

Draft of May 31, 2006

**Speech by His Excellency Mr. Robert KOCHARYAN President of the Republic of  
Armenia at the Summit of the Black Sea Forum for Dialogue and Partnership  
June 5, 2006, Bucharest**

**Your Excellency, President Basesku,  
Dear Colleagues,  
Ladies and Gentlemen:**

First of all, let me thank President Basesku for initiating this Forum and for the extended hospitality.

Countries of the Black Sea region have rich and at the same time - dramatic history of co-existence. The Black Sea has always been a center of strategic interest. This led to numerous devastating wars that have formed its current political map, ethnic and religious diversity. However, this all has also resulted in substantial interrelation of our cultures and traditions. Partially that is why there are so many similarities in the process of transformation underway in our countries. This is true in case with the internal transformation, aimed at deepening of democracy and transparency of the society. This also influences the shaping of new types of international cooperation in the context of the changing world.

We are present at the formation of new dynamic processes, changing the region, forming new perceptions about it. Two objective questions come across: how possible is it to formulate a common direction of development of the region in the framework of the European integration processes? Will this lead to the formation of the new regional identity, based on a common interest and inherited (achieved) cultural interaction? Our Forum is called to stimulate these processes, supporting regional integration in the Black Sea basin.

We shall first evaluate the level of motivation for a closer cooperation in each country of the region. Secondly, we shall work out approaches increasing our mutual will for partnership.

For Armenia, with limited natural resources and emphasized entrepreneurial mentality of the people, the choice was clear. Transformation for us primarily meant the liberalization of economy, maximally open trade regimes, establishment of a competitive environment, and minimization of the State's interference with business affairs. As a result, the structure of our economy underwent major changes both in terms of its branches and types of ownership. Today over 85 per cent of GDP is produced in private sector, with over 40 per cent of it being produced

in small and medium businesses. Annual growth of GDP during last five years has averaged at above 12 per cent. It is natural, that we watch openness, good neighborly relations, and regional cooperation as the most effective path towards preservation of that pace of our development.

Only lazy people do not speak about benefits of regional cooperation. It is an axiom, which however comes across many obstacles, which are often of a subjective nature. A pragmatic evaluation of the situation in the Black Sea region is needed on the basis of classification of the positive and negative realities.

Therefore, let us first assess what unites us:

- Commitment to a common system of values and readiness to play along the same rules. This makes us mutually predictable and understandable.
- Obvious, tangible economic benefit of regional integration processes.
- Common challenges and threats to the stability and security caused by the increasing transnational crime, extremism and terrorism.

Meanwhile, we are divided by:

- Unresolved ethnic conflicts,
- Certain deficit of trust, caused by the negative experiences of the history of the region.

I am confident that we shall concentrate on those elements which unite us. We shall take steps to harmonize our reforms, achieve unification of trade regimes and transportation tariffs. There is a need for joint investment projects in the infrastructures of the region. First of all this is true for energy and transportation projects, covering the entire Black Sea basin, and increasing its economic attractiveness. I am confident it is the best method for the establishment of favorable environment for resolution of existing conflicts. Through cooperation to the settlement, through communication to a bigger trust – that is the most effective mechanism for the resolution of problems. It is based on a search for a common interest.

In this context we are ready to continue dialogue with Azerbaijan for the settlement of the Nagorno Karabagh conflict and with Turkey on establishing relations without any preconditions.

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**Dear colleagues:**

We have an organization – the BSEC, which is the platform for exploration of the economic potential of our region. I am confident this Forum and the Declaration we intend to adopt will become a good stimulus for BSEC's further activities. They are called to signal the existence of political will at the highest level for furthering our cooperation.

In conclusion, I would like to once again thank the organizers of the Forum. I hope it will contribute towards strengthening stability, security and mutually beneficial cooperation in the Black Sea region.

Thank you for your attention.