

## Shah Deniz II Community Assessment Analysis

In the summer of 2017, Crude Accountability commissioned an assessment of compliance with EBRD Environmental and Social Policy, Performance Standards, and Public Information Policy towards the four communities impacted by the Shah Deniz II project: Sengechal, Massive III, Ezimkend, and Umid settlements, Azerbaijan. For security purposes, exact dates are not provided. Most residents did not want to be interviewed, most likely due to fear of political repercussions. In total, 14 residents of the four towns were willing to provide answers to our questions. They are listed in the testimonies as follows:

W= Woman

M=Man

W1: 53 yrs, unemployed, Massive III  
M1: 33 yrs unemployed, Massive III  
M2: 24 yrs, unemployed, Massive III  
W2: 44 yrs, unemployed, Ezimkend (minority)  
M3: 52 yrs, shepherd, Ezimkend (minority)  
W3: 80 yrs, Ezimkend, (minority)  
M4: 29 yrs, unemployed, Ezimkend  
W4: 60 yrs, unemployed, Umid settlement  
W5: 23 yrs, unemployed, Sangachal settlement  
M5: 54 yrs, unemployed,  
W6: 41 yrs, Military nurse  
M5: 63 yrs, unemployed, (fisherman as a hobby)

### 1. Consultations and Access to information

Performance Requirement triggered: PR 10- Information Disclosure and Stakeholder Engagement

#### Summary:

None of the local villagers interviewed were aware that the EBRD or other IFIs were involved in this project. None of the respondents have seen the Social and Environmental Management Plans or Stakeholder Engagement Plans. Respondents say that nothing has changed with regard to environmental and social performance since the EBRD approved the project, or even since the Shah Deniz expansion started. Local villagers do not know whether there is an ombudsman to receive complaints either at the company (Lukoil or BP), and they do not know where they could complain regarding the impacts of the project.



**Testimonies:**

W1. We were not informed before the launching of the Shah Deniz II Terminal. We had complained once. We gathered all the residents of this settlement when a group of employees from the Terminal came and we wanted to complain but they didn't listen to us. They just left.



W2. I have lived here for 26 years, and I haven't heard about anyone coming here to discuss the Terminal. No one came here to inform us about the Terminal either before or after it was constructed. I wish we could meet with somebody and tell them about our problems, but no one has come. Some residents said that several years ago a group of employees came here. And they promised to build a school building, dispensary, new workplaces, etc. But I haven't seen those people.

W4. Nobody came to us to discuss Shah Deniz, prior to launching of the Terminal. I haven't heard about the Banks that you just mentioned [EBRD, ADB]. I don't know if representatives of BP and Lukoil came here, but I haven't seen them here in our village.



M6. Nobody came here to inform us about the risks to the people who are living in this area. They promised us so many things several years ago. We met with a group of people; they said they are from BP and they promised us trainings for our residents, they promised our children some visits to the museums, and they promised to give us jobs. But they didn't keep their promises and we haven't seen them since.

W3. We were not informed about Shah Deniz II before its launch. I do not have information about who met with the representative of BP and Lukoil.



M1. We didn't get any information about Shah Deniz II before its launch. I do not have information about whether anyone met with the representative of BP, or Lukoil, or somebody else. No, we didn't get any papers or documents from anybody.

M2. We were not informed about the launch of the Shah Deniz II terminal here. No, I haven't heard that somebody received any information about it. I haven't seen any documents.

W5. Nobody came here to talk to us since 2011. We have been living here since 1994, and I haven't seen anybody coming here to discuss with us the circumstances of this project. Before they came here, they promised to give us job training, they took us to the terminal (the first one), they created some games for us and gave us presents. But suddenly they just stopped everything. And we have not received any benefits from that terminal.



## **2. Community Health and Environmental Impacts**

Performance Requirement triggered: PR 3- Pollution Prevention and Abatement, PR 4- Community Health, Safety and Security, PR 6- Biodiversity Conservation and Sustainable use of Living Resources (para 18 especially)

### **Summary:**

The towns of Massive III, Ezimkend and Umid, as well as Sangachal, are in a dismal state. All four settlements do not have roads, and the first three lack any dispensaries or access to even the most basic medical services. The sewage system is in terrible and highly unsanitary condition. The majority of residents complained about air and soil pollution since the launching of the terminal. Soil pollution has been the central complaint, as it has had considerable impacts on subsistence food production. Residents can no longer grow fruits and vegetables for their personal use. Many residents have noted complications in both human births and in livestock births. Declining fish stocks have also been noted. No soil, water, or air testing has been conducted in any of the four villages to check for hazardous emissions and contamination.



#### **Testimonies:**

M1. After launching the terminal, there was a change. The atmosphere is poisoned. As a simple example, when we open the window, there is a screen to protect the home from insects, and on it you see a yellowish dust. This is the smoke from the terminal. There has not been any medical monitoring here.

M4. The sewage system is in terrible condition, it is basically nonexistent. During the hot season, it is hard to stay here because of the smell. After launching the terminal, there was a change in the air; it is poisoned. We cannot cultivate anything here, not fruit, not vegetables; and even young ladies are losing their babies here.

W5. If we compare the air before the launch of the terminal and now, the air is not clean. When you go out you immediately feel like there is something in the air. In the daytime, it is not felt that much, but when it is night time, it is marked and you can even see the smoke from the terminal side, as well as fire. During the night the burning increases, maybe tenfold from the daytime levels. We feel bad and we get sick, but we cannot be sure what causes it. We don't know where to complain about the things that are going on here. Before we were cultivating some vegetables. But not now; nothing grows here. Even if we put seeds in the land, nothing grows. We have never had any medical check-up.

W6. I am a nurse and there are lots of young women who lost their babies in their first trimester of pregnancy. There must be some connection with this air and conditions.

W1. I have lived here for 25 years and now I cannot grow a proper garden. The trees grow here, but they do not bear fruits, nor do other plants. The growing process is slow, and then it is not a good idea to eat the crop of that trees, it is poisoned. There has not been any soil monitoring. Nobody came to us to conduct testing or to ask our opinion. What is an ecological management plan? I haven't seen one and never received any documents.

M2. Just look at the smoke from the terminal!

W2. My family breeds cattle and during the last years, the animals have been giving birth to physically defective babies. They say the terminal causes that. For example, this year around 20 baby sheep were born with physical defects, then they either died, or we feed them and then slaughter them in order not to lose the meat. The air is polluted. I cannot say anything about the water, but regarding the air, sometimes it smells of sulfur odor. I haven't seen anybody come to test air quality, soil, or water.



The land is poisoned, nothing grows here. In the daytime the changes in the air are not felt so much, but when it is night time, they release the gas in the air, and it smells very bad. Additionally, the sound that comes from terminal makes one feel terrible. Then our animals are giving birth to abnormal babies. This should be compensated for. But there has not been any discussion about compensation.





M5. You should come here at night. The sound of the terminal can be heard even here; it is very scary. You should see it. Regarding cultivating the vegetables and fruits, it is not possible. It is almost dangerous to touch them. I do not let my kids come next to these trees. Look at the leaves, the fruits are not edible. It is not at all, it is poisonous. The fruits are not well growing as they should. They are small and ugly.

M6. I buy fish here, there are no mutation among fish, but they are disappearing over time. Before, if you would go to fish here, you would need just two or three hours to be back with full catch of fish, but now, it is not like that anymore.

### 3. Labor

Performance Requirement triggered: PR 2- Labour and working conditions; PR 10- Information Disclosure and Stakeholder Engagement

Environmental and Social Policy triggered

#### Summary

All of the local residents interviewed have voiced their dismay at lack of any benefits and socio-economic opportunities arising from the Shah Deniz II projects. All four villages are extremely economically depressed, and there is an absence of jobs despite the terminal development. Many respondents claim that terminal officials promised jobs, but in the end those promises were not kept. At best, only a handful of local community residents have been able to get jobs at the terminal. It is evident that this project has not benefited the impacted communities in any way.

#### Testimonies:

W1. What social-economic growth can I talk about if my husband and my three sons do not have jobs? For the very first time when they [company officials] even came here for the first terminal, they told us they will hire people living in this community. I cannot say that the situation got better after the launching of the terminal. Yes, some people could get jobs, but the majority are unemployed. I went to that terminal and begged them to hire one of my three sons, for earning our meal, and they promised me, but as a result, nothing happened.

M1. Lots of people still cannot get a job. I haven't heard of anyone filing complaints about the situation. Maybe somebody did, but I don't know.



M2. I am looking for a job, but I am unemployed, as well as 50 percent of the residents of this (Massive III) settlement. Even if we want, we don't know where and how to complain. When they came, we gathered and wanted to complain, but they told us that they will hire us, and they took our phone numbers, promised us to call and invite us for a job, but they didn't keep their promises. They said they are from BP. We don't see anyone to complain to. We are left forever. Forgotten. No one cares about the current situation here, and about our problems.

W2. In Ezimkend, there are only 3-4 persons working in the terminal. No more.

M4. Several years ago a group of people came here. I do not know who they were, they just promised us jobs to our young people, but they didn't keep their promises.

#### 4. Economic and social displacement

Performance Requirements triggered: PR 4- Community Health, Safety and Security

##### Summary:

In 2016, a main gas pipeline coming out of the Sangachal terminal exploded, which passed through the Massiv III village. While no deaths or injuries have been officially reported, private property was severely damaged and there has been no compensation provided to the villagers.<sup>1</sup>

The people in all four villages are extremely poor, and lack basic services such as access to sanitation and medical services. There is no access to gas, especially in the winter. The schools in Ezimkend and Massive III are in very bad conditions and lack heating in the winter, having to resort to firewood to keep warm. Often children cannot go to school because of lack of roads and public transport.



##### Testimonies:

M1. After the blast happened in the SOCAR pipeline, many people moved away. But there was never any compensation for all of the cracked houses. Some houses are still cracked.

W2. We do not have any medical dispensary, and when we need medical help we have to go somewhere else. Basic human

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<sup>1</sup> See <http://en.apa.az/azerbaijani-news/accidents-incidents-news/socar-explosion-line-localized-no-one-injured.html>

needs are not provided here, never mind the air pollution, water, and harvest quality. I do not want to move from here. This is our place, we live here, but it could be nice if they paved a road for us, provided us with public transport, opened a medical center for us.

M3. They informed us that they are going to build a school for us, that they will pave a road, and will provide us with jobs, prior to launching the terminal. But it was just a promise, nothing happened. There have not been any trainings or seminars here. I would love to move from here. I am tired of everything, tired of these conditions. I am Terekeme (nomad), and I would love to get compensation, and move to a better place, and to do cattle-breeding there.



M4. Our children are not getting a proper education due to missing adequate school building and circumstances.



W4. Before there were rumors that this area would be resettled/evacuated, and people would be provided with compensation. But as far as I know, nobody has been relocated or received any compensation.



