



ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION
Permanent International Secretariat

BLACK SEA HORIZON INTERNATIONAL CONFERENCE

“EU – Black Sea Cooperation in Science, Technology & Innovation: towards a jointly agreed STI programme”

Session I: Cooperation in Science, Technology & Innovation. Best practices and future perspectives

THE ROLE OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION IN STRENGTHENING THE COOPERATION AMONG ITS MEMBER STATES IN THE FIELD OF SCIENCE AND TECHNOLOGY

**Remarks by
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Mr. Director General of ICBSS,
Distinguished Participants,
Ladies and Gentlemen,

I am very pleased and honoured to represent the Organization of the Black Sea Economic Cooperation Permanent International Secretariat (BSEC PERMIS) at the Black Sea Horizon International Conference, organized by ICBSS in Athens. I wish to warmly thank the ICBSS as a BSEC Related Body for inviting the BSEC PERMIS to this important Conference. We welcome every opportunity to discuss very pertinent issues of S&T, research and innovation, with both governmental representatives and other stakeholders, inside and outside the Black Sea region.

At the outset, allow me to say a few words about my Organization. The BSEC was established in 1992 as a regional initiative, and with the entry into force of its Charter in 1999, it was transformed into a full-fledged regional economic organization. In addition to 12 member States from the wider Black Sea area (Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russian Federation, Serbia, Turkey, Ukraine) and four Related Bodies (Parliamentary Assembly of BSEC, BSEC Business Council, Black Sea Trade and Development Bank and International Centre for Black Sea Studies), the BSEC has 16 Observers and the same number of Sectoral Dialogue Partners (States and International Organizations) from the region and beyond. The BSEC, which will celebrate its 25th Anniversary in June this year, has become the most inclusive and comprehensive organization in the wider Black Sea area, and a forum for discussion and cooperation in a wide range of areas. We have also developed the cooperation with other regional organizations, among others: the Central European Initiative, the Regional Cooperation Council, the Adriatic-Ionian Initiative, the Danube Commission, the Council of the Baltic Sea States and others. The European Commission enjoys a status of Observer in BSEC.

Science and Technology was included among the priority areas of cooperation since the very establishment of the BSEC. A Working Group on Cooperation in Science and Technology was established already in 1994, with a mission to promote cooperative activities in the field of S&T in the BSEC region. The Working Group meets regularly two times per year and, in addition, four Meetings of the Ministers in charge of S&T were held up to now.

Very important development was the adoption, in June 2012, of the “BSEC Economic Agenda: Towards an Enhanced BSEC Partnership”, as a strategic document for guiding the cooperation in the BSEC framework in order to meet the goals set by the BSEC Charter and the new challenges and opportunities that the Member States will be facing in the years to come. The BSEC Economic Agenda aims, inter alia, at supporting a closer, balanced and mutually beneficial cooperation between BSEC and the European Union, inter alia, by advocating for increased commitment of financial and technical resources to be devoted to the BSEC Region, via such means as closer trade ties and increased inflows of foreign investment; and, achieving higher efficiency of the BSEC-EU cooperation within the framework of the BSEC-EU regional short-, medium- and long-term projects and initiatives through flexible and pragmatic dialogue within identified priority areas.

Of particular importance are the three consecutive BSEC Action Plans on Cooperation in Science and Technology (2005-2009; 2010-2014 and 2014-2018) adopted by the Ministers in charge of S&T that created the framework for further cooperation in this field. The last Meeting of Ministers in charge of S&T, held in Baku in December 2014, adopted the Third BSEC Action Plan on Cooperation in S&T for the period 2014-2018 that represents the major milestone not only for cooperation among the BSEC Member States but also with other States and international organizations.

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The activities of the BSEC on S&T have been guided by the consecutive BSEC Action Plans, the adoption of which was preceded by the establishment of the BSEC Ad Hoc Group of Experts on BSEC – EU Interaction and the communication by the European Union of two key policy documents that defined the EU's strategy towards the wider Black Sea area: the 'Black Sea Synergy – A new regional cooperation initiative' and the 'Eastern Partnership', identifying S&T as a priority field for the development of mutually beneficial BSEC-EU cooperation.

At operational/project level significant initiatives were implemented aimed at an enhanced cooperation among the countries of the wider Black Sea region with EU Member States in the field of S&T, such as: IncoNet EECA, BS-ERA.NET, the SEE ERANET+, ERA.NET-RUS. The BSEC was connected with some of those projects also through its Related Body - the International Centre for Black Sea Studies (ICBSS). The latest example is the creation of the consortium of the BSEC and EU Member States on the Black Sea Horizon project within the Horizon 2020.

As the BSEC is aiming to be project oriented Organization, the Project Development Fund was established in 2002, based on voluntary contributions of the Member States, to assist the project pre-feasibility studies proposed by the institutions of the Member States. With the modest financial resources (up to 30.000 EUR per project), 8 projects in the field of S&T were accomplished so far with the assistance of that Fund. However, as the economic crisis affected the ability of the Member States to contribute, the Fund is depleted and unable to further continue to support new projects. Discussions are under way on how to resolve the problem, but it became obvious that one would need to seek the funding for BSEC projects in the future from outside sources.

In order to assist the Member States, the Project Management Unit (PMU) within the Secretariat was established in 2014. The creation of the Project Management Unit is considered to be an important step to support BSEC's endeavour to improve its project output and to promote good practices in project management. It was a necessary step to close the gap between the organization's focus on projects and the limited internal project management capacities. The PMU is also an important tool to improve the organization's position in the competition for funding and to attract donor and partner organizations for joint project activities.

A recent development is expected to significantly increase the project management capacity of BSEC.

On 18 November 2016, a Donor Agreement was signed between the Government of the Russian Federation, the BSEC Permanent International Secretariat and the Black Sea Trade and Development Bank for the creation of a "Black Sea Project Promotion Facility" within BSEC.

The aim of the Facility will be to promote projects in Renewable Energy Sources and energy efficiency and support the activity of SMEs and the upgrading of municipal infrastructure in the region. It will be supported by an initial donation of 1 million US Dollars, contributed by the Russian Federation, but it is open to other potential donors.

BSEC has a network of Observers and Sectoral Dialogue Partners that, among others, include the most highly technologically developed countries, and we believe that through such partnerships and synergies, a solution for funding the projects could be found. BSEC concluded the Memorandum of Intent on the cooperation in S&T with the US Government, the European Commission is Observer, and Japan and the Republic of Korea are SDPs of our Organization.

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The Third BSEC Action Plan on S&T fully takes into account the broader landscape and focuses on human resources, capacity building, research infrastructure and innovation.

In respect of human resources, the following policy orientations were addressed in priority: recognition and consolidation of the role of researchers in addressing Societal Challenges and in a knowledge-based sustainable development of each country and the region as a whole; stimulation and enhancement of the performance of the local research personnel through intensive activities such as mobility schemes, participation in scientific events, promotion of international networking and participation in international projects; provision of a stable working environment for the researchers; increasing the recruitment of researchers and introduction of incentives for pursuing careers in RTD locally in order to avoid further brain-drain.

In the context of capacity building, there was a need to assess the progress, to consolidate the achievements and to address weaknesses. The cooperation within the BSEC was instrumental in this process through benchmarking activities, exchange of good practices, sharing experiences, etc. that enriched the development and implementation of national future-oriented S&T policies. A special focus was placed on highly skilled researchers mobility issues, encouraging, on the one hand, international mobility of talents and, on the other, mitigating the negative effects of 'brain drain'. Cooperation and coordination at regional and international level was essential and to this end, synergies were explored, particularly with the EU.

The renewal or upgrading of the research infrastructures remained an essential need in most of the BSEC Member States. The development of a registry of research infrastructures in the BSEC region has been long discussed. Working Group has chosen to develop a registry of national innovation related structures in the BSEC Member States. A survey has been prepared by Turkey (TUBITAK) for this purpose and communicated to the Member States. This database will make the policy makers more informed about the infrastructures related with innovation in the region and enable researchers to further interact with their colleagues in the region. This survey should be conceived as a first step in a larger plan of S&T cooperation. Once the data is collected and processed, the WG may think about how to facilitate cooperation among these centers.

The optimum exploitation of the research results and in particular their transformation into innovative products and processes remains a key priority in all the BSEC Member States due to its direct positive impact on employment, economic growth and prosperity. In addressing this priority, all the BSEC Member States already devoted particular efforts to the development of innovation-related structures such as science and technology parks and incubators. In addition to that the international experience shows that several other factors are decisively influencing the innovation capacity. These factors ('Innovation framework conditions') include legal barriers, such as IPR and industry – academia relations, innovation financing. In this context, sharing experiences and good practices within the BSEC and close cooperation with innovation forerunners in the EU and beyond, is essential.

If we are looking ahead, there is a clear orientation of the BSEC to focus on the following priorities in the field of S&T:

- Human resources, capacity building, research infrastructure and innovation as areas of action;
- Developing a registry of national innovation related structures of the BSEC Member States and creating the conditions for their effective interaction;
- Encouraging joint research and training programmes among the Scientific Institutions and Universities in the Member States in line with their priorities;

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- Identifying innovative ways for combining allocated public and private funds, including through public-private partnerships, and facilitating the access to other available financial resources;
- Strengthening the network among research institutions and universities for sharing know-how and experiences on innovative projects;
- Facilitating closer cooperation in the fields of S&T among the BSEC Member States, the BSEC Related Bodies and with other partners and international organizations in order to encourage co-funding schemes for formulating and implementing regional research projects.

We are confident that, based on the above mentioned priorities, further steps towards consolidating the project-oriented dimension of the regional cooperation in the fields of S&T will be undertaken by implementing the already existing and identifying new projects of common interest for the Member States. A dynamic dialogue among stakeholders in the S&T community – research organizations, industry, user groups – in order to ensure their cost-effective and result-oriented interaction for the purpose of converting scientific discoveries into innovative, commercially viable products and processes, will be promoted. The particular importance will be attached to further developing collaboration between the BSEC and the EU with a view to implementing the previous commitments, and to this end, to make use of potential that the interaction between them can bring also in the field of S&T. To this end, the Council of the Ministers of Foreign Affairs of the BSEC Member States instructed the BSEC PERMIS to proactively engage in the formulation of project proposals falling within BSEC objectives, fully respecting the prerogatives of the Member States, with the view to take advantage of the financing opportunities and procedures of European financial instruments.

In this regard, we are following with great interest further development of the “Black Sea Horizon” and other projects involving almost the same number of stakeholders from our region, as it was agreed by the Third BSEC Action Plan to encourage the best scientists from the region to actively participate in such projects. In view of this involvement, we would like to jointly consider how BSEC as an Organization can be helpful in these projects. We invite representatives of the projects in question to keep our Working Group on Cooperation in Science and Technology or our other related Working Groups informed, so as to explore all possible ways for our collaboration. If you ever contemplate to organize a meeting in Istanbul, feel free to get in touch with us, as we can offer you our conference facilities and technical assistance free of charge.

I thank you for your kind attention.