the Council, the assessment by the Working Groups of accomplished projects and sustainability of the PDF resources and took a number of decisions in this regard.

The Team of Partners on the PDF project "Renewable Energy Sources (RES)" made a presentation of the Mid-term report on the progress achieved. The Steering Committee appreciated the work done by the Team.

The Steering Committee also approved a new PDF Application "Technology Transfer Network for BSEC Region" submitted by Armenia (Lead Partner), Greece and Romania.

More information on the PDF is available at [www.bsecprojects.com](http://www.bsecprojects.com).



## BSEC-HELLENIC DEVELOPMENT FUND (BSEC-HDF)

A total of 20 standard grant applications from 47 partners in 10 BSEC Member States were submitted in response to the BSEC HDF Call for Proposals on Renewable Energy Sources.

The BSEC-HDF Committee, taking into consideration the technical evaluation from an independent expert, approved the six top ranking applications and allocated grants totaling 400,000 Euros. The said six projects are:

1. "Greening Public Buildings in Azerbaijan: Promotion of Energy Efficiency Materials and Technologies" submitted by the Center for Renewable Energy Sources & Savings (CRES - Lead partner, Hellenic Republic) and the State Agency for Alternative and Renewable Energy Sources of the Republic of Azerbaijan (Republic of Azerbaijan). Grant 85,000 Euros.
2. "Green Cluster of Knowledge Institutions of Black Sea: A Roadmap on Renewable Energy Sources and Energy Efficiency

for Research and Academic" submitted by the International Centre for Black Sea Studies (ICBSS, Lead partner), the Marmara Research Center of the Scientific and Technological Research Council of Turkey (TUBITAK MAM, Republic of Turkey) and the University – Higher School of Economics (Russian Federation). Grant 51,000 Euros.

3. "CHILDREN: A new hope for Renewable Energy and a Better Place to Live" submitted by DQS Hellas Ltd (Hellenic Republic), the Municipality of Apsropyrgos (Hellenic Republic), the Municipality of Livadhja (Republic of Albania) and Ecotecnica Constructions & Development Co. (Hellenic Republic). Grant 86,000 Euros.

4. "EESS-ENERGY EFFICIENCY FOR A SMART SCHOOL" submitted by Beyaz Gemi Eğitim Danışmanlık Yayıncılık, Organizasyon, Bilgisayar, Pazarlama, Ticaret Ltd.St. (Lead partner, Republic of Turkey), the Istanbul Governorship, Istanbul Project Coordination Unit (IPKB, Republic of Turkey), the Environmental

& Energy Engineering Consultancy (kartECO, Hellenic Republic), and the Center for Energy Efficiency (EnEffect, Republic of Bulgaria). Grant 77,500 Euros.

5. "Green Business Network in the BSEC region" submitted by the BSEC Business Council and the Organization of Small and Medium Sized Enterprises and Handicraft (EOMMEX SA, Hellenic Republic). Grant 51,000 Euros.

6. "Technological Systems based on the utilization of water kinetical energy for rural consumers (TESUWKERC)" submitted by the Technical University of Moldova (TUM-Lead partner, Republic of Moldova) and the "Stefan cel Mare" University of Suceava (Romania). Grant 50,000 Euros.

More information on the BSEC-HDF is available at [www.bsecprojects.com](http://www.bsecprojects.com) or by sending e-mail to [kzaimis@bsec-hdf.org](mailto:kzaimis@bsec-hdf.org).