ACTUAL CONDITIONS

On the assessment of fire accident happened on December 4, 2015 in Deep Sea Platform No. 10 of Guneshli Oilfield owned by SOCAR

First of all, we are pleased to thank you for the opportunity offered for SOCAR to voice its opinion on the Report (“the Report”) submitted to your company in order to be published by “Oil Workers’ Rights Protection Committee”. We think that, the information shown below shall allow for more detailed and objective investigation by you.

Please consider that, the bold and numbered statements are extracted from the report, while the paragraph below presents SOCAR’s opinion.

Key points and responses:

1. **SOCAR did not provide proper information about the dead, missing, survived workers during the accident on Guneshli oil field, deep sea platform no 10.**

On December 4, 2015, immediately after the accident broke out, relevant authorities were informed to involve additional forces to the accident site, the headquarters was established; authorized workers were mobilized and instructed accordingly. In addition to the work organization, initial information obtained from the accident site was published on SOCAR’s official website. Furthermore, the information was provided on the actions taken for rescuing oil workers on the platform, actual condition on the site, evacuation measures by the firefighting boats and diving vessels of the Ministry of Emergency Situations and Caspian Sea Shipping CJSC. It was officially informed that, relevant headquarters was established in “Azneft” Production Union of SOCAR and the following telephone numbers of the headquarters were presented to the public (http://www.socar.az/socar/en/news-and-media/news-archives/news-archives/2015/12/04):

The telephone numbers: On Agha Nematulla str.105: 012-521-10-19, mob. 050-245-70-05; extension number 012-521-00-00(11-0-19)

Zigh highway, Abilov str. 27: 012 -521-00-00 (50-502, 50-505) mob. 050-316-50-18

It is to note that, permanent correspondent point was organized in the headquarters by the initiative of ANS channel and operational, live broadcasting was enabled which helped the public to get prompt information.

The web-site published information about the evacuation of 33 people and one dead body which were taken to the coast as a result of wide scale firefighting and search-rescue works on December 5. Moreover, the list of SOCAR workers who were rescued or being searched was placed on SOCAR’s website at 19:00 on the same day.

On that day, the joint information by State Oil Company of Azerbaijan Republic, the Ministry of Emergency Situations and State General Prosecutor’s Office was broadcasted by major media channels of the country (Please see below links)
The Commission established by Ilham Aliyev, the President of the Republic of Azerbaijan, held the meeting under the chairmanship of Mr. Artur Rasizadeh, the Prime Minister, on the accident in Guneshli oilfield, deep sea platform no 10 and the public was informed about this (http://www.socar.az/socar/en/news-and-media/news-archives/news-archives/2015/12/06).

On that day, the media conference was held in the operational headquarters established in “Azneft” Production Union with the participation of management of SOCAR, the Ministry of Emergency Situations and the Ministry of Health. ANS TV broadcasted this media conference alive to the public (http://www.anstv.ws/site/video/15527-xabarci-06-12-2015). Preliminary assumptions on the cause of the accident were explained and detailed information was provided about search and rescue works of missing oil workers, and all the questions by media representatives were replied in this conference. Media conferences were held three times per day (at 11:00; 15:00; 20:00) in “Azneft” Production Union in order to provide operational, prompt and detailed information to the public.

As a result of searching works on December 7, dead bodies of 6 missing oil workers were taken out from the sea and given to their families. Related information was regularly published on the website and relevant changes were made to the list (http://www.socar.az/socar/en/news-and-media/news-archives/news-archives/2015/12/07). On the following days, updated information was promptly given to the public as the dead bodies of missing oil workers were found or new information was obtained about each worker. It is to note that, dead bodies of some missing oil workers were found on the sea territory of Turkmenistan. As soon as any news was obtained about the dead bodies, immediate actions were taken by the state in order to bring them to Azerbaijan, to identify and give to the families for burial and the public was timely informed about such actions. (Please see below links):


Up to December 11, media conferences were organized in the headquarters three-four times per day, and the representatives of SOCAR and “Azneft” Production Union answered the questions of 45-48 members of the press from about 25-28 mass media. The media conferences were open for all Mass Media. All the questions by the journalists were answered and the information on such conferences was broadly covered in Mass Media (Please see below links)

From then after, searching works of missing workers and treatment and rehabilitation of those rescued was kept under permanent observation. SOCAR management, public-political agents, ombudsman, the management of Trade Union Organization, NGO representatives and the colleagues regularly visited the workers in hospitals and lent moral support (Please see below links)


Detailed information on the workers who were missing or dead as a result of accident inGuneshli oilfield, deep sea platform no 10 was published on SOCAR’s official web-site (in the list format) (Please see below links)


2. **SOCAR management gave discrepant information about exact number of oil and gas wells in the platform**

There are 30 wells in the platform no 10. Two of them were out of service. 24 out of operating wells were oil while other 4 were gas wells. It is to note that, unsuitable weather condition and the storm in the sea on the first days made it very difficult to reach the platform and give initial information about exact number of burning wells. However, regular information was provided about numbers of oil and gas wells, including 4 burning gas wells in the media conference held by SOCAR management and chief engineer of “Azneft” Production Union. Thereafter, updated and prompt information was given to the public.

3. **Labor Safety Procedures were seriously violated; the conditions of Labor Law of the Republic of Azerbaijan were violated, that is, according to the law, the work shall be suspended on the platform in case of severe weather condition.**

Labor Safety and Production Discipline Procedures was not violated on the deep sea platform no 10 of Guneshli oilfield. According to the requirements of Labor Code of Azerbaijan Republic and “Rules on construction and classification of floating drilling facilities and offshore platforms” (2012) Works in the open air was suspended related to severe weather condition. But according to the same regulations, wind velocity at 45 m/sec and wave height up to 13 m shall be
considered as an ordinary weather condition for Caspian Sea and prior evacuation of workers is not considered (please see the attached “Azneft” Production Union’s letter and e-mail/telegram, in Azerbaijani (original) and translated version)

On 04.12.2015 at 17.40 there happened explosion and fire accident as a result of vertical pipe failure in the gaslift equipment with working pressure of 110 atm. during the extreme weather condition with wind velocity at 40 m/sec and wave height at 8-10m on the Guneshli field, deep sea platform no 10. When the accident broke out, 62 out of 63 service persons were in the resident block while one operator Bakhtiyar Alakbarov was on the site to inspect the wells. Therefore, sudden fire wrapping over the platform caught Bakhtiyar who was coming from the wells. Bakhtiyar Alakbarov was the only person injured by the fire. This fact certifies that, the work was suspended in the open air.

After the accident broke out, it was necessary to evacuate the workers and the chief made the decision according to the instruction. 62 people got on the boats: 27 people on the boat no 1 and 35 people on the boat no 2. One person stayed on the platform.

The information that BP had evacuated its workers from the platform on the accident day is not true. The response to our letter submitted to BP confirms this fact. (See attached letter, Azerbaijani and English (translated) version)

4. The workers were not given prompt instructions and directions during rescue process of the platform.

The chief of the platform is considered as an authorized person during the work conducted on the platform, including possible accidents and the rescue of workers on the platform. The chief of the platform assesses such situation and makes related decision. It is to note that, Allahverdi Mammadov, the chief of the platform, was interviewed in the Central Hospital of Oil Workers and it was broadcasted on TV channels. Mr. Allahverdi Mammadov explained how and why the decision was made.

It is noteworthy that, the workers were instructed to assemble into the resident block. However, since it was expected that, the fire would become stronger and smoke would diffuse into the resident block, it was instructed to evacuate the workers by the boats (Please see below links).


Furthermore, Mr. Mahal Yusifov, Labor protection engineer on that platform, together with the chief of the platform placed all the workers on the boat no 2 and the boat was manually lowered. However, since it was difficult to lower the boat, it became necessary to lower it manually from the top. Therefore, Mr. Mahal took the risk and left the boat bravely and lowered the boat upon outside intervention. He had to stay on the burning platform.
5. There is discrepant information about the quality of rescue boats in the society and social networks...

After the accident, several members of the press who intended to investigate the reasons of this tragedy pointed out the bad quality of the rescue boats on the platform as a possible version. However, this information is not based on any official or reliable source. In order to clarify this issue, b-roll on the boats similar to rescue boats installed on the deep sea platform no 10 of Guneshli oil-field was prepared by the Training Center for Protection of Human Life in the Sea under Training, Education and Certification Office of SOCAR on December 9 and was presented in the media conference held in “Azneft” Production Union together with necessary comments by the specialist. Senior specialist of Training Center for Protection of Human life at sea gave detailed information about the manufacturing date, location, main technical parameters, quality certificate and other characteristics of the boat. Subsequently, the assumption of quality of rescue boat was disproved and left the media agenda (Please see below links)

1. https://www.youtube.com/watch?v=A9LOhV-dx-w
2. https://www.youtube.com/watch?v=IDLbd34diBI

We are pleased to state that, the rescue boats were manufactured by “DSB Engineering Co.” LTD and “Jiangyin Neptun Marine Appliance Co.” LTD, one in August 2010, while the other in November 2011. One of the rescue boats was given to “28 may” Oil and Gas Producing Company on 27.11.2010, while the others on 09.11.2011. The boats were installed on the deep sea platform no 10, and tested (one of them on 28.04.2012, one on 22.07.2012 and the other two on 04.08.2012) with the participation of the specialists from Russian Sea Shipping Registry (CJSC) in Azerbaijan Republic against static and dynamic load and launched into operation upon the permission of sea registry.

6. Several days before the accident, there were gas leakage on 28 may Oil and Gas Producing Company. Although the management of 28 may OGPC was informed about this, no action was taken for elimination

We would like to state that, there was not any gas leakage on the deep sea platforms no 10 of 28 May OGPC. This information does not have any basis. It is to note that, all the oil and gas pipelines connected to the deep sea platforms are tested by working pressure according to the applicable regulations, after the test. They are launched into operation and checked regularly. Furthermore, all the oil-gas pipelines are kept under regular control of the specialists. In case of any defects, immediate actions are taken accordingly. Meanwhile, there is special logbook which includes record of the defects on the platform and action for their elimination. Law enforcement bodies immediately took the logbooks from the place. If there had happened such a case, it would have been impossible to hide this. We have to add that, it is the fact that, this accident had happened as a result of strong storm.
7. The workers who were rescued and the families of the dead were not supported psychologically. All the promises remained in the words.

Rescued workers were brought to the coast by “Muslim Magomayev” vessel and after first medical aid they were taken to the Central Hospital of Oil workers by ambulance. From the day when the accident happened, the headquarters were established in administrative building of “Azneft” Production Union and in Abilov str. 27, Zigh highway, Baku where provision department of 28 may OGPC is located and the psychiatrists Kamala Talibova and Gunel Aliyeva, psychologists Gunel Guliyeva, Aysel Babayeva, Khudaverdi Mammadov, Elnura Bakhshiyeva and Aygun Sultanova worked uninterruptedly during 5 days from 9.00 to 20.00 under the Ministry of Health of Azerbaijan Republic in order to help the families of people injured during the accident.

In addition, the groups consisting of specialists (such groups included psychologists) visited the families of missing workers regularly and lent them moral support. This action is still underway. Social and psychological assistance to the workers who were on the platform on December 4 and to their families, funeral of the workers who were found dead and such other actions were broadcasted on Mass media.

Considering the desires of family members of those who were dead or missing, their visits to the accident site by helicopter were organized and accompanied with psychologists and members of the press. (see: http://www.socar.az/socar/en/news-and-media/news-archives/news-archives/2015/12/29).

8. Some of the injured workers did not come to work after the accident, and payment for those days were deducted from their salaries

We would like to inform you that, benefits to the workers who suffered from temporary loss of ability to work as a result of accident in deep sea platform no 10 during the natural disaster were paid according to the “Regulations on calculation and payment of compulsory state social insurance payments and benefits on the account of employers to the workers for temporary disability” approved by the Resolution no 189 dated September 15, 1998 by the Cabinet of Ministers of the Republic of Azerbaijan- during the first 14 calendar days on the account of the Employer (28 may OGPC) and By State Social Protection Fund on the account of mandatory State Social Insurance fees on the remaining days. According to the applicable legislation, during such calculations, service term, as well as the allowance is calculated as per actual working day and so there were reductions in the payments. However, this is not related with deduction from the salary, but as mentioned above, caused by social insurance payments. The organization which developed the Report would have applied any law company and obtain legal opinion in order to clarify this issue. Considering above mentioned reductions, as well as other cases, the workers were made additional payments as shown in Item no 9. Each worker who was rescued was paid AZN1000. Mr. Bakhtiyar Alakbarov (who was affected by long term disability) was paid AZN 3000 as a material assistance.
9. Although it was promised to provide assistance to the families of dead workers, they did not get any such assistance.

Different kinds of assistance were made to the families of each worker who were dead or missing in the accident. Such assistance was paid to the relevant people and regular information about it was published on SOCAR’s official website (Please see below links).


Since the lives of the dead and missing workers had been insured, insurance companies make insurance payment to their families. Moreover, the families got material assistance promptly both from the state and SOCAR.

Actions and provisions:

1. According to the decree no 462s dated December 10, 2015 by the Cabinet of Ministers of the Republic of Azerbaijan, AZN 15000 was paid from the Reserve Fund of state budget of 2015 as a material assistance to the families of each dead and missing workers.

2. by SOCAR:

   • The injured was provided with medicine and other medical accessories during ambulatory and stationary treatment;
   • One person, who got injured by burns was paid AZN 3000, each of 32 injured people was paid AZN 1000;
   • The families of missing 32 workers in Guneshli oilfield were paid AZN5000;
   • According to the “Regulation on material assistance to the workers of the State Oil Company of Azerbaijan Republic”, it was decided that, the families of each dead oil worker shall be paid the assistance amounting to 20 times minimum wage (AZN2100), while one of the family members who takes the custody of their children shall be paid 2.5 times minimum wage per month (AZN262.5) for each child of tender age until they are 18 (23 in case of full-time education);
   • Families of each dead worker were paid the benefit amounting to three times average monthly salary according to Labor Code of Azerbaijan Republic;
   • Funerals of 12 workers were organized and all the costs related to this were paid;
   • Credit debts of three workers (Iman Shura Gasimov - AZN31756,07; Bahman Nadir Jafarov - AZN15523,7; Abdulaziz Ismayil Abdulazizov - AZN70234,50 manat; totally-AZN117514,30) against bank who were supplied with flats by “Neftçi” MTK (buildings construction cooperative) were paid by SOCAR.

3. Azerbaijan Trade Union Organization paid AZN500 to each of survived workers, while AZN 1000 to the families of the dead and missing workers.
4. Azerbaijan Oil and Gas Industry Workers Trade Union Republican Committee paid AZN500 to each of survived workers, while AZN 1000 to the families of the dead and missing workers. In addition, in order to improve social status of the families of dead and missing workers, it was considered to employ one family member to the vacant positions in enterprise and company of SOCAR without application of any competition procedure, as an exceptional case, and to train them in SOCAR Training Centers, if necessary.

Detailed information about all the above mentioned assistances was published on SOCAR’s website on February 1, 2016 (http://www.socar.az/socar/en/news-and-media/news-archives/news-archives/2016/02/01)

10. The Public was not informed about the amount of the state loss as a result of accident. In fact 1 million cubic meter of gas was lost during each day while the accident continued. This is a great shock for the state in the current situation when incomes from oil decreases.

Of course, there is a loss as a result of the fire. However, the experts are conducting investigation and estimation in order to determine the amount of loss related to the accident in Deep Sea Platform no 10 of Guneshli oil-field. The budget to be allocated for the rehabilitation of the platform shall be determined after the development of design cost estimates by “Neftqazelmitadgilatlayiha” Institute.

11. The media published discrepant articles about the ecological disruptions on the accident site.

In order to prevent possible oil spillages and ecological disturbances as a result of accident in deep sea platform no 10 of Guneshli oil-field, Working Group consisting of the specialists from the Ministry of Emergency Situations, the Ministry of Ecology and Natural Resources, SOCAR and BP was established and continuous complex actions were taken according to the action plan implemented by the group. Monitoring Vessel “Mammad Suleymanov” specialized in observation and investigations on the accident region, as well as 6 more vessels supplied with modern equipment against oil spillage were sent to the site. Meanwhile, continuous observations were made from the air by the helicopters. Containment booms were placed on the water surface in order to protect the area against oil spillage. Oil collected into containment booms were emptied into vessels and delivered to special locations for utilization, which helped to prevent possible ecological disturbances beforehand.

The Public was informed regularly about the results of the monitoring. Information on ecological condition in the accident site was published on December 11, 14, 16, 17, 18 on SOCAR’s official website and it was stated that there were not any ecological disturbances and the analysis conducted on the site may prove this fact (Please see below links)

From the other side, prompt extinguishment of burning oil wells played significant role for the prevention of any danger related to oil spillages into the sea. However, some electronic news media operating in Azerbaijan referred to “Ria-Novosti” agency of Russia and announced that, as if, the spatial camera record on December 13 showed oil spots on the sea on 300 sq.km area from the earth (http://qafqaznews.az/2015/12/son-q-za-x-z-rin-300-kv-km-razisini-neftl-cirkl-ndirib/).

The working group expressed its opinion on the issue and this information was investigated and announced as unreasonable as a result of images from Radarsat-2 space owned by MDA company of Canada of “Azerkosmos” JSC and chemical analysis. Meanwhile, the camera records taken on deep sea platform no 10 by ANS confirmed visually that no serious spots of oil spillage were observed around the platform. We are pleased to inform you that, the official information provided by the Ministry of Ecology and Natural Resources of the Republic of Azerbaijan on December 22 included the following: during the observations by the expedition group established upon the instruction by the Ministry of Ecology and Natural Resources in order to study possible environmental impacts after the fire accident on the deep sea platform no 10 of Guneshli oilfield in Caspian Sea, some separate, small size and non-durable bright spots were observed. They are mainly not oil spots but condensate. Since this condensate consists of lightest fractions and evaporates very soon, the level of damage to the underwater biological life is minimum.” (Please see below links)


12. On the day of accident, provision of tea or coffee to the families of oil workers was organized poorly; they did not get any psychological support.

As shown above, on the day of accident, the headquarters established in administrative building of “Azneft” Production Union and Provision department of 28 may OGPC located in Abilov str.27 Zigh highway, Baku, functioned 24 hours. The families of the workers affected by the accident were provided with any kinds of care, and they were offered tea, coffee, snack food, different kinds of sweets, water and juice. Furthermore, the management of SOCAR and “Azneft” Production Union lent moral support to the family members of workers and those injured during the accident were visited regularly.

The Information about psychological assistance is given in Item no 7.
Appendices:

1. Letter of “Azneft” Production Union (AZ and Eng version)
2. Letter of telefonogram (AZ and Eng version)
3. Letter of BP (AZ and Eng version)