

PARLIAMENTARY ASSEMBLY OF THE BLACK SEA

ECONOMIC COOPERATION

PABSEC

Doc.: EC 1345/95

ECONOMIC, COMMERCIAL, TECHNOLOGICAL AND ENVIRONMENTAL AFFAIRS
COMMITTEE

THE SIXTH PLENARY SESSION OF THE GENERAL ASSEMBLY

REPORT

ON

THE FOLLOW-UP OF THE IMPLEMENTATION OF RECOMMENDATIONS

- RECOMMENDATION 1 /1994 (DOC.: EC 241/94)

*"THE IMPROVEMENT OF CUSTOMS
REGULATIONS AMONG THE BSEC
MEMBER COUNTRIES"*

- RECOMMENDATION 5/1994 (DOC.: EC 593/94)

*"THE BLACK SEA ENVIRONMENTAL HEALTH:
THE STATE OF THE BLACK SEA
ECOSYSTEMS WITH A SPECIAL FOCUS
ON-ENVIRONMENTAL GEOLOGY"*

- RECOMMENDATION 9/1995 (DOC.: EC 877/95)

*" THE DEVELOPMENT OF COOPERATION
IN BANKING AND FINANCE AMONG THE
BSEC MEMBER COUNTRIES"*

WORKED OUT BY THE COMMITTEE AND
ADOPTED BY THE GENERAL ASSEMBLY SINCE
1994

Rapporteur: Mr. Rasim Zaimoglu
(Turkey), Chairman of the Committee

INTRODUCTION

According to the decision made during the Fourth Meeting of the Economic, Commercial, Technological and Environmental Affairs Committee held in *Kyiv* on *15-16 March 1995* and further reiterated during the Fifth Plenary Session of the General Assembly held in *Moscow* on *5-7 June 1995*, "*A Report and Recommendations on the Follow-up of the Implementation of the Recommendations Worked out by the Committee and Adopted by the General Assembly Since the Beginning of the Activities of PABSEC*" would be included on the Agenda and debated for adoption during the Fifth Meeting of the Committee to be held in *Antalya, Turkey* on *3-4 October 1995* which would subsequently be submitted to the Sixth Plenary Session of the General Assembly to be held in *Ankara* on *27-29 November 1995*.

It was decided that the PABSEC National Delegations would provide their proposals and relevant information to the International Secretariat in order for the Secretariat to be able to draft *three separate reports* in respect to three Committees and a *single document of Recommendation 12/1995* covering all the Recommendations of three Committees on the issue.

In that respect, the International Secretariat sent a follow-up letter (*Ref.: SG 1372/95*) on **10 July 1995** to all ***Heads and Secretaries of PABSEC National Delegations*** requesting them to kindly forward to the International Secretariat specifically the answers of the information stated below by **1 September 1995** for the ***Economic, Commercial, Technological and Environmental Affairs Committee***.

a) Proposals for the Committee Reports on the Follow-up of the Implementation of the Recommendations 1, 5 and 9.

b) Proposals for Recommendation 12/1995 to be adopted by the Autumn Plenary Session.

Only the ***Georgian Delegation*** replied on time with a brief general statement consisting of one paragraph.

The ***Turkish Delegation*** provided very brief information, although past due, explaining the ratification status of the "***Agreement Establishing the Black Sea Trade and Development Bank***" in the Turkish Parliament.

Aside from those, none of the PABSEC National Delegations provided either proposals or relevant information concerning the issue in due time.

******During the Fifth Meeting of the Committee held in *Antalya* on *3 October 1995*, the representatives of the National Delegations exchanged views, made suggestions and presented valuable information on the content of the *Report* as well as on the implementation of the *Recommendations 1, 5 and 9*. Among them, the *Delegation of Romania* presented a set of information in written form on the latest developments of the implementation of the ***Recommendations 1, 5 and 9*** to be included in this ***Report***.

Therefore, this ***Report*** was drafted on the basis of information provided by the above mentioned National Delegations as well as the relevant events observed and information acquired from various sources by the International Secretariat. Again, the ***Recommendations*** suggested pertaining to this Committee in ***Recommendation 12/1995*** were the product of its traditional work pattern and ethics followed as well as the meticulous conduct of work performed by the International Secretariat since the commencement of its activities.

During the *Antalya Meeting*, *Recommendation 12/95* was debated on and a revised version of the document has been drafted by the International Secretariat according to the proposals for modifications and amendments made and adopted by the Committee which will be submitted for

approval to the Sixth Plenary Session of the General Assembly to be held in *Ankara* on 27-29 November 1995

*** **RECOMMENDATION 1/1994** (Doc.: EC 241/94)

**"The Improvement of Customs Regulations
Among the BSEC Member Countries"**

The Recommendation 1/1994 (Doc.: EC 241/94) consisted of two major parts; the first part referring to the legislative authority, the second part dealing with the executive authority. Upon the major problems stated in the **Report** regarding the customs legislation and application among the BSEC Member Countries, PABSEC recommended with the **Recommendation 1/1994** to the Parliaments and Governments of the Member Countries the following, in particular:

- to adopt necessary legislation for a sound and contemporary customs system.
- to adopt universal customs legislation and reduce the differences among the national legislation in order for a faster integration of the Member Countries to the world economy.
- to harmonize the customs regulations among the PABSEC Member Countries.
- to simplify specifically the customs procedures as well as to strengthen the customs surveillance procedures.
- to ratify within the shortest possible time the international agreements on customs operations.

**SOME OF THE DEVELOPMENTS AND AGREEMENTS OBSERVED IN THE
"CUSTOMS AREA" DURING THE PERIOD OF 1994-95**

The following are some of the events observed by the International Secretariat which pertain to the customs area that some of the PABSEC Member Countries may have become party to individually, and/or bilaterally, and/or multilaterally.

- Proposed Amendment to the International Convention of Mutual Administrative Assistance for the Prevention, Investigation and Repression of Customs Offenses (1995).
- International Convention on the Simplification and Harmonization of Customs Procedures (1995).
- Protocol on the establishment of Working Groups for the Purpose of Regulating Border Crossing Formalities (1995).
- Agreement on Cooperation in the Field Of Combatting, Smuggling of Narcotics and Psychotropic Substances (1994).
- Protocol on Mutual Recognition of Customs Documents and Customs Providings (1994).
- Agreement on Cooperation and Mutual Assistance in the Field of Customs Affairs (1994).

** During the Fifth Meeting of the Committee held in *Antalya* on **3 October 1995**, the **Delegation of Romania** presented the following information concerning the latest developments on the implementation of **Recommendation 1/1994**:

- A joint commission was set up composed of the representatives from various ministries in order to analyze the possibility of the implementation of Recommendation 1/1995 in compliance with the Essen strategies of the European Union.
- At the bilateral level, Romania has been negotiating with Bulgaria, Greece, Moldova and Turkey in finding the means to apply the principles of the new concept on the European "*Rules of Origin*" in order to be able to conform as much as possible to the standards being practiced in the European Union.

*** **RECOMMENDATION 5 /1994 (DOC.: EC 593/94)**

"The Black Sea Environmental Health: The State of the Black Sea Ecosystems with a Special Focus on Environmental Geology"

The Recommendation 5/1994 (Doc.: EC 593/94) stressed the significance of the dramatic environmental problems in the region and reinstates the strong determination of PABSEC Member Countries to halt the unfavorable conditions. It also recommended for both the Parliaments and Governments of the Member Countries the following, in summary:

- to encourage joint activities and projects among PABSEC, BSEC and GEF and to support the "*Black Sea Action Plan*" within this framework.
- to advocate the rapid adoption and enforcement of the decisions taken in the Odessa Declaration and the Bucharest Convention.
- to enact and enforce proper legislation on environmental protection.
- to establish a very large spectrum of public awareness at national, regional and international levels concerning the environmental health of the region.
- to investigate possible sources of credit and funding to finance projects and investments on environment.

Finally, the Committee was asked to set up a *Seminar* on "*Black Sea Environmental Health*" with broad participation from all over the world.

THE CURRENT STANDING OF THE RATIFICATION OF THE
"CONVENTION ON THE PROTECTION OF
THE BLACK SEA AGAINST POLLUTION"

As is known, this *Convention* was signed by *six riparian countries* of the Black Sea (**Bulgaria, Georgia, Romania, the Russian Federation, Turkey and Ukraine**) on *21-22 April 1992* in *Bucharest*. The PABSEC International Secretariat acquired the following information concerning the latest status of the ratification process of the "*Convention on the Protection of the Black Sea Against Pollution*":

*** *This Convention has been in effect and operational since 15 January 1994 as four of the Signatory States ratified it by that date. Subsequent to that, Turkey and Ukraine have completed the ratification process. (Source: Ministry of Foreign Affairs of Turkey.)*

**SOME OF THE DEVELOPMENTS AND AGREEMENTS OBSERVED ON
"ENVIRONMENTAL ISSUES" DURING THE PERIOD OF 1994-95**

The following are some of the events observed by the International Secretariat which pertain to environmental issues that some of the PABSEC Member Countries may have become party to individually, and/or bilaterally, and/or multilaterally.

- BSEC Meeting of the Working Group on Environmental Protection. Tbilisi, 27 September 1994.
- BSEC Meeting of the Working Group on Environmental Protection, Athens, 21-22 March 1995.
- International Conference on Environmental Protection and Development, Tbilisi, 25-27 September 1994 in which BSEC participated. This Conference was the first regional follow-up of the United Nations Conference on Environment and Development held in Rio in 1992.
- Initiative has been taken in establishing "*A Black Sea Environment Fund.*" (Source: Programme Coordination Unit, GEF Black Sea Environment Programme, Athens, 21-22 March 1995.).
- Programme of Support for the Development of Sustainable Tourism and Environmental Information in the Black Sea Region Workshop, the Global Environment Facility, Black Sea Environment Programme, Istanbul, 4-5 September 1995. BSEC participated in the Workshop.
- The Agreement on Cooperation for the Protection and Sustainable Utilization of the Danube River, signed 29 June 1994 and the Strategic Action Plan, signed by the Danube Riparian States.
- Environmental Protection Accord (1995).
- Romania passed a National Law for the Protection of the River Danube (1994).
- Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and their Disposal (1994).
- The Governors and Mayors of the Turkish coastal cities in the Black Sea and Marmara regions convened in Bursa, Turkey, 17 February 1995.
- Agreement between Turkey and the United States for Cooperation in the Global Learning and Observations to Benefit the Environment (GLOBE) Programme, 5 May 1995.
- The *Commission* for the Bucharest Convention for the *Protection of the Black Sea Against Pollution* first met in May 1995 in Varna, Bulgaria. Its permanent secretariat should be established in Istanbul by the end of 1995. From this time the *Commission* will be known as the "*Istanbul Commission* "
- At its sessions in Geneva 1994-95, the United Nations Economic Commission for Europe (ECE) Working Group of Senior Governmental Officials "*Environment for Europe*" reviewed progress made in various international activities related to the "*Environment for Europe*" process, in particular those of the Environmental Action Programme for Central and Eastern Europe (EAP), the Project Preparation Committee (PPC) and the Council of Europe. It supported new initiatives, such as the establishment by the Second European Conference

on Environment and Health (Helsinki, 20-22 June 1994) of the European Environment and Health Committee composed of representatives designated by both the World Health Organization (WHO) Regional Committee for Europe and the ECE Committee on Environmental Policy, and the setting-up by the EBRD of the Working Group on Environmental Project Financing as a follow-up to the Conference on Softening of Loans for Investments in Environmental Protection in Eastern and Central Europe organized by the Government of Denmark in Copenhagen on 2 June 1994.

** During the Fifth Meeting of the Committee held in *Antalya* on *3 October 1995*, the *Delegation a/Romania* presented the following information concerning the latest developments on the implementation of *Recommendation 5/1994*.

- Romania takes an active part in the application of the Convention for the Protection of the Black Sea Against Pollution.
- Romania takes part in the Institutional Program for Scientific Cooperation called CONFBLACK.
- Romania takes part through its Sea Research Institute in Constanta in the National Program of the Integrated Supervision of the Black Sea.
- The Senate of Romania adopted the Law on Environment containing a special chapter on the protection of the Black Sea basin.

PABSEC PRESENTATION AND INITIATIVES

A. PRESENTATION

- Upon the invitation of the *Environment, Regional Planning and Local Authorities Committee of the Parliamentary Assembly of the Council of Europe (PACE)*, PABSEC was represented in the *Conference and Round Table on Environment* on *9 June 1995* in *Strasbourg*, organized under the interparliamentary cooperation program with the countries of Central and Eastern Europe, which was a Preparatory Meeting for the Third Conference on *"Environment for Europe"* which will take place in *Sofia* on *23-25 October 1995*. In Strasbourg Meeting, a comprehensive explanation was presented by the representative of the PABSEC International Secretariat concerning the dramatic environmental problems of the Black Sea region.
- Upon the invitation of the *Black Sea Educational, Cultural and Environmental Protection Foundation of Turkey*, the representative of the PABSEC International Secretariat participated in a *Seminar* on the *"Environmental Problems of the Black Sea,"* held in *Istanbul* on *17 June 1995*.

B. "FIRST BLACK SEA ENVIRONMENT CONFERENCE" INITIATIVE

Upon the decision made during the Third Meeting of the Committee held in *Tirana* on *16-17 September 1994*, and further reiterated during the Fourth Meeting of the Committee held in *Kyiv* on *15-16 March 1995*, and also during the Fourth and Fifth Meetings of the General Assembly held, respectively, in *Tirana* on *11-13 December 1994* and in *Moscow* on *5-7 June 1995*, the Committee would organize a *Seminar* (changed to *"Conference,"* instead of a *Seminar*, upon the proposal made by *Mr. Rasim Zaimoglu*, Vice-Chairman of the Committee, and decision taken by the Committee in the *Kyiv Meeting*) on the *"Black Sea Environmental Protection."*

This decision was followed-up accordingly by the International Secretariat through the preparation and presentation of the background papers concerning the issue. In addition, the International Secretariat took active steps in collaborating with several regional and international environmental organizations; the *Environment, Regional Planning and Local Authorities Committee of the Parliamentary Assembly of the Council of Europe (PACE)*, in particular.

During the Fourth Meeting of the Committee held in *Kyiv* on **15-16 March 1995**, it was decided to hold a "**Joint Conference**" with the Environment, Regional Planning and Local Authorities of the Parliamentary Assembly of the Council of Europe on the "**Black Sea Environmental Protection**," most likely in *Istanbul* in **July 1996**

Subsequent to this decision, the Secretary General and Secretary to the Committee paid visits individually on several occasions to *PACE* upon their invitations, and had the opportunity to further discuss the initial strategies and modalities of the planned *Conference*. In addition, the International Secretariat has been conducting periodic correspondence on the issue with *PACE* as well as with other regional and international organizations on environment.

Upon the accord reached with *PACE* on initial strategies of the planned *Conference* as well as a tentative date and venue, and again upon the consent of the General Assembly of PABSEC, it was decided in principle to hold this *Conference* in *Istanbul* in **July 1996**.

In order to further discuss, determine and finalize the initial strategies, directions and program of the planned *Conference*, PABSEC extended invitations to the *Bureau of the Environment, Regional Planning and Local Authorities of PACE* as well as the *Coordinator of the Global Environment Facility (GEF)* to the Fifth Meeting of the Committee to be held in *Antalya* on **3-4 October 1995**.

The *Antalya Meeting* was accordingly held on **3-4 October 1995**. In this Meeting, the National Delegations presented their supportive views for the successful materialization of the planned *Conference*. The Bureau and Staff of the Environment, Regional Planning and Local Authorities as well as the Coordinator of the Global Environment Facility participated in the Meeting as planned. Dr. Lawrence Mee, Coordinator of the Global Environment Facility, presented a productive speech concerning the environmental issues of the Black Sea basin as well as his views and suggestions in regard to the planned *Conference*.

In *Antalya*, the Bureau of the Committee on the Environment, Regional Planning and Local Authorities and the Bureau of the Economic, Commercial, Technological and Environmental Affairs Committee held a very constructive meeting. It was reinforced in this meeting that the *Conference* would be jointly organized by these two organizations. In addition, all aspects bearing importance such as the date, venue and the theme as well as the strategies to be followed for the successful realization of the planned *Conference* were discussed. In principle, it was decided that the *Conference* would be held in *Istanbul* at the *beginning of July 1996*. All other details regarding the logistics and organization of the *Conference* will be worked out and conducted together by the two International Secretariats of PABSEC and PACE.

*** **RECOMMENDATION 9/1995 (DOC: EC 877/95)**

"The Development of Cooperation in Banking and Finance among the BSEC Member Countries"

The Recommendation 9/1995 (Doc.: EC 877/95), acknowledging the financial, legislative, institutional and infrastructural needs of the BSEC Member Countries in the area of banking and finance, urged the Member Parliaments and Governments:

- to enact and enforce necessary legislation in banking and finance.
- to build sound institutionalization and infrastructure in compliance with universal banking systems.
- to expedite the legislation efforts in privatization.
- to build public confidence and protection in the banking and finance sector.
- to speed up the ratification process of the "*Agreement Establishing the Black Sea Trade and Development Bank.*"
- to investigate sources of capital, credit and funding required for projects and investments.
- to actively cooperate with, participate in and apply all the contemporary dynamics of the banking and finance practices.

THE DEVELOPMENTS ON THE "ESTABLISHMENT OF THE BLACK SEA TRADE AND DEVELOPMENT BANK"

The Participating States of the Black Sea Economic Cooperation, as stated and encouraged in the *Summit Declaration*, agreed to establish "*The Black Sea Trade and Development Bank*" (referred to as *Bank*) in order to promote private and entrepreneurial initiative and further implement reforms in the financial sector, provide the critically important trade financing as well as funding for development and other investment projects and, finally, attract resource transfer to the region from the third countries with capital surplus while fully acknowledging the direct correlation of the development of the trade volumes and of investments with the solution of the problems encountered in financing.

The "*Agreement Establishing the Black Sea Trade and Development Bank*" was signed by all the BSEC Participating States, which permitted the completion of the signing process by **1 January 1995** as well as the convening of the *Interim Committee* which was created for the establishment of the *Bank*, as provided by the *Meeting of the Ministers of Foreign Affairs* in **Tbilisi** on **30 June 1994**.

By the beginning of 1995, the *Interim Committee*, which is responsible for preparing the organizational structure and the plan of activities of the *Bank* as well as for elaborating the Draft Rules and Regulations for the Staff and for preparing the Draft Budget for the Bank, commenced its work.

The First Session of the *Interim Committee* was held in **Thessaloniki** on **13-14 February 1995**. The *Interim Committee* held its Second Meeting in **Thessaloniki** on **6-7 September 1995**.