

Minutes of Multi-Stakeholder Meeting in Sapporo

Date/Time: October 13, 2004 13:30 – 18:15

Venue: Koka (Plenary session) & Seiryu (Workshop), Sapporo Park Hotel

Attendees: See attached list

Objectives:

- 1) Explanation on current status of Sakhalin II project
- 2) Explanation and discussion on Aniva Bay Update
 - Dredging Update
 - Fishery Resources and Monitoring
- 3) Explanation and discussion on Cristoforo Colombo Incident
- 4) Workshop on Terrestrial Red-Book Species

Summary of Discussion

1) Explanation of current status of Sakhalin-II

SEIC made brief explanation of project update

No specific question or comment from the audience.

2) Explanation and discussion on Aniva Bay Update

2-1) Dredging Update

SEIC made brief explanation of update of dredging activities in Aniva Bay

Questions and comments from the audience:

- a) How much is the amount of compensation for dredging activities only?
Is compensation made not only to fishing companies, but also to the individual fishermen?
- b) Do you mean your activities of dredging and dredging spoil disposal do not have impact to Japan?
- c) What kind of fish resources is in Aniva Bay?
- d) What is the time and zone of fishing restriction?

SEIC answers and responses:

- a) The compensation amount is the confidential information between SEIC and Russian authorities. I will check position and if we find it possible to talk publicly, we may be able to discuss this issue further.
- b) The disposal of dredged material will cause short-term and localized impact at the disposal site. It is not anticipated to have impact on Russian

and Japanese fishing industry. We understand that suspended solid from sediment will not cause impact to plankton, as it is just transfer pure seabed soil to one place to another. According to our monitoring results there is less benthos in all seasons. Volume of benthos deeper than 60m becomes significantly low. There will not be any impact to migrating fish at this point. Plankton may have short-term impact, but active current will solve this issue. If SakhNIRO found some problems for spawning and migration, they did not allow this site, as a disposal site.

- c) This question will be covered by the next presentation on Fishery resources.
- d) Fishing restriction zone is set up. We can share exclusion zone map with Japanese fishing organization, as we did with Sakhalin Fishing Association.

2-2) Fishery Resources and Monitoring

SEIC made presentation on Fishery Resources and Monitoring in Aniva Bay.

Questions and comments from the audience:

- a) You say that there will not be any impact, but we think there should be impacts because Aniva Bay is not an open sea. All related organizations, including Japanese authorities, like Hokkaido government, shall observe the dredging and disposal activities utilizing satellite photos and trace how the sediment moves. As was in the last meeting, it is not useful that SEIC explains what they did and the audience listens to the explanation with data that impact is none or low. In such a situation it is impermissible for international lenders to finance the implementation of Phase-2 of Sakhalin-II project.
- b) As time constraint, I will send my questionnaire later. Would you please respond to such questionnaire?

SEIC answers and responses:

- a) It is our regret that you consider this meeting not useful. Our intention is to make it useful. Regarding specific questions of dredging and disposal volume we have provided you with specific data before activities start. The provided data are, to the best of my knowledge, correct. We will inform you in timely manner, if dredging and disposal volumes will be changed. We have a lot to share with different stakeholders and try our best to provide information. We welcome any comments/opinion which makes the project more effective.
- b) Yes, of course.

3) Explanation and discussion on Cristoforo Colombo Incident

SEIC made presentation on Cristoforo Colombo Incident.

Questions and comments from the audience:

- a) Listening to your explanation we got impression that you carried out very good response work, but in the press release dated September 12 there is written that there was 7km long and 50m wide oil slick in the morning and it dissipated by that evening. It is unbelievable. I would like to know exact amount of oil recovered and spilled and the amount of used neutralizing agent. We understand that significant amount of oil entered into the environment.
- b) You repeatedly said the beach became clean. But as far as we understand oil reached to the shore is very small and majority of oil flow into the sea. Why did you spend so much time for shoreline job? Shouldn't SE have taken a different approach? SE's responses on the previous topic were all false information.
- c) In this accident the vessel was not a SE owned vessel, but SE hired vessel. In such an incident who is responsible for oil recovery and compensation? I understand that SE is not responsible for accidents of SE hired vessel or tanker. SE carried out response work just voluntarily. For taking SE crude customers which are much smaller companies than SE will send their tankers. It is very dangerous.
- d) I wanted to recommend the survey of seabed. Was there a representative from International Oil Pollution Compensation Fund present at the incident site?
- e) How does SE think about in-situ burning, especially in ice sea?

SEIC answers and responses:

- a) It was impossible initially to identify exactly the spilled oil volume because of high tide and strong wind toward shoreline. The volume we announced on September 9 was the total volume contained in the ruptured tanks. It was the practical at the time of the release. After the incident much oil has been flown by wave action. The best indication of spilled oil volume can be known during the salvage operation.
- b) The volume of possibly spilled oil may be 70 tons, but it is not 100% sure, since some of oil taken from the vessel contains water. You are quite right that oil which impacted the shoreline was limited. But oil physically dispersed. In trying to find missing oil we carried out a large scale survey and tried to take samples from the sea bottom. The sea bottom around the vessel was a solid rock and did not find organic sediments containing oil. We will further collect information and identify the spilled oil volume and oil remaining in the environment.

- c) Ship owner, EDC in this case, is entirely reliable. The insurance company representative was on site. In general it is the ship owner's responsibility, but varies depending on the legislation. For example the USA has different rules. In this incident SE will pay certain costs which are not covered by the insurance, such as clean-up of waste.
- d) SE and companies don't sign international marine convention. Japanese government and Russian government sign conventions. SE requires substantial insurance to its sub-contractors. We would like you to note in this incident i) SE started response work before request from EDC and Governor.
ii) SE worked in the Unified Command System.
One correction of incorrect quotation : No chemical was used in this response work. No dispersant was used.
- e) No representative from International Oil Pollution Compensation Fund was present.
- f) In-situ burning is considered as an effective alternative in oil spill response in sea ice.

Workshop on Terrestrial Red-Book Species

SEIC made presentation on Terrestrial Red-Book Species.

Questions and comments from the audience:

- a) Have SEIC made investigation on Fauna?
- b) We understand that SEIC made investigation on Flora and Fauna for 3 years (98-01). Have you made further investigation on Flora and Fauna?
- c) Understand the contents of investigation at LNG/OET site. How about other areas such as onshore pipeline route? We would like you to provide us with full list of endangered species.
- d) We need to get information on migratory birds between Sakhalin and Hokkaido.
- e) Can I understand that the main purpose of monitoring is to report to Russian authorities?
- f) Please let us know the detailed contents on SSE protection.
- g) How many have you selected preservation zone for SSE?
- h) Please disclose protection plan for Flora and Fauna during construction and operation.

- i) As for SSE monitoring and protection plan, are Japanese specialists involved?
- j) Have you made some investigation on seals?

SEIC answers and responses:

- a) In parallel with investigation on Flora, SEIC have made overall investigation on Fauna, including birds living in area along the pipeline and in lagoon area.)
- b) In accordance with onshore pipeline route change, we made supplemental investigation in 2002. Also we made additional surveys in lagoons in 2003, 2004.
- c) We also made investigation for all endangered species in every project-related area, however, please take note following:
 - 1) Some species in red book might be extremely rare thus we could not get any sufficient data on them.
 - 2) There are various patterns on living situation (Nesting/Feeding/Migrating etc) for each species. SEIC agreed to provide a requested list.
- d) We understand that SSE is a typical migratory bird between Hokkaido and Sakhalin. However, there are other species and other sorts of migratory birds (just touching upon Hokkaido then getting down to South.)
- e) We also intend to disclose it to stakeholders as well.
- f) Preservation zone: to be defined based on effects on SSE by project.
Extent of each zone: to be defined in accordance with the number and a status of nests in the each zone:
Contents of protection plan: depending upon the conditions of each nest. (In use or not/Is there a chick or not etc.)
- g) In total, there are less than 10. Out of those, we have 2-3 zones around OPF which should be monitored regularly during nesting period.
- h) We have monitoring Programs for protected species of Flora and Fauna (pre-construction, during construction and post-construction phases) .
- i) We have a contract on this work with Russian specialist and understand that this specialist has contacted Japanese side.
- j) We have not made a specific study or investigation on seals, however, when we are monitoring WGW, some marine mammal specialists are taking up supplemental studies on seals. The mammal observations are included in all our offshore surveys.

List of Attendees

Organization	Name	Title
Hokkaido Government (Plenary only)	YOSHIHARA Yutaka	Director for Russian Affairs, Commerce and Economic Exchange Div.
(Plenary only)	KAWAKAMI Toshimasa	Deputy Director, Trade and Economic Exchange Div.
(Plenary only)	NAITO Tomoyuki	Manager, Trade and Economic Exchange Div.
(Plenary only)	OCHI Kuniaki	Chief, Trade and Economic Exchange Div.
(Plenary only)	SHIBATA Toshiyuki	Deputy Director, Fire and Disaster Prevention Div.
(Plenary only)	URANO Kouji	Manager, Fire and Disaster Prevention Div.
(Plenary only)	DOMON Hideki	Chief, Fire and Disaster Prevention Div.
(Plenary only)	YAMAMOTO Yoshikazu	Chief, Environment Policy Planning Div.
(Plenary only)	SAITO Joji	Manager, Planning and Coordination Div. Fishery and Forestry Dept.
(Plenary & Workshop)	NITTA Noritoshi	Manager, Natural Environment Div.
(Plenary & Workshop)	TAKEDA Tadayoshi	Chief, Natural Environment Div.
Fisheries Agency	MIYAZAWA Kenji	Deputy Director, Fishery Resources Div., Reproduction Promotion Dept.
	KANTO Ichiro	Resource Technique Research officer, - "-
	OKUMA Kazumasa	International Resource group, - "-
Hokkaido Federation of Fishery Cooperative	YOSHIDA Tomio	Secretary-General, Environment Div.
	HACHINOHE Noriaki	Technical adviser, - "-
	SATO Yoshikazu	General Affairs and Planning Div.
Esashi Fishery Cooperative Association	YANAGIHARA Sadao	Counsellor
Sarufutsu Fishery Cooperative Association	SHINYA Toshimitsu	GM, General Affairs
Monbetsu Fishery Cooperative Association	YAMADA Kazuhide	GM, Education
Hokkaido Bureau of Economy, Trade and Industry	OKADE Naoto	Asst. manager, Environment policy Dept.
	MINAMI Shinji	Chief, Petroleum Section, Petroleum Dept.
Japan Coast Guard (1st Regional HQ)	TAKIZAWA Yukihiro	Chief, Search and Rescue Division
	MATSUSHITA Shiro	Chief, Maritime Disaster Countermeasures Office
	ONISHI Eiji	Chief, 1st Disaster Countermeasures Section
	SUZUKI Eiichi	Marine Research Officer, Marine Information Dept.
Abashiri Municipal Office	YOSHINO Mamoru	Manager, General Affairs Dept.
Monbetsu Municipal Office	OGATA Katsumi	Chief, General Affairs Section, General Affairs Dept.
Etopilika	TAKADA Seiu	Secretary-General
	SUZUKI Rie	
Hokkaido Economic Federation (for Tourism)	KUDO Takao	DGM, Secretariat
	NIWA Shinobu	DGM, Secretariat
Hakodate International Trading Incorporation (HAFEX)	IKEDA Eiji	General Manager

	NASHIKI Satoru	Manager
NPO "Marine Wildlife Center of Japan"	KOBAYASHI Mari	NPO Coordinator
North Japan Port Consultants	OTSUKA Natsuhiko	GM, Engineering Dept.
Hokkaido University Slav Center	ARAI Nobuo	Professor, Slavic Research Center
Min. of Environment - West Hokkaido Nature Conservation office	KAWAMOTO Akitoshi	
Hokkaido Geological Institute	HAMADA Seiichi	Researcher, Marine Environment section, Marine Geology Div.
Engineering Advancement Association of Japan	SAKA Koji	Member of Committee
National Maritime Research Institute	IZUMIYAMA kou	Ice sea technology research group, Ocean and Ice Engineering Dept.
JBIC	TAKAOKA Hirobumi	Director, Division 1, Environment Analysis Dept
	HAYAKAWA Yukihiisa	Deputy Director, Div. 2, Energy and Natural Resources Finance Dept.
Summit AEA Corp.	FURUSAWA Nagako	Manager, Engineering a & Business Dept.
SEIC	WARDROP John	Oil Spill Response Project Manager
	ANDREEVA Valentina	Senior Environment Specialist
	SHEARD Rachele	Head of Issues and Crisis Management
	NARUSE Masami	Head of Japan Strategy
Mitsui	MATSUMOTO Hideo	Manager, Project Promotion Dept., Sakhalin Development Div.