



# Policy Brief # 14 April 2009

## Black Sea Sectoral Partnerships: A Tentative Model

By Ioannis Stribis\*

### Abstract

The launch of the Black Sea Synergy initiative by the European Union brought into the discussion the concept of the Black Sea Sectoral Partnerships as tools for the effective implementation of this policy, linking stakeholders from the region (the European Union, the Organisation of the Black Sea Economic Cooperation and their member states) and beyond. The exact modalities of such Partnerships remain however unclear. After a short presentation of the relevant experience acquired in the framework of the Northern Dimension, the Policy Brief endeavours to identify the main elements that are necessary in order to develop effective Black Sea Partnerships. In this respect a Partnership should therefore be project- or programme-oriented, ensure the participation of and ownership by all interested stakeholders, provide for meaningful funding opportunities and have a smooth and efficient governance scheme. Particular attention should be paid as well to the process of the generation of ideas that would eventually be developed as concrete Partnerships.

**Keywords:** Black Sea Synergy, BSEC, European Union, Northern Dimension, regional cooperation, Sectoral Partnerships.

The concept of *Black Sea Sectoral Partnerships*<sup>1</sup> has been advanced as a tool for implementing concrete aspects of the interaction between the member states of the Organisation of the Black Sea Economic Cooperation (BSEC) and the European Union (EU), in particular after the launch of the Black Sea Synergy (BSS),<sup>2</sup> while it is also being considered in the framework of the more recent Eastern Partnership (EaP) initiative.<sup>3</sup>

With regard, in particular, to the BSS, the usefulness of the *Black Sea Sectoral Partnerships* has been confirmed in the *Joint Statement of the Ministers of Foreign Affairs*

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*The views expressed in this Policy Brief are personal and do not necessarily represent those of the ICBSS.*

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<sup>1</sup> The terms “Black Sea Sectoral Partnership”, “Black Sea Partnership”, “Sectoral Partnership” or “Partnership” are used interchangeably throughout this Policy Brief.

<sup>2</sup> Commission of the European Communities, *Communication from the Commission to the Council and the European Parliament: Black Sea Synergy – A New Regional Initiative*, COM(2007) 160 final, 11 April 2007.

<sup>3</sup> Commission of the European Communities, *Communication from the Commission to the Council and the European Parliament: Eastern Partnership*, COM(2008) 823/4, Brussels, 3 December 2008.



*of the Countries of the European Union and of the Wider Black Sea Area*, marking the official start of the BSS. According to the wording used in the Joint Statement, “The Black Sea Synergy could benefit from Black Sea partnerships, involving various stakeholders from the EU and the wider Black Sea area”.<sup>4</sup>

A similar approach was also adopted by the BSEC, at the special meeting of the Council of Ministers of Foreign Affairs of the BSEC Member States, meeting in Kiev, on the same day as the aforementioned Black Sea Synergy Ministerial Session. The Ministers declared that “[They] believe that interaction between BSEC and the EU should further be institutionalised and result-oriented, through the identification of common tools and the development of synergies. It is necessary to undertake joint efforts to support development and cooperation in the wider Black Sea area, through various cooperation programmes and partnerships”.<sup>5</sup>

Despite the political backing of the concept at this high level, the exact content and modalities of such partnerships have not been defined. This impedes the start of the effective implementation of the BSS. According to the European Commission, the importance of the Sectoral Partnerships lies in their ability to provide “a framework for co-financing [including through the Neighbourhood Investment Facility – NIF] and a basis for the involvement of IFIs”.<sup>6</sup> Partnerships may bring together all or some of the countries and institutions envisaged by the BSS to cooperate on a series of projects.

The first attempt to discuss and define the particular elements of a *Black Sea Sectoral Partnership* is due to the BSEC Ad hoc Group of Experts on BSEC – EU Interaction, eager to contribute to strengthening of the relationship between the two Organisations in concrete terms, as provided in its terms of reference. At its meeting in Athens, on 4 April 2008, the Ad hoc Group of Experts on BSEC – EU Interaction included among the topics to be considered the definition of “the content for sectoral Black Sea partnerships, including the priority sectors of cooperation, the involvement of relevant stakeholders and adequate funding”.<sup>7</sup> Moreover, the aforementioned Ad hoc Group of Experts “suggested that a model Black Sea partnership in transport be drafted”.<sup>8</sup>

In order to facilitate the deliberations in the Ad hoc Group of Experts on BSEC – EU Interaction, the International Centre for Black Sea Studies (ICBSS), in its capacity as the Coordinator of the said Ad hoc Group, submitted in September 2008 a Working Paper on the outline of the *Black Sea Sectoral Partnerships*, which is still under consideration, taking into account some comments from the participants in the Ad hoc Group of Experts.<sup>9</sup> The present Policy Brief is a scholarly contribution to the ongoing dialogue.

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<sup>4</sup> *Joint Statement of the Ministers of Foreign Affairs of the Countries of the European Union and of the Wider Black Sea Area*, Kyiv, 14 February 2008, paragraph 7.

<sup>5</sup> *Declaration of the Ministers of Foreign Affairs of the Member States of the Organization of the Black Sea Economic Cooperation on a BSEC-EU Enhanced Relationship*, Kyiv, 14 February 2008.

<sup>6</sup> Commission of the European Communities, *Communication from the Commission to the Council and the European Parliament: Report on the First Year of Implementation of the Black Sea Synergy*, COM(2008) 391 final, 19 June 2008, 14.

<sup>7</sup> *Report of the Ad hoc Group of Experts on BSEC – EU Interaction* (Third Meeting, Athens, 30 January 2009), paragraph 18.

<sup>8</sup> *Ibid.*, paragraph 20.

<sup>9</sup> *Ibid.*, paragraph 12, “The participants agreed that the revised working document *A Model for Black Sea Sectoral Partnerships* shall be considered as an ICBSS Working Paper (Annex V). The



The idea of partnerships is already put in practice in the Northern Dimension. The European Commission Communication on the Black Sea Synergy in its Chapter 7 (relating to “Financial Support”) explicitly points to the experience gained in this field in the Northern Dimension: “Black Sea Synergy could offer new possibilities, including the development of mechanisms for joint financing, making use of experience gained with schemes like the Northern Dimension partnerships”.<sup>10</sup> In its *Report on the First Year of Implementation of the Black Sea Synergy*, the Commission reiterated the “successful experience of the Northern Dimension” in the field of sectoral partnerships “as a useful example of how this could work” also with respect to the BSS.<sup>11</sup> It is therefore essential to look at the way the partnerships function in the Northern Dimension, in order to identify these common or frequent elements that could assist in devising a tentative model for the *Black Sea Sectoral Partnerships*.

### The Experience of the Northern Dimension<sup>12</sup>

In the framework of the Northern Dimension there are three Partnerships: the Northern Dimension Environmental Partnership; the Northern Dimension Partnership in Public Health and Social Well Being, and the Northern Dimension Partnership on Transport and Logistics (the latter having been launched in October 2008). These three Northern Dimension Partnerships differ notably between themselves, both in terms of their level of development and also in terms of structure, funding arrangements and objectives. Northern Dimension Partnerships select and finance projects serving and using dedicated funds. The concept of the Northern Dimension Environmental Partnership (NDEP) was developed during the course of 2001 in response to calls from the Russian Federation and the international community for a concerted effort to address environmental problems in north-west Russia with regards to water, waste water, energy efficiency and nuclear waste in particular. Two years later the Northern Dimension Partnership in Public Health and Social Well Being was launched with the mission to promote the sustainable development of the Northern Dimension area by improving peoples’ health and social well-being by intensifying cooperation, assisting the partners and participants in capacity building, and

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participants agreed that the Ad hoc Group of Experts will resume the consideration of the non-binding model document at its next meeting”.

<sup>10</sup> *Black Sea Synergy – A New Regional Initiative*, COM(2007) 160 final, 11 April 2007, 10.

<sup>11</sup> *Report on the First Year of Implementation of the Black Sea Synergy*, COM(2008) 391 final, 19 June 2008, 14.

<sup>12</sup> For the purposes of the present paper the presentation is necessarily brief and concentrates on the points that are of interest in the context of the definition of the *Black Sea Sectoral Partnerships*; additional detailed information available at [http://ec.europa.eu/external\\_relations/north\\_dim/](http://ec.europa.eu/external_relations/north_dim/), [www.ndep.org](http://www.ndep.org), [www.ndphs.org](http://www.ndphs.org). See also Pami Aalto, Helge Blakkisrud, and Hanna Smith, eds., *The New Northern Dimension of the European Neighbourhood* (Brussels: Centre for European Policy Studies, 2008); in particular the contributions of Nina Tynkkynen, “Experiences of Environmental Cooperation between the Nordic Countries and Russia: Lessons Learned and the Way Forward”, 71-90; Aadne Aasland, “Assessing the Northern Dimension Partnership in Public Health and Social Well-being”, 91-108; Katri Pynnöniemi, “EU–Russian Cooperation on Transport: Prospects for the Northern Dimension Transport Partnership”, 109-129; Jakub M. Godzimirski, “Russia’s Energy Strategy and Prospects for a Northern Dimension Energy Partnership”, 145-163; Kari Liuhto, “Strategic Sectors of the Russian Economy: Implications for Developing New Northern Dimension Partnerships”, 180-202.



by enhancing coordination between international activities within the Northern Dimension area. The most recent Northern Dimension Partnership on Transport and Logistics aims at improving the major transport connections between the Northern Dimension partners and stimulating sustainable economic growth at the local/regional and global levels by accelerating the implementation of transport or logistics infrastructure projects and facilitating the removal of non-infrastructure related bottlenecks, affecting the flow of transport in and across the region.

Keeping in mind the notable differences existing between the three Northern Dimension Partnerships (level of development, structure, funding arrangements and objectives), the following features are frequently found in the sectoral partnerships. These are:

- Regional involvement and ownership through the participation of local stakeholders and the political endorsement of the partnerships at a regional level.
- An integrated, long-term programme approach involving investments as well as promotion of awareness, environmental standards and sector reform.
- A *Steering Group* coordinating the work of addressing the region's problems in concrete sectors. It consists of the European Commission, the Russian Federation, and the IFIs active in Northwest Russia i.e. the EBRD, NIB, EIB and the World Bank.
- A *Support Fund* (for the Northern Environmental Partnership) catalysing investments by mobilising grant co-financing for leveraging loans from the IFIs. The grant funds have a multiplier effect on investment in the area as they help to secure larger IFI loans to finance the major share of the investments.
- Coordination of IFI resources through a Steering Group and assigned project leadership.

Whenever a trust fund has been established, the Steering Group makes proposals to the Assembly of Contributors of the Fund, which decides, on a consensual basis, the allocations of grant funding to specific projects. The Steering Group works closely with the Assembly to oversee the implementation of projects, with the lead of each individual project allocated to one of the IFIs concerned.

The Northern Dimension Partnerships are currently, and to different extent, under consideration by the partners with a view to improving their effectiveness and efficiency.

### **The Black Sea Sectoral Partnerships**

This Policy Brief aims to reflect on the core elements of the Black Sea Sectoral Partnerships and the manner these may function in order to yield the expected outcome as a tool for the implementation of EU policies towards the region, first and foremost the BSS. The objective is not to submit a rigid concept but a flexible model that can be adjusted and adapted to the particular aspects of the Black Sea regional cooperation as well as to the distinctive characteristics of each sector that could be selected for launching a concrete Partnership. The general outline that will ensue is not intended as (and cannot be) a one-size-fits-all approach. Each specific Black Sea Partnership should be adapted taking into account its specific features, in order to be effectively implemented. The proposed tentative model could be used as a reference point when discussing the possibilities of creating sectoral partnerships with the participation of the Black Sea regional actors (BSEC, EU, their member states) and third partners. Flexibility and adapta-



tion to concrete conditions of varying areas of cooperation should be preserved as a core element of the successful implementation of each individual Black Sea Partnership.

This observation notwithstanding, it is not redundant to try to formulate some elements that could be useful for devising every *Black Sea Sectoral Partnership*. An idea for a Partnership must be clear in terms of how such a Partnership would provide value added to stakeholders (and, more generally, to the intended beneficiaries). It should provide a clear answer to the following question that will inevitably be asked by stakeholders: “why should we bother to become involved with this? What is in it for our entity?”

In the field of transport, considered along with environmental protection and energy, as one of the most appropriate and promising for the launch of a *Black Sea Sectoral Partnership*, the large Black Sea Ring Highway project (BSRH) has been agreed upon in the framework of the BSEC.<sup>13</sup> The thrust of the project concerns the coordinated development of an international road round the Black Sea, its ancillary links as well as the applicable technical standards. The question is then why the states parties to the BSRH Memorandum of Understanding (MoU) should take the additional time, effort and cost to sign and approve the MoU (providing for the terms of implementation of the project) and then participate in the BSRH Steering Committee, while the various road projects, under the overall BSRH project, could take place within each country’s public investment programme.

The reply to such legitimate questions is that multilateral partnerships seek to generate additional value added above that which parties could achieve individually or even bilaterally by offering benefits such as:

- greater visibility (especially for enhancing cooperation, deepening integration, etc.);
- improved transparency of operation;
- improved access to funding;
- prospects for enhanced prestige due to participation in the Partnership;
- networking effects and benefits of “scale”;
- improved information sharing and thus greater policy coherence and consistency (e.g. for BSRH issues of road standards and routing and interconnection decisions).

The above are indicative, and there may be additional benefits, but what is crucial is that their perceived value sufficiently exceeds that of the perceived costs so that parties will be attracted to participate.

With this background in mind, four key elements could be envisaged as the main features common in the “Black Sea Partnerships”:

- a defined concept which leads to project- or programme-driven endeavours;
- participation in the partnership – attracting partners;

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<sup>13</sup> See *Memorandum of Understanding for the Coordinated Development of the Black Sea Ring Highway*, Belgrade, 19 April 2007, in *The BSEC at Fifteen: Key Documents 1992-2007*, compiled by Ioannis Stribis and Dimitris Karabelas (Athens: International Centre for Black Sea Studies, 2007), 231-236.



- funding arrangements;
- administrative/management issues.

### A Defined Concept which Leads to Project- or Programme-Driven Endeavours

The Partnerships should have a reasonably well defined (though flexible and adaptable) concept which leads to project/programme opportunities. It will be helpful if the Partnership at its core is developed around a central project or programme. Moreover, in several cases it will not be sufficient to define the general sector of cooperation. It may also be necessary to identify a relevant particular programme/project that can mobilise political support and adequate funding (e.g. in the Northern Dimension Environmental Partnership a key programme is nuclear waste).

For the time being, there are, in the BSEC framework, two examples in the field of transport that can fulfil the requirement of a project-driven partnership.<sup>14</sup> These are the aforementioned *Black Sea Ring Highway* and the *Motorways of the Sea*.<sup>15</sup> Each of the two projects has its particulars: the BSRH is more of an overarching and defined project which would consist of the sum of a series of sub-projects, while the Motorways of the Sea is an adaptation of a concept proposed in the framework of the European Union, and, as such, it is akin to an open ended programme to which eligible projects may be identified and included as they emerge.<sup>16</sup> Thus, the two are quite different in terms of feasibility, scope for expansion, required timelines and investments and funding opportunities. However, in other sectors (such as environmental protection), it may be useful for the BSEC to agree on regional projects or programmes and then proceed to the proposal for the establishment of a given Partnership. Moreover, the concept of Sectoral Partnership could embrace, in addition to financing projects, the elaboration of commonly agreed methodologies, such as, for example, the identification of weaknesses or bottlenecks and to prioritise projects that meet the highest international standards. A potential Transport Black Sea Partnership may include, for example, infrastructure-related projects as well as projects addressing bottlenecks unnecessarily delaying traffic, including border crossing procedures.

Pragmatism and a certain practical applicability are required in the selection of the projects; a long list of nominal priorities is counterproductive for the implementation of the Partnerships. In this respect, the BSEC Project Development Fund (PDF), *following its reform*, could be also of assistance (more under *Generating Partnerships* below).

### Participation in the Partnerships – Attracting Partners

Broad participation is key to the success of a Partnership, and indeed networking effects – which are bound to grow as more participants become involved – are a key benefit of Partnerships. Participation in the Black Sea Partnerships should be *voluntary* and *open*. The object/aim of a Partnership would be to bring together all the actors interested in a

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<sup>14</sup> The field of transport has been referred to as appropriate in order to launch a “pilot” Black Sea Partnership.

<sup>15</sup> See *Memorandum of Understanding on the Development of the Motorways of the Sea at the Black Sea Region*, Belgrade, 19 April 2007, in *The BSEC at Fifteen: Key Documents 1992-2007*, 227-230.

<sup>16</sup> Ioannis Stribis, “L’extension des autoroutes de la mer dans la région de la mer Noire”, *Annuaire de droit international de la mer* 12 (2007): 295-310.



given programme or project. The sense of ownership by all stakeholders is a central requirement for the success of a given Partnership. It is therefore necessary to provide for the possibility of participation of regional states, the European Union, and/or EU member states that are willing to join the Partnership; the interested states may participate at the level of the central government or through decentralised entities (regional/local level). The latter option may be useful for projects related to cross-border management, people to people contacts, civil society consolidation and exchanges between the local and regional administrations *which are closer to citizens*. International Financial Institutions (IFIs), other established donors, as well as actors from outside the wider Black Sea region and outside the EU as appropriate would be eligible to participate in the *Black Sea Sectoral Partnerships*, along with civil society organisations and the private sector (more under *Funding Arrangements* below). The actors involved should come from both the public, national and international spheres and to the extent it is practical and possible, from the private sector.

Prospective partners must believe in the value of the Partnership, and a key element in the establishment of a Partnership is deciding whom to target for participation, on what basis, and how best to approach them. Ideally, the idea of a Partnership will generate interest from prospective partners, but targeted outreach from the EU and the BSEC must also be considered.

The participation should be on a voluntary basis, thus allowing for the Partnership to be operational without the necessary participation of all the envisaged actors. For example some BSEC member states or some EU member states or some IFIs may decide not to participate in a given Partnership (or only in specific aspects of the Partnership). Therefore, only willing parties would participate in a Partnership. In the BSEC framework such a scheme may be envisaged under Article 11, *litt. (g)* of the BSEC Rules of Procedure, providing that for the implementation of a concrete project the consensus of the interested states is necessary and sufficient.<sup>17</sup> In addition the BSEC “Fast-Track” mechanism can also be resorted to in this respect. This mechanism, inspired from the enhanced cooperation in the EU framework,<sup>18</sup> allows for the possibility to implement projects programmes and sectoral policies with the participation of interested BSEC member states without committing the entire membership of the Organisation.<sup>19</sup>

### Funding Arrangements

The Partnership should enjoy support from the partners, ensure appropriate funding from the start (dedicated resources), and supplement the efforts of national authorities (co-financing from the partners, including the EU, from international and private financial institutions, as well as the private sector, where appropriate). Each potential partner will participate in accordance with its own rules and procedures. The European Commission,

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<sup>17</sup> “Rules of Procedure of the Organisation of the Black Sea Economic Cooperation”, in *BSEC Statutory Documents* (Istanbul: BSEC Permanent International Secretariat, 2001), 36.

<sup>18</sup> Treaty of Amsterdam 1997; Title VII of the Treaty on European Union, articles 43-35 (as amended by the Treaty of Nice). For more details, see Eric Philippart, *A New Mechanism of Enhanced Cooperation for the Enlarged European Union*, Research and European Issues, no. 22 (Paris: Groupement d’études et de recherches Notre Europe, March 2003).

<sup>19</sup> Implementation Modalities for the Fast Track Cooperation within BSEC, Doc. Attachment 1 to Annex VIII to BS/FM/R(2008)1, Kyiv, 17 April 2008.



for example, has made clear that its contribution to future *Black Sea Sectoral Partnerships* should be done mainly through the Neighbourhood Investment Facility (NIF) of the European Neighbourhood and Partnership Instrument (ENPI).

The willingness of the partners to join a given Partnership, in principle, implies some financial commitment, proportionate to the expected outcome, the existing capacities of the partners as well as their political support to the objective of the Partnership.

At an appropriate stage, when mobilisation of resources becomes relevant, a number of possibilities may be considered including contingent commitments (“if/when X is done, we will contribute €Y”) from willing participants or other promissorial arrangements.

One practical arrangement, among other possibilities, which has the added advantage of the ready availability of resources as well as a clearly demonstrated level of commitment, is a *trust fund arrangement*. Such a fund, the establishment of which is *optional*, depending on the particular characteristics of each concrete Partnership<sup>20</sup> could support the Partnership by helping to finance studies, technical assistance and projects taking place within the framework of the Partnership. It is however submitted that, in most cases, without a support fund, the Partnerships would not gain the necessary muscle for attaining the expected contribution to the regional development. The “Fund” could be particularly useful in helping to catalyse investments for the implementation of the Partnership objectives. Normally, resources provided to such a fund would be in grant form. Properly applied grant funds can have a multiplier effect on the investment in the field of each Partnership, as they would help secure a larger multiple of financial resources to finance the major share of the investments.

The management of the “Fund” would normally be entrusted to a participant of the Partnership with the requisite managerial capacity, preferably a partner financial institution (such as, e.g., the Black Sea Trade and Development Bank – BSTDB, or any other IFI).

Decisions for the allocation of the resources of the Fund should be taken by a body including all the partners (contributors), which could be called the Steering Group (more under *Administrative/Management Issues* below). The modalities of the decision-making should be also envisaged at a later stage. It would imply a discussion on *weighted* votes, taking into account the level of the contributions.

Concerning the sources of funding, it is important to take into account that there exist disparate rules, methods and practices depending on the sector concerned (infrastructure projects are principally financed through private-public partnerships, other projects through loans, direct grants, etc.). Specific arrangements would be therefore required for each concrete partnership. Funding “through multi-donor support, IFIs and the private sector” is also the approach propounded in the Communication of the European Commission on Eastern Partnership for the implementation of projects.<sup>21</sup>

<sup>20</sup> In the Northern Dimension for example, only the Environmental Partnership is endowed with a Trust Fund, while the other two are not.

<sup>21</sup> *Eastern Partnership*, COM(2008) 823/4, Brussels, 3 December 2008, 3.





Some Partnerships, such as those in the field of transport, for example, could make use of public-private partnerships (PPPs),<sup>22</sup> a modality that seems to be attractive for several potential partners.

### Administrative/Management Issues

The Partnership should be endowed with a permanent and flexible organisational structure, necessary for its effective and efficient functioning.

The Partnership is to be run by a Steering Body (Group, Committee or other term), where all the partners would be represented and have equal participatory rights. The Steering Body would take all the decisions on the Partnership and also propose concrete actions for funding to the “Fund”, whenever such a Fund is envisaged. The pattern used in the Northern Dimension Partnerships, where the Steering Groups are coupled with another organ called the Assembly of Contributors, whenever a Fund has been established in a given partnership (in particular the NDEP), can be simplified and become more efficient by devolving the tasks of the Assembly of Contributors to the Steering Body, which is designed for exercising these, given the proposed participation in and functioning of this organ in the Black Sea context. Such an option would simplify the structure and function of the *Black Sea Sectoral Partnerships* by avoiding unnecessary duplication in governance and decision-making issues. The Steering Body would meet regularly as well as whenever required by specific circumstances. In this respect, general suggestions do not hold and the exact details (periodicity of meetings, agenda, guests, etc.) should be agreed upon in the framework of the Steering Body itself.

In the Northern Dimension, which could serve as a source for inspiration for the design of the concept of the *Black Sea Sectoral Partnerships*, the existing Partnerships are not linked to any of the four regional organisations of the North (Arctic Council, Barents Euro-Arctic Council, Council of the Baltic Sea States, Nordic Council of Ministers), and coordination among them is ensured, for example, through the meetings of the Northern Dimension Steering Group. This observation leads us to reflect on the role of the BSEC, as the only fully institutionalised, all-inclusive organisation in the Black Sea region, in the Black Sea Partnerships. It is submitted that one practical way for the BSEC to become a significant actor in the Black Sea Partnerships that are to be decided would be to offer to the potential partners the possibility of making use of its institutional infrastructure in order to facilitate the management of the Partnerships.

The BSEC has a number of Working Groups covering sectoral issues that could be considered to be natural candidates as possible Steering Bodies of the *Black Sea Sectoral Partnerships*, given that these Working Groups are already operational with participation from the BSEC member states, related bodies and partners (observers and sectoral dialogue partners). Whenever appropriate, the participants in a given Black Sea Partnership could consider the possibility that the existing mechanism of the BSEC Working Groups be altered accordingly to take the form of a steering committee for a specific Black Sea Partnership. This “conversion” will not affect the structure of the BSEC Working Groups; the form of the Steering Committee of a concrete Partnership shall be a temporary arrangement for reasons of effectiveness and efficiency of the functioning of concrete Par-

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<sup>22</sup> A PPP is a government service of private business venture which is funded and operated through a partnership of government and one or more private sector corporation, in particular for the implementation of infrastructure projects.



tnerships. Such an offer may be made by the BSEC to the other partners, which should decide whether to accept and proceed in this manner or opt for a distinct steering committee. In such a case, the necessary arrangements would be made in order to allow for the participation in the relevant Working Group/ Steering Body of a Partnership of all the partners. The BSEC has to seriously consider this option, in order to avoid being sidelined in the implementation of concrete Partnerships; the case of the development of the Motorways of the Sea in the Black Sea through the Transport Corridor Europe – Caucasus – Asia (TRACECA) coupled – and to a large extent due – to the extremely slow progress of the similar BSEC project, clearly demonstrates that this risk is not remote.

If the BSEC wants this option to be acceptable to all partners, it has to pro-actively and convincingly explain the real benefits (including savings) from the use of its institutional “infrastructure” in best serving the interests of all stakeholders. In any case, the BSEC may offer its premises, secretarial resources, network and other facilities for the effective functioning of the steering committees of the Black Sea Partnerships.

For the day-to-day management of a *Black Sea Sectoral Partnership*, a “Coordinator” would need to be appointed by the Steering Body for an agreed term-in-office. All partners would normally be eligible to become Coordinator. The Coordinator should be appointed in accordance with objective criteria, following a procedure compatible with international standards in each given sector, and taking into account the particular features of a given Partnership. The functions of the Coordinator as well as the relationship with and accountability to the Steering Body and the partners should be specified. The Coordinator should be assisted in the management of the Black Sea Partnership by a permanent secretariat, ensuring continuity and visibility of the Partnership as well as serving as a contact point for interaction among partners and third parties.

The Partnerships in principle should not have a legal personality. However, the practice in the Northern Dimension has shown that in some cases the facilitation of fund-raising, tendering and allocating resources may require a more formal organisation, including a legal personality. This is, however, an issue to be addressed at a later stage, in order to take into account the outcome of the relevant discussions in the framework of the Northern Dimension.

### **Generating Partnerships**

The proposals of concrete partnerships should be the object of consultations between the initiator(s) of such proposals and all the anticipated/targeted partners. An informal forum could be established in order to facilitate these consultations. This forum can be convened by the initiator(s) in cooperation with the European Union institutions (primarily the Commission) and the BSEC.

The generation of Black Sea Partnerships is an issue of interest to all potential stakeholders. Ideas from all possible directions should be welcomed. Currently three EU member states that are also Black Sea regional states and members of the BSEC (Bulgaria,



Greece, Romania) are in consultation in order to propose concrete projects for the implementation of the BSS.<sup>23</sup>

Additionally, and in full respect of proposals by individual states, group of states, EU institutions or other interested partners, the institutional design of the BSEC provides channels that may appropriately be used for generating Black Sea Partnerships. The membership of the sectoral Working Groups is a format that can be useful as they include BSEC member states, related bodies, as well as observers, the European Commission, sectoral dialogue partners and may be attended by invited guests, as appropriate.

In particular, the role of the Project Development Fund (PDF) in feasibility studies for Black Sea Partnerships projects needs to be further elaborated as the PDF may become central in generating project ideas. The PDF has fulfilled only a segment of the expectations that accompanied its launch in 2002. It is in need of *urgent* and *deep* reform, in order to become able to serve the regional states. Concrete proposals have been tabled by several interested actors and it is submitted that due consideration will be given to them by the BSEC member states at the periodical review of the operations of the Fund. Following the proposed reform of the PDF, it could be envisaged that the Fund would issue calls for the submission of project proposals in a given area of cooperation, with a view of inaugurating a specific Black Sea Partnership.

### Concluding Remarks

The regional stakeholders rightly expect that the BSEC assumes its role in this very important aspect of promoting development in the Black Sea region in close cooperation with the institutions of the EU, which has begun to demonstrate its determination to assume a more active role as a significant Black Sea actor.

The development and activation of the *Black Sea Sectoral Partnerships* is a project whose time has come, as it would allow for all interested stakeholders to work together on tangible partnerships that are of vital interest for the Black Sea region and the EU. Whether the BSEC can seize the opportunity to play a leading role in this process remains to be seen; nevertheless, the fact that the EU through its neighbourhood policies (the BSS and the EaP, in particular) and individual member states such as Bulgaria, Greece, and Romania are hard at work in conceptualising sectoral partnerships can only augur well for the wider Black Sea region and its stakeholders.

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<sup>23</sup> The idea is that there is a division of labour between these three countries with Bulgaria taking the lead in the energy field, Greece in the transport field and Romania in the field of environmental protection.



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