

Conference on Fostering Democracy and Development in the Black Sea Region: Perspectives, Policies and Prospects

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Introductory speech

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**Excellencies,
Ladies and Gentlemen,**

It is a privilege for me to address this distinguished audience and present some views on a very important topic - fostering democracy and development in the Black Sea Region.

The Black Sea region has always been somewhat of a challenge for Europe. A patchwork of overlapping civilizations and spheres of influence, its geopolitical significance comes from its role as a nexus of culture, economic ties and links to other neighbouring regions. Furthermore, the Black Sea has now become a project for the European Union to induce heterogeneous states and nations to further cooperation, based on the principles of democracy and development. Today's conference and the presence of you, representatives from the countries of the EU and the Black Sea region, confirm the importance of the Black Sea region for the European continent and beyond.

After the last enlargement in 2007, with the accession of two littoral states, Bulgaria and Romania, the EU is now on the Black Sea shores. As a result, the EU's interest in this region – in strategic, security, economic and socio-cultural terms - has grown even stronger. The Black Sea region is a distinct geographical area, rich in natural resources and **strategically located at the junction of Europe, Central Asia and the Middle East.** It is one of the main areas of interaction between the European Union and its eastern neighbours, and it is experiencing rapid and intense structural evolution.

I am convinced that in the course of the forthcoming discussion you will present many interesting views on policies and approaches towards cooperation in the Black Sea region. The **variable geometry** concerning the cooperation in the region should be taken into consideration: the six littoral states are parties to the 2001 Agreement establishing BLACKSEAFOR; there are twelve member-states of the Organisation of the Black Sea Economic Cooperation, 13 states and 4 international organisations and institutions have observer status; 5 ENP countries are present in the Black Sea region (Armenia, Georgia, Azerbaijan, Ukraine and Moldova); the ENPI CBC Joint Operative Programme for the Black Sea basin affects a territory of 835 square kilometers with a population of 74 million; the BSEC is inclined to regard as an

established fact that it encompasses a territory of 20 million square kilometers and a population of 350 million. The accession process with Turkey and the strategic partnership with Russia complete the picture of existing EU policies operating in the wider Black sea area.

The OSCE, the Council of Europe, NATO, the EU, the CIS and other international organisations have important roles of their own in the region – in view of the fact that the Black Sea region countries either in their full or partial configuration are members of these organisations.

Let me touch upon several important fields of regional cooperation where the synergy between actors, initiatives and processes should be effectively pursued in order to achieve our common goals in further developing the Black sea region.

1. Democracy, respect for human rights and good governance. All Black sea countries are members of the Council of Europe and OSCE and they have already accepted the universally established standards of human rights, rule of law and democracy. A number of new regionally generated organisations, initiatives and fora (e.g. Black Sea Forum, GUAM) in recent years have also become involved in the promotion of good governance and the rule of law. Beside these regional frameworks there are other important schemes of cooperation, e.g. executed by the National Endowment for Democracy, Eurasia Foundation, Open Society Foundation, USAID, bilateral programmes of EU member states such as Germany, the United Kingdom, the Netherlands, Sweden, Denmark.

Furthermore, we have to take into consideration that in the Black Sea Region there are differences in government institutions architecture, different levels of democratisation of societies, different strength of civil society. When speaking of synergy of the different formats of cooperation one should take into account the differences between the partners, having also in mind that all countries have subscribed to common values and standards. **The differences in the economic development and in the civil society status represent an obstacle to the effective participation in the modern integration processes.** Therefore enhanced cooperation and transfer of good practices can be very helpful. In the regional frameworks it is necessary to make a better targeted use of the bilateral and multilateral agreements and relationships using different formats of cooperation.

2. Trade and economic cooperation. The EU has a very substantial economic and trade role as a neighbour to the Black Sea region. The close ties of economic cooperation and preferential trade relations are an important element of mutual coherence. The accession to the WTO of all Black sea regional states, the negotiations on the new Partnership and Cooperation agreement with Russia and on the Enhanced agreement with Ukraine are important steps to trade liberalisation in the region.

3. Cooperation in the fields of energy and transport. The Black Sea region is increasingly viewed as a key to reliable oil and gas deliveries to European and global

markets from Russia, the Caspian Sea, Central Asia and the wider Middle East. The growing network of energy routes and infrastructure has connected the Black Sea region with more distant areas in both economic and political terms. It has also brought a wider range of actors into the region as investors and consumers and this trend is bound to grow.

From both the regional and extra-regional perspective, energy security is fast becoming central to strategic thinking about the future of the Black Sea, and a leading vehicle for international attention and cooperation.

I would like to draw your attention to the fact that **Bulgaria stands for the elaboration of a specific approach involving a process of integrating the energy markets in the Black Sea basin and other regions through the expansion of the European Energy Community.** This is a concept that the EU has offered to the attention of energy-interested countries in the wider Europe and to countries in adjacent regions. It is intended to promote legal and regulatory harmonization through vehicles like the Baku Initiative, the European Neighbourhood Policy (ENP), the EU-Russia Energy Dialogue and the EU Strategy for Central Asia. This would be pursued also through the expansion, when appropriate, of the Energy Community Treaty to Moldova, Turkey and Ukraine, also through the Memoranda of Understanding with Azerbaijan and Ukraine, PCA and trade agreements, WTO accession negotiations and, where appropriate, via other bilateral energy agreements. As we have stated openly on a few previous occasions, the objective is to provide a clear, transparent and non-discriminatory framework, in line with the EU acquis, for energy production, transport and transit.

In the same line of thought, **Bulgaria stands ready to host the Office of the Energy Community Observatory,** which will monitor the energy flows in the Black Sea region and Southeastern Europe; we support the development of key energy projects of regional importance, such as Nabucco, South Stream, Burgas-Alexandropolis and the Belene nuclear power plant.

As for transport, the importance of the Black Sea as a transport corridor is emphasised by its inclusion into the network of priority axes of the EU Trans-European Transport Network (TEN-T). The Black Sea ports have a strategic location at the crossroads between Europe and Asia that enable the communication between the European transport corridors IX, X, VIII and TRACECA. In the transport sector, Bulgaria is already using a Vessel Traffic Management and Information System (VTMIS) and a Vessel Traffic Oil Pollution Information System – (VTOPIS), which **could be extended throughout the region.** Through the recently endorsed Varna-Caucasus ferry line, we contribute to the extension of the Trans-European Networks to EU's neighbours.

Last but not least, I would like to touch upon another very important issue - the **security in the Black Sea region.** Bulgaria strongly believes in the potential of the countries situated along the coasts of the Black Sea to seek and find common

approaches and ways to guarantee and strengthen peace, security and stability in the Black Sea region on an equal and mutually beneficial basis, respecting the legitimate interests of each littoral state.

At the same time, Bulgaria encourages the EU to take a more committed and active stand with regard to the security issues in the Black Sea region as it is the EU's external border. Placing the region in the Wider European space, and approaching the issues of security, stability and cooperation in the Black Sea from their Euro-Atlantic perspectives, provide us with a much wider spectrum of options. Therefore, we believe that the **active involvement of the EU and NATO in the processes in the region** would optimize the existing efforts for strengthening regional cooperation in the security domain. Bulgaria shares the assessment that presently the risk level in the Black sea is **relatively low**. However, we should not underestimate existing and potential risks and threats such as terrorism, transnational organized crime, the so called "protracted conflicts" (Transdnestria, South Ossetia, Abkhasia, Nagorno-Karabakh, etc.), illegal trafficking and migration, proliferation of weapons of mass, drugs and dual use goods, etc.

Ladies and gentlemen,

Recently we have witnessed a positive shift in the EU's vision on how to engage in the region by creating an institutional framework for the Union's policies towards the Black sea. With the new regional cooperation initiative – **the Black Sea Synergy**, launched at the EU and Black Sea countries' meeting on 14 February 2008 in Kiev, the Black Sea dimension has become an official part of the EU's foreign policy – something that Bulgaria, along with other EU Member States, has been promoting for quite some time.

Undoubtedly, the Synergy is an important step towards an increased EU involvement in the region. Bulgaria has contributed actively with ideas and proposals during the drafting of the Communication on the Synergy. The initiative is important in terms of establishing synergies with other organizations in the region, such as Black Sea Economic Cooperation – BSEC, without necessarily building new institutions. BSEC is a natural partner for the EU due to its scope, institutional development and its increasing orientation towards developing concrete projects with regional significance. In order to foster democracy and development in the Black sea region, the EU and BSEC should first of all establish pragmatic and project-oriented cooperation. In addition, their interaction can only be productive if it is backed by strong commitment from all participating countries.

What we need now is coherence of the EU policy instruments towards its Black sea neighbours.

Let me mention some of them. Five Black sea countries are partners in the **ENP**. Besides being a strategic partner, Russia is also eligible for **ENPI**. Turkey in its pre-accession process has access to **IPA** and other instruments. **The Neighbourhood**

Investment Facility is important for joint financing of investment projects in infrastructure, particularly in the field of energy, transport and environment and in close cooperation with the international financial institutions such as the EIB and the EBRD. **The Governance Facility (GF)** provides possibilities for additional funding of activities of ENP countries with substantial progress in implementing the agreed governance-related agenda set out in their Action Plan. Last but not least, the **Cross-Border Cooperation (CBC)** could contribute to the integrated approach in solving regional issues. **The 2007-2013 ENPI CBC Black Sea Programme** has among its objectives promoting local, people-to-people cooperation. In this context support for civil society and cooperation on local level means further development of contacts between the Black Sea cities and municipalities, universities, cultural associations, other non-government organisations. Undoubtedly, the Black Sea Synergy is called upon to offer to multiple actors new opportunities for working together, including through the development of joint financing mechanisms.

Ladies and Gentlemen,

We have reached a turning point in developing the EU's Black Sea policy. Until now we had a period of intensive consultations on the necessity of launching the Black Sea Synergy and gathering support for it. The Ministerial Meeting in Kiev have signalled a new stage of implementation, in which we have to determine the concrete details of the Synergy and the activities it should encompass. In this regard, we expect with great interest the upcoming review of the initiative by the European Commission in June. Bulgaria will continue to participate actively and constructively in the whole process.

Thank you for your attention.