



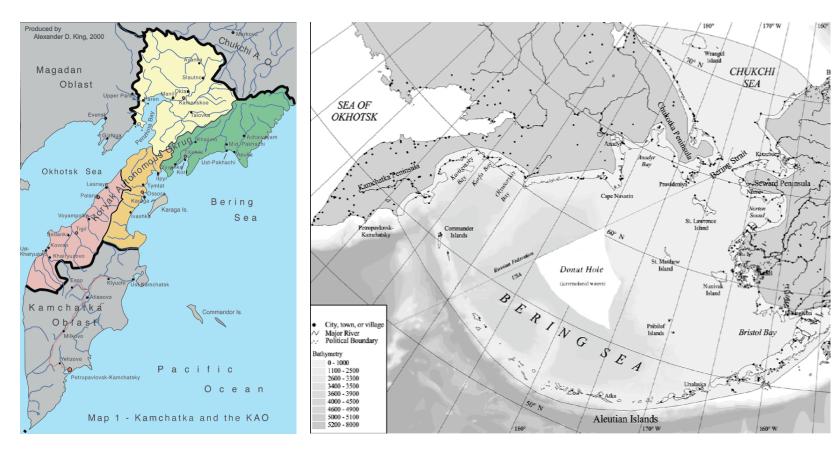
Kamchatka: The Salmon Country

a short documentary by Daniel Levin

a Good Hope Films production

CONTENTS

- Brief Project Summary 3
 - Director's Statement 4
- The Phenomenon of Poaching 6
 - Types of Poaching 7
- Damage From Salmon Poaching 8
 - Fighting Poaching 9
- Social And Economic Impact of Poaching in Kamchatka 11
 - Stylistic Approach and Visual Elements 12
 - Characters 13
 - Business Plan 16
 - Crew 18
 - Contact Information 19



Kamchatka Peninsula

Bering Sea and Kamchatka Peninsula

Scale = 1:10 446 281 m

Note: Donut Hole as shown represents approximate area of international waters in the Bering Sea

Adapted from a map by E. Underwood and J. D'Amico, WWF, May 1999.



Brief Project Summary

Commercial fishing is a prosperous industry in the destitute Kamchatka peninsula in the Russian Far East. Yet, very few dollars are made through legal harvesting of fish. Corrupt from inside out, the industry channels billions through centralized government bureaucracy, threatening to destroy the region's ecosystem and its centerpiece, wild salmon.

Every summer in Kamchatka during spawning season poachers kill millions of salmon to produce hundreds of tons of red caviar, a prized commodity. A handful of Russian and American environmentalists confront the poachers at great personal risk. But can they effectively fight those who pay millions in bribes to law officers, who share with local government, who share with Moscow bureaucrats?

In CAVIAR TRAIL, director Daniel Levin follows environmentalists and poachers as they chase each other along the red caviar money trail that leads from Kamchatka all the way to Kremlin.

Objectives:

- 1. To raise general awareness about salmon poaching in Kamchatka;
- 2. To present an in-depth analysis of socio-economic reasons behind poaching;
- 3. To describe the ecology of salmon and the overwhelming importance of salmon to ecosystems of the Russian Far East and the Pacific Rim;
- 4. To highlight and present conservation efforts;
- 5. To stress the importance of saving wild salmon in the Russian Far East;
- 6. To raise awareness about salmon poaching among diverse social and professional groups: federal and local bureaucracy in Russia, business leaders, general public, etc.



Director's Statement

The first impression from a visit to Kamchatka is that of amazement. The peninsula brims with natural wealth and abundance of resources, yet its small population is destitute beyond comprehension. Shabby tenements and decrepit public buildings, hospitals, and schools suggest dilapidated infrastructure. This decaying fare contrasts sharply with opulent new office buildings housing local police, the Secret Service, the customs, the United Russia political party, and the regional branch of Russian Central Bank. Ubiquitous foreign SUVs that lurk on Kamchatka's invariably dark and beaten roads drive government officials that inhabit these ivory towers. The disparity in lifestyles of public servants and the public they serve is obvious and hints at a source of wealth that only the chosen can partake in.

It is no secret in Kamchatka, or anywhere else in Russia, what that source of wealth is. Kamchatka is home to a multi-billion dollar fishing industry with red salmon caviar as its most valuable product. According to WWF and other environmental NGOs, only about 50% of industry revenue is made legally. This amount fills the coffers of federal treasury in Moscow. Poachers, who share the spoils with government agencies that regulate commercial fishing, make the other 50%. The total amount is then deposited in Swiss banks leaving hardly anything for upkeep of local Kamchatka infrastructure.



The film *Kamchatka: The Salmon Country* tells the story of unashamed corruption by many and resilient courage of a few. When pacific salmon comes to spawn every summer in Kamchatka rivers, a few dedicated ecologists at great personal risk pursue poachers and corrupt bureaucrats in their quest to stop annihilation of salmon and to return Kamchatka natural wealth to its people. Year after year, these patient researchers create anti-poaching task forces, collect evidence of irreversible decline of salmon populations, and follow the caviar trail from Kamchatka wilderness to Russian Air force and Naval bases, where caviar is stowed for smuggling, and to high government offices, where caviar trail changes its color from red to green and becomes money trail.

The film follows activities of poachers and anti-poaching efforts by ecologists during the 2011 spawning season. By following our characters we trace the path of illegally produced caviar through all phases of production to the point where caviar trail becomes money trail and beyond. The film structure focuses on these basic story points:

- The region boasts great natural wealth, yet it is very poor. Why?
- What happens to the region's main resource, salmon? How is it exploited?
- How is illegal trade in salmon products organized? Who are its main beneficiaries? Who are its main losers?
- What are ecological impacts of salmon poaching?
- What are social impacts of salmon poaching?

Kamchatka: The Salmon Country investigates how state bureaucracy in cohort with criminal bosses overexploit a precious national resource for personal gain, while leaving nothing for future generations or for development of local infrastructure.



The Phenomenon of Poaching

The Bering Sea eco-region that lies between Alaska and the Kamchatka peninsula is one of the most ecologically productive marine environments in the world, supplying half of all seafood needs of both Russia and the US. Kamchatka specifically supplies Russia with ¼ of its total seafood consumption needs. After the breakup of the Soviet Union, Russia has turned a blind eye to regulation of fisheries. Economic incentives, inadequate legislation, and poor law enforcement resulted in the fact that illegal activity can now be found at virtually every level of Russian fishing industry, betraying a massive corruption scheme that according to some experts has cost the Russian government billions of dollars in lost revenue. Illegal fishing and poaching cause overexploitation of such staple species as Alaska Pollack, Pacific Salmon, and King Crab to the point where regeneration of these species becomes affected.

Salmon poaching is widespread in Kamchatka and is the most lucrative employment on the peninsula. Its origins are social and economic. Inefficient federal and local governments divert nearly all financial streams away from Kamchatka, thus denying local populations any prospects for sustainable development. Often poaching is the only viable economic activity available to local residents. Over the years poaching has evolved into a complex industry with its own financing, production, and distribution channels. It is estimated that illegal turnover of salmon products nearly equals the level of legal production.

Types of Poaching

- 1. Industrial poaching / illegal fishing
- 2. Criminal poaching for caviar
- 3. Consumption poaching

Types of Poaching

1. Industrial poaching/illegal fishing

Industrial operators and fishing companies engage in illegal activities to maintain their economic position in the market. They compensate for inadequate fishing quotas established in Moscow by overfishing or by acquiring raw produce from poachers. Thus, legal producers often collaborate with illegal operators to reduce overhead costs and increase productivity.

2. Criminal poaching

Criminal poaching specializes almost exclusively on producing red salmon caviar, which is a prised comodity throughout Russia, Europe, the Americas, and parts of Asia. Over the years since the break up of the USSR and the disintegration of the Soviet legal system, criminal poaching has evolved into a full scale industrial enterprise complete with its own supply and distribution networks, transportation network, financing and dividend distribution system, and a broad network of lobbyists. The high level of organization and substantial material resources allow poachers to successfully challenge state control and law enforcement agancies, which are quite inefficient in fighting poachers and often take their side. Caviar crime has deeply penetrated most trade and law enforcement agencies in Kamchatka, including the police, state fisheries commission, airport authority, merchant marine port authority, the customs, ets. Bureaucrats at all levels, from small time local bosses to department and bureau heads in Moscow, are instrumental in covering up poaching operations.

Areas of main poaching activity:

- Kurilskoye lake, Ozernaya river, Ozernovsky village (South West Kamchatka)
- Bolshaya river, Ust'-Bolsheretsk (Kamchatka West Coast)
- Utka and Kol rivers (main gas pipeline Sobolevo-Petropavlovsk)
- Kamchatka river, Ust'-Bolsheretsk (Kamchatka East Coast)

3. Consumption poaching

This type of poaching is usually oriented toward personal consumption or resale to wholesale dealers and fishing companies. This activity is not organized into anything resembling a business structure. However, much like criminal poaching, it is fueled by vast inefficiencies in regional economy, high rate of unemployment, and rediculously low wages. For most people engaged in this type of poaching there is only one economic alternative: to look for work elsewhare in Russia or abroad.

Damage From Salmon Poaching

1. Environmental damage

Pacific Salmon is the keystone in the ecosystem of Kamchatka and most of the Russian Far East. Once baby salmon leave spawning rivers they enter the Pacific Ocean, where they spend one to four years growing and gaining weight. At the end of their life cycle, grown salmon return to Kamchatka to spawn and die. The total amount of organic matter and nutrients transported by millions of salmon from the ocean to the shore (1-3 kilograms per fish) is such that it feeds virtually all species of animals and plants on the peninsula. Disappearance of salmon from the food chain of Kamchatka will disrupt the supply of lifeblood to the entire ecosystem.

While virtually all species of plants and animals in Kamchatka depend on salmon for survival, the Kamchatka brown bear is the most conspicuous consumer of the fish. Bears prey on salmon during the spawning season to accumulate enough fat to last them through the long winter. When food supply is short, bears leave their winter lairs to scavenge in cities and villages. Bears are also victims of poachers, who procure bear bile, skins, and paws for sale in China.

2. Financial damage

It is difficult to calculate the exact amount of damage caused by salmon poaching to regional and national economy. While sale of illegal salmon products amounts to billions of dollars annually and by most accounts nearly equals the amount of legal turnover, money received from sale of illegal salmon products cannot be qualified as stolen from federal and regional budgets, because it was made from exploiting resources that were never intended for harvest in the first place. However, the fish harvested by poachers could have produced more generations of fish in the next few years and could have assured larger legal harvests in the future. In that regard poached salmon does represent future economic opportunity that is lost and that could have produced more steady jobs in the region, more revenue for federal and regional budgets, and more social and economic stability. Therefore, the objective of combatting poaching should be complete elimination of poaching, as opposed to legalization of poaching activity.

3. Damage to social and political climate

The complexity of the phenomenon of poaching lies in the fact that it simultaneously stems from and promotes an inherently malignant social and political climate. Poaching gangs not only recruit fishermen by offering them higher pay and employment. They also recruit support of lawmakers, law enforcement officers and agencies, and many other officials involved in controlling and combating crime. Moreover, poachers can afford to sell their produce at dumping prices, thus forcing legal businesses to cooperate with them. All of these factors create a vicious circle, where population, authorities, and legal business depend on poachers for survival and are not interested in fighting poaching in the short run.



Fighting Poaching

Many organizations in Russia, including fishing industry companies, non-governmental organizations, government agencies, and research institutes are engaged in a broad effort to eliminate poaching. Yet, despite good intentions, there is simply not enough good will and resources to effectively face a multi-million dollar criminal industry. These organizations, at least in name, are on the law abiding side.

1. Law enforcement agencies

Law enforcement agencies that deal with organized crime in the area of aquatic bioresources suffer from all possible major shortcomings. They are underpaid, and as a consequence, they are understaffed. They lack adequate material resources, such as all-road vehicles, GPS devices, and satelite telephones. In addition, criminal gangs pay off a large number of officers. Moreover, law enforcement agencies have been reorganized eight times over the last few years, which significantly disrupted continuity of their efforts.

Every year during the spawning season, the Kamchatka police conduct a crime prevention operation, called *The Spawning Season*. Yet, during the last five years there has not been a single criminal case filed in Petropavlovsk regarding acquisition and resale of poached red caviar. As a rule, only low rang members of criminal poaching gangs get charged with criminal activity and never the real culprits, organizers of big business. The court system in Kamchatka is under heavy influence from poaching gangs. Judges and procecutors often face conflicting pressure from legal businesses, criminal gangs, and government agencies.

- The Police (Bureau for Crime Prevention in the Sphere of Aquatic Bioresources;
- Federal Security Bureau (FSB);
- North-Western Bureau for Management of Aquatic Bioresources (Sevvostrybvod);
 Prosecutor General of Kamchatka.



2. National Parks and National Reserves

There are many National Parks and Reserves in Kamchatka. Until recently, most of them have been inefficient in fighting poaching for quite the same reasons: small salaries, corrupt staff, lack of equipment and resources, confusing and conflicting authority, etc. Yet, over the past few years, there have been vast improvement in park security services in Kamchatka. Thanks to grants from international NGOs and Foundations, several National Parks and Reserves hired well qualified inspectors and rangers and have seen immediate results in rapid decline of bear and salmon poaching activity on teire territories. Exemplary work has been done by security teams of Kronotsky National Park and Nalychevo National Park.

3. Fishing companies

Federal government has recently addopted a new practice of leasing aquatic natural resources for long term use. This means that fishing companies now compete for long term contracts to lease spawning rivers and fisheries from the government. This new practice encourages businesses to protect wild salmon stocks and natural habitat from poachers. Although instances of concerted effort are still rare, several Kamchatka finshing and fish processing companies have completely cleared their lots of poachers' presense.

• Vostochny Bereg, LLC, a fishing and processing company, Dranka river.

4. Tourism and recreational fishing

Many Moscow based tourism companies have long ago recognized Kamchatka's potential for tourism. Several companies organize fishing, rafting, and kayaking trips to Kamchatka on a regular basis. Tourist presense on rivers naturally disrupts poaching activities. However, vital legislative and security measures are still lacking and need to be firmly in place before tourism may have a significant impact on combating poaching.



Social And Economic Impact of Poaching in Kamchatka

Inefficient tax and fiscal legislation as well as overbearing dominance of the Federal center over regions result in draining of local budgets and transfers of most revenue to Moscow. Revenue from illegal fishing naturally bypasses all regional institutions and accumulates largely in Moscow as well. The net result of this fiscal drainage is dilapidated social infrastructure. In most towns and villages in Kamchatka apartment buildings are falling apart. Many lack central heating. Roads and bridges are in deplorable condition. For decades no investment has been made to renovate schools and hospitals or to build new ones. There are no gymnasiums or stadiums; very few theaters, libraries, or cinemas. Wages in Kamchatka are generally lower than in mainland Russia, yet basic consumer foods and products are considerably more expensive.

One could easily use the town of Ozernovsky on Kamchatka's Southwestern coast as an example of a typical fishing town in Kamchatka. Ozernovsky and its satelite settlements produce rougly 2,459,490,000 RUB (about 9 billion USD) worth of seafood products annually. Yet, the town's budget is only 15,077,600 RUB (about 555,555 USD). Naturally, the town is rapidly disintegrating and decaying alive, since to repair the local sewage system costs half of its annual budget.

Poaching and pre-existing socio-economic conditions of rapidly declining population, social and economic distress and hardship encourage still more poaching as the only viable economic activity, resulting a neverending vicious cycle. Only socially sound economic development of the region and new opportunities for legal business and new jobs for local population will turn people away from obligatory participation in poaching.



Stylistic Approach and Visual Elements

Principal photography was completed during the spawning season of 2008. During that time salmon, poachers, smugglers, corrupt police chiefs, and ecologists descended on Kamchatka en masse, as they do every year, each in pursuit of their own agenda. The film follows our characters, local ecologists. We use the *direct cinema* approach to capture action sequences of poaching operations, police raids, and reconnaissance trips conducted by ecologists together with national park service. Together with our characters we visit rundown fishing villages, smugglers' warehouses, and offices of corrupt officials. Although we use interviews to advance our story, we focus on keen observation of life and character as featured in Sauper's *Darwin's Nightmare*, McElwee's *Sherman's March*, and Maysles' *Salesman*.

Characters

1. Independent experts



Anatoly Dekshtein, ecologist, WWF marine program coordinator



Tatiana Mikhailova, ecologist, KLIE



Vladimir Elchaparov, attorney, UNDP



Alexey Petrov, journalist



Kore Gleason, Pacific Environment,



Anton Ulatov, researcher, KamchatNIRO Socioeconomic research program



Oleg Zaporozhets, researcher, KamchatNIRO, salmon population monitoring program



Konstantin Zgurovsky, ecologist, WWF marine program director



Alexei Maslov, researcher, KamchatNIRO salmon and bear population monitoring program



Alexey Vaisman, ecologist, WWF

- 2. Fishermen
- 3. Poachers
- 4. Members of law enforcement community (police, FSB, Bureau for Fisheries Management (Sevvostrybvod), etc)
- 5. National Park Security Services



Sergey Danilov, Director of Security Services, Nalychevo National Park



Sergey Shurunov, head of anti-poaching squad, Kronotsky National Reserve



Andrei Kalinov, park ranger



Tikhon Shpilenok, Director of Security Services, Kronotsky National Reserve

6. Local Kamchatka residents in towns and villages

7. Members of local business community



Sergei Barabanov, CEO, RKZ-55 Ozernovsky Cannery



Valery Vorobyev, CEO, Akros fishing company

8. Members of regional legislative and executive branches of government



Roman Granatov, deputy, Kamchatka Regional Legislature Head of Commission on Fisheries and Natural Resources



Boris Nevzorov, speaker, Kamchatka Regional Legislature

9. Moscow bureaucrats



Andrei Krainiy, director Federal Fisheries Agency



Daniel Levin director/editor producer/DP

Filmmaker

Daniel is a Houston based filmmaker and journalist. Over the past five years he has co-written and edited three feature documentaries with Marina Goldovskaya. Two of the films premiered at the IDFA Festival in Amsterdam. Daniel has produced and directed two short documentaries, both set in the Russian North. He has produced and directed over a dozen news magazine feature stories for *Voice of America* Russian Service. Daniel is currently producing an independent animated series *The Lot (Purim)* and is in post-production on a documentary about *Carolina Chocolate Drops*, an African American string band. Daniel teaches film at the University of Houston. He holds degrees in Political Science from Cornell and Georgetown and a MFA in Film Directing from USC School of Cinematic Arts. Daniel's MFA thesis film, *Moment Théâtral*, won the prestigious Jack Nicholson Directing Award.

Partners







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