

Proposal for a Co-management Demonstration Project in the Russian North

1. INTRODUCTION AND PURPOSE

This proposal outlines a multi-year demonstration project under the United Nations Environment Programme/Global Environment Facility project, “Russian Federation: Support to the National Programme of Action for the protection of the Arctic Marine Environment” (GFL/2732-03-4694). The project proponent is the Russian Association of Indigenous Peoples of the North (RAIPON).

According to the Project Document, the purpose of this project is to examine “new effective legislative and economic mechanisms to strike the balance of interests of extracting companies and indigenous peoples in resolving economic and environmental problems while preserving the traditional way of life and habitat.” The project will also look at “the advantages of establishing special areas – territories of traditional nature management by indigenous peoples of the North.”¹

The document states that the “final aim of the undertaken measures is to create conditions for co-management of environmental protection by executive agencies, local self-government bodies, extracting companies and indigenous peoples of the North in the areas of their traditional habitat and economic activities.” It further states that an “active role in the Project development and implementation will belong to indigenous peoples organisations, first and foremost, RAIPON.”

The demonstration project will examine new effective mechanisms to balance the interests of Indigenous Peoples and industry in the Russian North using the following approach:

1. An examination of existing co-management structures in three model regions, including territories of traditional nature management (TTPs) where they exist. Since there are no comprehensive rules for TTPs it is anticipated that the demonstration project will allow discussion of how these might be formalized and implemented.
2. An assessment of the “effective legislative and economic mechanisms to strike the balance of interests of extracting companies and indigenous peoples in resolving economic and environmental problems while preserving the traditional way of life and habitat.” This will also involve, where relevant, an analysis of (i) the successes and/or problems associated with the mechanism and (ii) methods used to resolve conflicts.
3. Through a brief analysis of co-management structures in other countries, such as Canada and Norway, identify lessons learned and approaches that might be used to strengthen and improve effectiveness of existing relationships in Russia.

¹ Project Document, paragraph 31, pg. 10.

4. Determine what elements in the demonstration projects could be transferred in order to avoid conflicts in other regions between Indigenous Peoples and industry.

The demonstration project will examine three model areas – Yamal Nenets Autonomous Okrug, Nenets Autonomous Okrug and Sakha Republic/Yakutia. Through a series of regional planning workshops, the project will identify common methods and approaches to ensuring that Indigenous Peoples' needs and rights are protected as industrial development proceeds. These workshops will also provide industry with a forum to meet stakeholders and government and allow for the kind of planning that takes into account the needs of all parties.

The project's goal is to demonstrate that it is possible to resolve environmental and economic problems and at the same time ensure that Indigenous Peoples' rights are respected, that they continue to have access to their land, and that they are able to make informed choices about their lives. To do this it is necessary to understand the link between environmental protection and Indigenous Peoples' traditional ways of life. Understanding will develop through participation in the co-management process.

This demonstration project is guided by the fundamental principle that Indigenous Peoples have rights that need to be recognized, including the right to participate in a meaningful way in the management of resources – biological and non-renewable – on their traditional lands. In order for this to happen, there must be a dialogue based on mutual respect and recognition of different interests. This is an important first step in the creation of a process that brings all stakeholders to the table to develop effective management systems based Russian experience and informed by international norms and standards.

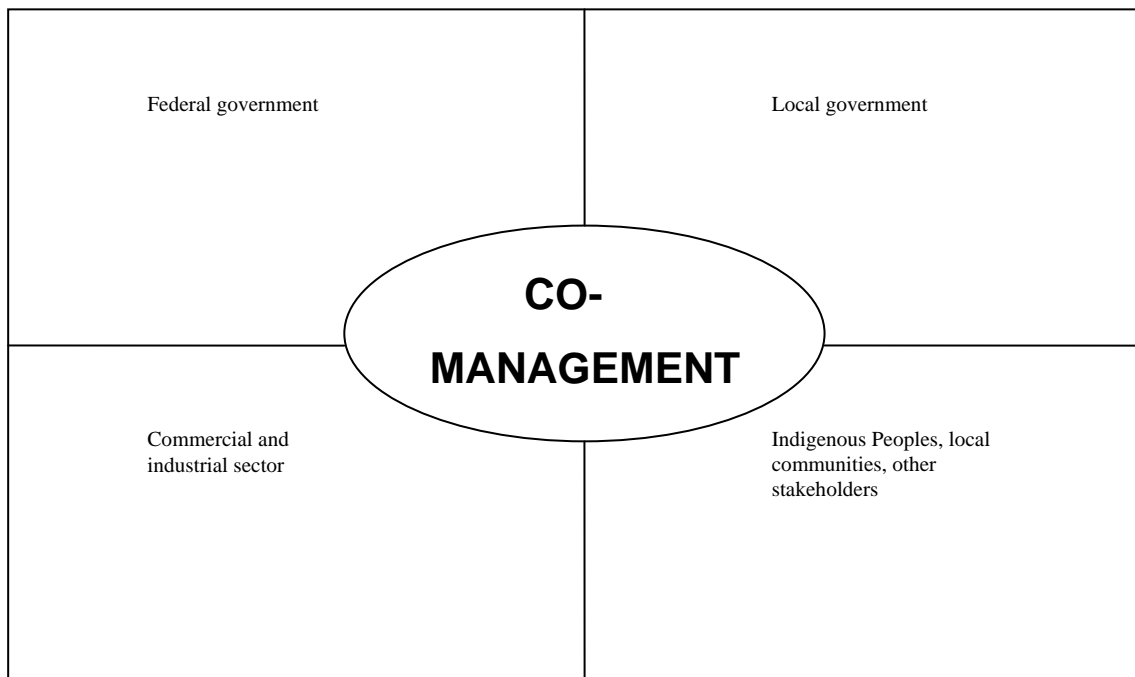
To be effective, co-management needs to be recognized in federal law and jointly implemented by federal, regional and indigenous authorities, with the full participation of the corporate sector. Co-management is a process whereby indigenous communities are informed about the plans for development before industrial activity takes place. And ensures that all stakeholders are provided the information they need to understand the effects of development – both positive and negative – in order to make informed decisions.

An emphasis will be placed throughout this project on the incorporation of Indigenous Peoples' knowledge.

Concept and Principles of Co-management

The models created in the three demonstration areas will be assessed for strengths and weaknesses and whether they can be applied to other regions in Russia where there is currently conflicted between Indigenous Peoples and industry. Authorities at the federal, regional and local levels will be able to use the knowledge generated in this demonstration project to reduce conflict, enhance cooperation and formalize

relationships between stakeholders. In so doing, this project will fulfill the requirements outlined in the Project Document, paragraph 31.



Adapted from Carlsson and Berkes, 2005

2.1 Indigenous Rights²

Co-management is closely linked to the rights of Indigenous Peoples to lands and resources. There is a considerable body of international literature and jurisprudence which discusses the concept of indigenous rights, how they have been abrogated, and the steps that are currently being taken by Indigenous Peoples and governments to recognize and affirm those rights.³

It is important to understand the complex inter-relationship between Indigenous Peoples and the lands in which they live. All Indigenous Peoples emphasize that “the spiritual and material foundations of their cultural identities are sustained by their unique relationships to their traditional territories.”⁴ This distinct relationship has been described as follows:

It is essential to know and understand the deeply spiritual relationship between Indigenous Peoples and their land as basic to their existence as such and to all their beliefs, customs, traditions and culture.

For such peoples, the land is not merely a possession and a means of production. The entire relationship between the spiritual life of Indigenous Peoples and Mother Earth, and their land, has a great many deep-seated implications. Their land is not a commodity which can be acquired, but a material element to be enjoyed freely.⁵

Indigenous Peoples in Russia share this world view and, despite many changes, still retain strong links to their traditional lands and cultures. Despite these historical changes, and increasing development pressures across the Russian north, the relationship between Indigenous Peoples and their traditional territories remains strong.⁶

Nevertheless, indigenous lands have been expropriated around the world to advance state development interests.

In every part of the globe, Indigenous Peoples are being impeded from proceeding with their own forms of development consistent with their own values, perspectives and interests. The concentration of extensive legal, political and

² This section is not meant to be comprehensive. Rather, it provides a foundation for the discussion on co-management that follows. For a more detailed discussion of Indigenous rights as they apply in several Arctic states, see Krasovskaya, T.M. (2000) **INDIGENOUS PEOPLES OF THE RUSSIAN ARCTIC: PRESENT SITUATION AND THE TRANSITION TO SUSTAINABLE DEVELOPMENT**, UNEP and State Committee of the Russian Federation on the Problems of the Development of the North, pp 74-92.

³ A useful summary is United Nations Economic and Social Council, Commission on Human Rights, Sub-commission on the Promotion and Protection of Human Rights. **Prevention of Discrimination and Protection of Indigenous Peoples and Minorities: Indigenous Peoples and their relationship to land**. Final working paper prepared by the Special Rapporteur, Mrs. Erica-Irene A. Daes. E/CN.4/Sub.2/2001/21, 11 June 2001. For a thorough analysis of the concept of indigenous rights and the historical relationship between Indigenous Peoples and colonization see the Canada. Final Report of the Royal Commission on Aboriginal Peoples. 1996

⁴ Cited in E/CN.4/Sub.2/2001/21, pg. 7.

⁵ Ibid, pg. 8.

⁶ For testimony that the relationship between indigenous reindeer herders and the land which has nurtured them continues, see Piers Vitebsky 2005. **Reindeer People**. London: Harper Perennial.

economic power in the State has contributed to the problem of development and Indigenous Peoples' rights to lands, territories and resources.⁷

There is no better illustration of the fact that this is the state of relations in Russia than recent protests by Indigenous Peoples over the Sakhalin-II project. The conflict drew international attention as Russian and international NGOs sided with Indigenous Peoples who were demonstrating for the right to have a say in the development, and to be compensated for damage to their lands and environment. This situation was drawn to the attention of the UN Economic and Social Council, Commission on Human Rights.⁸

2.2 Co-management in an international context

The International Union for the Conservation of Nature (IUCN) has defined co-management as

...a partnership in which governmental agencies, local communities and resource users, non-governmental organizations and other stakeholders, share as appropriate to each extent, the authority and responsibility for the management of a specific territory or set of resources.⁹

Successful co-management is founded on a willingness to compromise and "respect for the territorial rights of Indigenous Peoples and the custodial responsibilities of government". It treats traditional knowledge and western science as equally valuable. Finally, it recognizes the importance of local people's cultural practices and institutions.¹⁰

Co-management strategies:

- Include non-traditional decision-makers i.e. non-traditional meaning those other than state or industry managers
- Encourage the participation of the local community in the management of natural resources in some capacity
- Are consensus-based with decision-making power being shared among the various actors.
- Stress negotiation rather than litigation in situations of conflict
- Combine scientific knowledge and traditional environmental knowledge
- Include decision-making arrangements and agreements from public participation initiatives to land claim settlements¹¹

⁷ E/CN.4/Sub.2/2001/21, pg. 22.

⁸ E/CN.4/2006/NGO/229, 7 March 2006.

⁹ Quoted in ICC Canada, 2002. Co-management and Good Governance: A Summary of Presentations and Discussions at the Co-Management and Good Governance Workshop. Moscow, Russia, 20-21 November 2002, pg viii.

¹⁰ Ibid, pg viii.

¹¹ <http://www.iisd.org/ic/info/Co-Management.htm>

The Arctic is undergoing dramatic change due to a combination of factors. Two key ones are the ways in which climate change is altering the natural environment, and the accelerating pace of oil and gas and other industrial development.

The behaviour of ecosystems and how they respond to resource exploitation may also be highly unpredictable. A major change in ecological thinking of the last two decades is the recognition that nature is seldom linear; ecosystem processes are dominated by an essential quality of uncertainty.¹²

The authors of the above statement go on to assess the value of co-management as a decision-making process:

These complexities have implications for different styles of resource management, including co-management. Command-and-control kind of resource management is a poor fit for ecological uncertainty. Instead, the adaptive management approach can be used, in which policies are treated as hypotheses and management as experiments from which managers can learn, so that uncertainty and surprises are accepted. Management processes can be improved by making them adaptable and flexible through the use of multiple perspectives and a broad range of ecological knowledge and understanding, including those of resource user communities. Such management systems tend to have capacity to adapt to change and are better able to deal with uncertainty and surprise.¹³

The authors provide a list of tasks that are more easily accomplished using a co-management approach. These include data gathering, logistical decisions such as who can harvest and when, allocation decisions, protection of resource from environmental damage, enforcement of regulations, enhancement of long-term planning, and more inclusive decision-making.¹⁴

2.3 A Foreign Perspective: Co-management in Canada

The last three decades have seen many important changes in the relationship between northerners and the State in Canada. The reassertion of indigenous rights and the evolution and creation of new territories has led to the demand that more decision-making powers be transferred to the North. A major impetus in this process is the settlement of what in Canada are called land claims – new treaties between Indigenous Peoples and the State. Most of these treaties took decades to negotiate and now cover the entire Canadian Arctic and much of the subarctic region.

Under the treaties, co-management bodies composed of community (indigenous and non-indigenous) and government representatives are responsible not only for wildlife matters, but also water, land use and environmental impacts. They all follow some model of consensus based decision-making and deliver recommendations to Ministers

¹² L. Carlsson, F. Berkes, "Co-management: concepts and methodological implications". **Journal of Environmental Management** 75 (2005), pg 67.

¹³ Carlsson and Berkes, pg 67.

¹⁴ Carlsson and Berkes, pg 71.

in the territorial and federal governments. Their recommendations carry considerable political weight and are difficult to ignore, especially if they have been developed through local participation. Under the Nunavut Land Claim Agreement, for example, Ministers may reject recommendations but must give written reasons when they do so.

Co-management institutions have evolved as land claims have been settled¹⁵ but all operate by similar principles. There are a number of different models, but generally “this new relationship involves a change from a system of centralized authority and top-down decisions, to a system which integrates local and state level management in arrangements of shared authority, or at least shared decision-making.”¹⁶

Besides the claims based arrangements, there are “species specific” examples of co-management which focus on migratory barren ground caribou. In fact, two of the oldest co-management arrangements in North America – the Beverly Qammanirjuaq Caribou Management Board and the Porcupine Caribou Management Board – focus on caribou and are the products of specific agreements which are transboundary in nature. These measures were “initiated by government in the search to find an appropriate policy response to a perceived or real resource depletion crisis.”¹⁷

Structurally, these institutions establish formal rules that allow communities of resource users to be meaningfully involved in decision-making. Operationally, it allows for power sharing between communities and state agencies through decentralized decision-making. At the heart of the operations of these bodies is trust.

Trust-building is an important process in the development of new management institutions in such cross-cultural situations. Trust develops in conditions where the multiple perspectives of diverse stakeholders are addressed, so that the information for management decisions is clear, accountable and legitimate to all parties.¹⁸

There are many caribou co-management arrangements in North America. It is worth examining one such board, the Beverly Qamanirjuaq Caribou Management Board, in some detail.

The Beverly Qamanirjuaq Caribou Management Agreement was signed in 1982 and regulates the Beverly and Qamanirjuaq herds in the central Arctic, west of Hudson Bay. Because caribou do not respect boundaries, the agreement includes the Government of Canada, Northwest Territories, Nunavut, and the provinces of Manitoba and Saskatchewan.

The BQCMB was created to help manage two caribou herds whose migratory routes straddle two territories, two provinces, and four different native cultures. The board consists of 14 members, including a chairman and vice chairman.

¹⁵ These include the James Bay and Northern Quebec Agreement (1975), Inuvialuit Final Agreement (1984), Nunavut Land Claims Agreement (1993) and the Labrador Inuit Land Claims Agreement (2005), among others.

¹⁶ Gerett Rusnak 1997. “Co-Management of Natural Resources in Canada: A Review of Concepts and Case Studies”. **Minga Working Paper #2** International Development Research Centre, p. 2

¹⁷ Rusnak, p 7.

¹⁸ Anne Kendrick 2003. “The Flux of Trust: Caribou Co-Management in Northern Canada”. **Environments**. Vol. 31-1, p 43.

Appropriately, since the main purpose of the board is to safeguard the caribou herds in the interest of aboriginal people who have traditionally relied upon caribou, the majority of board members represent aboriginal communities.¹⁹

The BQCMB was born in strife. In the late 1970s biologists were alarmed at what appeared to be plummeting herd populations and blamed aboriginal over hunting. Inuit, Dene and Metis peoples in the region disputed the numbers “in light of their own traditional knowledge and experiences on the land. They claimed that the animals had merely moved to another area and that government surveys were deficient.”²⁰

An evaluation of the history of the board stated that over the years governments have seen its value as “a venue for consultation with users, and for coordination (especially with respect to research) among jurisdictions.” It provides a “single window” and

If there is a problem with caribou, the Board is the place to deal with it. It provides a sounding board for government initiatives, as well as early warning of user concerns and an orderly way of dealing with them. The Board's recommendations are generally regarded as sound, even if governments do not or cannot act on all of them. The Board is seen as realistic, responsible, relatively non-political and diplomatic, but firm.²¹

In its 20th anniversary report, the Board identified its greatest accomplishment: “the improved level of trust and respect among different aboriginal and government groups that these meetings have fostered. Before, relations were uneasy as different cultures and knowledge systems collided. But both sides have made tremendous efforts to find common ground, in order to conserve caribou for the use of future generations.”²²

Government board members have learned to be patient. They have learned to understand that aboriginal people avoid snap decisions and generally prefer decision by consensus. Aboriginal people prefer prolonged discussion that includes elders in each community.²³

2.4 A Brief Review of Russian Legislation on Indigenous Environmental Co-Management

It is important to recognize that in Russia during the Soviet era, central planning dictated where oil and gas activities took place and what, if anything, was done to reduce conflicts with reindeer herders and others in the regions in question. Since 1991, however, industry and Indigenous Peoples have developed a number of formal and informal arrangements to handle their mutual issues.

On a recent visit to Salekhard and Yakutsk, RAIPON representatives and a foreign consultant met with local and state officials, including representatives of ministries, and states Dumas, companies and Indigenous Peoples' representatives. The purpose of these meetings was to discuss the co-management demonstration project and to get an

¹⁹ Beverly Qamanirjuaq Caribou Management Board <http://www.arctic-caribou.com/about.html>

²⁰ Gunther Abrahamson, <http://www.learner.org/jnorth/www/jn95/migrations/satellite/canada.html>

²¹ Peter J. Usher 1991. **The Beverly-Kaminuriak Caribou Management Board: An Experience in Co-Management.** http://www.idrc.ca/en/ev-84415-201-1-DO_TOPIC.html

²² Beverly Qamanirjuaq Caribou Management Board <http://www.arctic-caribou.com/achieve.html>

²³ Ibid.

assessment of current informal arrangements between government, industry and Indigenous Peoples.

In both regions, examples were offered of situations where companies and Indigenous Peoples were working together, or where local organizations were making efforts to ensure that their interests were being considered as development progressed. These examples will be used to inform the demonstration project being outlined in this proposal.

However, everywhere there were comments that federal and regional authorities, companies and Indigenous Peoples need to put their work on a consistent basis. Relationships were often seen as ad hoc. While federal legislation exists, the concern was expressed that it is not enforced adequately or consistently.

The proposed demonstration project will identify the advantages of these existing relationships and look at areas where legislation is being enforced effectively. Where there are inadequacies or gaps between what is written in law and how those laws are enforced, suggestions for improvement will be made.

Three key federal laws address Indigenous Peoples are:

- *Guarantees of Rights of Indigenous Peoples of the Russian Federation;*
- *Basic Principles of Organizing Communities of Indigenous Peoples of the North, Siberia and the Far East of the Russian Federation; and*
- *Traditional Subsistence Territories (Territories of Traditional Use of Natural Resources) of Indigenous Peoples of the North, Siberia, and the Far East of the Russian Federation.*

People in the regions said that since Indigenous Peoples do not own the lands where they live, hunt, fish, or herd reindeer, companies are not obliged to seek their permission to start work. Many people said the TTPs do not work in reality and need to be reformed. The demonstration project will examine the TTPs and provide an assessment of how they are working.

Other examples of issues people raised included the Land Code which states that “in places where indigenous minorities of the Russian Federation and ethnic communities live and practice their traditional livelihood activities, public meetings and referendums can be held in relation to the allocation of lands for purposes not related to their traditional livelihood activities” (The Land Code 2001: Art. 31, para. 3\ Status). It is the responsibility of the local authorities to organize referendums. However, very few referendums have ever taken place. What is more, the authorities are only obliged to consider the results of these referendums “when making decisions about the preliminary agreement on the location of construction sites” (Land Code 2001, Article 31). In most cases it is usually enough for companies to obtain the agreement of the legal land users – the former collective and state farms. However, this does not reflect the interests of the population living on the land. Only in three out of 29 northern regions where Indigenous Peoples live (Yamalo-Nenets and Khanty-Mansiiskii autonomous regions

and Yakutia) do special laws oblige companies to hold talks and sign agreements directly with Indigenous Peoples' representatives. In NAO there are no special laws but there is a Governor's decree establishing seven TTPs.

Many people expressed concern that laws are not enforced. The Russian federal law "*On the ecological expert review*" (*Ob ekologicheskoi ekspertize*) was passed in 1995 and industrial projects are obliged to pass through a process of state ecological expert review (SEER). This law provides the following definition of an ecological expert review:

An ecological expert review ascertains whether a proposed economic or other activity satisfies ecological requirements, and determines the permissibility of implementing [the project], with the aim of anticipating the possible negative impacts of this activity on the environment and the related social, economic and other consequences of implementing [the project]" (*Ob Ekologicheskoi ekspertize*", 1995: Article 1)

According to RAIPON's analysis, it is clear that while the Russian Federation has many laws that should control activities on the traditional territories of Indigenous Peoples, these laws are not enforced. Several federal laws contain provisions that "allow or provide for co-management of natural resources" but these are also not enforced. The Russian legal framework around co-management of natural resources is inconsistent. There is "discrepancy between federal laws on subordinate legislation on Indigenous Peoples" and regional legislation "disregards" the normative requirements of federal legislation.

Contradictions among normative legal acts, both at different levels and within one level, prevent uniform interpretation of legislation on Indigenous Peoples. **This unstable legal situation has an impact on safeguarding the rights of Indigenous Peoples and destabilizes their political, social and economic lives.**²⁴ (emphasis added)

While, RAIPON continues to lobby for changes to these laws this is a long-term endeavour; in the shorter term, it is necessary to address the problems created by the lack of attention to and enforcement of federal laws. To move ahead, a process is needed whereby Indigenous Peoples, government, industry and other stakeholders can sit down together and work out problems. There are a number of positive examples at the regional levels to look to, and this project proposal will use the experience of three of them – YNAO, NAO and Yakutia. Activities in these regions are the main focus of this proposal.

2.5 Building on Regional Approaches to Co-management

In Yamalo-Nenets Autonomous Okrug, Nenets Autonomous Okrug and the Sakha Republic (Yakutia) regional authorities have worked with Indigenous Peoples to develop legislation and practices that take their interests into account.

²⁴ ICC Canada, pg 46.

In Yamalo-Nenets Autonomous Okrug, 29 regional laws related to the rights of Indigenous Peoples have been issued since 1996. Most of the new laws apply to social and economic development, social security and education of Indigenous Peoples. However, some of them outstrip federal legislation when it comes to the participation of minorities in negotiations with industrial companies involved in oil and gas development and mining. The laws require the companies to enter into agreements with Indigenous Peoples before the transfer of lands for industrial use; they ensure that Indigenous Peoples receive benefits from industrial use of their lands; and they also ensure the free use of lands and traditional natural resources for Indigenous Peoples.

These regional laws support Indigenous Peoples' organizations participation in decisions regarding the implementation of industrial projects on their ancestral lands and waters. An example is the ethnological expert review of Gasprom projects initiated by the public organization Yamal for Posterity! However, this expert review is unique since the experience was based on corporate good will rather than legislation.

In the village of Sabetta, in the YNAO, herders rent a slaughterhouse from an oil company, which in turn buys the meat. Personal relationships between herders and oil company personnel are a key part of this arrangement. When it comes to land use, however, herders fear that oil and gas activities and infrastructure will harm the herds. In the Nenets Autonomous Okrug, herders created their own union called Yerv. Although each herder is the official user of a specific plot of land, the herders decided to act as a group in negotiations with the oil and gas company in their area.

The YNAO, as elsewhere in Russia, has seen growing indigenous empowerment in recent years. The organization Yamal Potomkam! ("Yamal for our descendants!") was founded in 1989. Before land is transferred for oil and gas extraction, this organization must be consulted. It has also helped push for recognition of herders' communities and their traditional use areas. The YNAO has passed a number of laws protecting indigenous economies, including provisions for self-government as well as reindeer herding.

Regional methods of assessment of damage to traditional lands are used in Khanty-Mansi and Yamalo-Nenets Autonomous Districts. They assess specific damage caused by industrial companies to reindeer pastures, and hunting and fishing areas. These methods assessed the damage from similar sized oil spills in KMAD and YNAD at a much higher level than was estimated in Nenets Autonomous District where the federal methods of assessment are used.

At present federal authorities are increasing pressure regions to revoke laws which do not comply with the federal legislation, even if the regional laws are stronger. Some companies take advantage of the situation and refuse to comply with the regional requirements.

RAIPON has negotiated with local indigenous organizations, regional government authorities and industrial companies, and the following criteria for the selection of regions for model territories have been developed:

- territories of traditional habitat and economic activities are located in the basins of rivers which drain into Arctic seas;
- there is indigenous and local population which relies the traditional economy for its survival;
- there is natural resource development in or near the model area that has a negative impact on traditional habitat and way of life of indigenous and local people, and these impacts lead to a conflict of interests;
- Indigenous representatives have appealed to RAIPON for assistance in resolving conflicts;
- Plans for a demonstration project have been discussed with regional authorities and industrial companies' representatives; and
- Examination of positive experiences of interaction of executive agencies, local self-government bodies, extracting companies and Indigenous Peoples of the North on environmental issues.

According to these criteria, and based on appeals by regional Indigenous Peoples' associations and the conclusions of field trips, the Nenets Autonomous okrug, Yamal-Nenets Autonomous Okrug, and Republic of Sakha (Yakutia) have been selected as model areas.

2.6 The Situation in the Three Regions

Nenets Autonomous Okrug—The total population of NAO is 41,546 of which 7754 are indigenous. There are also about 3000 Russian-speaking “old-timers” – long-time settlers in the region – and Komi-izhemts reindeer-herders. The main occupation of Indigenous Peoples is reindeer herding, and also hunting, fishing and wild plant gathering. Indigenous and local rural people suffer from reduction of reindeer pastures and environmental degradation which they blame on oil and gas development and road and pipeline construction.

The Resolution of NAO Governor “*On establishing traditional land use territories of Indigenous Peoples of the North*” was adopted in 2001. The Resolution “*On creation of traditional land use territories of Indigenous Peoples in areas where the model territory is planned to be established*” was adopted in 2002. There is a project to establish a factory to process reindeer products where the animals are slaughtered.

From 2002-05 RAIPON held different workshops and roundtable meetings in NAO where indigenous representatives expressed their concerns relevant to this program's items in their appeals to authorities and oil companies. There are no regional laws in NAO, although there are various resolutions and decrees. In NAO there is an experience of direct relations between Indigenous Peoples and companies without participation of local authorities. Thus while agreements are signed, they are not laws.

Yamal-Nenets Autonomous Okrug—The total population of YANAO is 507,006 people, including 36,700 indigenous (Nenets, Khanty, Selkup). There are about 5000 Komi-

ziryan people and Russian old-timers. The main occupation of Indigenous Peoples is reindeer herding, and also hunting, fishing and wild plants gathering. As in NAO, Indigenous and local rural people suffer from the loss of reindeer pastures and environment degradation, which they connect with oil and gas and other development. There are regional laws obliging industrial companies to consider the opinion of Indigenous Peoples living in areas where they are active and to sign socio-economic agreements with Indigenous Peoples' organizations. At present these laws are contested because they do not correspond to federal legislation.

However, there is an experience in YANAO when industrial companies (such as Rosneft, Novatek, Purneftegas) built houses and trading post (forts) for Indigenous Peoples on the basis of signed agreements. Also companies buy traditional products of Indigenous Peoples to supplying their workers.

The YANAO Administration has been negotiating for several years with foreign companies process reindeer herding products and they have achieved some results: there is an agreement on establishing German-Yamal joint venture to sell reindeer meat. Half of the joint venture shares will belong to the companies "Yamal reindeers" and "Salekhardsky kombinat" and other half will belong to German company.

Indigenous Peoples in YANAO also have the experience organizing public ecological monitoring of industrial projects in the Purovsky district, and there is a desire to spread this experience to the Yamal and Priuralsky districts. RAIPON has also held a number of workshops and roundtable meetings in the Okrug where indigenous representatives expressed their concerns about the impacts of development.

Republic of Sakha (Yakutia)—The total population of the Sakha Republic is 949,280 which includes 32,258 Indigenous Peoples (Dolgan, Even, Evenk, Yukagir, Chukchi). There is also a population of Russian old-timers. Yakut people belong to indigenous population of Yakutia and their occupation in the rural areas is cow and horse breeding. Other Indigenous Peoples have similar ways of life to those in NAO and YNAO and share similar concerns.

The Yakutian Government has adopted regulations determining the procedure of issuing the licenses to industrial companies, signing agreements with indigenous communities and compensating people for losses due to development. There is some experience with signed agreements between Indigenous Peoples and industrial companies.

The Act "*On establishing traditional land use territories of Indigenous Peoples*" was adopted in 2006 and there is an active process of establishing TTPs in Yakutia. The Department on Indigenous Affairs of Sakha Republic has good contacts with RAIPON and has expressed its interest in implementing a demonstration project in Yakutia.

The main industrial activity in Yakutia is mining, which is taking place on territories that have been proposed as part of this demonstration project. Mining has already had a negative impact on the environment, including water and biological resources, and this has led to protests by Indigenous Peoples. The Government of the Sakha Republic is

interested in developing a model of “civilized relations” between Indigenous Peoples and mining companies, and also using it to deal with the impact assessment of pipeline construction in the Lena River basin.

During meetings in November 2006 on the NPA-Arctic between RAIPON and a Canadian consultant with representatives of Indigenous Peoples, YANAO and Sakha (Yakutia) Governments, and industrial companies a clear desire was expressed to improve federal and regional legislation and regulation of natural resources and to improve the relationship between companies and local peoples. Some key concerns included

- the fact that the concept of “places of traditional habitat and land use of Indigenous Peoples” is still not clearly determined in legislation
- There are no mechanisms for compensation for damage to traditional occupations like reindeer herding, which often leads to conflict between companies and indigenous and local peoples, and
- these conflicts can not be resolved by courts and local authorities because of the absence of a legislative base.

These three regions each have their different approaches to dealing with problems faced by Indigenous Peoples and their need to be able to work directly with oil and gas and other industrial sectors. Their experiences provide a good foundation for the work to be carried out in this project.

2. OVERALL GOALS OF DEMONSTRATION PROJECT

The goals of the demonstration project are to:

- 1) Create conditions for co-management of environmental protection by executive agencies, local self-government bodies, extracting companies and indigenous peoples of the North in the areas of their traditional habitat and economic activities.
- 2) Ensure the sustainable development of the model regions by establishing three co-management planning commissions that will balance the interests of Indigenous Peoples, industry, government and other stakeholders.
- 3) Define the membership, role and priorities of these bodies and create a forum for co-operation between Indigenous Peoples, industry, government and other stakeholders that will influence policy assist decision-making at the federal, regional and local levels.
- 4) Decide on a set of activities to be carried out in each region, including mapping of traditional territories, resources and other issues.
- 5) Develop a list of priority tasks to be carried out in subsequent phases of the project. These include determining potential boundaries in of special protection areas for traditional territories, and developing strategies to change legislation that affects the rights of Indigenous Peoples.

3. RATIONALE

At the moment, there is no overall guidance for the relationship between Indigenous Peoples and companies working in the oil and gas, mining, or other sectors in the Russian North. Relationships between Indigenous Peoples and industry are unequal and, at best, ad hoc. Without a formal framework and structure, Indigenous Peoples will continue to be able to only get the “best deal” they can. In some places, they are able to develop relationships with industry, based on industry’s willingness to listen to what they have to say. In other situations, Indigenous Peoples’ voices are not being heard.

The Project Document deals calls for a “demonstration of advantages of establishing special areas – territories of traditional nature management by indigenous peoples of the North, as a new legal and economic mechanism which create conditions for co-management of environmental protection by executive agencies, local self-government bodies, extracting companies and indigenous peoples of the North in the areas of their traditional habitat and economic activities.” It further states that the demonstration project should elaborate “proposals on the organisational frameworks and functioning principles of the territories of traditional nature management: (2) principles, procedures and methods of designing of territories of traditional nature management.” Given the concerns raised about the TTPs and their functioning, a thorough analysis of their effectiveness is needed. The demonstration project will do this and, where appropriate, provide recommendations on how the TTPs can be made more functional.

For companies in the oil and gas, mining and other sectors, participating in a co-management process will provide certainty for project development. It will be a cooperative forum where potential conflicts can be identified and managed before they become impediments to development or international political issues.

For Indigenous Peoples, co-management provides an opportunity have their collective views heard and ensures that they have a say in activities that are to take place on their traditional lands. Mapping traditional territories will provide indigenous communities with training and build capacity. Working at the same table as companies, governments and other stakeholders, Indigenous Peoples will learn how industrial development decisions are made and become more effective at influencing them. Co-operation will also create economic opportunities for a population that currently has few options for wage employment. Finally, co-management is a way to protect resources and territories that have support Indigenous Peoples’ culture for centuries. Co-management will help Indigenous Peoples balance the demands of development and the need to protect the environment.

For other stakeholders, co-management presents an opportunity to participate in the planning of development projects, and to have their views considered.

The project is designed in the context of some serious problems facing Indigenous Peoples in Russia. The root of the problem is the lack of recognition of Indigenous Peoples rights, despite these rights being enshrined in Russian federal legislation.

Finally, in order to realize its goals, this project will be guided by the following assumptions:

- 1) People are a functional part of a dynamic biophysical environment, and co-management planning cannot be carried out without reference to the human community. Thus social, cultural and economic endeavours of the human community must be central to co-management planning and implementation;
- 2) The primary purpose of co-management planning shall be to protect and promote the existing and future well being of the people and communities in the model regions. Special attention shall be paid to the interests of Indigenous Peoples.
- 3) The planning process shall ensure that there is a balance between the priorities and values of the residents of the planning regions and the needs of the industrial sector, government and other stakeholders;
- 4) The planning process will be public and will provide an opportunity for the active and informed participation and support of Indigenous Peoples and other residents affected by the co-management plans. This participation will be promoted through various means, including ready access to all relevant materials, appropriate and realistic schedules, recruitment and training of local residents to participate in comprehensive planning;
- 5) The plans shall provide for the conservation, development and utilization of land and shall ensure the protection of the rights of Indigenous Peoples.

5. SCOPE OF PROPOSAL

To be effective co-management bodies must be designed cooperatively and built from the bottom up. State authorities, industry, Indigenous Peoples, and other stakeholders share the responsibility to make this process work. There is much to be learned from co-management experiences in other parts of the Arctic.

This document proposes the establishment of a demonstration project in three regions of the Russian North: Yamal Nenets Autonomous Okrug, Nenets Autonomous Okrug and the Sakha Republic. The ideas in this proposal are the product of many discussions and visits and meetings held in November 2006 in Salekhard and Yakutsk with region representatives of Indigenous Peoples' organizations, state governments and industry.

This demonstration project forms is the first phase of a longer project, the implementation of which will require additional funding. The current demonstration project proposal should be seen as Phase I and will be implemented in 2007-2008. However, the proposal will identify activities based on short, medium and long-term timelines that need to be considered by the Co-management Project Steering Committee. **It is important to emphasize that the funding in this proposal is for Phase I only.**

The following lists some of the activities that could be conducted in each phase of the project. Phases II and III are speculative at this point and will be determined through the work of the regional co-management planning commissions.

Much of the work involves background research and analysis of Russian conditions, and information gathering about co-management institutions in other countries. There is a large body of literature and knowledge which can be used to develop co-management bodies and practices in Russia. There are also experts in the Arctic, particularly in Canada and Norway, whose knowledge should be drawn upon.

Phase I activities

Phase I of the demonstration project will look at positive experience of interrelations between Indigenous Peoples, companies and authorities (with a focus on co-management elements). Where necessary, it will change to these relationships. It will also

- Provide an analysis of RAIPON participation experience in environment management in this three model areas (Nenets, Yamalo-Nenets AO and Republic of Sakha (Yakutia) has to be done;
- Analyse positive sides of this experience and recommendations for its replication in other Arctic entities of the Russian Federation are revealed;
- Analyse negative sides of the available experience and recommendations for its overcoming adjusted to positive Canadian and Norwegian experience are revealed.
- Develop an analysis of current legislation and prepare recommendations on its improvement;
- Develop methods of training all stakeholders on how to cooperate or improve existing cooperation;
- Disseminate information on experience and practices at the federal and international levels; and
- Work on ways to describe and analyze existing relations in order to systematize co-management in the demonstration regions.

Specific Phase I activities include:

- Hold workshops in three regions and Moscow to examine co-management issues, existing relationships and structures (including TTPs)
- Integrate lessons learned from Canada and Norway by bringing four co-management experts to participate in the workshops
- Provide a thorough analysis of the functioning of TTPs, including:
 - analysis of major participants;
 - mechanism of consultations with major participants in the process;

- priorities of territory(ies) of traditional nature management;
 - exchange of information;
 - consideration of traditional practices of nature management used by indigenous people/communities;
 - conflict resolution mechanisms
 - identification of training needs;
 - mechanisms of financing.
- Develop a set of co-management tasks, including mapping and other work
 - Discuss how to train local people to participate in the information gathering and mapping
 - Train local people to participate in mapping and information gathering

Phase II activities

- Conduct mapping and other related activities
- Produce maps and other planning materials, including outreach materials for indigenous communities and other stakeholders

Phase III activities

- Use results to mapping and other activities to develop strategies for lobbying and changing legislation

6. PROPOSAL: PHASE I

Summary of Tasks in Phase I

Task 1: Hold planning workshops in each of the three model areas – Yamal Nenets Autonomous Okrug, Nenets Autonomous Okrug and the Sakha Republic (Yakutia). A similar workshop will be held in Moscow to brief federal officials and deputies on regional issues and problems, and to gain their support for the demonstration project. This workshop will include four co-management experts from Canada and Norway.

Task 2: Develop Regional Analyses using three model areas.

Task 3: Develop mapping plans and methodologies.

Task 4: Design a monitoring programme involving Indigenous Peoples and develop methods for its implementation.

Task 1: Hold planning workshops in each of the three model areas – Yamal Nenets Autonomous Okrug, Nenets Autonomous Okrug and the Sakha Republic (Yakutia).

A similar workshop will be held in Moscow to brief federal officials and deputies on regional issues and problems, and to gain their support for the demonstration project.

Participants: *RAIPON, regional indigenous organizations, regional authorities, industry, other stakeholders*

Activities:

1. Develop a set of background materials for planning workshops. These materials should contain information about
 - i. Indigenous rights, international norms and standards and the status of federal and regional laws affecting Indigenous Peoples
 - ii. Links between co-management and indigenous rights
 - iii. Examples of co-management systems in operation in other countries and lessons to be learned
 - iv. Examples of co-management in Arctic regions, mechanism of its implementation, legal base, shortcomings and advantages, etc., recommendations for other regions
 - v. Role and importance of incorporation of traditional knowledge in co-management
 - vi. Other statistical and analytical information that may be required
 - vii. Plain language communications materials on co-management for communities, including posters
2. Hold initial planning workshops in each of the three demonstration regions. The purpose of these workshops is to identify the principles, guidelines and major components of co-management systems to be established in each area on a basis of positive experience of co-management identified in Russian Arctic regions.

(Two or three such workshops will likely be needed in each region.) These workshops will include co-management experts from Canada and Norway.

The outputs of each planning workshop will include, but not be limited to:

- i. Develop a set of overall principles of co-management
- ii. Develop proposals for organizational structures
- iii. Decision on membership and operating procedures of co-management bodies
- iv. Develop a list of immediate tasks for these bodies, including regional analysis and mapping
- v. Elaboration of proposals on Indigenous Peoples' participation in environment protection activities, including ecological monitoring and reclamation and remediation of damaged traditional territories
- vi. Other activities outlined by the workshops

Task 2: Develop Regional Analyses using three model areas.

The purpose of this activity is to apply the general principles and methods developed in Task 1 to the specific situation in the regions. The proposed activities below are designed for the three regions. However, it is likely that aspects of them may be modified at the initial workshop, or adapted to the specific circumstances of the individual regions.

Participants: *RAIPON, regional indigenous organizations, regional authorities, industry, other stakeholders*

Activities

1. Hold co-management planning meetings in three regions. These will be regional planning sessions, and their first task will be to outline the work needed to implement co-management activities in each region. Each body will
 - Develop a list of priorities and a work plan (based upon a template created at the initial planning workshop)
 - Identify areas to be mapped. This plan should be a document containing text, schedules, figures and maps for the establishment of objectives and guidelines for short-term and long-term development of co-management of indigenous people and industrial companies. It should include, but not be limited to, the following factors:
 - Boundaries of Indigenous Peoples' territories of traditional land use;
 - demographic considerations;
 - the natural resource base and existing patterns of natural resource use;
 - economic opportunities and needs;
 - transportation and communication services and corridors;
 - energy requirements, sources and availability;
 - community infrastructural requirements, including health, housing, education and other social services;
 - environmental considerations, including parks and conservation areas, and wildlife habitat;
 - cultural factors and priorities, including the protection and preservation of archaeological and sacred sites, and
 - other special local and regional considerations.
2. Develop analysis of specific of traditional land use and ethno-demographic features of the population in areas where development is being carried out.
3. Develop analysis of impact on the environment and traditional land use in model areas.

4. Determine model territories' borders, and methods for zoning, protection and usage of natural resources in model territories.

Task 3: Develop mapping plans and methodologies.

Participants: *RAIPON, regional indigenous organizations, regional authorities, industry, other stakeholders*

This task involves identifying the boundaries of areas used by Indigenous Peoples. An important component of successful co-management is agreement on the areas to be managed. Capacity building of Indigenous Peoples is important.

Activities

1. Select mapping methodology and institute or body that will carry out the task. This includes GIS formats, etc.
2. Develop regional mapping methodologies that include the active participation of Indigenous Peoples and incorporates their traditional knowledge.
3. Design questionnaires for Indigenous Peoples and other tools to be used in mapping the traditional territories.
4. Hold training workshops for local participants who will gather the mapping information.

Task 4: Design a monitoring programme involving Indigenous Peoples and develop methods for its implementation.

Participants: *RAIPON, regional indigenous organizations, regional authorities, industry, other stakeholders*

Activities

1. Design proposals for the creation of an environmental monitoring programme involving Indigenous Peoples (an example of this is the model used in Purovsky district in Yamal).
2. Develop terms of reference for these programmes.
3. Develop proposals for appropriate training programmes for indigenous people in professions which let them to learn management and participate professionally in environment monitoring activities. This includes determining the kinds of activities, and ensuring they do not contradict traditional ways of life and environmental protection practices.
4. Selection of people for training.
5. Exploration of the viability of new processing technologies and marketing of traditional goods.
6. Determination of recreational possibilities of model areas for organizing ethnic tourism, sport hunting and fishing.

7. OUTCOMES

The concrete outcomes of this project in the three regions will have the following concrete outcomes:

- common principles, order and procedure of establishing and elimination of TNM taking into account of the current legislation;
- expended conceptual instrument;
- proposals for power and functions of the Russian Federation state authorities and the Russian Federation local authorities when TNM will be created, setting up their routine and limites;
- all interested parties cooperation procedure including RAIPON representatives during formation, operation and elimination of the TNM;
- conditions for industrial and economic activities (boundary conditions and charges) that differ from traditional nature management;
- TNM legal regime which lets to reconcile RAIPON and other natural resources users in TNM borders;
- TNM design conventional guidance.
- A thorough assessment of existing co-management inter-relationships, including the functioning of TTPs.
- Development of consistent rules to guide the relationship between Indigenous Peoples, companies, government and other stakeholders.
- Creation of a formal framework and structure to manage environment in areas traditionally occupied by indigenous people.
- Creation of a forum where Indigenous Peoples will have their voices heard.
- Analysis of impacts of development on Indigenous Peoples and their traditional territories.
- Training opportunities for Indigenous Peoples in land use mapping, environmental monitoring, and other activities.
- Development of partnerships with industry and government authorities.
- For companies in the oil and gas, mining and other sectors, participating in a co-management process will provide certainty for project development.
- Creation of a forum where potential conflicts can be identified and managed before they become impediments to development or international political issues.
- For other stakeholders, co-management presents an opportunity to participate in the planning of development projects, and to have their views considered.

- Development of plans for balanced and sustainable industrial development in the three model regions.
- Creation of co-operative models that can be used in other parts of the Russian Federation.

8. PROJECT BUDGET (in USD) with Explanatory Note (provisional)

Maximal budget allocated for this DEMO project at Phase I of the Project is US\$494,000