

PARLIAMENTARY ASSEMBLY OF THE BLACK SEA ECONOMIC COOPERATION
PABSEC

THE TENTH PLENARY SESSION OF THE GENERAL ASSEMBLY

Doc.: GA 3466/97

RECOMMENDATION 23/1997¹

Harmonisation of Foreign Trade Regimes in the BSEC Participating States

1. The Assembly reaffirms its commitment to the principles and objectives embodied in the Summit Declaration and Bosphorus Statement of 25 June 1992, in particular: “taking into consideration the potential of the Participating States and ... confirm the intention to the establishment of a Europe-wide economic area, as well as to the achievement of a higher degree of integration developed in a manner not contravening their obligations and not preventing the promotion of the relations of the Participating States with third parties, including international organisations as well as the EC and the cooperation within the regional initiatives”
2. The Assembly, being aware of the common commitment of the BSEC countries to diversify and develop the existing economic relations towards freer trade and to boost establishment of the BSEC free trade area, recalls the relevant documents adopted within the BSEC framework:
 - *The Final Declaration of the Moscow Meeting of Heads of State or Government* held on 25 October 1996 stressing that “BSEC shall accelerate the introduction of a regime of mutual trade preferences between the BSEC Participating States and examine in 1997 possibilities for creation in the BSEC region of a free trade area”;
 - *The Resolution of the Eighth Meeting of the Ministers of the Foreign Affairs of the BSEC* held on 25 October 1996 expressing their determination to increase the pace of multilateral economic cooperation in the BSEC region in the light of the provisions of the Declaration of the Moscow Meeting of the Heads of State or Government of the BSEC Participating States;
 - *The Declaration of Intent for the Establishment of the BSEC Free Trade Area* adopted by the *Special Meeting of the Ministers of the Foreign Affairs of the BSEC Participating States with the participation of the Ministers responsible for Economic Affairs* (Istanbul on 7 February 1997) stating that “it is timely to start the examination of the ways and means to establish progressively a BSEC Free Trade Area as part of the European architecture through free trade agreements between the members of the BSEC ... duly observing the obligations resulting from the EU and WTO, and other international organisations and agreements”;

¹ Assembly debate on 10 December 1997 (see Doc.: GA 3465/97, Report of the Legal and Political Affairs Committee “Harmonisation of Foreign Trade Regimes in the BSEC Participating States” discussed in Tirana on 15-16 October 1997; Rapporteur: Mr. Eduard Yegorian - Armenia)

Text adopted by the Assembly in Chisinau on 10 December 1997

3. The Assembly, further recalls its Recommendations in the trade and trade related fields: Recommendation 2/1994 on Legislative Harmonisation among the BSEC Participating States; Recommendation 1/1994 and Recommendation 20/1997 on the Improvement of Customs Regulations among the BSEC Member Countries; Recommendation 7/1994 on Visa Facilities between the PABSEC Member Countries; Recommendation 9/1995 on Development of Cooperation in the field of Banking and Finance; Recommendation 13/1996 on Cooperation in Transportation among the BSEC Member Countries; Recommendation 16/1996 on Development of Cooperation in the Field of Trade and Business and Recommendation 22/1997 on BSEC Free Trade Area: Part of New European Architecture;
4. The Assembly stresses the need of closer cooperation between the BSEC Participating States in order to achieve greater efficiency in market development, harmonisation of foreign trade regimes and expresses its full confidence that expansion of trade without barriers will become a key to common prosperity and raising standards of living of the Black Sea nations.
5. **The Assembly recommends** the Parliaments and the Governments of the PABSEC Member Countries:
 - i. to work individually and collectively to provide consistent support to the establishment of the BSEC Free Trade Area;
 - ii. to expedite the process of modification of the existing trade legislations with a view to establishing a complex and effectively operative legal framework compatible to the international standards;
 - iii. as a first tool for harmonisation to accelerate the process of accession to the World Trade Organisation and to endorse full implementation of the fundamental rules of the GATT/WTO as well as trade agreements under Uruguay and Tokyo Rounds;
 - iv. to give all possible assistance at the national and regional levels to the process of harmonisation of foreign trade regimes with a view to equalise them to the parameters set out in the WTO agreements;
 - v. to cooperate fully with European Union (EU) under the PHARE and TACIS programmes as well as to establish regular liaison with the main international organisations dealing with international trade: the Organisation for Economic Cooperation and Development (OECD), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Commission on International Trade Law (UNCITRAL), the United Nations Economic Commission for Europe, and international financial bodies like the World Bank, European Bank for Reconstruction and Development and the International Monetary Fund;
 - vi. to pursue the process of gradual harmonisation and convergence of legislations, regulations and technical provisions used by the countries in the region always taking into account the local and subregional needs and conditions;
 - vii. to extend special attention to the situation of the economies which have not reached a certain development level, as well as of those whose markets are limited, while maintaining objectives of eventual elimination of obstacles to market access.
 - viii. to give priority to strengthening regulations in the areas for immediate attention such as tariffs and non-tariff barriers and to establishment of tariff regimes compatible to international standards;

- ix. to identify existing tariffs and non-tariff barriers to trade, to work on their gradual elimination and make a commitment not to erect new barriers to trade;
- x. to fine-tune all customs procedures and coordinate customs operations taking as reference international instruments under the International Chamber of Commerce (ICC) and World Customs Organisation (WCO), such as: International Convention on Simplification and Harmonisation of Customs Procedures (Kyoto Convention); Convention on Nomenclature for Classification of Goods in Customs Tariffs; Convention on the Valuation of Goods for Customs Purposes; Convention on the Harmonised Commodity Description and Coding Systems; Customs Convention on the ATA Carnet for the Temporary Admission of Goods; Customs Guidelines of the International Chamber of Commerce; Unified System of Trade Samples of the International Chamber of Commerce;
- xi. to enact legislation aiming at relaxing protectionist provisions which hamper to a great extent trade relations between the BSEC States.
- xii. to harmonise standards and technical regulations by making them consistent with the international quality management systems such as ISO 9000 and World Trade Organisation Agreements on Technical Trade Barriers and Sanitary and Phytosanitary Measures.
- xiii. to ensure full involvement and support of the BSEC-related bodies such as the Black Sea Business Council, Black Sea Economic Cooperation Coordination Centre for the Exchange of Statistical Data and Economic Information, Black Sea Trade and Development Bank, Centre for Small and Medium Enterprises and International Centre for Black Sea Studies in the process of constructing free trade area.
- xiv. to consider setting up of a group of experts, within the framework of a Plan of Action for the Implementation of the BSEC FTA.

The mandate of the group given by the MMFA shall cover compiling of a solid basic information, gathering statistics and standards, making systematic comparison, identifying areas of immediate remedies and building a common databank in order to secure direct access to the commercial information between the member countries to ensure thorough familiarity with the trade systems and practices.

6. **The Assembly invites** the BSEC Meeting of the Ministers of Foreign Affairs to consider this Recommendation.