



PARLIAMENTARY ASSEMBLY OF THE BLACK SEA ECONOMIC COOPERATION
P A B S E C

Doc.: GA22/LC22/REP/03

THE TWENTY SECOND PLENARY SESSION OF THE GENERAL ASSEMBLY
LEGAL AND POLITICAL AFFAIRS COMMITTEE

REPORT^{*}

THE BLACK SEA REGION WITHIN THE CONTEXT OF THE ENLARGEMENT OF THE EUROPEAN UNION

Rapporteur: Mr. Necdet Budak (Turkey)

^{*} *Text considered by the Twenty Second Meeting of the Legal and Political Affairs Committee in Rostov-Don on 15 October 2003 and approved by the Twenty Second General Assembly in Bucharest on 9 December 2003.*

INTRODUCTION

The Legal and political Affairs Committee at its Twenty First Meeting in Yerevan on 2 April 2003, being of the opinion that the enlargement of the European Union towards the South-East embracing some Black Sea countries is an important development affecting the cooperation in the Black Sea region deemed expedient to take up this subject at its next meeting.

To this end, the Twenty Second meeting of the Committee in Rostov-Don on 15-16 October 2003 discusses “the Black Sea region within the context of the enlargement of the European Union” with a view to elaborate the Report and the Recommendation for the Twenty Second Plenary Session of the General Assembly in Bucharest in December 2003.

The Report benefited from the contribution by the national delegation of Romania. In addition, the reference material has been obtained from the official Internet sites of the related national or international agencies.

I. THE BLACK SEA REGION WITHIN THE CONTEXT OF THE ENLARGEMENT OF THE EUROPEAN UNION

1. Never over the past history has Europe been enlarged on such a large geographic scale as it is under the current schedule. Given the number of acceding candidates, the area and population and the wealth of different histories and cultures, the present enlargement is the principle challenge facing all the components in the EU – the institutions, the member states and the candidate countries.
2. The invitation of the EU to the Central and Eastern European countries to join the European Union has been part of the EU policy since the 1993 Copenhagen European Council portending substantial increase in the geographic size and population – the EU will grow from its current fifteen members to twenty-seven with population jumping from the current 324 million to close to 500 million citizens. Three essential conditions for accomplishing the accession of new member states has been set out by the EU including compliance of the candidate countries with the accession criteria¹, institutional reform and financial framework.

¹ Copenhagen Criteria require that the candidate country achieves (1) stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities; (2) the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union; (3) the ability to take on the obligations of membership including adherence to the aims.

At its meeting in Madrid in 1995, the European Council stressed the need for the candidate states to adjust their administrative structures to ensure harmonious operation of Community policies after accession and that incorporation of the *acquis* into legislation is necessary, but not in itself sufficient if not ensured their actual application. The Feira and Gothenburg European Councils in 2000 and 2001 respectively confirmed the vital importance of the applicant countries’ capacity to implement and enforce the *acquis*, and added that this required important efforts by the applicants in strengthening and

3. Due to the substantial difference between the development pace of the members and the candidate countries, the new and enlarged European Union is emerging as a heterogeneous confederation of the states. It shall include lower-income countries with lower per capita GDP than it is its present level. The transition reforms at different speeds moving from authoritarian regimes to parliamentary democracy and from a planned to a market economy leads to a gap in living standards and in the levels of economic performance between the EU members and the prospective member countries.
4. The differences between the EU border regions with the candidate and neighbour countries in terms of socio-economic development generates various concerns within the EU. There is a specific issue on how to bring together as harmoniously as possible the enlarging European Union and the rest of Europe. That is why the current policies in the EU have been directed for elimination of possible dividing lines on the European continent – the draft Constitution currently prepared by the European Convention reshaping the European Union and recent debates on wider Europe and new neighbourhood policies.
5. Following the enlargement, with the prospect of Bulgarian, Romanian and Turkish accession, the future border of the EU will come to the Black Sea region occupying substantial part of the Black Sea coastline. To this end, cooperation between the EU and the BSEC in various fields shall become inevitable but rather complicated task due to existing status of the BSEC countries with the EU, current bilateral commitments, different approaches, policies, legal bases and financial instruments. According to the status of bilateral relations with the EU the BSEC countries can be grouped as follows: Greece - full EU member state; Bulgaria and Romania - having Europe Agreements; Turkey - having Association Agreement; Albania – preparing for the Stability and Association Agreement; Armenia, Azerbaijan, Georgia, Moldova, Russia and Ukraine having Partnership and Cooperation Agreements. At the same time, according to the concrete commitments towards the EU membership the BSEC countries may be divided into three categories – ‘candidate states in negotiation’ (Bulgaria and Romania), ‘candidate states not yet in negotiation’ (Turkey) and ‘future candidate states with a perspective of membership’ (Balkan countries including Albania).
6. All the BSEC countries receive economic and technical assistance from the EU although the distinction between the programmes and the allocated amounts to the different countries vary substantially. The pre-accession policies for EU candidate states are much more generous financially than for other categories of states. Following the accession of the first ten new member states, pre-accession assistance for the remaining candidate countries – Romania, Bulgaria as well as Turkey will be significantly reinforced. For Bulgaria and Romania, assistance will progressively increase to reach the level of an additional 40% in 2006, compared to the average

reforming their administrative and judicial structures. This is a prerequisite of the mutual trust required by EU membership.

assistance for these two countries under PHARE/ISPA/SAPARD² in the period 2001 to 2003. For Turkey, total assistance will be substantially increased from 2004 and by 2006 will be at least double its current level. The PHARE programmes, as a framework of the pre-accession instrument in the candidate countries support cross-border cooperation with member states and between the candidate countries. For the period 2004-2006, the geographical scope of PHARE cross-border cooperation programme will be extended to cover the external borders of Bulgaria and Romania overlapping the rest BSEC countries. The non-candidate states of South East Europe, including Albania, are beneficiaries of the CARDS programme for financial and technical assistance aimed at reconstruction and stabilisation of the region, creation of institutional and legislative frameworks, sustainable economic development, market-economy oriented economic reform and social development. The technical assistance programmes through TACIS are designed for the CIS countries which compared to the needs are rather insufficient for remedying growing socio-economic gap not only with the EU member states but even with the candidate countries. It is scheduled that in the 2000-06 enlargement candidates will receive almost €1200 per capita, Western Balkan countries – €200, while the CIS countries – €13 on average.

7. For the EU candidate countries, including also the three BSEC states, the activation of the assistance programmes has reduced economic disparities and promoting widespread approximation of relevant laws with the EU legislation. The strong attraction of EU membership provides powerful incentive for domestic reforms consolidating political and economic stability and sustained economic growth. The ambitious reforms under the EU guidance in aligning national legislation to the European *acquis* are furthered.
8. Following the EU accession negotiations substantial progress has been achieved by Bulgaria. Positive developments are noted in the fight against corruption including the adoption of an action plan to implement the National Anti-Corruption Strategy with revisions to the legislative framework and the adoption of a Strategy for Modernisation of the State Administration to ensure an efficient, transparent and accountable public administration. Sustained economic growth is at an average of almost 4% since 1998. Bulgaria was successful in restructuring the spheres of banking, investment, employment, privatisation and liberalization, etc. The conditions for business in Bulgaria have improved. Trade integration of the Bulgarian economy has increased. In the course of the abolition of tariffs in the context of the Europe Agreements, the EU has become Bulgaria's most important trading partner, the value of merchandise trade with the EU accounting for more than half of total exports and almost half of total imports. Reforms were started in 2002 to improve the functioning of customs offices, which lack the administrative capacity required for an open trade policy because of complicated and inconsistent procedures. Bulgaria has continued to make progress in aligning transport legislation with the *acquis* and has stepped up progress in reforming the energy sector through a national energy strategy.

² PHARE – Assistance for Reconstructing Economies - Community Programme for the Central European candidate countries; ISPA – Instrument for structural policies for pre-accession; SAPARD – Special Assistance Programme for agricultural and rural development;

9. As for Romania, the progress towards establishing a functioning market economy has been made keeping the engaged economic reform path. Some significant gains on macroeconomic stabilisation have been achieved over the last years. Considerable progress has been made on the creation of the necessary market institutions. In 2003, the Government updated the “Priority Action Plan for EU Accession for the year 2003”. The Action Plan brings together the objectives and the measures foreseen in the Accession Roadmap for Romania, the programmatic documents jointly elaborated and assumed by the Romanian authorities and the European Commission, and also in the Governmental Action Plan and in the sectoral plans adopted by the Government. The “Priority Action Plan” has been built upon 11 current priorities of the process of European integration – accelerating public administration reform; strengthening the administrative capacity; judiciary reform; restoring property rights and improving the juridical circulation of land; fulfilling the economic criterion regarding the existence of a functioning market economy; fighting against corruption; regulating the child protection system; alleviating poverty; consolidating the political criteria for accession; developing the financial services sector and improving the business environment; enhancing the capacity to assume the obligations of membership.
10. The decision on the candidate status of Turkey in Helsinki in 1999 has encouraged Turkey to introduce a series of fundamental reforms. Turkey is determined to finalize pending legislative measures and intensify its efforts towards the implementation of the reforms adopted in the context of the political criteria. The objective is to fulfill its commitments and that the accession negotiations commence at the latest by the end of 2004. The major constitutional reform was introduced in 2001 aimed at strengthening guarantees in the field of human rights and fundamental freedoms. A new Civil Code has been adopted. Until present seven reform packages were passed by the parliament. The reform of the judicial system continues. Turkey has made substantial progress in the areas such as the banking sector, telecommunications, energy and agriculture. The financial sector has been restructured and administrative capacity in this field has been streamlined. The current reform programme is producing positive results and growth has resumed. Fiscal discipline has improved and the transparency of public sector accounts has increased markedly, while inflationary pressures are declining. Turkey has further advanced in the areas of internal market and has achieved a good degree of legislative alignment in this respect. In May 2003 the EU Council took decision on the principles, priorities, intermediate objectives and conditions contained in the Accession Partnership with Turkey outlining the comprehensive short and medium term tasks in the fields of meeting economic criteria, free movement of goods services capital, competition, agriculture, transport, taxation, statistics, social policy, SMEs, Information technology, environment, etc.
11. The ongoing enlargement process of the EU further increases challenges and opportunities for the BSEC region. As the EU enlargement represents a real contribution to world peace, security and prosperity at a time of great international tension, internalization of the political and economic criteria leading to a political stability and sustained economic growth becomes beneficial to the whole continent. The stable, open and pluralistic democracy governed by the rule of law underpinning a prosperous market economy with modern political, economic, social and administrative structures are the objectives sought by the BSEC countries. The

European Union standards and norms are taken as a basis when the BSEC countries tailor their policies for improvement of economic management, strengthening political institutions and sustainable development. On the other hand, credible and predictable path for the Black Sea countries towards integration with the EU through the EU policies towards the non-member countries such as customs union or single market generate expectations and provide a strong stimulus to reform and cooperate.

12. Over the last years the BSEC countries have significantly fostered economic integration process and created a solid framework for the conduct of economic policies. Substantial success has been reached in complex process of transition and restructuring. Comprehensive measures were taken towards transformation into the market-led democracies, open political systems, strong civil society and efficient institutional infrastructure. The reforms embraced the priority fields for further integration as trade, border-crossing, transportation, investment, banking, energy, environment, property, administration, judiciary, production, technologies, etc. Yet, big variety in the levels of the national economic development, reform programmes and pace of economic growth further deepens the already heterogeneous character of the Black Sea region in terms of development levels and with the candidate countries integrating into the EU, more obvious becomes the picture of differences in living standards.
13. In order to secure proper cooperation with the new neighbours on the new frontiers as well as inclusion of the new member states, the EU has been preparing specific policies parallel to the enlargement negotiations. Multilateral regional initiatives also embracing individual BSEC states play important role in this respect – the Northern Dimension in North West Europe, Stability Pact for South Eastern Europe and the Barcelona Process in the Mediterranean. Each initiative differs from a financing point of view and addresses one particular geographical region but differentiates three political categories of the countries – the EU member states, the EU accession candidates and the other states.
14. If characterised briefly, the EU Northern Dimension initiative was launched in 1997 for eleven countries in the Northern Europe (including Russia). An explicit objective of the Northern Dimension concept is to increase prosperity, strengthen security and resolutely combat threats through coordinating various EU programmes mainly in the fields of infrastructure, transport, energy, telecommunications, environment, nuclear safety, education, research, training, public health, social administration, cross-border cooperation, trade, fight against organised crime. The Northern Dimension has the advantage of four rich Nordic countries and the EU funds supporting the EU frontier regions and the accession candidate states. Additionally, European Investment Bank has opened loan and Commission grants funds for the environmental projects.
15. The Stability Pact for South Eastern Europe was launched in 1999 and differs from the other regional initiatives including the G8 countries like Japan, US, Canada that are located beyond the wider European area as well as the international organisations and financial institutions. It also includes seven BSEC countries except Armenia, Azerbaijan, Georgia and Ukraine. The Stability Pact aims to create a stable regional order following the wars in the Balkans and as an intermediary stage pending progressive integration of the whole region into the European Union. The Stability

Pact is well developed institutionally with its Regional Table (a forum for high-level officials), three sectoral Working Tables (security, economics, human dimension) and numerous specialised task forces. The Stability Pact region benefits from substantial EU programmes for the accession candidates, the CARDS, as well as substantial support from bilateral donors and the international financial institutions.

16. The Barcelona Process is a framework for the Euro-Mediterranean Partnership designed for bilateral and multilateral relations between the EU and its 12 Mediterranean partners (including Turkey) has been initiated in 1995. The Barcelona Process pursues broad aims including setting up of a common area of peace and stability and the establishment of a Euro-Mediterranean free trade area. The Barcelona Process has a substantial budget line of its own MEDA programme (second biggest EU external relations programme worth approximately €1 billion per year) from the EU budget, as well as loan funds from the European Investment Bank.
17. With the growing impact of globalisation processes the European Union can not distinguish its external relations solely from the viewpoint of its internal power. Strong, stable and secure neighbourhood is what the European Union targets enhancing its relations with the neighbouring countries ensuring stability and prosperity around the EU bringing the countries closer together. As a logical consequence of the EU enlargement in its Communication “Wider Europe”³, the Commission proposed that the European Union should aim to develop a zone of prosperity and a friendly neighbourhood with whom the European Union enjoys close, peaceful and cooperative relations. The EU is committed to sharing the advantages of enlargement with the neighbours of the Union through creation of a shared economic and social space on the European continent.
18. A comprehensive Wider Europe policy on a new neighbourhood, developed to confront global challenges and maintain peace and stability on the continent, represents a coherent approach of an enlarged Union to the neighbouring countries through the mix of bilateral and multilateral activities and is currently higher on the policy agenda of the European Union and the European Parliament. The framework of the Wider Europe implies continuing process of expansion of the European Union and the prospects and incentives for membership in a long time perspective. This proximity policy focuses mainly upon the strategic challenges in the relationship between the enlarged European Union with its land and sea border neighbours in north, east and south overlapping the BSEC region.
19. One of the main elements for materialisation of the Wider Europe concept is creation of a new Neighbourhood Instrument in the framework of the PHARE, TACIS, CARDS INTERREG and MEDA programmes⁴. A new Neighbourhood Instrument is designed to proceed in two separate phases. An initial phase from 2004-2006 focuses

³ Communication from the Commission to the Council and the European Parliament – “Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours”, Brussels, 11.03.2003 – to be discussed in details as a separate item on the Agenda.

⁴ INTERREG – Community financial instrument established in 1999 concentrating on promoting cross-border, trans-national and inter-regional cooperation among the member states and neighbouring countries encouraging harmonious, balanced and sustainable development; MEDA – Mediterranean Assistance Programme.

on significantly improving coordination between the various financing instruments concerned within the existing legislative and financial framework. In a second phase, for the period after 2006, a new legal instrument addressing the common challenges identified in the Wider Europe Communication shall be proposed. In the initial phase, particular pre-accession needs of Bulgaria and Romania are fully taken into account. A second phase shall combine both external policy objectives and internal economic and social cohesion. The neighbourhood programmes envisage a broad range of actions including infrastructure in the sectors of transport, environment, energy, border crossings, electronic communications, investments in economic and social cohesion, cultural and educational exchanges, support to institution building, etc. The Commission foresees funding these programmes over the period 2004-06 with total volume of €955 million, representing €700 million from INTERREG, €90 million from PHARE, €75 million from TACIS, €45 million from CARDS and €45 million from MEDA.

20. Within the framework of the new neighbourhood policy and apart of the EU regional initiatives the relations with Russia, Ukraine and Moldova, as immediate neighbours to the EU shall be enhanced. These countries shall benefit from the prospect of closer economic integration with the EU. They will be offered further integration and liberalisation promoting free movement of persons, goods, services and capital as well as cooperation in reducing poverty, creation of an area of shared prosperity, intensified political and cultural relations and enhanced cross-border cooperation.
21. Within the Wider Europe concept the strategic partnership between Russia and the European Union acquires particular importance. The European Union and Russia Summits held twice a year have been established as an institutional framework of cooperation and dialogue. The EU-Russia Summit in 2001 has given a prominent place to the idea of elaborating the concept of a common European economic space, designed to build on the concept of the regulatory convergence characterising the EU single market with the advantages that flow from a common approach in fields of economic interest, promoting conditions to foster trade and investment between the EU and Russia. The Common Strategy of the EU on Russia was adopted in June 1999 aiming to strengthen the strategic partnership with Russia through increased cooperation in promoting stability and security in Europe and beyond as well as addressing common challenges on the European continent. In October 1999, the Russian Government adopted a mid-term strategy for the development of relations between the Russian Federation and the European Union (2000-2010).
22. Although the new neighbourhood concept and existing regional initiatives imply strategy towards separate BSEC member states, the BSEC region as a whole is not considered by the EU as a dimensional target of its regional priority. In purely geographical point of view, the Black Sea region remains a missing ring in the chain of the EU initiatives and programmes for regional cooperation in neighbouring areas. Nevertheless, at a geo-political level, the Black Sea region involving three large actors on the European continent (Russia, Ukraine and Turkey) is an important segment for the policy strategy for the EU as point of interest in security, energy transit route and important transportation crossroad. Therefore, in spite of a tendency to give priority to the relations with the BSEC states at bilateral level, the enlarged

EU will face the necessity for institutional relations and special regional policy towards the BSEC. It is noteworthy to mention that in 2001, the Centre for European Policy Studies (CEPS) in collaboration with the International Centre for Black Sea Studies (ICBSS) started a research project on cooperation in the Black Sea region with emphasis on its European dimension.

23. As the individual BSEC countries take advantage of the benefits offered by the EU policies on wider neighbourhood the southern Caucasus countries, in spite of their aspirations for integration within the EU, are not considered for the time being by the EU as part of the Wider Europe area, thus, depriving these states from any participation in realisation of the new neighbourhood policy. In the situation when the existing asymmetry in the BSEC region may become even larger, it is particularly important that the long-standing links across the BSEC countries are enhanced and despite the differences in political, economic or social development pace the common objective to meet the regional concerns are fortified by closer sub-regional cooperation.
24. Along with the aim of economic prosperity through integration the European Union becomes increasingly interested in political stability of its vicinity. Along with the programmes designed for assistance in economic development, the EU is very keen on stability and security issues in the adjacent regions. In its Common Foreign and Security Policy (CFSP) tackling the issues like conflict prevention, crisis management, security and disarmament, the EU includes comprehensive security approach towards European sub-regions and concrete countries in the Black Sea region.
25. The EU has been interested in the resolution of the conflicts in the Caucasus facilitating lasting solutions and progressive shift into modern modes of cooperative behaviour between nations and ethnic communities. On the occasion of the entry into force of the relevant Partnership and Cooperation Agreements the three Trans-Caucasian Presidents met with EU in Luxembourg on 22 June 1999 to give new impetus for future EU relations with Armenia, Azerbaijan and Georgia. Upon the call of the leaders of the South Caucasus states and the president of Turkey, in 2000, the CEPS Task Force for the Caucasus elaborated the Stability Pact for the Caucasus - a comprehensive plan for conflict resolution and regional reconstruction and development and a design for a new regional order as a solution to the frozen conflicts of Nagorno-Karabakh, Abkhazia and South Ossetia. However, tangible outcome has not been achieved. Nevertheless, the enlargement process of the European Union may also have a positive impact on the prospects for the Caucasus.

BSEC Policy towards the EU

26. As the EU enlargement poses certain challenges to the Black Sea region it is rather important that the BSEC and its related bodies channel their activities towards institutionalisation of the contacts with the EU.
27. In the Yalta Summit Declaration of 5 June 1998 BSEC stressed the role of the Black Sea region in the global economy, which will grow substantially due to its strategic location and vast economic potential and places particular importance to the BSEC-EU relationship. It emphasised the importance of the Conclusions of the EU

Luxembourg Council of Ministers as step forward in comprehensive strategy of the EU towards the BSEC.

28. Guided by the provisions of the Yalta Summit Declaration, the BSEC Ministers of Foreign Affairs approved the *Platform for cooperation between the BSEC and the EU* at the Thirteenth MMFA in Tbilisi on 30 April 1999, which is an important BSEC document, reflecting the common aspiration of the BSEC Member States towards the EU. It expresses the view that the political dialogue between the BSEC and the EU should enhance the economic cooperation and that priority must be given to development of balanced, mutually beneficial and result oriented cooperation between the BSEC and the EU. The Platform underlines the ultimate aim to progressively shape the EU-BSEC economic area, i.e. “an integration into the European economic space of a new large unsaturated market with a high absorption capacity and a vast economic potential, which needs economic restructuring and new flows of investments to revitalise the region”. The main fields of cooperation are determined as: development of infrastructure networks, commercial cooperation and creation of favourable conditions for foreign direct investments, sustainable development and protection of environment, including nuclear safety, struggle against different forms of organised crime.
29. The BSEC Economic Agenda for the Future adopted in 2001 also stresses that priority has to be given to the development of a balanced, mutually beneficial cooperation between the BSEC and the EU and that the BSEC has to be creative and systematic in identifying and developing promising projects of mutual interest expecting that the EU will work towards, having an integrated approach to the Black Sea region, as in the case of the Barcelona Process and the Northern Dimension.
30. The EU has been invited by the BSEC to become more deeply involved in the Black Sea region as an observer leading later to more developed institutional links. In principle this could promote the cooperation between the two structures. The EU is involved in the BSEC region through cooperation with the national governments, participation by Greece as the EU and the BSEC member and the EU states that are the BSEC observers (Austria, France, Germany and Italy). The complexity of the EU’s existing set of bilateral links with BSEC member states entailing different operating policies, programmes, legal bases and financial instruments with various administrative and legal constraints determine cautious approach by the EU towards the BSEC region.
31. The Decennial Summit Declaration of 25 June 2002 stresses the dynamics of the emerging new European Architecture opening up potential for effective partnership and acknowledging the shared interests between the BSEC region and the EU calls on for building up tangible relationship with the EU and undertaking concrete steps to advance BSEC-EU cooperation.
32. In the recent resolutions of the Yerevan BSEC Council of 18 April 2003, the Ministers of Foreign Affairs of the BSEC Member States invited the Minister of Foreign Affairs of the Hellenic Republic to take the opportunity of the role as President of the Council of Ministers of the European Union to propose to the EU Council to request the European Commission to prepare a draft proposal on a new relationship

of the EU with the BSEC, on a multilateral basis, taking into consideration the experience of the Northern Dimension. Unfortunately, this effort was not met with enthusiasm at the subsequent Thessaloniki European Council.

33. Despite the efforts by the BSEC to promote the BSEC-EU relations, the interaction between the BSEC and the EU remains rather weak and unexploited. In the EU circles there is a general concern that the operational performance of BSEC is rather narrow and considerable political and institutional investments are under-exploited.
34. In its paper “Europe and the Black Sea – model regionalism” the Centre for European Policy Studies argues that the BSEC should focus more strongly on a set of core functions that have an intrinsically important regional aspect. To achieve this stronger focus the BSEC needs to prepare projects in priority sectors, to reach basic agreement with the European Union over how to deal with the several EU policy competences that are now going to increasingly overlap in the EU member states, its accession candidates and other European states. According to the same study it is important to bring closer multilateral projects and programmes in the region beyond the BSEC framework (supported also by the EU) – cooperation in the fields of environment (Black Sea Environmental Programme and Commission), transport (TRACECA and Black Sea Petra), energy (INOGATE). It is therefore recommended that the BSEC undertakes some tasks in a restricted group of member states (e.g. six littoral states) while in other cases undertakings may extend to a wider circle.

Parliamentary Contribution

35. The national parliaments and parliamentarians have crucial role to play in turning the opportunities provided by the EU enlargement into the benefits for the member countries and the BSEC region as a whole. The necessary legislative changes for boosting regional integration and strengthening stability and prosperity in each member state, the BSEC region and broader European space has to be inseparable in their activities.
36. The parliamentarians, as democratically elected representatives, bare responsibility for encouraging the spirit of cooperation and solidarity in order to build a common, prosperous and secure future in the region, other parts of Europe and the world at large.
37. Speaking on the process of the EU enlargement, it is necessary to stress the substantial contribution by the European Parliament in promoting strategy towards stronger and wider Union. The European Parliament has generated the view on possible flexible process of the enlargement and boosted substantially the negotiating process. As negotiations move forward the European Parliament become increasingly involved in monitoring the process in the policy areas and the administrative capacity of the candidates to implement the European acquis. The European Parliament plays the significant role in discussing and elaboration of the policies and approaches towards the new neighbourhood area and the neighbouring countries.
38. The active interaction of the Assembly and its member parliaments with the European Parliament shall undoubtedly pave the way towards constructive contribution to joint efforts and undertakings for enforcing the relations between the BSEC and the EU.

39. The regular participation in the Assembly meetings by the representatives of the European Parliament under observer status and high level dialogue at the meetings between the PABSEC and the EP officials on various occasions further develop this interaction and cements more viable contacts between these two parliamentary structures. In addition, cooperation at the levels of the secretariats has been set in place. The officers of the PABSEC International Secretariat cooperate regularly with their counterparts at the Division of the Secretariat of the European Parliament, responsible for the relations with national parliaments and inter-parliamentary assemblies.

II. CONCLUSIONS

40. Following the enlargement the European Union in numerous economic categories will parallel and in some cases overtake the criteria for being a world's largest economic unit. Extending zone of political and economic stability and prosperity to the expanded borders will guarantee building of a larger community of peace and welfare on the European continent. An enlarged and integrated EU will enhance its place as a global actor and will become better equipped to confront the global challenges adding more weight to the EU's external relations elevating European impact upon the global affairs.

41. Integration is a product of cooperation and partnership based upon the common interests and visions of the group of countries. In order to meet the challenges of the 21st century, the Black Sea countries have to work further together and give a new impetus to the cooperation for sustaining regional prosperity and stability. Closer interaction of the BSEC member countries with the European regional and sub-regional structures will multiply the links and create the milieu of trust, partnership and understanding.

42. Being an essential part of the European space, the BSEC region has to seek for its due recognition by the European Union and through the joint efforts of the BSEC, the PABSEC and other related bodies has to seek for institutionalised relations between the BSEC and the EU and the PABSEC and the European Parliament.

43. Representatives of the national parliaments of the PABSEC countries have to spare no effort to meet their obligations to ensure that the norms, standards, principles, policies and practices of the EU are promoted and shared paving the way towards peaceful, secure and prosperous life of the peoples in the Black Sea region and integration into a common European space, strengthening stability in Europe and beyond and responding to the common challenges of the continent through intensified cooperation.

44. Parliaments and governments of the BSEC countries have to exploit their possibilities at the utmost to boost economic integration in the Black Sea region with a view of consolidating the process of establishing peace, security and political stability through greater synergy between the member countries for further realisation of common objectives of the Black Sea Economic Cooperation.