

Doc.: GA32/EC31/REC104/08

RECOMMENDATION 104/2008*

“World Trade Organization and the economic development of the BSEC member states”

1. The Parliamentary Assembly of the Black Sea Economic Cooperation places particular importance on the trade liberalization and integration of the regional market and, in its turn, on adjusting to the WTO rules, which are a unique and comprehensive mechanism in regulating trade relations between countries.
2. The PABSEC positively evaluates an increase in the number of WTO Member States to the Black Sea region contributing to the establishment of a predictable and stable trade regime that is necessary for the sustainable economic development and prosperity of the BSEC member states. Continuing cooperation between the member states and WTO promotes the facilitation of economic reforms, as well as their access to world markets.
3. The Assembly realizes that integration in the WTO rules offers certain economic challenges for the BSEC member states in the field of the protection of domestic production, competitive rules, and providing subsidies and price policy in strategic sectors, such as agriculture, energy, and textiles. In this context, the Assembly supports

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Assembly debate on 4 November 2008 (see Doc.: GA32/EC31/REP/08, Report of the Economic, Commercial Technological and Environmental Affairs Committee “World Trade Organization and the economic development of the BSEC member states” discussed in Baky, on 9 September 2008; Rapporteur: Mr. Musa Guliyev – Azerbaijan)

Text adopted by the General Assembly in Chisinau on 4 November 2008.

the elaboration of more flexible mechanisms for the WTO, taking into account specific features pertaining to the economies of the BSEC member states. Additionally, the Assembly emphasizes that unresolved political conflicts seriously impede the economic integration of the region that is incompatible with the WTO principles.

4. The Assembly recalls its Recommendations 37/1999 on “Trade development in the Black Sea region” and 59/2002 on “Economic integration in the BSEC region: Current State and Future Prospects”, acknowledging the significance of establishing a legal framework favorable to free trade through a gradual elimination of obstacles and restrictions in customs and trade regulations, as well as reiterating its firm stand on the creation of a harmonized trade mechanism in the region in compliance with the WTO principles and other internationally recognized principles.

5. The PABSEC supports the activity of the BSEC aiming at closer cooperation with the WTO, including the activity of the BSEC Working Group on Trade and Economic Development, and particularly emphasizes the Declaration on the Occasion of the 15th Anniversary of the BSEC adopted on 25 June 2007 stipulating that the Heads of Member States and Governments “reaffirm their devotion to jointly devised initiatives that would help remove trade barriers, in conformity with the objectives set out in the Doha Development Agenda of the WTO, and to further facilitate trade through concluding legal instruments that would lead to the gradual harmonization of trade legislation and customs procedures in the BSEC region.”

6. The PABSEC is of opinion that in perspective it is possible to re-consider the implementation of the Declaration of Intent for the establishment of a BSEC Free Trade Area and provisions of its Plan of Action, and, if necessary, to elaborate a mechanism for a more realistic approach to the Declaration.

7. The Parliamentary Assembly is aware that the successful result of the negotiations on the Doha Round would be a crucial factor in terms of effectiveness of WTO policy in the future and expresses its hope on their resumption and on achievement of positive agreements. In this connection, the Assembly considers the possibility of contribution at the parliamentary level to the successful completion of the Doha Round.

8. The Assembly fully supports the initiatives of the Republic of Turkey in establishing an appropriate mechanism for elimination of non-tariff barriers on trade in the BSEC region and project proposal “Black Sea Economic Cooperation Trade Center” forwarded in its capacity as Country Coordinator of the Working Group on Trade and Economic Development.

9. Therefore, the Assembly recommends the Parliaments and the Governments of the BSEC Member States:

i) *to continue* the adjustment of national legislation to the WTO rules and multilateral trade principles with elaboration of supplementary regulations aimed at facilitating this process;

ii) *to facilitate* the process of adopting basic Doha Round agreements, with the view of improving trade-related sectors, ensuring the coherence of sectoral policies and effective implementation of these agreements;

iii) *to intensify* the gradual elimination of trade barriers with the aim of the further liberalization of trade, including the simplification of customs procedures and the tax regime;

iv) *to develop* an infrastructure necessary for free movement of goods and services in accordance with the WTO rules and principles, especially in the field of transportation;

v) *to strictly observe* the rules of environmental protection with regard to the export-oriented production and manufactured goods in general;

vi) *to promote* facilitation of the WTO accession negotiations of the candidate countries;

vii) *to cooperate* more closely with the non-governmental organizations in order to enlighten civil society on the role of the WTO in the economic development of countries and on the possible co-current economic challenges, as well as to increase the participation of NGOs in relations with WTO;

viii) *to speed up* the adoption of the Plan of Action of the BSEC Working Group on Trade and Economic Development containing the issue of non-tariff barriers on trade and measures to remove them, trade facilitation through various means, realization of joint projects and programs with interested organizations and expanding cooperation with the WTO;

ix) *to enhance* cooperation at the parliamentary level with the WTO by means of coordinating activities with the Parliamentary Conference of the WTO, in the context of both bilateral relations and Parliamentary Assembly of the BSEC.

10. The Parliamentary Assembly invites the BSEC Council of Ministers of Foreign Affairs to consider this Recommendation.