

# REPUBLIC OF AZERBAIJAN

State Oil Company of the Republic of Azerbaijan

**SOCAR | AZERIGAS PU**



# azəriqaz

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## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

*for*

**Azerigas Gas Leak Detection and Repair Facility**

**(P508792)**

Project

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Appraisal Version

[May 2026]

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. Azerigas (the Recipient) will implement the Azerbaijan Gas Leak Detection and Repair Facility (P508792) Project (the Project), with the involvement of State Oil Company of the Republic of Azerbaijan (SOCAR), as set out in the Grant Agreement (the Agreement). The International Bank for Reconstruction and Development, acting as the administrator of the Global Flaring and Methane Reduction Partnership (GFMR) multi-donor trust fund, has agreed to provide the financing for the Project, as set out in the Agreement.
2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Bank. The ESCP is a part of the Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the Agreement.
3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, their respective timeframes; institutional, staffing, training, monitoring and reporting arrangements; and grievance management. The ESCP also sets out the environmental and social (E&S) documents that shall be prepared or updated, consulted, disclosed and implemented under the Project, consistent with the ESSs, in form and substance acceptable to the Bank. Said E&S documents may be revised from time to time with prior written agreement by the Bank. As provided for under the referred Agreement, the Recipient shall ensure that there are sufficient funds available to cover the costs of implementing the ESCP.
4. As agreed by the Bank and the Recipient, this ESCP will be revised from time to time, if necessary, to reflect adaptive management of Project changes or unforeseen circumstances or in response to Project performance. In such circumstances, the Bank and the Recipient agree to update the ESCP to reflect these changes through an exchange of letters signed between the Bank and the Recipient's Representative specified in the Agreement. The Recipient shall promptly disclose the updated ESCP.
5. The subsection on "Indicators for Implementation Readiness" below identifies the actions and measures to be monitored to assess Project readiness to begin implementation in accordance with this ESCP. Nevertheless, all actions and measures in this ESCP shall be implemented as set out in the "Timeframe" column below irrespective of whether they are listed in the referred subsection.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
<b>IMPLEMENTATION ARRANGEMENTS AND CAPACITY SUPPORT</b>			
A	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>Maintain the Project Management Unit (PMU) within Azerigas with qualified staff and resources to support management of environmental, social, health and safety (E&amp;S) risks and impacts of the Project including, one social specialist, one environmental specialist, and one stakeholder engagement specialist.</p>	Maintain the PMU throughout Project implementation. Appoint a social specialist, an environmental specialist, and a stakeholder engagement specialist prior to Project appraisal and thereafter maintain these positions throughout Project implementation.	Azerigas
B	<p><b>CAPACITY BUILDING PLAN/MEASURES</b></p> <p>Prepare and implement the following capacity building measures for PMU staff, stakeholders, communities, and Project workers:</p> <ul style="list-style-type: none"> <li>• Training on safety risks of the Project activities, including emergency preparedness and response, and community health and safety,</li> <li>• Training on E&amp;S assessment aligned with ESS1 and site specific ESMPs,</li> <li>• Training on occupational health and safety for gas leaks repairs and waste handling, including mandatory Personal Protective Equipment (PPE), and methane management (monitoring, capture, controlled flaring or energy recovery).</li> </ul>	Commence after appointment of PMU staff and prior to commencement of site-specific Project activities and deliver throughout Project implementation.	Azerigas
<b>MONITORING AND REPORTING</b>			
C	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (E&amp;S) performance of the Project. The reports shall include:</p> <ul style="list-style-type: none"> <li>• Status of preparation and implementation of E&amp;S documents required under the ESCP.</li> <li>• Summary of stakeholder engagement activities carried out as per the Stakeholder Engagement Plan.</li> <li>• Complaints submitted to the grievance mechanism(s), the grievance log, and progress made in resolving them.</li> <li>• E&amp;S performance of contractors and subcontractors as reported through [monthly] contractors' and supervision firms' reports.</li> <li>• Number and status of resolution of incidents and accidents reported under action E below.</li> </ul>	Submit quarterly reports to the Bank throughout Project implementation, commencing after the Effective Date. Submit each report, incorporated into Project Report, to the Bank no later than 30 days after the end of each reporting period.	Azerigas

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
D	<p><b>CONTRACTORS' MONTHLY REPORTS</b></p> <p>Require contractors and supervising firms to provide monthly monitoring reports on E&amp;S performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the Bank.</p>	Submit to the Bank the monthly reports from supervising firms on a regular basis and reports from contractors upon request.	Azerigas
E	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>a. Notify the Bank of any incident or accident relating to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those resulting in death or significant injury to workers or the public; acts of violence, discrimination or protest; unforeseen impacts to cultural heritage or biodiversity resources; pollution of the environment; dam failure; forced or child labor; displacement without due process (forced eviction); allegations of sexual exploitation or abuse (SEA), or sexual harassment (SH); or disease outbreaks. Provide available details of the incident or accident to the Bank upon request.</p> <p>b. Arrange for an appropriate review of the incident or accident to establish its immediate, underlying and root causes. Prepare, agree with the Bank, and implement a Corrective Action Plan that sets out the measures and actions to be taken to address the incident or accident and prevent its recurrence.</p>	<p>Notify the Bank no later than 48 hours after learning of the incident or accident. Provide available details upon request.</p> <p>Provide review report and Corrective Action Plan to the Bank no later than 10 days following the submission of the initial notice, unless a different timeframe is agreed in writing by the Bank.</p>	Azerigas
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ENVIRONMENTAL AND SOCIAL ASSESSMENTS AND/OR PLANS</b></p> <p>a. Prepare and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with the relevant ESSs.</p> <p>b. Prepare, disclose, consult stakeholders, update and redisclose site-specific Environmental and Social Management Plans (ESMPs) for individual investments, as set out in the ESMF.</p> <p>c. Activities described/rated as High or Substantial E&amp;S risk and other activities in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project.</p>	<p>Prepare the ESMF prior to Project appraisal and thereafter implement throughout Project implementation.</p> <p>Prior to commencement of site-specific Project activities that require relevant ESMPs.</p>	Azerigas

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.2	<p><b>MANAGEMENT OF CONTRACTORS</b></p> <p>a. Incorporate the relevant aspects of the ESCP, including, inter alia, the Labor Management Procedures (LMP), code of conduct, occupational health and safety, and waste management requirements, into the E&amp;S specifications of the procurement documents and contracts with contractors and supervising firms.</p> <p>b. Provide copies of the relevant contracts with contractors/subcontractors and supervision firms to the Bank.</p> <p>c. Thereafter ensure that the contractors and supervising firms comply and that they require their subcontractors to comply with the E&amp;S specifications of their respective contracts.</p>	<p>Incorporate relevant aspects of ESCP into technical specifications during preparation of procurement documents and respective contracts.</p> <p>Provide copies of relevant contracts to the Bank upon signing.</p> <p>Ensure contractors' compliance with technical specifications throughout contract life.</p>	Azerigas
1.3	<p><b>TECHNICAL ASSISTANCE</b></p> <p>Carry out the consultancies, studies, capacity building, training, and any other technical assistance activities under the Project in accordance with terms of reference acceptable to the Bank, that are consistent with the ESSs. Thereafter, prepare and finalize the outputs of such activities in compliance with the terms of reference.</p>	Throughout Project implementation.	Azerigas
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>Prepare and implement the Labor Management Procedures (LMP) for the Project as part of the Project Operating Manual (POM), including all terms and conditions of employment and occupational health and safety requirements to ensure outcomes consistent with ESS2.</p>	Prepare the LMP prior to Project appraisal and thereafter implement throughout Project implementation.	Azerigas
2.2	<p><b>OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT PLAN</b></p> <p>Prepare and implement an OHS Management Plan as part of Project ESMF and include its provisions into ESMPs to manage the OHS risks and impacts of the Project.</p>	The same timeframe as for actions 1.1.a and 1.1.b above.	Azerigas
2.3	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish and operate a grievance mechanism for Project workers, as described in the LMP component of the POM and consistent with ESS2.</p>	Establish grievance mechanism prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	Azerigas
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
3.1	<p><b>WASTE MANAGEMENT PLAN</b></p> <p>Prepare and implement a Waste Management Plan (WMP) as part of Project ESMF and include relevant provisions in site-specific ESMPs to manage hazardous and non-hazardous wastes consistent with ESS3 and Environmental, Health and Safety Guidelines for the World Bank Group for Gas Distribution Systems (April 2007).</p>	Prepare WMP within the same timeframe as set for action 1.1.a, include relevant procedures in ESMPs within the same timeframe as set for action 1.1.b, and thereafter implement throughout Project implementation.	Azerigas
3.2	<p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b></p> <p>Incorporate resource efficiency and pollution prevention and management measures in Project ESMF and site-specific ESMPs to be prepared under action 1.1 above, especially as necessary for reduction of air pollution due to gas leaks and sustainably managing electricity and water consumption.</p>	Same timeframe as for the actions 1.1.a and 1.1.b.	Azerigas
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<p><b>TRAFFIC AND ROAD SAFETY</b></p> <p>Incorporate measures to assess and manage traffic and road safety risks in Project ESMF and site-specific ESMPs.</p>	Same timeframe as for the actions 1.1.a and 1.1.b.	Azerigas
4.2	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>a. Assess and manage specific risks and impacts to the community arising from Project activities and include mitigation measures in Project ESMF and site-specific ESMPs.</p> <p>b. Assess hazards from risk of gas pipeline explosion due to Project-supported repair works, check corporate Emergency Response Plan (ERP) for any gaps in addressing these hazards, and include relevant sections of ERP with due adjustments into the ESMF and site-specific ESMPs.</p>	Same timeframe as for the actions 1.1.a and 1.1.b.	Azerigas
4.3	<p><b>SEA AND SH RISKS</b></p> <p>Incorporate and implement measures to assess and manage the risk of SEA/SH as part of Project ESMF and site-specific ESMPs.</p>	Same timeframe as for the actions 1.1.a and 1.1.b.	Azerigas
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
Not currently relevant.			
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
6.1	<p><b>BIODIVERSITY RISKS AND IMPACTS</b></p> <p>Include information on the existing biodiversity within the Project/subproject areas and implement measures for biodiversity preservation as part of Project ESMF, site-specific ESMPs, and Contractors' bidding documents and instruments to minimize and manage biodiversity impacts consistent with ESS6.</p>	<p>Include measures into ESMF and ESMPs within the same timeframe as set for actions 1.1.a and 1.1.b. Implement measures throughout Project implementation.</p>	Azerigas
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
Not currently relevant.			
<b>ESS 8: CULTURAL HERITAGE</b>			
8.1	<p><b>CHANCE FINDS</b></p> <p>Describe and implement chance find procedures as part of the Project ESMF and site-specific ESMPs, as applicable for each subproject, and require these procedures to be included in bidding documents and C-ESMPs.</p>	<p>Describe the chance find procedures in the ESMF and ESMPs in the same timeline as set for actions 1.1.a and 1.1.b. Implement the procedures throughout Project implementation.</p>	Azerigas
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>			
Not currently relevant.			
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN</b></p> <p>Prepare, disclose, and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.</p>	<p>Prepare and disclose SEP prior to Project appraisal and thereafter implement the SEP throughout Project implementation.</p>	Azerigas
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b></p> <p>Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p>	<p>Establish the grievance mechanism prior to Project appraisal and thereafter maintain and operate the mechanism throughout Project implementation.</p>	Azerigas
<b>INDICATORS FOR IMPLEMENTATION READINESS</b>			

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
<p>The following actions are indicators for implementation readiness:</p> <ul style="list-style-type: none"> <li>- Appoint a social specialist, an environmental specialist, and a stakeholder engagement specialist (action A)</li> <li>- Prepare, disclose, and discuss with stakeholders ESMF, LMP as part of POM, and SEP (actions 1.1.a, 2.1, and 10.1)</li> </ul>		