



Independent
Project
Accountability
Mechanism

MAP Monitoring Report IV

Monitoring Period: July– December 2021

Lukoil Shah Deniz Stage II Project

EBRD Project Number 46766

Case 2017/07

February 2022

Note: This case was received under the Project Complaint Mechanism (PCM) - the former accountability mechanism of the EBRD - in accordance with the [2014 PCM Rules of Procedure](#) and the Monitoring stage was initially conducted under PCM Rules and Procedures.

Effective 1 July 2020, the Project Complaint Mechanism was replaced with the [Independent Project Accountability Mechanism](#), brought into effect through the [2019 Project Accountability Policy](#). Under the Policy's provisions for case transition, monitoring of the Lukoil Shah Deniz Stage II Management Action Plan from the date above is undertaken in alignment with the requirements of the [2019 Project Accountability Policy](#).

IPAM is the Independent accountability mechanism of the EBRD. It reviews environmental, social, and Project disclosure-related concerns raised by Project-affected people and civil society organisations. IPAM can address concerns through two avenues: i) Problem-solving, which supports dialogue between Complainants and Clients to resolve environmental, social and public disclosure concerns without attributing blame or fault; or ii) Compliance Reviews, which determine whether the EBRD has complied with its Environmental and Social Policy and Access to Information Policy in relation to the Project.

For more information about IPAM, please contact us at ipam@ebrd.com or visit the [IPAM webpage](#).


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Unless otherwise indicated capitalised terms used in this report are those as set forth in the 2019 Project Accountability Policy.

List of Abbreviations

Abbreviation	Long Form
ESD	Environment and Sustainability Department
GN	Guidance Note
GR	General recommendation
IPAM	Independent Project Accountability Mechanism
MA	Management Action
MAP	Management Action Plan
PCM	Project Complaint Mechanism
PIP	Public Information Policy
PSR	Project specific recommendation

1 Introduction

This Monitoring Report provides an update on progress made in the implementation of the Management Action Plan related to [Case 2017/07 Lukoil Shah Deniz Stage II](#). Whenever status of pending actions has not changed during the monitoring period reported, this document only includes the table with pending actions and their status to date.

2 Monitoring Update

2.1 Monitoring Activities during the period June 2021 – December 2021

IPAM tracks progress on MAP implementation until it has determined that all actions have been completed as agreed; or whenever conditions for completing pending actions no longer exist.

In preparation of this Monitoring Report, IPAM requested written confirmation from Bank Management on its MAP progress.

2.2 Monitoring Findings

In the last [Monitoring Report covering January 2021 – June 2021](#), IPAM closed the period with three actions still outstanding: Actions 1, 2 and 3, which include the production of two guidance notes.

Actions 1 and 2 envisage the production of a guidance note on PR10. In the previous monitoring period, management reported that work on the guidance notes was ongoing. In the current monitoring period, draft GNs was received from the consultant and internal review on it has been completed. Universal comments are being provided to the consultant to finalise GN.

Actions have not been completed.

Action 3 relates to the production of a guidance note on PR4. In the previous monitoring period, a consultant had been engaged. In the current monitoring review, PR4 GN has just received internal legal review and is in the process of being finalised.

Action has not been completed.

Table 1 provides details on pending actions, Management response and IPAM's conclusions.

2.3 Table 1: MAP Implementation Progress

Management Action Plan Commitment approved by EBRD Board of Directors	EBRD Management implementation update (January 2022)	Status of Management Action Plan Commitment	IPAM Feedback
Procedural / Systemic Management Actions			
Management Action 1.: Assess and consider PCM Expert recommendations as part of the broader review of the ESP Guidance Notes, following the approval of the 2019 ESP. PCM Expert recommendations relate to accessible, culturally-appropriate information disclosure; meaningful engagement; requirements for Public Consultation and Disclosure Plans; and the development and implementation of Stakeholder Engagement Plans in line with good international practice. The development of a new Guidance Note on the implementation of PR10 - which considers the concept of meaningful consultation, is planned.	Update on PR 10 GN. Draft GN received from consultant and internal review has been completed. Universal comments being provided to Consultant to finalise GN.	Incomplete - continued monitoring required.	PR 10 GN: Noted that Draft GN was received from consultant and internal review has been completed. Noted that comments are being provided to finalise the GN.
Management Action 2: Assess and consider PCM Expert recommendations relating to vulnerable peoples as part of the broader review of the ESP Guidance Notes for each ESP Performance Requirement, following the approval of the 2019 ESP.	Update on PR 10 GN. Draft GN received from consultant and internal review has been completed. Universal comments being provided to Consultant to finalise GN.	Incomplete - continued monitoring required.	PR 10 GN: Noted that Draft GN was received from consultant and internal review has been completed. Noted that comments are being provided to finalise the GN.
Management Action 3: Assess the need for further guidance on Project-level grievance mechanisms, which considers the PCM Expert's recommendations, in the context of the broader review of ESP Guidance Notes for each ESP Performance Requirement, following the approval of the 2019 ESP.	Update on PR 4 GN. PR4 GN has just received internal legal review and is in the process of being finalised. Update on PR 10 GN. Draft GN received from consultant and internal review has been completed. Universal comments being provided to Consultant to finalise GN.	Incomplete - continued monitoring required.	PR 4 GN: Noted that GN has received internal legal review and is in the process of being finalised. PR 10 GN: Noted that Draft GN was received from consultant and internal review has been completed. Noted that comments are being provided to finalise the GN.

2.3 Monitoring Conclusions

During this period, Management Action 1, 2 and 3 remain outstanding.

IPAM shall continue to monitor the implementation of all three action items and update on progress in the fifth monitoring report scheduled for July 2022.