

Media Update, 24 February 2005

Black Sea Regional Forum, Thessaloniki

Over 200 delegates are participating as from today, Thursday 24 February, in the first OECD Development Centre/Black Sea Economic Co-operation/Hellenic Business Council forum on private sector development. The forum is taking place in Thessaloniki, Greece.

“This event is a milestone on the route to regional consciousness in the countries around the Black Sea”, says Development Centre Director Louka T. Katseli. More than this, it is a means of raising awareness in the member countries of the OECD, two of whom are themselves BSEC members, of the potential of the regional market. Deputy OECD Secretary General Kiyo Akasaka reinforced this perspective, commenting that the OECD was becoming increasingly interested in the area and had a number of initiatives underway including the South East Europe Investment Compact. As if to prove his point, the forum is to be addressed by no fewer than five OECD entities, three Directorates, the International Energy Agency and the Development Centre itself.

Recent history has tended rather to divide than to unite the BSEC countries and the modern concept itself of the Black Sea as a region is only just over a decade old. None the less, the forum takes place on the threshold of a new role for the region.

The prospect is an exciting one, but is also a challenge. The new and dynamic states that compose the BSEC alongside older political entities are understandably and reasonably concerned about maintaining their independence. They must, however, be prepared to undertake reforms, a point made very strongly by a number of speakers, including Romanian Undersecretary of State Cosmin Dobran, who called upon Black Sea countries to confront their problems in the interests of regional cohesion and co-operation. From infrastructure development to shared institutional arrangements and trade facilitation, from common

procedures to complementary labour-market policies, the countries of the Black Sea have much to consider, if they are to establish the basis for genuine co-operation.

Meanwhile, the national representatives from the Chambers of Commerce of BSEC countries all emphasized the need for more and deeper foreign direct investment. Indeed, when compared to neighbouring regions – Central and Eastern Europe – the Black Sea countries received far less FDI. Once again, however, as several speakers noted, it is up to the countries themselves to reduce the barriers and disincentives to investment and to make their countries – and the entire region – more attractive to private capital.

The challenge is clearly great, but, as Greece's Deputy Minister of Foreign Affairs, Evripidis Stylianidis, insisted, the region does have the resources to overcome its handicaps. He shared the view of his counterpart in the Ministry for Macedonia and Thrace, where the forum is being held, that this northern part of Greece could contribute enormously to the development of the regional market and help the redynamisation of an area which, historically, had been teeming with trade.

The Thessaloniki, forum continues through Thursday and Friday, 24 and 25 February.

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