
Patterns of Regional Collaboration and Institutional Cooperation Around the Black Sea

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Abstract

With the end of World War II, the signing in 1951 of the Treaty establishing the European Coal and Steel Community not only constituted peace in Europe but also institutionalized international cooperation. Following the example of regionalism in mainland Europe, the countries in the wider Black Sea area (WBSA) also embarked on regional cooperation at the end of the Cold War. With the declaration on Black Sea Economic Cooperation (BSEC), the leaders announced their concrete plans to develop practical cooperation in a range of areas including economy, trade, industry, environment, science and technology. This paper discusses the detected indicators and general patterns of complex regionalization around the Black Sea. With the aim to determine the extent to which BSEC countries have been able to act collectively following the cooperation they launched in 1992, this paper will discuss the plurilateral as well as minilateral cooperation efforts, the attempts for business cooperation, and energy cooperation in the WBSA.

Key Words

Black Sea Economic Cooperation, regional integration, institutionalization, complex regionalisation, new regionalism.

Introduction

Although the first requirement for the present stability in Europe arose with the end of World War II, the signing of the Treaty establishing the European Coal and Steel Community in 1951 cemented the peace. The institutionalization of cooperation in one essential sector not only created new opportunities for confidence-building measures towards peace and stability but also formed the basis of regional integration in Europe. The post-war political climate in Europe allowed the energy sector-coal and steel production- to be placed under a supranational authority. Such a functional cooperation also necessitated the interconnection of various economic sectors, which led to the integration in one policy area spilling over into others. The process that started with the signing of the treaty advocating integration of the energy sector in Western Europe constituted a historic milestone in regional integration in Europe, since the European Union today stands alone as the most advanced example of regionalism in the world.

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BSEC increased contact among statespersons to intensified and regular cooperation solidified by wide institutionalisation in the region.

Following the example of regionalism in mainland Europe, the countries in the wider Black Sea area (WBSA) also embarked on regional cooperation at the end of the Cold War. Although the idea of regional cooperation around the Black Sea was also raised earlier, the formal process of regional cooperation started on 25 June 1992 when the leaders of eleven countries from the WBSA met in Istanbul and agreed upon two basic documents. With the Bosphorus Statement, they laid stress on the need for 'the establishment of solid and effective mechanisms in order to achieve a higher degree of economic cooperation' with a shared vision of living in 'a region of peace, freedom, stability and prosperity'.¹ With the Summit Declaration on Black Sea Economic Cooperation, the leaders announced their concrete plans to develop practical cooperation in a range of areas including economy, trade, industry, environment, science and technology.² Later in 1998, the Organisation of the Black Sea Economic Cooperation (BSEC) was founded, and became a symbol for the formal post-Cold War cooperation in the WBSA. At present, BSEC has twelve member states bringing together the littoral and the

neighbouring countries of the Black Sea.

The whole institutional apparatus of BSEC-affiliated institutions includes the Parliamentary Assembly (PABSEC), the Permanent International Secretariat (PERMIS), the Black Sea Trade and Development Bank (BSTDB), the BSEC Business Council and the International Centre for Black Sea Studies (ICBSS). Such an infrastructure suggests that the BSEC countries engaged in a region-building process, which would culminate in an emerging union alternative or contributing to the EU.

Starting with the 1992 Istanbul Declaration on peace in the region, BSEC has moved from shallow but increased contact among statespersons to intensified and regular cooperation solidified by wide institutionalisation in the region. Economic cooperation is more than just transactions or exchange of goods, as it can be the foundation for trust and a sense of community, as argued by Adler and Barnett.³ States usually are concerned about giving up a small part of their sovereignty, but 'the exigencies of the global political economy also force the same states into concerted responses and policy initiatives at the regional level'.⁴ The purpose here is thus to assist in the understanding of how the current plurilateral (BSEC framework) and minilateral (other regional organizations) relations among the states shape, and are shaped by, the regionalisation in the WBSA. This discussion is made within

the relevant conceptual framework on (new) regionalism drawing on inductive reasoning, and based on observation of the integrative processes.

Although it has been expected that through BSEC the countries in the WBSA would integrate, at least economically, the Black Sea regionalism lags behind examples in other parts of the globe's economic zones.

The regional management of cooperation in the WBSA lies in *plurilateral* and *minilateral* institutions and is referred to as *institutionalisation*.⁵ The WBSA also witnessed the creation of various other regional institutions by the same BSEC members. The establishment of the minilateral cooperative arrangements beyond the BSEC framework had not been seen before the end of the Cold War. Yet, BSEC is still- 15 years later- a very remarkable forum for the existence of regional cooperation and a promising factor for 'complex regionalisation'.⁶ The creation of the consequential 'related bodies' of BSEC indeed represents a trend towards regionalisation, raising the prospect that these processes may ultimately lead to a regionalism, depending on the willingness of the driving forces and interested actors. One might rightly expect that the institutionalised interstate

relationships, once they are arranged, lead to the creation of new patterns in the movement of people, capital, goods and services between the politically-divided shores of the sea, namely in the participating countries, which will result in the greater convergence of their political and economic relations or vice versa. Retrospectively, one might recall the apparently similar process of the 1948 Organisation for European Economic Cooperation (OEEC), established under the auspices of the United States to administer the funds of the Marshall Plan.⁷ As the name suggests, the organisation was founded mainly to deal with economic cooperation, yet it paved the way to the joint concrete economic policies in Western Europe and was followed by the process that culminated in the contemporary European Union. In the following sections, this paper will discuss plurilateral as well as minilateral cooperation, the attempts for business cooperation, and energy cooperation in the wider Black Sea area.

Plurilateral Intergovernmental Cooperation

The end of the Cold War paved the way to many cross-border economic zones in the world bringing a new quality to idea of regionalism. Although it has been expected that through BSEC the countries in the WBSA would integrate, at least economically, the Black

Sea regionalism lags behind examples in other parts of the globe's economic zones. Moreover, one might rightly observe that BSEC envisages the development of cooperation in a wider range of areas, apart from those that are linked with any forms of hard security, to an extent that this cooperation would not result or create a circumstance for an inevitable harmony of policies for the member states (e.g. the removal of barriers to intraregional trade, also the liberated if not free movement of services etc). Perhaps the only tangible result of the BSEC cooperation is its Project Development Fund (PDF), which receives applications to finance small projects between or among the BSEC countries.

In order to determine the efficiency of a regional organisation one needs to get the real picture of the spirit of cooperation. After all, as rightly emphasised by Fawn, 'What a regional grouping says it intends to do and what it actually does can reveal the essence of that formation'.⁸ BSEC countries declared ambitious aims but so far it does not seem as though the promises have been delivered. Many of the resolutions that were adopted are non-binding, and those that are binding were not implemented at a national level.

The 1998 agreements on Combating Organized Crime and on Cooperation in Emergency Situations, on the other hand, are both binding but are not visible regionally.

A misconception about integration is that all that is necessary for cooperation is the establishment of the organizations and the conflicts will be automatically solved. Promoting cooperation turned out to be especially difficult in this part

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of the globe because of the conflicts of not only internal, but also international and internationalized character. All the renewed conflicts in the WBSA pose a great threat not only to cooperation but to peace in the wider area. The desire to

cooperate regionally is remarkable and needs to be acknowledged. However, in order for a case of regionalism to be effective, its cooperative schemes need to serve the collective interests of the participating nation-states (in which case they will be cooperating to respond to global and regional challenges), rather than being a forum for the expression of their conceived national interests.⁹ The BSEC cooperation, as it is in its current configuration, is a model of regional cooperation that does not necessarily involve collective solutions

for the common region wide security concerns. Indeed, the fact that it brings together officials from states at war with each other to discuss *low politics* is one of the positive features of BSEC, even though it does not necessarily mean that they are prepared to reach an agreement. This ostensibly economic yet politically sensitive institution is an example which demonstrates the impossibility of palpable economic cooperation when there are various interstate conflicts unfolding among the actors. The interstate conflicts are highly salient issues but are deliberately and consistently kept off the agenda. So, obviously, it would be naive to expect that economic cooperation lessens political confrontations because it requires political commitment as a precondition. The weakness of political commitment to BSEC by its individual member states is *inter alia* likely to appear similar to other cooperative examples i.e. the Collective Security Treaty Organization (CSTO) as well as the Shanghai Cooperation Organization (SCO).¹⁰ Perhaps, the non-existence of a *shared* security threat seems to provide a logical reason for the non-existence of a coordination of policies toward security cooperation. Even though the WBSA has had many armed conflicts, this fact has been largely ignored by BSEC and there is no single group or committee of BSEC to deal with the existing conflicts. BSEC could have carried out some monitoring, even if not direct

monitoring, of the conflict zones, which would have increased its credibility. One could say a similar model could have been that of the Economic Community of West African States (ECOWAS), a regional group established in 1975 by 15 countries.¹¹ The organisation later played a role in intraregional conflict resolution through its Monitoring Group (ECOMOG), which aimed to enforce peace and was extensively underpinned by the international community.

Even though the BSEC region is rife with wars and armed conflicts, the states never seem to have committed themselves to launching mechanisms similar to the ECOMOG for joint conflict management or resolution.

The institutional capacity of BSEC is limited by its weak efficiency resulting from the unwillingness of the member states to grant sufficient authority to BSEC. The consolidation of efforts in the direction of development in the WBSA is neglected to a profound extent. Hostile rather than compatible relationships contribute to the possibility of non-regionalisation (or division) rather than regionalisation. This contrasts with the example of ECOWAS, which established the monitoring group,

in effect a plurilateral armed force, to tackle the conflicts in that subregion. So far, a similar idea has never made it to the higher levels of BSEC, let alone the consideration of mechanisms for the use of force in managing military conflicts. Even though the BSEC region is rife with wars and armed conflicts, the states never seem to have committed themselves to launching mechanisms similar to the ECOMOG for joint conflict management or resolution.

It is true that outside of BSEC's plurilateral format, on a few occasions, the officials of BSEC member states did explore the opportunity made available during BSEC meetings for the betterment of bilateral relationships. For example, Karamanlis and Putin (of Greece and Russia) announced their South Stream gas pipeline construction project after a BSEC meeting on 25 June 2007.¹² Moreover, on 24 November 2008, the Turkish and Armenian foreign ministers discussed some elements of rapprochement between their two countries when Ali Babacan hosted a dinner in honour of Edward Nalbandian. This event took place during the visit of the Armenian foreign minister to Istanbul to take over the BSEC chairmanship for the following six months.¹³

This example is similar to the case of regionalism in South East Asia, where ten countries gathered under the umbrella of The Association of Southeast Asian Nations (ASEAN) but

the ASEAN Regional Forum actually includes non-ASEAN countries both from the neighbourhood and beyond for political cooperation. Similar to ASEAN, BSEC has had a broad agenda from the beginning as the stated goal was to indirectly ensure peace and security in the region. During their chairmanships-in-office, some of the countries try to focus on a limited number of issues to reach deeper cooperation in those spheres. Russia, for example, appears intentionally to focus on all areas of cooperation, which lessens the chances for one area to be dealt with in depth, whereas all spheres are covered shallowly within the six month presidency period.

Just because it may seem eminently reasonable for the states to cooperate, it does not necessarily follow that they will, for example, give their blessing to another state to make use of their road infrastructure facilities. The BSEC Permit project is similar to the European Conference of Ministers of Transport international removal permits (ECMT). Currently in its pilot phase with 1,400 single permits, it was officially launched on 16 February 2010- and yet only seven BSEC member states (Albania, Armenia, Georgia, Moldova, Romania, Serbia and Turkey) have decided to become involved. There is no doubt that this type of project would have served the betterment of the transportation of goods by road and intraregional trade relations. Even in its early days the project

beneficiaries had difficulties however. Turkish truck drivers, in particular, had to queue at the Romanian border, due to an ambiguity in the BSEC Permit User Guidance which left it unclear whether permits were valid to reach the BSEC country as a final destination, or whether they could be used for transit to a third country. Soon after, the Romanian Ministry of Transport issued a declaration clarifying that 'the BSEC transit permit can be used for transiting Romania not depending on the final destination of the journey'.¹⁴ This recent experience therefore provides evidence that the states are ultimately capable of resolving their difficulties in the context of cooperation and regionalisation when they put their minds to it and show determination.

In the current configuration the participating countries run their economic policies independently from each other. The states have not delegated any binding decision-making power to the institutions they launched, nor did they genuinely intend to do so at any point. (The few obligations binding agreements that were accepted deal with issues in vague and/or general terms.) There is no record of the participating governments agreeing to have their economic policies approximated through joint decisions at a supranational level. Consequently, such a *realist* behaviour by the BSEC states makes difficult the applicability of not only supranationalism, but also inter-

governmentalism as theoretical models to fully explain the regional dynamics in the WBSA.

Not only does the business community remain weak in its attempt to act as a driving or influential force for regionalism; it also loses a chance to increase the region's sense of community under this umbrella.

In the past few years since the launch of the BSEC process in 1992, a number of BSEC related bodies and affiliates have been set up. The Black Sea Trade and Development Bank (BSTDB) is among those and is based in Thessaloniki. The bank does not have its franchises in other major economic centres of the WBSA such as Istanbul or Moscow. The founding agreement of the BSTDB, signed on 30 June 1994, has been operating in its capacity as a financial pillar of BSEC since June 1999. The Bank's authorized capital is SDR [Special Drawing Right] US\$ 3 billion or approximately US\$ 4.5 billion. The shareholders are Greece, Russia, Turkey (with 16.5%), Romania (14%), Bulgaria and Ukraine (13.5%), Azerbaijan (5%), Albania (2%), Armenia and Moldova (1%), and Georgia (0.5%).¹⁵

Being a financial institution of regional character, it has a preference for

supporting regionalist projects of a cross-border character, but a preview of the implemented projects reveals that there is a substantial number of them not meeting this requirement directly or obviously. Considering the substantial impact of the European Central Bank (ECB) on European integration, namely on the EU,¹⁶ this bank is a potential catalyst in Black Sea regionalisation, but the number of projects with regional impact and/or affecting at least two member states is low relative to the total number of projects. Nevertheless, projects such as the 'Trans-Balkan Gas Pipeline' and 'Avin International- Black Sea Shipbuilding' are classed as regionalistic.¹⁷ The officials justify this reality based on the bank's dual mandate as a development financial institution in support of national as well as intraregional projects.

The mini-lateral cooperative institutions, even though they are of significant contribution, are loosely linked to the general pattern of Black Sea regionalisation.

Apparently, the bank provides a relatively attractive option compared with other world banks from which national clients can borrow, as its main goal is not profit maximisation, even though it is profit-making. Unlike other financial

institutions (e.g. the European Bank for Reconstruction and Development and the Nordic Investment Bank), the BSTDB consists of and is funded by regional countries only and does not have a major external donor. This points to the fact that the BSTDB is an indigenous institution; however, one might argue that it is also an indication that there is a lack of external actors' interest in supporting this crucially important pillar of cooperation. As a consequence, not only does the business community remain weak in its attempt to act as a driving or influential force for regionalism; it also loses a chance to increase the region's sense of community under this umbrella.

The confrontational rather than cooperative pursuance of regionalist projects relates to the complex mixture of economic and security concerns, which is referred to as 'economic security'.¹⁸ Although the launching and existence of international institutions promises to overcome these divergences it does not necessarily mean the states would be willing to compromise.¹⁹ Cooperation entails development and the mutual use of the economic potential of participating states whose politics and security are interlinked. In the case of BSEC, a daring experiment undertaken by its participating governments, the declared willingness to embark on a cooperative process has not really followed the pattern of the European Community, whose founding fathers envisaged the snowballing effect

of economic cooperation as a means of long term pacification of the antagonisms between nation states.

At first, the BSEC statespersons did start with the basic idea of a common policy of a free trade area as they adopted the Declaration of Intent for the Establishment of the BSEC Free Trade Area on 7 February 1997. In the Yalta Summit on 5 June 1998, they also further reiterated their 'political will to gradually establish a BSEC Free Trade Area as a long-term objective and to elaborate a Plan of Action of a staged process to that end'.²⁰ The Parliamentary Assembly of BSEC (PABSEC) also showed its support in that regard.²¹ However, this intention still remains one of the longstanding open-ended issues. In the meantime, to the opposite effect of what has been stated, some of the BSEC states continue to assert their willingness to retain trade agreements on their own terms or in a rather narrow bilateral format that implies that they do not necessarily take into account the dimension of regionalisation. It could therefore be argued that the BSEC governments find their national capacity much more suitable than a collective one to deal with issues of such regional importance.

The special BSEC regulations, if agreed to, may contest the discriminatory agreements stemming from the EU membership of some BSEC countries, in the areas of trade and border control. In answering the question of whether

Turkey is being a genuine promoter of regionalism or rather has aimed to reach its targeted interests by multiplying its cards, it is worth reminding that this Turkish initiative dates back to the period of its negotiations for the Common Customs Tariff Union.²² It is possible, too, that Turkish leadership aspired to playing a role akin to that of the British, who took on the role of organising the mechanism for the distribution of Marshall Plan funds through The Organisation for European Economic Cooperation.²³ After all, this was a period when Turkey needed to diversify its exports because of the domestic manufacturers' lobby, which included the textile industry.

The Parliamentary Dimension of Black Sea Regionalisation

PABSEC is a 'related body' of BSEC, but it does not enjoy a status similar to that of the European Parliament (EP) in the case of the EU. The BSEC Charter determines the relationship between the two branches of BSEC as being merely 'on a consultative' basis and the assembly is not fully democratic.²⁴ The important aspect to mention is that PABSEC parliamentarians are not directly elected; instead, the national parliaments of BSEC member states delegate their group of representatives. Although the countries participating in

BSEC cooperation involve a common parliamentary body, this body can only make recommendations and has no real say on the political and economic issues of its member states.

According to the Rules of Procedure in PABSEC, the composition of the Assembly is based on demographic criteria, with a total of 76 parliamentarians. The parliaments of Albania, Armenia, and Moldova have four delegates appointed to deal with PABSEC; the number of delegates is five for Azerbaijan, Bulgaria and Georgia; six for Greece and Serbia; seven for Romania; nine for Turkey and Ukraine, and finally twelve for Russia. All delegations have their secretaries residing back in the capitals. National delegations of BSEC states convene twice a year in ordinary session. The first plenary took place in 1993 in Istanbul and the most recent 37th plenary session took place in June 2011 in Kyiv. Apart from resolutions on procedural amendments, budgetary issues, and the admission of new members, an absolute majority is required (Article 23). With regard to the adoption of declarations, reports and recommendations, which are classified as political decisions, there is 'a system of double majority vote constituting support by not less than half of the national delegations of the Assembly and the majority of the total number of the members of the Assembly'.²⁵

There are three essential committees on
i) Economic, Commercial, Technological

and Environmental Affairs, ii) Legal and Political Affairs, and iii) Cultural, Educational and Social Affairs. Drafts are adopted at the committee level before being submitted to the General Assembly by the rapporteurs. Each committee has a secretary who, along with the Secretary General and the Deputies, is seated in the PABSEC International Secretariat hosted in Istanbul. General Assemblies, which means the meetings of the Bureau, the Standing Committee and plenary sessions of the Assembly, are hosted by the country of the president and usually take place in the premises of the national parliaments (Article 11). The Standing Committee, which is composed of the heads of the national delegations, meets one day before the General Assembly and agrees on the agenda, oversees the implementation of the administrative decisions by the Assembly, endorses the budget before its referral to the Assembly for approval, and is also responsible for coordination with BSEC as well as other external cooperation (Article 7).

There is no mechanism whereby the PABSEC, or the rest of the related bodies of BSEC, is consulted or issues are referred to it by the Council of Ministers or any other BSEC body of less status. PABSEC has thus no functions similar to the EP, which also was a consultative body but has been given more say and has progressively developed into a co-legislative power of the EU. Established on 26 February 1993, the PABSEC

represents the parliaments of the member states and once the individual members are appointed by the speakers by the national parliaments, they present their credentials verified by the Standing Committee- to the President of PABSEC, who then submits them to the General Assembly for ratification (Article 3, PABSEC Rules of Procedure). It should be highlighted that the PABSEC has no political or legislative powers. PABSEC has been constantly making efforts to heighten its political potential through a status upgrade aimed at 'achieving a higher degree of interaction between the PABSEC and the BSEC', within the existing norms of international practice, pointing to the parliamentary dimensions of other arrangements enjoying greater status.²⁶

Minilateral Cooperation as Complementary Process to Regionalisation

The present paper looks at Black Sea regionalism, and apart from BSEC, the sea is also encircled by various other groupings. Mini-lateral cooperation or sub-cases of the broader case at hand are viewed here from a regional perspective. Obviously, the set of existing formal cooperative mechanisms altogether constitute Black Sea regionalisation, albeit in a loose group. In order to fully understand the regionalisation, it is important to be neither oblivious of

these loose groupings nor to discard their importance. It would seem appropriate to apply a holistic approach to the region- but not to apply a holistic evaluation, as it does not seem logical to regard the BSEC region as completely isolated or coherent, given that it overlaps and intersects with many other regions. The WBSA represents a complex mosaic, so it is not an easy task to gain an overall comprehension of it without looking at its various segments. The other organisational contributions that are components of the regionalisation of the WBSA should not be overlooked.

Although these minilateral cooperative organizations consist of a more limited number of states, in contrast to BSEC, they are composed of more consistent and more equal actors. While BSEC is the initial pillar of evolving (or imminent) Black Sea regionalism, other mini-lateral organizations have followed. Regardless of their efficiency, a number of organizations exist concurrently on the same territories as the BSEC. Their existence may be a necessary (but not sufficient) sign of adequate cooperative features denoting regionalism. One of the non-BSEC cooperative arrangements is the Black Sea Littoral States Border/Coast Guard Cooperation Forum (BSCF) which gathers the littoral states of the Black Sea. As suggested by its name, this entity deals with issues such as combating pollution from land-based sources as well as maritime transport. The

BSCF coordinates relevant agencies in its member states via the Informational Coordination Centre, headquartered since 2003 in Burgas, Bulgaria. The Commission on the Protection of the Black Sea against Pollution (CPBSP) is another cooperative framework existing in the region. Although entities such as the GUAM Organization for Democracy and Economic Development and the Black Sea Naval Cooperation Task Group (BLACKSEAFOR) make no direct mention of their (eventual) contribution to the regionalisation process of the WBSA in the general sense, they can nonetheless be considered to be important elements of this process.

The mini-lateral cooperative institutions, even though they are of significant contribution, are loosely linked to the general pattern of Black Sea regionalisation. However, the fact that they are dealing with the region in part rather than as a whole could mean disintegration, rather than integration, of the Black Sea region.

EU and TRACECA member states are envisaging a closer cooperation with regard to the development of the EU-South-Eastern Axis and the integration of the TRACECA corridor with the Trans-European transport networks.

Regionalist Business Cooperation

In the early post-Cold War period, what prompted the debate on emerging regionalism in this part of the globe were not only the establishment of BSEC and other intergovernmental organisations across the wider Black Sea area, but also tangible projects of transportation infrastructure and energy pipelines. The states, having seen that Russia was not cooperating, decided to gather around other kinds of regionalist initiatives. All the cooperative arrangements, however much they overlap, have their part to play in the complex pattern of Black Sea regionalisation. Although the arrangements around the sea have certain shared regionalist assumptions about the Black Sea, they coexist in a rather loose mode. (It has been observed there is still a dilemma for the participating countries between historical residues on the one hand and the appeal of emerging patterns of cooperation on the other). In spite of this, they all envisage a common European perspective for the area in one way or another.

Business links are the essential elements of regionalisation. Therefore, integrated transport and roads systems are vital to the facilitation of intraregional cooperation. A Memorandum of Understanding for the coordinated development of the Black Sea Ring Highway has been agreed on and an ambitious project is to be realised by the BSEC members. It is worth noting

that Turkey has almost completed its part of construction. Further to this, on 19 April 2007, the Black Sea Ring Highway Caravan departed from Belgrade and continued on a clockwise route to Odessa via Baku and on 28 May 2007 arrived in Istanbul, its final destination. The pilot project was organised by the International Road Transport Union (IRU) and the Union of Road Transport Associations in the Black Sea Economic Co- Operation Region (BSEC-URTA) under the patronage of the BSEC Secretary General. The mission was to identify any problems for the border crossings of lorries (which are essential for trade and transportation), to explore the existing road infrastructure, and to raise public awareness of BSEC. The identified obstacles were 'border delays caused by congestion and administrative procedures and transport permits needed to carry out goods'.²⁷ Border delays have cost € 229 Million in total to the BSEC economy.²⁸

The role of the Black Sea itself is also acknowledged by BSEC. The Memorandum of Understanding on the Development of the Motorways of the Sea in the BSEC Region, signed in Belgrade on 19 April 2007, inaugurated activities aimed at developing a transport network and the construction of the ring highways around the Black Sea approximating 7,000 kilometres in length to connect the regional cities around the sea as well as integrating the region with Eurasian transport links.²⁹

The energy policies of BSEC states have never been aimed at being regionalised, as it has been a matter of bilateral relations and has never been integrated to the plurilateral BSEC format.

It needs to be mentioned that BSEC itself lacks a compatible and interconnected infrastructure and harmonised regulations to carry out such ambitious ideas as mentioned above. But geographically, the region is one of the important strategic areas of the planet, as it is also a hub and transit route for many continental and inter-continental routes. Therefore, there happen to be other transport corridors (beyond the BSEC format) that also ultimately contribute to Black Sea regionalisation. The Transport Corridor Europe - Caucasus - Asia (TRACECA) or the 'New Silk Road' is a scheme stretching from the Black Sea region across to central Asia through various transportation routes. Currently, EU and TRACECA member states are envisaging a closer cooperation with regard to the development of the EU-South-Eastern Axis and the integration of the TRACECA corridor with the Trans-European transport networks.³⁰

The regionalisation of railway infrastructures is beyond the BSEC format but is on the agenda of various states in the BSEC region through the TRACECA corridor project. The 105 kilometre

long railway connection between Kars (Turkey) and Axalkalaki (Georgia), and its extension to Marabda (to link with Tbilisi),³¹ which are currently under construction, will not only help to increase the partner countries' transit capacity and efficiency between Europe and Asia, but also accelerate the integration to transport lines that are important for Europe. These projects are therefore expected to serve the rapprochement and increased interaction of the wider region with continental Europe.

Transport is an important element of regionalisation as it facilitates the movement of peoples. In the case of the BSEC region, direct flights connect some BSEC capitals, but not all of them. At this point in time, Turkish Airlines appears to be in the lead and plays a bridging role by connecting the regional capitals as well as other major cities via Istanbul. Where roads are concerned, the existing road infrastructure is under construction, which includes the Black Sea Ring highway. In other words, there is no integrated interaction mechanism in the BSEC area as a whole.

Cross-Border Energy Cooperation: Regional Oil and Gas Pipelines

Energy cooperation has been an essential factor for European integration through the EU. Perhaps one of the

fundamental problems hindering regional integration in the WBSA is that the governments have not yet bridged their differences on energy projects and they do not seem to even be creating conditions under which their race could be based on competitive grounds. The energy policies of BSEC states have never been aimed at being regionalised, as it has been a matter of bilateral relations and has never been integrated to the plurilateral BSEC format. There have been cooperative energy projects among a limited group of BSEC countries (i.e. Azerbaijan, Georgia and Turkey), however, which constitute a rather loose form of regionalisation in a smaller part of the WBSA. This is the case with cooperation in the oil and gas energy sector. Azerbaijan and Russia are the countries that define the WBSA as a region with oil reserves. Azerbaijani crude oil is carried by the Baku-Tiflis-Ceyhan (BTC), Baku-Supsa (in Georgia) as well as the Baku-Novorossiysk (in Russia) oil pipelines. The BTC delivers the major proportion and since 2006 has worked seamlessly except for an isolated incident along a section of the pipeline in Eastern Turkey, which caused disruption for about two weeks.³² There have been instances when even a Central Asian country (Kazakhstan) also used this pipeline to sell its oil.³³

Russia, being in the immediate neighbourhood of a consumer with enormous demands (the EU), is in a

position to maintain high prices for natural gas. Thus, the alternative gas pipelines, backed by the West, are believed to have the potential to diversify natural gas suppliers and delivery routes for EU, which would also reduce Russia's confidence as a dominant energy supplier. When fully realised, this pipeline will transit gas from the world's richest gas regions, namely the Caspian region and Middle East, to consumer markets in the EU. Therefore, the Southern Gas Corridor infrastructure is considered to be vital to meet the energy needs of the EU since presently 42 % of the Union's imports come from only Russia.³⁴

The energy factor was the central motivation for wider cooperation in the region in the mid-1990s and especially after the well-known 2008 winter crisis over issues of Russian gas transit to the EU through Ukraine. Turkey's location, in particular, paves the way for it to seek an enhanced role as a bridge or 'energy shopping mall' and to negotiate confidently as a big transit country. Turkey's increased importance in the energy sector might mitigate the scepticism of some EU statespeople towards Turkish-EU membership which has been a prolonged process since it began in the 1960s.

The first non-Russian supplier of natural gas- the Turkey-Greece (and in the future -Italy) Interconnector (TGI), also known as the Southern European Gas Ring Project, has, since

18 November 2007, been a pivotal link between Caspian countries supplying gas to the European market (as well as potential Central Asian supplies), and certainly serves to assist the energy diversification and energy security policies of the EU. Because of Europe's great demand for gas, it is reasonable to expect that its dependence on energy imports will continue to grow over the next years. This means that Azerbaijan is poised to become one of Europe's newest main sources of supply, in addition to the oil that is mainly pumped through the Baku-Tbilisi-Ceyhan pipeline.

The delivery of gas supplies is quite different from that of crude oil as the former needs prior arrangements and regulations, including long term set prices, along with (most desirably) undisrupted pipeline infrastructures from the producer all the way to the consumer.

Obviously, the delivery of gas supplies is quite different from that of crude oil as the former needs prior arrangements and regulations, including long term set prices, along with (most desirably) undisrupted pipeline infrastructures from the producer all the way to the

consumer. Despite the longstanding concerns for the feasibility of the unrealized Nabucco pipeline project,³⁵ with the approval of the Trans Anatolian Natural Gas Pipeline (TANAP) and the Trans-Adriatic Pipeline (TAP), the Southern Gas Corridor has kept its importance. There is yet no clear commitment from Turkmenistan whether they will also supply this gas pipeline to export their natural gas to the European market except the fact that Turkmenistan also agreed to annually provide 40bn cubic metres (1,412bn cu ft) of spare gas in order to fulfil the EU-backed gas projects back in 2010.³⁶

The coexisting overlapping cooperative mechanisms at the minilateral level may seem to be impinging on the superiority of the broader BSEC format, but they do not in fact undermine the existent state of play, in economic and political spheres, exercised within the boundaries of this regional system.

We observe that the countries are conscious of the vital role of energy cooperation in improving regional integration in their neighbourhood. On 7 June 2013, the president of the Azerbaijani State Oil Company (SOCAR) announced the possibility

of supplying Armenia with natural gas, hinting at the benefits of resolving the ongoing Nagorno Karabagh conflict.³⁷ The more closely these countries work, the more helpful it will be for regional integration and regional development. The success story of Azerbaijan, Georgia and Turkey resembles that sort of cooperation. The Trabzon Declaration (8 June 2012) of the Ministers of Foreign Affairs of Azerbaijan, Georgia and Turkey stipulate that these three countries are fully committed to reinvigorating the economic charm of the WBSA. With the Turkey-Greece interconnector, we can observe that the cooperation is even spreading to the interested countries. These projects are not only of a bilateral or trilateral nature. They have a huge potential to contribute to the regionalisation in the wider neighbourhood and to ensure peace and stability in this part of the world.

Conclusion

The paper has attempted to enhance the understanding of the mechanisms of political interaction in the BSEC region and its subareas. The states have not yet replaced their bilateral, even minilateral relationships with Black Sea regionalism. Since 1992, the BSEC region witnessed quite a few summits of the leaders, and some ostensible attempts to improve and integrate the region. Regionalisation is gaining ground and many regional

organisations have given it a considerable amount of weight although there are no regular consultations between and among the existing plurilateral and minilateral organisations that are coexistent in the WBSA. The possible affirmative role of regionalisation has been scarce as steps towards regionalisation have been left in short supply by the driving forces (i.e. the states). The crucial point is that the regionalist projects lack the very mandate and appropriate facilities needed to fulfil the tasks that were articulated by the statespersons themselves- and it seems that this approach is unlikely to change, given the attitude of the states towards the institutions they created. Their unwillingness to share their sovereignty remains strong. The fact that BSEC lacks a sense of ownership of the process implies that regionalisation around the Black Sea is not an ultimate goal, or even a priority, for its member states. Nevertheless, as regional cooperation is, in principle, *de rigueur* for good neighbourly relations, the states maintain such a framework.

BSEC does not seem to be actively tackling the key problems for its aims, neither has it built up its own capacity for action, increased the coherence or unity among the BSEC family, or given substance to the idea of Black Sea integration. Although BSEC may not exercise influence to the extent that other prominent international organisations (i.e. the EU) do, it has become a regional actor, albeit an unassertive one, in

the wider Black Sea area. Its potential role in multilateral regional relations, particularly in non-crisis ones, is in all probability influential, regardless of the fact that member states easily block decisions even if there is little probability of these contravening their vital interests.

Region building, as a long term project, is a gradual and lengthy mission, which demands real willingness by the parties' elites (or by leaders) combined with easily accessible resources.

All the factors such as the establishment of wide-ranging BSEC-related and affiliated bodies and working groups are the signs of, and play an important role in, the emergent regionalisation in the Black Sea area, if fulfilled promptly and properly. Thus, the regionalism at hand has managed to chalk up impressive developments on some levels. The coexisting overlapping cooperative mechanisms at the minilateral level may seem to be impinging on the superiority of the broader BSEC format, but they do not in fact undermine the existent state of play, in economic and political spheres, exercised within the boundaries of this regional system. Considering the overall development and the complex multiplication of pro-regionalist moves around the sea, one can conclude that

there is regionalisation and that it is in the making. The existing interstate cooperative mechanisms constitute dynamic resources for Black Sea regionalism. On the other hand, these include states locked in political conflicts that constitute a fundamental setback to this process. Indeed, institutionalisation does not automatically indicate the establishment of an 'island of peace'.³⁸ The degree of regional integration therefore depends to a greater extent on the constraints (e.g. interstate conflicts) and the willingness of the statespersons in the region's capitals.

The existing conflicts, sources of instabilities and tensions are asymmetric risks with larger implications for the entire security of the WBSA. This also challenges European security directly, though the European Union has not done enough, out of its potential,

to reconcile the conflicting parties. The extensive regional interests of Russia seem to be at odds with, if not contradictory to, the other regionally-powerful actors' interests because of the increasing political, economic and military activities of the Western powers in the WBSA. The whole idea of economic cooperation around the sea is exceedingly controversial and politicised. Along with enjoying a revival among countries with old animosities, and reinforced by modern events, economic cooperation provides a path to national economic development, which tends to be the main reason for the states' interest in it. After all, region building, as a long term project, is a gradual and lengthy mission, which demands real willingness by the parties' elites (or by leaders) combined with easily accessible resources.

Endnotes

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