

STATEMENT BY

H.E. Mrs. Emilia Krалеva

Deputy Minister of Foreign Affairs of the Republic of Bulgaria

HIGH-LEVEL CONFERENCE ON BSEC-EU COOPERATION

Brussels, 18 June 2019

Mr. Secretary General,

Excellences,

Ladies and Gentlemen,

It is my privilege to address the first ever “High-Level Conference on BSEC-EU Cooperation” on behalf of Mrs. Ekaterina Zaharieva, Minister of Foreign Affairs of the Republic of Bulgaria, who regrets for not being able to attend in person, and to convey her best wishes for success of this auspicious forum. I would like to express our deep gratitude to the European Commission for their decisive support for the organization of this important event which, I am confident, will provide an unique opportunity for consolidating and further increasing the positive momentum of the BSEC-EU cooperation.

In 2007, with the accession of Bulgaria and Romania, the EU reached the shores of the Black Sea. Now, 12 years later, the Bulgarian BSEC Chairmanship-in-Office and the Romanian Presidency of the Council of the EU, the Commission and the BSEC PERMIS, are co-organising today’s symbolic event dedicated to the cooperation between BSEC and the EU. We have gone a long way, not always smooth and easy, but without any doubt worth all the endeavours. It is my belief that there is a lot more to achieve, taking advantage of the Black Sea region’s huge untapped potential.

Ladies and Gentlemen,

The Black Sea region is of strategic importance for the European Union and the countries of the wider region. Turning it into a stable, democratic and prosperous area is a relevant objective, directly connected to the major strategic interest of both the countries in the region and the EU. Since its establishment over a quarter of a century ago, the Black Sea Economic Cooperation - the most representative and institutionally developed organization in the wider Black Sea region - has proven its outstanding contribution in achieving this goal.

Entering its 27-th year, BSEC has proven to be a viable and efficient framework for regional economic cooperation. Bulgaria, holding the ongoing BSEC Chairmanship-in-Office, believes that the organization has many merits as a regional partner. It has not only built a permanent and extensive institutional framework of cooperation that covers different levels of governance (intergovernmental, parliamentary,), but it has also cultivated a spirit of cooperation among its member states, providing a forum for constant dialogue, exchange of ideas and experiences. The BSEC, conceived as an economic organisation, has successfully developed cooperation in various fields such as transport, energy security, environmental protection, culture, education, research and innovation, identified as areas of potential interface with EU's policies.

Bulgaria's vision on BSEC future includes the elaboration, active promotion and implementation of an enhanced EU policy in the Black Sea region - a policy commensurate with the stated wish and approach of BSEC for closer cooperation. We believe that BSEC and EU, facing common challenges and opportunities in the wider Black Sea region, share a mutual interest in developing a meaningful relationship and in establishing a beneficial cooperation for the implementation of agreed projects and activities at a regional level. Therefore, the further development of the productive interaction between BSCE and EU has been

set up among the high-ranking goals of the ongoing Bulgarian BSEC Chairmanship-in-Office. Out of the same conviction, Bulgaria has continuously sought to keep the Black Sea region high on the EU agenda.

The motto of the Bulgarian BSEC Chairmanship-in-Office “Sea of Opportunities” illustrates our approach towards the Black Sea, aimed at promoting stability and economic prosperity in the region. Today’s High-level Conference proves that this is not only the Bulgarian perspective, but it is also a common goal for EU Member States, BSEC members and EU institutions. As a member of both the EU and BSEC Bulgaria sees particular merit in deepening the mutually beneficial and pragmatic cooperation between the two organizations. In this regard, we welcome the enhanced participation of EU representatives at BSEC high level meetings as well as the consolidated cooperation at expert level, which is taking place in recent years.

We believe the EU should engage more actively with the Black Sea region. The Bulgarian Presidency of the Council of the EU provided an opportunity for us to work actively on focusing the debate on the need to create closer links and synergies between macro-regional strategies. Together with the other two EU-member states, which are also BSEC members –Greece and Romania, we work for an EU balanced approach, as far as the European Neighbourhood Policy in its two dimensions – the Eastern Partnership and the Black Sea Synergy – is concerned.

By implementing the Black Sea Synergy initiative, the EU continues to play a constructive role and share responsibility in the Black Sea area, building its potential for the resilient and prosperous development of the region and its citizens.

The March 2019 review by the High Representative and the Commission was much appreciated as it took stock of the progress under the Black Sea Synergy Initiative. It is evident that a lot has been achieved over the past years, while more efforts are needed to make the most out of the existing opportunities. Within the Black Sea Synergy we should strive to make a step closer towards the general aim of further advancement of sustainable transport systems, the effective utilization of the

intra-region capacity and growing transit potential, and the development of road, maritime and energy infrastructure in the Black Sea region. We encourage the undertaking of more liable efforts by the EU towards the elaboration of a strategy for the entire Black Sea region would help overcoming the lack of strategic vision.

Strengthening regional cooperation in the Black Sea region with sector-oriented EU support in areas of mutual interest such as environmental protection, fisheries, tourism, education, maritime policy, blue growth among others, has vast potential. We see unexplored potential in pursuing joint endeavors in spheres of common interest such as transport and energy interconnectivity, communications, people-to-people contacts. This is also entirely in line with the EU Eastern Partnership Policy and its 20 concrete deliverables until 2020 that aim to bring about tangible results for the citizens.

Developing to its full potential the Black Sea's strategic "bridging role" between Europe and Asia also requires investments in transport, energy and digital connectivity.

Ladies and Gentlemen,

I would like to highlight the important progress in BSEC-EC cooperation in areas related to blue growth, maritime policy, marine research and innovation. The Bulgarian Chairmanship-in-Office of BSEC made considerable efforts to promote the cooperation with the EU in the framework of the Integrated Maritime Policy and the European Commission's project "Facility for Blue Growth".

We particularly welcome the progress achieved at the Ministerial Conference for the Endorsement of the Common Maritime Agenda for the Black Sea, which took place in Bucharest on 21.05.2019, building upon the Burgas Ministerial Declaration from 31.05.2018, as well as the launching of the Strategic Research and Innovation Agenda for the Black Sea on 8 May 2019 in Bucharest as a follow-up of the Burgas vision paper from 31st of May 2018.

Both these events are substantial steps towards an enhanced regional cooperation in the Black Sea and create important opportunities.

Ladies and Gentlemen,

There is a need for a forward-looking, streamlined approach and a substantial political and financial engagement of the EU with the Black Sea matters. In this respect, the conclusions adopted by the Council yesterday on the EU's engagement to the Black Sea regional cooperation convey important messages.

I would like to congratulate the Romanian Presidency of the Council of the EU for its efforts to enhance the cooperation between the EU and the Black Sea region. Allow me to express my expectation that today's Conference represents only the first successful step in establishing a regular exchange of views on the possibilities to enhance the BSEC-EU cooperation, and that this valuable initiative will have its continuation in the following years.

I would like to extend the appreciation of the Bulgarian Chairmanship-in-Office to the BSEC PERMIS, and its Secretary General Ambassador Christides, for their persistence and hard work in the realization of this High-Level Conference, and to thank the Romanian Presidency of the Council of the EU for the excellent mutual cooperation in bringing this idea to fruition.

Before concluding, allow me to wish to all participants in this important forum constructive and resultative discussions.

Thank you for your attention.

Statement

**by First Deputy Prime Minister and Minister of Foreign Affairs Ivica Dacic
at the High-Level Conference on BSEC-EU Cooperation**

Distinguished Chairperson-in-Office,

Mr. Secretary General,

Excellencies,

Ladies and gentlemen,

It is my honour to address you on behalf of the Republic of Serbia and on my own behalf. At the outset, I thank our hosts, Minister of Foreign Affairs of the Republic of Bulgaria H.E. Ekaterina Zaharieva, H.E. Teodor Viorel Meleşcanu, Minister of Foreign Affairs of Romania and Karmenu Vella, EU Commissioner for Environment, Maritime Affairs and Fisheries, for the excellent organization of this meeting which, more so than anything else, confirms the interest in the advancement of the cooperation in the Black Sea region.

As the representative of a country which has membership of the EU as one of its priority foreign policy goals, I must underline that Serbia attaches major importance to this meeting. I can say with absolute confidence that the same beliefs, principles and visions we brought to our BSEC membership, largely define us as an EU candidate country, too. In this context, I wish to strongly emphasize that comprehensive cooperation with the countries of the region and broader commitment to regional economic and industrial development, as well as the exchange of cultural values and the free movement of people and capital remain the principles and values strongly advocated by the Republic of Serbia. It is interesting how much the goals and efforts of these two

organizations coincide, and when the goals coincide, the challenges, or better said, the issues facing us in the attainment of those goals, often coincide, too. Luckily, we do not tread this path alone, for our reliable and true partners stand shoulder to shoulder with us, with an equally strong commitment to making this region a better place.

In the context of BSEC, Serbia strongly advocates cooperation with other international organizations. And it is the cooperation with the EU, due to the special circumstances, that we attach primary importance to. The interest is mutual, I dare say, for along with the geographical basis which naturally calls for cooperation, equal and progressive economic development of the countries in the Black Sea region is the direct interest of every individual EU country, as well as of the EU as a whole. I would like to mention, in particular, the infrastructural development whose effects have far-reaching positive consequences and go beyond the state borders. I have the pleasure to inform you that Serbia has devoted significant efforts for many years now to modernize and build infrastructure related to all types of transport, including the waterways. We are intent on persevering in our endeavour to modernize the existing and develop new transport infrastructure, fully aware that this will lay down the groundwork for a stronger connectivity at both national and international levels. These efforts are of relevance not only for Serbia and the region, but also for Europe as a whole. Faster flow of goods and persons boosts the economy and vigorous economies, accordingly, imply the development of other values in a society, stable standards and culture, while facilitating achievement of goals shared by countries of the region.

Ladies and gentlemen,

Terms such as “potential”, “relevant framework” and “synergy” are probably some of the most frequently used words in our statements at BSEC events. I am confident that we are in the right place here in Brussels today to

translate these concepts into concrete ideas under official project names, and to assign to these projects individuals in charge of their implementation and reporting on a regular basis on the progress made. Our EU friends have a very good expertise on such mechanisms, as we ourselves strive to learn as much as we can from them in that respect and apply that knowledge. In this context, Serbia will in the period ahead endeavour to contribute to both the planning and implementation stages of concrete projects, in cooperation with our Bulgarian and Romanian partner EU Member States, in the framework of BSEC.

Distinguished participants,

I recall that the Ad Hoc Working Group on BSEC–EU Interaction has been in place within BSEC for a long time, which clearly demonstrates the commitment of both sides to working together. We see as useful the idea to establish a group of similar or broader capacity within the EU as well, and to carry out the cooperation on the ground, at the practical level, as much as possible, instead of doing so only in the offices and beautiful conference halls such as this one.

On behalf of the Republic of Serbia and on my own, I would like to convey hope that this high-level meeting will be very successful and fruitful.

Thank you for your attention.

**BAKAN YARDIMCIMIZ VE AB BAŐKANI
BÜYÜKELÇİ SAYIN FARUK KAYMAKCI'NIN
KEİ-AB İŐBİRLİĐİ YÜKSEK DÜZEYLİ KONFERANSI'NDA
YARARLANABİLECEKLERİ KONUŐMA TASLAĐI
(18 Haziran 2019, Stanhope Hotel, Brüksel)**

**Mr. Secretary General,
Esteemed Ministers,
Distinguished Guests,
Ladies and Gentlemen,**

It is a pleasure to be here on the occasion of the first High-Level Conference on BSEC-EU Cooperation. I would like to thank the Bulgarian Chairmanship of BSEC, the Romanian Presidency of the Council of the EU, the BSEC Permanent International Secretariat and the EU Commission for their initiative to co-organize this novel event.

Today's world is going through a transformation at an unprecedented pace. The world order is gradually evolving into a multi-centric one. Our universal values, common goals, security and prosperity are being challenged by various risks and threats.

Our neighborhood, including the Black Sea, is facing fragilities.

Currently, Europe and the EU are also facing considerable internal and external challenges. These include economic and financial concerns, Brexit, the rise of the far right, populist politics, Eurosceptic rhetoric, migration and terrorism. How these challenges will be addressed will have a profound effect on our common future. We expect the EU to show that it is capable of addressing these challenges effectively.

These challenges represent serious concerns for Turkey. Turkey is both a candidate to the EU and a key partner and actor in the region and beyond, with its ability to contribute to the regional and global policies of the EU. The Black Sea region is one of the areas that Turkey can contribute significantly.

Fostering peace, prosperity and stability in her neighborhood and beyond, Turkey is a firm supporter of collective efforts and effective multilateralism in addressing regional and global challenges. In this vein, membership to the EU remains our strategic goal.

**Distinguished Ministers,
Esteemed Participants,**

Regional ownership is among the basic tenets of Turkish foreign policy. As the country which launched BSEC and as the host country of its Secretariat, Turkey attaches special importance to enhancing regional cooperation through BSEC mechanisms.

Today, BSEC is the most institutionalized, comprehensive and inclusive economic cooperation organization in the Black Sea region. It is a trusted partner for a wide range of stakeholders in and outside of the region. It is a unique platform to achieve our shared objective to turn our region into one of peace, stability and prosperity. As a well-established cooperation mechanism in our region, the capacity of BSEC must be taken into account and utilized for better results in all cooperation efforts in the wider Black Sea area.

BSEC is also a valuable instrument to promote the achievement of the 2030 Sustainable Development Goals in our region, together with its Related Bodies, namely, the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC), the BSEC Business Council, the Black Sea Trade and Development Bank (BSTDB) and the International Center for Black Sea Studies (ICBSS). BSEC and the EU can work together in advancing the implementation of the SDGs in the wider Black Sea region.

As an economic cooperation organization, bilateral political issues between some of our Member States have not hindered us in BSEC from engaging in tangible and useful cooperation and projects to the benefit of all. Through BSEC, we all come together around the same table. This is perhaps the strongest indication that we all remain committed to engage in constructive dialogue to support sustainable development in our region.

**Mr. Secretary General,
Esteemed Ministers,
Distinguished Participants,**

Our principal goal is to further strengthen BSEC and to render it more project-oriented. In this process, Turkey supports the cooperation of BSEC with other regional and international organizations and initiatives, especially the United Nations and the European Union.

Turkey has always been supportive of the development of a flexible, project-oriented and mutually beneficial interaction between BSEC and the EU. We are pleased that the relations between the two Institutions have started to evolve at a quicker pace in this direction. BSEC is a trustworthy partner for the EU in the wider Black Sea region. We wish to see concrete projects, elaborated and

implemented jointly by BSEC and the EU. In view of the fact that the EU is a BSEC Observer for 12 years now (since 2007), we think it is high time to embark upon developing and co-financing concrete joint projects in spheres of mutual interest.

The Black Sea basin is a region of opportunity for marine and maritime cooperation. The development of blue economy in the region should be sustained, particularly by regional ownership and homegrown initiatives. In this regard, the Common Maritime Agenda for the Black Sea, which was adopted last month (21 May 2019) in Bucharest, will provide a sound basis for a closer cooperation in this field. The Common Maritime Agenda builds on the Burgas Ministerial Declaration adopted by the littoral states last year (31 May 2018).

In addition to this commitment, the effective implementation of the Common Maritime Agenda is equally significant. We should ensure the inclusion of all stakeholders in the implementation process for tangible results. Turkey will continue to contribute to the joint understanding and cooperation between the EU and the littoral states.

The field of energy can play a crucial role in enhancing prosperity and welfare in the Black Sea region. Energy projects could contribute to the regional economy and open up employment opportunities. In this context, Turkey takes part in mega energy projects that would contribute to the energy supply security of both Turkey and Europe, such as TurkStream, which traverses the Black Sea. We wish to see more countries around the Black Sea and in Europe, actively engaging in multilateral initiatives in the field of energy.

**Mr. Secretary General,
Distinguished Ministers,
Dear Participants,**

In concluding my remarks, I wish to thank once again the Bulgarian Chairmanship of BSEC, the Romanian Presidency of the Council of the EU, the BSEC Secretariat and the EU Commission for organizing today's Conference, hoping that it constitutes the first of a sequel.

I sincerely believe that this Conference and similar future events can contribute to raising awareness among European institutions on BSEC activities and the potential benefits of more intense BSEC-EU interaction. This, in turn, can pave the way for a stronger collaboration between our organizations to the benefit of our peoples.

Thank you.

Speech of H.E. Tamás Vargha, State Secretary of the Ministry of Foreign Affairs and Trade,
Hungary
High-Level Conference on BSEC-EU Cooperation
(18 June 2019, Stanhope Hotel Brussels)

Mr. Chairman, Dear Ministers, Dear Commissioners and Heads of Delegations,
Secretary General, Excellencies, Ladies and Gentlemen,

I am pleased to greet you on behalf of H.E. Péter Szijjártó, Minister of Foreign Affairs and Trade of Hungary. First of all, we have highly appreciated the opportunity to cooperate as observers within the framework of BSEC since 1st July 2018 to strengthen further the economic and commercial ties and by this the stability of the region. The stability, which is vital not only for the region but for the whole of Europe, as well. We see great potential in the BSEC as a regional economic organization for the promotion of regional economic and commercial co-operation of the Black Sea area.

Some of the BSEC's member states are members of the European Union, other states are candidates or potential candidates, and all of the other members are important partners of the EU. Besides of the emerging bilateral ties, the cooperation between the two integration could be more and more relevant in the future. Therefore, this meeting today could represents a milestone in the process of relationship and confidence building.

As far as the relations between Hungary and the BSEC are concerned, we are focusing on the area in the fields of cooperation especially important for us, such as energy, science and technology, water management and tourism.

Given its Soviet infrastructural heritage, Central and Southeast Europe is largely dependent on a dominant energy supplier. So is Hungary, 95% of our natural gas imports come from Russia via Ukraine, therefore we obviously strive to curb this dependency by focusing on diversification projects. The diversification of energy sources, routes, and suppliers is key to achieving energy security in the Central European region.

It is our long-standing energy diplomacy aspiration to energize regional cooperation, for which the high-level political representation of the BSEC conferences combined with its professional expertise are of great importance. We believe that access to natural gas both from the North as well as from the South is imperative in strengthening both Hungary's and the region's gas supply security.

Hungary, as an EU Member State, has been working hard on reinforcing the European Union's energy security policies by advancing market integration within the Central and Eastern European region through building key infrastructural interconnections with our neighbors.

Water security is vital for the peace and sustainable development, as well. Hungary is committed to sustainable, integrated water management. Building on the success of the events held in 2013 and 2016, Hungary will host the third Budapest Water Summit in 2019. The Summit will provide a platform for political decision makers, representatives of the economic and finance sectors, as well as the members of the scientific society to discuss the challenges and find solutions on how to achieve a water-secure world.

The EU Strategy for the Danube Region (EUSDR) is a macro-regional strategy, endorsed by the European Council in 2011 under the Hungarian Presidency of the EU.

The EUSDR involves 14 countries and 11 priority areas, and seeks to create synergies and coordination between existing policies and initiatives taking place across the Danube Region and the Black Sea area.

Hungary works together with BSEC countries in the frames of various international tourism organizations (UNWTO, OECD). Bilateral tourism relations are strong with all BSEC countries. We have signed a tourism MoU with eight BSEC member states.

Hungary is a safe and secure destination with high-quality services and good value for money. The leading tourism products built on the thermal water sources, our rich cultural heritage and gastronomy tourism, which could be the subject of increasing visits and best practice share.

One of the Danube Strategy's priority areas is Culture and Tourism in responsibility of Bulgaria and Romania. At the annual forum of the 14 member states' coordinators Hungary will emphasise projects connected to the world heritage expected Limes and artistic projects helping understand the Danube as that kind of unique entity of nature which is able to connect different cultures.

Hungary attaches great importance to the research and production of innovative technologies. We are particularly interested in further developing digital initiatives and enhancing regional cooperation on this area. Hungary would also recommend EU and BSEC Member States the opportunities offered by the world class laser research system in Szeged, Hungary.

We fully support the strengthening of bilateral and multilateral cooperation between universities and research centers and we are ready to take part in regional initiatives to this end. The key element of our higher education cooperation is the Stipendium Hungaricum scholarship program which is an excellent opportunity for foreign students to obtain high level degree abroad.

Ladies and Gentlemen,

On the one hand, we see great potential in the cooperation between the BSEC countries and EU countries, and on the other hand, the institutional cooperation of the BSEC and EU as organizations, as well. As the observer of the BSEC and member state of the EU, we are supporting a close cooperation based on mutual interests.

Thank you for your attention.

Short STATEMENT

**by H.E. Mr. Eugen CARAS, Head of the Mission of the Republic of Moldova to the
European Union
at the High-Level Conference on the BSEC-EU Cooperation
(Brussels, 18 June 2019)**

**Your Excellencies,
Ladies and Gentlemen,**

On behalf of the Ministry of Foreign Affairs and European Integration of the Republic of Moldova I would like to join previous speakers in highlighting the added value of the BSEC-EU Platform for the continuous process of the cooperation on the basis of the mutual benefit in such areas as transport and infrastructure, trade, energy, tourism and environmental protection. We encourage and support the active participation of the BSEC Permanent Secretariat in the work of the European Commission's Steering Group of the "Facility for Blue Growth in the Black Sea", as well as in the implementation of the Common Maritime Agenda for the Black Sea.

The review of the Black Sea Synergy recently issued by the EU and yesterday's FAC Conclusions on the EU's engagement to the Black Sea regional cooperation build on already achieved progress in the BSEC-EU cooperation and open new venue for an ever increased interaction. By virtue of its core objective and geographical position of its Member states BSEC is a most natural partner for the EU in building new opportunities for further developing in a project-oriented and dynamic approach regional cooperation in the Black Sea region. We see good scope for further exploring the potential of this cooperation along such important domains as blue economy, environmental protection, and tourism. Republic of Moldova will continue to engage in initiatives aiming to identify and implement cooperative solutions and streamline our cooperation for the benefit of a prosperous, resilient and stable Black Sea region.

Last but not least, let me express our appreciation to the Bulgarian BSEC Chairmanship for the idea to organize this event and to the Romanian EU Presidency that has found time and place in its busy agenda for this High Level Meeting meant to bring more visibility to progress achieved and opportunities lying ahead of us within the framework of the BSEC-EU cooperation.

Thank you

**Statement by the Permanent Representative
of the Russian Federation to the EU
Ambassador Vladimir Chizhov
at High-Level Conference on BSEC - EU Cooperation
(Brussels, 18 June 2019)**

Ladies and gentlemen,

Our conference stresses major importance of the Black Sea region within the context of Pan-European cooperation. The BSEC is part of wide-scale integration processes on our Eurasian continent as a whole. Its establishment in 1992 was fuelled by an aspiration to turn the Black Sea into an area of joint economic activity, peace and prosperity.

We are strongly convinced that countries of the Black Sea region should be in a position to independently determine its economic targets and goals. At the same time we are open to mutually beneficial relations of BSEC with other actors on an equal and non-discriminatory footing. It is in line with Russia's concept of "integrating integrations", ultimately establishing a Greater Eurasian Partnership or, in other words, an economic space within the scope of the entire continent that would be free of any barriers.

Following years of efforts within BSEC a comprehensive set of tools for sustainable development and bolstering production capacity of the Black Sea region has been elaborated and is currently being finalised. It covers an economic agenda, the concept of a Black Sea Ring Highway and Energy Ring, various sectoral agreements within the whole basic spectrum, including culture, tourism, combating organised crime, emergency assistance, environment protection, transport, energy, and trade. In particular, we count on an early adoption of Russian and Turkish mutually complementary initiatives regarding the "Single Window" and in the field of trade facilitation, as well as on progress in elaborating a draft agreement on multimodal ferry lines proposed by Russia.

We note the useful experience of regional and cross-border cooperation with EU countries within the Council of the Baltic Sea States (CBSS) and the Barents Euro-Arctic Council (BEAC). We are looking forward to obtaining practical

results from the Strategic Research and Innovation Agenda for the Black Sea as well as Common Maritime Agenda (CMA) for the Black Sea agreed upon in 2018-2019 by all littoral states and the Republic of Moldova with support of the European Commission. Taking note of yesterday's conclusions of the EU Foreign Affairs Council on cooperation in the Black Sea region, we expect that these issues will remain a highlight on the agenda of the European Commission and the EU in general, and will be implemented in close interaction with BSEC.

BSEC and the EU have established and currently maintain close dialogue. We proceed from the assumption that today we will succeed in enhancing it by specific practical steps. However you look at it, both as integration entities and countries, we are neighbours and should be interested in addressing together the huge challenges we are facing. Russia is ready to do its utmost to facilitate further cooperation between BSEC and the EU, supporting its depoliticised nature and common focus on achieving practical results rather than scoring points on the geopolitical chessboard. In this respect, we attach particular importance to the project component, transformation of inter-state agreements into specific business contacts and cooperation platforms. In 2016 Russia together with BSEC and BSTDB established an extra-budgetary fund to finance projects in the Black Sea region, based on a Russian voluntary contribution. The fund welcomes contributions from alternative donors and other resource-based support to project proposals. We believe that this area of work is most promising and in highest demand within the scope of BSEC - EU cooperation.

The mechanism described already provides for implementation and launching of more than a dozen projects related to innovation technologies, development of the hospitality industry, energy efficiency, environment protection, supporting regional trade and SMEs. In our view, the contents and aims of these projects are much similar to EU approaches in the Black Sea region as well as the substance of CMA. This creates a basis for Russia-EU cooperation as donors, co-financing projects in the Black Sea region. We would welcome international financial institutions also joining this cooperation as a third party.

The EU represented by the European Commission enjoys an observer status in BSEC. The Eurasian Economic Union also expresses its interest to develop contacts with BSEC. For the last two years BSEC and the EAEU have been preparing to sign a bilateral Memorandum of Understanding. It is an agreement of intent providing for consultations, exchange of experience, joint conference activities. Two BSEC countries, Russia and Armenia, are EAEU members, in 2018 Moldova got observer status in the organisation. The text of Memorandum has already been agreed upon. We believe it will be signed soon and thereby strengthen BSEC's international ties and opportunities giving them increased sustainability and geographic diversification.

In conclusion, let me thank the organisers of this High-Level Conference for providing a possibility for a substantive and timely discussion which will hopefully serve as an important input into the exchange of views at the BSEC Ministerial later this month in the Bulgarian capital, Sophia.

Statement

by Mr. Ashot Kocharian, Director of Multilateral and Bilateral Economic Cooperation Department of the
Ministry of Foreign Affairs of the Republic of Armenia
at the High-Level Conference on BSEC-EU cooperation
Brussels, Belgium
June 18, 2019

Secretary General, Excellencies, dear colleagues,

Let me first thank the organizers of the first ever High-Level Conference on BSEC-EU cooperation. Armenia continues its active involvement in numerous international organizations and multilateral formats. We believe that the economic cooperation within the framework of BSEC will further benefit from interactions with other regional organizations and integration initiatives. Being a member of the Eurasian Economic Union which opens a customs free access to a market of over 180 million consumers, Armenia also enjoys strong and extensive cooperation with the European Union on the basis of the Comprehensive and Enhanced Partnership Agreement. The second Partnership Council meeting between the European Union and Armenia took place in Brussels on 13 June 2019. The Council reaffirmed the commitment of the EU and Armenia to implement effectively the Comprehensive and Enhanced Partnership Agreement (CEPA). The Council was chaired by the Foreign Minister of Armenia, Zohrab Mnatsakanyan. The European Union was represented by the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission, Federica Mogherini.

Armenia makes every effort to increase the role of BSEC in international arena, reinforce a synergy with international and regional organizations and enhance interaction with the BSEC related bodies, observers and sectoral dialogue partners.

It is encouraging to see that relations between the Organization of the Black Sea Economic Cooperation and the European Union have been growing and are comprised of concrete projects on economic and environmental cooperation, maritime issues particularly within "Blue Growth" initiative. This cooperation serves as a good platform for stimulating exchange between various stakeholders focusing on the promotion of sustainable development in the BSEC region.

As the protection of the Black Sea ecosystem and creation of sustainable jobs and growth in the regional blue economy are at the center of BSEC-EU cooperation, we believe that these issues concern also non-littoral states.

With an understanding that the Black Sea ecosystem and terrestrial ecosystems are interconnected and that landlocked developing countries in the region like Armenia need unfettered and cost-effective access to and from the sea by different means of transportation including various types of multimodal ferry and passenger lines, it comes to prove that "Blue Growth" is not just for coastal states. There are a plenty of opportunities for cooperation involving also non-littoral countries.

Armenia stands out as a particularly significant success for EU's Eastern Partnership program, which offers an appropriate opportunity to assess both the progress and the prospects ahead for greater bilateral and multilateral cooperation in wider Europe.

Armenia recently joined the International Maritime Organization and attaches importance to maritime environment and connectivity in the region. We are interested in learning the experience of EU and BSEC landlocked countries in developing their own blue economies.

Mr. Chairman,

On many occasions delegation of the Republic of Armenia expressed its determination to curb continuous attempts of some BSEC member states to politicize the economic-oriented Organization. In this context I would like to remind the Head of delegation of Azerbaijan that this Meeting is not the place and the format to discuss the Nagorno-Karabakh conflict. Despite the negotiations held within the framework of the OSCE Minsk Group Co-Chairmanship which is the only internationally mandated format on conflict settlement, Azerbaijan, distorting the nature and main reasons of the consequences of the conflict, takes attempts to involve other international organizations in the settlement. It is regrettable that Azerbaijan, time and time again, has been engaged in manipulations and groundless allegations and obviously tries to avoid the responsibility for its own destructive policy.

In conclusion let me thank the BSEC PERMIS, the European Commission's Directorate for Neighborhood and Enlargement Negotiations as well as the Bulgarian BSEC Chairmanship-in-Office and the Romanian Presidency of the Council of the European Union for organization and support of this important event which outlines potential areas of mutually beneficial cooperation between BSEC and EU.

It is only too obvious that the Black Sea is a European Sea; all the littoral states are members of the Council of Europe. This reality often escapes attention, however, because only two of the countries that are members of the European Union have relatively modest shores on the sea, leading those who equate Europe with the European Union to overlook this all too evident fact that the Black Sea is indeed in Europe.

Historically, geographically and demographically, the Black Sea has been an area of contestation between the Czarist and the Ottoman Empires and then their successors. It is refreshing that during the post-Cold War period the region has slowly come to be considered as more a zone cooperation than contestation. Black Sea Economic Cooperation is a clear manifestation of such noble conceptualizations. The fact that the EU has turned to exploring the potential and the possibilities of cooperation with BSEC where two of its members are also present and another engaged in if “long lasting” accession negotiations, is a welcome and timely effort. What should be aimed for is the development of a cooperation framework that aims, within the framework of SUSTAINABLE DEVELOPMENT GOALS, to identify areas where mutual cooperation is needed and/or would be mutually beneficial, taking into consideration that the Black Sea is a European but not a European Union Sea.

A cursory look at the region immediately points to some areas where immediate cooperation is needed. The Black Sea is a heavily polluted sea. The pollution derives from major river systems that carry pollutants that are discharged into the river through the countries that they pass. The Danube is a particularly vivid example since either it or its tributaries pass through countries almost all of whom are members of the EU. Although its pollution

levels nowadays have come down in comparison to the times of a divided Europe, the river continues to be a major polluter of the Black Sea.

Such pollution is not only directly harmful to human health, but also, along with overfishing, helps deplete fish stock in the sea. Over the past years, the amount of fish caught in the Black Sea has been declining, undermining the livelihood of populations that have traditionally derived their income from fishing. In fact, the problem does not stop there, fishermen that do not find enough catch in their own country's waters sometimes transgress into the neighbors', producing international law and order issues, fortunately of a low order, for the time being.

Addressing joint problems of pollution and depletion of the fish stock presents itself as one major area where joint and continued action is needed if the Black Sea is to offer all Europeans, citizens of EU or not, both recreation and food.

The Black Sea also constitutes a major economic zone where, though the percentages may vary, a significant portion of international trade occurs between the EU and non-EU member littorals. To expand this trade, it will be useful to examine the ways through which this trade could be facilitated. By way of example, it may be beneficial to improve port facilities as well as roads since trucks appear to be a major means of shipment. Also needed is a scrutiny of the systems of impediments to the timely shipment of goods such as border barriers or quota system for trucks. Furthermore, we have to recognize that if the international trade of the region develops further, the maritime parts of it will create loads that the Turkish Straits will not be able to bear. Earlier

experience has already shown that Istanbul is under great risk because of heavy maritime traffic.

Addressing problems of pollution and transportation and the associated problems some of which already receive some, if modest, attention under the Common Maritime Agenda of the EU, are but examples of the many areas where cooperation between EU and BSEC would hold promise for economic and environmental betterment in the region. To achieve the desired results, it appears necessary to go beyond the already existing “Ad hoc Working Group of Experts on BSEC-EU Interaction” and establish permanent and sustainable joint mechanisms to develop and to implement specific programs and projects. A beginning point may be the establishment of a study group that will prepare a report on the problems, possibilities and opportunities. The report might then be evaluated at a similar gathering as the current meeting for final touches and submitted to the consideration of the relevant bodies of each organization. Identifying and addressing common problems and dealing with them with success may not only be the best way of advancing a sense of community in the region but it will also pave the way to more and deeper cooperation. Furthermore, from the perspective of the EU, it may be more efficient to work with a regional organization than through bilateral arrangements with many countries in the Black Sea region which would generate voluminous transaction costs.

Dear Secretary General, Excellences, Colleagues!

- The European Commission, and DG MARE in particular, has been a vocal advocate for the sustainable use of the Black Sea and cooperation centred on few and mutually beneficial areas with relevance for blue *economic* growth.
- Allow me to remind the cycle of high-level stakeholder conferences we organised in Bucharest (2014), Sofia (2015), Odessa (2016), Batumi (2017) and the European Maritime Day (2018) in Burgas where the seeds of such cooperation were planted and maritime practitioners from all Black Sea countries and wider region got together to discuss blue economy and joint projects.
- We have funded some of those projects: for instance on maritime spatial planning, maritime clusters, underwater archaeology, blue skills and tourism, marine observation and coast guard cooperation.
- All our activities in the area were done in close partnership with BSEC as the oldest and most experienced organisation promoting economic cooperation in the region. We have found a genuine partner, a trust-building forum in the face of BSEC and its Secretariat, for which we are very thankful!
- Against this background, I am particularly delighted that the last 2 years have witnessed a very positive dynamic in the cooperation on maritime affairs and fisheries in the Black

Sea, with BSEC Member States being in the forefront and BSEC PERMIS actively supporting these developments.

- The
 - COMMON MARITIME AGENDA;
 - its science pillar – the STRATEGIC RESEARCH AND INNOVATION AGENDA; as well as
 - the SOFIA MINISTERIAL DECLARATION ON SUSTAINABLE FISHERIES AND AQUACULTURE

They are all excellent examples of **home-grown initiatives**. They also send an important signal to investors and institutions active in the region that the community of maritime stakeholders is united and ready to implement projects. And I believe **this message is heard**.

- We also hear it in the European Commission and we will continue to support the countries in the implementation: be it by technical assistance, be it by funding.
- Allow me to take the Common Maritime Agenda as an example of how this support will manifest itself.
- The Agenda is **the very first strategic framework for cooperation on maritime affairs in the Black Sea** that further develops the maritime pillar of the Black Sea Synergy, and complements the BSEC economic agenda.
 - The agenda aims to inform **the current and more importantly future funding instruments:**

operational programmes, cross-border cooperation programmes, international funds.

- The Agenda has 3 pillars:
 - **Goal I - Healthy marine and coastal ecosystems**

Exemplary actions:

- Ensure the protection and sustainability of the marine ecosystem
- Address marine pollution and plastic litter
- Support sustainable fisheries and aquaculture
- Support innovative marine research infrastructures and better environmental monitoring

- **Goal II: A competitive, innovative and sustainable blue economy for the Black Sea**

The main aim of this goal is to prioritise actions linked to innovation and connectivity, related to established and emerging sectors (biotech, aquaculture, renewables)

- **Goal III: Fostering Investment in the Black Sea blue economy**

Among the priorities are:

- Improve access to financial resources and promote sustainable investment
- Support for start-ups, SMEs, clusters and their capacity building.

- On Implementation, we will continue to have a 1) Steering group (**uniting coastal states and regional organisations, and the EU**); 2) a coordinator (new!) 3) assistance mechanism (**1 million euros**).

- We plan to **entrust BSEC with the management of the information** (the economic analyses, best practices, project database) that we have gathered over the last 2 years in the run-up of the Common Maritime Agenda. Terms still to be negotiated.

(next steps)

- By mentioning the BSEC, I would like to highlight that what lies ahead is the implementation of the Common Maritime Agenda.
- As a home-grown initiative, it is **in the hands of participating countries, also Members of BSEC** to shape actions & devote funding hereto.
- I believe that the States will profit greatly by **the expertise of the BSEC PERMIS – to develop joint projects & help pool funding from international donors.**
- As European Commission, we **will continue supporting the work of the Steering Group and the rotating Coordinator.**
- DG MARE sees the CMA as a flexible tool and a lot could be done for its implementation. We are working on to establish the long-term vision and we are having talks with fellow Commission services and international organisations such as the World Bank (sitting next to me).
- [In the meantime, we need to keep the momentum and to show that the CMA can deliver. In this context, we have several actions that we aim to do already this year.

- Establishing the Steering Group before the end of 2019
 - Confirming among the countries the CMA Coordinator and prepare the annual work activity for 2020
 - Discussing the activities of the assistance mechanism for 2020/2021 and selecting the contractor
 - Working towards the aligning of EU funds with the CMA priorities
 - Identifying project calls and blue economy opportunities at international, EU, regional and national level
 - Identifying possible synergies with investment institutions and banks
 - Organisation of targeted workshops and stakeholders events]
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- With all this in mind, I would like to highlight once again that the EU, and the Commission, will remain a constructive actor in the region that promotes a positive, innovation-oriented agenda.

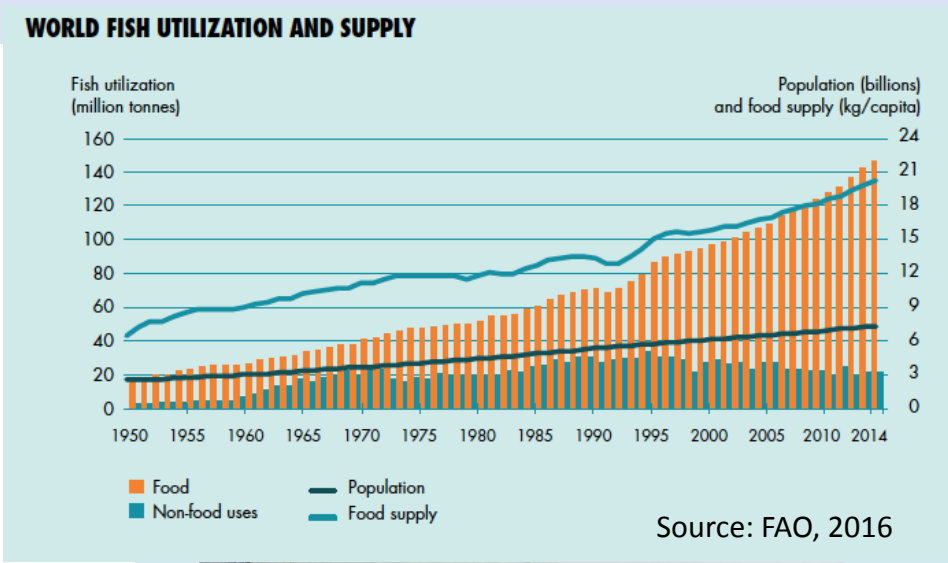
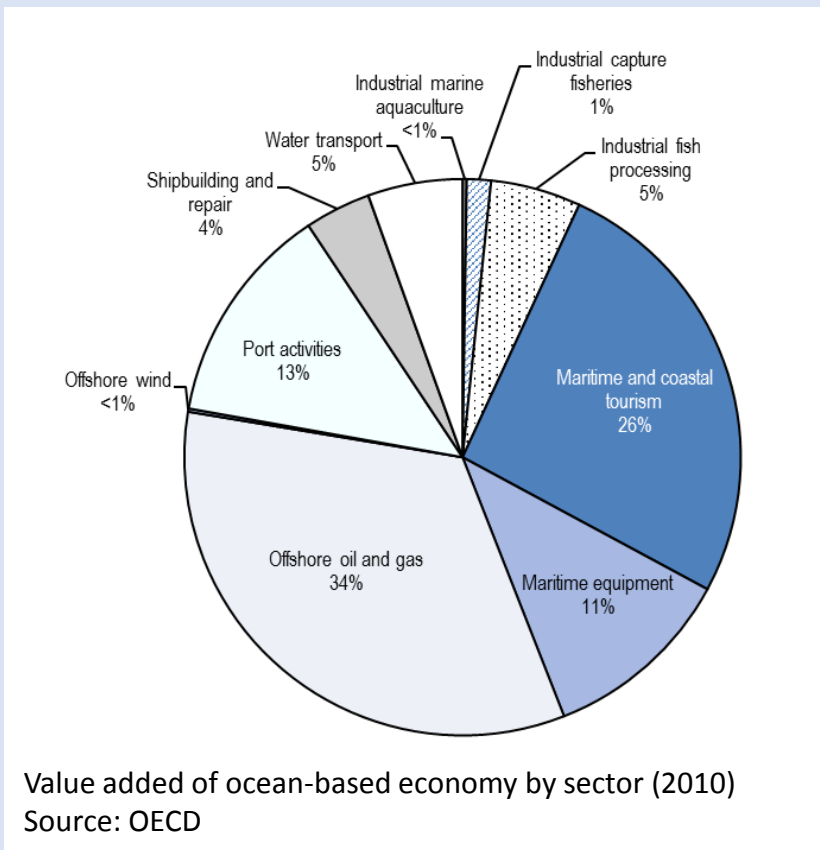


Blue Economy Opportunities for the Black Sea

High Level Conference on BSEC –EU Cooperation
Brussels
June 19, 2019

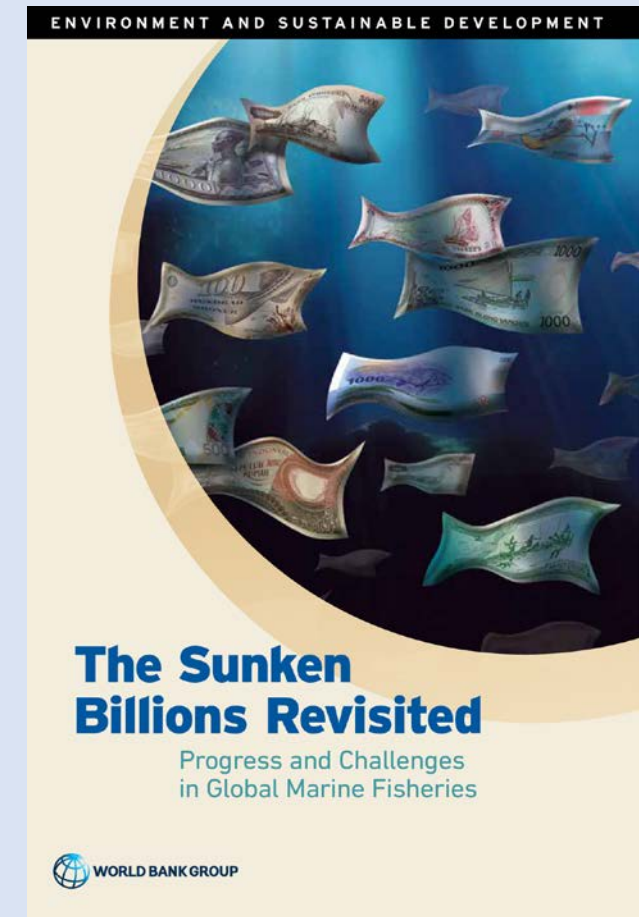
The Blue Economy as key to the WB mandate: growth, inclusion and sustainability

- Projected to double to US\$3 trillion by 2030
 - Strong growth in global demand for fish and seafood
 - Marine transport
 - Marine energy
- Social inclusion
- Global public good
- Sustainability concerns



WB interventions: investments and evidence base

- Growth in Projects and Programs that harness Blue Economy potential
- Global Portfolio: US\$4.5 billion; Pipeline: US\$1.1 billion
- Evidence base: Global, Regional & Country analytical work



Strengthening capacity through partnerships: PROBLUE



Pillar 1

Improved Fisheries Governance

Objective: Support the sustainable development of fisheries and aquaculture



Pillar 2

Marine Litter and Marine Pollution Management

Objective: Reduce marine litter and pollution and contribute to the restoration of coastal and marine ecosystems



Pillar 3

Blueing of Oceanic Sectors

Objective: Blueing of traditional oceanic and new economic activities



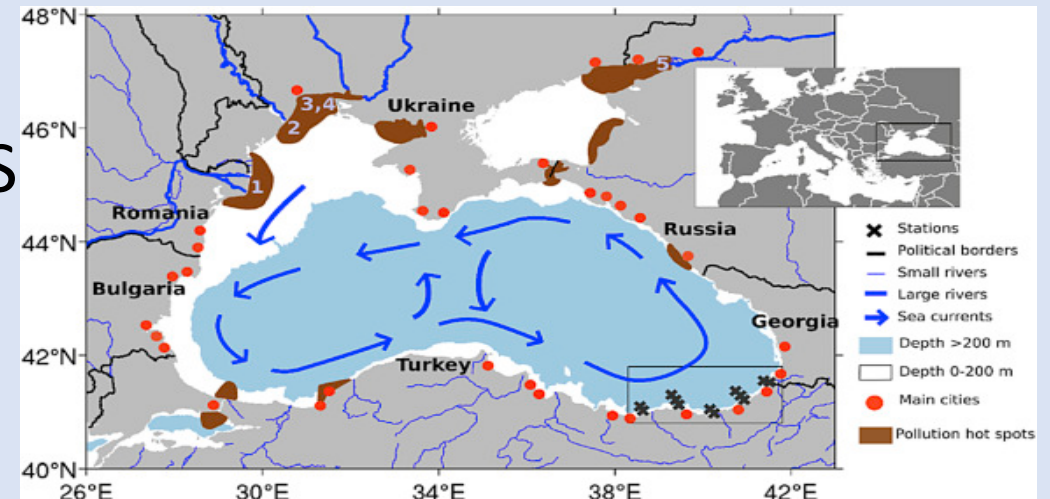
Pillar 4

Integrated Seascape Approach

Objective: Promote integrated and sustainable development of coastal and marine areas

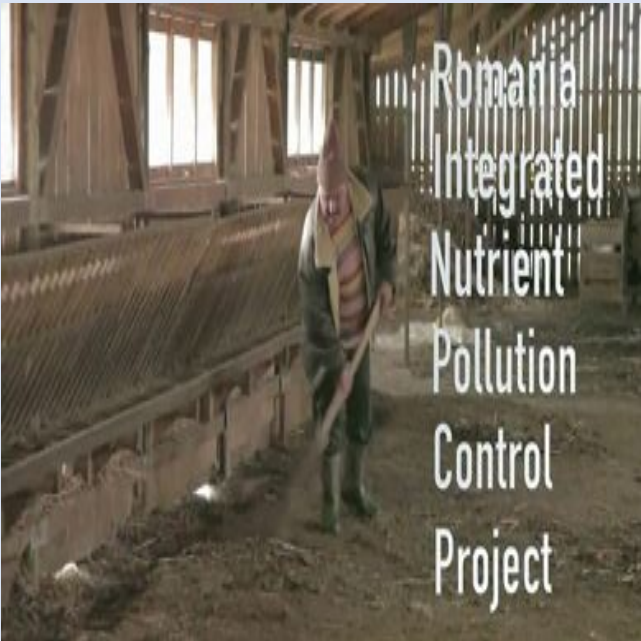
The WB as a Long-term Partner in the Black Sea

- Supporting Black Sea Countries since 1990s
 - Integrated Coastal and Marine Areas Management (BG, RO, Uk, Georgia and Tk)
 - Danube Program (nutrient and marine pollution: Euro 70million in GEF support)
- Aligned with the European Commission's principles and guidelines (Burgas Vision, BGBS Facility; Maritime Policy and CE Strategy)



WB Engagements in the Black Sea: some examples

ROMANIA POLLUTION CONTROL



GEORGIA COASTAL RESILIENCE AND TOURISM



TURKEY MARINE LITTER ACTION PLANS (under discussion)



Looking Forward - Turning the Black Sea into a Sea of Opportunities

- Provide the Economic Case for Action → ensure political commitment and championship
- Inter and Multi Sectoral Challenge → Address institutional fragmentation
- Regional public good, shared benefits → Encourage multi-country coordination
- Large investment needs → Leverage concessional finance to mobilize private sector investment and catalyze other development partners

