



PARLIAMENTARY ASSEMBLY OF THE BLACK SEA ECONOMIC COOPERATION
PABSEC

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STATEMENT
of the Parliamentary Assembly of the BSEC
on Energy Problem in the South East European States

Taking into consideration the Joint Declaration of the Ministers of Energy of South East European States of 12 March 2007 stressing the concern over the existing electric power shortage,

Taking into account the activities undertaken by the Organization of the Black Sea Economic Cooperation to promote cooperation in the field of energy,

Recalling the documents adopted by the Parliamentary Assembly of the BSEC, namely, Recommendation 68/2003 on "Cooperation in the field of Energy" and Recommendation 91/2006 on "Alternative energy sources and their possible application in the Black Sea region",

Given the fact that the economies of the South East European countries develop at a higher pace compared to the EU average levels and that the decommissioning of Units 3 and 4 of Kozloduy Nuclear Power Plant (Bulgaria) at the end of 2006 has caused a growing electric power shortage in a number of the South East European States that also are the members of the Organization of the BSEC,

The Parliamentary Assembly of the BSEC shares the concern of some South East European States that the currently operational electricity generating capacities of the region cannot satisfy the growing electricity demand in a short and mid-term perspective, in particular in winter and summer seasons characterized by peak consumption levels, and that at present there is no other alternative electricity supplier in the region that could substitute for the decommissioned Kozloduy NPP capacity, while electricity supplies from European countries outside the region are limited due to underdeveloped intersystem connections.

The Assembly corroborates the need for a careful analysis in the EU framework of the existing opportunities for solving the current electricity supply problems, including the extension of the operational period of Units 3 and 4 of Kozloduy NPP, and stresses, therefore, that the operation of these units until other equivalent generating capacities are built and put into operation in the region will contribute to overcoming the difficulties related to the electricity deficit in a short and mid-term perspective.

The Assembly underlines the importance of close collaboration with the International Atomic Energy Agency (IAEA) in ensuring the secure operation of Units 3 and 4 of Kozloduy NPP in conformity with the international norms of nuclear safety.

The Assembly is convinced that such an approach to the solution of this problem will contribute to the adequate fulfillment of the commitments under the Treaty establishing the Energy Community and, at the same time, will help to avoid possible negative socio-economic and political consequences in the South East European States.



**DECLARATION
ON THE OCCASION OF THE FIFTEENTH ANNIVERSARY SUMMIT
OF
THE BLACK SEA ECONOMIC COOPERATION
(Istanbul, 25 June 2007)**

We, the Heads of State and Government of the Member States of the Organization of the Black Sea Economic Cooperation (BSEC), met in Istanbul on 25 June 2007 to mark the Fifteenth Anniversary of the BSEC.

Reaffirming our commitment and faith in the Organization and its Charter as indispensable foundations for peace, stability and prosperity in the wider Black Sea area,

Having reviewed the record of BSEC's activities and achievements, as well as its challenges, since its inception by the Istanbul Declaration of 25 June 1992, and having engaged in a comprehensive exchange of views on the way forward,

We solemnly declare on this historic occasion that;

1. 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. We all share the conviction that our multilateral economic cooperation contributes to enhancing peace, stability and security to the benefit of our region. The Organization has also contributed to developing a sense of regional ownership and identity among our peoples. We therefore firmly believe in the importance of the Organization of the BSEC. We are resolved to further consolidate its role as an active and reliable partner in regional and international affairs. We are ready to meet the challenges ahead.
2. The growing role and importance of the wider Black Sea area necessitates the adaptation of the BSEC to a world of rapid change in order to assume new responsibilities in the years to come, while deepening cooperation in the priority areas of common interest such as environmental protection, trade, transport, tourism, energy, telecommunications, science and technology and combating terrorism, and all forms of organized crime, which would yield tangible outcomes to improve the quality of the daily lives of our peoples. Among these areas, energy, trade and transport could be given particular prominence.
3. Our common objective should be to further promote BSEC as a project oriented organization which will best represent its Member States and peoples and encourage cooperation and joint development. Improved economic outlook will enable the BSEC to set more ambitious goals and to undertake and effectively implement major regional

projects of strategic importance. To further strengthen the cooperation in the BSEC area, we encourage the Council of Ministers of Foreign Affairs (CMFA) to consider further steps toward enlarging the contractual foundation of the BSEC with new legal instruments, especially in the specified priority areas, without prejudice to other international obligations of the Member States.

4. Progress on projects in the afore-mentioned areas will require innovative solutions for financing, including a more active involvement of the Black Sea Trade and Development Bank (BSTDB) in conjunction with partner financial institutions. The recent achievements by the BSTDB are encouraging. Therefore we expect its active involvement in major regional projects. Reaffirming the importance of the role of the private sector, including small and medium sized enterprises, and public-private partnership as the driving force for the consolidation of our economic cooperation, we encourage their participation in the development and implementation of concrete projects of common interest for the BSEC Member States.
5. We reaffirm our unswerving commitment to the protection of the environment in the Black Sea region, taking into consideration its gradual degradation, in recent decades and the severe health hazards this entails. Aware of the importance of multilateral initiatives in the region, we commit ourselves to undertake appropriate measures in order to preserve and rehabilitate the environment for the present and future generations, in line with the objective of sustainable development. In this respect, we consider necessary to strengthen the cooperation with all international organizations dealing with issues on protection and rehabilitation of the Black Sea marine environment including those on preventing and reducing of the pollution of the rivers flowing into the sea and the hydrographical basins of the rivers flowing into the sea. We also stress the serious consequences of climate change and the need for widest possible regional and international cooperation to address this issue in a comprehensive and effective manner.
6. We are resolved to proceed with the implementation without any delay of the Memoranda of Understanding on the Development of the Black Sea Ring Highway and of the Motorways of the Sea, which constitute regional contributions to the extension of Trans-European Networks and the development of Euro-Asian transport links. In this context, we encourage the development of stronger maritime transport links between the Black Sea ports with a view to contributing to the prosperity of the wider Black Sea area.
7. At a time when the nexus between terrorism and organized crime has emerged as a major threat to national and regional security and stability, we reiterate our firm resolve to fight against them, in compliance with relevant resolutions and decisions of the UN Security Council and our international obligations in this sphere.
8. Recognizing that the existing protracted conflicts in the region impede cooperation, we emphasize the need for their earliest peaceful settlement on the basis of the norms and principles of international law.
9. We reaffirm our 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 World Trade Organization (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. The accession of all BSEC Member States to the WTO will contribute positively in this respect.

10. Recognizing the importance of energy as an essential element for sustainable development and being aware of the role and the further potential of the wider Black Sea area in terms of energy resources, including electric power, and its profile as a significant transit corridor for oil and gas bound mostly for Europe, we reaffirm our willingness to deepen our cooperation in the area of energy with due regard to interests of energy producing, consuming and transit countries and cooperate with the European Union and other international partners in order to ensure fair access to energy resources and markets on a mutual basis for all interested countries to enhance global energy security, efficiency, competitiveness and environmental sustainability.
11. Cognizant of the importance of communication for strengthening the links among our peoples, we express our readiness to jointly devise and implement projects to improve the quality and services of the telecommunications network in the region. We will further act and coordinate our efforts with the aim to build up in the wider Black Sea area an information society based on the recent information and communication technologies developments.
12. We are convinced that the BSEC, while constituting an indispensable means to accelerate regional economic and social development, also presents a historic opportunity to consolidate the democratic experiences of its Member States. We consider the BSEC as a valuable platform to build up together, in a step-by-step approach, our common future through mutual cooperation at all levels - state to state, region to region, people to people - so that the BSEC region becomes an integral part of a stable and prosperous Europe.
13. We appreciate the role of the Parliamentary Assembly of BSEC providing effective and close interaction among the national parliaments and consistent support to the BSEC cooperation process.
14. We welcome the completion of the process of reform envisaged in the Bucharest Statement as an important step in enhancing the efficiency and effectiveness of the Organization, as well as its role in the economic and social development of its Member States. This should be a continued process to be pursued with consistency, cooperation and coordination, having the overall objective of convergence among BSEC Member States in economic, social and cultural terms. Accordingly, the BSEC system should develop more effective capabilities and appropriate instruments for conceptual design, policy planning, implementation and monitoring of follow-up activities.
15. Over the past five years, the BSEC region has improved its economic profile, becoming one of the fastest growing in the world, while achieving a reasonable level of macroeconomic stability and accountable financial management. We invite the BSEC Council of Ministers of Foreign Affairs to examine the implications of these encouraging developments, and to adjust accordingly the objectives and working modalities of the BSEC Economic Agenda for the Future.
16. We attach great importance to the role of the business communities in the BSEC Member States in promoting economic cooperation and development in the Region

and appreciate the contribution of the BSEC Business Council in catalyzing business cooperation and promoting innovation. We envisage an increased role for it in the future in facilitating the process of identification and elimination of trade barriers and business / investment disincentives towards greater economic and trade integration and the establishment of a favorable business and investment climate in the Black Sea region.

17. We appreciate the useful contribution of the International Center for Black Sea Studies to BSEC activities as a productive think-tank providing assistance to the policy design and decision making process, as well as a scholarly research and training unit of regional significance. We envisage the ever growing contribution of the ICBSS in supporting the activities of the BSEC and in enhancing regional cooperation in the region.
18. We highly value the United Nations General Assembly Resolutions on cooperation between the UN and BSEC, and the Observer status BSEC acquired in the UN General Assembly. We reaffirm our resolve to undertake further efforts to strengthen BSEC's cooperation with the UN system. We also attach importance to the meaningful project-based cooperation with other regional and international governmental and non-governmental organizations.
19. We reiterate our commitment to contribute to the attainment of UN Millennium Development Goals at national, regional and global levels and invite the Council of Ministers of Foreign Affairs to examine possible steps for the achievement of these goals in the BSEC region.
20. We declare our spirit of openness to dialogue on a mutual basis with existing organizations, initiatives, processes and other fora, that recognize the significant role of BSEC in our region.
21. As we move into a new period of expanding relations between BSEC and the EU, we confirm the importance of establishing a strategic relationship between the two Organizations. We stand ready to define together with the EU guidelines and areas of such relationship. That interaction could be an integral part of the efforts towards creating a more prosperous and secure Europe without dividing lines. BSEC Member States participate in EU initiatives, such as the European Neighborhood and Partnership Instrument (ENPI) Black Sea Basin Cross-Border Cooperation Program, which encourages cooperation in the region. The Communication of the European Commission, dated 11 April 2007, on "Black Sea Synergy – A New Regional Cooperation Initiative" is welcomed as yet another step in order to enhance relations between BSEC and the EU, which acknowledges the role of BSEC as a regional partner for the EU and envisages the possibility of regular ministerial meetings.
22. We welcome the granting of Observer status to the Commission of the European Communities. This will facilitate a closer BSEC-EU interaction that may establish new partnerships and lead to the creation of appropriate instruments for the implementation of agreed projects and activities in a regional format. We invite the EU to jointly hold with BSEC a Ministerial Meeting, which would mark the official start of the Black Sea Synergy process. We also agree that, without prejudice to specific EU programmes applying to individual States or sub-regions, the joint BSEC-

EU action in the wider Black Sea area should be comprehensive and inclusive so that its benefits encompass all BSEC Member States.

23. We are unanimous in expressing our profound gratitude to the Government and people of the Republic of Turkey and to the host city of Istanbul, the birthplace of BSEC, for their warm hospitality and the outstanding organization of the Fifteenth Anniversary Summit.