

Indigenous Peoples' Consultation **Programme**

6.1 INTRODUCTION

The Phase 2 Project crosses five (Okha, Nogliki, Tymovsk, Poronaisk, and Smirnykh) of the six Districts on northern Sakhalin Island where most indigenous peoples live and practice traditional activities. In these districts, construction of pipelines and other onshore facilities is proposed in areas that have been home to Sakhalin's indigenous Nivkhi, Uilta (Oroki, Orochony) and Evenki for centuries. These people still practice traditional livelihood activities in these areas, including reindeer herding, fishing, gathering and hunting. Communities with enclaves of indigenous peoples are illustrated in Figure 6-01.

In the autumn of 2001 SEIC initiated an intensive participatory consultation programme (IP Consultation Programme) with potentially affected indigenous people. The effort was part of the overarching SIA effort. The IP programme has several objectives to:

- Fully identify and address issues of concern to indigenous people who might be affected by construction and operations of the Project through a programme of participatory consultation,
- Implement commitments made by SEIC during Phase 1, including collection of socio-economic baseline information, and
- Meet the spirit and intent of World Bank Group guidelines regarding consultation with indigenous peoples.

As stated in the 1997 Phase 1 EIA, SEIC believes that the Project will play an important role in Sakhalin's future socio-economic development and has the potential to deliver substantial direct and indirect benefits to the region.

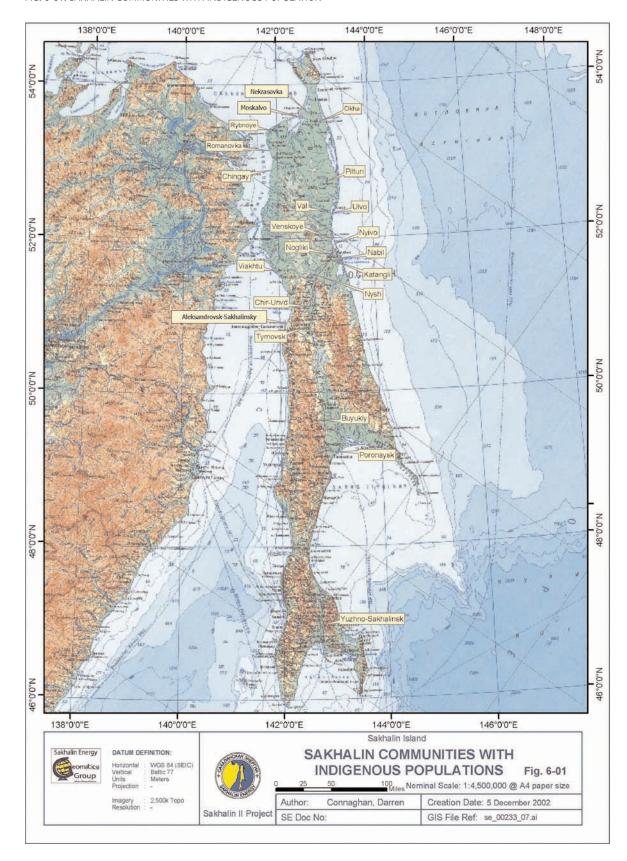
Additional information on the island's indigenous peoples can be found in several locations in this report. Chapter 4 describes historical changes in the local populations. Chapter 7 includes information on issues related to compensation under the Russian regulatory system for indigenous land use. Appendix E includes more detained information on the IP consultation program.

6.1.1 Phase 1 Development and Indigenous Communities (1992-2001)

Since the start of Phase 1 development, SEIC has employed a community relations officer, whose responsibilities included consultation with local indigenous peoples on Phase 1 commitment. These commitments included:

- Information updates regarding company activities,
- Resolution of grievances,
- Socio-economic monitoring,
- Assistance to villagers in cases of need, when possible,
- Negotiating land lease, and
- Monitoring of local Project-related economic pressures.

FIG. 6-01: SAKHALIN COMMUNITIES WITH INDIGENOUS POPULATION



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Monitoring of the socio-economic environment is seen as an integral component of operations. Monitoring of local expectations, adaptations to change, and the overall condition of the local communities are needed to assure Project-related benefits are maximised and potentially adverse effects minimised. Socio-economic conditions will be assessed to assist local indigenous people in benefiting from Project implementation.

6.1.2 Phase 2 Development (2001 to Present)

The Phase 2 consultations provide an analysis of Native communities likely to be affected by the Phase 2 construction of pipelines and onshore facilities. The analysis covers the following questions:

- Location of Native communities and isolated homesteads,
- Types of subsistence food resources that indigenous people depend on,
- Traditional livelihood activities still practiced by indigenous people,
- Structure and practices of Native enterprises,
- Migratory routes and camps of reindeer herders, and
- State of health of Native families.

The aims of the Phase 2 consultations and discussions with indigenous representatives are:

- To inform Sakhalin's indigenous people about the Phase 2 Project,
- To elicit public opinions and concerns about the Project,
- To determine potential Project impacts on Native communities, their livelihood activities and subsistence food resources, and
- To discuss mitigation measures to minimise potential negative impacts.

The three stages of the Phase 2 consultation process are outlined below and described in more detail in later sections.

TABLE 6-01: STAGES OF THE PHASE 2 CONSULTATION PROGRAMME

Sta	ge of Consultation	Dates	Activities
1	Pre-public hearing	Oct.	Organisation of SEIC Indigenous People's consultation Group
	consultations and public	OctNov.	Preliminary consultations with individuals and communities
	meetings (OctDec. 2001)	22 Nov14 Dec.	Meetings with local officials and community leaders
		17-28 Nov.	Preparatory consultations and distribution of information
		29 Nov.	Indigenous people's seminar
		4 Dec.	IP meeting with SEIC Technical Director
		Dec.	Public hearings and environmental presentations
2	Baseline data collection	Jan. 4 Jan24 Feb.	Development of questionnaire based on Alaskan model Resource mapping and IP interviews (Nogliki and Tymovsk Districts)
	and consultation (Jan May 2002)	20 Jan., 21-23 Feb., 24-25 May	Interviews with reindeer herders, mapping and work with questionnaires
		9-11 Feb.	Pilot survey of household questionnaire (Chir-Unvd)
		17-25 Feb.	Administration of questionnaire (Nogliki District)
		Feb-Mar.	Meetings with Association of Indigenous Peoples
		23-29 May	Interviews with local officials in Nogliki, Smirnykh and Poronaisk Districts Additional work with the questionnaire in Val
3	Ongoing consultations on	June	Follow-up consultation with Exxon and herders
	Project impacts and mitigation measures	June-Aug.	Future consultation related to SEIC commitments, Molikpaq visit, impacts and mitigation measures.
	(Jun. 2002 and ongoing)	25-26 Aug.	Consultations with reindeer herders regarding potential mitigation measures at their summer camp on the Dimaus River (Piltun-Astokh area)

In total, the IP Group consulted with more than 150 indigenous residents from six key communities, which represents approximately 10% of indigenous people living in Nogliki and Tymovsk Districts or about 25% of families represented. This includes:

TABLE 6-02: INDIGENOUS PEOPLE CONSULTED

Consulted	No. People
Families and clan enterprises (using questionnaire) (39 families)	90
Unofficial interviews	30
20 group consultations outside the questionnaire survey	20 groups (of 2-5 people)
Leaders of reindeer herding groups	3
Herders' relatives	9
Heads of Uilta enterprises	2
Heads of Nivkh enterprises	8
Workers in Nivkh enterprises	3
Native NGO representatives	3
Native officials	2
Participants at IP seminar	64
Participants at meeting with Technical Director	48

Note: Some people are represented more than once in the above table.

6.2 BACKGROUND TO SAKHALIN INDIGENOUS PEOPLES

Sakhalin's indigenous population is made up of the following ethnic groups:

Ethnic Group	Population
Nivkhi	2,550
Uilta (Oroki, Orochony)	344
Evenki	253
Nanaitsy	189
Others	59
Total	3,398

The Nivkh population is generally stable, increasing by 10 people in 2000. The Uilta are Sakhalin's smallest ethnic group, with no population increase since 1991 and a decrease of 6 people in 2000. As of January 1, 2000, 58% of indigenous residents (1,976) live in towns and 42% live in rural areas. Rural indigenous populations are declining throughout Sakhalin because of migration to district centres.

Sakhalin has six districts with indigenous populations, according to federal resolutions of 1993. This list does not include Yuzhno-Sakhalinsk. All these districts and settlements are ethnically mixed and Russianspeaking. The following table illustrates the distribution of indigenous populations:

TABLE 6-03: DISTRICTS AND SETTLEMENTS WITH INDIGENOUS POPULATIONS AS OF 2000

Districts	Ethnic Groups	Settlements	Indigenous Population
Okha	Nivkhi, Uilta, Evenki	Okha, Nekrasovka, Novye Langry,	
		Rybnoye, Romanovka, Piltun	1,232
Nogliki	Nivkhi, Uilta, Evenki	Nogliki, Val, Katangli, Venskoye	1,038
Aleksandrovsk	Nivkhi, Evenki	Aleksandrovsk, Viakhtu, Trambaus	203
Tymovsk	Nivkhi	Tymovsk, Chir-Unvd	236
Poronaisk	Uilta, Nanaitsy, Nivkhi, Evenki	Poronaisk	463
Smirnykh	Uilta, Nivkhi	Buyukly, Pilvo	26
Yuzhno-Sakhalinsk	Nivkhi, Uilta, Nanaitsy, others	Yuzhno-Sakhalinsk	200
Total			3,398

6.2.1 Indigenous Populations of Nogliki District

Nogliki District is the district with indigenous populations most likely to be impacted by activities.

There are 1,038 indigenous people in Nogliki District (30.6% of Sakhalin's total Native population), including 775 Nivkhi, 146 Uilta and 85 Evenki. Indigenous people make up approximately 7% of the Nogliki District population.

Three Nivkh clan enterprises own land (lifetime ownership with inheritance rights) and commercial fishing and hunting grounds. Twelve Native clan enterprises have usufruct rights to land without ownership rights. Several clan and family households live on the shores of Nyivo Bay. Other Nivkh families visit this area in summer.

Five to seven families (representing about 20 Uilta and Evenk herders) are involved in reindeer herding in Nogliki District. They live in the forest in winter and on the shores of the eastern bays in summer. About 15 Nivkhi and one Russian live permanently on the shores of the Okhotsk Sea and northeastern bays and depend on fishing for their livelihoods. There are three clan enterprises in the district. In the Vostok fishing collective Nivkhi make up 30% of employees.

Nogliki, the district centre, has the largest indigenous community on Sakhalin (pop. 831), including 749 Nivkhi. There is a local museum, two Native dance troupes, crafts and souvenir making. The regional Association of Indigenous People is based here and there is also a local district branch.

Val has the second largest Native community in the district (about 190 indigenous people), with about 130 Uilta, 50 Evenki and some Nivkhi. Indigenous residents make crafts, woodcarvings, souvenirs, embroidery and traditional clothes. There is a Native dance troupe. The main indigenous economic activity is reindeer herding, while some families fish seasonally. There is a high level of Native unemployment. Most Native people do subsidiary work. Some work at the local Exploratory Drilling Department.

Katangli has a mainly Russian population with about 25 Nivkhi.

6.2.2 Other Districts

Okha District has 1,232 indigenous people (38.5%), of which 803 live on the western shore. The district centre, Okha, has a mixed population with some Nivkhi and Evenki, and has the district local museum. Nekrasovka in the northwest has the largest indigenous population, an ethnographic museum, a dance troupe, and Native craftspeople. Piltun (pop. 230), the only village in Okha District close to Project construction, has 3-4 Nivkh families who practice fishing and hunting. Herders use summer pastures and migrate near the southern end of Piltun Bay and a Nivkh clan enterprise is located on the southern shores. There are eight clan enterprises registered in Okha District.

In Tymovsk District the only village with a concentrated indigenous population is Chir-Unvd (pop. 209). There are 5-7 clan enterprises in the village, specialising in fishing and fur trapping. A Native agricultural enterprise specialises in cattle-breeding and vegetable growing. There is a Native dance troupe and Native craftspeople make boats, instruments, birch bark objects and embroidery. A few Native students study in the district centre, Tymovsk.

There is a very small indigenous population of 10-12 Uilta and Nivkhi in the village of Buyukly in Smirnykh District. Indigenous residents practice fishing and gathering.

In Poronaisk District, the district centre, Poronaisk, has 453 indigenous residents (13.6%). Clan enterprises, based on the coast, specialise in fishing, marine mammal hunting and souvenir making. There is a branch of the Association of Indigenous Peoples, local museum, a Native college of traditional industries, and a dance and folklore group.

The regional capital Yuzhno-Sakhalinsk has more than 200 indigenous residents.

6.3 THE CONSULTATION PROCESS

6.3.1 Local Capacity Building Activities (2001-2002)

The Indigenous IP Consultation Group was developed in parallel with the SA Group (Chapter 2). In October 2001 SEIC retained the services of a local Group of experts to scope and implement an IP Consultation Programme for the Phase 2 development. This group was led by Dr Tatyana Roon, an ethnographer from the Sakhalin State Regional Museum. It included two other researchers from the museum, Mrs Elena Nitkuk and Ms Nellie Ilyina. The IP Group started their consultation programme in November 2001.

The IP Group was supported by Dr Pandora Snethkamp, the Sakhalin II Project Social Portfolio Manager, who also participated in some of the consultation efforts. Mrs Tatyana Luzan, who has been responsible for ongoing community consultation related to SEIC IP programmes, also assisted in the organisation of seminars and meetings. SEIC also hired Dr Emma Wilson, a UK-based independent social-environmental consultant with research experience on Sakhalin, to comment on proposed work scopes, the consultation plan and appropriate impact mitigation measures.

6.3.2 Initial Scoping and Start-Up (Autumn 2001)

At the beginning of November 2001 the IP Group planned the Phase 2 consultation work, which included:

- Initial contact via telephone and brief meetings with representatives of the Association of Indigenous Peoples in Yuzhno-Sakhalinsk and Nogliki,
- Identification of consultation methods/preparation of schedule,
- Preparation with SEIC senior management,
- Individual meetings/discussions with indigenous residents,
- A seminar with indigenous representatives and SEIC specialists,
- Collection of information and indigenous peoples' comments for preliminary identification of key issues related to direct or indirect Project impacts on indigenous livelihoods or cultural heritage, and
- Development of principles for monitoring the contemporary socio-economic status of indigenous peoples.

6.4 STAGE 1: PRE-PUBLIC HEARING CONSULTATIONS AND PUBLIC MEETINGS (OCTOBER-DECEMBER 2001)

In mid-November 2001, the TEO-C 2001 PEIA was released in compliance with formal Russian public environmental review legislation. Prior to the TEO-C 2001 PEIA public hearings, the IP and SA Groups carried out a series of public consultations and meetings as summarised below:

TABLE 6-04: SCHEDULE OF PRE-PUBLIC HEARING CONSULTATIONS AND PUBLIC MEETINGS (OCTOBER-DECEMBER 2001)

Date	Consultations	Community
OctNov.	Preliminary consultations with individuals and communities	Nogliki, Yuzhno-Sakhalinsk
17-28 Nov.	Preparation for IP seminar	Nogliki, Val, Katangli, Venskoye, Yuzhno-Sakhalinsk
29 Nov.	IP seminar with SEIC specialists and indigenous residents from districts and communities	Nogliki
4 Dec.	IP and Association Meeting with SEIC Technical Director	Nogliki
4 Dec.	Public hearing	Nogliki
23 Dec.	Environmental presentation	Val
25 Dec.	Environmental presentation	Chir-Unvd

In October and November, the IP Group conducted consultations and interviews and disseminated information in communities identified as having indigenous populations and likely to be directly affected by the Phase 2 Project (Nogliki, Katangli, Val and Venskoye in Nogliki District). The Group also prepared for the IP Seminar by consulting with local residents and disseminating information.

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On November 29, a day-long IP seminar was held on issues related to the TEO-C 2002 PEIA with 64 participants from Nogliki, Tymovsk, Poronaisk and Okha Districts and Yuzhno-Sakhalinsk, including Uilta (Oroki), Nivkhi, Evenki and Nanaitsy, and representatives of Native enterprises and the Association of Indigenous Peoples. The purpose of the seminar was to elicit public opinion and suggestions about the potential Project impact on the environment and indigenous people's livelihoods, and to distribute information materials about the company and the Project.

At the seminar, SEIC specialists presented information on the Project, including a number of topics previously identified as being of special interest. This was followed by a question and answer session and a round-table discussion focusing on key issues.

On December 4, 2001 a meeting was held in Nogliki with SEIC Technical Director and 48 indigenous representatives from Nogliki and Okha Districts and the Sakhalin Regional Association of Indigenous Peoples. The aim of the meeting was to:

- Develop the consultation process between SEIC senior management and indigenous populations of communities to be affected by the Project,
- Elicit local indigenous people's concerns about potential Project impacts on the environment and livelihoods, and
- Elicit opinions and suggestions on Project-related issues.

6.4.1 Key Issues

The following issues of concern were identified in the course of the preliminary consultations:

TABLE 6-05: CONCERNS EXPRESSED BY INDIGENOUS PEOPLE DURING PRELIMINARY CONSULTATIONS

General Issue	Details
Environment	 Environmental pollution, including pollution of salmon spawning rivers, Okhotsk Sea Bays and coastal waters Prevention of and response to spills of oil/hazardous substances Preservation of berry fields, hunting areas and marine bio-resources Safe utilisation of industrial waste
Reindeer herding	 Preservation of summer reindeer pastures near Piltun and Chaivo Bays and calving grounds in the Piltun Bay area Concern about improvement of access roads near summer pastures that can lead to increase in poaching of domestic reindeer Ongoing consultation with reindeer herders
Youth employment	Provision of jobs with SEIC contractors or Project-related enterprisesSpecialist training for indigenous people
Compensation	- Payment of compensation for impacts on Native territory traditionally used for fishing gathering and hunting
Social/cultural	– Expert review of indigenous livelihoods and cultural heritage, with a view to potential Project-related impacts
Revenue distribution	Ensure that Project-related revenues paid to the government reach indigenous communities for socio-economic development support

Local residents also suggested ways in which a sustainable development and/orr supplemental assistance fund could support indigenous communities. These included:

- Small business support for indigenous enterprises (herding, souvenir making, fishing),
- Support for reconstruction of the Nogliki ethnographic museum,
- Support for language training, cultural centres, educational programmes,
- Construction of fish hatcheries close to where indigenous families and enterprises fish, and
- Support for children's summer camps.

6.4.2 Key Commitments

During this meeting the following commitments were made by SEIC Technical Director.

- Encourage people to submit proposals for support of activities not directly Project-related for funding through the SEIC Sustainable Development programme. Preference would be given for support of proposals which included some type of match and that indigenous peoples would need to prioritise their needs.
- Arrange for a visit to the Molikpaq by representatives of indigenous peoples,

- Arrange further meetings with senior managers of SEIC,
- To listen to concerns related to compensation.

6.5 STAGE 2: BASELINE DATA COLLECTION AND CONSULTATION (JANUARY-MAY 2002)

6.5.1 Description and Schedule of Activities

Between January and May 2002 the IP Group, alongside with consultations, carried out additional baseline information gathering, with the aim of identifying:

- Areas of traditional nature use potentially to be impacted by the Project (fishing/hunting/reindeer herding/berry gathering grounds),
- Indigenous people's concerns associated with potential Project impacts, and
- Actual use of natural resources and dependence of families on these resources.

The following methods were used to collect data:

- Formal interviews,
- Resource mapping,
- Questionnaires,
- Small group meetings, and
- Unofficial interviews.

The schedule of activities was as follows:

TABLE 6-06: SCHEDULE OF IP CONSULTATIONS AND DATA COLLECTION EFFORTS (2002)

Date	Location	Activity and Respondents
4-6, 9 Jan.	Nogliki	Pre-test resource mapping with two Native clan enterprises
18-19 Jan.	Val, Nogliki	Interviews with reindeer herder and indigenous activists
20 Jan.	Val	Mapping and interviews with herding family
9-11 Feb.	Chir-Unvd	Pilot survey with questionnaire, mapping
17-25 Feb.	Nogliki, Venskoye, Katangli, Chaivo	Questionnaire survey and mapping
21-24 Feb.	Val	Questionnaire, mapping, interviews with herders (together with Exxon)
9 Mar. Yuzhno-Sakhalinsk Interview with head of Sakhalin Regional IP Association		
9-11,19, 24 Apr.	Yuzhno-Sakhalinsk	Consultation/camps/souvenir business
23-29 May	Nogliki, Val, Buyukly, Poronaisk	Additional baseline data gathering; household questionnaires; interviews with officials and herders
9 July	Yuzhno-Sakhalinsk	Short meeting with IP Association leaders

6.5.2 Resource Mapping

Between January 4 and February 25, 2002 the IP Group interviewed indigenous residents of Nogliki and Tymovsk Districts and mapped areas where they practice traditional use of natural resources. Where Phase 2 activities are planned for areas where people practice their livelihood activities, respondents were encouraged to suggest possible alternative harvesting areas.

Preliminary mapping took place between January 4 and January 9, 2002. Mapping also took place during the administration of the household questionnaire between February 9 and February 25, 2002. The following features were mapped:

TABLE 6-07: FEATURES MAPPED DURING RESOURCE MAPPING EXERCISES

Features Mapped	Location
Winter/summer fishing grounds (salmon and non-salmon species) of families and clan enterprises on rivers and bays	Nogliki, Tymovsk Districts
Hunting grounds (forest mammals and fur-bearing species, birds and marine mammals)	Nogliki, Tymovsk Districts
Berry fields used by indigenous people	Nogliki, Venskoye, Val, Chir-Unvd
Places where water pollution has been discovered	Ossoy and Val Rivers, Chaivo and Nyivo Bays, Val, Nogliki
Migration routes of three reindeer herding groups from the 'Valetta' herding cooperative and 'Bayausa' enterprise	Nogliki and Okha Districts
Seasonal pastures and calving grounds of domestic reindeer	Near Chaivo, Piltun and Astokh Bays (Nogliki, Okha Districts)
Herding camps of the 'Valetta' herders	Nogliki District

6.5.3 Household Questionnaire

The questionnaire administered to households and clan enterprises was adapted on a household subsistence harvest questionnaire used by the Subsistence Division of the Alaska Department of Fish and Game (ADFG) in 2001. The ADFG questionnaire has been used in Alaska native and non-native communities for over 20 years. It is one of the most complete and well-tested subsistence harvest and resource use mapping questionnaires available. Furthermore, many of the ecological and resource use issues are similar, making it ideal for adaptation. The basic questions included:

- Number of family members,
- Number of years lived in the given settlement,
- Employment in traditional economic activities/non-traditional sectors,
- Specific quantities of natural resources harvested for food (kg/litres/no. of fish),
- Geographical location of livelihood activities (food harvesting), and
- Percentage of total food consumption from various sources (natural resources, garden plots and shops).

The AFDG questionnaire was adapted and developed in the following ways:

- Questions about local livelihoods and resource use were adapted to local specifics (e.g., species, locations of resource use),
- A new section was added about household/clan enterprise income, referring to specific local/Russian payments, pensions and benefits,
- Questions were added about supplementary income such as sales from garden plots, the sale of souvenirs, fish, caviar, berries, money from Native people's programmes and other sources,
- Questions were added about the use of fish in the household economy,
- Additional questions addressed the issue of poaching and other extra-regulatory use of natural resources, and
- An additional section about health and medical care was added to the end of the household questionnaire.

Thirty-nine questionnaires were completed, with about 90 adults being interviewed. The questionnaires were administered both individually and in small groups (with families or Native enterprises). Interviews lasted between 1-2.5 hours. The schedule was as follows:

TABLE 6-08: SCHEDULE OF SURVEYING USING QUESTIONNAIRE IN 2002

Dates	Location	Type of Survey
9-11 Feb.	Chir-Unvd	Pilot survey using longer version of questionnaire
17-25 Feb.	Nogliki, Venskoye, Katangli, Chaivo, Val	Survey using shorter revised questionnaire
23-29 May	Val	Additional work with questionnaires

6.5.4 Consultations with Reindeer Herders, Fishing Enterprises, Individuals and Households

Between January and May 2002, consultations were held with reindeer herders, fishing enterprises, households and individuals. The aims of these meetings were to:

- Explain to people the aims of the baseline data collection and consultations conducted by the IP Group after the IP seminar,
- Inform people about the Project, identify questions/concerns about Project-related impacts on communities, the environment and livelihood activities (fishing/hunting/reindeer herding/berry gathering) and identify sensitive places likely to be impacted by Project-related construction, and
- Elicit expectations of indigenous people about the Project such as social support, and employment opportunities).

Consultations with the reindeer herders were held in Val and in reindeer herding camps. Others were held in public places such as the street, museum, and libraries, and in people's houses.

TABLE 6-09: CONSULTATIONS WITH HERDERS, FISHING ENTERPRISES, HOUSEHOLDS AND INDIVIDUALS IN 2002

Dates	Group	Issues Discussed
JanFeb., May	Reindeer herders from cooperative Valetta and Bayausa enterprise	Seasonal use of pasturesDevelopment prospects for reindeer herding on Sakhalin
JanFeb.	Fishing enterprises	Bay pollutionDecrease in fish catchesDecline in fish quality
JanFeb.	Individuals/households	 Creation of a fund for IP culture/education Construction of hatcheries in localities with indigenous populations Further IP consultations

6.5.5 RESULTS OF BASELINE DATA COLLECTION

The baseline data collection yielded the following results:

- 1. Identification of communities/households most vulnerable to Project impacts:
- Nogliki District was identified as the district with indigenous populations that are most vulnerable to impacts from Phase 2 construction work,
- Specific areas most sensitive to Phase 2 construction were identified (e.q., reindeer pastures, calving grounds, rivers and hunting areas in Nogliki District), and
- Local land users to be affected by the construction activities were identified and informed about Project activities.
- 2. Baseline data on traditional resource use activities in areas where construction is to take place (Nogliki/Tymovsk Districts):
- Harvesting of natural food resources on traditional territories,
- Structure of present-day food consumption and use of resources within the household economy,
- Commercial/non-commercial fishing,
- Illegal salmon fishing (for subsistence and sale),
- Current state of reindeer herding,
- Environmental change over decades, as observed by elderly residents,
- Native health and medical care.
- Household/clan enterprise income, including supplementary income from household production, and
- General information about use of land and fishing grounds by the Native population in Smirnykh and Poronaisk Districts.

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Identification and assessment of potential impacts of Phase 2 construction work and consideration of mitigation measures are included in Chapters 12 and 14. The following sections present some of the results of the baseline data collection and consultation process.

6.6 RESULTS OF DATA COLLECTION AND CONSULTATION

6.6.1 Native Household Income

The main sources of income in 2001 for the indigenous families surveyed were:

- Salary from an organisation or factory,
- Pension.
- Sale of natural resource products,
- Social security benefits (family allowance, disability allowance, loss of breadwinner allowance),
- Funds from the regional programme of socio-economic development for indigenous people (2001-2004),
- Unemployment benefit,
- Sale of souvenirs, and
- Family enterprise income.

Some poorer families received food coupons for items such as bread, sugar and pasta, humanitarian aid (single distributions of food products) and money to buy school equipment for children. Below, the results of the household survey are summarised by community.

TABLE 6-10: INCOME OF NATIVE HOUSEHOLDS IN 2001

Community	Household Income
Val	 Annual household income ranged from about R10,000 to R140,000. Incomes made up of wages, family allowance, unemployment benefit, sale of fish/caviar/berries/reindeer meat/souvenirs. No surveyed household received assistance from the Native Development Programme.
Chaivo, Venskoye, Katangli	 Household income ranged from R15,000 to R140,000. Income made up of pensions, social security benefits, sale of fish, and salaries. No household received assistance from the Native Development Programme.
Nogliki	– Household income: R10,000-R160,000.
	 Income made up of wages, sale of fish/caviar/berries, pensions, the Native Development Programme, and unemployment benefit.
Chir-Unvd	 Household income: R20,000-R70,000. Income from salaries, family allowance, loss of breadwinner allowance, sale of fish/caviar/souvenirs/dairy products, the Native Development Programme, and unemployment benefit. People often exchange fish products with visiting traders for essential goods (soap, soap powder, food products and clothes).

6.6.2 Subsistence Food Sources for Indigenous Populations

Researchers observed that traditional food patterns have changed among indigenous people. According to respondents, traditional food (fish, meat, berries and other plants) obtained from wild resources makes up only 20-50% of food consumed in the majority of families.

In only two cases, in Chaivo and Nogliki, traditional food made up 70% of the family diet. The Native diet now includes vegetables that are grown in garden plots, exchanged for fish or bought in shops. Most families that were interviewed bought about 60% of their food products in shops (e.q., flour, bread, cereals, salt, and sugar).

6.6.2.1 Garden Plots

According to respondents, vegetables grown on garden plots constitute 10-40% of the family diet. Most respondents in Nogliki use their garden plots to supplement their family needs as do the families interviewed in Val. However, only one third of families interviewed in Chir-Unvd had vegetable gardens.

6.6.2.2 Berry and Plant Gathering

Women in surveyed households preserve berries including cloudberry, blueberry, red bilberry, cranberry and blackberry as well as plants such as wild leek, wild lily bulbs, and nuts. They travel to berry grounds far away from their settlement by car and closer to their settlement on foot. Berries are consumed fresh or preserved (e.g., jams, frozen) and some are sold.

6.6.2.3 Hunting

Indigenous people traditionally hunt for marine mammals and forest/furbearing mammals. Seal meat, fat (oil) and liver were used for food, while clothes and footwear were made out of sealskin. Today a lot of people still consume seal oil and meat, and they use seal fur in souvenir making.

According to the survey, Nivkh residents of Nogliki, Venskoye and Chaivo hunted seals in 2001, including largha seal, ringed seal, ribbon seal and sea-lion. The main marine mammal hunting grounds are Chaivo, Nyivo, Nabil and Lunsky Bays.

Members of several households in Nogliki and Tymovsk Districts hunt fur-bearing animals (fox, squirrel, sable, hare and otter), as well as deer and bear, duck, partridge and other birds. Some Nogliki families collect gull and duck eggs. Fur is used for family needs and souvenir making; meat is used for food. Hunting grounds are far away from the communities.

6.6.2.4 Fishing

According to the survey results, the indigenous peoples' main food resource year round is Pacific salmon and other species of fish. Nearly every family and clan enterprise interviewed reported that they were involved in fishing. Most indigenous respondents (adults and young people) said that in 2001 they fished for Pacific salmon and for non-salmon species in summer and in winter, and also processed some of the fish.

Salmon is caught in Astokh, Chaivo, Nyivo, Nabil and Lunsky Bays. Every year during the fishing season, many Nogliki and Katangli residents visit traditional Native settlements such as Chaivo, Nyivo and Nabil on the shores of these bays.

Several non-salmon species are also caught, including smelt, saffron cod, flatfish, red eye, burbot, pike and marine goby, in different seasons of the year. Fishing grounds include the Val, Askasay, Evay, Tapauna, Dagi, Malye and Bolshiye Veni and Tym Rivers. Marine fish (e.g., saffron cod, flatfish, and marine goby) is caught on Chaivo, Nyivo and Nabil Bays.

Indigenous residents process the fish they catch in many ways, as described in the table below:

TABLE 6-11: LOCAL USES OF FISH

Type of Use	Details
Yukola	Yukola is a traditional food of indigenous northern peoples. It is prepared by slicing the fish in a particular way and drying it in the air without any salt. One third of families interviewed said they preserved fish as yukola, which they made from chum salmon, pink salmon and salmon trout.
Cooking	The majority of the families interviewed cooked 10-50% or even up to 100% of the fish that they caught by boiling or frying it or making it into fish cakes.
Salting	This is not a traditional method of preserving salmon. It became popular on Sakhalin in the 20th century. People salt chum and pink salmon (sometimes coho salmon) in barrels.
Smoking	This is not a traditional method of preserving salmon among Sakhalin Native people. One quarter of families interviewed smoked pink and chum salmon.
Freezing	A few respondents freeze pink salmon.
Canning	Several families in Val can their fish.
Exchange	Several families, mainly in Nogliki and Venskoye, exchange fish (chum and pink salmon) for food products (vegetables, potatoes), fuel and spare parts for engines.
Giving away	In the vast majority of families interviewed, an insignificant portion of the salmon they caught is given away to relatives and neighbours.
Domestic animal food	A few families feed fish left-overs to their dogs.

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Every Native family who applies to catch salmon is given a permit. The permit establishes a particular place, time and quantity (in number of fish and in kg) for every member of the family, including small children. Recently spouses of another nationality were allowed to receive quotas, too, as members of a Native family.

There is a 100kg quota of salmon (50kg of pink salmon and 50kg of chum salmon) per indigenous family member. Respondents noted that this was not enough to satisfy their subsistence needs.

Subsistence salmon fishing is permitted in the bays and the Tym River estuary. Fishing for salmon is illegal on rivers in Nogliki District. The 2001-2002 consultations revealed that Pacific salmon is fished illegally every year in the bays and the rivers, and a Red Book fish as well.

A number of Native families fish for subsistence and for sale/exchange on rivers to be crossed by the Project pipeline.

6.6.3 Native Enterprises

The following Native enterprises were interviewed during the IP consultations:

TABLE 6-12: NATIVE ENTERPRISES INTERVIEWED DURING IP CONSULTATIONS

Type of Enterprise	Base	Details	
Reindeer herding cooperative (kooperativ)	Val Val	Reindeer herding cooperative Cooperative registered, no allocated land	
Reindeer herding clan enterprise (rodovoye khozyaystvo)	Val	 Reindeer herding clan enterprise Enterprise registered, no allocated land Herders from the clan enterprise work and migrate with the herders from Herding enterprise 1 	
Fishing clan community (rodovaya obschina)	Val	– Commercial fishing on Chaivo Bay	
Fishing Native clan enterprise (natsionalnoye rodovoye khozyaystvo)	Nogliki	 These three are fishing enterprises They have rights to land for building houses and living a traditional lifestyle on the land They have rights to land for building houses and living a traditional lifestyle on the land Hunting grounds have been allocated to them by the forest service (leskhoz) Fishing grounds have been allocated to them by the fish inspectorate (rybookhrana) 	
Fishing clan enterprise	Venskoye		
Fishing cooperative farm enterprise (kooperativnoye fermerskoye khozyaystvo)	Nogliki		
Clan enterprise	Venskoye	Hunting grounds have been allocated to these enterprises by the forest service	
Enterprise	Nogliki	(leskhoz) – They also practice fishing	
Clan enterprise	Val	– Souvenirs, crafts	
Clan enterprise	Chir-Unvd	– Cattle breeding, hunting	

Nogliki District has 15 Native clan enterprises, most of which are involved in fishing. In 2002, consultations were held with representatives of native fishing enterprises in Nogliki District. According to these consultations:

- Six fishing enterprises had fishing and hunting grounds allocated according to an agreement with the Nogliki District forest service (leskhoz) and hunted large forest mammals and fur-bearing animals,
- Several of the enterprises were allocated fishing grounds on the bays for temporary or unlimited use with inheritance rights,
- Five enterprises engaged in commercial fishing for non-salmon species using commercial quotas,
- Most enterprises fish for salmon species using mainly personal use quotas from family or from the local community,

- Four enterprises fished pink salmon using quotas according to an agreement with the 'Vostok' collective to use 'scientific catch' quotas negotiated with the Sakhalin Institute of Fisheries and Oceanography, SakhNIRO,
- Some enterprises hunted marine mammals for personal consumption and for giving away to relatives,
- Three enterprises hired workers during the fishing season, the rest managed by using their own forces, and
- All the native enterprises mentioned that they experienced financial difficulties and that saffron cod catches had declined.

6.6.4 Reindeer Herding

Project impact on reindeer herding is of special significance as the area where construction is taking place includes some of the last remaining pastures used by reindeer herders on Sakhalin. The practice of reindeer herding is in danger of dying out on Sakhalin. Impacts and mitigation measures are discussed in detail in Chapter 14.

6.6.4.1 A Brief History of Herding in Northern Sakhalin

An awareness of the history of reindeer herding in northern Sakhalin is important for an understanding of the present-day situation.

In the 1960s small state farms (sovkhozy) and collective farms (kolkhozy) were amalgamated into larger enterprises and the working populations were moved to larger centres, such as Nogliki (Nivkhi), Val (Uilta) and others. Reindeer herders were integrated into one state farm (sovkhoz) Olenevod in 1959. Indigenous populations were largely assimilated into mixed ethnic groups in towns and villages. Reindeer herding was supported by the State and prices of reindeer meat, craft products and associated activities were heavily subsidised

In 1986 Olenevod was officially allocated 1,191,001 ha of pastures for reindeer herding in Nogliki, Okha and Aleksandrovsk Districts (according to an Order of the Russian Council of Ministers, November 14, 1986), including land that is needed by the Sakhalin II Project north of Val.

In the 1990s state subsidies were withdrawn, reindeer brigades were broken up, and many Soviet era social supports were discontinued.

In 1991 the Val reindeer herders broke away from Olenevod and formed their own small state enterprise Val that has since gone bankrupt. In 1998, the reindeer herding clan enterprise Bayausa was registered in Nogliki District, and in 2000, former employees of Val (including members of Bayausa) established the reindeer herding cooperative Valetta.

The former state reindeer farm Olenevod is based in Aleksandrovsk District, north-western Sakhalin. The enterprise has no domestic reindeer and only hunts semi-wild reindeer.

Thus, three reindeer herding enterprises continue to operate on Sakhalin, the former state farm Olenevod, the cooperative Valetta and the clan enterprise Bayausa. Legally, Olenevod remains the official land user in the Project area, while in practice only the reindeer herders from Valetta and Bayausa use the pastures in Nogliki and Okha Districts.

6.6.4.2 Reindeer Pastures

Over the last 40 years, the area of pasture suitable for summer/spring grazing near Val has continuously declined. Major changes include:

TABLE 6-13: DECLINE IN REINDEER PASTURES SINCE 1970

Decade	Change in Use
1970s	- Two brigades of the Val branch of the state farm 'Olenevod' were ordered by local authorities to move their domestic herds from areas in the south to an area north of the Val River. Herds were substantially larger at that time and there was insufficient pasture for both the relocated herds and those herds that already used the northern pastures. It was difficult to prevent the animals returning to the pastures south of Val and many escaped. Today semi-wild herds grazing south of Val are believed to be descendants of these original herds.
1980s	- A major fire in 1989 severely damaged parts of the remaining spring/summer pastures north of Val.
1990s	 A 10-year land lease was granted for 'Reindeer' wildlife preserve (Olenyii Zakaznik) in the area of current Project development. A second major fire in 1998 severely damaged additional land as well as some pastures that were regenerating after the 1989 fire. Preliminary land allocations were granted to the Sakhalin-1 and Sakhalin II Projects for oil and gas development north of Val.
2000 to present	The 10-year land lease granted for 'Reindeer' wildlife preserve lapsed and was not renewed.Construction of Sakhalin-1 and Sakhalin II Project facilities was proposed north of Val.

The following areas are regularly used by herders during their seasonal migration. The actual number of people varies by year but averages about 20-25 per year in 2002.

TABLE 6-14: MIGRATION AREAS OF HERDING GROUPS FROM THE VALETTA REINDEER HERDING COOPERATIVE

Group	No. Herders	No. Deer	General Migration Areas	Period
1	9 plus 2 ('Bayausa' herders)	70	Bolshoy Garomay, Ossoy rivers, Chaivo Bay and Panitu Lakes, Diamus river and Piltun bay	May-September
2	4-5	19	Bolshoy Garomay, Botasino, Khandusa rivers, Chaivo Bay, Dimaus River, Panitu Lakes	April-September
3	6	18	Botasino river, Soniga Island, Bolshoy Garomay river, Chaivo Spit, Kharkuta and Dimaus rivers, Piltun bay	April-September

6.6.4.3 Livelihood Activities of Sakhalin Reindeer Herders

The herders live with their herds and migrate between the summer and winter pastures. In summer they live near the Chiavo and Piltun bays (close to where Sakhalin I and Sakhalin II Project-related construction is proposed) and in winter they move to the mountains and forests in the west. Their families live in Val. The wives and children visit the herders in their camps in summer.

The herders hunt, fish and gather berries and other wild plants for their subsistence needs and for sale or exchange. They noted that they have not received a salary for many years from herding. Their main income is from the sale of natural resources and souvenirs and the wages of family members who have other occupations in Val.

6.6.4.4 Future Prospects for Reindeer Herding

The reindeer herders see the future of the families of Val residents in the revival of reindeer herding.

TABLE 6-15: REVIVAL OF REINDEER HERDING: DEVELOPMENT ISSUES AND POSSIBLE SOLUTIONS

Development Issues	Possible Solutions
 Because of small reindeer populations, herders cannot sell domestic reindeer meat. 	Gradually increase the size of herds by catching semi-wild deer and domesticating them (the herders have a permit for this).
 Herders would like to increase the domestic reindeer population to 1,000 as it was in 1991. 	Build markets for reindeer meat.Introduce more female reindeer as a priority when building up the herds.
 Females need to prevail in a herd, but there are more male than female reindeer in two of the herding groups. 	
 If herds were increased there would not be enough experienced herders to look after them. 	– Attract and train young herders.
 There are not enough storage facilities or equipment for successfully developing secondary industries (processing of reindeer skins, souvenir making, etc.). 	 Attract investment in the 'Valetta' souvenir workshop to buy processing equipment and storage facilities. Develop new souvenir designs.
 If demand were to increase for souvenirs and other processed goods, there may not be sufficient production capacity. 	– Train young people in traditional skin-processing and craft skills.

6.6.5 Native Employment

Unemployment among the non-native population in Nogliki District is around 2% but for the Native population it is more than 4% (this estimate was based on official unemployment service data). According to information obtained from the Nogliki District Administration, actual unemployment is about 35% among Native people.

Surveying in Chir-Unvd, Venskoye, Katangli, Val and Nogliki revealed considerable differences between official Native employment data and the real situation in the districts. Questionnaire responses about Native unemployment in 2001 yielded the following results:

Community	Employment Summary
Chir-Unvd	 A quarter of respondents of working age had no work and only one was registered with the Tymovsk District Employment Service. According to employment service statistics there is only one unemployed person in Chir-Unvd. Local residents revealed that many more people were unemployed, particularly the young, but they were not registered.
Venskoye (Veni)	– All the people interviewed were employed in the local clan enterprise.
Nogliki	 - 69% of respondents of working age were working full time in clan enterprises. - Only 1% of respondents were unemployed. - 3% were working seasonally in clan enterprises.
Val	 Over half of people of working age had no work. Nearly half of those were registered with the Nogliki District Employment Service. According to other surveys, there is high youth unemployment in Val. A number of 15-19 year olds interviewed had no secondary specialist education, which they need in order to get work. Five youths were doing unpaid work (i.e., working only for food) with the reindeer herders in the summer and in clan enterprises in the fishing season.

In Nogliki and Tymovsk Districts Native communities generally have 'hidden' unemployment, which is not unique to the Native communities, and is characterised by the following phenomena:

- People who have no work do not register at their district employment service, because of transport difficulties, complicated procedures for signing on, low benefit rates and in some cases discrimination.
- Native people (and some non-Native partners) may stay away from their villages and live instead in outlying places on the bays and the rivers. Instead of seeking employment, they may chose to live from subsistence fishing or live and work with nomadic reindeer herders,
- Native people tend to prefer to get work in unqualified temporary or seasonal employment, and
- Mature people try to avoid re-training if it takes place in another town or village due to several factors: separation from the family, difficulties in helping the family from a distance, high cost of public transport, concern about everyday difficulties in a new place.

6.6.6 Native Health

In support of the HIA effort the IP Group collected information on the status of Native health. Results can be found in the HIA.

IP health questionnaire contained nine health-related questions (Appendix A-01). The questionnaire was pilot tested in the Tymovsk District after which it was restructured in consultation with SEIC health expert, Dr Judy Balint. Questions were added concerning family illnesses, sickness rate, overall mortality rate, child mortality, and harmful habits and sports activities.

The health questionnaire was administered in the same interview as the subsistence food questionnaire. Forty families were interviewed in Nogliki and Tymovsk District according to the schedule below:

TABLE 6-16: SCHEDULE OF HEALTH INTERVIEWS IN 2002

Date	Place	Details
3-9 Jan.	Nogliki, Venskoye, Katangli, Chaivo	Preliminary health consultations
20 Jan.	Val	Preliminary consultations
9-16 Feb.	Chir-Unvd	Pilot survey using first version of questionnaire
17-25 Feb.	Nogliki, Venskoye, Katangli, Chaivo	Survey using final version of questionnaire
22 Feb.	Val	Questionnaire survey
23-25 May	Val	Questionnaire survey and additional interviews

Tymovsk District

Families in the Tymovsk District were interviewed using the first version of the questionnaire. Most families assessed the state of their health as satisfactory. The following table summarises the main results.

TABLE 6-17: HEALTH OF RESPONDENTS IN THE TYMOVSK DISTRICT

Category	Details
Health problems	 Most families experienced colds and reported gastro-intestinal upsets among children and adults. Children were ill more often than adults (3-4 times a year). About half the families reported cardiovascular diseases. Tuberculosis, cancer, sinusitis, meningitis was also reported.
Harmful habits Healthcare	 Over half the families interviewed consumed alcohol and smoked. Most families treat illnesses with medicines, herbs and vitamins. Most families visit the local paramedic station. One third often go to the District Hospital About half the families visited a dentist (mostly free of charge).
Sport	– Children practice sports at school.

Nogliki District

Families in the Nogliki District were interviewed using the updated questionnaire.

TABLE 6-18: HEALTH OF RESPONDENTS IN NOGLIKI DISTRICT IN 2001

Category	Details
Health problems	 All families experienced colds; flu and respiratory diseases are also common. In nearly a quarter of families, adults get sick 3-4 times a year. Nearly a quarter of families interviewed, people of different ages had tuberculosis. Hearing disorders and eyesight problems were common. About one-third of families had members experiencing cardiovascular diseases or cancer or musculo-sceletal diseases. Most families had one or more family member experiencing gastro-intestinal upsets, particularly in Val.
Harmful habits	 In some families both men and women smoked. In some families people only consumed alcohol on holidays, in others people consumed alcohol several times per week.
Healthcare	 Treatment includes medicines, vitamins, herbs, and seal fat/oil. Very few respondents regularly attended medical institutions or underwent medical examinations although medical care facilities are available. Some families visited medical care facilities in Yuzhno-Sakhalinsk for treatment of tuberculosis, heart disease and trauma. People from communities go there for operations.
Sport	 Respondents report a lack of sport activities and facilities. In Nogliki children attend a swimming pool and practice sports at school. In summer adults play volleyball and soccer. The majority of families interviewed do not go in for sports at all.

According to Nogliki District Central Hospital, the main diseases of indigenous peoples in 2001 included:

TABLE 6-19: MAIN DISEASES OF INDIGENOUS PEOPLES ACCORDING TO THE NOGLIKI DISTRICT CENTRAL HOSPITAL IN 2001.

Disease/Disorder	Number of Cases
Digestive diseases	524
Tuberculosis	385
Parasitic infections	110
Mental disorders	97
Urogenital diseases	92
Eye diseases	86
Traumas and intoxication	77
Skin diseases	72

In 2001 the average life expectancy of indigenous people in Nogliki District was 43 years.

6.7 STAGE 3: ONGOING CONSULTATIONS ON PROJECT IMPACTS AND MITIGATION MEASURES (JUNE-AUGUST 2002 AND ONGOING)

Between June and August 2002 the IP Group leader continued consultations with indigenous residents in Yuzhno-Sakhalinsk, Nogliki and Val. Some of the consultations in Nogliki and Val were conducted via telephone. Others were conducted face-to-face. The aims of the consultations were to:

- Identify potential Project impacts on indigenous communities and livelihoods,
- Discuss possible mitigation measures during the construction period, and
- Assess the present standard of living and identify existing social problems in potentially affected indigenous communities.

The following consultations were held relating to Project impacts and mitigation measures:

TABLE 6-20: CONSULTATIONS ON PROJECT IMPACTS AND MITIGATION MEASURES (2002)

Dates	Participants	Issues Discussed
June	- IP Group- Exxon representative- Reindeer herders	 Construction impacts. Possibility of joint financial support for cooperative Valetta. Support for summer camp near Piltun Bay for children of reindeer herders and other Val schoolchildren.
June-Aug.	IP Group President of IP Association Other IP representatives	Commitments made by SEIC Technical Director at meeting in December 2001, (Section 6.4.2) more specifically: - Timing for a visit to Molikpaq by indigenous representatives. - Timing of a further IP meeting with the Technical Director and other senior managers. - Questions submitted for discussion at the November 2002 meeting. - Impacts and mitigation measures.
25-26 Aug.	– IP Group leader – Reindeer herders	 Mitigation of impacts on domestic reindeer from Piltun Landfall construction, including timing of construction (herders suggest end of August). Construction of access road to Piltun Landfall and construction of temporary SEIC construction camp. Security of access road and erection of security gate. Vegetation restoration of construction areas. Resolving conflict with Olenevod about reindeer pastures in Nogliki District. Compensation issues.

Ongoing IP consultations will focus on impact mitigation measures in Nogliki District and will involve discussion of the development and implementation of mitigation plans between SEIC, indigenous representatives and local authorities.