

The Future of Economic Cooperation in the Black Sea. What's Next?

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With a combined GDP of USD 2.95 trillion (as of 2020), the Black Sea region¹ represents 4% of the global economy and generates 14% of Europe's GDP. The region has always been an important commercial corridor due to its location, but also a crucial energy hub, known for its rich natural resources. The energy sector has the highest revenue for most of the region's countries; four of them (Russia, Azerbaijan, Ukraine, and Romania) are among the top 50 countries of natural gas production² and key energy suppliers to neighbouring regions.


Other established and emerging economic sectors are trade, logistics, and ICT; while the up-and-coming blue sectors gain increasing ground in positive economic performance. Shipping³ and fisheries⁴ generate important revenues for the coastal countries and employ significant human personnel. At the same time, the

¹ As a wider Black Sea region, the BSEC Region of thirteen Member States is composed of Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Republic of Moldova, Republic of North Macedonia, Romania, Russian Federation, Serbia, Türkiye and Ukraine. It covers an area of nearly 20 million km² and a population of over 350 million.

² As per IEA 2021, Russia was the second natural gas producer at 701.7 BCM, while Azerbaijan produced 18.9 BCM. In 2021, Russia was also second in oil production at 523 metric tons, Azerbaijan ranked 24th, and Romania 52nd.

³ As per Black Sea Common Maritime Agenda 2021, the Black Sea has 57 commercial ports with nearly 700 million tons of port traffic capacity; the merchant fleet of the Black Sea countries represents 4% of the world total.

⁴ As per Black Sea Common Maritime Agenda 2021, fisheries employ at least 1 in every 100 persons in coastal towns; while more than 10 thousand vessels are operating in the Black Sea basin. In 2020 the sector generated USD 251m total annual revenue.



Black Sea countries are becoming an attractive tourist destination. According to UNWTO, the region represents 10% of the world's arrivals in covid data, which equals 143 million international tourists.

Over the years, to harness the region's potential and address long-term bottlenecks, the EU, especially through its Black Sea Synergy, and other regional actors, like the Black Sea Economic Cooperation Organization (BSEC), have fostered cooperation and dialogue through result-oriented actions.


A critical challenge for the EU Black Sea Synergy, since the beginning, was low regional integration. Bilateral relations between the EU and the Black Sea countries were more efficient than an EU - Black Sea region partnership. The challenge was mitigated to a certain level by a more active EU - BSEC cooperation, that over the years has successfully supported regional projects and policy-related initiatives, like the Common Maritime Agenda.

The Russian invasion of Ukraine however, endangered this relationship. The EU Black Sea Synergy unofficially was placed on hold giving way to the more suitable, for the time being, bilateral relations between the EU and the Black Sea countries, even accelerating procedures that remained stagnant for many years. On the other hand, the BSEC, having two of its member states on full-scale war, was confronted with a crucial dilemma of value v. interest that left the institution lingering in uncertainty for a while.

Given that the Russian aggression not only resulted in a devastating humanitarian crisis, but triggered a sequence of multiple effects in all policy spheres from the economy to the environment, the EU focus was inevitably shifted to Ukraine; thus, creating momentum for other regional actors to rise to the occasion and assume a more active role within the region. For the moment, with more than 30 years since its establishment, the BSEC is undoubtedly the most representative, inclusive, and mature form of intergovernmental cooperation in the wider Black Sea and, consequently, the most suitable to assume a more active role.

The BSEC Organization is neither a conflict resolution mechanism, and should not be considered as one, nor should it become a centre-stage for power politics. BSEC's new operational paradigm should be less about politics, and more about supporting human development and the wellbeing of the people of the BSEC region.

The Organization could very well benefit from a vast pool of scientific evidence, technological advancements, innovative solutions, and existing operational networks in business, academia, and civil society in the wider region, which to a certain extent remain untapped by national governments. Regional institutions, like BSEC, need to facilitate a stronger policy-science-industry-civil society nexus to support concretely trust building and sustainable development.



Given that BSEC has a unique opportunity to be able to sit all parties at one table and put forward concrete recommendations and knowledge exchange, essentially, the question is one: how ready and willing is BSEC to assume a more pro-active role for the benefit of the people in the region?

How prepared is the Organization to put aside its traditional practices of 30 years, to adopt more modern procedures to respond to current challenges and actual needs?