

# FEBRUARY 2017

SOCAR Polymer Newsletter / Issue 2/2017

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SOCAR Polymer invited the children of its Sumgait project team to tour the construction site as part of the Family Day.

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More than

3.000.000

Man-hours LTI Free

278

Employees

70.9%

PP Total progress in February

26.3%

HDPE Total progress in February

 **SOCAR**  
POLYMER

# A message from the General Manager



Dear team,

We passed a turbulent 2016 and embarked on a journey of 2017. First of all, I would like to thank all of you for the hard work and dedication you have demonstrated during 2016 and I look forward to even stronger effort and results in the current year. It is important to remember that the standards we set in the framework of this project will be a blueprint for SOCAR GPC and other future projects.

A number of important challenges will be faced this year. The critical ones include:

- 1) **strong continuous commitment to HSE standards;**
- 2) **a successful mechanical completion of Polypropylene unit;**
- 3) **establishment of operational team; and**
- 4) **SAP implementation.**

1) We follow rigorous HSE standards on site. As a result, we have exceeded **3 mln hours without LTI accidents**. We should not get complacent, and need to continue maintaining this strong record, given in particular the increasing amount and

intensity of work. Of course, we should adhere to strong HSE standards in the office as well.

- 2) **Mechanical completion, commissioning and start up are scheduled during the fourth quarter of the year.**

This is a challenging target which will require full dedication from each team member, further integration of IPMT and close coordination with contractors. And although I am positive that this will be another impressive precedent set by SOCAR Polymer, we should not underestimate the challenge of transforming a set of equipment into an operational plant.

- 3) **The core of our operational team is already formed,** however, there is still a long way ahead to reach the goal of establishing a fully prepared and staffed team. Additionally, we made a decision to create English language based operations. This will allow us to become a truly international standard organization, which can integrate solely and interact with industry players and expand opportunities for all.

- 4) **An SAP based ERP system will form an important part of the future organization.** The project is moving ahead at full speed and we expect to complete it by the middle of the year. ERP's role in the organization is important. This is the backbone that will link and integrate all functions. I expect full support to this project from everybody.

I am really proud of each and every one of you. Keep up great work!

Farid Jafarov

A stylized, handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end.



**February 2017**  
**Site Photos**





# Meeting the shareholders, with a visit to the Sumgait Education and Training Center

On February 24, 2017 the representatives of our shareholders (Azersun, Gilan and Pasha holdings and Polymer Construction) were presented with information on the project's current status and future plans. The presentation was given by the SOCAR Polymer General Manager Farid Jafarov, CFO Fuad Ahmadov, Project Manager Guy Lombarts, General Construction Manager John Arrowsmith, Senior Training & Development Specialist Nargiz Salimova and General Planning Manager Vugar Aslanov. The presentation was preceded by a bus tour round the construction site for the shareholders to observe the progressive changes on the site, and a visit to the Sumgayit Education and Training Center (SETC). New cooperation had been established under the Personnel Training Agreement







signed on October 6, 2016 between SOCAR Polymer LLC and the SOCAR Education, Training and Certification Department which had undertaken the task of conducting courses for 4 groups of trainees majoring in three fields. The trainees in the Operators group have already completed their training and started applying the gained knowledge and skills in production. Meanwhile, the three other groups of SOCAR Polymer employees continue their training at SETC in the fields of technology, energy, and control and measurement instrumentation and automation. Alongside with their major subjects, students are receive a 3 months' course of Technical English to improve their communication skills and scope of qualifications. On the basis of the knowledge and skills obtained at the training

center, the trainees had independently prepared presentations which informed of the equipment they should operate at the PP and HDPE plants. The presentations were made in English. The event was attended by the Chief of the Education, Training and Certification Department (ETCD) Mr. Fuad Suleymanov, the General Manager of SOCAR Polymer LLC Mr. Farid Jafarov, and the officials of "Pasha Holding", "Gilan Holding", "Azersun Holding" and "Polymer Construction". Following the presentations, the guests expressed their satisfaction with the quality of education, and wished success to the SOCAR Polymer employees enrolled at the center and the SETC staff.







# SAP ERP Implementation Project Overview:

**SOCAR Polymer has resolved to improve and redesign its business processes, which is attainable on the basis of the SAP ERP software selected as the enterprise application. Within the framework of this initiative, the existing business processes will be analyzed and redesigned through the prism of SAP ERP functionality.**

## 1) SAP definition

ERP systems are cross-functional enterprise systems driven by an integrated suite of software modules that maintain the central internal business processes of a company. The core function of ERP is to give decision-makers an integrated real-time view of core business processes. These modules operate interactively utilizing one database which shares all information necessary for each module's purpose, as well as user requirements.

ERP is more than just a new software system; it's an organizational cultural change.

## 2) SAP purposes

Why SAP ERP

- Simplification of business processes
- One tool for all departments
- Enhancement of productivity, flexibility and customer responsiveness
- Compliance and control over Efficiency improvements
- New business and growth strategies enabled
- Agility improvement
- Reduced costs and eliminated inefficiencies
- Continuous improvement

## 3) What's in plan?

**ASAP Methodology is a standardized roadmap for efficient and complete implementation of an SAP system. Generally, it consists of the following phases:**

Project Preparation phase: Initial planning, setting of goals and timelines, and identifying team members.

We are here - 65% completed

**Scope Validation phase:** Achieve an understanding of how SAP can provide solutions for current processes and how the organization intends to use SAP for their business goals, including identification of business process delta requirements. Consists of extensive process documentation. 15% completed (We are here as well - phase started)

**Realization phase:** Once the business delta requirements have been defined, this phase moves forward with the implementation of those requirements. It also includes testing in time-boxed iterations before going live.

**Final Preparation phase:** Completion of cutover activities, such as rehearsal and end-user training. Helps prepare to go live.

**Go-Live Support phase:** SAP modules go live with sustained support.





## Javid Aliyev – Procurement Subject Matter Expert



My role includes clarification and implementation of the existing business processes of the procurement that will allow more efficient and flexible version of

the same process which includes tracking requirements, generation of inquiries and purchase orders for materials and services, inventory/stock control management, control of material issues and movements. Besides mentioned above I am also responsible for migration of all procurement related old data from 1C system which is currently in use to new SAP system.

## Alina Eyyubova - HR Subject Matter Expert



The main role of an HR Subject Matter Expert is to guide SAP consultants on the project to ensure the content is accurate, so they know the inner

workings of the department from the bottom up. Following a deep process analysis and compilation of necessary information, HR SME is contributing to the SAP project with the purpose to improve and optimize HR Processes in line with the Company strategy and Local legislation. Thus, HR SME's goal is to provide training sessions, coaching and further support to all SAP HR users.

## Alina Hasanova – SAP Project Administrator



My main responsibilities are: providing admin support to project team, maintaining project plans and schedules, tracking & reporting overall

progress and prepare reports which are required by management, monitoring resource utilization, performing quality reviews, establishing and maintaining the project documentation library, managing data document flow and administration.

## Vugar Aslanov - SAP Project Manager



As a project manager my main focus will be visualize how the operations and all other functions will perform end-to-end business processes strategically integrated and automated in one ERP System. We will deliver this project within budget, time and scope. We will use ASAP-8 project management methodology for our implementation, here is the my role:

- Developing the project plan
- Managing the project stakeholders
- Managing communication
- Managing the project team
- Managing the project risk
- Managing the project schedule
- Managing the project budget
- Managing the project conflicts
- Managing the project delivery

## Gulnara Budagova – SAP Project Coordinator



My role includes coordination of project activities and team resources, review and evaluation of project deliverables and timelines, as well as all aspects of facilitating a

Project, including project schedule preparation, actual and forecast budget reporting, preparation of project documentation. Project actions, risks, issues and changes coordination, preparation of project status reports, steering committee reports, etc. A Project Coordinator is involved in evaluation of "as is" and preparation of "to be" business processes, and provides guidance to the project team regarding project management tools, processes, and techniques. At the final phases of the project, a coordinator provides support for training processes.

## Jamila Ashurova – Accounting Subject Matter Expert



My main duties are intensive work with consultants on understanding the current procedure and accounting system in use, preparation of improved business

culture, business process plan and configurations for SAP ERP system in FI accounting, Controlling and Funds Management modules, data migration from the old system to the new one for all previous years. As the accounting unit is the end user of all data from other departments, I am also involved in the SAP integration process of all departments.

## Ruslan Huseynov – Finance Subject Matter Expert



Generally, SAP creates a strong integrated environment within an organization. My main obligation is to advise the consultants on the details of our financial activities and thus we can attain proper implementation of the Treasury and Risk Management, Cash and Liquidity Management

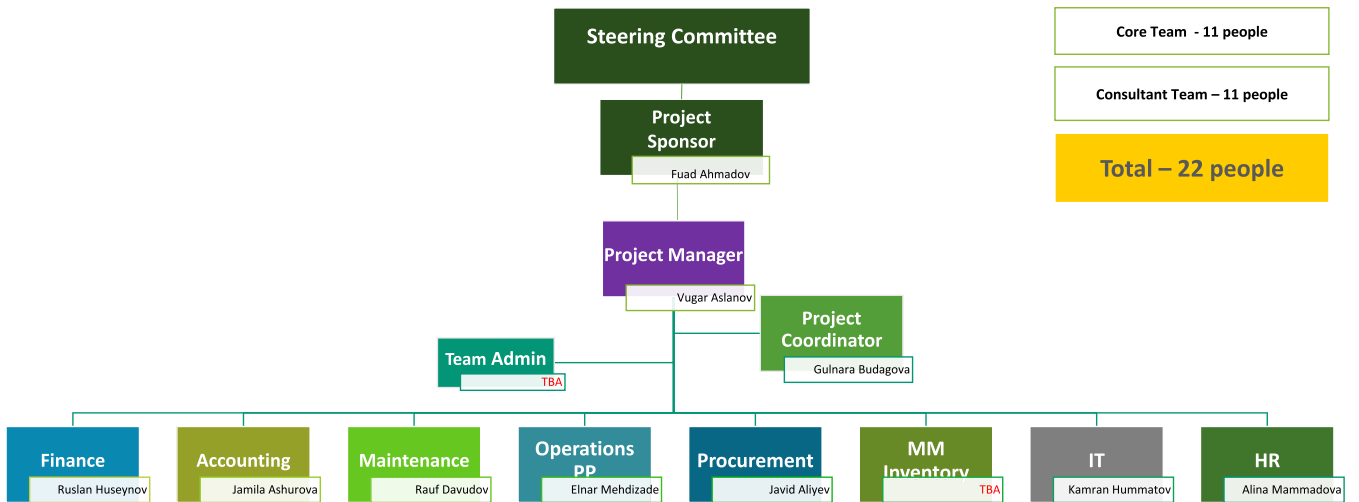
and Fund management modules. Those modules will provide us with a powerful tool for processing financial transactions and managing financial positions, with specific reporting tools fully integrated with SAP Financial Accounting.

## Kamran Hummatov - SAP Basis Administrator

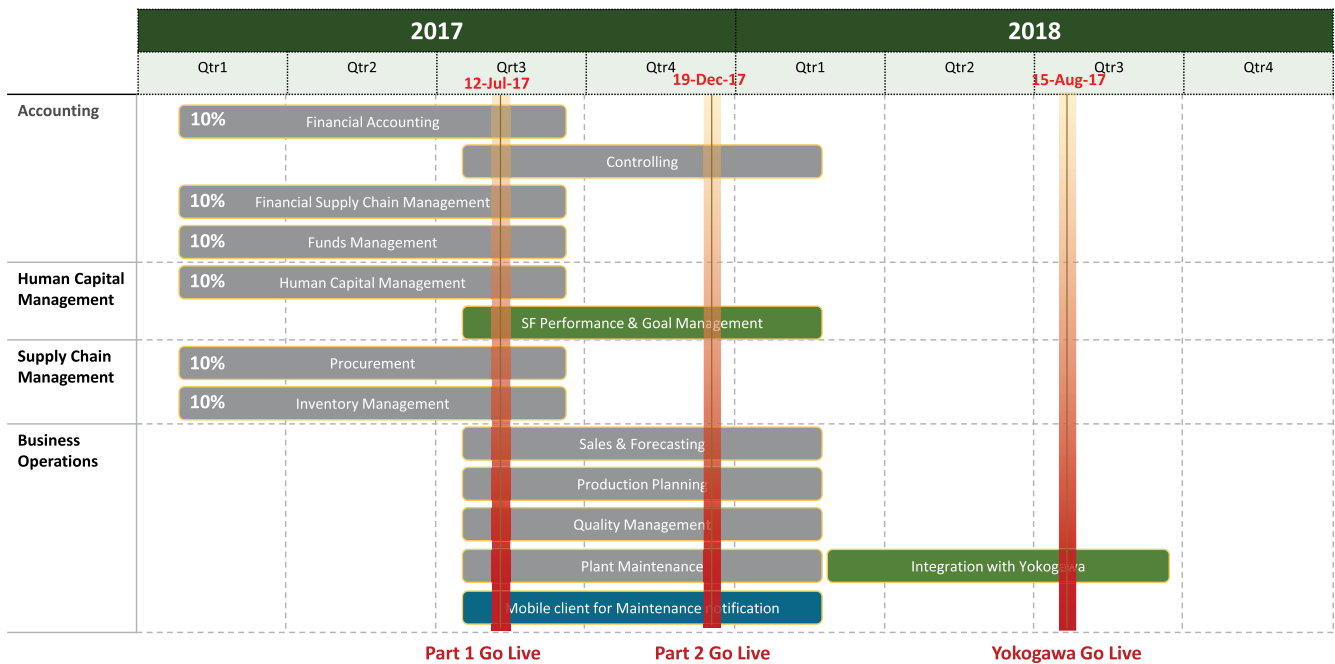


SAP Basis Administrator provides tools to assist with technical infrastructure planning, installation of necessary components, system configuration and integration into an existing SAP system landscape, as well as infrastructure management in a production system. Additional responsibilities are: system installation and configuration, load balancing on servers, performance management of different components, managing interfaces and integration with servers, managing servers and different services.

# ERP PROJECT TEAM



# SAP PROJECT ROAD MAP





The team held a meeting to deliver the presentation on "Official Launch of ERP Project" to the SOCAR Polymer management and staff members  
 The topics of discussions were:

- ERP org structure and office plan
- ERP Project's Mission, Vision and Strategy
- Cultural changes
- Operations Business Process High Level Flow Chart
- Operations Functions level-2 process map
- SAP Implementation advantages
- ERP Project Plan
- Challenges





**Tarlan Abiyev**

*A member of the SOCAR Polymer team, Tarlan Abiyev, Lead Controls & Automation Engineer in the IPMT department, travelled to Italy on February 20, 2017 to perform a Factory Acceptance Test (FAT) at the SAFCO production facility in Milan, which has produced a Fire and Gas System to be installed at both the PP and HDPE plants. He has shared the details of the trip with us:*

Our company had ordered a Fire and Gas System to be assembled in Italy and eventually installed and operated at our plants.

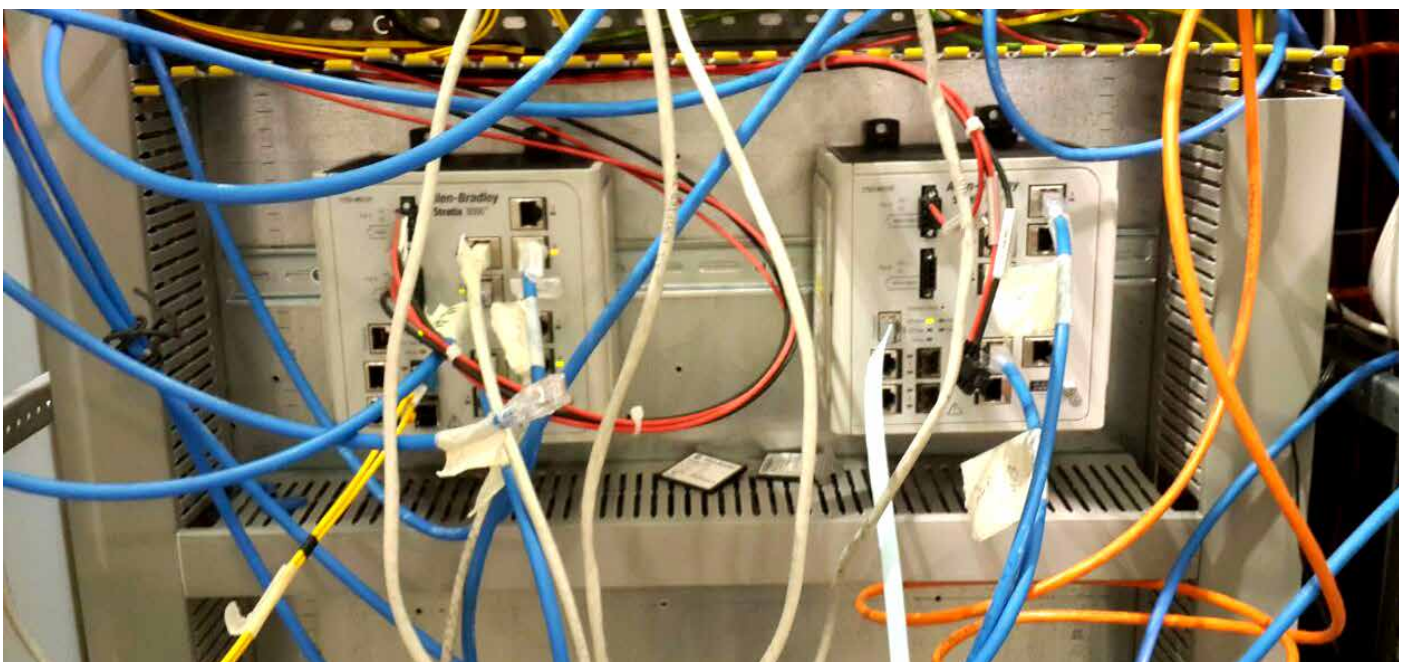
An FAT procedure is an engineering test that is performed to determine that a system or product meets the requirements and specifications of a contract before it is moved to its destination site. FAT may

# Factory Acceptance Test



include performance, physical or chemical tests that are designed to verify that the equipment functions properly before it's shipped out of the production facility. FAT is a major milestone in any production project, so it must be witnessed by the owner of the system being tested. So, I participated in the testing process on behalf of our company jointly with the engineers of Maire Tecnimont and Fluor, our contractors. During the test, we checked all Fire and Gas System components starting from field devices up to PLC and Marshalling cabinets; tested all I/O (input/output) modules; checked the functionality of Smoke detectors, hooters, beacons to be installed at our plant, and all fire alarm panels to be installed in different buildings of the plant to alarm any fire or gas detection.

Thus, the objectives of the 2-week trip were achieved and the mission fulfilled successfully.



# Training at PETKIM - OPS Fundamentals course

**Customers want quality. Companies want high output. The solution lies, among others, with competent and well-qualified human resources and a solid and comprehensive company development plan.**

The activities planned and implemented in the framework of SOCAR Polymer's Training and Development program run by the HR Department are aimed at ensuring continuous improvement of human resources and competence development. Such activities also include study/training tours for keeping abreast of foreign countries' progressive experience in the given areas, whilst keeping the company in an innovative mindset.

Started on February 20, a two weeks' training tour to a PETKIM industrial facility in Turkey was meant to further enhance the professional capacity, training and experience of SOCAR Polymer's staff members. A group of 14 employees, including 11 plant operators, 2 plant shift supervisors and a process engineer, visited PP/HDPE plants on PETKIM's industrial grounds to visually experience and observe the production operations on site, to come into direct contact with and become closely familiar with the actual production operations process.





Established under the leadership of TPAO in April, 1965, Petkim is now ranked third among the top 100 largest Aegean industrial firms and is the largest exporter, according to the Aegean Chamber of Commerce. Visiting the company's production facilities is a good opportunity to learn ways to perform high skill operational duties in petrochemical and refining operations with the aim of meeting production targets, in accordance with procedures and in compliance with quality and safety standards; to perform the start-up of assigned plants and facilities in line with approved operating procedures; to get a better understanding of the start/stop field operations involving Refinery or Petrochemical equipment; to conduct regular inspections and walk through of plant facilities to ensure the plant is functioning efficiently or to spot malfunction or symptoms that need supervisor's attention.



The study tour participants accompanied a PETKIM operator throughout his working day, observing real-time operational processes and actions.

Upon completion of the training tour on March 3rd, the participants of the "Operations Fundamentals" training program attended a small certification ceremony organized by the PETKIM management to acknowledge the outcomes of the training. Among the training group members were the three certificants who had lately successfully completed a Technological Operations course at the SOCAR Education and Training Centre (SETC) in Sumgayit.





## Participants of the certificate award ceremony

### PETKIM

**Khalig Mustafayev** - Deputy General Management (Business Support and Administration)

**Dinara Mammadova** - Chief HR Officer at SOCAR Türkiye

**Levent Kocagul** - Deputy General Management (Human Resources)

**Hasan Ulvi Suer** - Training and Development Specialist

**Bahruz Babayev** - Talent Acquisition and Talent Management Department Manager

**Faruk Demirbash** - Polymer Plants Group Manager

### SOCAR Polymer

**Sabina Feyzova** – HR Manager

**Elnar Mehdizade** - Operations Manager

**Nargiz Salimova** - Senior Training & Development Specialist

No	Name, Surname	Position
1.	Nariman Akbarov	Plant Shift Supervisor
2.	Navai Mammadov	Plant Shift Supervisor
3.	Fuad Rahimov	Plant Operator
4.	Javid Cafarov	Plant Operator
5.	Khalil Hasanov	Plant Operator
6.	Nizami PiriyeV	Plant Operator
7.	Rovshan Panahov	Plant Operator
8.	Rasul Ahadov	Plant Operator
9.	Turgut Shikhiyev	Plant Operator
10.	Rashid Karimli	Plant Operator
11.	Elvin Aslanli	Plant Operator
12.	Aydin Aghayev	Plant Operator
13.	Nijat Ahadov	Plant Operator
14.	Rovshan Sadigiov	Process engineer









# Family Day

## at SOCAR Polymer construction site

SOCAR Polymer invited the children of its Sumgait project team to tour the construction site as part of the Family Day.

A unique educational experience for all involved, Family Day provided the children with an exciting opportunity of getting to know where their parents work and seeing the construction site, whilst learning about safety. Commenting on the Family Day event, John Arrowsmith, General Construction Manager, said: **“We celebrate Family Day as it promotes family unity and good work-life balance. It’s also a really fun and educational day for our children. Coming to work with their parents is a really unique experience, especially when it involves the excitement of a construction site.”**

The children were given a short description of what goes on at the construction site and what the various jobs that need doing are. The children were brought for a short tour of the project office and were introduced to what their parents did daily at work.







The young visitors also received certificates from Farid Jafarov, the General Manager.

“

Children are our future and the foundation for their future is laid in the childhood. You, children, may be future engineers, builders, promoters of new economic and industrial achievements in our country. I am hoping that today's experiences will inspire you and trigger interest in our colleagues' professions, marking the beginning of your professional journey.

*Farid Jafarov*





# Certificate of Attendance

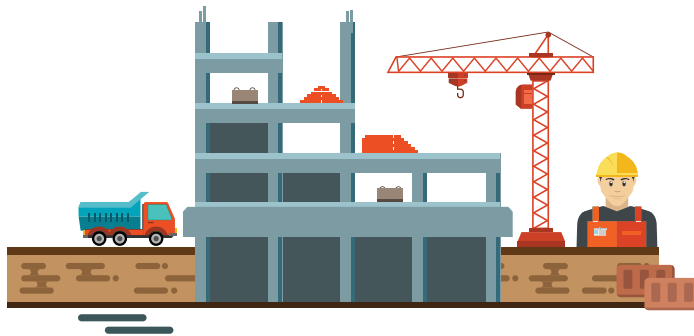
Presented to:

*Tofiq Rahimov*

for attending the

## SOCAR Polymer Project Families Day

Presented on 18<sup>th</sup> February 2017



Farid Jafarov  
General Manager  
SOCAR Polymer



Finally, the kids participated in a magic show and had lunch together with adults.











[www.socarpolymer.az](http://www.socarpolymer.az)

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