Benefit Sharing in Russia’s Resource Extractive Industries: When Global Standards Meet Local Communities

The development of corporate social responsibility policies, international codes of conduct, rules from international financial institutions, and product certification schemes increasingly shape the behavior of companies engaged in natural resource extraction. As part of this trend, natural resource companies pay greater attention to relations with local communities near sites of extraction. Benefit sharing has arisen as a more holistic approach than mere compensation to ensure that these communities share in the profits accrued by extractive industries. This paper examines the development of benefit sharing in two communities in Irkutsk, Russia, a Siberian region where both oil and timber companies are active. In comparing the behavior of the Irkutsk Oil Company and the Trans-Siberian Logging Company, we see the influence of the global rules codified by international bodies such as the EBRD and the Forest Stewardship Council. We also seen how attention to indigenous rights shapes benefit sharing in a village populated by members of the Evenk people and how the legacy of past environmental degradation remains unaddressed in a village profoundly impacted by the oil industry.
1. INTRODUCTION

In recent decades, there has been a paradigm shift in the relationship between extractive industries and local communities affected by resource extraction. Companies engaged in resource extraction now face greater normative and legal obligations to share the benefits of their activities with the localities most affected by their actions. This change is part of a broader trend toward the development of the practical meaning of corporate social responsibility. As corporate behavior on the ground has shifted, scholars have analyzed these changes and identified best practices in corporate-community relations. For example, companies have moved away from simply compensating local communities for the loss of access to or expropriation of land. Compensation has been criticized as a tool that does not foster the economic development of local communities, representing only a minimal restitution of what has been lost (Cernea, 2008, Bocoum et al. 2012). Therefore, basic compensation does not cultivate sustainability or community well-being.

Benefit sharing is a new instrument for implementing corporate social responsibility and moving toward sustainable resource governance (Tysiachniouk et al 2018, Tysiachniouk and Olimpieva 2019, Tysiachniouk and Petrov 2017, Ten and Laird 1999). The concept of benefit sharing originates in the Convention for Biodiversity Preservation of 1992 and the Nagoya Protocol (Morgera, 2015, Kamau, Fedder, and Winter, 2010). It was designed to close the gap between local actors who are traditional resource users and new economic actors engaged in resource extraction who, according to the Nagoya Protocol, are obliged to share benefits with traditional users (Wynberg 2004, Schroeder 2007), delivered in monetary or non-monetary form (Pham et al. 2015). Compared to corporate social responsibility (CSR) as a general concept, benefit sharing incorporates the notion of social justice for communities and, in particular, acknowledges the rights of indigenous people. Since it requires consultation and negotiation with local residents, benefit sharing may do more to empower local communities and indigenous peoples than general CSR policies or simple compensation (Wilson, Stammler, 2016, Wilson, 2016, 2017).
Benefit sharing arrangements vary greatly, however. These arrangements depend on global norms and rules for certain industries, corporate policies, national legislation, and the local context. We investigate how ideas about corporate social responsibility and benefit-sharing have developed in a specific context: indigenous and mixed-population communities in remote villages in Russia. We focus on benefit sharing arrangements by two companies operating in the Siberian region of Irkutsk—the Irkutsk Oil Company (IOC) and the Trans-Siberian Logging Company (TSLC). Both companies became engaged in benefit sharing arrangements due to new norms and rules introduced into the Russian context by global institutions, even as they continued to engage in some community relations reminiscent of the Soviet period. The IOC has responded to the rules of the European Bank of Reconstruction and Development (EBRD) lending program, while the TSLC attempted to comply with the standards for certification by the Forest Stewardship Council (FSC), a market-driven private governance effort to ensure the sustainable production of forest products. We look at the actions of these companies in two Siberian communities—Verkhnemarkovo, where residents are primarily ethnically Russian, and Tokma, where most residents are members of the Evenk indigenous community. We consider how differences in global rules as well as differences in the rights of community members result in more or less robust models of benefit sharing.

We find that in Verkhnemarkovo, the IOC has been influenced by EBRD norms. Compared to other oil companies in the region, the IOC demonstrates greater adherence to benefit sharing and a greater commitment to consultation with the local community. However, the community’s expectations for the IOC are linked to residents’ prior relationship to the state-owned Geological Survey enterprise that was involved in oil exploration in the Soviet period. At that time, the enterprise and the state met residents’ infrastructure and social welfare needs. This prior, more paternalistic relationship runs counter to the model of benefit sharing promoted by the EBRD. In this case, many residents find benefit sharing a disappointment as it does not fit the community’s specific needs. Benefit sharing cannot replace Soviet-era subsidies for a remote, impoverished community that continues to suffer from a post-Soviet economic and social crisis. This model also fails to address the legacy of environmental degradation from earlier oil extraction that continues to plague the community.
In Tokma, both the IOC and the TSLC are actively engaged in resource extraction in the oil and forest sectors respectively. However, both industries are newcomers to the village in the post-Soviet period. The community does not have established patterns of interaction with these companies so benefit sharing is a new arrangement. In general, Tokma residents have achieved a better outcome as compared to that of Verkhnemarkovo. More effective benefit sharing in the village is due to several factors. First, the presence of indigenous people in Tokma introduces a new level of globally-endorsed rights and standards to interactions with the community. Second, the benefit-sharing model promoted by the FSC for the forestry sector is more comprehensive and specific than that of the EBRD. Finally, Tokma does not have the legacy of industrial pollution found in Verkhnemarkovo so there are fewer community grievances that need to be resolved.

2. THE CHANGING LANDSCAPE
OF RESOURCE EXTRACTION IN RUSSIA:
GLOBAL RULES AND BENEFIT-SHARING

Companies in the extractive industries sector may be subject to rules specified in international codes of conduct and by international lending institutions. For foreign investors, international standards reduce risk, providing metrics that allow for easy auditing of company activities. These standards were introduced in Russia in the wake of the post-Soviet privatization of industry in the 1990s and grew due to the increasingly transnational nature of corporate ownership, investment, and supply chain development. The introduction of international standards has required Russian firms to change their corporate policies. For example, according to Russian law, companies are required to focus on “end of pipe” issues – that is, to monitor emissions and waste. Under international standards, companies need to go beyond compliance with Russian law to broaden their environmental monitoring and enhance data collection on issues highlighted by corporate social responsibility codes. International rules, CSR policies, and global auditing systems also may require companies to hold public hearings with local communities or to uphold indigenous rights, as specified in UN documents.
The Irkutsk region hosts a number of oil and logging companies in the extractive sector. The Siberian region borders Lake Baikal on the east, stretching from just above Mongolia northward into the taiga forest. The Irkutsk region is rich in oil, gas and mineral resources; 92% of its territory is forested. Of 71.5 million hectares of forest, 21.8 million hectares are leased to logging companies.\textsuperscript{1} We focus on two settlements: Verkhnemarkovo, Ustikutski district, which is populated by non-indigenous residents of several nationalities, and Tokma, Katanski district, where most residents are Evenk indigenous people.

At the time of research, Verkhnemarkovo was affected mostly by the Irkutsk Oil Company (IOC) and Tokma by both IOC and TSLC. Both companies were influenced by global standards. The IOC sought international investment, and eventually received a loan from the EBRD which required the IOC to implement international economic, environmental and social standards. Seeking export markets, TSLC decided to certify its forest products under the FSC. FSC certified companies are required to hold regular consultations with indigenous peoples living in the areas managed by the company and are audited by third parties to assess implementation of the rules. In addition, indigenous peoples are granted special status under a variety of international conventions, global corporate social responsibility rules, and product certification systems.\textsuperscript{2} Due to these norms and rules, indigenous peoples may be relatively advantaged compared to other community members whose rights are not singled out.

\section*{3. METHODOLOGY}

The field work that informs this study took place from 2011 to 2016 during several periods. Data collection included semi-structured interviews (90, and follow up with 9 informants, for a total of 99 interviews) and participant observation in both communities. Interview periods were as follows: 2011 (17-26 November, Verkhnemarkovo: 34 interviews; 26 November-10 December, Tokma: 35 interviews); 2012 (1 February-11 March, Irkutsk: 4 interviews); 2014 (10-22 February, Verkhnemarkovo: 4 interviews; Irkutsk: 2 interviews; and Ust'-Kut: 4 interviews); 2015 (25-27 July, Verkh-


\textsuperscript{2} FSC-Russia national standard.
nemarkovo: 7 interviews and Ust'-Kut: 5 interviews); and 2016 (8-14 July, Ust'-Kut: 4 interviews). Each field expedition encompassed both follow up interviews and interviews with new informants. Interviews were conducted with local residents, indigenous people, including hunters and their family members, representatives of local and district administrations, and IOC and TSLC managers (see Figure 1, although follow up interviews are not included in the figure). In 2018-2019, interview data were updated via Skype and e-mail communication. In addition, we analyzed the IOC’s socio-economic agreements with the state authorities and with the indigenous obshchina, TSLC audit reports done in the framework of FSC certification, and the companies’ CSR policies, brochures, reports, and public meetings protocols.

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<th>Community</th>
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<th>Company managers</th>
<th>Local administration and people’s deputies</th>
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Figure 1. Field Study Sites and Interviews
Figure 2. Study area: extractive industries and local settlements
4. THE IRKUTSK OIL COMPANY: PRIVATIZATION AND GLOBALIZATION

The Irkutsk Oil Company (IOC) was established in 2000 after the merger of several smaller oil companies. Throughout its history, the IOC has grown steadily and has been profitable. The IOC is a major taxpayer in the Irkutsk region, with revenue to the budget from corporate and employee income taxes, an emissions tax, and lease payments for land and property. The company's tax liabilities constituted about 8.5% percent of Irkutsk's regional budget in 2016. In 2017, it contributed 13.4 billion rubles in taxes, which constituted 10% of the overall budget of Irkutsk oblast. The IOC continues to explore for gas in the Irkutsk region, having spent 12 billion rubles on exploration in 2009-2012. As of March 2017, the company employed approximately 5,900 people. The IOC has become increasingly transnational over time. In 2008, company shareholders secured financing from the European Bank for Reconstruction and Development (EBRD) to continue its expansion. In 2010, the IOC's holding company established IOC North, a joint Russian-Japanese venture with the Japanese National Corporation for Oil, Gas and Metal (JOGMEC). The company exports oil to Korea, China and Japan, with some of the IOC's oil production flows through the “Eastern Siberia - Pacific Ocean” (ESPO) pipeline.

The IOC is mainly guided by Russian law in its relations with local communities and indigenous peoples. However, following the receipt of its EBRD loan in 2008, the company was obliged to follow EBRD Project Requirements (PR) for lenders. These requirements include PR-6 for biodiversity conservation, PR-8 for the preservation of cultural heritage, and PR-10 requiring consultations with stakeholders in both indigenous and non-indigenous communities on the use of subsurface resources. To meet requirements related to informing stakeholders about the company's activities, the IOC has published a newsletter (The IOC Herald) since 2009; the company also posts information and solicits feedback on its website, and uses television and radio, including live question and answer programs, to

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reach out to stakeholders. In addition, some information is made available to the public through the local government and NGOs, including the Verkhne-
emarkovo Public Council for the Elimination of Oil Seepage, the Veterans
Council in Ust'-Kut, the Irkutsk Society for Nature Conservation, and chil-
dren's environmental organizations. As a result of growing transnational
engagement, the IOC also began to participate in the environmental man-
gagement standards, such as ISO 14000 and to work to meet its environ-
mental, labor, and health and safety standards. In 2008, the IOC hired En-
viron, a London-based consultant on environmental issues, to help it meet
these standards, and engaged scientific institutions in Irkutsk to carry out
environmental and social monitoring of businesses within the IOC holding.
In 2008, the IOC also became involved in extended social and environmen-
tal assessments of their industrial development projects.

The EBRD’s PR-7 on indigenous peoples’ rights also influenced the
IOC’s activities. The EBRD requires compliance with the International La-
bor Organization (ILO) Convention #169 and the UN Declaration on the
Rights of Indigenous Peoples (adopted in September 2007). The EBRD
asks lenders to carry out an assessment of project impacts on indigenous
peoples’ lands and traditional activities to minimize and mitigate adverse
impacts, and to set up an Indigenous Peoples Development Plan, which es-
tablishes compensation and benefit sharing (Bergman et al. 2010). Four
indigenous communities -- Nepa, Ica, Ilel, and Tokma -- are located in the
region where the IOC is engaged in oil production. In its mission state-
ment, the IOC declares, “In rationally using natural resources, we protect
the unique nature of our region, with deep respect for the traditions of
indigenous peoples (the small numbered populations of the North).”

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5 Interview with IOC manager, July 2012.
7 Indigenous peoples have special rights under Russian law (Federal Law of April 30, 1999 N 82-F
“On Guarantees of the Rights of Indigenous Peoples of the Russian Federation”) and under the
international standards of the United Nations Declaration on the Rights of Indigenous Peoples
(adopted by resolution 61/293 of the General Assembly September 13, 2007). For example, see
UNDRIP Article 26 “Indigenous peoples have the right to the lands, territories and resources which
they have traditionally owned, they have traditionally occupied or otherwise used or acquired”; Article 20 “Indigenous peoples deprived of their means of subsistence and development are entitled
to just compensation”; Article 28, “Indigenous peoples have the right to redress, by means that
can include restitution or, when this is not possible, in the form of fair compensation for the lands,
territories and resources which they have traditionally owned or otherwise occupied or used, and
which have been confiscated, occupied, used or damaged without their free, prior and informed
consent.” Although Russia has not ratified the ILO Convention, international certification systems,
the policies of investment banks and many multinational corporations are based on it so Russian
companies often seek to comply.
addition, the company signed an agreement with the Union for Assistance to Indigenous Peoples of the Irkutsk Region, an organization that supports the traditional culture and activities of indigenous people, and provides funds to purchase hunting licenses by indigenous community members. IOC employees are receiving training in rules of ethical conduct. The company has developed and implemented its own policy, "The Rules of Conduct in the Vicinity of Culturally Sensitive Locations and Objects of Religious Significance," to protect locations used for shamanic rites, as well as ritual stones, hills, rocky outcrops and ridges, abandoned settlements, historic burial grounds, and other areas.9

Annually, since 2007, the IOC has entered into socio-economic co-operation agreements with the Irkutsk regional government as part of its corporate social responsibility policy and in order to develop a positive relationship with regional authorities. This type of cooperation agreement between a company and regional government, district authority, or village administration to allocate funds to government budgets has become a common practice in post-Soviet Russia. In 2017, the IOC transferred 100.4 million rubles to the regional budget. The company also sponsored events such as Winter Sports games and other festivals and celebrations.10 The socio-economic agreement specifies that the company will provide assistance to several municipalities and their community organizations. Funds were distributed among four districts: Ust'-Kut, Katangskii, Nizhneilimskii and Kirenskii. The Ust'-Kut district received 15.8 million rubles, including 8.2 million rubles for Verkhnemarkovo (Tysiachniouk et al. 2018). However, most benefits are directed towards areas where oil production or industrial activities are occurring, and especially towards the most affected communities and indigenous peoples, such as Verkhnemarkovo and several indigenous settlements, including Tokma and Erbogachon.11 Village officials list their needs and then the IOC proposes specific forms of assistance, which must be approved by the regional government. In the Irkutsk region, the amount of funding provided by IOC via informal arrangements sometimes exceeds its formal obligations. For example, in 2015 the IOC's planned funding according its socio-economic agreement was 43 million rubles, but by July of 2015, 81 million rubles had been spent to support

10 Interview with a Deputy mayor for economic affairs, Ust'-Kut, 25-27 July 2015.
communities in response to numerous informal requests beyond the socio-
economic agreement.\textsuperscript{12}

Benefits to indigenous people are negotiated separately between
the IOC and indigenous leaders and signed by a company representative
and the head of obshchina (an indigenous kinship-based cooperative en-
gaged in traditional economic activities, in this case hunting).\textsuperscript{13} Local mu-
nicipalities do not participate in the company's agreements with indige-
 nous obshchinas and are not aware of the funding totals involved. Funds
are distributed according to decisions taken at general meetings of the
community and via negotiations with the obshchina leaders. Items in-
cluded in agreements with obshchinas from Tokma have included the sup-
ply of fuel (gas condensate) (worth 4,000,000 rubles to the community),
a landline phone connection, payments for hunting licenses, and support
for schools. Overall, funding to the Tokma obshchinas in 2017 was ap-
proximately 300,000 rubles, plus fuel for the community's use. A similar
amount was allocated to other obshchinas.\textsuperscript{14}

The IOC has framed its social assistance and sponsorship policy in
accordance with EBRD requirements. IOC corporate documents formulate
general principles of benefit-sharing and specify their preferred beneficia-
ries, including non-governmental organizations (NGOs), such as the Rus-
sian Children's Fund. Although the EBRD has not issued new loans since
2012 due to sanctions imposed on Russia by the European Union, the IOC
continues implement the principles established in 2008.\textsuperscript{15} In addition to
state imposed agreements and the requirements of the EBRD, the IOC is
involved in informal sponsorship of community organizations, responding
to various requests from local organizations such as theaters, clubs, sport
teams, and ensembles, local authorities or even individual citizens who are
in an emergency situation – often providing in-kind support.

\textsuperscript{12} Interview with OIC manager, July, 2014.
\textsuperscript{13} For more information see the Russian Federation Law “On the general principles of the organisation
of obshchinas of the indigenous, small-numbered peoples of the North” (2000).
\textsuperscript{14} Personal communication on the phone with local resident in Tokma, 25.01.2018.
\textsuperscript{15} Participant observation – municipal meeting, Verkhnevemarkovo, 25.07.2015.
5. THE TRANS-SIBERIAN LOGGING COMPANY: CERTIFICATION AND COMMUNITY CONSULTATION

The TSLC is a large vertically-integrated holding company, officially registered in 2005. The TSLC is part of the Russian Timber Group, along with the Cell Group and LDK-Igirma companies, engaged in logging, wood processing, wood trading, logistics, transport, and wood pellet production. In 2011, LDK-Igirma employed 861 people from the Irkutsk region. Since 2012, all logging operations have been undertaken by TSLC, but the lease to the forest officially has been held by LDK-Igirma and the Cell Group. TSLC is headquartered in Irkutsk, has an office in Ust'-Kut, and has most of its shareholders in Moscow; its leased territory is in the Kirenski and Ust'-Kut forest divisions (lesnichestvo). In 2012, the TSLC finished the construction of a new large timber complex in Ust'-Kut. In 2015, the Russian Timber Group received a Lesprom award for being a best investor in the wood processing industry, as it invested seven billion rubles for building a factory in Ust'-Kut that processes 1,668,700 cubic meters of wood annually. In 2015, the TSLC's overall sales exceeded 10 billion rubles and it produced 858,000 cubic meters of sawn wood. The company exports its produce to China, Japan, South Korea, and Europe.

The Russian Timber Group annually signs a social-economic agreement with the Igirma municipality in order to support local communities. In 2016, within the framework of this agreement, the company contributed 6 million rubles for repairing daycare centers, schools and sports facilities. However, much of TSLC's community engagement is shaped by forest certification standards, which requires outreach and support to other communities, including Tokma where there is a substantial indigenous population.

The Forest Stewardship Council (FSC) is the most widespread voluntary forest certification program in Russia. The FSC has global principles and criteria for the management of forests and the interaction of timber companies and local communities, including indigenous communities. These principles and criteria were translated and adapted to the Russian context via specific national indicators in the framework of Russia's FSC national standard. FSC requires that companies provide communities with forest management reports (Tysiachiniouk and McDermott 2017, Tysiachniouk and Henry 2016). FSC rules require stakeholder consultations. Harvesting plans must take into account forests designated by the community as having environmental, economic, and cultural significance, such as forests needed for subsistence hunting and gathering as well as places of religious significance. Both FSC rules and Russian legislation require companies to provide special consideration to indigenous peoples in the area of operation, which is highlighted in FSC Principle 3. FSC Principle 3 allows indigenous peoples to protect places of traditional activity, especially hunting grounds. If hunting grounds have been designated territorially and extraction infringes on these sites, companies need to receive consent from the indigenous obshchina and compensation has to be paid. However, Russian legislation grants rights to indigenous groups that are more narrowly defined than in global conventions such as the UN, ILO, and international certification systems. In Russian law, indigenous rights apply only to those groups that are on the state's official list of "small numbered populations of the North," each of which needs to be less than 50,000 people. Russian law endows them with certain rights, including the opportunity to fish and hunt for their own needs, as well as compensation from disruption and damage by natural resource companies active on their traditional territories. Thus, both FSC rules and Russian legislation require TSLC to provide special consideration to the Evenk indigenous peoples in the Tokma area.

FSC auditing of TSLC (and LDK-Igirma) occurred in Fall 2010; the company received an FSC certificate in January 2011, which was valid until 2016, and a subsequent FSC certificate was issued for 2017-2021. During this period, LDK-Igirma annually contributed 1 million rubles to the Tokma community, and the Cell Group contributed an additional 250,000 rubles. In the place of LDK-Igirma, two companies were formed: OOO Lesproekt and Baikal Forest Company. Despite these changes, the companies allocated 1,250,000 rubles to the Tokma community in December 2018. In addi-
tion, children in Tokma received gifts from the companies in January 2019. Due to the company's reorganization, the FSC certificate was terminated in January 2019. The new lease holder, Baikal Forest Company, is also part of the Russian Timber Group and in 2019 is seeking a new FSC certificate.

6. THE VILLAGE OF VERKHNEMARKOVO

The history of Verkhnemarkovo illustrates the transformation of a longstanding settlement into a "petroleum village" following the discovery of oil by a geological expedition along the Angara and Lena rivers. The geological survey oversaw the economic development and industrialization of the village during 1970s and 1980s, a period of great optimism and rapidly improving living standards. Following perestroika and the end of the Soviet regime, the expedition concluded and parts of the oil enterprise were privatized. In the post-Soviet period, residents of Verkhnemarkovo experienced severe dislocation due to the collapse of the local economy and public services, along with extreme environmental degradation as a result of oil seepage. The privatized Irkutsk Oil Company generally has adhered to global norms of corporate social responsibility, but these polices could do little to address the challenges left in the wake of the loss of state paternalism and pollution.

The village of Verkhnemarkovo is located in the Ust'-Kut district of the Irkutsk region. The area has been a settlement for over 300 years, beginning with the village of Markovo, established by Russian settlers in the 17th century. Over time, many other small villages were founded around Markovo, including Verkhnemarkovo (or Upper Markovo) (Isayev 2007, p. 234). The fate of the area changed dramatically in 1962 when the Angara-Lena Geological Survey Expedition discovered a valuable deposit of Cambrian oil in Verkhnemarkovo. After the discovery, Verkhnemarkovo grew to encompass the other villages in a single site of geological activity. The Angara-Lena expedition staff took charge of the development of Verkhnemarkovo until the perestroika reforms of the late 1980s. According to a resident of Verkhnemarkovo, "The Lena expedition controlled everything here." For more than 30 years, workers flew from Verkhnemarkovo to nearby oil fields, generally for a three to five-day shift. However, most
workers were recent migrants as more people traveled to Eastern Siberia “for the money and the scent of the taiga” (Isayev 2007, p. 234).

The peak of Verkhnamarkovo’s population expansion occurred in the late 1960s and early 1970s. Young people flocked to the village from all over the Soviet Union, embodying the enthusiasm of the Komsomol (the Communist Youth League). By the late 1970s, the population around Markovo had reached 7,000 and the school taught approximately 1000 students. At first settlers lived in tents and then they moved into new two-story apartment buildings. The Angara-Lena Expedition oversaw the construction of residential buildings, schools, hospitals, daycare centers, libraries, recreation centers, a bakery, hotels, and an airport. There were daily flights from the local airport to Ust’-Kut. Verkhnamarkovo hosted a vibrant cultural scene, including visits from well-known performers such as the poet Yevtushenko. Community leaders organized sporting events, and most people also had television and radio at home for entertainment (Isayev 2007, p. 234-235). Despite difficult and risky working conditions, oil industry workers saw themselves as constructing a bright future for the region and the country. For the Soviet state, the development of the oil industry was a strategic priority. As a result, villages in the region were well-supplied with consumer goods and other provisions. A resident remembers, “In 1984 everything was in the stores – even condensed milk – while in Irkutsk stores were empty.” Other social benefits were available to oil workers. As one worker recalls, “When I worked at the Lena expedition, I visited vacation resorts nineteen times and never paid for a ticket myself – the union gave us everything. We always lived in abundance – there were no problems.”

From the discovery of oil until the late 1980s, most villagers remember an era of high living standards, bustling daily life, and great optimism about the future. Based on interviews and accounts preserved in the local library, the first moment when oil burst like a fountain from ground was a joyous celebration. Only a few recalled that the discovery of oil included tragedy as well. One engineer died and some people were evacuated to neighboring villages as expedition members attempted to cap the fountaining oil to prevent the oil flow from reaching the Lena river. Even the unfortunate death of the oil worker was portrayed heroically, the official account stating that “his heart was filled with glee, as he washed his
face with oil." The gushing fountain of oil was seen by people as a harbinger good times for the village.

The economic crisis engendered by perestroika was profoundly dislocating for Verkhnemarkovo. Residents describe a collapse in community living standards and morale. In the 1990s, the Angara-Lena Expedition went bankrupt. Two private companies were formed in its place, Dulsma and Irkutsk Oil Company. When the Angara-Lena Geological Survey Expedition ceased operations, other village institutions began to fall apart as well. Work at the collective farm was interrupted and several houses of culture closed. Timber harvesting in the region declined to a minimal level and the sawmill closed, and later burned down. Teachers went on strike in response to nonpayment of their salaries. The mood in the village was understandably grim in response to declining living standards. Furthermore, transportation interruptions threatened to detach the remote village from the rest of the world as air traffic declined dramatically and other forms of transportation degraded (Isayev 2007, p. 237). As the optimistic plans of the Soviet period gave way to hopelessness in the 1990s, many residents sought to relocate. People moved – often with great difficulty – to Irkutsk, Bratsk, Angarsk, and other Siberian cities. In the 1990s, the state sponsored a resettlement program for Verkhnemarkovo residents who had served for more than 25 years as laborers in the north. However, the resettlement program was cut after a brief period and is now only available to village residents with disabilities. Given the severe problems with unemployment and environmental degradation, anyone with resources left the village, leaving behind approximately 2,400 people who currently reside there.

Over time, Verkhnemarkovo has become a transit point for oil workers who arrive by train and then depart by helicopters for drilling sites. Residents claim that the Irkutsk Oil Company does not provide jobs to local people, preferring workers from elsewhere. One remaining resident commented, "Work for men is not available – they prefer their own [workers], from the city." The same interviewee continues, "The hospital is getting ready to reduce its services. Sberbank is closed. They say that banks aren't necessary, the living conditions are so bad." Another person notes, "The youth are frustrated because there is no work. They drink, and become drug addicts." Public utilities have broken down, a dramatic change

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19 From the archives of the local Ust'-Kut library.
from the era of the geological survey when free electricity was provided using the gas that emerged as a by-product of oil drilling. Until 2013, electricity was available approximately two to four hours each day with service rotating around different districts of the village, and priority given to the school and the hospital. A resident explains, "We lived on gas, but now it is no longer convenient and local budgets cannot afford it, so we have no light. The local budget is deeply in deficit." In 2013, an electricity line was finally built. Residents also bemoan their lack of connection to "mainland" Russia. The road to Ust Kut is still available, although it is in poor condition. Air travel has become too expensive for villagers. A resident states, "In Soviet times, our salary was 350 rubles, and one could fly from Markovo to Irkutsk for 27 rubles. Now the wage is 4000-8000 rubles, and a flight to Irkutsk is 15,000." The village no longer has sufficient flights to help critically ill patients who need immediate medical services. Many residents of Verkhnemarkovo consider themselves "hostages" who cannot get away. As one woman remarks, "The tankers leave, taking out everything. We are left with nothing and would leave at the first opportunity."

On-going challenges related to the legacy of the oil industry plays a significant role in miserable living conditions. Residents point to the constant smell of burning of gas and problems with oil leaks and seepage throughout the area. As one interviewee comments, "Oil appears right in our homes and gardens." This seepage is associated with underground nuclear explosions that were carried out from 1975 to 1984 under the authority of the Center for Geophysical and Geo-environmental Studies of the USSR with the goal of using seismic sensing to detect oil deposits. While there is no direct evidence linking the explosions to oil flows, residents report that following the explosions oil seeped into many gardens, and that spring there was an oil spill into the river Lena. After the collapse of the Angara-Lena Expedition, no institution was willing to take responsibility for addressing these problems. Only in 2010 and 2011, in response to the complaints of residents, did the IOC completed the construction of a dam to protect the Lena River and local residences from oil leaks.

Verkhnemarkovo residents mourn the unfulfilled promise of oil. They frequently use the metaphorical phrase "we are sitting on oil" to explain why they "ought to be bathing in gold." Villagers associate oil with wealth, often remarking humorously, "Can you sense the smell of money?" when the scent from burning gas or oil permeated the area. Residents
bitterly say that strangers are reaping the benefits of a resource that was discovered and developed by their families. The construction of a federal pipeline in the area added to residents' dissatisfaction because the builders of the pipeline received excellent accommodation and uninterrupted electricity. As a result, local residents began to feel like second-class citizens. Residents also are very concerned about environmental degradation related to continued oil production. A collection of comments on this topic includes the following:

- "For us, the smoke and smell are constant, wells burn and burn, burning for decades."
- "Every day smoke from the wells travels to the village, just beyond the hospital are pillars of smoke."
- "Even when boiled, a film of oil remains on the water. The taps clog in just one year. I do not even give boiled water to my child, but buy imported mineral water."
- "We drink oil, and breathe oil, and look at oil. And there is nothing we can do about this. If you don't like it, leave for somewhere better."
- "If the bosses and their families lived here, where oil is extracted, it probably would be different."

Given the requirements of the EBRD, villagers in Verkhnemarkovo are "stakeholders" who may participate in a dialogue with the Irkutsk Oil Company. Despite this status, the villagers feel disempowered. Under the Angara-Lena Expedition, public mobilization was not necessary to achieve community largesse from the oil industry. In the post-Soviet period, stakeholders tend to be more effective when there are pre-existing levels of organization and leadership in a community (Henry et al. 2016). However, the pervasive dislocation and pessimism that pervades Verkhnemarkovo has not provide a firm foundation for social initiatives. Moreover, the most educated, highly skilled, and the young have left the village. Few social organizations exist in Verkhnemarkovo, aside from a small veteran's council and some groups engaged in social issues. Due to hopelessness, frustration, and a lack of local leadership, most residents do not want to participate in
a public decision-making process. One villager remarks, "They come from Ust Kut to solve problems and organize gatherings, but people do not go. They don't believe in it." A resident comments, "The people here demand everything, everything should be presented to them, while they themselves are doing nothing."

The IOC interacts with the community to a much greater degree than the other regional oil company, Dulisma. Verkhnemarkovo residents tend to contrast the IOC and Dulisma, noting that the former company is more responsible. Of the IOC, a resident remarked, "The IOC helps the village more. They never refuse." Residents commented on Dulisma's precarious financial situation. One stated, "Dulisma is the most impoverished company. It does not even give gifts to children." The IOC and the community interact in several ways. First, the IOC provides significant charitable support to Verkhnemarkovo. For example, in 2011, the company gave the village funding for equipment for the school and house of culture, furniture for the day care, and a playground, as well as money for ambulances for the hospital. In addition, the IOC provides funding to support holidays, including gifts for children and the elderly. Residents mention that they would feel completely forgotten if the IOC did not help them. "Here we don't have any organization any more. Thanks to the IOC for helping us."

While residents of Verkhnemarkovo are aware of and value the IOC's assistance, the "yardstick" they use to assess the company is their experience with the state geological expedition in the Soviet era. In the view of some residents, the IOC should be entirely responsible for village infrastructure. Despite significant assistance to the local population, the IOC is not able to reproduce the previous level of social services form the state - activities like the construction of roads, parks, and electric transmission lines. According to the villagers, the company should not help out in regions where it is not actively extracting oil. A resident remarked, "The IOC is a cow that is milked by everyone. First in Irkutsk, then Ust'-Kut, and then Verkhnemarkovo. We breathe the air, but they drink all of the milk." Several residents of Verkhnemarkovo complained that the IOC does not offer work to locals, although Irkutsk Oil Company documents state that the company employs 600 people from Verkhnemarkovo.

Residents' dissatisfaction is directed both at the company and, to a greater extent, at the state, which is seen as having liberated the company from its social service and infrastructure obligations even though the
state did not take up this role itself. A resident comments, "We have oil companies here, but sometimes we don’t have light for 20 days. I write to Putin’s website, but the letters are passed on to Irkutsk, and they give a formal response and say that everything is done." Another said, "Money has been allocated, but where do it go?" According to an IOC consultant from Irkutsk, "The IOC engages the locals in good faith, but each side has its own interests. For the oil company, it is the extraction of oil. The welfare of residents should be the work of the state." The local situation might be improved if the taxes paid by the oil companies were dedicated partially to local infrastructure, but the tax revenue flows primarily to the federal budget. IOC representatives acknowledge this situation, commenting, "We as the oil company pay large taxes, but nothing stays in this territory. But this question is not our responsibility." In interviews, IOC officials appear to perceive socio-economic agreements with local communities as a form of compulsory “tax” by the regional government. One official stated, "Socio-economic cooperation is an additional obligation. It is the shake down or arm-twisting of business. But if [the regional government] do not put a spoke in our wheel then that is good, even if they don’t help."

Another painful question between the company and the village is the state of the local environment and the struggle with oil seepage in the area. A deputy to the regional Duma in Ust'-Kut raised the issue of oil contamination frequently over a seven year period. In 2006, the Ust'-Kut district administration created a coordinating council on oil contamination, consisting of specialists in the district administration, the district’s chief public health doctor, and an environmental specialist from the IOC. The council is supposed to ensure monitoring of oil contamination. Water and soil samples have been taken, resulting in some modest improvements in addressing the contamination. Scientists from specialized research institutes have been consulted to deal with the problem as well. At the request of local residents, the IOC built a high dam, blocking drainage of the oil into a creek and then the Lena River and in the direction of homes in the village. However, oil is still flowing underground, and occasionally comes to the surface. The IOC has invested enormous amounts of energy and funds to manage the environmental problems in the village. Many local residents recognize this and acknowledge that environmental issues are an inevita-

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20 Doctor of ethnography, IOC consultant, Irkutsk, February 2012.
21 Informal conversation with the company manager, November 2011.
ble by-product of oil production. One states, “It is not possible to scold the oil workers. The ecology is so gloomy. If they are honest or dishonest, there will still be pollution. The IOC is trying to do something.”

7. THE VILLAGE OF TOKMA

Tokma is an Evenk village located far from other settlements in the Kataniski region of Irkutsk. The Evenk are an indigenous people, one of Russia’s small-numbered people of the North, Siberia and Far East. Tokma can be reached only by helicopter or by winter road, open roughly from late December to late March. The district center is Erbogachen, but it is very difficult to get there from Tokma, as there is no direct connection. First people need to fly to Kirensk, wait there for two weeks and only after that take a helicopter to Erbogachen. The helicopter flight from Tokma to Kirensk stops in six other villages along the way. In 1928, the Tokmensky Native Council was established to represent the Evenk population in the area as well as some Russian settlers. In 1930, a primary-level boarding school was opened in Tokma. In 1936, the first village store opened, marking what some remember as a turning point for the indigenous population as this was their first exposure to consumer goods, including alcohol. In 1939, a reading room was established which became a Soviet house of culture in 1974.

In 1931 the state enterprise “VostSibZagotPushnina” opened to organize the local production of furs, meat, berries, and clothing. During perestroika this enterprise closed. From 1965 to the perestroika period, the principal employer in Tokma was an animal processing facility called Preobrazhenskii Zverpromkhoz, called Promkhoz for short. The enterprise oversaw diverse activities to benefit the community, including the harvest of firewood, a dairy farm that supplied milk to local institutions, and a hunting collective. Interviewees remembered the late Soviet period positively, as a time when “families had many children and the airport worked around the clock.” Tokma residents warmly recall state support, provided in the form of groceries, fuel, transportation, and weapons for hunters. Another resident remembers, “Everything was cheap in the Soviet period. All products were imported for us. And it was easy to fly to Irkutsk.” Many residents also remember the services of the local hospital,
which is now closed, leaving only a single health care provider with limited equipment and supplies.

In 1989 Tokma became famous for its proximity to the midpoint of the USSR, located 40 km from the village. However, Tokma’s glory was short-lived. Two years later the Soviet Union collapsed. The Promkhiz collapsed in 1996 and was followed by a few short-lived companies. In 2003 the residents of Tokma and the nearby village Bur formed an indigenous obshchina (cooperative) named “Tokma” that has 49 hunters as members.\footnote{An obshchina may receive benefits from companies that officially can be delivered only to indigenous enterprises; therefore the Tokma obshchina was formed.} Hunting remains an important economic activity in Tokma. Contrasting the past and the present, residents note that life is difficult without the support of the state, especially given the remote location of Tokma and its isolation from the rest of the country. In comparison with Soviet times, hunters expressed concern they no longer have access to pensions for state employees and receive only regular pensions. Many residents, lacking a connection to the market economy, now engage in subsistence activities. One comments, “If there are no fish, catch them yourself.” Another notes, “In the summer there is no place to store the milk from the cows, so they have to feed it to the dogs.” Another resident states, “It is possible to gather many cranberries here. Dealers sometimes come by winter road, but sometimes they don’t come and people throw away bucketfuls.” A sensitive issue for residents is the out-migration of young people from the village. In the Soviet period, many young people and children lived in the village. The village secondary school opened only in 1989 to supplement the elementary school. That year there were 48 students enrolled and 35 children in the village child care facility. In the 1990s, Tokma’s population began to decline as young people left the village. In 2010-11, there were only 7 or 8 children in school and four children in child care. In 2018, the school, childcare center, and post office were closed.

Tokma residents express nostalgia about the Soviet past, especially the social services, and compare it to the day to day reality of the present. Yet opposing recollections coexist in villagers’ narratives of the past and present (Velikonja, 2009: 540). Residents’ stories also contain significant criticism of the Soviet period, in particular the regime’s treatment of the Evenk indigenous people. For example, a resident states, “I think it is wrong that the Evenk were exiled to camps.” Many Evenk still living
in the village recall that they were sent to state boarding schools while their parents continued a traditional nomadic life. Echoing others, a resident recalls, "My mother could do everything -- sew boots, embroider with beads. I grew up in a boarding school and learned nothing." As they moved away from traditional life during the Soviet period, Tokma community members remember the growing problem of alcoholism. A resident recalls that "packs of sable furs were spent on drink." Another comments, "When the collective farms appeared, they began to employ them [local Evenk residents]. The Evenk were not accustomed to the food and became ill. Some died or became alcoholics." One Tokma resident comments, "Life is changing for the better. There is the winter road, electricity, communication, and salaries [paid] on time. But certainly it is not as good as in Soviet times." Despite mixed feelings, most residents say they want to stay in the village and express deep attachment to the area. Residents of Tokma talk about their love of place -- "the village I love madly" and the place that is "a magnet [for me]."

Historically, leadership in Tokma is based on kinship ties or clan. One clan is centered on the Gordeev family. Sergey A. Gordeev was the permanent chairman of the village council for 38 years during the Soviet period. His son Nikolai S. Gordeev took over that position during the perestroika and post-Soviet period, after serving as head of the Promkhoz. In 2003, Nikolai Gordeev created the indigenous obshchina, which included 20 people at that time, and became the head of obshchina in 2009. Of the two broad categories of people who remain living in the village, first, there is a group of hunters led by Nikolai Gordeev and second, a loose group of people in non-hunting professions. Nikolai Gordeev combines hunting on his own territory with heading the obshchina. Gordeev also is the individual who increasingly manages relations with the oil and logging companies. For this reason, he plays a significant community-wide leadership role. The second category of residents includes the chairman of the village council and the managers and employees of public institutions such as the school, childcare center, and library. This second group includes most of the local activists who play a role in supporting Tokma's social infrastructure.

The indigenous community generally relies on two streams of resources: the revenue from the sale of furs by local hunters and assistance from oil and forestry companies. To a certain extent, the entire village depends the hunters and fishers who pursue a traditional lifestyle which
allowed the Evenk to register an obshchina, and thereby to receive benefits as indigenous people. After the end of the Soviet regime, indigenous hunters had to defend their right to their traditional hunting grounds, which previously had been assigned to the Promkhoz and, after bankruptcy, had been transferred to a company called JSC Siberia. Claiming the status of an indigenous obshchina in 2003 gave the hunters the formal right to claim this territory. After three years in court, using the Federal Law "On guarantees of the rights of indigenous peoples of the Russian Federation," the obshchina was able to secure a lease to their hunting grounds until 2036, including the right of inheritance under the law "on territories of traditional use."

The presence of the indigenous communities also stimulates companies' interest in supporting the village. In the process of interacting with oil and timber representatives, local residents realized that the companies were willing to enter into negotiations to protect the rights of indigenous peoples. The creation of the obshchina in part was inspired by the arrival of the two resource companies, IOC and TSLC, in the territory around the village. Local Evenk people became aware that of threats to their traditional lifestyle and saw that the companies were trying to seek compromise. As one interviewee stated, "The obshchina was organized to protect us from the companies." Both companies are committed to upholding the rights of indigenous peoples – the IOC to comply with EBRD requirements and the TSLC to fulfill the requirements of the FSC Principle #3. As a result, the community's relationships with the natural resource companies are conducted largely through the indigenous obshchina, with input from some other residents at public meetings. The companies have conducted public hearings where they discuss their plans for timber harvesting and oil production. The TSLC tends to invite only identified community organizations, while IOC meetings are open to all residents. TSLC prefers to give targeted in-kind assistance; they ask village leaders about the needs of the community, then purchase the items and deliver them to the village by winter road. The IOC generally pays money allocated to the obshchina into its official bank account (and not to the village budget). In terms of benefits, although the IOC is a more profitable company than the TSLC, the IOC annually allocates less funding (300,000 rubles) to Tokma than the less profitable TSLC (1,250,000 rubles). However, since 2014, TSLK stopped visiting the community and interacts with obshchina only via its leader.
The distance to Irkutsk and opacity of negotiations with the oil and timber companies has created some difficulties in the relationship between the obshchina chairman and other members of the Tokma community. Funds from the companies are distributed according to the decisions taken at general meetings of the community and during public consultations with companies. Decision-makers from local institutions actively participate in consultation with companies on the basic needs of the village, while obshchina members often skip these meetings because they may be away from the village for several months on hunting trips. However, the obshchina holds reporting meetings for its members, to which residents of the village are not invited. Although according to FSC and EBRD rules, only obshchina is eligible to receive resources directly, the obshchina members often are pressured to share company-provided resources with the whole community, not just the hunters as official members of the obshchina. Hunters have complained that funding from companies goes into a "common pot" and does not cover many of their needs, although the companies do cover the cost of the obshchina members' hunting licenses.

In conversation, residents express ambivalence about the natural resource companies' activities on their traditional territory. On the one hand, they see companies as threatening traditional habitats and livelihoods. On the other hand, interviewees appreciated the assistance they receive from companies. Villagers' remarks reveal these mixed feelings. A resident stated, "They have already begun to plunder [the territory] from all sides, taking the forest, and now there are even these oil drillers. We decided, however, to somehow organize and protect ourselves from them." Villages were particular attuned to the negative environmental impacts of oil production. A resident noted, "When Yarakhtinskoe [oil field] began to be built, cranberries rarely bloomed and they quickly blackened. In Volokona, in September, hunters say that black snow fell. Around Volokona there is all of this oil. Hunters know the location of drilling. ... There is debris and oil floating in the river." Residents noted that timber harvesting has been wasteful as well. Often, the residents mix the activities of the two companies in their narrative as generally negative for village life. A resident stated, "Woodsmen and gas companies, I believe, are destroyers; they do not clean garbage dumps or landfills."

The residents of Tokma recognize that companies are here to stay and that they need to cooperate. A community leader states, "TSLC caus-
es great harm to nature through their invasion, but we have decided to be friends with them, because they have leased forests for 49 years and, in any case, they will harvest wood here." Yet as Tokma residents started receiving assistance from companies, they have begun to rely on these resources. Along with the indictment of the companies' harmful activities, residents also express satisfaction with company support, with one resident noting, "For the school, they have done a lot, and improved the infrastructure." Residents also remark that the IOC has given books for the library and the TSLC has given computers. The TSLC understandably is portrayed as more generous than the IOC. Residents noted that TSLC constructed a winter road that was also used by oil companies. The forestry company contributed to renovations of the post office and airport and provided medical equipment and responded to community requests for lumber.

The inhabitants of the village Tokma generally were not very familiar with national and international rules related indigenous peoples' rights, and the limitations to these rights. For example, they were unaware that some of their existing trapping practices had become illegal when Russia signed an agreement with the EU and Canada "On International Standards for the humane trapping of wild animals" in 1998. Russia then ratified the agreement in April 2008 when other countries threatened to ban the import of Russian sable to western markets. Residents of Tokma also assumed that they could lease a section of the river to protect themselves from poachers, but this was not possible under existing legislation.

Lack of knowledge about indigenous rights and global policies, such as the Forest Stewardship's Council's certification program, affected interactions with the companies. Tokma residents were unfamiliar with the specifics of FSC Principles and Criteria, having not read the standards. While the community received certain benefits from the company, they were unaware that individual hunters who use lands where timber harvesting has occurred have a right to separate compensation, according to the Forest Stewardship's Council's Principle 3. The TSLC held annual consultations with Tokma residents, but never explained that villagers have the right to designate High Conservation Value Forests of social significance (HCV 5-6 categories), which includes places of ritual significance, the breeding grounds of rare birds, salt marshes, and places that are important for gathering berries and mushrooms. Although in general the interaction of TSLC and Tokma community is regarded a success story by FSC,
the participation of local people in forest management has not been implemented fully in Tokma. The IOC, guided by international rules of the EBRD, also is obliged to designate places of ritual significance for the indigenous community. Once again, Tokma residents were not aware of their rights. They had not formally designated any of these places and were not asking to preserve them. Thus we see that the company formally upholds indigenous rights, but local indigenous peoples' awareness of these rights was not deep enough to allow them to exercise them fully.

8. CONCLUSION

This study investigates how benefit sharing works in practice in two Russian villages where natural resource companies are active – the village of Verkhnemarkovo, populated by citizens of the former Soviet Union and Tokma, a traditional settlement of the Evenk people. Benefit sharing is shaped by the requirements of international institutions such as EBRD and FSC, in addition to Russia law. Particular attention was paid to indigenous peoples' rights granted by global conventions. In Tokma, there are two active resource extractive industries using global standards: the TSLC and IOC, while only the IOC is active in Verkhnemarkovo. There is no interaction between the IOC and TSLC although they work in the same areas. The communities engage in benefit sharing negotiations separately with each company. These negotiations focus narrowly on community needs, and how much funding will be provided by the companies. There is no broader discussion about the sustainable management of natural resources, although this broader principle is part of a dialogue about corporate social responsibility.

In Verkhnemarkovo, the IOC appears to be in full compliance with EBRD rules (despite the current sanctions) and with Russian laws as well as the less formal requirements to sign socio-economic cooperation agreements with communities under pressure from the state. However, these socio-economic agreements have not been able to ensure the well-being of the local community given the Soviet legacy of severe environmental degradation – in particular, oil seepage. Neither the EBRD requirements nor Russian formal and informal rules and regulations were designed to cope with this issue. Local residents also expect the privatized company to de-
liver social benefits comparable to those provided by the Soviet-era ge
tological expedition which managed infrastructure and employment, and the
supply of goods and services. Despite hardships related to oil discovery
and oil drilling, the majority of the population is nostalgic for the Soviet
past. Under the provisions of the EBRD, the IOC regular holds consultations
with the Verkhnemarkovo community, but these consultations have not re
sulted in community empowerment or the participatory co-governance of
natural resources.

Tokma represents a declining village that retains dense ties
among residents, although there are different groups centered around
the obshchina and other social institutions. It has undergone tremendous
change in recent decades, and its population is aging as young people leave
the village. In Tokma, the Evenk people are officially recognized as an indi
genous group in Russian legislation and therefore receive special rights un
der Russian law. This status is enhanced by the TSIC's participation in FSC
certification standards and the IOC's efforts to meet EBRD requirements.
The Tokma case study demonstrates how the Evenk people navigate these
complex and overlapping governance regimes and make use of state and
global rules to ensure their right to resources and to compensation. Ho
wever, their ability to exercise these rights is compromised by their lack of
knowledge. Notably, indigenous hunting grounds have not been formally
designated. However, a dialogue has been established by the community
and its leader with both companies and the companies are committed to
basic corporate social responsibility.

In general, Tokma has achieved a better outcome as compared to
that of Verkhnemarkovo. More effective benefit sharing in Tokma is due
to several factors. First, the presence of indigenous people in Tokma intro
duces a new level of globally-endorsed rights and standards to the compa
nies' interactions with the community. Due to these norms and rules, indi
genous peoples may be relatively advantaged compared to other commu
nity members who are not singled out for special protection. For exampl,
e, indigenous peoples may have greater rights to reject plans for natural
resource extraction or to receive compensation if their traditional activi
ties are disrupted. While this was not the case in these localities, indigeno
us people were at least consulted by the natural resource companies. Se
cond, the benefit-sharing model promoted by the FSC for the forestry sec
tor is more comprehensive and specific than that of the EBRD so the pre
sence of the forestry industry in Tokma created greater attention to benefit sharing. Finally, Tokma does not have the legacy of industrial pollution found in Verkhnemarkovo so there are fewer community grievances that need to be resolved.

9. ACKNOWLEDGEMENTS

This research was supported by the senior research co-founded fellowship at Durham University, funded by the European Union, Institute of Advanced Study (IAS), and the Department of Education, the National Council for Eurasian and East European Research (Contract 827-06), the internship at the Moscow Higher School of Economics, the Swedish research council FORMAS (Grant number 2017-00826), the Finnish Academy Arctic Program ("Oil Production Networks in the Russian Arctic", No. 286791), and by the NWO, the Netherlands Organization for Scientific Research, Arctic Program ("Developing benefit sharing standards in the Arctic", No. 866.15.203). We would like to thank Natalia Krasnoshtanova for comments on the earlier version of this paper and for creating a map.
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KIRJOITTAJALUETTELO

JULIA AHLFORS, OTM, TOHTORIKOULUUTETTAVA
Helsingin yliopisto
SENIOR LEGAL COUNSEL
KPMG Oy Ab

ROLF DOTEVALL, PROFESSOR I CIVILRÄTT
Juridiska institutionen Handelshögskolan vid Göteborgs universitet
GÄSTPROFESSOR
Lunds universitet

LARS HAGMARK, OTM, LEGAL COUNSEL
Finnvera Oyj

LAURA A. HENRY, PROFESSOR
Government Bowdoin College, Brunswick, ME, USA

ILARI HOVILA, OTT, YLIOPISTONLEHTORI
Lapin yliopisto

ANSSI KÄRKI, OTM, TUTKIJA
Lapin yliopisto

MINNA PAPPILA, OTT, TUTKIJATOHTORI
Oikeustieteellinen tiedekunta, Turun yliopisto

OLGA PUSHINA, LL.M, JUNIOR RESEARCHER
University of Lapland

MARIA TYSIACHNIOUK
Moscow Higher School of Economics, Department of Geography
Durham University, Department of Law
Lapland University, Environmental Policy Group
Wageningen University
Center for Independent Social Research St. Petersburg, Russia