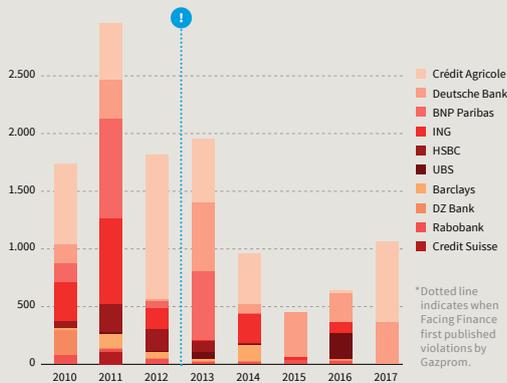


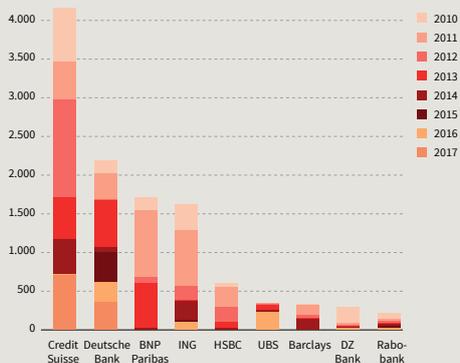
Company Responded to allegations	No
Significant concerns	Arctic Operations. Oil spills (Arctic tundra. Damaging livelihoods and natural resources of indigenous people.
Potential Norm Violations	UNDRIP specifically the Right to Free, Prior and Informed Consent. The Rio Declaration and UNFCCC re: environmental protection and climate change. UNGP on Business and Human Rights.
Company ranking on CHRB	20–29% (Poor)
Voluntary Commitments	none
Facing Finance Category	The Pits: Extremely poor performers

Gazprom PJSC

Capital provision by year — all loans and bond underwritings (€ Million)



Capital provision by bank — all loans and bond underwritings (€ Million)



Management of shares and bonds by top banks (in € Million):



Digging for Justice: Progress on previously reported cases

Gazprom is a global oil and gas company headquartered in Russia and part owned by the Russian Federation (approx 50 %).¹⁴⁷ Gazprom is also the owner of Gazprom Neft.¹⁴⁸ Gazprom has been featured in two previous Dirty Profits reports in 2013 and 2014 due to risky Arctic operations (Prirazlomnoye platform in the Barents Sea) and the environmentally destructive Altai gas pipeline (now called the Power of Siberia II). Gazprom still operates the Prirazlomnoye platform in the Arctic, despite serious concerns raised regarding the impacts of a spill. The Power of Siberia II pipeline has not yet been built¹⁴⁹, but there has also been no commitment made by Gazprom to protect the UNESCO world heritage site, the Golden Mountains of Altai.¹⁵⁰ Additionally Gazprom has faced substantial criticism around its Sakhalin II project and resultant impacts on the sensitive environment- while some measures have been taken to protect the endangered western grey whales in the area (as a condition imposed by banks' lending to the project through civil society pressure)¹⁵¹, expansion plans for this Liquid Natural Gas plant is a substantial threat.¹⁵²

Gazprom did not respond to our request for further information on these projects, or other projects previously covered in the Dirty Profits Report. However, an indication is given by its commitments: Gazprom is not a supporter of the Extractive Industries Transparency Initiative (EITI), nor has it signed the Voluntary Principles on Security and Human Rights. Gazprom is also not a participant of the UN Global Compact. Further demonstrating a lack of commitment, Gazprom does not have a human rights policy for its operations and organisations. It is clear the company fails in its responsibilities on environment, labour and human rights concerns. It is therefore also unsurprising that Gazprom ranks in the lowest percentile in the Corporate Human Rights Benchmark. This has resulted in an overall categorisation of Gazprom in the lowest category “The Pits: Extremely poor performers”.



▲
Oil spill in the Yamal nenets district, as shown by
Khanty reindeer herder.
© Petr Shelomovsky / Greenpeace 2016

Arctic oil spills: indigenous siberian reindeer herders fighting for their land.

Gazpromneft-Noyabrskneftegaz, a subsidiary of Gazprom (96% owned), is developing 13 oil and gas fields in the Yamalo-Nenets and Khanty-Mansi autonomous district in the Russian Federation.¹⁵³ This district is located in the Arctic zone of the west Siberian plain, home to indigenous reindeer herders who are increasingly losing land to drilling companies. This region is seeing heightened conflict between vulnerable native people and extraction companies.

In 2015 Greenpeace reported that Gazprom was granted oil and gas drilling rights to the oilfield 'Otdelnoe' on tribal lands, without the consent of these communities.¹⁵⁴ In January 2017 in preparation for oil exploration, Gazprom began the construction of a road through indigenous territories which was intended to be built directly over the reindeer calving site. The reindeer herders, already squeezed on all sides by oil companies, have refused to sign an agreement with Gazprom and continue to protest the drilling rights.¹⁵⁵

Also in the same region, Western Siberia, in the Yamalo-Nenets autonomous area, there have been chronic oil spills on traditional lands by Gazprom operations.

The most recent spill was in 2016 spilling oil over nearly 5 hectares of tundra, this was, however, not the worst spill. In September 2014, 300 tonnes of oil spilled into the river Etyaha contaminating the entire length of the river.¹⁵⁶ Gazprom attempted unsuccessfully to clean the spill.¹⁵⁷ To date it has not been fully cleaned, nor has Gazprom been held liable.¹⁵⁸ Where oil spills occur in the region, Gazprom undertakes only temporary remedial work which is short-lived and oil easily reappears, harming reindeer and other wildlife. Since the 2014 oil spill, one family have lost 93 reindeer.

The above research indicates a potential violation of the UN Declaration on the Rights of Indigenous people, Article 10 of the Declaration notes that Free, Prior and Informed Consent is required and indigenous people cannot be forcibly removed from their lands. Article 26 highlights the rights of indigenous people to their lands and resources. The Guiding Principles on Business and Human Rights also note that

companies should ensure "meaningful consultation with potentially affected groups and other relevant stakeholders" as well as "Avoid causing or contributing to adverse human rights impacts [...], and

address such impacts when they occur;". In addition, the Rio Declaration Principle 3 seeks to "equitably meet developmental and environmental needs of present and future generations."¹⁵⁹

Neither the Sakhalin II nor the Prirazlomnoye projects have adopted a precautionary approach – these

are environmentally risky endeavours not only to the immediate vicinity of the sensitive ecological areas but also in relation to climate risk. Additionally, to conform to the Framework Convention on Climate Change, the exploitation of Arctic oil and gas is high on the list of hydrocarbons that should be left in the ground. It is for this reason that several funds have divested from Gazprom (See Appendix).

"It's classic colonialism, like at the end of the 19th and start of the 20th century; Indigenous people can only negotiate "small compensation that doesn't compare to the wealth the oil companies make on these territories"

Mikhail Kreindlin of Greenpeace in an interview for the Guardian¹⁶⁰

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