

**Framework Convention
for the Protection of the Marine
Environment of the Caspian Sea**

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**IMPLEMENTATION OF THE FRAMEWORK CONVENTION FOR THE
PROTECTION OF THE MARINE ENVIRONMENT OF THE CASPIAN SEA
(TEHRAN CONVENTION)**

Report by the interim Secretariat

Introduction

1. The present report highlights the progress in the implementation of the Tehran Convention since the 2nd Meeting of the Conference of Parties to the Tehran Convention (COP 2), Tehran, Islamic Republic of Iran, 10-12 November 2008, addressing the main issues on the agenda of the 3rd Meeting of the Conference of Parties (COP 3), to be held in Astana, Kazakhstan, 24 – 26 November 2010.

2. It may be recalled that at COP 2, the Ministers of Environment and Natural Resources of the Contracting Parties to the Tehran Convention, inter alia:

- Adopted the Strategic Convention Action Program (SCAP);
- Adopted the (first) SCAP based Program of Work (POW) and budget for 2009 – 2010;
- Supported the finalization for subsequent adoption and signing at COP 3 of the Protocols for: the Conservation of Biological Diversity; the Protection of the Caspian Sea against Pollution from Land-Based Sources and Activities, Environmental Impact Assessment in a Trans-Boundary Context; and Regional Preparedness, Response and Co-operation in Combating Oil Pollution Incidents;
- Noted the need to continue joint efforts to prepare an intergovernmental agreement on the conservation and rational use of aquatic bio-resources of the Caspian Sea;
- Agreed to review the institutional arrangements for the Tehran Convention at COP3 and confirmed their Government's intention to reach an early agreement on the location of the Secretariat;
- Invited UNEP to continue the functions of the Tehran Convention Secretariat ad interim and prepare a proposal for administering the Secretariat for consideration by COP 3;
- Agreed to continue to collectively provide an amount of \$360,000 per year (\$72,000 as contribution of each party) to the budget of the Tehran Convention.

3. It may furthermore be recalled that the POW provided for, inter alia:

- Establishment of National Convention Liaison Officers and co-ordination structures;
- Support to the development of National Convention Implementation/Action Plans (NCAPs);
- Support to the finalization and implementation of ancillary protocols;
- Development of a regional framework for monitoring, reporting and information sharing;
- Discussion on the establishment of a Convention subsidiary body;
- Promotion of donor coordination and private sector involvement;
- Preparation of a (first) State of the Environment Report (SOE) and a Caspian Biodiversity Atlas;
- Promotion of outreach and stakeholder involvement: Public Participation strategy; Caspian Information Website; NGO coordination.

4. It should be noted that the POW of the Tehran Convention was developed in conjunction with the UNDP / GEF project, entitled: The Caspian Sea: Restoring Depleted Fisheries and Consolidation of a Permanent Regional Environmental Governance Framework “CaspEco”, which component II entirely supports the implementation of the Convention POW. As a consequence the servicing of both the Convention process and CaspEco has de facto been a joint venture of the Convention interim Secretariat (TCIS) in Geneva, Switzerland, and the CaspEco Project Management Coordination Unit (PCMU) in Astana, Kazakhstan.

5. It should furthermore be noted that some major components of the POW receive support from the project, entitled: Strengthening the regional environmental governance capacity of the Caspian States, supported by the European Commission through its EuropeAid Co-operation Office.

6. The implementation of the POW on behalf of the Contracting Parties is guided by the Ministers of Environment and Natural Resources, assisted by National Convention Liaison Officers.

Institutional arrangements

A. Location of the Tehran Convention Secretariat

7. Article 22 para. 5 of the Tehran Convention concerning the holding of the meetings of the Contracting Parties stipulates that the Convention Secretariat will be located “in the territories of the countries of the Contracting Parties”.

8. In preparation of COP 1 and in line with the request of the second meeting of the State Signatories to the Tehran Convention (February 2006, Almaty, Kazakhstan), the interim Secretariat provided the Caspian countries with a questionnaire listing various elements that need to be taken into account in deciding on the most favourable location of the permanent secretariat. Up to today, Azerbaijan and the I.R. of Iran are the only countries that have submitted information in line with the questionnaire.

9. The Russian Federation also expressed an interest to host the Convention Secretariat.

10. At COP 1, on 25 May 2007, in Baku, Republic of Azerbaijan, the Ministers failed to reach agreement on the issue of a permanent Secretariat and decided “to continue further

discussions on institutional arrangements of the Convention at the second and subsequent meetings of the Conference of the Parties in view to finalize and reach consensus on these issues”

11. Meeting in Tehran, Islamic Republic of Iran, on 16 October 2007, the Presidents of the Caspian littoral States adopted a Declaration, in which they, inter alia, “noted the need to – as soon as possible – finalize the procedural aspects of the Tehran Convention, especially as regards the location of its permanent Secretariat”.

12. At COP 2, on 12 November 2008, in Tehran, Islamic Republic of Iran, the Ministers agreed “to review the institutional arrangements for the Tehran Convention at the third Meeting of the Conference of Parties, or earlier following an agreement on the location and arrangements of the permanent Secretariat, and confirmed their intention to reach such an agreement as soon as possible”.

13. The Senior Officials of the Caspian States, meeting on Procedural and Institutional Issues of the Tehran Convention in Geneva, 25 – 29 May 2010 as well as at the PrepCom to the COP 3 in Almaty, 16 - 17 September 2010 again discussed the location issue, based on a Note by the interim Secretariat, entitled “Location of the Tehran Convention Secretariat”. They indicated that a split or a rotating Secretariat should not be a first priority and stressed that COP 3 should either decide or make a clear recommendation on the location of the Convention Secretariat.

14. COP 3 is requested to discuss and decide on the location of the Tehran Convention Secretariat.

B. Administration and Financial management of the Tehran Convention

15. At COP 2 the Ministers requested UNEP “to develop a proposal for administering the permanent Secretariat (of the Tehran Convention) for their consideration at COP 3”.

16. The Senior Officials of the Caspian States, meeting on Procedural and Institutional Issues of the Tehran Convention (Geneva, 25 – 29 May 2010), discussed the issue, based on a Note by the interim Secretariat, entitled “Administration and Financial Management of the Tehran Convention and its Protocols”. They requested UNEP to further highlight the advantages and disadvantages of a UNEP administered Secretariat versus an independent Secretariat in a table. The table is contained in document TC/COP3/7 and was reviewed at the PrepCom to COP 3 in Almaty, 16-17 September 2010.

17. In case COP 3 will decide to request UNEP to administer the Tehran Convention, it may consider and adopt the draft Decision on “the Administration and Financial management of the Tehran Convention and its Protocols”. The draft decision is contained in document TC/COP3/7.

18. COP III is requested to consider and decide on the UNEP proposal.

C. Establishment of a Convention subsidiary body

19. The Senior Officials of the Caspian States, meeting on Procedural and Institutional Issues of the Tehran Convention (Geneva, 25 – 29 May 2010), discussed the issue, based on a Note by the interim Secretariat, entitled “Establishment of a subsidiary inter-sessional body of the

COP”, and agreed that the creation of such a body should be considered at a later stage, once the need for it arises.

20. No action is requested from COP 3.

D. Other institutional arrangements in support of the Tehran Convention and related Protocols

21. The Senior Officials of the Caspian States, meeting on Procedural and Institutional Issues of the Tehran Convention (Geneva, 25 – 29 May 2010), reviewed the need and potential of organized scientific and technical advisory services, based on a Note by the interim Secretariat, entitled “Scientific and Technical Advisory Services and Support for the Implementation of the Tehran Convention and its Protocols”.

22. They agreed that in the implementation of the Convention, and thus also the provision of scientific and technical advisory services and support, first priority should be given to the four Protocols developed. Other areas which should receive priority attention and might lend themselves for scientific and technical advisory services and support would include monitoring; bio-resources protection; and climate change and sea level fluctuation.

23. The Senior Officials, however, were of the opinion that any institutionalization of the required technical advisory services and support should be considered at a later stage, if and when the need arises.

24. No action is requested from COP 3.

The Protocols

A. Protocol on the Conservation of Biological Diversity

25. In the reporting period the negotiations on the Protocol on the Conservation of Biological Diversity continued. Three meetings took place: in Baku, Azerbaijan, 5-7 October 2009, Tehran, Islamic Republic of Iran, 27-28 June 2010; and Almaty, Kazakhstan, 15 September 2010. In the meetings agreement was reached on the text of the Protocol with the exception of two points: the definition of “country of origin of genetic resources” (Article 1 (e)) and the identification of wetlands to be included in the scope of application (Article 3).

26. COP 3 is requested to review and resolve the outstanding issues and to endorse the text of the Protocol on the Conservation of Biological Diversity to the Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Annex to document TC/COP3/5) and to confirm the intention of their respective Governments to secure internal approval with the view to adopt and sign the Protocol at COP 4.

B. Protocol on Pollution from Land Based Sources and Activities

27. In the reporting period the negotiations on the Protocol for the Protection of the Caspian Sea against Pollution from Land-Based Sources and Activities continued. Two meetings took place: in Ashgabat, Turkmenistan, 7-8 September 2009; and Astana, Kazakhstan, 9 November 2009. Agreement was reached on the text of the Protocol with the exception of the scope of application (Article 3) and section B.15 of Annex I to the Protocol.

28. COP 3 is requested to review and resolve the outstanding issues and to endorse the text of the Protocol on Pollution from Land Based Sources and Activities to the Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Annex to document TC/COP3/6) and to confirm the intention of their respective Governments to secure internal approval with the view to adopt and sign the Protocol at COP 4.

C. Protocol Concerning Regional Preparedness, Response and Co-operation in Combating Oil Pollution Incidents

29. In the reporting period the negotiations on the Protocol Concerning Regional Preparedness, Response and Co-operation in Combating Oil Pollution Incidents continued. Two meetings took place: in Astana, Kazakhstan, 10-12 November 2009; and Moscow, Russian Federation, 26 January 2010. In the meetings full agreement was reached on the text of the Protocol, and Governments were requested by letter of 24 March 2010 “to initiate the internal approval process with a view to have the Protocol adopted and signed at COP 3”.

30. COP 3 is requested to adopt the Protocol Concerning Regional Preparedness, Response and Co-operation in Combating Oil Pollution Incidents to the Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Annex to document TC/COP3/3), and Ministers are invited to sign the Protocol on behalf of their Government. COP 3 may urge for early ratification and implementation of the Protocol.

D. Protocol on Environmental Impact Assessment in a Trans-Boundary Context.

31. In the reporting period the negotiations on the Protocol on Environmental Impact Assessment in a Trans-Boundary Context continued. Two meetings took place: in Moscow, Russian Federation, 27-29 January 2010; and Baku, Azerbaijan, 26-27 April 2010. In the meetings full agreement was reached on the text of the Protocol, and Governments were requested by letter of 21 May 2010 “to initiate the internal approval process with a view to have the Protocol adopted and signed at COP 3”.

32. COP III is requested to adopt the Protocol on Environmental Impact Assessment in a Transboundary Context to the Framework Convention for the Protection of the Marine Environment of the Caspian Sea (Annex to document TC/COP3/4), and Ministers are invited to sign the Protocol on behalf of their Government. COP 3 may urge for early ratification and implementation of the Protocol.

National (Strategic) Convention Implementation/Action Plans (NCAPs)

33. Both the POW of the Tehran Convention and the CaspEco project provide for the development of NCAPs, through the review and alignment of the former National Caspian Action Plans to the provisions and requirements of the Tehran Convention and its Protocols, as captured in the regional Strategic Convention Action Program, adopted by COP 2.

34. A format was developed and national focal points for the coordination of the preparation of the NCAPs were nominated. A first coordination meeting will be held in Ashgabat, Turkmenistan in December 2010.

35. COP 3 is requested to welcome the progress in the preparation of NCAPs and urge the Caspian States to promote finalization, endorsement and implementation of their NCAP not later than COP 4, with particular attention to inter Ministerial coordination and the need to mainstream implementation in relevant national development policies and programs, and to secure adequate financial resources for the short, medium and longer term.

Monitoring, reporting and information sharing.

A. Standard (unified) reporting format.

36. A standard unified Reporting Format for the Tehran Convention and its Protocols was developed and discussed at meetings in Ashgabat, Turkmenistan, 9-10 September 2009, and Geneva, Switzerland, 25-29 May 2010. During the meetings full agreement was reached on the reporting format, which is contained in document TC/COP3/8.

37. COP 3 is requested to adopt the Unified Reporting Format contained in document TC/COP3/8 as the guiding framework for reporting by the Caspian States on the implementation of the Tehran Convention and, upon their entry into force, the Protocols on Biological Diversity; Pollution from Land-Based Sources and Activities; Regional Preparedness, Response and Co-operation in Combating Oil Pollution Incidents; and Environmental Impact Assessment in a Transboundary Context, and to request the (interim) Secretariat to coordinate and prepare the first report on the implementation of the Convention and its Protocols for consideration of COP 4.

B. State of the Environment Report and Biodiversity Atlas

38. At the meeting in Ashgabat, Turkmenistan, on 9-10 September 2009, the Representatives of the Caspian States requested the interim Secretariat to prepare, with the assistance of Government nominated experts, the first report on the State of the Caspian Environment, drawing, inter alia, on documentation and reports developed under the Caspian Environment Program and the Tehran Convention. In preparing the report, due account should furthermore be taken of other relevant scientific national and regional reports and publications, as well as the development of a unified reporting format for the implementation of the Convention and its Protocols.

39. To assist in the preparation of the report, an indicator-based questionnaire was circulated and a meeting was organized in Almaty, Kazakhstan, on 18 September 2010 to allow the Representatives of the Caspian States to discuss and review the outline of the report and the progress made in putting it together. The State of the Environment report will be presented to COP 3 for information (document TC/COP3/INF.2).

40. Due to resource and time constraints no start has been made yet with the preparation of a Biodiversity Atlas.

41. COP 3 may wish to welcome the first State of the Environment Report (TC/COP3/INF.2); decide that the next State of the Environment Report should be issued in four years time and request the (interim) Secretariat to develop for submission and decision by COP 4 a monitoring format for future state of the environment reports

with core indicators and networks of institutions capable of measuring the quality of the waters of the Caspian Sea with priority focus on biodiversity loss, bioresources decline, pollution from land-based sources, offshore oil and gas exploration and exploitation, transport, and climate change and sea level fluctuation.

42. COP 3 may wish to retain the preparation of a Biodiversity Atlas as an activity in the POW for 2011-2012, subject to available resources and to request the (interim) Secretariat to undertake fundraising in this regard.

C. Monitoring and web-based information sharing

43. Both the POW of the Tehran Convention and the CaspEco project provide for enhanced monitoring and related capacity building. Based on the priorities for the implementation of the Tehran Convention and its Protocols, to be established by COP 3, an in-depth analysis will be made of the available and required capacity of and within the Caspian States for monitoring, data collection and analysis, and as provided for and supported by the CaspEco project, a meeting of representatives of the Caspian states will be convened to discuss and agree on a monitoring program, including the possibility of developing a Protocol on Monitoring.

44. COP 3 may wish to request the (interim) Secretariat to promote and coordinate the development of main elements of a possible new Protocol on environmental monitoring in collaboration with relevant international institutions, and report on progress to COP 4.

45. The CaspEco project provides for a Caspian Web-based Information Centre (CIC) incorporating available environment status data. The POW of the Tehran Convention includes the establishment of a Caspian Information website. The CIC is under construction and would include both information derived from (inter)governmental monitoring and reporting but also from and for civil society and the public at large.

46. COP 3 may wish to welcome the progress in the establishment of a Caspian Web-based Information Centre and to request the (interim) Secretariat to promote and ensure that the Centre will be fully established and operational by the time of COP 4.

Outreach and stakeholder involvement

47. Pursuant to the 2nd meeting of Caspian Stakeholders, St. Petersburg, Russian Federation, 13-14 March 2009, a Strategy for Civil Society Engagement in the Caspian Sea Marine Environment, was developed. The Strategy was discussed and agreed upon at the Meeting of Senior Officials on Procedural and Institutional Issues, Geneva, Switzerland, 25-29 May 2010, and is contained in document TC/COP3/9.

48. National strategies for Civil Society Engagement in the Caspian Sea Marine Environment are under preparation; they will form part of the NCAPs. A first coordination meeting will be held in Ashgabat, Turkmenistan in December 2010.

49. Core conditions for civil society engagement are the creation of lists of national stakeholders; their affiliation with the web-based Caspian Information Centre; and regular meetings and publications on national and regional developments regarding the

implementation of the Tehran Convention and its Protocols. Stakeholder organizations are also expected to assist in promoting and organizing Caspian Day.

50. At their 3rd meeting, in Almaty, on 18 September 2010, representatives of civil society received and discussed reports on progress and constraints in the preparation of National Strategies for civil society engagement, appraised the state of preparations of COP III and were requested to select a representative to address COP 3 on their behalf.

51. COP 3 is requested to welcome the Strategy for Civil Society Engagement in the protection of the Marine Environment of the Caspian Sea (document TC/COP3/9), as well as its translation into National Strategies, and confirm the intention of their respective Governments to ensure that the conditions for stakeholder engagement are met, through an early endorsement, launching and implementation of the National Strategies for Stakeholder engagement, as part of the NCAPs.

Conservation and rational use of aquatic bio-resources

52. COP 2 “noted the need to continue joint efforts to prepare an intergovernmental agreement on the conservation and rational use of aquatic bio-resources of the Caspian Sea”.

53. In the reporting period a presentation on the CaspEco project and the Tehran Convention process was made to the Commission on Aquatic Bio-resources when it met in Tehran, Islamic Republic of Iran, on 14 July 2009. Following a number of bilateral meetings and discussions with Fisheries Authorities in the Caspian States, involving both the CaspEco PCMU and the TCIS, a Meeting was organized under the CaspEco project in Almaty, Kazakhstan, on 13 September 2010, to discuss ways and means for enhancing the regional dialogue between the fisheries and environment authorities with a view to advance the preparation and conclusion of an intergovernmental agreement on the conservation and rational use of aquatic bio-resources of the Caspian Sea.

54. The meeting concluded and recommended to arrange for a first meeting between the fisheries and environment authorities for the development of such an intergovernmental agreement within 6 months from September 2010, technically and financially supported by the CaspEco project.

55. COP 3 may wish to welcome and support the development of a regional legal instrument on the conservation and rational use of bioresources through the arrangement of a CaspEco project supported first meeting, and to request the (interim) Secretariat to contribute to the efforts and to report on progress to COP 4.

Donor Coordination and private sector involvement

56. Both the POW of the Tehran Convention and the CaspEco project provide for the promotion of partnerships with the private sector. It is proposed to launch a targeted campaign for sponsorship of the Tehran Convention process by (a group of) National Oil Companies. A note addressing some aspects of the role and relevance of the oil and gas sector for the protection of the marine environment of the Caspian Sea is contained in document TC/COP3/10.

57. COP 3 may wish to welcome the participation in this Meeting of representatives of the oil, gas and shipping industry and to request the (interim) Secretariat to explore partnerships with these industries to serve the objectives of the Convention.

2011-2012 Program of Work and Budget

58. The proposed POW for 2011-2012 is contained in document TC/COP3/11. The POW consists of ongoing activities and actions related to the implementation of the anticipated decisions by COP 3. Its implementation will be supported by both the CaspEco project and the project entitled: Strengthening the regional environmental governance capacity of the Caspian States, supported by the European Commission through its EuropeAid Co-operation Office.

59. The proposed POW will be supported financially by the CaspEco project, the project entitled: Strengthening the regional environmental governance capacity of the Caspian States, and the proposed Trust Fund for Administering and Meeting the Objectives of the Tehran Convention and its Protocols, including the functioning of the Secretariat.

60. COP 3 may wish to adopt the POW for 2011-2012 (document TC/COP3/11), note and agree with the proposed budgetary implications, urge Governments to support and the (interim) Secretariat to promote and report on its implementation, and reiterate its commitment to collectively contribute an amount of \$360,000 per year (\$72,000 as contribution of each party) to the Trust Fund for Administering and Meeting the Objectives of the Tehran Convention and its Protocols, including the functioning of the Secretariat.