



Oil pipeline construction in Eastern Siberia: Implications for indigenous people

Natalia Yakovleva*

Winchester Business School, University of Winchester, Sparkford Road, Winchester, Hampshire SO22 4NR, United Kingdom

ARTICLE INFO

Article history:

Received 12 March 2010

Received in revised form 6 April 2011

Available online 14 July 2011

Keywords:

Indigenous
Activism
Participation
Extractive
Yakutia
Pipeline

ABSTRACT

Traditional economic activities, lifestyles and customs of many indigenous peoples in the Russian North, such as reindeer herding, hunting and fishing, are closely linked to quality of the natural environment. These traditional activities that constitute the core of indigenous cultures are impacted by extractive sector activities conducted in and around traditional territories of indigenous peoples. This paper examines implications of an oil pipeline development in Eastern Siberia on the Evenki community in the Aldan district of the Republic of Sakha (Yakutia). It examines community concerns about potential environmental damage and impacts on traditional livelihood. The paper analyses the interaction of indigenous communities with the pipeline project through interrogation of elements such as impact assessment, consultation, compensation, benefits, communication and public activism. The paper discusses how state policy and industry's approach towards land rights and public participation affects the position of indigenous peoples and discusses barriers for their effective engagement. The analysis shows a number of policy failures in the protection of traditional natural resource use of indigenous peoples and provision of benefits with regards to the extractive sector that leave indigenous peoples marginalised in the process of development. There is a need to involve indigenous peoples on the basis of dialogue and partnership, improve regulation and shift industry's approach towards consideration and engagement.

© 2011 Elsevier Ltd. All rights reserved.

1. Introduction

Expansion of the extractive sector into remote areas of the world is a source of concern for indigenous peoples' livelihood, lands and development due to negative impacts on traditional natural resource use associated with the industry (O'Faircheallaigh, 2001; Hilson, 2002; O'Faircheallaigh and Ali, 2008). Under pressure from international organisations, civil society and national governments, the extractive sector has started to develop mechanisms for addressing indigenous peoples' matters within minerals projects. Notably, extractive companies in Australia and Canada have started to formalise relations with traditional land users and owners, engage them in environmental management and contribute to community development (Hipwell et al., 2002; O'Faircheallaigh, 2008).

In Russia, rapid development of the extractive sector since the 1950s has brought large-scale socio-economic changes in the north, contributing to urban and infrastructure development and mass migration. The extent of environmental degradation caused by the extractive industry has been documented since the Soviet period (Komarov, 1978; Singleton, 1987; Peterson, 1995). However, in the 1990s studies emerged revealing negative effects on

indigenous peoples such as displacement of reindeer herding and hunting, disregard for traditional lifestyle, lack of compensation and benefit sharing (Osherenko, 1995; Vakhtin, 1998; Habeck, 2002; Wilson, 2003; Forbes et al., 2004; Stammler and Wilson, 2006). Although the 1990s legal, political and economic reforms in Russia have changed the structure and relations of the state, industry and indigenous peoples to natural resource use, "privatised" extractive companies that experience substantial influence from the state still lack responsibility for the negative impact on indigenous communities (Stammler and Wilson, 2006; Hovelsrud et al., 2008). Recent studies emphasise the need to improve dialogue and participation of indigenous peoples in resource development projects (Wilson, 1999; Caulfield, 2004; Forbes et al., 2004; Stammler and Peskov, 2008).

This paper aims to examine the effects of current oil sector developments on indigenous peoples in Russia; to explore existing avenues available to indigenous communities to influence resource exploitation projects on their traditional territories; and to investigate roles of the state, project developers and civil society in facilitating the participation of indigenous peoples. The paper presents a case study of the Eastern Siberia-Pacific Ocean (ESPO) oil pipeline construction in the Republic of Sakha (Yakutia) (later referred to as Yakutia), which passes through a homeland of indigenous Evenki communities who rely on hunting and reindeer herding for their subsistence livelihood. The analysis is based on semi-structured interviews conducted in 2006–2009 in Yakutia with community

* Tel.: +44(0) 192827302; fax: +44(0) 1962827048.

E-mail address: natalia.yakovleva@winchester.ac.uk

activists, non-governmental organisations (NGOs), representatives from regional government, local municipal authorities, the Evenki community, local organisations and the oil and gas sector.

Firstly, the paper reviews critical themes of indigenous peoples' relations in the global context of mineral resource exploitation. Secondly, the paper reviews the Soviet legacy of extractive activities in the Russian North and examines the legal framework for protection of indigenous peoples' rights in Russia. Then, it details the case of the ESPO pipeline and Evenki in Aldan, investigating potential impacts of the project on the natural environment and traditional livelihoods and how indigenous people interact with the project. The paper specifically examines elements of impact assessment, consultation, compensation, benefits and communication. It discusses provisions for indigenous peoples' involvement in project development by analysing areas of land rights, participation in planning and public activism. Finally, the paper discusses barriers for effective engagement of indigenous peoples in the extractive sector and possible ways forward to improve participation and dialogue with indigenous people.

2. Indigenous peoples and the global extractive industry

The extractive industry significantly affects indigenous communities worldwide (Ali and Behrendt, 2001; O'Faircheallaigh, 2001; Hilson, 2002; Ali, 2003; O'Faircheallaigh and Ali, 2008). Several issues emerge as crucial for the development of indigenous peoples including: land titles, traditional knowledge, health, education, employment, capacity building, learning, women, youth participation and collective action (Anderson, 1997; Hipwell, et al., 2002; Lane et al., 2003; Anderson et al., 2006; Kirsch, 2007). Discussion of indigenous peoples' issues in relation to economic development often centres on topics such as inclusion in decision-making, participation, co-management, consideration of traditional land ownership and provision of access to land and natural resources.

Indeed, land is often a subject of dispute between indigenous peoples, national governments and private companies (Mercer, 1997; MMSD, 2002; Ali, 2003; ICMM, 2008). Although international policy calls for national governments to provide indigenous peoples with greater ownership rights for traditional lands, settlement of land claims is uneven throughout the world (Sawyer and Gomez, 2008; UN, 2008). In this regard, one of the main elements of international policy is the promotion of a concept of free prior informed consent (FPIC) that recognises the rights of indigenous peoples to their lands, resources and respects their legitimate authority to require parties to enter into equal and respectful relationship with them, based on a principle of informed consent. It is a manifestation of a fundamental right for self-determination and specifically refers to indigenous peoples to define development in accordance with their culture, needs and circumstances (UN, 2005). FPIC is understood in several ways by financial institutions, nation-states and companies. One interpretation is as a right of indigenous people to contest proposed projects on their traditional territories (a view held by indigenous movements, NGOs and the EU Council). Another interpretation is as consultation with indigenous people about a proposed project and inclusion in the management of project issues (a position supported by policies of the World Bank and the International Finance Corporation) (Commission on Human Rights, 2005; MacKay, 2004; Doyle, 2008).

Pressure on the extractive sector to consider indigenous peoples' matters in minerals operations comes from: promotion of indigenous peoples agenda by international organisations and international policy developments (UN, 2008); indigenous movements (Coumans, 2008); advances in national legislation; standards and policies developed by international lending and

financial institutions such as Equator Principles (EIR, 2003; IFC, 2006; Equator Principles Website, 2010); guidelines developed by various NGOs and business forums such as the Global Reporting Initiative (GRI, 2005; Forest Peoples Programme and Tebtebba Foundation, 2006); and initiatives developed by industry associations (e.g. Position Statement on Mining and Indigenous Peoples, ICMM, 2008 and Towards Sustainable Mining Framework, MAC, 2008). Some extractive companies have started to formalise their relationships with indigenous peoples by engaging them throughout project lifecycles, establishing partnerships with indigenous peoples (Anderson, 1997), adopting policies, dedicating resources and reporting on indigenous peoples' issues and supporting international schemes (e.g. ILO Convention 169). Indigenous peoples' issues are increasingly being incorporated in project planning, consultation, social impact assessment, environmental management, environmental monitoring, recruitment policies and corporate community relations (Hipwell, et al., 2002; Lane et al., 2003; O'Faircheallaigh, 2007).

Operations of the extractive sector in circumpolar regions have long been associated with impacts on and opposition from indigenous peoples (e.g. opposition from Alaska Native groups and environmentalists to the Trans-Alaska Pipeline System in 1974–1977, Coates, 1991; and concerns for Aboriginal land and communities with regards to the Mackenzie Valley pipeline project, Dana et al., 2008). In the case of the Mackenzie Valley pipeline, many Aboriginal groups that originally opposed the gas pipeline, after having their land claims settled and following a series of consultations, have given support to the project and expect to benefit from it through job creation and community development. Through the Aboriginal Pipeline Group, Aboriginal communities are also incorporated as ultimate beneficiaries and partners in the project (Altamirano-Jiménez, 2004; Anderson et al., 2006; Dana et al., 2008). Moreover, the project developers conducted a comprehensive impact assessment with a view to consider traditional knowledge for minimisation of environmental impact during routing of the pipeline (Imperial Oil Resources, 2003).

Moving away from plain disregard and exclusion towards consideration and inclusion, the industry is gradually changing its approach to indigenous peoples' matters. Some positive developments to address and improve indigenous peoples relations include: consideration of traditional knowledge in impact assessment that aims to respect indigenous peoples' lifestyle, livelihood and culture; and engagement with indigenous peoples through negotiated impact and benefit agreements that deal with issues of environmental impact, compensation, benefit sharing, training, employment and development (O'Faircheallaigh and Corbett, 2005; O'Faircheallaigh, 2008). For instance, such impact and benefit agreements have been reached between Aboriginal Communities and mining companies in Canada in the cases of Victor, Ekati, Diavik, Cigar Lake, Voisey Bay, Raglan and Musselwhite mines. Experiences from developed countries show a trend towards indigenous participation and co-management in extractive projects. The research demonstrates that fundamental factors that help improve relationships with indigenous peoples are: settlement of land titles, enactment of legislation for consideration of indigenous peoples' interests; creation of Native corporations; setting up compensation mechanisms and establishing royalty payments; and sharing benefits from minerals projects with dedicated funds to improve training, employment, education and health (Caulfield, 2004; Dana et al., 2008; O'Faircheallaigh, 2008).

The case study of Evenki communities in Russia, however, is set in a different socio-economic setting, and the course of extractive sector developments is significantly different from developed countries in the West. Nonetheless, the range of concerns for their livelihood is similar to other circumpolar regions. The examination of the ESPO oil pipeline construction aims to explore how

indigenous peoples' issues are addressed in the extractive sector in Russia and assess Russian industrial policy towards these matters.

3. Indigenous peoples and the extractive industry in Russia

In Russia, the state provides special support to indigenous minorities or *korennyye malochislennye narody*, literally 'numerically small indigenous nations', who live in territories of traditional settlements of their ancestors. These ethnic communities numbering fewer than 50,000 people maintain traditional lifestyles and trades (Donahoe et al., 2008). Out of 45 recognised indigenous minorities forty live in the North, Siberia and Far East, who are mostly engaged in reindeer herding, hunting and fishing (Government of the Russian Federation, 2006). The population of indigenous minorities of the North is 280,000 people or 0.2% of the total Russian population. The area of their historical settlement covers up to 64% of the Russian territory (see Fig. 1) (UN, 2010; Yakovleva et al., 2000). These areas hold significant reserves of gold, diamonds, tin, coal, iron and gas and are of interest to state and private extractive industries (Bond, 1994; Bradshaw, 1995; Bradshaw and Lynn, 1998; Tichotsky, 2000).

Industrial developments during the Soviet period largely disregarded the natural environment with wasteful exploitation practices, ineffective protection measures and weak regulatory enforcement (Komarov, 1978; Singleton, 1987; Peterson, 1995). Since the 1960s, the extractive industry has been persistently harming the natural environment that supports the economies of indigenous minorities. Fondahl (1995), Duhaime (2004), Xanthaki (2004) and Overland (2005) observe that many destructive processes amongst indigenous populations – such as deterioration of living standards, degradation of reindeer herding, high levels of unemployment, destruction of material culture, poor housing conditions, and poor health conditions – are linked to the legacy of state development policies.

Many of these polluting industrial practices have been carried to the present (Osherenko, 1995; Pika and Bogoyavlensky, 1995; Vakhtin, 1998; Forbes, 1999; Habeck, 2002; Tuisku, 2002; Wilson, 2003; Forbes et al., 2004). Wilson (1999) and Stammler and Wilson (2006) note that the industry clearly lacks consideration for indigenous peoples' rights, interests and their relationship to the land. Industry's approach is characterised by insufficient knowledge of indigenous peoples and their way of life; lack of expertise to deal with ethnic questions; and lack of understanding or willingness to accept indigenous peoples' right to live according to their own premises (Hovelsrud et al., 2008). However, some projects, such as the Sakhalin oil and gas project, have developed different approaches to indigenous participation (Wilson, 1999; Stammler and Peskov, 2008; Graybill, 2008, 2009).

In Russia, indigenous relations are regulated at three levels: (1) Russia has signed and ratified several international documents relating to indigenous peoples; (2) Russia is developing a national federal legislation concerning indigenous minorities; and (3) regional legislative bodies have a right to develop regional legislation for indigenous minorities within the boundaries of the federal legislation (Balzer and Vinokurova, 1996; Lynn and Fryer, 1998; Fondahl et al., 2000; Fondahl and Poelzer, 2003; Xanthaki, 2004; Alferova, 2006). Natural resource use is the main area of intersection between extractive activities and traditional activities of indigenous minorities. Although Russian environmental legislation is relatively comprehensive, the regulatory framework for indigenous minorities is criticised as being incomplete and often contradictory (RAIPON, 2009). This may have significant negative implications for reindeer herding and other forms of traditional

resource use affecting the livelihood and culture of many indigenous minorities (Alferova, 2006; Danilova, 2006).

4. A case study of ESPO construction in Yakutia

By enlarging physical infrastructure in the east, Russia plans to develop inland oil and gas resources and expand exports in the eastern direction. The Russian Government has invested in the construction of the Eastern Siberia-Pacific Ocean oil pipeline that will extend over 4400 km and carry up to 80 million tonnes of oil per year from oil fields in Western and Eastern Siberia to the Pacific Coast (see Fig. 1) (Belova and Mel'nikova, 2005; Sagers, 2006). The project is developed by Transneft, a state-owned pipeline monopoly, and managed by its daughter company, the Centre for Project Management of Eastern Siberia-Pacific Ocean (CPM ESPO). It consists of two phases: Phase 1 from Taishet to Skovorodino, near the Chinese border, was constructed between 2006 and 2009; and Phase 2 from Skovorodino to Kozmino, near Vladivostok, is planned to be completed by 2015.

Plans of the route were changed on several occasions due to political, economic, business and environmental reasons (Paik, 2005; Buszynski, 2006). In 2006, the Government proposed to shift the pipeline northwards from the Lake Baikal following extensive environmental protests. Expansion of the ESPO northwards, entering into Yakutia, allows it to connect to oil fields in the region. Now, the pipeline passes through Aldan, Lensk, Olekminsk and Neryungri districts of Yakutia and, at least in the Aldan and Neryungri districts, it affects traditional activities of indigenous Evenki (that are regarded as indigenous minorities of the North). Evenki are one of the largest and most geographically spread indigenous nations, and ESPO passes through the Evenki homeland along much of its route (Anderson, 1991; Fondahl and Sirina, 2006). Seventy six percent of the total 35,500 Evenki population in Russia live in rural areas. The majority reside in Yakutia (51%), the rest live in Krasnoyarskii Krai (23%) (including 10% residing in its Evenkiiskii Municipal District), Khabarovskii Krai (12%), Republic of Buryatiya (6%), Amur Oblast (4%), Irkutsk Oblast (3%) and Zabaikalskii Krai (1%) (see Fig. 1).

This paper analyses the implications of the pipeline construction for Evenki communities in Aldan. Here, around 1200 Evenki live in villages of Khatystyr, Kutana and Ugoyan (see Fig. 2). This paper is based on analysis of in-depth, face-to-face interviews conducted in Yakutia during 2006–2009 with a variety of respondents, including: state and municipal authorities in the Aldan district (six interviews), municipal authorities in Belletskii *nasleg* (six interviews), local organisations in the Aldan district (four interviews), Evenki herders (seven interviews), environmental NGOs (10 interviews), indigenous peoples NGOs (four interviews), other civil society organisations and civil activists (seven interviews), an extractive company (one interview), oil and gas businesses (four interviews), regional government officials (eight interviews). The data include recordings and notes from public meetings (two meetings). All interviews were conducted in Russian and the majority of interviews were recorded with prior consent from interviewees. Collected interview data have been triangulated by approaching different actors and corroborating interview accounts with on-site observations, written records, newspaper articles, regulation and government documents.

In 2006, initial unstructured interviews conducted in Yakutsk (capital of Yakutia) helped to map themes and actors involved as well as those affected by the pipeline construction. During 2007 and 2008, semi-structured interviews followed two separate interview schedules and were conducted to ascertain the perceptions of various actors from a developed list of interviewees. Some respondents were approached on several occasions to comment on



Regions :

- | | |
|---|--|
| 1- Murmansk Oblast | 18- Evenk Municipal Region of Krasnoyarskii Krai |
| 2- Republic of Karelia | 19- Taimyr (Dolgano-Nenets) Municipal Region of Krasnoyarskii Krai |
| 3- Arkhangelsk Oblast | 20- Irkutsk Oblast |
| 4- Komi Republic | 21- Republic of Buryatiya |
| 5- Nenets Autonomous Okrug | 22- Zabaikalskii Krai |
| 6- Khanty-Mansi Autonomous Okrug – Yugra | 23- Republic of Sakha (Yakutia) |
| 7- Yamal-Nenets Autonomous Okrug | 24- Amur Oblast |
| 8- Tyumen Oblast | 25- Chukotka Autonomous Okrug |
| 9- Omsk Oblast | 26- Koryak Okrug of Kamchatskii Krai |
| 10- Tomsk Oblast | 27- Kamchatskii Krai (including territory of 26) |
| 11- Novosibirsk Oblast | 28- Magadan Oblast |
| 12- Altaiskii Krai | 29- Khabarovskii Krai |
| 13- Republic of Altai | 30- Sakhalin Oblast |
| 14- Kemerovo Oblast | 31- Primorskii Krai |
| 15- Republic of Khakassia | 32- Jewish Autonomous Oblast |
| 16- Tyva Republic | |
| 17- Krasnoyarskii Krai (including territory of 18 and 19) | |

Fig. 1. Map of the Russian Federation showing the North, Siberia and the Far East. (Russia consists of various regions that have different names such as Republic, Krai, Oblast, Autonomous Oblast, Autonomous Okrug, but they are all equal subjects of the Russian Federation. Currently, there are 83 subjects in the Russian Federation).

project developments. In 2009, unstructured and semi-structured interviews were conducted to revisit the themes and complete the range of accounts. Data collection was completed when 'data saturation' on explored topics had been reached. For instance, all relevant tribal communes that are directly affected by the pipeline construction were interviewed and it was decided that interviewing further number of tribal communes would not enrich the study. Collected textual data (including interview transcripts, meeting notes, documents and records) were analysed through a mixture of coding and narrative analysis using Nvivo 8 software. The data were analysed for narratives to track sequences of events, chronologies, stages of pipeline development and relationships

between different actors on topics that emerged from coding. The case study is presented following the logic of analysis: firstly, the paper describes major features of the case, then it explores major challenges faced by indigenous minorities, and finally it tries to explain the reasons behind these challenges.

4.1. Industry and Evenki in Aldan

In the 1930s, the state initiated a collectivisation policy for organising traditional economic activities of indigenous minorities within a system of state supervised collective farms (*kolkhoz*) (Overland, 2005). In Aldan, many Evenki were brought together

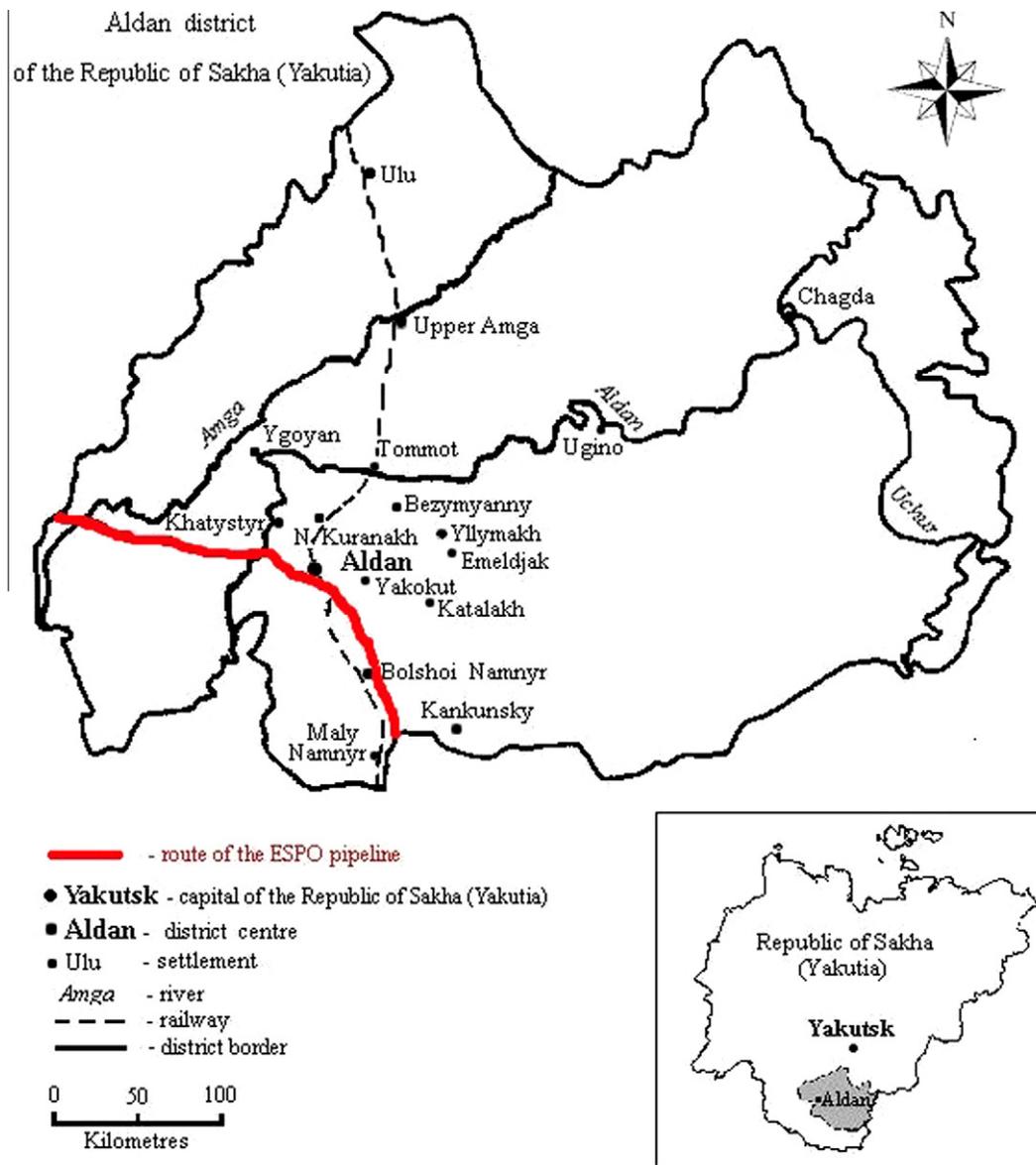


Fig. 2. The ESPO pipeline in Aldan district of Yakutia.

under the Belletskii municipal authority (see Fig. 2) formed in 1928, and their activities were formed under *Kolkhoz* “Khatystyrskii”. In the 1990s, the collective farm system had been reformed into a private-farm system by breaking down the *kolkhoz* into small and large agri-businesses (Uzin, 2005). De-collectivisation was followed by the establishment of *rodovaya obschina* (tribal commune) that aimed to introduce family approaches to economic and land relationships and traditional economic activities of reindeer herding, fishing and hunting (Fondahl et al., 2001; Fondahl and Sirina, 2006; Vitebsky, 2005). In the 1990s, *Kolkhoz* “Khatystyrskii” was privatised into a joint-stock company “Khatystyr”, and more than 20 tribal communes were formed in the Belletskii municipal authority, most of which are small units of 10 herders and hunters with herds of up to 100 reindeers. Today, Evenki in Belletskii authority hold 9000 reindeers, rely on traditional subsistence activities as well as commercial and employment activities. Tribal communes receive state subsidies for hunting and reindeer herding, and obtain licenses in order to hunt for food and sables that go for regulated commercial sale.

Gold mining and accompanying industrial developments in Aldan began in the 1920s with the discovery of major gold deposits.

In the Soviet period, gold mining dominated the regional economy and was associated with mass migration, infrastructure and urban development (Yakovleva, 2005). Industrial pollution, open-pit mining and land use change caused significant negative environment impacts by affecting regional water, land and biodiversity resources (Poiseev, 1999; Savvinov, 2000; Artamonova and Danilov, 2004). Nizhny Kuranakh, a centre of gold mining is only 30 km away from the Evenki village of Khatystyr. Over the years, without due acknowledgement and compensation, mining has negatively affected Evenki communities, reducing their reindeer pastures, hunting grounds and influencing traditional economic activities through destruction of landscape and forest, and water pollution. Although mining contributes towards the overall economic development in Aldan, there is a disparity between standards of living of industrial and rural settlements. For instance, 70% of the Belletskii authority population are low income households and the majority of them are Evenki.

Currently, many Evenki in Aldan have a base in the villages and migrate with their herds and hunt in certain seasons. Before the establishment of formal settlements like Khatystyr in the 1920s and 1930s, Evenki led nomadic lifestyles and used the area for

traditional activities. At present, the *kolkhoz* system no longer exists, the extractive industry is privatised, land ownership is reformed and indigenous people are organised into tribal communes. The Aldan district is an important hub with developed mining, rail and road infrastructure and is being marked by state policies for further industrial development – oil pipeline and maintenance facilities have been constructed, there are proposals for the development of a uranium mine and hydroelectric stations.

5. Implications of the ESPO construction for Evenki in Aldan

In Yakutia, attitudes towards impacts, benefits, risks and rationales for the pipeline construction are divided. The pipeline developers' position (Transneft, CPM ESPO and contractors) is supported by the economic policy of the federal government and rests on the dominant national economic interest – i.e. development of the oil and gas sector. Developers assure that they will minimise environmental impacts during the construction and manage maintenance risks using advanced technologies. Regional government promotes ESPO as an excellent opportunity to develop the regional oil sector, attract potential investment, boost employment and increase regional state revenues. Many local organisations and businesses have been supportive of the project that would bring employment and a diversification of the regional economy.

However, there is a group mostly formed by civil society forces, including environmental NGOs, indigenous peoples' NGOs, other civil society organisations and civil activists that are openly discontent with the project. The latter group is specifically concerned that Evenki communities will be significantly affected by the ESPO project compared to other communities. They anticipate, and voice in public, that environmental change will negatively affect Evenki subsistence and cultural practices of hunting, fishing and reindeer herding (see Table 1).

For many Evenki themselves, the project has clear local implications that poses a danger to their practices and livelihood, as one of the Evenki herders described,

"This, of course, will impact on hunting and reindeer herding, even if they pass on the side, for example, on migration of animals, reindeers, elks and sables... Many people will arrive... poaching may rise... And for us, for those who are engaged in hunting and live from it... there may be difficulties. In short, we will hunt less. And there may be a reduction in numbers of wild animals" (head of a tribal commune, December 2007, Aldan).

Besides construction impacts, Evenki communities are worried about possible maintenance risks: *"There are no guarantees from accidents. A pipe of 110 centimetres in diameter is laid. If there is a spill, what will be the damage? The distance is great, no human settlements and no good roads. If something is to happen, tonnes of oil will be spilled into the water and on the ground"* (head of a tribal commune, June 2009, Yakutsk). The pipeline is laid underground, involves forest clearing and trench river crossings on the river beds, notably on the rivers of Amga and Aldan (see Fig. 2). The territory between the two rivers is a naturally diverse area that supports migration routes of many wild animals, a primary source of food for Evenki (head of a tribal commune, June, 2009).

Construction of the pipeline crossing on the river Aldan near Khatystyr (literally a place with *khatys* – sturgeon in Sakha language), a location claimed to be rich with fish, causes concerns for fish resources and community fishing amongst Evenki. Recalling two industrial accidents at a gas pipeline crossing near Yakutsk, the community fears future spills and lacks trust in developers' assurances. Although the pipeline developers insist on using highly advanced technologies and working to maintain high standards of safety, a recent accident (450 cubic metres of oil were spilled on

Table 1
Impacts of ESPO pipeline construction on Evenki communities.

Impact on the natural environment	Possible effects on Evenki practices
Cutting down of forest for access roads and prior to construction	Disruption of reindeer routes
Land disturbance along the route, although the pipeline is buried underground, the access roads remain	Impact on hunting sable due to changes in migration
Impact on pipeline river crossings on fish	Reduction in hunting grounds and disturbance of hunting animals for food (wild ducks, geese, elk, wild deer)
Noise pollution during construction and from traffic	Effects of sturgeon fishing in Aldan
Impact on animal migration	Reduction in income due to reduced hunting
Possible poaching from newcomers	Reduction in food supplies Changes to lifestyles of Evenki

the area of 20,000 square metres on January 20, 2010) on the ESPO pipeline in Lensk district further heightens the anxieties of environmentalists and pipeline critics.

Evenki communities in Aldan have struggled to engage with and influence the pipeline development. This struggle is examined through the analysis of key elements of industry indigenous relations such as impact assessment, consultation, compensation, provision of benefits and communication.

5.1. Environmental impact assessment and consultation

Current environmental impact assessment (EIA) procedures do not comprehensively address social impacts or the impacts on traditional activities of indigenous minorities. Although Russian legislation mentions *etnologicheskaya ekspertiza* (anthropological expert review or ethno-cultural impact assessment) in the Federal Law of 1999, it has not received wide dissemination due to the absence of a methodology that has been officially developed and approved to carry it out (Federal law of the Russian Federation, 1999; Murashko, 2006).

The environmental impacts of the ESPO construction were assessed within the premise of OVOS¹, equivalent to an environmental impact statement that undergoes state approval (*ekologicheskaya ekspertiza*) (Kovalev and Koepfel, 2003). The developer, Transneft, prepared separate OVOS documents for three sections² of the ESPO expansion in Yakutia that went through consecutive consultations prior to the approval by the Federal Service for Ecological, Technical and Nuclear Control (*Rostekhnadzor*) of the Ministry of Natural Resources and Ecology of Russia.

Local communities in Aldan and some indigenous communities attended public hearings of OVOS documents. Consultations on sections 1 and 2 could have served as a stage to voice concerns about the impact on traditional activities of Evenki, but following a common practice in Russia – lack of prior notification and no transport provision for consultees (Murashko, 2006) – public hearings were not well advertised to Evenki herders. OVOS consultations were not held in their rural settlements, but in urban centres of Aldan and Neryungri. None of the directly affected tribal communes, on whose allocated territories the pipeline was laid,

¹ OVOS is an abbreviation for *otsenka vozdeistviya na okruzhayushchuyu sredu*, translated as an assessment of impact on the natural environment and equivalent to the environmental impact assessment statement. OVOS or EIA is a requisite document produced by the developer for the process of state environmental approval (*ekologicheskaya ekspertiza*).

² Expansion of the ESPO in Yakutia was planned in three sections: Section 1 – from Ust-Kut to the Talakan oil field (in Lensk district of Yakutia); Section 2 – from Aldan to Tynda (in Aldan and Neryugri districts); Section 3 – from Talakan oil field to Aldan (in Aldan and Olekminsk districts).

attended the public hearings, as leaders of tribal relevant tribal communes claimed, “*They just don’t inform us... Soon they will construct everything here. As a nation we will probably disappear*” (head of a tribal commune, December 2007, Khatystyr).

Civil activists criticised these public hearings as formal occasions that were non-inclusive and not reflective of public opinions. “*Developers should inform... Following an old habit, they approach the Administration. Does the Administration care? Not much. Therefore, few people are involved... Is it easy to bring people from a village 60 km away?... you need transport. A person needs 600 roubles to travel... So naturally these public hearings are held in the district centres and attended by few people*” (civil society activist, November 2007, Yakutsk). Aldan district administration, however, assured us that public hearings were conducted effectively: “*In general, the public hearings went as normal. There was nothing like that, such as explicitly defiant. That did not happen. Access was free... The first hearing on ESPO was attended by 150 people; during the second hearing there were more than 200 people*” (Aldan municipal administration, June 2009, Aldan). This, in turn, creates a picture of democratic procedures being followed and presented at the regional level: “*Nonetheless, the public hearings were held in Olekminsk, Lensk, Aldan and Neryungri districts. Citizens and representatives of indigenous population directly participated and supported the project in principle*” (senior regional government official, July 2008, Yakutsk).

The developers did not assess impacts on animal migration, hunting activities and reindeer herding. No evaluation was conducted concerning the effects on social and economic structures of Evenki populations around the project. No *etnologicheskaya ekspertiza* was conducted, although requested by civil activists. Regional civil society organisations released independent public environmental impact assessment statements, contesting the presented OVOS documents. These criticised the lack of consideration for indigenous Evenki. The Association of Indigenous Minorities of the Republic of Sakha (Yakutia) made several propositions: (1) to negotiate compensations for indigenous minorities along the pipeline route; (2) to consider direct consent forms signed with tribal communes of indigenous minorities of the North to be illegal, and proposed to set up a committee inclusive of civil society organisations to oversee the negotiations of legal documents for the sustainable long-term collaboration of involved parties, in order to exclude corruption and ensure control of natural resource use; (3) to allow multi-stakeholder participation including tribal communes in collaborative management of the project; and (4) to ensure employment of indigenous minorities during the pipeline exploitation ([Expert committee on public environmental assessment, 2006a, 2006b](#)). However, none of these propositions have been addressed by the developers. Agreements with the tribal communes along the pipeline route that contained consent to use of their land plots and compensation clauses have been signed without monitoring of external parties.

5.2. Compensation and benefits

The undetermined nature of socioeconomic impacts through formal assessment (like *etnologicheskaya ekspertiza*) weakens the claims of Evenki for greater compensation and shared benefit from the project. According to the Federal Law of 1999, when a proposed project affects land, which is given for traditional natural resource use to indigenous minorities, project developers need to consult these communities. Transneft arranged for the tribal communes who had official land entitlements to sign consent agreements for the pipeline construction on their land plots and awarded them compensation “for temporary disruption to land use”. Adjacent communes who may also experience negative impacts from the construction, due to changes in animal migration, were excluded

from consultation and compensation arrangements, as well as the “Khatystyr” Company that did not have a complete set of legal land documents.

To the discontentment of regional civil activists, Transneft led these negotiations directly with the communes, excluding the indigenous peoples’ NGOs and the wider indigenous Evenki community. The amount of compensation and methodology for calculation were not discussed. On what basis the developers arrived at a sum of US\$3800 as a one-time compensation payment to a tribal commune consisting of five workers and a herd of 70 reindeer is unknown to the recipient commune. In hindsight, some tribal communes regret signing those agreements with Transneft, “*We did not assess the damage. It appears we should have done as environmentalists told us. There is a certain scheme. We should have asked for every bush... here are so many wild plants, here are so much fish and here is so much meat we can get. And all of these will be affected... We did not do it right, it seems. Now they will tell us, here is your signature... you gave us your consent. Indeed, we put our signatures. Now, it’s unlikely we can contest the agreement. It won’t be in our favour*” (head of a tribal commune, July 2009, Khatystyr).

No regional frameworks have been developed for evaluating if damage is caused to traditional activities by industrial development. Thus, Evenki communities find little support in terms of compensation in the regional regulation. A major critique of the ESPO compensations is their coverage of the construction period only and the exclusion of provisions for long-term effects on traditional trades. As an Evenki herder admits, “*...they’ll pay one-off payment... They want to pay for a year of construction. They want to pay for land which they use during a period of construction. The compensation should be for things that change – migration of hoofed animals, sable and others. There will be roads. There will be fishing, poachers and gatherers of rare plants. No one wants to pay a compensation for that. That would be a bigger damage for us*” (head of a tribal commune, December 2008, Khatystyr).

Recognising the impact on their traditional activities, Evenki in Aldan have aspirations to seek compensatory investments in local infrastructures (health and education) and wish to share the benefits from the project in a form of employment opportunities and direct dividends. With this in mind, the Belletskii municipal authority approached Transneft with specific requests for social assistance, which were not (at the time of writing) acknowledged by the company. Nonetheless, up to 80 workers from the area were temporarily recruited for logging during the construction. Indigenous communities could not offer any other qualified workforce for the construction and no provisions were made to extend training to indigenous communities for potential employment during pipeline maintenance.

5.3. Communication and transparency

Some of the interviewed Evenki admitted that they were not fully aware of the project details, e.g. route, timeline and natural resources affected by the construction. Their major criticisms referred to the unwillingness of developers to establish two-way, open and continuous communication with the communities. Only the regional government and Aldan district administration maintained constant and direct communication with the developers, and their contractors. The pipeline developers did contact the Belletskii municipal administration, Evenki communities and tribal communes, organised community visits and meetings and maintained written communication; but what concerned Evenki was the absence of established channels for Evenki to contact and get appropriate responses from the pipeline developers.

This situation was common in other areas of the pipeline construction, as a regional environmental leader described: “*When I came to ask the Environmental protection agency... they showed*

me the plans for its [pipeline] route. . . I travelled to Iengra and showed these to the Head of the municipal administration and showed these to people during meetings, explaining: 'This is where it will pass. This is your village.' 'Is that so? Will it pass here?'... No one explains it to them. . . They don't have a habit of going and requesting the information" (environmental NGO, November 2007, Yakutsk).

Administrative communication channels between the regional government, district level authorities (Aldan district administration) and local authorities (Belletskii municipal administration) proved to be slow and riddled with political conflicts such as land disputes. Physical distance and no internet connection at the Belletskii administration offices further add to obvious obstacles in communication. Nonetheless, the Belletskii administration remains to be a focal link between communities and the developers. A representative of the administration admitted, "They found an exit through me. . . We collected all the documents here. I called the representative [of the pipeline developers], showed them the map, where they pass. We clarified several times which tribal communes were affected and whose territory was not affected" (Belletskii municipal authority, December 2007, Khatystyr).

Based on previous experiences with the industry, indigenous communities lack trust in both state authorities to communicate their views and industry to inform and consult with them, claiming that decision-making processes are non-transparent and avenues for open dialogue are limited. You often hear passive comments such as "they won't ask us", "it's decided at the government level", indicating that communities feel detached from decision-making processes on issues that can potentially affect their lives. The Evenki communities in Yakutia were not consulted about route planning and socio-economic impacts of the upcoming developments. If communities had a planned access to information, many of the uncertainties could have been addressed, as a representative of the Environmental protection agency noted: ". . . indigenous populations do not live in cities. In practice, the information is passed from person to person. Media does not reach them. If work is conducted with them continuously, then up to 50% of questions would be addressed. There would be no questions" (Environmental protection agency, December 2007, Aldan).

6. Critical issues of indigenous peoples' engagement in the extractive sector in Russia

Indigenous minorities in Russia face challenges in three major areas: provision of land rights; participation of indigenous minorities in planning; and public activism. These areas are analysed below using the case study. This analysis will help identify barriers for effective engagement with indigenous minorities and possible ways forward.

6.1. Land issues

The root of many disputes between industrial developers, the state and indigenous communities revolves around land ownership rights which in turn affects processes of consultation and compensation. In the 1990s, supported by the issue of quasi-legal papers, tribal communes were promised a permanent possession of land plots allocated to them. After the land property reform of the 2000s, the status of these land plots is undecided.

"I have land of 149 thousand ha. . . When we were established for the first time [as a tribal commune], we were given a right of use. . . This document is now invalid. We went through a cadastre assessment. . . It was not expensive. We can't get through the land survey. This is a copy of the certificate for the right of possession and use of land with description of boundaries and land users. . . it was given in 1999. Life-long inherited possession. This certificate is a temporary

document. After this we needed to get an Act for the right of possession and permanent use of land. . . We need to get through the state registration in the Chamber. Without a survey we can't get it, because the survey is very expensive. . . It costs millions. . . Now, we need to pass the survey and register. We cannot pay the rent. The land belongs to the Russian Federation or the Republic" (head of a tribal commune, June 2009, Aldan).

The regulatory framework governing the allocation of land for traditional economic activities is incomplete and functions poorly. Article 8 of the Federal Law of 1999 "On guarantees of rights of indigenous minority nations of the Russian Federation" prescribes that indigenous minorities have a right of free possession and use of land within their traditional settlement areas to lead traditional economic activities and trades. It also stipulates that land and natural objects within allocated plots are given to indigenous minorities for free use (Article 11) (Federal Law of the Russian Federation, 1999). However, the majority of land rich with mineral resources, including traditional land of indigenous peoples in Russia, is *de facto* owned by the state (Wessendorf, 2009).

Indigenous minorities possessed and used their traditional lands on a principle of free permanent use (Semenova, 2007), which was replaced by a principle of paid land use under the new Land Code of 2001 (Land Code of the Russian Federation, 2001). The Land Code also excluded a lifelong inherited ownership right for lands of traditional economic use, previously extended to indigenous minorities (Danilova, 2006). Current legislation (e.g. Federal Law "On turnover of land for agricultural purposes") does not provide means for registering ownership of lands dedicated to traditional economic use by indigenous minorities (but states that federal and regional laws may stipulate free land use) and, effectively, these lands are limited in turnover and owned by the state (Danilova, 2006; Federal Law of the Russian Federation, 2001).

Irregularities and inconsistencies of the federal legislation are further complicated by poor enforcement and implementation mechanisms of the existing legal norms (Danilova, 2006). It affects land entitlements, further hampering traditional economic activities and excluding indigenous minorities from the processes of due consultation and compensation. The Federal Law of 2001 "On territories of traditional natural resource use of indigenous minorities of the North, Siberia and Far East" requires developers to obtain consent and guarantees equally priced plots in case of relocation and compensation for land use or damage only to titular land owners. Although Federation Council recommends the State Duma to improve the current indigenous minorities' legislation, the process of changing the legislation takes time, whilst industrial projects are being developed faster.

During the Soviet period, the state allocated land plots to *Kolkhoz* "Khatysyrskii" for hunting grounds, reindeer pastures and for small agricultural activities. After the de-collectivisation, the "Khatystyr" Company (reformed *Kolkhoz*) has been leading herding and hunting activities on the same plots; however, the paperwork is not properly completed. In the 1990s, local land authorities in Aldan district issued certificates for use of land plots to newly formed tribal communes; these were supposed to be followed by issue of legal certificates for the right of possession and free permanent use. However, now these traditional lands belong to the state and the rights of tribal communes for land are undecided.

Municipal reform has also affected municipal land relations, for instance the Belletskii authority is still working on its land boundaries. Previously, Belletskii *nasleg* (*nasleg* – a unit of administrative territorial division within districts of Yakutia) had a large territory as an administrative unit within the Aldan district that included reindeer pastures, hunting grounds and agricultural land. Since the municipal reform, the new Belletskii municipality was formed in 2004, which was given a smaller territory (only around the

boundaries of the settlements of Khatystyr and Ugoyan) according to the regional law of 2004 “On setting boundaries and establishing status of municipalities to urban and rural settlements in Republic of Sakha (Yakutia)” (*Law of the Republic of Sakha (Yakutia), 2004*). In accordance with 2004 land allocations, previous territories of Belletskii *nasleg* were given to a higher authority, the Aldan district administration. The new Belletskii authority had been fighting to reinstate its old boundaries of Belletskii *nasleg* through court and discussions in the regional parliament.

The ESPO pipeline goes through land that was previously within the Belletskii *nasleg* boundaries. Ignoring the historic land allocations and following current land entitlements, the pipeline developers bypassed the Belletskii municipal administration and the “Khatystyr” Company during land access negotiations and instead dealt with the Aldan district administration, causing tensions between the municipal administrations. This land situation also affected the strength of claims of the Belletskii administration for greater community benefits from the project. The status of municipal administrations that are formed within the territories of traditional natural resource use of indigenous minorities and their political and economic role in managing land relations of indigenous minorities requires further investigation.

6.2. Participation in planning

Although the federal legislation provides certain protection to indigenous minorities, it fails to fully secure their rights in relation to the extractive sector. The promotion of the FPIC principle has not received due attention in Russia. Nominally, the legislation gives indigenous minorities an opportunity to be involved in consultation on projects proposed in the areas of traditional economic activities. However, it does not give them the right to object to any development projects, initiated by the state, municipality or industry. Indigenous minorities in Russia do not have the right to say “no” to a proposed development, if it does not conform to their needs and aspirations. Instead, indigenous minorities can be offered relocation. Article 12 of Federal Law 2001 states (*Federal Law of the Russian Federation, 2001*): “*In the case of exemption of land and other isolated natural objects that are within the boundaries of traditional subsistence territories for state or municipal needs, the persons belonging to the numerically small peoples and communes of indigenous peoples receive equivalent land plots and other natural objects, as well as reimbursement for losses caused by such removal.*”

In reality this translates into an ultimatum: if communities oppose a proposed seizure of land for state or municipal purposes – the ESPO project can be classified as being for state purposes – then they will be offered an equivalent plot of land elsewhere, as evidenced from interviews with affected herders. “*No one asks for our opinion. And generally, as a mega project it goes through federals, through the President. If you begin to question, you won’t receive a thing. It is something like that. Mega projects go like that*” (head of tribal commune, December 2007, Khatystyr). This ultimatum further sounded in accounts of other tribal communes:

“They always referred to the fact that we don’t have a land document. This is true, we don’t have. We, as they say, are not owners, not users. . . We don’t have a document that it’s our property. That’s why they didn’t even talk to us. Told us - these are federal lands. If you don’t want to cooperate, if you don’t want the pipeline to pass through, you can choose any other place” (head of a tribal commune, 5 June 2009, Khatystyr).

Although consent of indigenous minorities is sought, refusal may lead to a loss of land (or relocation). The other side of FPIC (such as consultation) is not being developed to include indigenous minorities specifically. First, EIA consultation procedures do not

require specific inclusion of indigenous minorities, but require involvement of local and the interested community in general. Second, indigenous minorities could channel their views through civil society organisations, but an independent environmental impact assessment launched by regional NGOs did not affect the pipeline being approved by the state authorities. Third, although indigenous minorities are entitled to compensation in case of relocation or damage to land Federal Law of the Russian Federation, 2001, Article 12, the compensation procedures are not transparent or negotiable.

Furthermore, international principles for consideration of the rights and interests of indigenous peoples do not penetrate the extractive sector in Russia as most projects are financed by domestic capital and conducted by domestic companies. The pipeline developers did not employ a framework of social impact assessment with specific reference to indigenous peoples. Recent changes to planning and assessment legislation, such as the introduction of the *City Planning Code of the Russian Federation (2004)*, makes no mention of indigenous minorities. The update of environmental impact assessment procedures gives greater powers to federal departments to approve projects; these are later responsible for environmental monitoring. Exclusion of regional authorities from the process of environmental approval also robs the indigenous minorities of a chance to influence the regional political representative system in their favour.

6.3. Public activism

The ESPO construction did not cause direct action on the part of Evenki communities. Evenki were pessimistic about their ability to influence the project. “*They will extend it through anyway. They won’t ask us about it. They are already extending it through*” (local organisation, December 2007, Khatystyr). However, the Evenki communities were able to channel their views through regional civil activists, environmental NGOs and indigenous peoples’ organisations. These civil forces expressed views on environmental and indigenous peoples’ issues at public hearings, in organised public meetings, in the press and through open letters. Although not approved by the state, the regional environmental movement launched an independent environmental impact assessment, criticising the OVOS produced by Transneft. Moreover, activists initiated a law suit against *Rostekhnadzor* to contest the state approval of the pipeline’s EIA.

Regional environmental activists organised public protests against the trench method crossing on the River Lena, and collected public support for petitions to the government through the collection of signatures and a web campaign “Save Lena!” Although these initiatives gained some support from national environmental organisations, no great support was evident from international environmental organisations that were mainly active previously in opposing the pipeline near Lake Baikal. Public concern for indigenous peoples along the pipeline has not received wide dissemination and resonance at a national level. Regional environmental organisations lack funding and organisational capacity to undertake wide reaching action to address indigenous peoples’ concerns. Nonetheless, they managed to organise seminars and training for indigenous minorities on issues of compensation, legislation and consultation. On several occasions, the regional government acted to suppress activities of these NGOs by evicting an NGO previously housed in government premises and by trying to ban public meetings on major squares.

Although indigenous peoples’ organisations in Yakutia acted in support of the environmental movement, local indigenous peoples’ organisations were modest in mobilising communities to act collectively. Although the ESPO affects various indigenous communities along its route in the east of Russia, these communities failed

to unite at cross-regional level to express their concerns and attract developers' attention to potential impacts on their livelihood and development. The Evenki communities in Aldan did not pretend to oppose the pipeline project altogether, but wished the industry and government would consider their opinions concerning impact on traditional activities, sharing of project benefits, investment in indigenous education, training, job opportunities, and improvement of social services, infrastructure and health.

7. Discussion

There are clear barriers to effective engagement of indigenous minorities in extractive sector developments: complexities in legislation, undeveloped systems for presenting community claims, and irresponsible industrial policy. Besides, Russia has not ratified many important international documents (such as ILO Convention 169; UN Declaration on the Rights of Indigenous Peoples of 2007) which could improve indigenous relations. Irregularities in land entitlements of indigenous minorities, absence of land ownership for traditional territories, and lack of established mechanisms for public participation prevent indigenous communities from asserting a stronger stance in relationships with industry and state. Although there are many indigenous peoples' organisations, the case of ESPO shows that no strong, united indigenous movement has been formed around the pipeline development.

In Russia, the state takes a central role in the extractive sector as an investor, shareholder and regulator. Although the state formally guarantees to protect the rights of indigenous peoples, the ESPO case demonstrates that many concerns of indigenous communities are left unanswered. Complex land regulation and absence of formally recognised consideration for indigenous minorities in planning leaves them poorly protected from the industrial expansion into their homeland. Several areas such as ethnological assessment and compensation to traditional land users require further attention in regulation. Finally, revenues generated from the extractive sector are distributed centrally, without giving a priority (although nominally acknowledged in the legislation) to the needs of indigenous communities on whose traditional land extractive projects are taking place.

Although consultation with indigenous peoples in line with FPIC is formally acknowledged in the legislation, in practice consultation procedures are non-inclusive, while consent is forced at a price of relocation. Until there are specific changes to regulation and corresponding provisions for enforcement, indigenous minorities in Russia are in no position to claim for FPIC, when full information is presented, where debates can be launched on different aspects of development, when studies can explore the extent of impact and risk, and when consultation inclusive of a wide range of participants can be conducted.

While NGOs often lack funding and capacity, the government suppresses their activities and disregards legitimacy of community claims. When it comes to environmental risks, industry and government discard evaluations and opinions of communities and civil society organisations concerning technological risks and this area requires further investigation. Apart from litigation, that some NGOs choose to pursue, there are limited avenues for civil society to exert substantial pressure on the industry to discuss issues of socio-economic importance to communities.

Finally, the industry clearly lacks social responsibility when dealing with issues of local communities and indigenous matters. This case shows that industrial developers disregard traditional possession of land, lack understanding of traditional economies and the links between environmental change and traditional activities, and are unwilling to maintain transparent and open communication with the public, and unwilling to contribute to social

development of affected communities. Although indigenous minorities expect the industry to act voluntarily in areas of consultation, compensation and community development; there is a lack of non-regulatory drivers for the extractive companies in Russia to consider indigenous peoples' issues in their operations. The indigenous movement is growing, but not a strong enough force to unite indigenous minorities in their campaigns; policies of finance institutions to uphold indigenous peoples' rights do not easily penetrate the Russian industry due to domestic financing; international guidelines for best practice on indigenous peoples' relations (GRI, 2005; ICMM, 2008) are not a common business practice in Russia; and the industry lacks initiative to assume voluntary actions.

Compared with other northern areas (Wilson, 2003; Stammler and Wilson, 2006; Graybill, 2009; Dana et al., 2008), the struggles of Evenki are reminiscent of struggles of other indigenous peoples fighting for greater inclusion in decision-making and minimisation of industrial impacts on their traditional activities and territories. Developers in Russia can learn from their counterparts in other countries by reviewing their practices on impact assessment, consideration of traditional knowledge (e.g. Imperial Oil Resources, 2003) and dialogue on the basis of formal agreements (O'Faircheallaigh and Corbett, 2005; O'Faircheallaigh, 2008). Russian companies can also learn from home-grown innovations. Notably, the diamond mining sector in Yakutia designed a mechanism for sharing benefits with affected communities via investment in environmental protection, education, health and small business development (SAPI Foundation) (Yakovleva, 2005). One of the vital elements in this scheme was the participation of the regional government as a shareholder in the mining enterprise. This is similar to the Mackenzie Valley pipeline, where Aboriginal groups were made partners of the project via the Aboriginal Pipeline Group. Likewise, civil activists in Yakutia demanded a sale of Transneft shares to communities affected by the ESPO and formal agreements between developers, regional authorities and indigenous communities. Although the regional government thought about developing such an agreement with Transneft for centralised social investment in the region, political will and leadership are required to promote the ideas of co-management and benefit-sharing.

8. Conclusions

It is difficult to envisage greater shifts towards inclusion of indigenous peoples in project development, while top-down decision-making still predominates in the Russian extractive sector. Systematic review of both legislation and industrial policy is required. In each case, the number of indigenous peoples affected would be usually small due to dispersion of indigenous minorities throughout large areas in Russia. However, given extensive national plans for development of northern and eastern territories, the cumulative effect will be significantly detrimental to indigenous minorities.

Various levels of governance in Russia, including federal, regional and local authorities as well as industry and civil society, need to collaborate on improving engagement with indigenous peoples. Firstly, there are expectations that the State Duma will update the federal legislation on indigenous peoples as it has been planning for the last few years (State Duma, 2008). The focus should not be on reforming the legislation alone, but on strengthening the regulatory enforcement of impact assessments (e.g. *etnologicheskaya ekspertiza*), operationalising the FPIC principle, providing legal support to indigenous peoples, and broadening the merit of indigenous peoples' participation in planning.

Secondly, there is a scope for regional governments to develop policies to promote impact assessments, schemes for benefit

sharing and industry-community collaborations. Thirdly, the role of municipal authorities in territories of indigenous minorities (such as the Belletskii authority) needs to be further investigated, so that indigenous minorities have a strong place in political, administrative and territorial structure and a capacity to influence decision-making concerning use of natural resources. Fourthly, voices other than the state and industry need to be given greater consideration in decision-making. Civil society forces still require both financial support and space to continue their work of facilitating public voices and opinions that are often contradictory to industrial and state policies.

Finally, extractive companies in Russia need to exercise greater responsibility for their impact on local and indigenous communities. Although the Russian extractive industry is less influenced by international standards on indigenous peoples, it needs to reassess its approach to indigenous minorities. Whilst integrating into international markets, Russian extractive companies should exercise greater corporate social responsibility in domestic operations. The pressure for corporate social responsibility needs to come from domestic financial institutions, civil society, national and regional governments.

Acknowledgements

I would like to thank the ESRC Research Centre for Business Relationships, Accountability, Sustainability and Society (BRASS) at Cardiff University and especially Professor Max Munday for supporting the research preceding this paper. I am grateful to all respondents for their participation in the study.

References

- Alferova, L., 2006. Legal provisions for safeguarding the rights of indigenous minorities of the North in the Khanty-Mansiisk Autonomous Region (Yurga), in relation to protection of their ancestral lands, traditional ways of life, and livelihood activities. *Sibirica* 5 (2), 153–160.
- Ali, S., 2003. *Mining the Environment and Indigenous Development Conflicts*. The University of Arizona Press, Tucson.
- Ali, S., Behrendt, L., 2001. Mining and indigenous rights: the emergence of a global social movement. *Cultural Survival Quarterly* 25 (1), 6–8.
- Altamirano-Jiménez, I., 2004. Northern American First Peoples: slipping up into market citizenship? *Citizenship Studies* 8 (4), 349–365.
- Anderson, D.G., 1991. Turning hunters into herders: a critical examination of Soviet development policy among the Evenki of southeastern Siberia. *Arctic* 44 (1), 12–22.
- Anderson, R.B., 1997. Corporate/indigenous partnerships in economic development: the first nations in Canada. *World Development* 25 (9), 1483–1503.
- Anderson, R.B., Dana, L.P., Dana, T.E., 2006. Indigenous land rights, entrepreneurship, and economic development in Canada: “opting-in” to the global economy. *Journal of World Business* 41 (1), 45–55.
- Artamonova, S.Y., Danilov, V.A., 2004. Man-caused pollution under gold mining and the reaction of ecosystems in the permafrost zone. *Chemistry for Sustainable Development* 12, 19–32. http://www.sibran.ru/psb/phsb/papers/CSD2004_1_3e.pdf (accessed 13.01.10).
- Balzer, M.M., Vinokurova, U.A., 1996. Nationalism, interethnic relations and federalism: the case of the Sakha Republic (Yakutia). *Europe-Asia Studies* 48 (1), 101–120.
- Belova, M., Mel'nikova, E., 2005. Truba nalevo, truba napravo [Pipeline left, pipeline right]. *Politicheskii zhurnal [Political Journal]* No. 5(56), 14 February 2005. <http://www.politjournal.ru/> (accessed 27.09.07).
- Bond, A.R., 1994. The non-energy mineral industries of post-Soviet Russia. *Post-Soviet Geography* 35 (9), 543–565.
- Bradshaw, M.J., 1995. The Russian North in transition: general information. *Post-Soviet Geography* 36 (4), 195–203.
- Bradshaw, M.J., Lynn, N.J., 1998. Resource-based development in the Russian Far East: problems and prospects. *Geoforum* 29 (4), 375–392.
- Buszynski, L., 2006. Oil and territory in Putin's relations with China and Japan. *The Pacific Review* 19 (3), 287–303.
- Caulfield, R.A., 2004. Resource governance. In: Einarsson, N., et al. (Eds.) *Arctic human development report*, Stefansson Arctic Institute, Akureiri, pp. 121–138.
- City Planning Code of the Russian Federation, 2004. Adopted by the Federal Law No. 190-FZ of 29 December, 2004.
- Coates, P.A., 1991. *The Trans-Alaska pipeline controversy: technology, conservation and the frontier*. Associated University Press, Cranbury, New Jersey.
- Commission on Human Rights, 2005. Legal commentary on the concept of Free, Prior and Informed Consent, Working Paper by Antonella-Iulia Motoc and the Tebtebba Foundation, E/CN.4/Sub.2/AC.4/2005/WP.1, 14 July 2005. URL: <http://www2.ohchr.org/english/issues/indigenous/docs/wgip23/WP1.doc> (accessed 17.12.10).
- Coumans, C., 2008. Realising solidarity: indigenous peoples and NGOs in the contested terrain of mining and corporate accountability. In: O'Faircheallaigh, C., Ali, S. (Eds.) *Earth matters: indigenous peoples, the extractive industries and corporate social responsibility*. Greenleaf Publishing, Sheffield, United Kingdom, pp. 42–66.
- Dana, L.P., Meis-Mason, A., Anderson, R.B., 2008. Oil and gas and the Inuvialuit people of the Western Arctic. *Journal of Enterprising Communities: People and Places in Global Economy* 2 (2), 151–167.
- Danilova, N.V., 2006. Problemy pravovogo regulirovaniya prav na zemlyu korennykh malochislennykh narodov Rossii [Problems of legal regulation of rights for land of indigenous small-numbered nations of Russia]. In: Chebotarev G.N. (Ed.) *Obespechenie prav i svobod cheloveka i grazhdanina [Provision of rights and liberties of human and citizen]*. Sbornik statei po itogam mezhdunarodnoi nauchno-prakticheskoi konferentsii [Collection of articles as the results of international academic and practitioner conference]. Tyumen, Izdatelstvo TyumGU.
- Doyle, C., 2008. Free Prior Informed Consent (FPIC) – a universal norm and framework for consultation and benefit sharing in relation to indigenous peoples and the extractive sector. Paper prepared for OHCHR Workshop on Extractive Industries, Indigenous Peoples and Human Rights Moscow, 3rd–4th December, 2008.
- Donahoe, B., Habeck, J.O., Halemba, A., Sántha, I., 2008. Size and place in the construction of indigeneity in the Russia Federation. *Current Anthropology* 49 (6), 993–1020.
- Duhaime, G., 2004. Economic systems. In: In: Einarsson, N., et al. (Eds.) *Arctic human development report*, Stefansson Arctic Institute, Akureiri, pp. 69–84.
- Equator Principles Website, 2010. *Equator Principles: The Benchmark for the Financial Industry to Manage Social and Environmental Issues in Project Financing*. <http://www.equator-principles.com> (accessed 19.01.10).
- Extractive Industries Review (EIR), 2003. *Striking a better balance*. Final report of the Extractive Industries Review. <http://www.worldbank.org/> (accessed 23.09.09).
- Expert Committee on Public Environmental Assessment, 2006a. Expert conclusion of the public environmental assessment of documents of “Assessment of impact on the natural environment” of the project “Expansion of the pipeline system “Eastern Siberia – Pacific Ocean”, section No. 2 from Tynda to Aldan, Yakutsk 13 November 2006, No.2.
- Expert Committee on Public Environmental Assessment, 2006b. Expert conclusion of the public environmental assessment of documents of “Assessment of impact on the natural environment” of the project “Expansion of the pipeline system “Eastern Siberia-Pacific Ocean”, section No.3 from Talakan oil and gas condensate deposit to Aldan, 10 December 2006, Yakutsk, No. 3. <http://uhhan.ru/publ/44-1-0-71> (accessed 31.10.07).
- Federal Law of the Russian Federation, 1999. On guarantees of rights of indigenous minorities of the Russian Federation, No. 82-FZ of 30 April, 1999.
- Federal Law of the Russian Federation, 2001. On territories of traditional natural resource use of indigenous minorities of the North, Siberia and Far East of the Russian Federation, No. 49-FZ of 7 May, 2001.
- Fondahl, G.A., 1995. The status of indigenous peoples in the Russian North. *Post-Soviet Geography* 36 (4), 215–224.
- Fondahl, G., Poelzer, G., 2003. Aboriginal land rights in Russia at the beginning of the twenty-first century. *Polar Record* 39 (209), 111–122.
- Fondahl, G., Sirina, A., 2006. Rights and risks: Evenki concerns regarding the proposed Eastern Siberia-Pacific Ocean Pipeline. *Sibirica* 5 (2), 115–118.
- Fondahl, G., Lazebnik, O., Poelzer, G., 2000. Aboriginal territorial rights and the sovereignty of the Sakha Republic. *Post-Soviet Geography and Economics* 41 (6), 401–417.
- Fondahl, G., Lazebnik, O., Poelzer, G., Robbek, V., 2001. Native 'land claims', Russian style. *The Canadian Geographer* 45 (4), 545–561.
- Forbes, B.C., 1999. Reindeer herding and petroleum development on Poluostrov Yamal: sustainable or mutually incompatible uses? *Polar Record* 35 (195), 317–322.
- Forbes, B.C., Fresco, N., Shvidenko, A., Danell, K., Chapin, F.S., 2004. Geographic variations in anthropogenic drivers that influence the vulnerability and resilience of social-ecological systems. *Ambio* 33 (6), 377–382.
- Forest Peoples Programme and Tebtebba Foundation, 2006. *Indigenous Peoples' Rights, Extractive Industries and Transnational and Other Business Enterprises*. A submission to the special representative of the secretary general on human rights and transnational corporations and other business enterprises.
- Global Reporting Initiative (GRI), 2005. *GRI Mining and Metals Sector Supplement, Pilot Version 1.0*. <http://www.globalreporting.org/ReportingFramework/SectorSupplements/MiningAndMetals/MiningAndMetals.htm> (accessed 23.09.09).
- Government of the Russian Federation, 2006. Decree of the Government of the Russian Federation about indigenous numerically small peoples of the North, Far East and Siberia of the Russian Federation, No. 536-p, 17 April, 2006.
- Graybill, J.K., 2008. Places and identities on Sakhalin Island: situating the emerging movements for 'Sustainable Sakhalin'. In: Agyeman, J., Ogneva-Himmelberger, E. (Eds.) *Environmental Justice and Sustainability in the Former Soviet Union*. MIT Press, Cambridge, Massachusetts and London, England, pp. 71–95.
- Graybill, J.K., 2009. Regional dimensions of Russia's transformation: hydrocarbon development and the emerging socio-environmental landscapes of Sakhalin Island. In: *Kring Beringia: Expeditioner Och Folk. Geography and Anthropology Yearbook of the Swedish Society for Anthropology and Geography* No. 127, pp. 67–97.

- Habeck, J.O., 2002. How to turn a reindeer pasture into an oil well, and vice versa, transfer of land, compensation and reclamation in the Komi Republic. In: Kasten, E. (Ed.) *People and the Land. Pathways to Reform the Post-Soviet Siberia*. Reimer, Berlin, pp. 125–147.
- Hilson, G., 2002. An overview of land use conflicts in mining communities. *Land Use Policy* 19 (1), 65–73.
- Hipwell, W., Mamen, K., Weitzner, V., Whiteman, G., 2002. *Aboriginal peoples and mining in Canada: consultation, participation and prospects for change*. Working Discussion Paper, The North–South Institute. <<http://www.nsi-ins.ca/english/pdf/syncanadareport.pdf>> (accessed 10.03.10).
- Hovelsrud, G.K., Dallmann, W., Amundsen, H., 2008. Arctic oil and gas exploration: Social implications. *Arctic Frontiers: Challenges for Oil and Gas Development in the Arctic*, 20–25 January 2008, Tromsø. <<http://www.cicero.uio.no/media/5858.pdf>> (accessed 10.03.10).
- Imperial Oil Resources, 2003. Mackenzie Gas Project. URL: <<http://www.mackenziegasproject.com/>> (accessed 19.01.10).
- International Council on Mining and Metals (ICMM), 2008. Position Statement: Mining and Indigenous Peoples. <<http://www.icmm.com/page/208/indigenous-peoples>> (accessed 23.09.09).
- International Finance Corporation (IFC), 2006. International Finance Corporation's Performance Standards on Social and Environmental Sustainability. <http://www.ifc.org/ifcext/sustainability.nsf/Content/PerformanceStandards> (accessed 23.09.09).
- Kirsch, S., 2007. Indigenous movements and the risks of counter globalization: tracking the campaign against Papua New Guinea's Ok Tedi mine. *American Ethnologist* 34 (2), 303–321.
- Komarov, B., 1978. *The Destruction of Nature in the Soviet Union*. Pluto Press, London.
- Kovalev, N., Koepfel, J., 2003. Introduction to the environmental impact assessment system and public participation in the Russian Federation. *Journal of Environmental Assessment Policy and Management* 5 (3), 321–338.
- Land Code of the Russian Federation, 2001. Adopted by the Federal Law No. 136-FZ of 25 October, 2001.
- Lane, M.B., Ross, H., Dale, A.P., Rickson, R.E., 2003. Sacred land, mineral wealth, and biodiversity at Coronation Hill, Northern Australia: indigenous knowledge and SIA. *Impact Assessment and Project Appraisal* 21(2), 89–98.
- Law of the Republic of Sakha (Yakutia), 2004. On setting boundaries and establishing status of municipalities to urban and rural settlements in Republic of Sakha (Yakutia). 173-z, No. 353-III of 30 November 2004.
- Lynn, N.J., Fryer, P., 1998. National–territorial change in the republics of the Russian North. *Political Geography* 17 (5), 567–588.
- MacKay, F., 2004. Indigenous peoples' right to free, prior and informed consent and the World Bank's extractive industries review. *Sustainable Development Law & Policy* 4 (2), 43–65.
- Mercer, D., 1997. Aboriginal self-determination and indigenous land title in post-Mabo Australia. *Political Geography* 16 (3), 189–212.
- Mining Association of Canada (MAC), 2008. Towards Sustainable Mining Framework, Mining and Aboriginal Peoples, November 19, 2008. http://www.mining.ca/www/media_lib/TSM_Documents/2008_Aboriginal_Relations/Final_Aboriginal_Framework_November_19_2008.pdf (accessed 23.09.09).
- MMSD (Mining, Minerals and Sustainable Development), 2002. *Breaking New Ground: The Report of the Mining, Minerals and Sustainable Development Project*. Earthscan Publications, London.
- Murashko, O.A., 2006. What is the Etnologicheskaya Ekspertiza in Russia? *Sibirica* 5 (2), 77–94.
- O'Faircheallaigh, C., 2001. Resource development and inequality in indigenous societies. *World Development* 26 (2), 381–395.
- O'Faircheallaigh, C., 2007. Environmental agreements, EIA follow-up and aboriginal participation in environmental management: the Canadian experience. *Environmental Impact Assessment Review* 27 (4), 319–342.
- O'Faircheallaigh, C., 2008. Understanding corporate-Aboriginal agreements on mineral development: a conceptual framework. In: O'Faircheallaigh, C., Ali, S. (Eds.) *Earth Matters: Indigenous Peoples, The Extractive Industries and Corporate Social Responsibility*. Greenleaf Publishing, Sheffield, United Kingdom, pp. 67–82.
- O'Faircheallaigh, C., Ali, S. (Eds.), 2008. *Earth Matters: Indigenous Peoples, the Extractive Industries and Corporate Social Responsibility*, Greenleaf Publishing, Sheffield, United Kingdom.
- O'Faircheallaigh, C., Corbett, T., 2005. Indigenous participation in environmental management of mining projects: the role of negotiated agreements. *Environmental Politics* 14 (5), 629–647.
- Osherenko, G., 1995. Indigenous political and property rights and economic/environmental reform in Northwest Siberia. *Post-Soviet Geography* 36 (4), 225–237.
- Overland, I., 2005. Poverty and international aid among Russia's indigenous peoples. In: Eversole, R. McNeish, J.-A., Cimadamore, A.D. (Eds.) *Indigenous peoples and poverty: an international perspective*. Zed Books, London, New York, pp. 108–125.
- Paik, K.-W., 2005. Russia's oil and gas exports to northeast Asia. *Asia-Pacific Review* 12 (2), 58–70.
- Peterson, D.J., 1995. Russia's environmental and natural resources in light of economic regionalisation. *Post-Soviet Geography* 36 (5), 291–309.
- Pika, A., Bogoyavlensky, D., 1995. Yamal Peninsula: oil and gas development and problems of demography and health among indigenous populations. *Arctic Anthropology* 32 (2), 61–74.
- Poiseev, I.I. 1999. *Ustoichivoe razvitiye Severa* [Sustainable development in the North]. Nauka, Novosibirsk.
- RAIPON, 2009. RAIPON: Russian Association of Indigenous Peoples of the North. <<http://www.raipon.org>> (accessed 8/05/2009).
- Sagers, M.J., 2006. The regional dimension of Russian oil production: is a sustained recovery in prospect? *Eurasian Geography and Economics* 47 (5), 505–545.
- Savinov, D.D., 2000. Zagryazneniye prirodnoi sredy pri promyshlennom osvoenii (na primere Yakutii) [Environmental pollution from industrial development a case of Yakutia]. *Naika i Obrazovanie* [Science and Education] 1, Yakutsk.
- Sawyer, S., Gomez, E.T., 2008. Transnational governmentality and resource extraction: indigenous peoples, multinational corporations, multilateral institutions and the state, Identities, Conflict and Cohesion Programme Paper Number 13, United Nations Research Institute for Social Development.
- Semenova, T., 2007. Political mobilisation of northern indigenous peoples in Russia. *Polar Record* 43 (224), 23–32.
- Singleton, F., 1987. *Environmental Problems in Soviet Union and Eastern Europe*. Lynne Reinner Publishers, London.
- Stammler, F., Peskov, V., 2008. Building a 'culture of dialogue' among stakeholders in north-west Russian oil extraction. *Europe–Asia Studies* 60 (5), 831–849.
- Stammler, F., Wilson, E., 2006. Dialogue for development: an exploration of relations between oil and gas companies, communities and the state. *Sibirica* 5 (2), 1–42.
- State Duma, 2008. Indigenous minorities of the North, Analytical Note, Committee for problems of the North and Far East. http://www.duma.gov.ru/sever/plan/direct4_aboriginals.doc (accessed 12.10.10).
- Tichotsky, J., 2000. *Russia's diamond colony: the Republic of Sakha*. Routledge, London.
- Tuisku, T., 2002. Nenets reindeer herding and industrial exploitation in northwest – Russia. *Human Organization* 61 (2), 147–153.
- United Nations (UN), 2005. Free prior informed consent and beyond the experience of IFED, International workshop on methodologies regarding free prior and informed consent and indigenous peoples, New York, 17–19 January, 2005, Department of Economic and Social Affairs, <http://www.un.org/esa/socdev/unpfi/documents/workshop_FPIC_IFAD.doc> (accessed 13.01.10).
- United Nations (UN), 2008. United Nations Development Group Guidelines on Indigenous Peoples' Issues. <http://www2.ohchr.org/english/issues/indigenous/docs/guidelines.pdf> (accessed 19.01.10).
- United Nations (UN), 2010. International Expert Group Meeting, Indigenous Peoples: Development with Culture And Identity Articles 3 And 32 Of The United Nations Declaration On The Rights Of Indigenous Peoples, New York, 12 – 14 January 2010, Department of Economic and Social Affairs. <<http://www.un.org/>> (accessed 29.09.10).
- Uzin, V., 2005. Large and small business in Russian agriculture: adaptation to market. *Comparative Economic Studies* 47 (1), 85–100.
- Vakhin, N.B., 1998. Indigenous people of the Russian Far North: land rights and the environment. *Polar Geography* 22 (2), 79–104.
- Vitebsky, P., 2005. *Reindeer people: living with animals and spirits in Siberia*, HarperCollins, London.
- Wessendorf, K. (Ed.), 2009. *The Indigenous World 2009*. International Work Group for Indigenous Affairs, Copenhagen, Denmark. <<http://www.iwgia.org/>> (accessed 20.01.10).
- Wilson, E., 1999. Conflict or compromise? Traditional natural resource use and oil exploitation in northeastern Sakhalin/Noglikskii district, Economic Development and the Environment on the Sakhalin Offshore Oil and Gas Fields II. Slavic Research Centre Occasional Papers, Hokkaido University, Japan.
- Wilson, E., 2003. Freedom and loss in a human landscape: multinational oil exploitation and the survival of reindeer herding in north-eastern Sakhalin, the Russian Far East. *Sibirica* 3 (1), 21–47.
- Xanthaki, A., 2004. Indigenous rights in the Russian Federation: the case of numerically small peoples of the Russian North, Siberia and Far East. *Human Rights Quarterly* 26 (1), 74–105.
- Yakovleva, N., 2005. Corporate social responsibility in the mining industries. Ashgate, Burlington, USA and Aldershot, England.
- Yakovleva, N.P., Alabaster, T., Petrova, P.G., 2000. Natural resource use in the Russian North: a case study of diamond mining in the Republic of Sakha. *Environmental Management and Health* 11 (4), 318–336.