

A CASE STUDY OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION (BSEC)

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Introduction

Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey and Ukraine. These are the eleven original Founding Members who by signing on 25th June 1992 the **Istanbul Summit Declaration** and the **Bosphorus Statement** gave birth to the **Black Sea Economic Cooperation**¹. This project transformed into a fully-fledged international organization on May 1, 1999 with the entry into force of the **BSEC Charter**, and it reached the size it has today (12 members) in 2004 with the accession of Serbia².

In what follows, I will make a presentation of this international organization from the point of view of its function and structure based on the organization's official documents. I do not have access to information from 'the inside', so consequently I cannot go further than what the legal framework provides. Additionally, it is not an analysis in the sense that the object

¹ Republic of Turkey, Ministry for Foreign Affairs website

² Ibidem

of the paper does not include any theoretical interpretation of the legal framework or any suggestions on the practical implications of this very same framework. Nevertheless, it is more than a general overview of this cooperation project. It informs in a detailed fashion, on an article-by-article basis, what the BSEC is and how it works.

Short history of Statutory Documents

As stated above, the first step was the signature on 25 June 1992 in Istanbul of both the Summit Declaration and the Bosphorus statement. These two documents are the foundation for the mission of creating a 'region of peace, freedom, stability and prosperity' by relying on a 'shared vision of the future' and by believing that mutual cooperation is the means to this goal³. Even more, the Founding Members considered their effort as part of a European-wide integration process in the economic field but also as a first step towards becoming part of the world economy⁴. Finally, it is at this stage that it had been decided what shape would cooperation take, meaning what fields it would materialise in. The areas of interest ranged from transport/communications/infrastructure, to economic information exchange, to standardization, to energy/raw materials, to tourism, to agriculture, to health care and veterinary protection, and to science and technology⁵. Also, it was now that the suggestion of setting up a Black Sea bank was put forward by the states⁶.

The next step was the **Bucharest** meeting of 20th June 1995 which ended with a **Statement** in which the Participating States reiterated the previously agreed-upon principles and objectives, and called for further integration⁷. A series of projects took off in this sense, as for example the facilitation of movement for business people in the region, the speeding up

³ The Bosphorus Statement (1992), p.2

⁴ Istanbul Declaration (1992), p.2

⁵ Ibidem, p.3

⁶ Ibidem, p.5

⁷ Bucharest Statement (1995), p.1

in the creation of the Bank, the initiation of a program of cooperation in the field of energy, and many others⁸.

The following year, the Member States produced the **Moscow Declaration** (25th October 1996). In this document, the first theme is BSEC's engagement with other institutions such as the EU, OSCE, UN Economic Commission for Europe, the Council of Europe, the Arab League, the Mediterranean region, the Balkans, and the Caucasus⁹. Secondly, the institutional and legal framework of the BSEC was touched upon. Most importantly it brought into discussion the important role of the BSEC affiliated bodies and centres¹⁰ in the transformation into an economic organisation¹¹. Finally, they laid out an action plan which included another series of projects including the introduction of trans-regional fibre optical communication, the inter-connection of the states' power systems, the implementation of energy transportation projects, etc.¹².

By far the most important document for the BSEC is its Charter. This document builds upon all the pre-existing ones and upon the rest of the conventional international law, and brings to fruition the wish to establish the **Organizations of the Black Sea Economic Cooperation** as a regional economic organization¹³. I would underline here the word 'economic' as, despite the goals of security and stability, this organization is not security or military-oriented. It thus conceives of security through economic interdependence. It this document along with the **Rules of Procedure** (2007) that constitutes the primary material on which I will work from now on.

⁸ Ibidem, p.2

⁹ Moscow Declaration (1996), p.2

¹⁰ The affiliated bodies and centers are the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC;1993), the BSEC Business Council (BC;1992), the Black Sea Trade and Development Bank (BSTDB;1997), the International Center for Black Sea Studies (ICBSS;1998), the Center for Statistics (1993). For more information on each, visit their relative websites.

¹¹ Moscow Declaration (1996), p.3

¹² Ibidem, p.4

¹³ BSEC Charter (1999), Article 1, pp. 1-2

Structure

As any other international organisation, the BSEC has a stable structure defined by its statutory documents. The main decision-making organ is, according to Article 11 of the Charter, the **Council of Ministers of Foreign Affairs**. Under its decisional privilege lie matters submitted by the Subsidiary Organs together with their establishment or termination and definition of tasks, membership and 'observer status', adoption and modification of the Rules of Procedure, functioning of the BSEC, and any other issue that it would see appropriate¹⁴.

Moreover, the set-up of relations with third parties is also to be ultimately scrutinized by the Council¹⁵. This body is not permanent but meets regularly at least once every 6 months¹⁶ or in special sessions at the request of one or more Member States¹⁷.

Regarding voting, the quorum for the Council is 2/3 majority of Member States who aim at obtaining consensus on all issues¹⁸. Article 11 of the Rules of Procedure enlists all the cases which necessitate mandatory consensus¹⁹. In case consensus lacks, for topics not covered by Article 11, a majority of 2/3 of the Members who are present and voting suffices for a decision. If only simple majority is achieved, the act will merely be a recommendation. Not satisfying any majority brings rejection to the proposal²⁰. The three outcomes of deliberations are the resolution, the decision, and the recommendation. Resolutions are

¹⁴ Ibidem, Article 11, p.6

¹⁵ Ibidem, Article 9, p.5

¹⁶ Rules of Procedure (2007), Article 2, p.1

¹⁷ Ibidem, Article 3, pp.1-2

¹⁸ BSEC Charter, Article 17, p.8; Article 18, p.9

¹⁹ Rules of Procedure, Article 11, pp.3-4

²⁰ Ibidem, Article 12, p.4

adopted by the Council on 'substantive issues pertaining to the structure and/or functioning of the BSEC', and since they require consensus, they are binding for all Member States²¹. Decisions, on the other hand, are binding only for the voters in favour since they require 2/3 majority for adoption. They cover specific issues related to either technical matters or to the functioning of the BSEC²². Finally, recommendations can be adopted either by the Council or by the Subsidiary organs and they have no binding effect. If the Council approves it, the recommendations from Subsidiary Organs become binding²³.

The second body in order of importance and influence I would argue is the **Committee of Senior Officials**, which represents the Ministers of Foreign Affairs and acts on their behalf²⁴. It could be seen as the 'working hand' of the Council. It assumes a large number of responsibilities, it acts as a liaison between the Council and the other bodies, and it appears to be pursuing both political and administrative tasks. More precisely, it reviews the activities of the Subsidiary Organs, it evaluates the implementation of decisions/recommendations of the Council, and proposes further measures to the latter. It handles the coordination with BSEC related bodies, it takes care of organizational aspects (calendar setting), takes decisions on relevant matters, prepares the annual budget (to be approved by the Council), and even nominates the experts that do the auditing²⁵. Furthermore, it may gather to precede a Council meeting²⁶ and most importantly it can establish the 'case of emergency'. In this situation, it can adopt binding acts as does the

²¹ Ibidem, Article 17, p.5

²² Ibidem, Article 18, p.5

²³ Ibidem, Article 19, pp.5-6

²⁴ BSEC Charter, Article 15, pp.7-8

²⁵ Ibidem

²⁶ Rules of procedure, Article 1, p.1

Council, acts which will remain in place if the Council explicitly approves them at its following meeting²⁷.

Another important actor in the BSEC is the **Subsidiary Organs**. They pursue and implement activities and projects in their specific areas. Apart from reporting to the Council on the progress, they can, as mentioned above, submit recommendations²⁸. In practice, they are working groups that meet regularly to manage 'sectoral cooperation'²⁹. They shall choose freely the periodicity and the place of their meetings, and in carrying out the Council's mandate they draw cooperation projects, implement joint projects, and propose new areas of cooperation³⁰.

Every 6 months a State (in alphabetical order) assumes the role of **Chairman-in-Office**³¹. Its main tasks are to ensure the coordination of all BSEC activities, the proper conduct, and the proceedings, while making sure the implementation of the Resolutions and Decisions is taking place³². Very interestingly, a chance for continuity is given to the workings of the organization with a system of collaboration between the past, the present, and the future. I am referring to the **Troika System**, which can be convened by the request of the current Chairman-in Office to exchange views³³ with the previous holder of this position, and the successor³⁴.

²⁷ Ibidem, Article 16 bis, p.5

²⁸ BSEC Charter, Article 12, pp.6-7

²⁹ Ministry of Foreign Affairs of Ukraine website

³⁰ Rules of Procedure, Article 5, p.2

³¹ Currently, the position is being held by Greece (BSEC website)

³² BSEC Charter, Article 13, p.7

³³ Ibidem, Article 14, p.7

³⁴ Ibidem, Article 2, p.3

In procedural terms, the Chairman-in-Office circulates to Member States all sorts of documents as for example the proposal for a special meeting of the Council³⁵. Also, additions to the agenda for Council meetings are addressed to this body³⁶. The Chairman-in-Office is the authority under which the International Permanent Secretariat operates³⁷. In the area of 'admissions' and 'observer status', the Chairman-in-Office has competence: in the first instance, it shares with the Member States the application and the financial implications of the admission³⁸. Third parties interested in 'observer status' address the application to the Chairman-in-Office, who furthers it to the Member States; moreover, it is the same body to have a saying in granting observers access to restricted meetings³⁹.

Lastly, the BSEC also has a **Permanent International Secretariat (PERMIS)** based in Istanbul, Turkey and which runs under a Secretary General (under the authority of the Chairman-in-Office)⁴⁰. Article 16 of the BSEC Charter talks of a staff made of international officials who are characterized by integrity and impartiality. They shall not follow the interests of any authority external to the organization for which they are responsible⁴¹.

With regard to procedure, PERMIS distributes the main documents to the Member States: propositions of amendments⁴², the request for additional regular meetings⁴³, the agenda for the special meetings⁴⁴, and notifications of withdrawal from BSEC⁴⁵. The preparation of the draft agenda for Council meetings is a prerogative of PERMIS. However, this agenda must be in line with other elements such as the decisions of the previous meetings, the

³⁵ Rules of Procedure, Article 3, pp.1-2

³⁶ Ibidem, Article 6, pp.2-3

³⁷ BSEC Charter, Article 16, p.8

³⁸ Rules of Procedure, Article 20, p.6

³⁹ Ibidem, Article 21, p.6

⁴⁰ Currently, it is Ambassador Dr. Victor Tvircun (BSEC website)

⁴¹ BSEC Charter, Article 16, p.9

⁴² Ibidem, Article 30, p.12

⁴³ Rules of Procedure, Article 2, p.1

⁴⁴ Ibidem, Article 4, p.2

⁴⁵ BSEC Charter, Article 7, p.5

recommendations of the subsidiary organs, and Member States' proposals. Furthermore, during the meeting itself, Member States can change this proposed agenda with other important and urgent issues⁴⁶.

By looking at the principles and objectives of BSEC I will argue that they betray an institutionalist, neoliberal approach to IOs and IR in general. The IR assumptions of BSEC Member States can be identified on the first page of the Charter. Among these, we find the recognition of the growing importance of regionalism, the opportunity for mutually advantageous economic cooperation, regional cooperation as a path to the world economy, Black Sea integration as part of a European integration based on liberal democratic values, and economic cooperation as a means to peace, stability and prosperity⁴⁷. The principles that guide BSEC's behaviour are friendship, good neighbourliness, mutual respect, confidence, dialogue. The goals are international law-based cooperation, improvement of the business environment, non-exclusive economic collaboration, and the development of external relations with third parties⁴⁸.

Conclusion

As we came to know by now the BSEC has been established in the 90s, after the end of the Cold War, by Black Sea states as a project of economic cooperation with the intent of developing confidence among themselves, and with the aim of bringing about security and prosperity through interdependence in the business, social and political areas, and compromise-based decision making in its Council. There isn't a high level of trust in the region, therefore the concept of sovereignty remains fundamental in their relations. Countries like Romania, Bulgaria and Greece are in the process of habituating with pooling

⁴⁶ Rules of Procedure, Article 6, pp.2-3

⁴⁷ BSEC Charter, p.1

⁴⁸ Ibidem, Article 3, p.3

sovereignty through institutions like the EU. Nonetheless, at this point, this is not the case for the BSEC which remains an example of fully intergovernmental organization. It could be seen as a sort of preparatory arena for states who wish to eventually join the supranational system of the EU and who so far do not have much experience in non-realpolitik foreign policy.

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