

POLICY BRIEFING

The EU's Black Sea policy: Where do we stand?

Abstract

In January 2011 the European Parliament adopted a resolution calling for the European Commission and the then-soon-to-be-launched European External Action Service to prepare an EU strategy for the Black Sea region. This initiative was meant to dovetail with other EU basin-focused strategies in Europe. Given that the EU's Black Sea Synergy, the ad hoc policy in place since 2007, was being implemented at a slow pace, the Parliament's request was also intended to amplify the EU's political presence in the region.

Today, less than a year before the end of the legislature, the EU Black Sea strategy has still not been drafted. Are the Commission and EEAS simply ignoring Parliament's political advice? In fact, the reasons for the impasse are multiple, stemming from the complications of the Black Sea region as well as the EU's organisational choices. Ultimately, however, these reasons matter less than the outcome. The EU's Black Sea policy – by definition an inclusive policy – should be advanced under one label or another, as it is neither a threat nor a complement to the Eastern Partnership. Both policies should be developed in parallel. And before the EU advances to a new stage, it should first implement those measures it has promised, but yet to realise.

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1. Has the EU's Black Sea policy been forgotten?

In January 2011 the European Parliament adopted a resolution calling for an EU Strategy on the Black Sea.

On 20 January 2011 the European Parliament (EP) adopted a resolution calling for an 'EU Strategy for the Black Sea' to enhance the coherence and visibility of EU action in the region¹. The resolution provided the European Commission and the Union's High Representative for Foreign Affairs and Security Policy² with guidance on drafting the strategy. Security, energy and socio-economic development were emphasised, and a separate EU budget line for implementation (which should benefit from 'efficient disbursement methods') was requested. In fact, the idea of a future EU Black Sea strategy had already been included in the European Parliament's resolution of 17 January 2008 on a 'Black Sea Regional Policy Approach'³, which welcomed the Commission's decision to initiate an EU Black Sea policy framework, laid out in the Commission's communication of 11 April 2007 on Black Sea Synergy⁴.

Figure 1

Map of converging EU policies in the Black Sea region



Source: UN map, with adjustments by the Policy Department

In January 2008 the Parliament welcomed the newly launched EU 'Black Sea Synergy'.

The warm tone that the European Parliament's devoted to the Black Sea Synergy in 2008 shifted over the next three years. In 2011, an EP resolution criticised the Black Sea Synergy outright for 'its rather limited results' and noted that no ministerial meeting had been held and no Commission report produced since 2008. Other Black Sea stakeholders soon voiced similar complaints. In July 2012, for example, the Balkan and Black Sea

¹ [Text of the EP Resolution of 20 January 2011 on an EU Black Sea Strategy](#)

² The European External Action Service was about to be set up

³ [Text of the EP Resolution of 17 January 2008](#)

⁴ [Commission Communication on Black Sea Synergy of 11 April 2007 COM \(2007\) 160](#)

A 2011 resolution, however, criticised the Synergy for its limited results.

In the spring of 2012, the Parliament recalled its request for a Black Sea Strategy.

Commission of the Conference of Peripheral Maritime Regions of Europe began its declaration on 'an integrated EU strategy for the Black Sea' of July 2011⁵ by writing, 'the Black Sea Synergy launched by the EU in 2007 has not sufficiently progressed and not met the expectations'.

More recently, in 2012, Members of the European Parliament (MEPs) pointed to the fact that the EU Black Sea Strategy has yet to be submitted. MEPs' assessment of the Black Sea Synergy has been largely negative: MEPs Traian Ungureanu (EPP RO) and Othmar Karas (EPP AU) argued in a parliamentary question on 5 March 2012 that 'EU action in the region has lacked visibility and the financial resources available have been fragmented'. At the debate that followed on 17 April 2012, other MEPs shared similar views; with MEP Silvia-Adriana Țicău (S&D, RO) calling on the Commission to make the Black Sea region a higher priority.

Is such a negative perception of the Black Sea Synergy's achievements accurate? And how can we measure its achievements?

2. The evolution of the Black Sea Synergy

The Commission's 2007 Black Sea Synergy communication represented a first attempt to establish an EU Black Sea policy.

The unusual term 'synergy' was chosen to signify different aims.

It was also too early to label the policy a 'strategy'.

The initial timing of the Black Sea Synergy created problems for its development.

The EU embraced its Black Sea policy with great enthusiasm in 2007, just after the Bulgarian and Romanian accession to the European Union. The move raised many expectations, and was underpinned by a sense that the EU's new, significant coastline along the Black Sea would justify a greater political attention to the region, comparable to the Union's focus on other neighbouring sea regions, such as the Baltic and Mediterranean. The Commission chose a rather unusual name for its first Black Sea policy – 'synergy' – with two ideas in mind. First, the Commission hoped to enhance and better coordinate the various EU programmes in the Black Sea region, and to provide a strong basis to expand them and create new programmes in complementary fields. Secondly, the Commission explained, 'synergy' emphasised two different and complementary objectives: facilitating regional cooperation among the governments, regions, private sector, civil society members and other stakeholders of the Black Sea region; and promoting better cooperation between the region and the EU. While unspoken, a third reason also buttressed the choice of name: the Black Sea Synergy was to serve as a first step in the establishment of a new regional policy in EU external affairs, one too immature to be called 'strategy'.

The timing of the launch of the Black Sea Synergy proved problematic. In 2007/2008 the EU neighbourhood policy came under strain for its attempt to simultaneously cover two culturally and politically distinct areas abutting the EU (to the east and the south). Even the term 'neighbour' was contested – on different grounds – by some of these countries. A profound review of the neighbourhood was necessary, in large part to spur stronger relations with those Eastern European countries that had greater aspirations for their relations with the EU. As the notion of the Eastern

⁵ [Declaration of the CPMR Balkan and Black Sea Regional Commission, Varna 8 July 2011](#)

Some EU Member States, while strongly supporting a new Eastern partnership, viewed the Black Sea Synergy as a threat to the development of the Partnership.

The Russia-Georgia War in August 2008 provided a logical impetus for the Eastern Partnership, while signalling a less logical interruption in the Black Sea Synergy.

Since then, the Black Sea Synergy has not substantially advanced.

Despite these negative circumstances, there has been some progress in the Black Sea Synergy.

The EU programme on improving environmental monitoring in the Black Sea was launched on 1 January 2013 and will be implemented with the UN Development Programme.

Partnership solidified in 2008, some EU Member States adopted the view that the Black Sea Synergy might compete with – or even undermine – the forthcoming Eastern Partnership. While this view may have served a purpose during negotiations for the creation of the Eastern Partnership, it was also one that would be difficult to overcome later.

Marked by this competitive mood, 2008 was hardly the year to develop the Black Sea Synergy. Having failed to allocate sufficient human resources to the project, the Commission's official launch of the Black Sea Synergy took a relatively long time: ten months passed between the April 2007 publication of the communication and the inauguration of the policy with the third countries at a large ministerial meeting in Kyiv in February 2008. A few months later, in August 2008, an unexpected war broke out between Russia and Georgia over the latter's territories of Abkhazia and South Ossetia. The conflict provided the Eastern Partnership with a new impetus, but also interrupting – fairly or not – the development of other policies that would apply, even partially, to the same geographical area. The Black Sea Synergy was put on the back burner⁶.

Since then, the story of these two policies can be simplified as follows: the Eastern Partnership has been developed as a solid external policy, strengthened by governmental meetings at all levels, sectoral platforms and various networks that include civil society; the Black Sea Synergy, on the other hand, has not progressed beyond its efforts to build sectoral partnerships and has been hindered by limited funding and the reluctance of some third countries to participate in the partnerships. To make things worse, the logical boundaries between the policies have been blurred, particularly because some non-eastern partners were given the possibility to be included on an ad-hoc basis in some Eastern Partnership regional projects at the last minute.

Yet this description of the Black Sea Synergy is also somewhat defeatist. Despite the Synergy's challenging situation, there has been some progress in its implementation. The best two examples are the following:

- 1) On 1 January 2013, the EU launched a programme on 'Improving Environmental Monitoring in the Black Sea' (EUR 1 million). Implemented in the framework of the EU Black Sea Synergy Environmental Partnership (*see below*), this programme results from a European Parliament initiative to provide funding for a pilot project. It will be implemented with the UN Development Programme in Georgia, Russia and Ukraine in 2013 and 2014. The project serves as a preparatory phase for a larger technical intervention and aims to improve:
 - the availability and quality of data on the chemical and biological status of the Black Sea, and
 - the countries' abilities to monitor the marine environment.

⁶ See the annex on the definition of a Black Sea region

The EU's 2007-2013 Cross-Border Cooperation Programme for the Black Sea basin represents the Black Sea Synergy's most successful achievement.

EU relations with the Black Sea Economic Cooperation (BSEC) organisation have developed significantly since the EU was granted the status of permanent observer in 2007.

The EU Cross-Border Cooperation Programme for the Black Sea Basin (2007-2013) is the most tangible and successful achievement of the Black Sea Synergy. The Programme supports three types of cross-border projects across the region: those encouraging economic and social development; those pooling resources and competences for environmental protection and conservation; and those supporting cultural and educational initiatives. As the programme's implementation provided positive results and was appreciated by stakeholders, it received more funding than initially allocated: the initial ENPI⁷ budget of EUR 17 million was increased to almost EUR 28 million – and this without including the EUR 7 million from the Instrument for Pre-accession Assistance (IPA)⁸ for projects in which Turkey participated. The Cross-Border Cooperation Programme for the Black Sea basin will be renewed in the next multi-annual financial framework (2014-2020).

EU relations with the Black Sea Economic Cooperation (BSEC) have developed significantly and should be considered another positive accomplishment of the Black Sea Synergy. Three EU Member States are BSEC members: Bulgaria, Greece and Romania. At BSEC's 2007 summit in Istanbul (commemorating the 15th anniversary of the organisation), the EU was granted the status of permanent observer. This was also the same year in which Bulgaria and Romania joined the EU. Since then, the EU has generally been acknowledged to be the most active of BSEC's many observers and 'sector partner states'⁹ (*see Annex*). (While originally represented by the Commission, the EU is now represented by the EEAS.) The EU participates in all highest BSEC instances, i.e. the Ministerial Meetings (foreign affairs)¹⁰ and the senior official meetings. Moreover an annual meeting is also held between the EU Council Working Group on Eastern Europe (COEST) and BSEC senior official meetings 'open' troika¹¹. This type of meeting is not typically held with other regional organisations – a fact that underscores the EU deference towards BSEC.

However not all efforts to bring the organisations together have been successful. The participation of the Commission in BSEC's various standing sector working groups has been sporadic, despite the recurrent BSEC invitations. Nevertheless, the EU (originally represented by the Commission and now by the EEAS) has consistently participated in the meetings of BSEC's ad-hoc working group on BSEC-EU relations hosted by BSEC's think-tank (the Athens-based Institute for Black Sea Studies, ICBSS). Though its results have not been spectacular, this ad-hoc working group

⁷ [EU European Neighbourhood and Partnership Instrument](#)

⁸ [EU financial Instrument for Pre-accession Assistance](#) applicable to Turkey as EU candidate

⁹ The difference between these two categories is only nominal. Admitting new observers as sector partner states was simply a pragmatic use of BSEC internal rules to overcome the stalemate caused by the Turkish continuous refusal to allow Cyprus becoming a BSEC observer and the Greek reaction to block any other admission before this issue was solved.

¹⁰ Unfortunately this is very rarely the case in BSEC sector Ministerial meetings.

¹¹ It is "open" because any BSEC Member State may join the troika of presidencies at the meeting.

has served as a forum for reflecting on how to deepen relations between the two organisations.

BSEC hopes to advance the currently positive relationship, while the EU has been reluctant to do so.

Some BSEC integration initiatives may clash with EU plans and even with EU *acquis*.

BSEC has high expectations of its relationship with the EU and wishes institutional relations to progress beyond the present level. Institutionally, BSEC would like the EU to be present in all its open meetings. In terms of projects BSEC would prefer to participate in more EU projects than it does currently – i.e. a few projects in the EU's seventh framework programme for research and in the Black Sea basin Cross-Border Programme (see above). BSEC would like the EU to be more involved in its two flagship projects, the Black Sea Ring Highway and the Black Sea Motorways. However, the EU has been rather unenthusiastic about enhancing its relationship with BSEC, which is already good. Furthermore when BSEC's proposals aim to go beyond regional cooperation and promote a tangible integration of the region the region, the EU and the three EU Member States which are also BSEC members tend to take some distance, i.e. they prefer to work on concrete common projects rather than on BSEC Black Sea integration initiatives¹², which may potentially breach the EU *acquis*. This is the case, for example, of the agreement among some BSEC countries to issue transit papers valid for road transporters. In the case of the two BSEC flagship projects – the Black Sea Ring Highway and the Black Sea Motorways – certain sub-projects do not coincide with the larger plans the EU had previously made – and notably the European Trans-European Networks (TEN). In other cases, the EU's strict rules on open competition may conflict with BSEC's rules. An additional complication in the EU–BSEC dialogue is geographical: BSEC membership does not coincide with definition of the Black Sea region contained in the Black Sea Synergy (see annexes¹³).

BSEC has progressed since 1992, despite the region's protracted conflicts.

Overall, BSEC is a complicated organisation that moves slowly; the various conflicts in the Black Sea region – hot and frozen, old and new – are unfortunately reflected in its day-to-day decision-making process. That said, BSEC has progressed since its birth in 1992, even reaching – against all its odds – the status of full-fledged regional international organisation¹⁴ recognised by the UN in 1998¹⁵. Its 20th anniversary was widely celebrated last summer (in 2012) by all its members. BSEC should be praised – perhaps less for its precise achievements than for ensuring, in parallel to its official meetings, a platform for informal bilateral political dialogue between rival countries that otherwise would not take place.

BSEC and its parliamentary dimension, PABSEC, have provided a platform for political dialogue between

BSEC also has a parliamentary element – the Parliamentary Assembly of

¹² However non-EU members of BSEC have also shown similar attitudes, like Russia

¹³ In reality, Serbia's and Albania's BSEC membership of had to do more with balancing the political strength between BSEC members than on reflecting the region's coverage.

¹⁴ This is a benchmark that other regional international bodies in Europe – like the Baltic and Barents Councils – have not reached.

¹⁵ This entails for example that any country providing funding to BSEC projects under certain conditions, see its financial contribution considered as 'Overseas Development Aid' (ODA)

rival countries that would not have communicated otherwise.

the Black Sea Economic Cooperation (PABSEC), which has provided a continuous basis for dialogue and debate between parliamentarians from the member countries.

3. The dormant Black Sea Synergy partnerships

The saddest failure of the Black Sea Synergy has been its inability to set up Black Sea sector partnerships modelled on those of the EU's Northern Dimension policy.

The most notable failure of the Black Sea Synergy has been its inability to set up Black Sea sectoral partnerships. These were initially mentioned in the 2007 communication:

'The regional activities of the EBRD [European Bank for Reconstruction and Development] and the EIB [European Investment Bank] as well as the Black Sea Trade and Development Bank (BSTDB)¹⁶, are already significant and 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'.

To be modelled on partnerships in the EU's Northern Dimension policy – shared by Russia, Norway and Iceland – the Black Sea partnerships were the most anticipated outcome of the Black Sea Synergy.

The most successful Northern Dimension partnership has been the one on the environment (the NDEP).

Yet the point of comparison – the successful Northern Dimension partnerships – may be a bit vague. One such partnership, the Northern Dimension Environmental Partnership (NDEP), has been fully developed. (While the other partnerships created under the Northern Dimension umbrella – in health and social well-being, transport¹⁷ and logistics, business, culture, institute/universities - have not yet proved equally fruitful, although they may well do so one day.) The achievements of the environmental partnership derive from a combination of factors:

- the significant involvement of a group of international investment banks¹⁸ cooperating in the same projects¹⁹;
- the use of the fund to finance concrete parts of large infrastructure projects, and not simply to finance technical assistance components. In this way, the participating banks, other international funders or the beneficiary itself (Russia) feel more reassured to finance other infrastructure components (multiplying effect).

The NDEP has specific characteristics that have led to its success.

¹⁶ The Black Sea Trade and Development Bank (BSTDB) is based in Thessaloniki (GR). Almost all BSEC member states are shareholders..

¹⁷ The ND Transport Partnership has recently succeeded to establish a fund led by the Nordic Investment Bank but its capital remains small for the time being. The ND Health and Social Well-being partnership has a fund for grants that cannot be compared because its projects are by definition not 'bankable'.

¹⁸ The European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Nordic Investment Bank (NIB) and the Nordic Environment Finance Corporation (NEFCO).

¹⁹ The NDEP Fund is deposited and managed by the EBRD.

- financial contributions in the ad-hoc fund from the EU, individual countries in the region (notably in northern Europe), Russia (also the principal recipient²⁰) and countries outside the region (i.e. Canada);
- Russia's active involvement, alongside that of its relevant regions and municipalities (in north-west Russia);

The pressing nature of two of the challenges addressed by the Northern Dimension Environmental Partnership was also a factor in its success. The poor storage conditions of the nuclear fuel from Russia's northern fleet submarines and the large quantity of untreated Russian wastewater flowing into the Baltic and Barents basins posed imminent dangers for the population of the neighbouring or Arctic countries. Within the ND Environmental Partnership, the projects benefitted from two separate envelopes and used different procedures and different funding tools: while the nuclear projects were financed solely by grants, the waste and fresh water projects – and later, the municipal garbage treatment and energy saving projects – received a small proportion of grants and a larger one of loans, as these projects were by nature 'bankable'. The success of the Fund had a multiplying effect because other public and private stakeholders (in the recipient countries and in neighbouring countries) that did not contribute to the fund became also involved in water and waste projects, for example by funding complementary phases of the projects or specific technical assistance components.

The possibility of replicating the Northern Dimension partnerships attracted a great of attention at the 2008 Kyiv Ministerial meeting, which launched the Black Sea Synergy with non EU-Member States.

The possibility of replicating Northern Dimension partnerships in the Black Sea region attracted much attention at the Kyiv Ministerial meeting of February 2008 marking the official launch of the Black Sea Synergy with the non-EU member states. Many of the discussions at the meeting touched upon this aspect. As a result, the first – and so far only – report of the Commission to the Council and the European Parliament on the implementation of the Black Sea Synergy²¹, issued in June 2008, addressed this initiative explicitly:

'The Commission intends to explore and actively take them forward to promote more effective and ambitious action: [...] To facilitate the realisation of projects, sectoral partnerships could be established to provide a framework for co-financing (including through the NIF²²) and a basis for the involvement of IFIs. These partnerships might bring together all or some of the Black Sea Synergy participants to cooperate on a series of projects. The successful experience of the Northern Dimension

²⁰ More recently Belarus has joined the NDEP, becoming both funding country of the Fund and recipient country of its projects. The NDEP has for a number of years, expressed its intention to develop projects of regional interest in other northern European states, but so far these have not been materialised.

²¹ [Commission Communication on the first year of Black sea Synergy implementation](#)

²² [The Neighbourhood Investment Facility](#) financed from the ENPI

provides a useful example of how this could work'.

On several occasions BSEC expressed its interest in the partnerships and in participating in their management and projects in the future, despite its limited capacity to finance or co-finance projects²³.

In 2009 and 2010 three Black Sea sector partnerships were designed, with 'special responsibilities' assigned to each of the EU Member States in the Black Sea region.

Russia and Turkey, however, were not impressed, the BSEC grew frustrated, and international financial institutions demanded progress before committing themselves.

Throughout 2009 and 2010, the European Commission tried to put three Black Sea Synergy sectoral partnerships in motion, assigning a 'special responsibility' to each of the three EU Member States in the Black Sea region: Romania was to lead environment, Greece transport and Bulgaria energy. This endeavour became far more challenging than expected, primarily because it was received coldly by the 'larger Black Sea' countries – Russia and Turkey – and because others adopted a wait-and-see attitude. BSEC was frustrated to see that, as in the Northern Dimension, the states participating in the partnership – rather than regional organisations – were meant to take the leading role of the partnership. BSEC also felt somewhat uncomfortable with the preeminent role that Black Sea Commission of the Bucharest Convention against Black Sea Pollution acquired in the process of setting up the environment partnership²⁴. Finally, the biggest banking actors of the NDEP, The EBRD and the EIB – banks that had played the largest role in the Northern Dimension Environmental Partnership – were reluctant to be fully involved from the outset of the Black Sea Partnerships, as they preferred to wait for signs of success (which, in turn, depended on the banks' participation).

The Environmental Partnership was finally launched in 2010, led by the Commission.

In the end, the Commission was obliged to take the lead the launch of the first of the Black Sea Synergy partnerships, devoted to the environment. The ministerial meeting for this partnership was held in Brussels in March 2010²⁵. Since then, the partnership has evolved much the same way that the NDEP has – which is to say that the Black Sea Environment Partnership has not established an ad-hoc fund, and international financial institutions have failed to take the lead. However some ongoing EU technical assistance projects (not infrastructure) of a 'classical' financing nature – including preparatory activities for the programme on 'Improving Environmental Monitoring in the Black Sea' – have been implemented under the partnership.

Other Black Sea Synergy partnerships have yet to be launched and are unlikely to be launched in the near or medium future.

²³ Besides loans from its related investment bank, the BSTDB, BSEC oversees two funds for grants to develop projects – the Project Development Fund (PDF) and BSEC Hellenic Development Fund. These are of limited size and tend to focus on studies or soft components of potential regional projects.

²⁴ BSEC aims to be a comprehensive regional organisation, i.e. covering all areas of possible economic and social cooperation. Furthermore the Bucharest Convention is only open to the riparian states of the Black Sea, while BSEC is open to all the States of the 'wider' Black Sea region (*see annex on different memberships*)

²⁵ [Press release of the launching of the Environmental Partnership of the Black Sea synergy](#)

4. Difficulties in developing the Black Sea Synergy

The Commission and the European External Action Service (EEAS) have faced a very difficult political environment in implementing the Black Sea Synergy.

Russia could have given its full support to this inclusive EU initiative, but instead adopted a position that was at best neutral (in BSEC) and at worst belligerent

Turkey aims to establish itself as a regional power, and the country's views increasingly overlap with Russia's.

In trying to launch the Black Sea Synergy, the Commission and the European External Action Service (EEAS) have faced a very difficult political environment. Some of the most important obstacles include:

- **The attitude of Russia and Turkey**, which regard the EU as a 'large newcomer' – and potential competitor to their power – in the Black Sea region. This view has even led to greater regional coordination between Russia and Turkey – a historically unusual phenomenon.

In the case of Russia, Moscow's concerns about the EU's Eastern Partnership policy might well have led Russia to welcome the Black Sea Synergy, which is inclusive in character. Yet Russia's positions on the EU have been inconsistent in the existing Black Sea institutional structures. Within BSEC, for example, Russia has been rather neutral about the EU's role, even regretting that the EU was not present in working groups (particularly the one on economic cooperation). Yet Russia has also strongly opposed the EU's becoming a party to the Bucharest Convention Against Pollution of the Black Sea. Its opposition has impeded closer cooperation between the Commission and the Black Sea Commission (of the Bucharest Convention), one of the logical pillars to develop the Black Sea Synergy Environmental Partnership. The Russian attitude towards the EU at the Bucharest Convention / Black Sea Commission is also inconsistent because Russia has closely cooperated over the years with the Commission and with EU Member States at the Black Sea Commission's sister organisation in the Baltic Sea, i.e. the intergovernmental Baltic Marine Environment Protection Commission (HELCOM or the Helsinki Commission) which has always welcome the Commission.

Turkey's position stems from its reinvigorated foreign policy, self-reliance and increasing frustration with its slow-moving EU accession process. Ankara's priorities include becoming a clear regional power, drawing on its strategic location between two continents and on the Black Sea in particular. Given the strategic importance of the Bosphorus in the Black Sea, it is no coincidence that the BSEC and PABSEC headquarters are in Istanbul.

- **Four protracted²⁶ conflicts in the region (Transnistria, South Ossetia, Abkhazia and Nagorno-Karabakh) and historical rivalries** between neighbours in the Black Sea region, impeding deep regional cooperation. Collaboration between officials of countries involved in these conflicts may be difficult or

²⁶ The term 'protracted conflicts' has gradually replaced the previously used 'frozen conflicts' because the term 'frozen' does not reflect the sporadic tensions on the ground.

The protracted conflicts in the region are an obstacle, but should not impede developing a solid EU Black Sea policy.

The EU Member States which were behind the launching of the Eastern Partnership have not facilitated a Black Sea Synergy advance.

The main international financial institutions active in the region have been reluctant to assume any risk.

The BSEC bank, the BSTDB, is barred from managing ENPI funds because it has a relatively small amount of EU capital.

The ENPI did not initially foresee funds to finance the Black Sea Synergy partnerships.

administratively complex, due to either direct disagreements on substance or (more often) a reluctance to agree on minor issues for fear of showing complacency with the officials of rival countries. Yet, these same protracted conflicts have not proven to be an impediment for other EU policies, such as the Eastern Partnership. Nor have they prevented the BSEC from providing a multilateral framework, bringing together officials of the countries involved in the conflicts²⁷.

- **Cold reactions from some Member States towards Black Sea Synergy since the launch of the Eastern Partnership.** These Member States tend to consider the two policies as incompatible at the EU Council.
- **The reluctance of the principal international financial institutions active in the region, the EBRD and the EIB.** These banks did not commit expertise and funding to Black Sea Synergy partnerships until a fund was created with capital assured by a number of contributors.
- **The disqualification of the BSTDB, the BSEC's investment bank, as manager of the ENPI funds²⁸.** The EU (which is to say, EU Member States) hold a minority stake in the BSTDB's capital. As a result, the BSTDB cannot play the relatively important role that the Nordic Investment Bank (NIB) has played in the NDEP – providing valuable local expertise and increasing the sense of local ownership.
The individual states of the region do not enjoy adequate financial means for the projects (as did northern states). Moreover, although the state of the Black Sea environment is alarming, there is no imminent threat of catastrophe to neighbours, as was the case with the nuclear waste in the Barents coast, which influenced the Northern Dimension.
- **The fact that no EU ENPI funds were specifically reserved to finance Black Sea Synergy partnerships or dedicated Black Sea Synergy funds, as had been the case for the Northern Dimension.** In the Black Sea region, this was interpreted not only as a contradiction, but a sign of the EU's weak engagement with the initiative. The lack of dedicated funding may have derived in part from the lack of a common language of EU Black Sea Member States at the EU Council.
- **The Commission's overly optimistic projections for the three**

²⁷ Notably, on 15 September 2008, just one month after the Russian-Georgia War, there was a BSEC CSO meeting in Istanbul attended – as always – by officials of both countries.

²⁸ The 2007 Communication states that the ENPI is the main EU source to finance the Black Sea Synergy. For ease of reference, the ENPI is also the EU source of funding for its contributions to the NDEP and ND Transport and Logistics Partnerships.

The Commission's attempt in 2009-2010 to launch three Black Sea sector Synergy partnerships in a short period was overly-optimistic, and the fields selected for the partnerships had a very different levels of political feasibility.

Establishing bridges between the management of three different EU operational policies in the Black Sea region remains a challenge.

Unlike staff in the EEAS, staff dedicated to the Black Sea Synergy at the Commission have also had to devote their time to the larger task of developing the Eastern Partnership.

The European Parliament has adopted the same unfortunate approach: its Delegation for Euronest is also responsible for relations with PABSEC.

5. What models could be followed?

The choice of policy tools to be used to reinforce the EU's presence in Black sea regional politics is less

Black Sea Partnerships. Because the Commission hoped to please its three Black Sea Member States, it assigned each a partnership and projected that the programmes could be launched in a few years. (This was unlike the Northern Dimension model, which required longer to consolidate and in which the role of EU Member States, although important was less significant than that of the EU.)

In fact, the three Black Sea partnerships had very different levels of political feasibility: while the concept and objectives of the environmental partnership was accepted relatively easily, transport caused greater discord, and energy was almost impossible. The recent speeches of Commissioners, highly positioned Commission staff and EEAS officials bear this out; the main fields of the Black Sea Synergy are currently described as the environment, maritime affairs, fisheries, transport, research, sustainable development and small and medium-sized enterprises (SMEs), while no mention is made of energy.

- **The rather strict divisions between programmes and activities, financial instruments and administrative sub-structures of the EU institutions for the three different policies in the Black Sea region** (enlargement for Turkey; the Strategic Partnership for Russia and the Eastern Partnership for Ukraine, Moldova and the three South Caucasus countries). These divisions have created obstacles for developing the Black Sea Synergy.
- **Inadequate human resources within the EEAS.** (This was also previously the case in the Commission's former DG RELEX) and in the Commission units dealing with Black Sea Synergy: Very few staff monitor and coordinate the Black Sea Synergy, while the Eastern Partnership has monopolised an increasing number of staff. Fortunately, the staff allocated to the two policies have remained distinct in the EEAS (as was also the case in DG RELEX). This separation has not been the case in the Commission's sectoral DGs, except in DG MARE, and the larger policy – the Eastern Partnership – is prioritised.

Inadequate separation of tasks **within the European Parliament.** The delegation for Euronest follows relations with the PABSEC, despite the very different membership of the two assemblies and the different philosophies governing the two projects. Unnecessary confusions and misunderstandings have resulted.

How the EU should go about reinforcing its Black Sea policy and its presence in Black Sea regional politics is ultimately not as important as achieving this goal. Previous European Parliament resolutions have asked that a Black Sea strategy be drafted. Such a strategy could boost the

important than achieving the greater goal.

Establishing an EU Black Sea Strategy may have positive results within the EU, though not necessarily beyond the Union.

The EU should demonstrate its interest in the Black Sea by assuming political and financial risks in the region.

The EU's Baltic and Danube strategies cover regions with very different geopolitical landscapes.

In the Black Sea, the EU is one of the various 'important' players, while politics in the Baltic region is restrained to a 'game of two'.

coordination of present and future EU activities in the region and give the region more visibility in the EU. Yet an EU Black Sea strategy may not bring the EU greater visibility or political weight in the region: this can only be achieved through decisive foreign action – for example, by gradually instigating the Black Sea partnerships, with funds run by international financial institutions. This cannot be accomplished in several sectors simultaneously, although a strong development in one sector should lead the scheme be extended to another. A medium to long-term vision is required, which is how the Northern Dimension Environmental Partnership – and later, the other Northern Dimension partnerships – evolved. In the case of the Black Sea partnerships, such progress would require a number of steps: reaching agreements with international financing institutions; devising a decision-making process with which all parties feel comfortable²⁹, organising a donor's conference and presenting examples of projects produced in cooperation with regional and/or international organisations; and, finally, assuming – on the part of the EU – the 'political risk' of being the first to pledge funds. In other words, the EU's first moves should be those described in its 2007 Black Sea Synergy communication.

The European Parliament's call for an EU Black Sea Strategy stemmed from the parliament's reasonable desire to place the Black Sea region on a par with the Baltic Sea and Danube regions. The first EU regional strategy drafted by the Commission concerned the Baltic Sea region. The document enjoyed a strong support from EU Member States situated in the Baltic region and from various regional organisations, including notably the Council of the Baltic Sea States (CBSS). But the EU's Baltic projects have far outpaced its Black Sea ones. This is generally – and incorrectly – explained by the difference in the wealth of the two regions; geopolitics have in fact probably had a greater influence. Since the EU's large enlargement in 2004, Baltic politics have been restricted to two parties – the EU and Russia³⁰ – with the EU as the stronger party. Another comparable case, the EU's more recent Danube Strategy, is focused on a river basin – not a sea – region, composed of countries which are either EU Member States or aspire to join the EU. Moreover, in the Danube region there is no prominent regional power outside the EU³¹.

For the Black Sea, the geopolitical picture is very different: the EU is one of several 'big' powers, along with Russia, Turkey and – arguably – Ukraine. The EU's relative importance in the Black Sea can be seen in the fisheries sector and its regulation: while the EU has a long and proven experience with fisheries policies in other seas, the Union's fisheries policies for the Black Sea cannot succeed without the full cooperation of Turkey, by far the largest fishing power in the Black Sea.. This is equally true of other

²⁹ But also reflecting the contribution and efforts made by each party.

³⁰ The political weight of Norway and Iceland, CBSS members and theoretically included in the Baltic region is very limited

³¹ Ukraine, which can be considered a medium regional power, is not 'central' to the Danube region. On the contrary its geographical location in the region is rather marginal.

The EU should adapt to this reality while also firmly rejecting any patronising comments by Russia or Turkey.

The Northern Dimension policy, shared by the EU, Russia, Norway and Iceland, could be a useful point of reference for a Black Sea policy.

Yet re-applying one region's successful policy to another region requires the policy be adapted.

issues, and the EU institutions would benefit from recognising this political reality.

EU diplomatic activities in the Black Sea must also be adapted to the region's unique composition. The Union should be aware that its creation of a Black Sea strategy may be subject to criticism that the EU is behaving arrogantly and meddling in a region in which it is only one partner among several; the EU must proceed cautiously. That said, the EU should also reject the patronising statements of some Russian and Turkish officials who refer to the EU as a 'newcomer' in the Black Sea region. This notion is politically biased and fundamentally wrong: as in all accession processes to the EU, Bulgaria and Romania joined the EU as much as the EU joined its new Member States.

Again, the EU's Northern Dimension policy could be a useful reference for EU policy in the Black Sea region. The Northern Dimension has demonstrated positive results with a big country in the Black Sea region – Russia – by evolving over the years. Once an exclusively-EU policy, the Northern Dimension has, since 2007, been shared with Russia, Norway and – to a lesser extent – Iceland. The EU remains the cornerstone of the Northern Dimension, but its ownership is effectively shared with parties who often express their allegiance to its basic founding documents³² and who pose no threats to its existence. As noted before, the Northern Dimension's sectoral partnerships have played a key role in the policy's development and success. When possible, in fields that constitute 'bankable' projects, these partnerships benefit from specialised funds led by international financing institutions. The Northern Dimension's partnerships are further strengthened by sectoral policy dialogues. Such a policy dialogue in one sector facilitates the launch of other sectoral dialogues. Ultimately, the Northern Dimension's ministerial and senior official meetings have become forums for political and trans-sectoral policy dialogue about the common region. These forums are also mirrored by the policy's parliamentary dimension – the biennial Northern Dimension Parliamentary Forum – which was launched on the initiative of the European Parliament in 2009. This effective cooperation in a shared European region (in this case the North) has also contributed positively to the general relations between the two bigger parties, the EU and Russia.

Replicating one region's foreign policy success in another region is no simple matter, as local differences may become real challenges. Ultimately, the most important challenge in the Black Sea region may not be the obvious one – the protracted conflicts – but the difficulty of maintaining a comparable level of ownership and engagement when the balance of power is shared between three or four bigger players, rather than only two, and when the interests of the 'minor' parties must be respected. In any case, creating a solid, joint regional policy in the Black Sea region necessitates adapting to local circumstances and opportunities.

³² The 2006 ND Political Declaration and ND Policy Framework Document

6. Policy options

The following actions should be weighed by the EU in general, and by the European Parliament in particular, for the Black Sea region:

The EU cannot afford either to be left out of Black Sea regional cooperation or to allow a policy covering one of its sea basins to lay dormant.

The EU Black Sea policy should formulate clear objectives and priorities

The Black Sea sector partnerships should be gradually developed

The European Parliament has repeated calls for a separate EU budget for the Black Sea, and its calls should not be ignored by the Commission and the EEAS.

The Eastern Partnership and the Black Sea Synergy should be developed in parallel. These two policies are not incompatible, as some believe.

- The EU should enhance its presence in the Black Sea, and not consider the region only as an area where several of its external policies converge. As a champion of regional integration, the EU is well placed to emphasise the advantages of international or supranational schemes throughout the regions with which it maintains close relationships. The Union supports regional cooperation processes in distant places (South America, for example); it should do the same closer to home.
- The EU's foreign policy has been developed by balancing the various – and sometimes divergent – foreign interests of its Member States. The particular interests of the EU's three Black Sea Member States should now also be taken into account.
- The Commission and the EEAS should provide clear Black Sea Synergy objectives, both in terms of political guidance and also in terms of sectors and priorities. Projects on the ground should be multiplied in areas where regional cooperation would provide practical advantages. The Black Sea sector partnerships - modelled in the Northern Dimension experience but adapted to the Black Sea circumstances - should be gradually developed, setting up their respective funds. The EU should not be reluctant to lead this process. All this would give a strong sign of EU commitment to the region.
- Appropriate means – a minimum of funding, structures and human resources – should be devoted to the Black Sea Synergy by the Commission and the EEAS. This will allow the policy to develop and the EU to become a credible interlocutor for regional organisations, countries, regions, private sector, civil society and citizens in the Black Sea region. Given the current economic and financial crisis, the EU cannot contribute disproportionately. Yet the European Parliament's repeated calls for a distinct budget to be allocated to the Black Sea Synergy (logically within the ENPI) should be implemented, rather than shunted aside.
- The Black Sea Synergy and the Eastern Partnership should be fully developed in tandem. The two policies are important and consistent with the EU's vision on how to develop relations with Turkey, Eastern Europe and Russia. The policies are not incompatible, but they should be kept distinct.

Currently the Commission and the EEAS sometimes label the same projects as both 'Eastern Partnership' and 'Black Sea Synergy', but this undermines the Black Sea Synergy. The implementation of the Black Sea Synergy is also occurring at a terribly slow pace – which weakens not only the Synergy but also

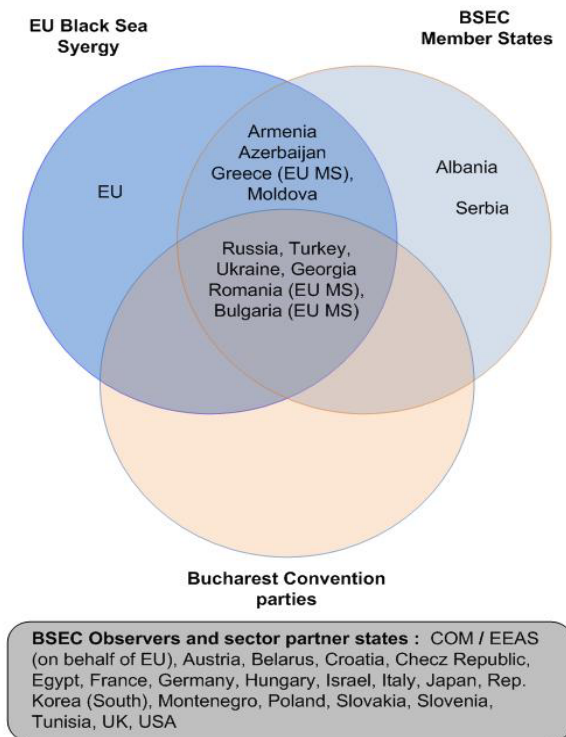
A key for an immediate recognition and labelling of Black Sea Synergy projects should be established.

The European Parliament could make a first move by decoupling the responsibility of relations with PABSEC from the Delegation in charge of Euronest.

the EU's general image as an international actor. Differentiation should be a simple matter of determining the applicability of a given EU project: if an EU project or action in the Black Sea region has an inclusive nature (which is to say, the potential to include all the countries in the region without exception) or if it focuses on some countries while including Turkey and/or Russia, then the project should be included as part of the Black Sea Synergy. All projects carried out with or between the Eastern Partners should fall under the Eastern Partnership. It would be politically naive – as well as illogical – to imagine that the Black Sea Synergy will one day develop into a policy as significant as the Eastern Partnership, but this should not impede the development of the Black Sea Synergy and a clear delimitation between the policies.

- The European Parliament (EP) could make the first move by removing the responsibility for following relations with PABSEC from the hands of the Euronest Delegation. While the current budget situation restricts new EP bodies, imaginative initiatives can always be devised. It might be possible, for example, to transfer responsibility for relations with PABSEC to the delegation following the three South Caucasus countries.

ANNEX I: Black Sea Synergy coverage, BSEC members and Bucharest Convention parties



Membership in Black Sea policies and organisations



Source: UN map, with adjustments by the Policy Department