



CIP/ЦМП



MEETING

ON THE ACTIVITIES OF THE CASPIAN REGIONAL THEMATIC CENTER ON LEGAL, REGULATORY AND ECONOMIC INSTRUMENTS (CRTC LREI)

(17 May 2001, Moscow)

MEETING REPORT

1. The Second meeting on the activities of the Caspian regional thematic center on legal, regulatory and economic instruments (CRTC LREI) was held on 17 May 2001 in Moscow in line with the work schedule approved by CEP Steering Committee in Baku in 1999 and Memorandum of Understanding between UNEP/ROE and CRTC LREI.

2. The meeting was organized and held in line with the directions of activities by this CEP thematic center formulated on 21-22 May 1999 during the First meeting of CRTC LREI. The First meeting approved the work schedule of this CRTC, considered the general characteristics of the present status and trends for development of environmental legislation, approved the preliminary structure of reviews of national environmental legislation in the Caspian states on protecting the Caspian Sea environment, discussed the documents prepared for the meeting (including those under TACIS contract) and identified the place of CRTC LREI in TDA preparation and CEP SAP formation.

The main objective of CRTC LREI is assistance to the Caspian states in elaborating harmonized legal, economic and regulatory instruments for management of the Caspian Sea environment and natural resources. To attain this goal it is particularly envisaged to use specific thematic proposals prepared by other CRTC's based on the results of their activities. The results of activities by CRTC LREI are implemented as recommendations and draft documents, and also during TDA process and preparation of NCAP and SAP.

The institutional and financial support of CRTC LREI activities is stipulated by UNEP project document on CEP (Project "Strengthening of institutional, legal, regulatory and economic framework for implementing Strategic Action Plan (SAP) within CEP framework") through Memorandums of Understanding between UNEP/ROE and CRTC LREI. At the preliminary stage in 1999 the Center activities were financially and institutionally supported by TACIS.

Numerous issues on the current activities within CEP framework have accumulated since the First meeting of CRTC LREI that necessitated holding the Second meeting. The actuality of holding the event simultaneously with the National meeting on TDA and NSAP CEP preparation was approved with UNEP/ROE and CEP Project Coordinating Unit.

3. The aim of the Second meeting of experts of CRTC LREI (17 May 2001, Moscow) was to discuss the present status of legal and economic mechanisms for environmental protection in the Caspian states, cooperation between CEP thematic centers

and potential use of results of their activities by the Caspian states, and also contribution by CRTC LREI in TDA/NCAP preparation. Presented were the draft versions of reviews prepared under MOU: on economic instruments for management of the Caspian Sea environment and natural resources; international experience in creation and operation of legal and economic instruments to ensure environmental safety during offshore oil extraction and the existing multilateral legislation on the Caspian Sea (multilateral and bilateral agreements and status of their implementation including the encountered difficulties and regional needs),

4. The meeting was held as a round table discussion for which CRTC LREI had prepared an annotated summary of the reviews, discussion document and a questionnaire on economic mechanisms that had been disseminated among the Caspian experts in early May 2001.
5. The meeting was attended by representatives of UNEP/ROE, UNEP Moscow Office, heads of CEP PCU and CRTC on bioresources management and integrated management of coastal zones, CEP international consultant on legal mechanisms, officially nominated experts from CRTC LREI from all Caspian states, representatives of ministries and departments, and CEP experts from the Caspian regions of Russia.
6. The meeting was opened by Head of CRTC LREI who briefly characterized the main trends of the Center activities in line with the approved work schedule and under the Memorandum of Understanding with UNEP/ROE, and enumerated the problems hampering the speedy achievement of results.
7. Head of CRTC on integrated management of coastal zones reported on the results of the Center activities on legal and economic trends of CEP. Discussed were the issues related to definition of the coastal zone and regulating economic activities in coastal zones.
8. The participants considered a contribution by CRTC on commercial bioresources management in elaborating relevant economic and legal instruments jointly with CRTC LREI.
Head and Coordinator of CRTC on bioresources management analyzed the basic factors hampering rational use of bioresources (including escalation of oil operations in the region, wide spreading of Mnemiopsis jelly-fish, absence of interstate network for protecting fish stock and measures for regulating their use). Presented was information on the elaborated draft Agreement on setting up a Commission on protection and use of the Caspian Sea bioresources (based on the experience of the existing Commission on bioresources and further promoting the draft Agreement on protection and use of bioresources).
During the discussion the experts (particularly representatives of the RF Ministry of Foreign Affairs and RF State Committee on Fisheries) expressed their opinion on the problem. Information was presented on plans and prospects of activities by CITES Convention on sturgeon.
9. CEP international consultant on legal instruments briefed on preparation of the first version of a summary overview on national environmental legislation in the Caspian states and recommendations on "assessment of legal regulation of environment protection and nature use in the Caspian states" and "improving legislation in the interest of environment protection in the Caspian Sea region, ensuring rational use of natural resources" and also responded to the questions on the overview preparation. The Caspian experts on legal instruments made presentations on the status of environmental legislation in their home countries and preparation of national reports on the subject within CEP framework.

10. CRTC LREI consultant on economic instruments briefed on preparation of the Review on economic instruments in environmental activities (international experience and regional approaches). Illustrated were examples of possible use of economic instruments in the region on the national level.
- The presentation touched upon an inventory of legal and economic mechanisms applied in the countries. The author considered an option of harmonizing the existing economic and legal instruments versus elaborating a new ones. In this context a vital issue is budgeting (particularly budget allocations) of elaborating and improving economic instruments and enforcing legislation.
- Based on the questionnaire prepared by CRTC LREI that had been disseminated among the Caspian experts prior to the meeting, the experts on economic instruments made presentations on economic instruments application in their home countries, and evaluating their effectiveness.
11. It were presented and discussed the first versions of the Reviews on international experience in creating and functioning of legal and economic instruments for providing environmental safety in the context of oil and on the existing multilateral legislation on the Caspian Sea prepared by CRTC LREI within the framework of Memorandums of Understanding with UNEP/ROE.
12. As a result of the meeting the following schedule of further work on the documents was approved:
- By the end of June the Caspian states experts on economic instruments will present their materials for the report based on the questionnaire they received in early May and discussed during the meeting. As of today the information was received from the expert from the Islamic Republic of Iran;
 - In early July the final version of the report in Russian will be prepared and submitted for approval by the Russian ministries and departments to meet the rules and procedures existing in the Russian Federation;
 - By the end of July the Report will be translated into English and submitted to UNEP, CEP PCU and experts from the Caspian states;
13. In the context of ensuring environmental safety during oil extraction in the Caspian Sea the meeting participants noted a necessity of introducing regulatory mechanisms permitting these activities in all Caspian states provided there exists a technology of "zero emission" and joint elaboration of mechanisms for evaluating damages, compensations measures and their application.
- The participants noted an extreme importance of comprehensive introduction of such economic and other mechanisms as EIA, effective systems for fines and payments, prohibition of siting production generating hazardous chemical waste in the region and improving environmental education.
- They noted a common problem for all the states – exchange of information both international and national levels (between various ministries and departments) and a need to coordinate the activities of all interested parties, and difficulties encountered in working out a unified regional mechanism for application of legal and economic mechanisms for environment protection.
14. It was agreed that the Third meeting of CRTC LREI will be held within two or three days in late August 2001 in Moscow as an Evaluation Meeting to present and discuss the final versions of the above-mentioned reports, and also the regional overview on legal mechanisms to be presented by CEP international consultant.
- In addition the Third meeting will consider prospects of activities by CRTC LREI and relevant proposals for CEP Steering Committee meeting.

15. The participants noted a fruitful nature of discussing CRTC LREI activities involving a broad spectrum of specialists from the Caspian states and representatives of other CEP thematic centers.