



PARLIAMETARY ASSEMBLY OF THE BLACK SEA ECONOMIC COOPERATION  
**PABSEC**

INTERNATIONAL SECRETARIAT

Doc. GA54/LC54/REP/19

FIFTIETH-FOURTH PLENARY SESSION OF THE PABSEC GENERAL ASSEMBLY

**LEGAL AND POLITICAL AFFAIRS COMMITTEE**

**REPORT\***

**“LEGAL AND POLITICAL ASPECTS OF THE DEVELOPMENT OF  
TRANSPORT ROUTES IN THE BSEC REGION”**

Rapporteur: Mr. Ivan DEMCHENKO, member of the Committee (Russia)

---

*\* The text was considered at the Fifty-fourth Meeting of the Legal and Political Affairs Committee in Sochi, on 25-26 September 2019 and adopted at the Fifty-Fourth General Assembly in Sofia, on 20 November 2019*

## **I. INTRODUCTION**

1. The BSEC Region is an important crossroads and transit corridor as well as the strategic intersection of major routes for goods (Silk Road, TRACECA (Transport Corridor-Caucasus-Asia) Project, Trans European Network Transport (TEN-T), Euro-Asian Transport Links (EATL) and energy from east to west and from north to south (Baku-Tbilisi-Ceyhan (B-T-C), South Gas Corridor (SGC), Turkish Stream and others). The cooperation in the field of transport is vital for achieving the overall economic progress in the region and is one of the main factors boosting interaction among the countries. Sustainable transport with well-developed and interconnected transport networks in the BSEC region integrated into the global transport system and elaboration of new transport projects focusing on gaps pave the way towards broadening the scope of the BSEC in the context of the Sustainable Development Goals (SDGs).
2. The countries in the wider Black Sea region share the rich natural, cultural and human capital. Therefore, sustainable transport policy should be people centred and climate-resilient by prioritizing safe, smart, low-carbon and multimodal transport promoting energy and fuel efficiency. The practical progress in this direction requires sound transport policies based on regional and bilateral agreements with due regard to the interests of every Member State. It is important that legal and political aspects are given high consideration in order to ensure that transport in the Region realise their full potential. This endeavour underlines the pressing need for identifying and remedying legal discrepancies and establishment of sound political climate ensuring that transport sector contributes to the regional objectives.
3. Taking into account the global significance of transport issue today and topicality of the transport projects in the BSEC Region, the Legal and Political Affairs Committee, at its 53<sup>rd</sup> Meeting in Batumi on 15-16 May has decided to discuss “Legal and Political Aspects of the Development of Transport Routes in the BSEC Region”.
4. The BSEC Organization pays special attention to transport since its commencement in 1992, focusing mainly on how better utilize intra-regional capacity and the growing potential of the Black Sea Region. In their work on the development of transport the BSEC Member States are guided by the Declaration of the 25th Anniversary Summit of the Organization of the Black Sea Economic Cooperation (22 May 2017), provisions of the BSEC Economic Agenda: Towards an Enhanced BSEC Partnership (in particular its Goal 3: "Establishment of an Efficient Transport Network"), resolutions of the Council of Ministers of Foreign Affairs and decisions of the Ministers of Transport of the BSEC Member States.
5. The present report reflects the information received from the national delegations of Azerbaijan, Bulgaria, Greece, Moldova, Romania, Russia, Serbia, Turkey, Ukraine. It also benefits from the valuable contribution of the BSEC PERMIS, as well as from the relevant Internet resources.

## **II. LEGAL AND POLITICAL ASPECTS OF THE DEVELOPMENT OF TRANSPORT ROUTES IN THE BLACK SEA REGION**

6. The economic impact of the transportation projects is measured in the benefits, which they bring to the economic growth, job creation, trade facilitation. The transport industry directly employs around 10 million people and accounts for about 5% of the gross domestic product (GDP) in Europe. The effective transport systems are fundamental for the world companies' ability to compete in the world economy. Logistics, such as transport and storage, account for 10–15% of the cost of the finished product of the European companies.

7. The quality of the transport services has a major impact on people's quality of life. On average 13.2% of every household's budget is spent on transport goods and services. Transport also depends on oil resources and represents an important source of CO2 emissions. According to the projections of the International Transport Forum, globally, the demand for mobility will continue to grow over the next three decades.
8. The ITF Transport Outlook 2019 predicts that a further rapid growth of e-commerce could increase the global freight volumes by between 2 and 11 % by 2050, depending on the used transport mode. The combined introduction of new technologies and improvements in logistical efficiency could lower freight-related CO2 emissions by 60 % in 2050 compared to the current projections.
9. Taking into account the abovementioned projections, the PABSEC considers that the sustainable development of the transport sector in the Black Sea Region is linked to the long-term provision of ecologically safe transport modes, modern infrastructure projects also to the improvement of the competitiveness of the transport enterprises, the efficiency and the quality of the transport services.
10. The development of the infrastructure, which is a lengthy and resource-intensive process, requires long-term planning based on reliable methodologies and clearly defined priorities. Also, the innovative technologies and the new business models are integral parts of the disruptive developments that the transport sector faces.
11. The development of integrated transport systems in the BSEC Member States and their connection to the TRACECA (Transport Corridor Europe-Caucasus-Asia) Project, OBOR (One Belt One Road) Initiative Corridor, Trans European Network Transport (TEN-T), Euro-Asian Transport Links (EATL) and the other sea motorways passing through the wider Black Sea Region will broaden the scope of the BSEC and boost the trade relations between the Member States. Practical achievements in this direction require sound transport policies based on the multilateral and bilateral agreements with due regard to the interests of the particular countries.
12. The UNECE Ministerial Resolution on Embracing the New era for Sustainable Inland Transport and Mobility (adopted on 21 February 2017), declares that the Fourth Industrial Revolution marked a "New era for transport and mobility" and invites the parties for coordinated work towards improved regional and inter-continental connectivity with special attention to the Euro-Asian Transport Links project, as well as participation in the One Belt and One Road Initiative through policy coordination, and facilitation of seamless transport.
13. Taking into consideration the growing role of the Region in the global economy, the BSEC Member States have to concert their efforts in order to ensure that the governance of transport responds to the dynamic and rapid transformations shaping the sector and in the same time consider the ambitious goals set in the United Nations Paris Climate Agreement (2015) and the United Nations Sustainable Development Goals<sup>1</sup>.
14. This endeavour underlines the pressing need for identifying and remedying the legal discrepancies and establishment of stable political climate ensuring that transport sector contributes to the international objectives.

---

<sup>1</sup> In the 2030 Agenda for Sustainable Development, sustainable transport is mainstreamed across several SDGs and targets, especially those related to food security, health, energy, economic growth, infrastructure, and cities and human settlements. The transport sector will be playing a particularly important role in the achievement of the Paris Agreement, given the fact close to a quarter of energy-related global greenhouse gas emissions come from transport and that these emissions are projected to grow substantially in the years to come.

15. The key components of the successful implementation of sustainable transport projects in the Black Sea Region are the parliamentary support, effective legislative regulations and undoubtedly sound political decisions. The adequate political backing on behalf of the national and international parliamentary institutions is crucial for the successful implementation of joint projects and initiatives. Efficient coordination between legislative bodies, the governmental authorities and the private sector is very important.
16. The efforts of the BSEC countries in developing a sustainable transportation system include harmonization of the legal, technical and institutional frameworks. In the endeavor to facilitate the existing and ongoing transport routes in the Region, it is important that the politicians address the existing physical and non-physical barriers, such as insufficient or inadequate transport infrastructures, bottlenecks and missing links, as well as the lack of funds. Enhanced coordination and integration of transport policy and planning across modes and borders is required, especially as economic systems become increasingly integrated, both functionally and spatially.
17. The appropriate political decisions will create solid base for the development of an intermodal transport network in the Black Sea Region, involving ferries and combined transport, with the aim to promote the development of a high-quality transport infrastructure with a strong network of logistic centres and to establish an appropriate framework for the development of environmentally friendly and safe modes of transportation (rail, inland waterways transport, short sea shipping and intermodal freight transport).
18. Thus with the aim to achieve the better transport and infrastructure connectivity, which will boost the economic prosperity and relations in the Black Sea Region, the parliaments and governments should join their efforts in the policy-decision process and mobilize the public support for the implementation of joint projects, multilateral agreements, BSEC resolutions, and the PABSEC recommendations.
19. The governments of the BSEC Members States should make efforts to create synergies for realization of the strategic targets of BSEC in the transport sector identified in the "BSEC Economic Agenda: Towards an Enhanced BSEC Partnership" adopted in 2012, in particular its Goal 3: "Establishment of an Efficient Transport Network" and further promote the cooperation on the implementation of the Memoranda on the development of the Black Sea Ring Highway, Motorways of the Sea and Facilitation of Road Transport of Goods and bring the relevant agreements into force as soon as possible.
20. One of the main prerequisites necessary for the development of joint transport routes and systems requires to take into consideration the asymmetries, particularly in the legal field, that exist in the BSEC Member Countries so that the cooperation process becomes a balanced process and does not become a factor that will increase the disparity in the Region.
21. Within this context, it is necessary to adjust regulations and relevant legislation into conformance with internationally recognised norms and develop adequate strategies for the regional cooperation.
22. The legal framework should comprehend a set of policies, regulations and strategies, which are based on the internationally recognised principles and norms as well as the respective MoU and agreements at international level.

### ***The role of the parliaments***

23. The parliaments should promote the implementation of the provisions of the key United Nations transport-related conventions, as well as the WTO (World Trade Organization) Trade Facilitation Agreement, providing seamless cross-border procedures and transit.

24. The parliaments of the BSEC countries should support the new technologies and digitalisation of all trade facilitation tools and take necessary steps to ensure wide use of digital TIR (Convention on the International Transport of Goods) and e-CMR (Electronic Consignment Note under the Convention on the Contract for the International Carriage of Goods by Road), which are considered as the next generation digital tool, as well as to actively cooperate in the process of coordination and implementations of measures related to the facilitation of border crossing and fast and seamless transition of goods through transport corridors.
25. The parliaments of the BSEC Member States have to ensure maximum use of the available legal mechanisms to promote programs that support infrastructure investments in major highways, urban transportation projects and key border crossings with the aim to develop modern and efficient transportation and transport-related infrastructure as essential to building a strong economy and improving the quality of life for its citizens.
26. The specialised parliamentary committees might come up with the recommendations on the development of facilities that enable the use of environmentally friendly modes of transport, fulfilling a fundamental precondition for the establishment of an integrated intermodal transport network in the BSEC Region.
27. The parliaments have to funding priorities and strategies for promoting the development of the transport sector with the aim to achieve sustained economic growth, to meet the national priorities and strategic objectives and encourage good neighbourhood relations.
28. The parliamentarians should use the available legal mechanisms to extensive involvement of the business community in the implementation of projects for the development of transport infrastructure and transport links, particularly based on public-private partnership.
29. The parliaments and the PABSEC have to take role in facilitation of the implementation of joint projects undertaken by the BSEC in the field of transport. The PABSEC has reaffirmed on many occasions its commitment to provide legislative support to the BSEC initiatives in developing transport infrastructure projects and programmes.

### **III. TRANSPORT ROUTES IN THE BSEC REGION**

30. The Action Plan of the BSEC Working Group on Transport is the general framework to promote the cooperation in the field of transport among the BSEC Member States. The Action Plan for the period of 1 July 2017 until 30 June 2019, prepared by Romania as the Country Coordinator of the Working Group, set the main guidelines for enhancing mutually beneficial cooperation between the BSEC Member States directed towards both the integration of the national transport networks into the Regional ones and further into the Trans European Network Transport (TEN-T) and Euro-Asian Transport Links, and the development of reliable, efficient, safe, integrated and sustainable transport systems in the BSEC Region.
31. The Meeting of the Ministers in Charge of Transport of the BSEC Member States was held in Baku, the Republic of Azerbaijan, on 25 October 2018 in the framework of the Azerbaijani BSEC Chairmanship-in-office. The Meeting evaluated the current state of the transport cooperation in the BSEC framework and the efforts required for its further improvement. It was preceded by the Meeting of the BSEC Working Group on Transport on 24 October 2018, which had exchange of views on boosting trade to connectivity.
32. The activities of the BSEC Working Group on Transport are complemented by the work of the Steering Committees on the Development of the Black Sea Ring Highway, on the Development of the Motorways of the Sea, on the Facilitation of Road Transport of Goods,

Task Forces on Intermodal Transport, on Introduction of the International Vehicle Weight Certificate etc.

33. The role of BSEC in the Euro-Asian transportation has been underscored during a high-level debate on "The Belt & Road Initiative (BRI): Bridging the gaps for sustainable transport and growth in Eurasia", which was hosted by the China Highway and Transportation Society, the International Road Federation and the BSEC PERMIS on 22 May 2019 during the 2019 ITF Annual Summit. The participants have focused on the measures that must be implemented to incentivize investments in the BRI projects, requirements to create conducive environments for the development of sustainable transport infrastructure projects and the ways to maximize the international cooperation and coordination.

#### ***Development of road and maritime infrastructure***

34. The development of the transport infrastructure and facilitation of transport of goods are among the priority tasks of the BSEC Organization. Two of the pet projects of the Organization, in what concerns facilitation of transports and trade, are a) the Black Sea Ring Highway (BSRH) and b) the Motorways of the Sea (MoS).
35. In accordance with the BSRH MoU, the BSRH project entails the establishment of a highway, connecting riparian Black Sea Member States, with extensions to the capitals of all other Members. It is a project for upgrading mostly existing roads to highway standards, covering a distance of approximately 7,5 thousand kilometres.
36. Each country is responsible for the construction and upgrading of the highway in its territory and for connecting existing roads to the new sections, while the construction of many exits will make it possible to also link the Black Sea circular highway with non-riparian Black Sea Member States like Albania, Armenia, Azerbaijan, Greece and Serbia and further. Significant parts of the Ring Highway are ready others are in the phase of construction or planning. Greece and Turkey fully accomplished their parts of the multilateral project.
37. On the initiative of the International Road Transport Union (IRU) and the BSEC, the Black Sea Ring Highway Steering Committee included the ancillary Model Highway connecting Turkey to Georgia and Azerbaijan to the overall project of the BSRH in order to bring the ancillary road infrastructure to the highest European standards. A pre-Feasibility Study on the Model Highway Initiative project was finalized by the "Ignatia Odos" with the support of IRU and the Black Sea Trade and Development Bank.
38. The project on the development of the Motorways of the Sea in the BSEC Region includes 43 ports of the BSEC Member States and its aims to concentrate flows of freight on sea routes; to develop regular and frequent maritime links for the transport of goods between BSEC States; to develop ports with modern infrastructure; to relieve land transport; to serve real and dynamically developing transport demands and trade flows between ports; to enhance environmental protection in the Region. Activities within this project include the upgrading of port facilities, identification of projects of common interest and securing free and fair competition in international shipping.
39. The BSEC Member States promote establishment of a coordinated and uninterrupted intermodal transport and logistics system for providing additional transport options to existing and future trade flows between BSEC Member States, Europe and Asia, and facilitating participation of the national economies of BSEC Member States in the global economy. The Task Force on Intermodal Transport has been established, as an important direction of cooperation for creating competitive alternatives to road transport in the Black Sea Region.

40. At the Meeting held at the BSEC Headquarters on 15 April 2019, the experts of interested Member States considered the Draft Memorandum of Understanding on the Development of Multimodal Ferry and Passenger Lines in the Black Sea Region, proposed by the Russian Federation, underlined the importance of development of multimodal ferry lines for transportation of goods and passengers and agreed on measures needed for elaborating a multilateral Memorandum in this field. Signing of this document will allow decrease in freight and shorten the time for cargo in ports, eliminate infrastructure barriers in the Black Sea region, ease the load on the roads and border crossing points, etc.

#### ***Facilitation of road transport of goods***

41. In line with the Memorandum of Understanding on Facilitation of Road Transport of Goods (FRTG MoU), the BSEC's constant efforts in transport sector are aimed at diminishing red tape and bureaucracy when it comes to moving goods and people across borders, by harmonizing and simplifying procedures, formalities and the necessary documentation.
42. The FRTG Steering Committee works on the gradual liberalization of transport, visa facilitation, adherence by the BSEC Member States to major UNECE International Agreements and Conventions, promotion of new technologies, digitalization and automation on transport. The secretarial support to the FRTG Steering Committee is provided by the BSEC PERMIS with kind assistance of the BSEC-URTA<sup>1</sup>.
43. The Steering Committee works on a set of measures to eliminate physical and non-physical barriers to trade and transportation in the BSEC Region through digitalization and automation of procedures. This measures, in particular, include establishing the e-data exchange mechanism with the neighbouring states concerned and potential Regional partners for a more comprehensive risk analysis securing the expeditious transport and trade facilitation; promoting the existing TIR tools: iCarnet (a guarantee for customs transit between customs authorities of the same country); TIR+ (increased guarantee under TIR) and TIR-EPD (TIR Electronic Pre-Declaration); considering the adoption of the Annex XI to the TIR Convention as the legal basis for digitalization of the TIR procedures in order to further facilitate trade among the countries.
44. The project "BSEC Permit System" is a milestone in facilitating the road transport of goods and the gradual liberalization of the transport market in the Region. Since 2010, eight BSEC Member States (Republic of Albania, Republic of Armenia, Georgia, Republic of Moldova, Romania, Republic of Serbia, Republic of Turkey and Ukraine) developed and implemented the project. The number of BSEC permits distributed to the participating States tripled since the launch of the project and reached the quantity of 1000 pieces in 2019. At the 13<sup>th</sup> Meeting of the FRTG Steering Committee the Republic of Turkey came up with the initiative to start e-Permit Pilot Project, ensuring better operation of the system.
45. The BSEC joined the UNECE efforts in promoting the International Vehicle Weight Certificate (IVWS), in the framework of Annex 8 to the International Convention on harmonization of Frontier Controls of Goods. Seven BSEC Member States are participating in the Pilot Project: Albania, Armenia, Georgia, Moldova, Romania, Serbia and Ukraine. Moldova is the first BSEC Member State which introduced in its national legislation the requirement for weighing the goods transported by vehicles and the issuance of the IVWC.

---

<sup>1</sup> BSEC-URTA is a BSEC Sectoral Dialogue Partner whose mission is to work together with the governments of the BSEC Member States to enable road transport delivery of goods in cost efficient by interconnecting business, markets and all stakeholders to the best interest of society.

### ***Strengthening the BSEC institutional capacity on trade and transport facilitation***

46. Trade facilitation, automation of transit procedures and electronic data exchange, and single window system have been the concepts that are on the agenda of almost all custom administrations on the way to modernize and facilitate the customs procedures. During the period of 2016-2018, special focus was given to automation of transit procedures and electronic exchange of data within the context of trade facilitation. In this period, also a Trade Facilitation Strategy was drafted in cooperation with the BSEC Working Group on Trade and Economic Development and agreed upon in a joint meeting. Its adoption will be one of the milestones of BSEC and it will serve as a reference document for further cooperation among the Member States in the field of Customs and Trade. Vitaly important recommendations on digitalization and automation of trade and transportation procedures were submitted to the BSEC Member States and the BSEC working organs as a follow-up of a number of events organized by the BSEC PERMIS in cooperation with the national authorities of the BSEC Member States, international organizations and institutions.
47. The main conclusion of these events was that introduction of new technologies, namely the digitalization and automation of procedures for international trans-border trade and transport, in combination with the relevant adaptation of national legislation and policies, implementation of the provisions of the key UN transport-related Conventions and the WTO Trade Facilitation Agreement, providing seamless cross-border transport and transit, as well as the coordinated efforts of national authorities of the BSEC Member States, the private sector, international organizations and of other stakeholders will contribute to the facilitation of trade and transportation and economic growth in the BSEC Region.
48. The BSEC-URTA's concern over the situation on international road transportation was presented in its resolution adopted at the 35<sup>th</sup> Meeting of the BSEC-URTA General Assembly on 28 May 2019 in Istanbul. In particular, the Resolution notes that the main reasons of high waiting times at Border crossing points (BCPs) of most of the BSEC Member States are inappropriate infrastructure of the BCPs which are not properly designed and connected, inefficient working procedures of authorities acting at BCPs which are not always synchronized with customs, non-synchronized work of neighbouring borders and insufficient personnel which cannot meet the high demand for crossing of the commercial vehicles. The consequence of these difficulties resulted in an increased cost of the intra and extra BSEC Region goods carried by international road transport.
49. The BSEC Ministers of Transport repeatedly emphasize the great importance of enhanced cooperation between the BSEC and the European Union, organizations of the UN system and other international, intergovernmental and nongovernmental organizations, as well as organizations of regional economic cooperation and international financial institutions.
50. At EU level, in the field of transport, the smooth functioning of the EU internal market means a strong and extensive trans-European transport network, which will strengthen the territorial cohesion, accessibility and connectivity of all Regions of the Union, including neighbouring Regions, stimulate investment for growth and jobs in the EU, will ensure the transition to low-emission mobility and the fulfilment of new EU international climate change commitments.
51. The Romanian Presidency of the Council of the European Union, together with the European Commission, hosted the Eastern Partnership Ministerial Meeting on Transport. The event brought together EU Ministers responsible for transport and their counterparts from the six Eastern partner countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.



52. During the meeting, the EU and its partner countries endorsed a Joint Declaration entitled “Eastern Partnership – Taking the Transport Cooperation Agenda Forward”, which includes a commitment of the Member States to continue working together on concrete results for connectivity under the Indicative TEN-T Investment Action Plan, while maintaining good governance standards.

#### *Situation in the BSEC Member States*

53. The Ministry of Transport, Communications and High Technologies of *the Republic of Azerbaijan* is a central executive body implementing state policy and regulation in the areas of transport, including maritime transport and civil aviation, communications (telecommunication, post) and high technologies.
54. The Republic of Azerbaijan is a party to the Memorandum of Understanding for the coordinated development of the Black Sea Ring Highway between the BSEC Member States. In the framework of the BSRH MoU, the main part of the Black Sea Ring Highway, which passes through the territory of the country goes through Baku-Alat-Gazakh (the state border with Georgia) and from Baku-Guba (the state border with Russia).
55. The state border of Baku-Alat-Gazakh-Georgia (E60) road in its total length of 503 km serve as a main interstate transport route interconnecting the capital of the Republic of Azerbaijan with the countries bordering the country, but they need reconstruction and reparation works. Over the past years, the section from Baku to Ganja was upgraded to the required standards. Since June 2019, the project is being implemented envisaging construction of the 130 km four-lane road towards the state border Ganja-Gazakh-Georgia.
56. During the past years, the 132 km section of the 208-km road of Baku-Guba-Russian state border (E119) was upgraded to the first level. The remaining section of the road, as well as maintenance and reconstruction works are carried out. At the same time the Decree of the President No 3692 “On Measures for the Construction of a New Highway from Baku - Guba - Russian Federation State Border” was issued on 19 February 2018. According to the Decree, the construction of a new highway begins from the village of Tagiyev. This new project is expected to a toll road in the future.
57. The main priorities of the transport policy of *the Republic of Bulgaria* for the period of 2019-2021 include the following actions: improvement of the transport system management; development of intermodal transport; reduction of fuel consumption and increase of energy efficiency of transport; improvement of the interconnectivity of the Bulgarian transport system with the Single European Transport Area; ensuring the quality and accessibility of transport in all Regions of the country; restriction of the negative impact of transport on the environment and people.
58. In 2017, the Council of Ministers of the Republic of Bulgaria approved the Integrated Transport Strategy until 2030, which includes the scheduled investments in the wide-range Trans European Transport Network (TEN-T), as well as the main city network hubs; the real list of the projects that may be implemented with the EU funds. Its implementation requires carrying on the respective infrastructural, organizational and operational measures.
59. The transport policy of the Republic of Bulgaria implies the improvement of the transport connections between Turkey and Romania in Ruse direction: Veliko Tarnovo- Gabrovo-Kazanlak-Stara Zagora-Dimitrograd-Harmanli-Svilengrad-Kapitan Andreevo. This is an important section of the Trans-European Transport Corridor IX, connecting Finland and Russia with Asia through Romania and Bulgaria. Another project underway is the improvement of the transport route between Sofia and Kulata (border with Greece), which is

a priority projects of the European Commission, as part of the highway axis “Igoumenitsa-Patra-Athens-Sofia- Budapest”.

60. At the same time, the improvement of the transport connection with the border of Serbia and “Hemus” and “Trakia” highways at the section Kalotina-Sofia is underway. This part of the European Transport Corridor X secures the shortest international transport connection between the countries of Central and Western Europe with Asia and the Middle East and at the same time the connection of Bulgaria and Greece with Central and Western Europe.
61. The Ministry of Infrastructure and Transport of *Greece* has completed in June 2019 the National Transport Plan for Greece, aiming to provide the basis for sustainable transport infrastructure and service development over the medium (2027) to long-term horizon (2037). Its key aim is to foster the competitiveness and sustainability of the transport sector nationwide and identify solutions that also cover organizational and institutional interventions to complement the envisaged investments in the transport infrastructure.
62. The plan covers all transport modes in a long-term time horizon of 20 years, including an evaluation of the significant expected impacts, as well as the required arrangements and programming activities for its successful implementation. The five high level objectives of the plan are the following: delivering economic growth and efficiency in transport development; improving transport connectivity with islands or between complementary transport modes, systems interoperability cross-border links with EU/non-EU countries; ensuring an environmentally sustainable transport sector; providing accessibility and social inclusion; maintaining safe and secure transport system.
63. The plan includes infrastructure developments to improve the connectivity at ten land cross-border points (road and rail), at seven ports and four airports of international importance. The measures include the following actions: improvement of the efficiency and the procedures at the border crossing points, conclusion of specific agreements with neighboring European and third countries, promotion of initiatives to establish Greece as the South European Logistics Hub, transparency and information flow in the logistics market through digital open platforms and standardization practices and development of Port Community Systems/Single Window Systems in Greece.
64. The trade freight volume of Greece amounts around 4500 million tonnes with EU neighbors on an annual basis, and a further 1800 million tonnes with the Western Balkans. Despite this, routes by road and rail remain weak, with areas of poor infrastructure and with long and unreliable border crossing times.
65. Currently, the national priorities in the field of transportation emerge from the provisions of the Association Agreement between *the Republic of Moldova* and the European Union, whose implementation is intended to increase citizens’ mobility, to strengthen logistic links for economic agents, to reduce transportation costs and which also targets the environment, energy efficiency and congestion. These objectives are also connected with the guidelines for the mutually beneficial cooperation between the BSEC Member States, focused on the integration of the national and Regional transportation networks with the Trans-European transportation networks (TEN-T), the connections of the Asian transportation networks and Eurasian transportation networks.
66. Currently, the Republic of Moldova has signed bilateral agreements with all BSEC Member States, except the Republic of Albania (initiation of the negotiations for the signing of the Agreement between the Government of the Republic of Moldova and the Government of the Republic of Albania can be raised). In 2018, the Protocol between the Government of the Republic of Moldova and the Government of Ukraine on the amendment of the Agreement

between the two Governments regarding international automotive communications, drawn up in Kiev on 12 April 2018, was approved. Also, the arrangement on the amendment of the Agreement between the Government of the Republic of Moldova and the Government of the Republic of Turkey on international road transportation, signed on 3 June 1994, was signed in Chisinau on 17 October 2018.

67. On 22 February 2019, the Moldovan railways state enterprise launched the tender for the selection of the company that will carry out railway infrastructure rehabilitation works in the southern route in the country, namely: Bender-Basarabeasca-Etulia-Giurgiulesti (length about 233 kilometers), as well as renovation works at Giurgiulesti station. The rehabilitation of the mentioned infrastructure is a component of the Restructuring and Reorganisation Project in the railway sector of the Republic of Moldova, financed by the European Bank for Reconstruction and Development, the European Investment Bank and the European Union (EU) Investment Neighbourhood Platform (INP).
68. Another relevant project is the development of an alternative rail transportation connection in the South-East part of the Republic of Moldova and the Odessa Region (Ukraine). This connection can be achieved by rehabilitating the railway infrastructure on the Basarabeasca (Moldova)-Berezino (Ukraine) segment. The estimated cost for the construction of the railway segment for the Moldovan side (2,2 km) is about 3 million EUR, and the rehabilitation of the Ukrainian section is about 20 million EUR. Taking into consideration that this connection is not part of the European TEN-T priority network and is not part of the Eastern Partnership Proximity Transportation Investment Plan, there are difficulties in identifying the sources for the construction of this connection.
69. The strategic vision of the Ministry of Transport of **Romania** is provided by the General Master Plan of Transport of Romania, approved by the Government Decision no. 14.09.2016. This represent a strategic tool for planning major interventions (projects and other actions) for the period 2016-2030, which are significant for transport objectives at the national level. The General Master Plan of Transport is linked with the Implementation Strategy that defines the prioritization of the projects, the scheduling program, their implementation period and the funding source.
70. A number of connection initiatives have been implemented in recent years. The best known is the Belt and Road Initiative that could lead to the development of a high-quality infrastructure network capable of ensuring the safe and comfortable transport of goods and passengers over long distances. This could help ensure the connectivity of the main national transport corridors both with the rest of Europe and with the countries in the Asian area.
71. Romania has an important role in the development of regional cooperation in the Black Sea by intensifying the maritime cooperation with the riparian countries, and can contribute to the promotion of the joint projects with the Black Sea riparian countries, especially with the non-EU countries, in order to support the sustainable development of the blue economy. During the Romanian Presidency of the Council of the European Union, one of the objectives was to revitalize the attention given by the EU to the Black Sea region, by adopting the Common Maritime Agenda, the Strategic Research and Innovation Agenda, as well as attracting the support of the European institutions for the events dedicated to the Black Sea.
72. The construction of the Trans-European Transport Network (TEN-T) is a major project of the European Union, which is an important factor for stimulating the economic competitiveness and the sustainable development of the European space. In this context, the following development needs have been identified: increasing the accessibility of the regions and population through the construction/modernization of the road network, at European

standards, especially at the level of the TEN-T network; reducing the incidence of accidents with serious effects; reducing travel times on the road network in Romania.

73. The transport system *in the Russian Federation* is the most important infrastructure sector with more than 5% of the GDP. The National priorities of the maritime transport policy are defined by the Maritime Doctrine of the Russian Federation, the Transport Strategy for the period up to 2030, as well as other fundamental documents. In 2019 the Federal Agency for Maritime and River Transportation (Rosmorrechflot) extended the 14 sea lines in the Black Sea basin. Work is also underway to reconstruct infrastructure facilities at the seaports of Novorossiysk and Taman. In addition, the development and renewal project is under way with regard to the railway infrastructure in the ports of the Azov and Black Sea basin. The capacity-building of the railway infrastructure will allow to ensure the transportation of goods in communication with the ports of the Azov and Black Sea basin in 2025 in the amount of 131, 1 million tons (70 million tons through the port of Taman).
74. The basic law governing the development of transport routes in the Russian Federation is the Federal Law on Roads and on the Road Activity and on Amendments to Certain Legislative Acts of the Russian Federation. Also, the development of roads in the Russian Federation is carried out in accordance with the Transport Strategy of the Russian Federation for the period up to 2030, the Transport System Development Strategy, the Comprehensive Plan for Modernization and Expansion of the Main Infrastructure for the Period until 2024, as well as documents of strategic planning of the subjects of the Russian Federation and the municipal entities.
75. The work also continues in the framework of the BSEC BSHR MoU. In 2016-2018 more than 60 billion RUB have been invested in the construction of the section of the Black Sea Highway Ring on the territory of the Russian Federation, approximately 540 km of roads have been upgraded to the required conditions. In accordance with the Federal Targeted Investment Program for 2019, 2020 and 2021, and the Comprehensive Plan for Modernization and Expansion of the Main Infrastructure until 2024, there are reconstruction works under way for the Federal Road Network, including the construction of bypass routes of major cities such as Anapa, Gudermes, Khasavyurt.
76. The Intelligent transport systems and satellite navigation are used in the Russian Federation to improve the quality of the transport services, ensure road safety and reduce traffic accidents. The compatibility of the Russian ERA-GLONASS system and the pan-European emergency response system in eCall accidents is being studied together with the European partners. Also, in 2015, the state system "Platon" was introduced on the territory of the Russian Federation. In accordance with it the owners of vehicles weighing more than 12 tons pay a fee for the use of federal roads. As of May 2019, the number of the heavy trucks registered in the system exceeds 1.2 million. The system has collected more than 70 billion RUB, which have been invested in the construction and reconstruction of more than 2,000 km of roads and more than 30 bridges.
77. The development of transport infrastructure is among the most important sectors and driver of economic development of *the Republic of Serbia*. The government aims to improve the quality of the transport network, which is integral part of the Trans-European Transport Network, including different transport modes.
78. The activities of the Republic of Serbia in this area are going in three main directions: construction of the missing transport network, maintenance and improvement of the existing transport network, traffic management and increasing the quality and safety of traffic. The

aim is to create a safe transport network that will attract new investments, improve quality of life of the citizens and contribute to the better connectivity of the countries in the region.

79. After the extension of the European Transport Network (TEN-T) to the Western Balkans Core Network including roads, railways, inland waterways, airports and inland waterway ports, the Republic of Serbia and the entire Western Balkan Region have become part of the TEN-T of the European Union. By signing the Treaty establishing the Transport Community, the Republic of Serbia intensifies its efforts to integrate the transport market into the European Union's single transport market.
80. TEN-T also includes a comprehensive and basic road and rail network in South-east Europe which is located and passes through the territory of the Republic of Serbia. Annex I to the EU Regulation No. 1316/2013 of the European Parliament and of the Council, of 11 December 2013, establishing the Connecting Europe Facility (CEF) lists nine major European corridors. The Rhine-Danube corridor is one of the nine European corridors belonging to the TEN-T network passing through the territory of the Republic of Serbia.
81. **The Republic of Turkey** is at the center of the Euro-Asian International Transport network that connects Asia, Central Asia, the Caucasus Republics and the Black Sea and even the Pacific countries. Turkey actively participates in international projects and organizations such as the Trans-European North-South Motorway (TEM), United Nations Economic Commission for Europe (UN / ECE-UN / ECE) E-Roads - Main Traffic Arteries European Agreement (AGR), the Economic Cooperation Organization (ECO), Asia and Pacific Economic and Social Commission (ESCAP) and Eurasian Transport Links (EATL). Turkey attaches special importance to the development of the Middle Corridor, also known as the "Modern Silk Road".
82. An important part of the Central Corridor was completed with the launch of the Baku-Tbilisi-Kars (BTK) Railway Project in 2017 (official opening date was 30 October 2017). It is expected that BTK Railways, which was originally planned to carry 1 million passengers and 6.5 million tons of freight, will provide a new perspective on the establishment of uninterrupted trade between China and Europe. In this context, passenger transportation on the Baku-Tbilisi-Kars (BTK) line will start in the third quarter of 2019.
83. In addition, Turkey has developed other projects for the revitalization of the historical Silk Road. In this context, in addition to the "Caravanserai Project", which is intended for inter-customs cooperation in the context of the "Middle Corridor", Turkey has successfully completed many transportation and logistics projects such as the "Marmaray" project connecting Asia and Europe, "Yavuz Sultan Selim Bridge", (launched in 2016), "Eurasia Tube Crossing Project", (launched in 2016), "Istanbul Airport", (launched in 2018), high speed train projects, double highway projects, Black Sea Coastal Highway Project. Furthermore, "Three-storey Tube Crossing Project", Filyos (Zonguldak), Çandarlı (Izmir), Mersin Port Projects and the Edirne-Kars High Speed Train, which will also connect Asia and Europe, are among the other projects that are still ongoing. Facilitation of cross-border procedures is considered to be important in order to increase maritime traffic in the Region.
84. The main policy of Turkey in the field of international road transportation is the "creation of an international transport system of goods through a nonquota road facilitation without the need for a transit document under equal competition conditions". In line with this objective the activities in both international and bilateral platforms are primarily aimed at increasing the bilateral quotas with transit documents in line with the foreign trade targets, ensuring the freedom of transit, abolishing high transit fees and facilitating visa procedures for professional drivers.

85. The National Transport Strategy of *Ukraine* defines the priorities for the comprehensive vision of transport policy and establishment of effective governance, determines the main directions for transport sector development for the period until 2030. Also, a Law on Multimodal Transport has been drafted in 2018 in the framework of the implementation of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine. The implementation of the Law will allow reduction of the use of road transport by means of redirection of its significant part (long distance routes) towards more ecological modes of transport, which will create the prerequisites for reducing the environmental impact and reducing the level of air pollution.
86. At present, Ukraine actively realises the public-private partnership in the form of a concession. It is expected that the adoption of the draft Law on Concession will allow introduction of a transparent, understandable and clear mechanism and guarantees for the investors. The Ministry of Infrastructure is preparing the following projects for holding a concession tender: a concession in the specialized seaport of Olbia and the seaport of Kherson, a concession for the railway-ferry complex in the seaport of Chernomorsk, and a concession for the property of the state-owned enterprise Commercial Sea Port “Yuzhny”. The projects in the ports of Olbia and Kherson are implemented with the support of the International Finance Corporation, the European Bank for Reconstruction and Development, and Infrastructure Public-Private Partnership Project Office.
87. At the same time, Ukraine cooperates with Bulgaria, Romania and Greece with the aim to develop a highway from Odessa through the territory of Romania, Bulgaria to Greece, which is an integral part of the Black Sea Ring Highway and the Trans-European Network TEN-T. Also, the possibility of branching this road in the direction of the Republic of Turkey is considered.
88. In addition, the opening of an international border crossing point at the Romanian-Ukrainian state border for ferry, passenger and cargo traffic between Orlovka (Ukraine)-Isaccea (Romania) creates the conditions for the opening of a ferry line between Ukraine and Romania near the Odessa-Reni Highway, the construction of which together with the opening of the ferry line will provide high quality transport connection between these countries and will boost the development of the territories within the Danube region in both countries.

## **VII. CONCLUSIONS**

89. The development of sustainable transport systems in the BSEC Member States provides the immense opportunity to the Black Sea Region, given its geographical location as a main transport corridor between Europe and Asia.
90. The efforts of the BSEC countries in the successful development of the transport routes include harmonization of the legal, technical and institutional frameworks. In this respect, it is important that long-term planning and consecutive political decisions are adopted for coordinated development of infrastructure, with a focus on investment projects. The immediate effect of these investments will be the increasing capacity and improvement of the conditions for the free movement of persons and goods.
91. The BSEC Region is undoubtedly unique in terms of its ability to promote the economic cooperation and to contribute to the establishment of good neighborly relations. The model of the economic cooperation helps in reducing political disputes while their resolution stimulates the process of integration.

92. Development of economic cooperation in general, and transport routes, in particular, are vulnerable to general political climate. The sound neighbourly relations enhance ground to debate, discuss, and analyse growing and evolving transport challenges in the context of the changes in society, technology, environment and public policy of any sector of the economy, including transport.
93. The BSEC governments continue their work on promoting a coordinated and interrupted intermodal transport and logistics system for providing additional transport options to the existing and future trade flows between the BSEC Members States, Europe and Asia. The goals and objectives of the BSEC Economic Agenda: towards an Enhanced BSEC Partnership can be achieved through coordinated interaction between the BSEC and the BSEC related bodies, Sectoral Dialogue Partners and business communities.
94. The parliaments of the BSEC Member States have to focus their efforts on strengthening transport institutional capacity and further promoting major Regional transport projects, such as the implementation of the Memoranda on the Coordinated Development of the Black Sea Ring Highway, Development of the Motorways of the Sea and Facilitation of Road Transport of Goods.
95. The parliaments need to be keen in providing timely legislative support to the mutually beneficial projects and facilitation of ratification process of the main documents related to the transport systems integration adopted by the government representatives.
96. Taking into account the importance of the good transport connectivity in all economies of the BSEC Member States, the improvement of the relevant legislation and the political relations, are crucial preconditions for the successful development of transport systems and considered to be the main task of the parliaments and the governments in the Black Sea Region.
97. The efforts of the BSEC Member States to promote further development of the transport sector in the Region should be directed towards creation of the necessary legislative regulations so that the BSEC Member States fully unlock the potential of the development of the sector, the possibility for financing and investments in major regional transport projects.