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Promoting Energy Security, Environmental Protection and Sustainable Development: linking the Energy Chain in the Black Sea area,

by Dr. Zefi Dimadama

Undoubtedly, the Black Sea area constitutes a significant crossroad, connecting Asia with Europe and playing the role of an economic, geopolitical and trade hub, especially with respect to the crucial energy sector.

Over the last decade, interest towards the Black Sea has grown and matured internationally; on the one hand, because of the existence of all types of energy actors in the area, including major producers, consumers and transit countries and, on the other hand, due to the fragile ecosystem of the Black Sea that is threatened by numerous environmental challenges. The ICBSS, having realized the increased interest on energy, and in cooperation with BSEC Member States, has seized the opportunity to link the environmental dimension, one of our key priorities, to the energy sector.

For the ICBSS the issues of energy security, environmental protection and climate change need to be assessed integrally. In this framework, and since these challenges are international by nature, the Centre actively supports regional cooperation among the Black Sea countries, as the key element for

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addressing common problems and seeking new opportunities in the field of sustainable energy.

In this regard, and within the context of a number of initiatives the Centre cares to promote, the ICBSS has organised jointly with the Center for Strategic Studies under the President of the Republic of Azerbaijan (CSS), a Round Table Discussion on “**Energy Cooperation and Environmental Protection in the wider Black Sea area**”, in Athens, in November. A first Round Table Discussion on “**Climate Change and Renewable Energy Resources in the wider Black Sea area**” was organised in Baku, in July. Both events were organised in the framework of the “**Hellenic-Azerbaijani Green Energy Forum**”, an initiative of Dr. Gulshan Pashayeva, CSS Deputy Director and Dr. Zefi Dimadama, ICBSS Director General.

Being aware of, firstly, the significance of energy sector for the economy of the Black Sea countries, and secondly, the impact of environmental degradation in the area, the initiative’s primary objective was the exchange of valuable information and good practices as an effort to raise awareness and to mobilise all relative parties with a view to promoting regional cooperation so as to establish a clean energy model; an eco-friendly system for the wider Black Sea region.

Within this context, I strongly believe that this initiative will be a “pilot project” and a “good case study” for a series of similar activities on energy that the ICBSS cares to promote, in cooperation with BSEC Member States, during 2012.

Concluding, I would like to note that only through cooperative actions will we be able to establish a solid environment for sustainable growth that will encourage and initiate business activity, as well as, domestic and international investments, Therefore, the ICBSS is ready to support new perspectives and activities and to undertake more initiatives. In parallel, the Centre is expecting the recommendations of BSEC related bodies and BSEC Member States, at a scientific and academic level, in order to promote further cooperation and sustainable development for the region, as well as to implement new ideas and actions for the future.

“Why and what we need to talk on“

By Amb. David Kereselidze

Over the past twenty years the Black Sea basin became a strategically important region at the crossroads between Europe, the Middle East, and Asia. After the collapse of the Soviet Union number of independent players around the basin has been radically increased and brought new political, economic, and social forces to the region. In 1992 those players gathered in the new regional initiative named Black Sea Economic Cooperation (BSEC).

We are in the eve to celebrate the 20th anniversary of this, now, international organisation in the Black Sea region - the region that is not longer a static border between the West and the East and which serves as a pivotal East-West and North-South corridor and a crossroad of geopolitics, commerce, energy, and culture where the interests of major international actors has been brought and that transformed it to the wider Black Sea Region - a very dynamic area that presents various challenges and offers numerous opportunities.

20 years is a very important date to sum up results and also to ask ourselves -Did we achieve what we wanted to achieve? Is there anything which prevents the development of our plans? What is our strength and what are our weaknesses?

There is no doubt that the increased importance of the organisation is based on the progress made, but it is also fair to say that the high expectations that the countries and the peoples of the region have placed in the BSEC since its inception have been fulfilled only in part.

The Organisation of the Black Sea Economic Cooperation has reached a stage of institutional maturity enabling it to cope with the complex problems of multilateral interaction in a more meaningful way. The implementation of a number of worthy initiatives led to a strengthening of the functional and operational capacity of the whole BSEC institutional **family** (BSEC, PABSEC, BSTDB, ICBSS, BSEC Business Council), improved transparency and accountability, better coordination of various activities, and an overall increase in effectiveness.

The international profile of the BSEC has been consolidated through the establishment of additional partnerships with other inter-governmental organisations, observer states and professional or civic associations. Although the Black Sea region has succeeded to attract the focus of regional actors and major international players, there are lingering misconceptions that need to be addressed. Countries and organizations often approach Black Sea issues from specific national interests or on a bilateral basis. What is missing is a strategic vision of the region as a whole and a more comprehensive strategy for its development

During the decade preceding the global crisis, the BSEC countries averaged one of the fastest rates of GDP growth among the world's regions, indicating the enormous potential for stable and sustainable development in the years ahead.

There is a reasonably solid consensus of the BSEC member states that the Organisation serves a useful purpose and merits to continue its existence, provided the internal reform process is accelerated and the political commitment to pursue its goals in more concrete ways is reiterated and seriously enhanced.

At the same time, recent developments, in particular the effects of the global financial and economic crisis, have brought to the fore, however, some conceptual and structural vulnerabilities that require not only

some punctual corrective measures but a renewed intellectual effort to offer an attractive, and feasible, prospect for the countries of the Black Sea region in the years to come.

But the very diversity of the BSEC membership should be regarded as an asset rather than a liability, providing an incentive for more creative thinking and original solutions in a renewed effort to identify points of converging interests and unremittingly to pursue them in a concerted way both inside the Organisation and in the relations with other partners. The geo-strategic position of the Black Sea area as a bridge to the emerging markets of Central Asia and the northern tier of the Middle East, and beyond that to the dynamic economies of China and the Indian subcontinent holds great promises for the future and has to be considered as a pivotal element of any forward-looking design for regional cooperation.

The Organisation of the BSEC may not have provided adequate answers to all the complex problems that persist in the Black Sea area, but it has fostered a sense of regional ownership and a habit of working together, sometimes despite serious differences, in an orderly fashion and according to agreed procedures. This is an important asset that offers a sound foundation for further cooperative endeavours in a regional format. After two decades of incremental, though still modest, progress, the new phase of BSEC development requires an overarching strategic approach. The concept of sustainable development offers such a platform for further action. As a result, its development requires special consideration by policy makers.

That's why the 20th Anniversary of the Organisation of the Black Sea Economic Cooperation (BSEC) in 2012 is not only the great and important event. This is also a date to sum up how the Organisation has been able to respond to the challenges facing the region and it should be a starting point to restart serious talks how regional cooperation can be further increased through economic, political and security instruments in the years ahead to meet the challenges the region now faces and **to identify a revised set of priorities** for the next decade to achieve its major task – **the sustainable economic development, stability and security in the Wider Black Sea region.**

Athens, 30 November 2011

Press Release on the 6th Meeting of the Steering Committee on facilitation of road transport of goods in the BSEC region

Rostov-on-Don, 28 September 2011, [Link](#)

[...]

The 6th Meeting of the Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region was held in Rostov-on-Don, the Russian Federation, on 28 September 2011.

The meeting was chaired by Mr. Damir LEDENCAN, Head of the International Road Transport Department of the Ministry of Infrastructure and Energy of the Republic of Serbia. The representatives and experts of the BSEC Member States attended the meeting.

With regard to the progressive liberalization of the international road transport of goods, participants expressed that attention should be paid to the elimination administrative, technical and legal barriers which hamper the international transport of goods.

As far as the pilot project on the issuing of the BSEC Transit Permit for Trucks is concerned, 6 participating Member States, namely Armenia, Georgia, Moldova, Romania, Serbia and Turkey, expressed their interest to extend the validity of the project until the beginning of 2013. The pilot project was launched in February 2010 for a one-year period, after which its term was extended for an additional year in November 2010.

The Delegation of the Republic of Turkey informed that a positive decision has been taken by the Republic of Turkey concerning the usage of 200 BSEC Permits only for transit by Armenian hauliers until 31 January 2012 within the framework of the pilot project.

Issues related to the accession to international agreements, harmonization of maximum permissible weights and dimensions, charging policies, facilitation of visa procedures for professional drivers and X-ray controls of transport at borders were also discussed. The Steering Committee decided to organize a Meeting of Experts for the elaboration of concrete measures for starting the implementation of the International Vehicle Weight Certificate. The Steering Committee decided to also hold a joint BSEC-IRU meeting of experts on taxation in order to start reassessing the 12

charging policies during the Serbian Chairmanship-in-Office which will cover the first half of 2012.

As is known, BSEC was launched on 25 June 1992 at the Istanbul Summit, at a time when regional cooperation was most needed in the transformation process that the countries of the region were undergoing. The idea that stronger economic cooperation among the Black Sea countries would enhance peace and stability in the region was the underlying philosophy behind BSEC. Today, BSEC serves as a forum for cooperation in a wide range of areas and a platform for political dialogue for its 12 Member States¹.

Transport is one of the priority areas of cooperation for BSEC. BSEC has a Working Group on Transport which meets regularly to foster regional cooperation in this sphere.

The Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region, which went into force in 2006, was an important step taken by the BSEC countries to facilitate road transport and regional trade. The Steering Committee on Facilitation of Road Transport of Goods in the BSEC Region was established in compliance with the said Memorandum of Understanding.

BSEC has two flagship projects in the area of transport cooperation. These are the Black Sea Ring Highway project and the project on the development of the Motorways of the Sea in the BSEC region. The Black Sea Ring Highway project envisages a four-lane ring highway system, approximately 7700 km long, to connect the BSEC Member States with each other. The project on the development of the Motorways of the Sea in the BSEC region, on the other hand, is about strengthening the maritime links among the ports of the BSEC Member States. Both projects are expected to foster intra-BSEC trade, as well as tourism, infrastructure and transport investments and economic prosperity among the countries of the Black Sea. Most importantly, they are intended to make a concrete difference in the lives of the people of the region and bring them closer together.

Session of the General Assembly of the International Black Sea Club

Azov, 5 October 2011, [Link](#)

[...]

On October 2, the city of Azov hosted a session of the General Assembly of the International Black Sea Club (IBSC) – a non-governmental association of heads of administrations / municipalities of several Black Sea basin cities. IBSC has observer status at the Black Sea Economic Cooperation (BSEC) Organization. Participating from Russia in the IBSC are heads of administrations / municipalities of the cities of Azov, Taganrog and Rostov-on-Don, as well as Tuapse, admitted to the IBSC at the session in Azov.

The participants of the session addressed the financial, legal and institutional issues of the IBSC.

As IBSC President K. Simitis, Mayor of Kavala, Greece, nears the end of his tenure, the session elected Azov Mayor S. L. Bezdolny as the new head of the IBSC for the next three years.

The results of the session have shown that the leaders of the Black Sea cities are set to further enhance cooperation and to engage local governments, enterprises and companies of their regions in the implementation of the projects under the auspices of the BSEC Organization.

Statement of Commissioner Štefan Füle on the political agreement in Albania

Tirana, 17 November 2011, [Link](#)

[...]

I welcome the adoption today by the Albanian Parliament, with cross-party consensus, of the decision to establish a parliamentary committee on electoral reform and of two laws requiring a reinforced three fifths majority vote. I would also like to welcome the decision by the Conference of Chairpersons, taken on Monday 14 November, to establish a Parliamentary working group on reform of its rules of procedure, and a calendar for the review and adoption of the three fifths majority laws.

These developments, together with the resumption of full

parliamentary work in September, constitute decisive steps towards the normalisation of political relations in the country and are expected to mark the end of the political stalemate. These are important elements of Albania's renewed efforts to move ahead on key reforms and to fulfill the twelve key priorities set out in the 2010 Commission Opinion on the country's EU membership application.

I strongly encourage the ruling majority and opposition to build on these positive developments, fully restoring and sustaining a constructive political dialogue, to allow the proper functioning of key democratic institutions, notably the parliament, and to achieve consensual electoral reform results in line with OSCE-ODIHR and Venice Commission recommendations.

All of this should result in the creation of a new momentum for EU integration reforms in Albania, and in particular for the implementation of the twelve key priorities of the Commission's Opinion.

The European Commission stands ready to continue its support and cooperation efforts with a view to Albania's EU membership objective.

EU – Armenia Cooperation Council Twelfth meeting

Armenia, 25 November 2011, [Link](#)

[...]

The Cooperation Council between the European Union and the Republic of Armenia held its twelfth meeting on Friday 25 November 2011. The EU was represented by Mr Mikolaj Dowgielewicz, State Secretary for European Affairs of Poland, acting on behalf of the High Representative of the Union for Foreign Affairs and Security Policy, Catherine Ashton, and Mr Štefan Füle, Commissioner for Enlargement and European Neighbourhood Policy. The Armenian delegation was led by Mr Edward Nalbandian, Minister of Foreign Affairs of the Republic of Armenia, acting as chair of the Cooperation Council meeting. This meeting took place following the recent visit of HRVP Ashton to Yerevan on 16-17 November which confirmed the EU's commitment to reinforcing links with theregion. The Cooperation Council reviewed progress on the settlement of the Nagorno-Karabakh conflict. The EU reaf-

firmed that the status quo is unacceptable and that the solution of this conflict remains a top priority. Both sides reiterated their support to the efforts deployed by the OSCE Minsk Group. The EU confirmed its determination to strengthen its support to and co-operation with the Minsk Group, notably through further confidence building measures. The EU expressed concern at the increasing number of incidents at the line of contact and called on all sides to reduce tension and abstain from strong rhetoric.

The Cooperation Council underlined the need to remain focussed on and speed up the implementation of the European neighbourhood policy action plan. The Cooperation Council provided a good opportunity to take stock of latest developments in the South Caucasus, as well as to review recent political and economic reforms in Armenia. In this context the Cooperation Council took note of the new and ambitious reform efforts of Armenia, bringing together important priorities of EU-Armenia relations, including preparations for a Deep and Comprehensive Free Trade Area, cooperation in the domain of justice, liberty and security as well as democratic reforms. The EU confirmed its readiness to engage with Armenia in an EU-Armenia partnership for reform. The EU recalled the importance of continuing progress on the matters of democracy, rule of law and human rights. In view of the deepening bilateral relations between the EU and Armenia in the framework of the Eastern Partnership, the EU encouraged Armenia to step up reforms in these fields. The EU noted progress in the situation of human rights and fundamental freedoms in Armenia and underlined that these elements are essential components in the bilateral relationship and in the framework of the Eastern Partnership. The EU reaffirmed its readiness to continue its support for the further development of democratic institutions in Armenia.

The two sides expressed satisfaction with the on-going negotiations on the Association Agreement. The EU confirmed that negotiations on a deep and comprehensive free trade area (DCFTA) would start as soon as Armenia meets the necessary conditions, as set out in the Commission's "Key recommendations". The EU also confirmed that negotiations on agreements on visa facilitation and readmission are expected to start at the beginning of next year. The EU also welcomed the signing by Armenia, on 27 October, of a mobility partnership with the EU, as an

important step towards the strengthening of people-to-people contacts.

EU – Azerbaijan Cooperation Council Twelfth meeting

Republic of Azerbaijan, 25 November 2011, [Link](#)

[...]

The Cooperation Council between the European Union and the Republic of Azerbaijan held its twelfth meeting on Friday 25 November 2011. The EU was represented by Mr Mikolaj Dowgielewicz, State Secretary for European Affairs of Poland, acting on behalf of the High Representative of the Union for Foreign Affairs and Security Policy, Catherine Ashton, and Mr Štefan Füle, Commissioner for Enlargement and European Neighbourhood Policy. The Azerbaijani delegation was led by Mr Elmar Mammadyarov, Minister of Foreign Affairs of the Republic of Azerbaijan, acting as chair of the Cooperation Council meeting.

This meeting took place following the recent visit of HRVP Ashton in Baku on 15-16 November which confirmed the EU's commitment to reinforcing links with the region. The Cooperation Council reviewed progress on the settlement of the Nagorno-Karabakh conflict. The EU reaffirmed that the status quo is unacceptable and that the solution of this conflict remains a top priority. Both sides reiterated their support to efforts deployed by the OSCE Minsk Group. The EU confirmed its determination to strengthen its support to and co-operation with the Minsk Group, notably through further confidence building measures. The EU expressed concern at the increasing number of incidents at the line of contact and called on all sides to reduce tension and abstain from strong rhetoric.

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nership, the EU encouraged Azerbaijan to step up reforms in these fields. The EU expressed concern at the situation of human rights and fundamental freedoms in Azerbaijan and underlined that these elements are essential components in the bilateral relationship and in the framework of the Eastern Partnership. The EU reaffirmed its readiness to continue its support for the further development of democratic institutions in Azerbaijan.

The two sides expressed satisfaction with the on-going negotiations on the Association Agreement, while underlining the need to accelerate their pace. The EU confirmed that negotiations on agreements on visa facilitation and on readmission could start at the beginning of next year. Both sides confirmed that the first meeting of the new subcommittee on social affairs and education will take place in the first months of 2012.

The Cooperation Council discussed EU-Azerbaijan cooperation in the energy sector and welcomed the launch of negotiations between Turkmenistan, Azerbaijan and the EU on 12 October on the construction of the Trans Caspian Pipeline. The two sides welcomed the recent signature of a gas transit and purchase agreement between Azerbaijan and Turkey and confirmed the importance of the Southern Corridor and its contribution in reaching the common objective of energy security and the security of energy transportation from the Caspian Sea to the EU.

Seventeenth Round of Geneva Discussions on Security and Stability in Transcaucasia

Geneva, 5 October 2011, [Link](#)

[...]

On October 4, Geneva hosted a meeting in the framework of international discussions on security and stability in Transcaucasia. It was attended by delegations from the Republic of Abkhazia, Georgia, Russian Federation, the United States, the Republic of South Ossetia, as well as representatives from the EU, UN and OSCE. Deputy Minister of Foreign Affairs/State Secretary Grigory Karasin led the Russian delegation.

The group on security stated when discussing the situation on the borders of Abkhazia and South Ossetia with Georgia the relative stability achieved largely through the joint ef-

forts of Russian border guards and EU observers. The participants noted the significant contribution to maintaining regional security of the incident prevention and response mechanisms (IPRMs) in the Abkhaz-Georgian and South Ossetian-Georgian border areas. They examined specific proposals for improving efficiency and effectiveness in the operation of both IPRMs.

The representatives of Abkhazia and South Ossetia informed participants of the first group of the past and upcoming presidential elections in their republics, and noted the full compliance of electoral procedures with international democratic standards.

Considerable attention was paid to the necessity to fix the principle of non-use of force in relations between Abkhazia and South Ossetia, and Georgia. The representatives of the Republic of Abkhazia, the Russian Federation and the Republic of South Ossetia again called on Tbilisi to immediately sign legally binding agreements on the non-use of force with Sukhum and Tskhinval. The Russian side recalled in this context the readiness of Russia, as stated by Minister of Foreign Affairs of the Russian Federation Sergey Lavrov at the 66th session of the UN General Assembly, to act as guarantor of the unilateral pledges of Abkhazia, Georgia and South Ossetia not to use force as well as the proposal that the US and EU take similar guarantees upon themselves.

Discussion continued on the ideas tabled by the co-chairs for extra transparency and confidence-building measures in the region.

In relation to the adoption of another UN General Assembly resolution on refugees at the initiative of Georgia in June 2011, the humanitarian group of the Geneva Discussions suspended deliberation on this issue upon request from the delegations of Abkhazia and South Ossetia. The Abkhazian and South Ossetian sides expressed their willingness to participate along with the representatives of Georgia in a joint consideration of these problems in New York.

Within the framework of the second group at Geneva, the sides exchanged views on possible ways to improve the humanitarian situation in Abkhazia, Georgia and South Ossetia, including the questions of missing persons and the socio-economic rehabilitation of the border areas. The Russian side briefed the participants of the humanitarian group on Russia's assistance in socioeconomic reconstruction and develop-

ment in the Republics of Abkhazia and South Ossetia and on the humanitarian aid it provides to them. The next meeting in Geneva is scheduled for December 13-14, 2011.

Meeting with Georgian Vice Prime Minister and State Minister on European and Euro-Atlantic Integration, Giorgi Baramidze

Georgia, 24 November 2011, [Link](#)

[...]

Commissioner for Enlargement and European Neighbourhood Policy Stefan Füle met with Georgian Vice Prime Minister and State Minister on European and Euro-Atlantic Integration Giorgi Baramidze today to discuss the implementation of the European Neighbourhood Policy Review and the follow-up to the recent Eastern Partnership Summit.

"In our talks we focused on how our partner countries, which are most engaged in reforms, will benefit more from their relationship with the EU, in line with the "more for more principle". Mr Füle said after the meeting. Such benefits are expected to include: closer political association, deeper gradual economic integration in the EU market and increased EU support more generally, including in the domain of assistance. Commissioner Füle welcomed the progress made in Georgia in this regard. At the same time he also emphasized that Georgia needs to consolidate democracy and work hard to create a tolerant and pluralistic political culture. The upcoming parliamentary elections in 2012 and presidential election in 2013 will be an important test cases for Georgian democracy, which the EU will closely follow.

Minister Baramidze informed us about the progress made in Georgia in preparing for the start of negotiations on a Deep and Comprehensive Free trade area (DCFTA), as integral part of the ongoing Association Agreement negotiations with the EU. He also provided information about the implementation of the visa facilitation and readmission agreements between Georgia and the EU. Commissioner Füle made clear that the preparations in Georgia for DCFTA negotiations were in the final stages and that the Commission was now assessing the implementation of the preconditions. Commissioner Füle also made the point that it

was important for Georgia now to start focussing beyond the start of DCFTA negotiations and to continue the crucial reform and modernization efforts for EU approximation. He also explained the Commission's assessment that if Georgia continued with the effective implementation of the Visa Facilitation and Readmission agreements, a visa free dialogue with Georgia could be opened, possibly before the summer.

Second Russian– Ukrainian Interregional Economic Forum

18 October 2011, [Link](#)

[...]

Dmitry Medvedev and Viktor Yanukovich held a bilateral meeting before the beginning of the forum. A number of documents were signed at the forum, in particular, three intergovernmental agreements: on the procedure for crossing the Russian-Ukrainian state border by residents of border regions; on joint control of individuals, vehicles and goods on the Russian-Ukrainian state border; and on cooperation and interaction in establishing checkpoints across the Russian-Ukrainian state border. The First Russian-Ukrainian Interregional Economic Forum was held on October 4, 2010 in Gelendzhik. In 2012, the Forum will take place in Nizhny Novgorod, Russia.

EU expert missions visited Ukraine in order to assess compliance with EU standards of the results, achieved by our state in implementing measures within the Block 2 "Migration management" and the Block 3 "Public order and security"

24-28 October 2011, [Link](#)

[...]

The missions included representatives of key divisions of the European Commission, as well as Belgium, Italy, Latvia, Slovenia and Finland.

As a result of the work in Ukraine, the EU experts have noted a significant progress achieved by Ukraine in implementing relevant criteria of the Action Plan. At the same time, they have pointed out a number of spheres in which the work should still be completed.

Detailed recommendations on the mentioned issues will be provided by the EU experts to the Ukrainian side and the interested divisions of the European Commission.

Till the end of this year the European Commission will prepare the second official assessment of Ukraine's progress in implementation of the First (legislative) phase of the Visa Liberalization Action Plan.

Minister of Foreign Affairs of Ukraine Kostyantyn Gryshchenko and US Secretary of the State Hillary Clinton signed a Memorandum of Understanding regarding cooperation on nuclear safety.

Kyiv, 26 September 2011, [Link](#)

[...]

Recall that during the Summit on Nuclear Safety, held in April 2010 in Washington, President Viktor Yanukovich was declared the initiative of Ukraine to get rid of all stocks of highly enriched uranium in the framework of international measures to strengthen nuclear safety.

This decision corresponds to the traditional policy of non-proliferation of nuclear weapons of the Ukrainian state, which in the mid 90s voluntarily gave up the third largest nuclear arsenal in the world. But more importantly, that this decision was adopted with the understanding that highly enriched uranium can not be used in advanced research in the peaceful atom. Instead, during the implementation of the Memorandum, U.S. partners will provide Ukrainian nuclear scientists needed assistance in creating a new technological platform for breakthrough discoveries that will help Ukraine to remain one of the three world leaders in creating new nuclear technologies.

The signature of the intergovernmental Memorandum of Understanding on cooperation in nuclear safety lays tied to specific time parameters and practical action plan for fulfillment of all obligations of Kyiv and Washington. The American side has proposed granting Ukraine material and financial assistance for the establishment in Kharkov Physico-Technical Institute-modern equipment - a source of neutrons using low-enriched uranium. This equipment

will allow scientific research in nuclear physics, nuclear medicine and other innovative industries. Instead of useless and dangerous "Cold War" heritage Ukrainian nuclear industry gets a unique material base that will strengthen its competitive advantage in the global market for nuclear power development. The total investment amount of U.S. government for this project would exceed \$ 60 million.

Signature demonstrated intensification of Ukrainian-American strategic dialogue on global nuclear security.

Republic of Moldova to gradually integrate into the European common aviation market

Brussels, 26 October 2011, [Link](#)

[...]

Brussels, 26 October 2011 - The Republic of Moldova and the European Union have today initialled a comprehensive air services agreement at a meeting in Chisinau, the capital of the Republic of Moldova. This agreement will open up and integrate the respective markets, strengthen cooperation and offer new opportunities for consumers and airlines. The Republic of Moldova and the EU will develop this "common aviation area" based on common rules in important areas such as aviation safety and security.

Welcoming the agreement, Vice-President Siim Kallas, commissioner responsible for mobility and transport, said: "The comprehensive air services agreement reached in Chisinau today is very important for further strengthening the overall economic, trade and tourism relations between Moldova and the EU. Indeed, it will allow Moldova to become a full partner of the EU in aviation and gradually integrate Moldova into a pan-European aviation market. This is a very important step in our strategy of closer cooperation between the EU and its neighbours, particularly in the context of the Eastern Partnership."

The agreement aims to open the respective markets and to integrate the Republic of Moldova into a wider European common aviation area. It will strengthen aviation relations between the two partners. The Republic of Moldova will harmonise its legislation with European standards and implement EU aviation rules in areas such as aviation safety, security, environment, consumer protection, air traffic management, economic regulation, competition issues and social aspects.

The agreement will be a further step in creating a wider

common aviation area between the EU and its neighbours. Similar comprehensive air transport agreements with neighbouring countries have been concluded with the Western Balkan countries, Morocco, Georgia and Jordan – and negotiations are ongoing with Ukraine, Israel and Lebanon.

Air transport is the single most important mode of transport linking the Republic of Moldova to most EU Member States and has been growing steadily in recent years. It is expected that the agreement will offer more travel opportunities, more direct connections and economic benefits for both sides.

As a result of the agreement, all EU airlines will be able to operate direct flights to the Republic of Moldova from anywhere in the EU and vice-versa for Moldovan carriers. The agreement will remove all restrictions on prices and the number of weekly flights between the Republic of Moldova and the EU.

Today, there are direct flight connections between the Republic of Moldova and 13 EU Member States (Austria, Bulgaria, Cyprus, France, Germany, Greece, Hungary, Italy, Latvia, Portugal, Romania, Spain and the United Kingdom).

The European Commission received a mandate to negotiate a "common aviation area" agreement with the Republic of Moldova in June 2011. Both sides will now start their respective internal procedures to allow the agreement to be signed and enter into force. On the EU side, the agreement will be forwarded to the Council and the European Parliament. Following signature, the ratification process will begin.

Commission Opinion on Serbia's application for membership of the European Union

12 October 2011, [Link](#)

[...]

CONCLUSION AND RECOMMENDATION

In the light of substantial reforms over the last years, Serbia has considerably progressed towards fulfilling the political criteria related to the stability of institutions guaranteeing

democracy, the rule of law, human rights and respect for and protection of minorities, set by the Copenhagen European Council in 1993, as well as the conditions of the Stabilisation and Association Process. Serbia has a comprehensive constitutional, legislative and institutional framework which overall corresponds to European and international standards. Parliament has become far more effective in its legislative activity under the current legislature. The legal and institutional framework for the rule of law is comprehensive, including in the areas of the fight against corruption and organised crime where initial results were achieved. The legal framework for the protection of human rights and minorities is well developed and has started being implemented. Serbia has reached a fully satisfactory level in its cooperation with ICTY and has taken an increasingly active role in fostering reconciliation in the region. Serbia has agreed to and participated in a process of dialogue with Kosovo to facilitate the lives of the people which has led to several agreements (free movement of persons and goods, civil registry and cadastre) and Serbia has taken initial steps for implementation.

As regards the economic criteria, Serbia has taken important steps towards establishing a functioning market economy and achieved a certain degree of macroeconomic stability in spite of the global economic and financial crisis. However, further efforts will be necessary for restructuring the economy and improving the business environment, in particular by strengthening the rule of law and removing red tape, enhancing competition and the role of the private sector as well as tackling rigidities on the labour market. In order to enable it to cope in the medium term with competitive pressure and market forces within the Union,

Serbia needs to pursue structural reforms to upgrade the productive capacity of the economy and create a climate conducive to increased foreign investment.

Serbia has built up a positive track record in implementing its obligations under the

Stabilisation and Association Agreement and the Interim Agreement.

Serbia would be in a position to take on the obligations of membership in the medium term, in nearly all *acquis* fields, provided that the alignment process continues and that further efforts are made to ensure the implementation and enforcement of legislation. Particular attention needs to be paid to the areas of agriculture and rural development, judiciary and fundamental rights, justice, freedom and security

and financial control. Full compliance with the *acquis* in the field of the environment and climate change could be achieved only in the long term and would necessitate increased levels of investment.

Based on preliminary estimates, Serbia's accession would have a limited overall impact on European Union policies and would not affect the Union's capacity to maintain and deepen its own development.

The Commission recommends that the Council should grant Serbia the status of candidate country, taking into account progress achieved so far and on the understanding that Serbia reengages in the dialogue with Kosovo and is moving swiftly to the implementation in good faith of agreements reached to date.

Serbia is well on its way towards sufficiently fulfilling the political criteria set by the

Copenhagen European Council in 1993 and the conditions of the Stabilisation and

Association process, provided that progress continues and that practical solutions are found to the problems with Kosovo.

The Commission therefore recommends that negotiations for accession to the European Union should be opened with Serbia as soon as it achieves further significant progress in meeting the following key priority:

- Further steps to normalise relations with Kosovo in line with the conditions of the

Stabilisation and Association Process by: fully respecting the principles of inclusive

regional cooperation; fully respecting the provisions of the Energy Community Treaty; finding solutions for telecommunications and mutual acceptance of diplomas; by continuing to implement in good faith all agreements reached; and by cooperating actively with EULEX in order for it to exercise its functions in all parts of Kosovo.

The Commission will present a report on Serbia's implementation of the above key priority as soon as sufficient progress has been achieved.

Serbia is encouraged to maintain the momentum of reforms

in pursuing the necessary degree of compliance with the membership criteria, with particular attention to the rule of law, and to continue its constructive engagement in regional cooperation and in strengthening bilateral relations with neighbouring countries. Implementation of the Interim Agreement, and from its entry into force, the Stabilisation and Association Agreement, are expected to continue. The Commission will continue to support these efforts through the IPA financial instrument.

Remarks by Herman Van Rompuy, President of the European Council, after the meeting with Greek Prime Minister Lucas Papademos

Athens, 21 November 2011, [Link](#)

[...]

I had an excellent meeting with Prime Minister Papademos. The Prime Minister reiterated the full determination of his government, supported by all political parties, to implement the program agreed upon with the Troika.

I reaffirmed the readiness of the Euro area to continue to provide support to Greece

adjustment efforts. The Eurogroup should be in a position to agree in its next meeting on the disbursement of the sixth tranche of the Greek loan.

We are also fully supportive of the on-going discussions between the Greek authorities and private creditors. A new program supported by the Euro area and the European Financial Stability Facility should be concluded rapidly.

The situation is very demanding. A lot of efforts have already been done by the Greek

people. However, more needs to be done to restore stability, confidence and growth. I call on all Greek political leaders to fully back this strategy.

As regards the broader situation in the Eurozone, it is clear that we are going through a difficult period. In this context, it is important that Member States adhere strictly to their commitments both in terms of fiscal policy and structural reforms to help growth and employment. At the same time, all EU institutions need to do all that is in their powers, in full respect of their mandates, to restore confidence, stability, growth and jobs.

In accordance with the mandate I received at the Euro Summit of 26 October, I will submit an interim report in December on how to strengthen the economic union to make it commensurate with our monetary union.

Turkey and Azerbaijan sign gas transit deals

Turkey, 09 November 2011, [Link](#)

[...]

On 26 October, Turkey and Azerbaijan signed a number of complex agreements determining the rules for the transit, supply volumes and prices of gas which Azerbaijan exports to Turkey (these documents had been undergoing negotiation for around three years, and their finalisation had been postponed several times due to conflicts of interests). According to information revealed, Turkey has agreed to transit 10 billion m³ of Azeri gas annually to the borders with Greece and Bulgaria (it is unclear whether this will commence at the moment of signing the agreements or from the moment when the second-phase production is launched at Shah-Deniz field). The parties have announced that gas can be transported with the use of existing infrastructure, the planned Nabucco gas pipeline, or with a new gas pipeline which the parties will build with the aid from foreign investors. Additionally, Azerbaijan has undertaken to sell Turkey up to 6 billion m³ of gas from the second phase of Shah-Deniz by 2018. The parties have also agreed that the price of the Azeri gas currently imported via Turkey (approximately 6 billion m³) will not be revised until 2018. Neither the price of the gas currently imported nor the future supplies have been revealed. The Turkish energy minister said the price was the lowest among those offered by the present suppliers.

Recent Publications on the Black Sea Region

The following are selected recent publications pertinent to the Black Sea region

November 2011

- Janusz Jukajski, *A new Transatlantic Approach for the Western Balkans, Time for Change in Serbia, Kosovo and Bosnia-Herzegovina*, Heather A. Conley, The CSIS, 31 November 2011, [Link](#)
- Jodi Lieberman, *Energy and Climate Change, Non-proliferation, Congress and Nuclear Trade: Plus ça change, plus c'est la même chose*, CSIS, 15 November 2011, [Link](#)
- Cristina Vilaplana Pietro, *Informal Care, Labour Force Participation and Unmet Needs for Formal Care in the EU-27, Croatia and Turkey*, CEPS 8 November 2011, [Link](#)

October 2011

- *Energy Policies of IEA countries– Greece, 2011 Review*, 26 October 2011, [Link](#)
- Amanda Paul and Gulmira Rzayeva, *Azerbaijan– the key to EU energy security*, EPC, 24 October 2011, [Link](#)
- Stephen Tindale, *EU climate policies without an international framework*, CER, 21 October 2011, [Link](#)
- Štefan Bojnec, *Agricultural and Rural Capital Markets in the EU Candidate Countries: Croatia, the FYR of Macedonia and Turkey*, CEPS, 13 October 2011, [Link](#)
- Biljana Angelova and Stefan Bojnec, *Developments in the Agricultural and Rural Capital Markets of the Former Yugoslav, Republic of Macedonia, Agricultural and Rural Policy, Factors Markets Working Papers*, CEPS, 17 October 2011, [Link](#)

September 2011

- Stephen Tindale, *Has Europe given up on fighting climate change?*, CER, 28 September 2011, [Link](#)
- Štefan Bojnec, *Agricultural and Rural Labour Markets in the EU Candidate Countries of Croatia, Former Yugoslav of Macedonia and Turkey*, CER, 23 September 2011, [Link](#)
- Manuel Mohr, *The future role of natural gas. Trends and projects for demand and supply in 2030*, Institut

fur Europäische Politik, 12 September 2011, [Link](#)

- Katinka Barysch and Aigerim Zikibayeva, *What does the Arab spring mean for Russia, Central Asia and the Caucasus?*, CER, 12 September 2011, [Link](#)
- Katinka Barysch and Stephen Tindale, *Green, safe, cheap: Where next for EU energy policy?*, CER, 09 September 2011, [Link](#)
- Kyösti Pietola, Sami Myyrä and Anna– Maija Heikkilä, *The Penetration of Financial Instability in Agricultural Credit and Leveraging*, CEPS, 09 September 2011, [Link](#)

ICBSS News and Events

4th International Black Sea Symposium: "The Black Sea Region in Transition: New Challenges and Concepts"- Athens, 19-23 September 2011

In 19-23 September 2011, the International Centre for Black Sea Studies (ICBSS) hosted the **4th International Black Sea Symposium** on "The Black Sea Region in Transition: New Challenges and Concepts" at Hotel Amarilia in Vouliagmeni. The **17 young professionals** who participated in the event were researchers, academics, policy-makers and students; representing 12 countries including those of the Black Sea area, EU member states, the United States, and Taiwan. Participants attended three days of interactive sessions in which relevant reading material was provided in advance while at the end, they received a certificate of attendance. In the aforementioned sessions **16 renowned experts** presented topics regarding **security concerns, regional cooperation, sustainable development, and environmental governance**. Some of the issues discussed were institutional reforms and participation, trans-

national risks and Euro-Atlantic institutions, entrepreneurship and energy security. While speakers set the stage for lively and interactive discussion on the different topics, workshops provided participants with the opportunity to closely analyse specific conflicts, develop action recommendations for policy makers and civil society leaders and produce project ideas to be pursued after the end of the Symposium. Participants also had the chance to experience beautiful days in the picturesque coastal zone of Attica and to visit the archaeological site of Sounio.



2011 Summer School on "Rescaling Government: Reforming public administration and local government"- Athens, 18-23 September 2011

In 18-23 September 2011 in parallel with the Symposium and in the same venue, the ICBSS hosted and financially supported the **2011 Summer School on "Rescaling Government: Reforming public administration and local government"**, which was organised by **EUURA (European Urban Research Association)** and **EUROLOC**. The 2011 Summer School was held in Vouliagmeni, the coastal zone of Attica, Greece, at hotel Amarilia. In close cooperation with Prof. Hubert Heinelt (Darmstadt University), local organizers decided on the focus of the Summer School programme. The aim was to organise specialized courses for Ph.D. students whose research topics are related to the **field of public policies and local government**. Given the latest institutional reforms that have been made in countries such as Denmark and Greece, this year's Summer School gave emphasis on **the evaluation of territorial and functional reforms and the methodology used for this pur-**

pose. Moreover, the Summer School sought to create linkages among the participants of different national and cultural backgrounds. In total, 17 Ph.D. students were selected to participate in the Summer School and 5 academics were invited to give lectures.



Round Table Discussion on "Energy Cooperation and Environmental Protection in the wider Black Sea area" , 29 November 2011

On Tuesday, 29 November 2011, the International Centre for Black Sea Studies (ICBSS), in cooperation with the Center for Strategic Studies under the President of the Republic of Azerbaijan (CSS), successfully organized a Round Table Discussion on "Energy Cooperation and Environmental Protection in the wider Black Sea area". The event was organized within the framework of the "Hellenic- Azerbaijani Green Energy Forum", an initiative of Dr. Gulshan Pashayeva, Deputy Director of CSS and Dr. Zefi Dimadama, ICBSS Director General.

Opening the event, Dr. Zefi Dimadama thanked the audience for their attendance and presented briefly the role and contribution of ICBSS in the wider Black Sea area;



noting that the energy sector constitutes the backbone of the economy of the countries of the region. "Through this initiative, our primary objective is to exchange valuable information and good practices as an effort to raise awareness and to mobilize all relative parties with a view to promoting regional cooperation so as to establish a clean energy model; an eco-friendly system for the wider Black Sea area" underlined Ms. Dimadama.

On her part, Dr. Gulshan Pashayeva highlighted the importance of a lucrative cooperation between the Center for Strategic Studies under the President of the Republic of Azerbaijan (CSS) and the International Centre for Black Sea Studies focusing on the crucial role of energy in the worldwide economy.

6th Executive Board Meeting and the 4th Steering Board Meeting of the BS ERANET—Yerevan, 15-16 September 2011

The ICBSS participated at the **6th Executive Board Meeting and the 4th Steering Board Meeting of the BS ERANET**, held on 15-16 September 2011, in Yerevan. During

Welcome notes were delivered by the Secretary General of the Hellenic Ministry of Foreign Affairs, Mr. Konstantinos Papadopoulos, the Director of B2 Directorate of International Economic

Relations with the Balkans, Russia and the CIS of the Hellenic Ministry of Foreign Affairs, Ambassador Dimitrios Tsoungas, as well as by the Counselor and Deputy Head of Mission of the Republic of Azerbaijan to the Hellenic Republic, Mr. Anar Huseynov.

The Round Table Discussion was structured in two panels that consisted of representatives from the private sector, ministries and various forums. The first panel was centred around "Renewable Energy Sources: new perspectives and challenges" while the Second focused on "Energy Cooperation at regional and international level".

Upon successful conclusion of the event, Dr. Pashayeva and Dr. Dimadama signed a Cooperation, Research and Academic Exchange Agreement that signals the beginning of cooperation between the Center for Strategic Studies under the President of the Republic of Azerbaijan (CSS) and the International Centre for Black Sea Studies (ICBSS) aiming to promote the Hellenic-Azerbaijani relations in the fields of inter alia economic cooperation, environmental policies, trade, investment and energy security.

The event took place under the auspices of the Hellenic Ministry of Foreign Affairs with the support of the Public Gas Corporation SA, in partnership with the Research Institute for European and American Studies (RIEAS) and Repo(we)r Greece.



the meeting, the project partners gave an overview of the activities and discussed the outlook for the next year of the implementation. The Project Coordinator informed the consortium on the decision to submit a request for an amendment to the EC in order to extend the project implementation until December 2012.

In the context of the amendment, the ICBSS assumes a

role in the definition of the priority fields for the implementation of the Joint Call and of the Black Sea Research Programme (BSRP). These activities will be implemented in coordination with the Work Package leader, partner TUBITAK. In addition, it was agreed that a Joint Task Force (BSEC WG on S&T and BS ERANET) will be established, in order to explore the possible synergies and make proposals accordingly. In this sense, a workshop is envisaged to take place in Athens (tentative dates: March-April 2012).

“Innovating innovation by research – 100 years after Schumpeter”- Vienna, 19-21 September 2011

In September, (19-21) Ms. Anna Andricopoulou, ICBSS Expert participated in the Challenge Social Innovation Conference **“Innovating innovation by research – 100 years after Schumpeter”**, on the implementation of a coherent notion of social innovation in all sectors of society, in Vienna.

“The Development of Renewable Energy Sources in the New Investment Environment” - Athens, 10 November 2011

In November, (10) ICBSS Director General participated in the informative event titled **“The Development of Renewable Energy Sources in the New Investment Environment”** that was organised jointly by the German-Greek Chamber of Commerce and Industry, along with Germany Trade and Invest and the Metaxas & Associates law firm.

“Funding mechanisms and Investment Tools of the EU in Third Countries. Implementation by the Private Sector”- Athens, 11-12 November 2011

In November, (11-12) Dr. Zefi Dimadama and Ms. Anna Andricopoulou attended the Conference on **“Funding mechanisms and Investment Tools of the EU in Third Countries. Implementation by the Private Sector”**, organised by the Hellenic Ministry of Foreign Affairs, in Athens.

“Third Annual Black Sea Energy and Economic Forum: Freedom, Prosperity and Stability”- Istanbul, 17-18 November 2011

In November, (17-18) ICBSS Director General participated in the **“Third Annual Black Sea Energy and Economic Forum: Freedom, Prosperity and Stability”**, an initiative of the Atlantic Council’s DinuPatriciu Eurasia Center in cooperation with its partners in the region, that was held in Istanbul.

“Discussion with the Institutional Actors of the Economy”- Athens, 12 December 2011

In December, (12) Ms. Anna Andricopoulou, ICBSS Expert participated in a **“Discussion with the Institutional Actors of the Economy”**, organised by Repower Greece, in Athens.

“Tax Evasion and Social Justice” - Athens, 13 December 2011

In December, (13) Ms. Georgia Chantzi and Ms. Amaryllis Koufantoni attended an Open Discussion on **“Tax Evasion and Social Justice”** organised by ELIAMEP, in Athens.



International Centre for Black Sea Studies (ICBSS)

4 Xenophontos Str.

10557 Athens, Greece

Tel: +30 210 324 2321

Fax: +30 210 324 2244

Email: icbss@icbss.org

Website: www.icbss.org

Editorial team:

Zefi Dimadama and Nadia Tsiri

In cooperation with: Raffaele Borreca and Anar Mutallimov

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THE BLACK SEA MONITOR

The ICBSS has identified the need for a special circular on developments in and around the Black Sea region that goes beyond the mere news brief format. Therefore, the Centre has set up an electronic review focused particularly on the Black Sea region, aiming to provide stakeholders and other interested parties around the globe with an exclusive information service. The Monitor offers brief commentaries and refers key documents, publications and events of interest that impact on the wider Black Sea region.