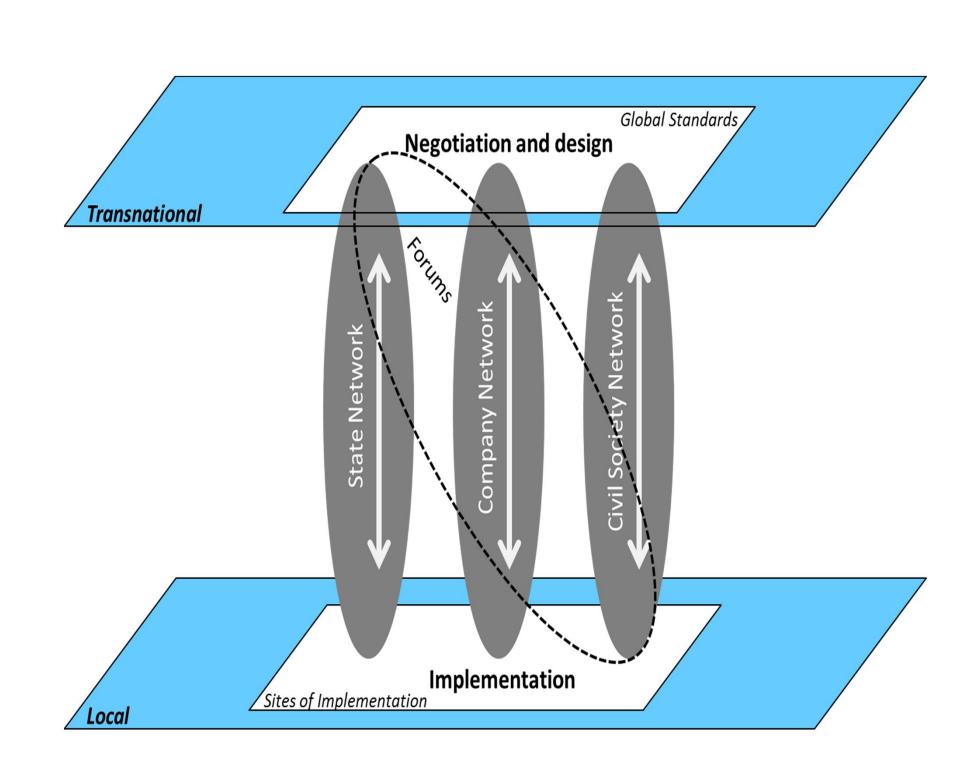
Benefit Sharing in the Russian Arctic: Toward Sustainability of Indigenous Communities in the Areas of Resource Extraction

Oil Production networks in the Russian Arctic Helsinki, 11 May, 2016 Maria Tysiachniouk, Centre for Independent Social Research





Research question

 What benefit sharing arrangements between indigenous people and oil companies in the Arctic are more equitable?

Map of Russian Oil & Gas Provinces ved Reserves by Province **2009 Production by Province** Far Far East Other East an-Pechora East Siberia regian Sea East Sit Timan er Pechora Volga 13% Urals 9% Laptev Sea Kara Sea Barents West West Sea Siberia Siberia Timan Pechora ■ Varandey Khartyaga Belarus Ukhta Sea of Okhotsk Yaroslavi East Siberia Ukraine Romania Nizhny Novogorod Volga Ural Sakhalin Projects Pur-Pe Krasnoleninsk Verkhnechonskoye Burgus Black Sea Novorossiysk Yurubcheno Samotlor Komsomolsk-na-Amure Takhomskoye Tynda **Nizhne**vartovsk Talakanskoye Yuzhno-Sakhalinsk cey Yaraktinsky Skovorodino Achinsk Khabarovsk Ust-Kut Volgograd Orsk Taishet Kazakhstan Angars Kozmino Irkutsk Perevoznaya Syria Nakhodka Japan Sea of Japan Mongolia Caspian N. Korea China Uzbekistan Iraq Shymkent Turkmenistan Beijing Refinery Pipeline in operation S. Korea Tehran Altyaryk Fergana Planned pipeline Sea oil terminal Iran Main prespective oil field Producing region Afghanisatn Prospective region ----- Sea lane



Benefit sharing agreements

Different in Russian regions

 Depend on regional contexts, legislation, rules in use, governments and stakeholders (space of place)

 Global standards play different roles in different regions

Modes of benefit sharing

- Paternalism (Nenets Autonomous Okrugsocio-economic agreements, compensations)
- 2. Corporate Social Responsibility (Siberia, Komi Republic standard agreements, socio-economic agreements)
- 3. Partnerships –Sakhalin Island



Paternalism

Benefit sharing arrangements

- Socio-economic agreements with NAO disdjunctions in delivery
- Socio-economic agreements with Zapoliarnii district
- Socio-economic agreements directly with reindeer herding enterprises-switched to compensations for damage that are calculated.
- Kolguev Island (agreements-barter)



Corporate Social Responsibility: benefit sharing

 Irkutsk Oil Company (Evenk community Tokma in Irkutsk oblast)

 Surgutneftegaz—typical agreements for indigenous people who are in the register, Territories of traditional nature use, in Numto—through Beloyarski administration



Corporate Social Responsibility

Partnership



Sakhalin Island: benefit sharing arrangements through partnerships

- Tripartite partnerships –grants (\$110000)
- Effort to transfer international norms to Russia
- Continuous consultations, indigenous people are involved in distributing money through grants
- Sakhalin Energy—free prior and informed consent

Consequences

- Conflicts around distribution of funds
- Increased number of tribal units (retired people)
- Forced development
- Unintended: illegal caviar business
- Transformation toward "souvenir culture"

Conclusion and Recommendation

 No one benefit sharing practice leads to sustainable development

 Arctic Council—SD-WG-a global study of benefit sharing arrangements