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REPORT^{*}

Fifteen Years of Black Sea Economic Cooperation: Political Aspects of Deepening of Economic Cooperation

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I. INTRODUCTION

1. The Thirty-First Meeting of the Legal and Political Affairs Committee in Yerevan on 16 April 2008 took the decision to evaluate the Black Sea economic cooperation from a more comprehensive viewpoint.
2. Within this context, the Thirty-Second Meeting of the Committee in Belgrade on 8-9 October 2008 takes up the subject “Fifteen Years of Black Sea Economic Cooperation: Political Aspects of Deepening of Economic Cooperation” with a view to elaborate the Report and Recommendations to be submitted to the Thirty Second Plenary Session of the PABSEC General Assembly in Chisinau.
3. The present report stresses the necessity for further enhancement of economic cooperation in the region to make the ongoing process more consistent, coordinated and more responsive to the new challenges and threats. It underlines the need for the best use of available possibilities and resources to promote, expand and multiply regional cooperation with the aim to turn the Black Sea into a sea of peace, stability and prosperity, enhance good neighborly relations, mutual respect and dialogue. These principles, enshrined in the Summit Declaration of the Black Sea Economic Cooperation and the Bosphorus Statement signed in 1992 have guided the whole BSEC process over the years and the need for their consolidation has been compelling.
4. The contributions for the Report and Recommendation have been forwarded by the Armenian and Hellenic national delegations. Many issues raised in the report are taken from the presentations by the Presidents of the national parliaments made at the Meeting of the Presidents of the Parliaments of the BSEC Member States “Achievements and Prospects of Inter-Parliamentary Cooperation in the Wider Black Sea Area”, which took place in Athens on 9 June 2008. Also the additional material was obtained by the PABSEC International Secretariat from the official sources of the BSEC bodies and other international organisations.

II. FIFTEEN YEARS OF BLACK SEA ECONOMIC COOPERATION: POLITICAL ASPECTS OF DEEPENING OF ECONOMIC COOPERATION

5. The Declaration on the Occasion of the Fifteenth Anniversary Summit of the Black Sea Economic Cooperation (Istanbul, 25 June 2007) states that “the initiative agreed fifteen years ago to launch a regional cooperation project in the wider Black Sea area has proved its worth and has withstood the test of time. The Organization now presents itself as an inclusive, treaty-based, full-fledged regional economic organization, possessing mature institutional structures, well established operational rules and procedures, as well as a distinct political profile”. The Declaration also underlines the significance of multilateral economic cooperation as a means for contributing into enhancing peace, stability and security and into developing a sense of regional ownership and identity among peoples.

6. Over the past fifteen years the concerted efforts of the BSEC member states have consistently promoted the enhancement of regional partnership. The reforms swept the region in favour of economic liberalism and political pluralism narrowing the political and ideological differences among the states. The BSEC has served as an effective tool for increasing dynamism and strengthening practical approach in the development of the regional cooperation. It has elaborated many important projects in a number of priority areas of regional development, such as trade, transport, energy, communications, environmental protection, health care, agriculture, tourism, prevention of technological disasters and combating crime. The BSEC process through its mutually supportive intergovernmental, inter-parliamentary, banking, business and academic dimensions constitutes viable mechanism for facing the risks and challenges of the twenty-first century.
7. The national parliaments of the BSEC states have stressed on every occasion their commitment to promote and consolidate by cooperative action economic, social and cultural development of the member states, to reach higher degree of regional cooperation and further integrate into broader European and world space. They have committed themselves to encourage cooperation promoting democratic values, human rights and the rule of law. Every document elaborated within the Assembly stresses the value of collaborative partnership and deepening mutual trust and cooperation for reaching the shared goals and objectives.
8. The economic cooperation brought countries closer together in the region generating new frameworks for partnership and development. Mutually supportive efforts further enhanced the economic cooperation in the region and fortified the foundation for political stability. However, attainment of desired results was hampered by unresolved political or economic problems.
9. Unfortunately, we have examples when certain political decisions negatively affect economic development. Such actions not only undermine the interstate relations and damage certain enterprises or the whole state sectors and sharpen contradictions between the states.
10. In order to succeed in regional integration the efforts of states and society are to be unified and truly concerted. It is important that political declarations are translated into a clear sense of full commitment to the goals of the Organisation and into a dynamic move along the realistic lines to implement them.
11. The course of the Black Sea Economic Cooperation has been generally successful in spite of difficulties regarding coordination of the twelve member states' executive bodies. These difficulties resulted from the different levels of development and diverging political philosophies. However, common choices in strategic fields, especially economic, lead to the development of a dialogue at many cooperation levels, aiming at the Organization's institutional integration.
12. The experience of the past shows that the regional cooperation is not just an economic issue and that the regional process cannot be separated from the factors that influence societies – ideological, social, cultural, political, economic

dimensions. It is important to make full use of the existing mechanisms and platforms to bring into play political and economic potential to ensure that more substantive progress is made in the process of economic cooperation.

13. The viable and deeper regional cooperation in the wider Black Sea region is of even greater importance today, in the aftermath of the latest tensions in the region. Any reliance on a solution based on the use of force faces no prospect. The tensions in the region pose serious impediments to cooperation and development. Aspirations to search solutions at the expense of the other states cannot turn beneficial for any party. On the contrary, this leads to alienation of peoples, constitutes a dangerous precedent triggering destabilization in the region.
14. The linkage between the political decisions and the economic consequences is obvious. The cooperation component of the BSEC process has an important impact in establishing stability in the region. The model of economic cooperation helps to remedy political tensions and, in its turn, settlement of political problems boosts the process of integration. Resolution of the existing problems can be possible only with due regard to the interests of all parties, through their involvement in a process of negotiations and dialogue built on the principles of mutual trust, mutual benefit, equality and cooperation.
15. To this end, it is imperative to encourage mutually beneficial relations conducive to a steady process of economic cooperation, to preserve the achievements, further develop peaceful and friendly coexistence realized through mutual respect and confidence by countries with different backgrounds and cultures. The need to create an atmosphere of confidence and trust throughout the region is felt now more than ever before. It is an absolute necessity to deepen and expand the scope of on-going cooperation process and make optimal use of the potential of the countries in the region so as to counteract any wrong political decisions leading to unpredictable consequences.
16. Economy of the region cannot effectively develop within closed borders and, consequently, the important condition is to open borders, restore railroads and highways connecting the member states, create conditions for free movement of capital, goods, services and people throughout the region.
17. The required level of regional solidarity in a complex region as ours needs time to fully develop. Yet, historically established ties, shared past and present as well as clearer perception of the advantages and common interests will help to achieve common objectives by coordinated initiatives at regional and international levels. The history has many examples when correct political decisions and priority of economic development in preparing the background for settling political and inter-state problems promoted solution of seemingly irresolvable contradictions.
18. In this respect, the European Union has been the most successful model for the countries in the modern history.

19. The EU enlargement towards the East and the growing interest shown by the EU towards the Black Sea region has provided a powerful incentive for the BSEC states for accelerating reforms in terms of consolidating political and economic stability. Establishment of a credible and predictable path for the Black Sea countries wishing to integrate with the European Union through the different EU programmes for non-member countries provide a strong incentive to reform and cooperate. Some of the BSEC member states harmonize their policies with European Union standards and norms which actually provide effective framework for improvement of economic management and strengthening of political institutions.
20. The European Union has already made major efforts to stimulate democratic and economic reforms, to project stability and to support development in the Black Sea area through wide-ranging cooperation programmes. Moreover, it has contributed to a whole range of sectoral initiatives of regional relevance. These include key sectors such as energy, transport, environment, movement and security. European Union committed itself to initiate and provide overall support to secure a peaceful and lasting solution to the recent conflict in Georgia through developing confidence-building measures. Also “the Caucasus Stability and Cooperation Platform” initiated by Turkey is regarded as a forward looking initiative in this context.
21. The Communication of the European Commission, dated 11 April 2007, on “Black Sea Synergy – A New Regional Cooperation Initiative” stresses that the moment has come for increased European Union involvement in further defining cooperation priorities and mechanisms at the regional level. It is an initiative complementary to the existing policies that focus political attention at the regional level. The primary task of Black Sea Synergy is the development of cooperation within the Black Sea region and also between the region as a whole and the European Union. The Black Sea Synergy is intended as a framework to ensure greater coherence and policy guidance.
22. Since the establishment of the BSEC, regional cooperation, as a part of the integration process in Europe, has been one of the objectives of the Organization. In fact, this has been an issue of high priority for many BSEC member states. For the BSEC Organization to take on a more political character it is important to further promote the Organization’s relations with the EU. In this process the Parliamentary Assembly plays significant role.

Role of the parliaments

23. The PABSEC is of particular importance having managed to discuss such essential issues as intercultural dialogue, social justice, cultural traditions, as well as certain security issues which, for a long time, the governmental dimension of the Organization avoid inclusion in the agenda.
24. The establishment of the PABSEC in 1993 could be perceived mainly as the response, on the part of national parliaments of the member states to the challenge addressed by Heads of the BSEC states through voicing their political will to

cooperate in the area of peace, security, stability and prosperity by dealing with the grave economic, political, cultural and other issues. The Parliamentary Assembly of the BSEC focuses its endeavors to further strengthen the role of political dialogue for the achievement of the BSEC goals, as well as to utilize methods and forms of parliamentary diplomacy given that parliamentary diplomacy provides the most appropriate field for the whole process to be equipped with the necessary qualitative progress leap and the confirmation of the commitment of all political forces of member states through their elected representatives.

25. The PABSEC has stated its firm commitment to the democratic rules and institutions playing an exceptional and extremely important role as an important link between the executive power and the citizens of the member states. Recognizing the need for the parliamentary support to complement the actions developed and executed within the BSEC framework, the Assembly has elaborated and passed over 100 Recommendations covering the issues regarding legislative harmonisation, customs regulations, visa facilities, banking and finance, trade and business, foreign trade regimes, avoidance of double taxation, investment, SMEs, transport, energy, free trade area, information society, environmental protection, global climate change, tourism, refugees and displaced persons, cultural heritage, Black Sea history, education, response to natural calamities and technological disasters, social guarantees in the transitional period, organised crime and terrorism, youth cooperation, globalisation, social cohesion, good governance, etc. These documents contain recommendations on concrete initiatives intended to promote the overall development of the countries in the Black Sea region.
26. The Assembly provides, at the level of parliamentary diplomacy, cooperation between and among the member states with the necessary flexibility in order to deal with the problems inhibiting cooperation. Flexibility is a characteristic that constitutes a substantial constituent in the effort for creating a climate of trust through dialogue and joint activation towards the achievement of set goals. The institutionalization of the parliamentary dimension in the form of the PABSEC has created an additional mechanism for spreading intentions, initiatives and sentiments of the society of citizens, represented in parliaments, to governmental circles.
27. The Parliamentary Assembly has joined the effort for creating a new dogma in the Black Sea region. That dogma draws from acknowledging the unbreakable link of security and development in a wider region, which, structurally and inevitably will include Europe and its neighbours into the Black Sea region. The cultural proximity, the common historical and cultural roots and the territorial cohesion of Europe and the surrounding regions of the Black Sea must be considered as bases for a cohesive and integrated economic policy. At the same time, other institutions and organs may be devised for promoting cooperation processes and activities, capable of linking together the countries of the region with strong bonds creating an effective and functional network. In this context, the cooperation of the Parliamentary Assembly with the European Parliament is of exceptional importance.

28. The cooperation between the PABSEC and the European Parliament has started since 2000 through political dialogue and information exchange. Since then, the Assembly has hosted the representatives of the European Parliament at every Plenary Session strengthening the relations in any given opportunity. The frequent visits of the PABSEC delegations to the European Parliament in the course of recent years further enhanced the cooperation. With a course of time a need has arisen for a institutionalized PABSEC-European Parliament cooperation, which will include information exchange, reciprocal participation in the sessions, informative visits and participation in joint projects. The PABSEC, as a parliamentary dimension of the BSEC, is the most appropriate partner of the European Parliament.
29. However, clear and realistic goals and comprehensible strategies must be set forth for a reliable and effective approach. It is necessary to create an institutional political cooperation frame with a view to strengthening economic cooperation and to devise modern and more effective mechanisms of communication between the PABSEC and the European Parliament, including the setting up of joint working groups to elaborate upon both the relations of the two organs and more particular issues, adopting an Action Plan on specific issues in order to ensure dialogue viability and its contribution to mutual understanding and further cooperation. Stating clear standpoints and practical solutions will contribute to the strengthening of the Assembly's profile.
30. These practical solutions may include regular political consultations between the European Parliament and the PABSEC, the joint organization of seminars and conferences on issues of common interest, cooperation among committee members and rapporteurs on fields such as energy, the environment, transport, etc., programmes of visits and training of the PABSEC International Secretariat members and officials of the national parliaments of BSEC member-states, meetings of Secretaries General for organizing joint activities and including issues on the discussion agenda of committees, setting up of a joint parliamentary committee consisting of members from the European Parliament and the PABSEC or joint European Parliament - PABSEC meetings, in the frame of possibility of establishing a "General Assembly", or even the creation of an EU-BLACK SEA Parliamentary body, following the model of the Euro-Mediterranean Parliamentary Assembly, which will elaborate recommendations addressed to the European Council, the European Commission and the BSEC Council of Ministers.
31. Through a more active cooperation of the parliaments of the region, further possibilities shall be provided for establishing a series of mechanisms for strengthening the political and economic dialogue and the equal partnership among BSEC member states through adopting policies aimed at strengthening stability and security; encouraging peacemaking initiatives urging the parliaments of the neighboring countries to exert pressures on their governments to adopt effective policies for crisis management; voting and adopting appropriate laws promoting respect for human rights, fundamental freedoms and the rule of law, as well as revising legislation contradictory or inconsistent with European and international policies, etc..

III. CONCLUSIONS

32. The contribution of the founding fathers of the Black Sea Economic Cooperation is immense and valuable in placing the economic cooperation and integration among the top priority objectives in the region. Over the years the Organisation of the BSEC has managed to tackle the important problems by means of discussing economic issues and has reached tangible progress.
33. Today there is a widespread recognition that regional problems require regional solutions. Regional cooperation remains one of the most effective instruments for bringing solutions. The individual states formulate their policies taking into account their role both at regional and international arena and the interests be it economic, political, social or environmental must be increasingly viewed from this particular perspective.
34. Now that the EU has shown its interest in the Black Sea region it is crucial to seize the important opportunity and use the international support and expertise to enhance security and stability in the region by means of greater involvement of the EU in the region.
35. Parliaments and governments of the BSEC countries have to exploit their possibilities at the utmost to boost economic integration in the Black Sea region and, at the same time, enhance the political component of the economic cooperation in the region.
36. Parliamentarians, as elected representatives possess more freedom to use dialogue resources, as well as proceeding to mutual concessions and compromises in discussing even most acute problems. Parliamentary diplomacy is equipped with the capability not only to guarantee the constant operation of dialogue, but also to function as a factor of stability in the region.
37. Parliamentarians of the BSEC member countries can and must promote the realisation of a huge potential of friendly neighbourhood, unity and economic cooperation between states and the peoples in the region. They have to devote themselves to safeguarding peace, security, stability and stronger partnership promoting resolution of possible controversies among or within the states peacefully and honourably based on the norms and principles of international law.