

8. Consultation and Disclosure

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8.1 Introduction

Stakeholder consultation is an important element of the Environmental and Socio-economic Impact Assessment (ESIA) process. Soliciting, collating and documenting the opinions of potentially affected people and interested parties ensures that project design and the ESIA reflects the collective views of the stakeholder base.

This Chapter presents an overview of the consultation and stakeholder engagement relevant to the Shah Deniz Stage 2 (SD2) Project and the process for ESIA disclosure.

Phased expansion of the Terminal has been undertaken over the past 10 years as part of the Azeri Chirag Guneshli (ACG) Phase 1, 2, 3 and SD Stage 1 Projects (refer to Chapter 1 Section 1.2). For each of these projects, extensive consultation with stakeholders and residents of the local communities was undertaken. Lessons learnt from previous project's consultation has informed the SD2 Project consultation programme.

8.2 Overview of Consultation and Disclosure Process

The SD2 Project ESIA stakeholder engagement and consultation has:

- Made use of the consultation framework and methods established for other BP projects in Azerbaijan;
- Been developed with reference to accepted international guidance on expectations of ESIA consultation and disclosure;
- Considered the extent of consultation and disclosure undertaken in recent years;
- Incorporated recommendations made from a "lessons learned" review of earlier consultation programmes; and
- Acknowledged the requirement to engage with the following during the ESIA process:
 - National state bodies including:
 - The Ministry of Ecology and Natural Resources (MENR);
 - The Ministry of Culture and Tourism (MoCT); and
 - The Institute of Archaeology and Ethnography (IoAE); and
 - The local community and other local stakeholders through a Stakeholder and Socio-Economic Survey (SSES).

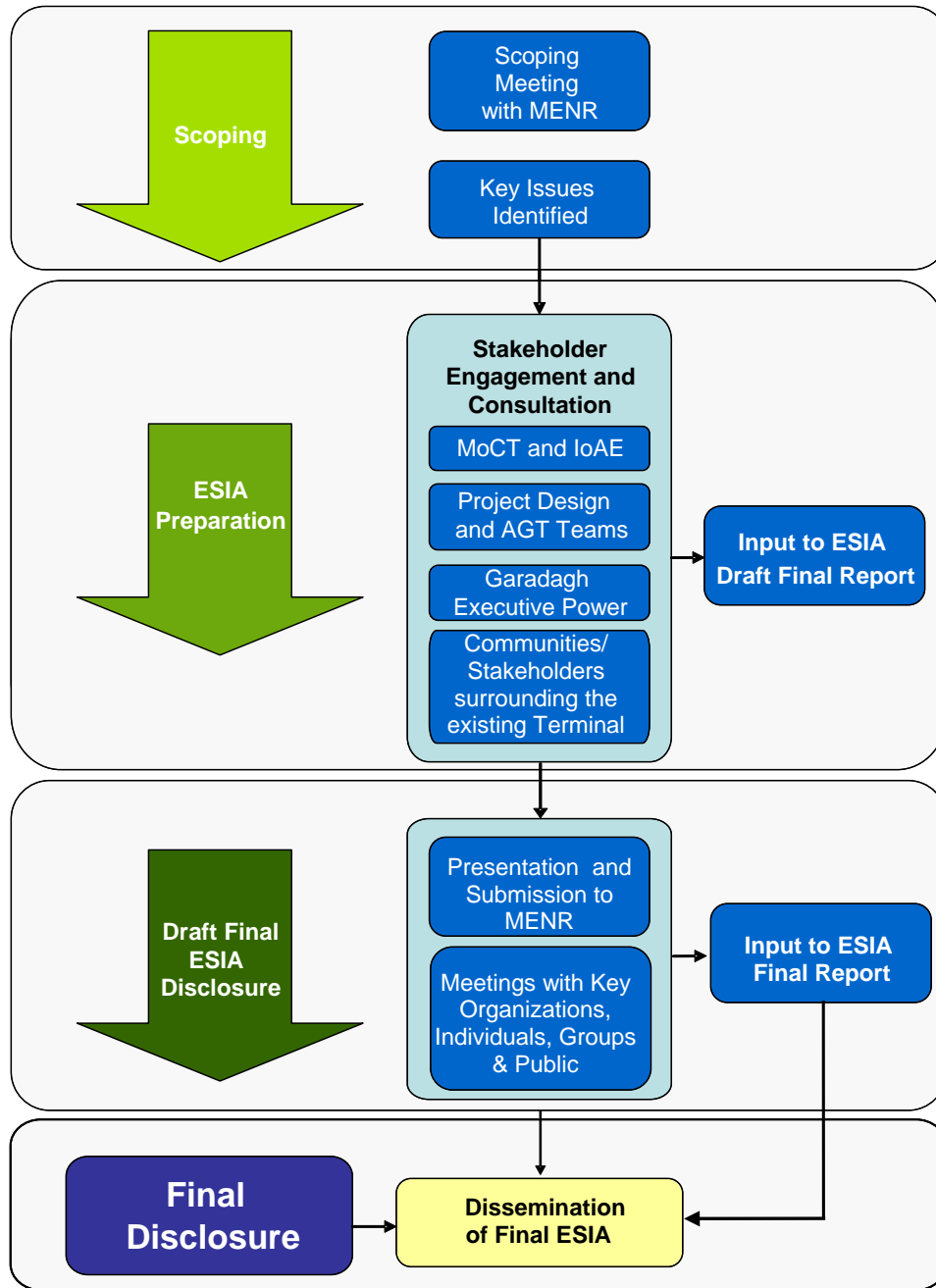
Figure 8.1 below illustrates the SD2 Project ESIA engagement, consultation and disclosure process.

A Public Consultation and Disclosure Plan (PCDP) has been prepared for the SD2 Project. The PCDP outlines the consultation and disclosure objectives and the national and international regulatory regime that project consultation and disclosure will follow, to ensure best practice approaches for the project.

The PCDP also sets out the:

- Process by which stakeholders are identified and consulted;
- Roles and responsibilities of the ESIA team of consultants and BP; and
- Process for lodging and responding to complaints.

Figure 8.1 SD2 Project ESIA Engagement, Consultation and Disclosure Process



8.3 Scoping, Initial Stakeholder Engagement and Consultation

8.3.1 MENR Consultation

Preliminary consultation commenced with MENR in August 2008. A meeting was held on 5 August 2008 to outline the BP Azerbaijan, Georgia and Turkey (AGT) Region's major project plans for the near future and included an overview of the SD2 Project. The presentation included the proposed project scope and schedule for the SD2 Early Infrastructure Works (EIW) and the main SD2 Project.

Regular update meetings have been held throughout the SD2 Project development to keep the MENR informed of the Project progress as well as discuss technical issues such as drilling challenges within the offshore contract area. In addition specific meetings have been held with regard to the four SD2 environment permission documents completed to date (as listed within Chapter 1 of this ESIA). The feedback from these meetings and the comments

received from the MENR on the environment permission documents completed to date have been incorporated into the SD2 Project ESIA.

8.3.2 Ministry of Culture and Tourism and Institute of Archaeology and Ethnography

An initial meeting was held with the IoAE on 12th May 2011. This was followed by a meeting on 2nd June 2011 which was attended by MoCT representatives and included a site visit to a number of locations in the Terminal vicinity including the Caravanserai. At both meetings an overview of the proposed SD2 Project activities and areas potentially affected were discussed.

The key issues raised from the meetings were:

- It was agreed that an archaeological walkover survey of the SD2 EIW area should be completed pre-construction to confirm the presence/absence of any archaeological assets following the initial survey completed in 2001;
- The presence of a sand cave (located along the shoreline to the south of Terminal), a known protected monument, was highlighted. Potential project impacts and associated mitigation should be considered; and
- It was confirmed that BP will require MoCT approval for the SD2 Project.

8.3.3 Public Engagement and Consultation

Public engagement and consultation was undertaken in three phases. Phase one and two included two Scoping phase consultation workshops which were held in Baku in September 2008. The third phase of public engagement and consultation included the SSES, which was undertaken in May and June 2011.

The two Scoping phase consultation workshops held in Baku were undertaken as follows:

- 22 September 2008: Chirag Oil Project (COP) ESIA and SD2 Project Consultation Workshop for Scientists, Academics and non-governmental organisations (NGO)s; and
- 23 September 2008: COP ESIA and SD2 Project Consultation Workshop for the General Public.

Academic and scientific institutions invited to the 22 September 2008 workshop included:

- MENR;
- SOCAR;
- Baku State University;
- Caspian Environmental Programme;
- Gipromorneftegas Institute;
- State Oil Company;
- Cabinet of the Minister of the Azerbaijan Republic;
- Azerbaijan National Department of Hydrometeorology; and
- Azerbaijan National Academy of Sciences:
 - Fishery Institute of the Azerbaijan Republic;
 - Institute of Zoology;
 - Institute of Geography; and
 - Institute of Agrochemistry.

NGOs in attendance at the 22 September 2008 workshop included:

- Ecograph;
- Sulh;
- Our House Common;

- Ecoscope;
- Sadr; and
- Azerbaijan Green Movement.

The workshop held on 23 September 2008 took the form of an open Public Meeting, which was advertised in advance in the local press.

Both workshops began with a general presentation of the COP and SD2 Projects. Each workshop concluded with a Questions and Answers session.

The SSES, completed in 2011, during preparation of the SD2 Infrastructure Project ESIA had the following objectives:

- Provide comprehensive and up-to-date socio-economic data for the SD2 Infrastructure Project and SD2 Project ESIA to enable a credible and technically robust ESIA to be conducted that meets BP Group and international best practice standards;
- Enable a clear understanding of prevailing demographic and socio-economic conditions; local development needs, capacities, priorities and concerns within the four communities of Sangachal Town, Umid, Azim Kend and Masiv 3;
- Identify the potential for and extent of, physical resettlement and economic displacement associated with the EIW and SD2 Project;
- Enable an assessment of the current and future role local stakeholder organisations could have in relation to BP partnering opportunities and community investment programmes;
- Disclose information associated with the EIW and SD2 Project to enable credible discussion of the impact to local people associated with industrial operations (including Terminal operations); and
- Establish a basis against which to monitor: (i) social change during the lifetime of the SD2 Project; and (ii) the effectiveness of impact management strategies designed during the ESIA process.

The SSES, undertaken by in-country socio-economic specialists, involved the following activities:

- **Household surveys:** Completion of 200 household surveys in Umid (25), Sangachal (100), Azim Kend (25) and Masiv 3 (25). The aim of the survey was to collect socio-economic and perception data directly from project-affected households, and to provide information on family conditions; access to community services and infrastructure; economic activity and livelihoods; and views on BP's historical community relations process;
- **Focus Groups:** Completion of 12 Community Focus Groups (three in each of the four settlements). The topic areas for the Community Focus Groups include:
 - General community issues;
 - Women's issues; and
 - Youth issues.
- **Stakeholder Interviews:** A stakeholder identification process was undertaken to determine potentially affected stakeholders at a local, regional and national level. The SSES included 66 completed interviews with key stakeholders including national and local government, local business and NGOs. The aim of the interviews was to gather information associated with stakeholder roles and capacities and local development needs and priorities. Industrial facilities in the vicinity of the Terminal were also asked to provide details regarding emissions and discharges and future plans for expansion or upgrade.

Information disclosed publicly during the SSES included:

- Displaying posters in Azerbaijani at public information centres, municipality offices and community centres to request attendance at future community briefings;

- Using slide presentations at community briefings held in public buildings in Sangachal, Umid, Azim Kend and Masiv 3; and
- Distribution of community information leaflets to all individuals attending community briefings and those participating in community focus groups and household surveys.

Concerns raised by local people recorded during the SSES were taken into consideration during preparation of the SD2 Project ESIA, where relevant.

8.3.4 Key Issues Raised During Initial Consultation

Key issues raised during the engagement and consultation activities discussed above are listed in Table 8.1 below.

Table 8.1 Key Issues Raised During Engagement and Consultation

| Concern | Raised By | Chapter Reference where Addressed |
|--|-------------------------------------|---|
| The volume of gas flared and the measures that are in place to prevent, or minimise flaring. | MENR | Chapter 4 Section 4.6.2 and Chapter 5 Sections 5.4.3, 5.4.7, 5.4.8, 5.10.5, 5.10 and 5.12 |
| The potential to dispose of gas by using alternate flaring techniques. | | Chapter 4 Section 4.6.1 |
| The volume of greenhouse gas emissions generated. | | Chapter 5 Section 5.14.1 and Chapter 13 Section 13.9 |
| Volumes generated and disposal of drill cuttings at the offshore platforms. | | Chapter 5 Section 5.14.2 |
| Cumulative impact of future industrial facilities in the vicinity of the Terminal. | | Chapter 13 Sections 13.2, 13.4, 13.5, 13.6 and 13.7 |
| Identification of all waste streams generated on site. | | Chapter 15 Section 5.14.2 |
| Local community concerns about the generation of dust and odours. | Local residents as part of the SSES | Chapter 10 Sections 10.2, 10.6.1 and Chapter 12 Section 12.3.4 |
| Creation of employment. | | Chapter 12 Sections 12.3.2, 12.3.3, 12.4.2 and Chapter 13 Section 13.6 |
| Poor conditions of local roads. | | Chapter 7 Section 7.6.3 & Chapter 12 Section 12.2.1 |
| Local community concerns about the visual impacts and health risks associated with operation of elevated flares. | | Chapter 12 Section 12.3.4 |

8.4 Draft ESIA Report Consultation

As per the UNDP Handbook for EIA Process in Azerbaijan, the Draft ESIA report was submitted to the MENR and simultaneously released to public and stakeholder groups for comment.

The draft ESIA, in English and Azerbaijani, was widely disseminated and was available (along with feedback forms) for a period of 60 days at the following locations and via the Internet:

- BP website;
- BP Energy Centre at Sangachal Terminal;
- BP Offices in Baku;
- Community Centre at Umid (Umid Settlement);
- Public libraries in Sangachal and Sahil (Sahil Settlement E. Guliyev Street, Sangachal Settlement M. A. Sabir Street 1);
- Aarhus Public Environmental Information Centre (MENR, 100 B. Agayev Street, Baku);
- Baku Education Information Centre (40 J. Jabbarli Street, 2nd Floor);
- M.F.Akhundov Central Public Library (29 Khagani Street);
- International Eco-Energy Academy (5 Mammad Arif Street, Baku);
- The Azerbaijan State Oil Academy (20 Azadlig Avenue, Baku); and

- Scientific Library of the National Academy of Sciences (31 H.Javid Avenue).

As part of the Draft ESIA consultation process, public meetings were held in Baku, Sangachal Town and Umid.

The following meetings were held (in addition to meetings with the MES, SOCAR and MES):

- Scientists meeting, Baku, 12th August 2013;
- Public meeting, Baku, 13th August 2013;
- Sangachal community meeting, 15th August 2013; and
- Umid community meeting, 15th August 2013.

Minutes of these meetings are included within Appendix 8B.

Comments received on the Draft ESIA report were collated, analysed and responses issued where relevant. The ESIA was subsequently revised and finalised for MENR approval.

8.5 Consultation Under the Espoo Convention

As a signatory to the Convention on Environmental Impact Assessment in a Transboundary context (i.e. the Espoo Convention), the Azerbaijan Government shall provide early notification to any member country to the convention which it considers may be subject to transboundary impacts.

Potential transboundary impacts, including potential impacts associated with GHG emissions are presented in Chapter 13 of this ESIA and will be discussed with the MENR as part of the ESIA disclosure process.