

# AUGUST 2018

SOCAR Polymer Newsletter / Issue 8 / 2018

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615  
Employees

17,591,074  
Man-hours LTI Free

98.0%

HDPE Total progress in August

 **SOCAR  
POLYMER**



# August – easy or busy?



Dear colleagues,

For many businesses around the world, August is the breaktime – a scheduled time for idleness and vacation.

Meantime, SOCAR Polymer is active advancing towards its goals. With construction works at the SOCAR Polymer site drawing to an end, we are transferring our attention to the next stages of our corporate activity. Following the MoU signed on July 2018 to implement a multiplication effect for the benefit of the Azerbaijan economy, we have been looking for the best ways of facilitating the uptake of our PP and HDPE by local manufacturers of end products. The task is to help two dozen companies on the list of local entrepreneurs to form a significant link in the value chain of chemical production in Azerbaijan.

Pertaining to the same topic is the quality of our polymer products, and that will be ensured by the chemical laboratory which has commenced its activity on the SOCAR Polymer plant site. The laboratory is fully operational and equipped both technically and intellectually. Continuous activity of the lab is provided by a well-trained team operating in 4 shifts. The laboratory is analyzing both the quality of raw

materials and that of PP and HDPE powder/pellets to supply certificates of quality delivered with the products.

For our interns, too, August has been a busy time with view to getting their summer projects completed, performances assessed, conclusions made, and job offers received. We are looking forward to seeing their final presentations that will summarize the work done, the lessons learnt, and the ways minds have been made up to pursue a certain course into the future that they picture for themselves in terms of professional development.

The summer season is ending, and as the business world's activeness is gathering momentum let us work fruitfully to expedite the achievement of our goals for 2018!

**Farid Jafarov**





August 2018

# Site Photos





# PROGRESS ON SITE DURING AUGUST

## HDPE plant



HDPE: Blending Silos.  
Piping insulation ongoing



HDPE: Extrusion Building.  
Roof tiling completed. Sandwich panel installation mostly completed.  
Piping insulation ongoing. HVAC electrical cabling ongoing



HDPE: Organoleptic Structure and Effluent Treatment.  
Piping installation ongoing



HDPE: Polymerization.  
Structural fire-proofing completed. Piping insulation ongoing





HDPE: Electrical Substation.  
Cabling and termination completed



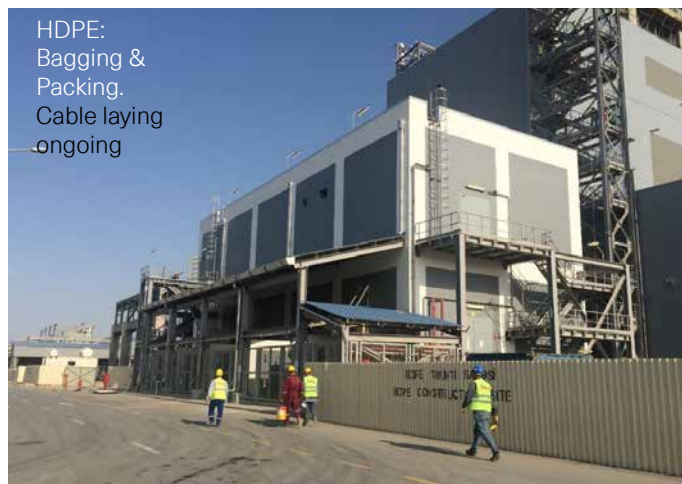
HDPE: Pellet blower package space for logistic conveying.  
Piping insulation ongoing



HDPE: Reactor Dump tank.  
Electrical works in progress



HDPE: Low Pressure Solvent Recovery.  
Piping insulation and painting works ongoing



HDPE:  
Bagging &  
Packing.  
Cable laying  
ongoing



HDPE: Ethylene Treatment.  
Piping insulation and painting works ongoing

# Project progress status

## HDPE Plant Progress

### Disciplines

### Cumulative Progress

Detailed Engineering



**100%**

Procurement Orders



**100%**

Subcontracting



**100%**

Material Supply – Manufacturing and Delivery



**99.8%**

Construction



**97.6%**

Overall

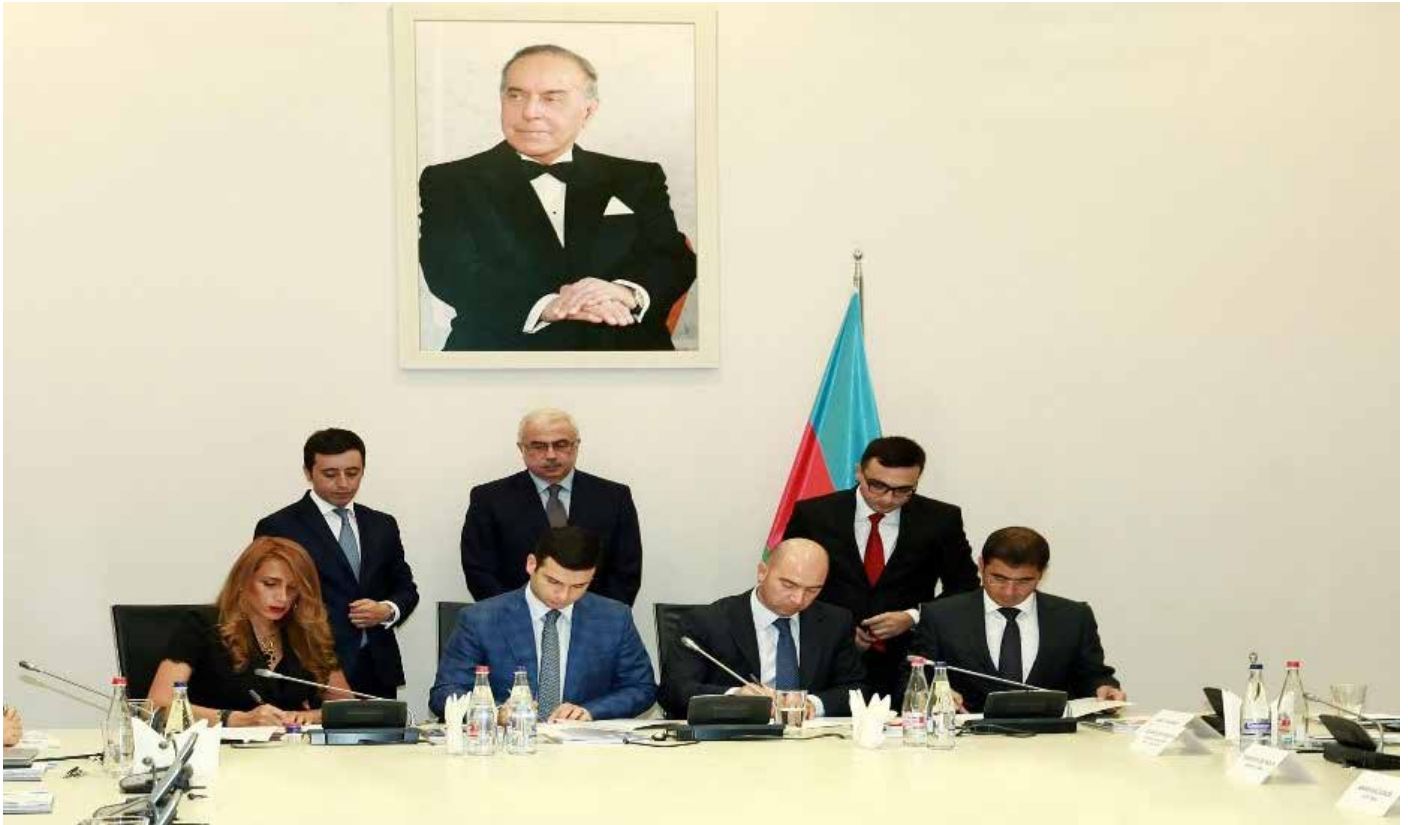


**98.0%**



# SOCAR Polymer signs quadruple MoU

Within the value chain: feedstock to end-customer product



By the impact of the Polypropylene production facility launched into operation in July 2018, a conference, **Within the value chain: from feedstock to end-customer product**, convened at the Baku Business Centre in Baku on Saturday, July 28, and brought together representatives of national rubber and plastic manufacturing industries as well as regulatory bodies to discuss ways the **SOCAR Polymer** multiplication effect could be best implemented for the benefit of stakeholders and Azerbaijan economy. The PP plant is the first phase of **SOCAR Polymer**, Azerbaijan's largest national petrochemical project in operation to date.

Under the patronage of the Azerbaijan Ministry of Economy, a **Memorandum of Understanding** was signed between the Azerbaijan Agency for the support of Small and Medium-sized Enterprises, the Sumgait Chemical Industrial Park, SOCAR Polymer LLC and the national plastics industry representatives, pertaining to the uptake of the domestically produced Polypropylene and High-Density Polyethylene by the manufacturers of end-customer products.



A value chain is a set of activities that an organization pursues to create value for stakeholders. It ultimately affects the costs and profit ratio and is absolutely critical to developing a competitive corporate strategy.



Decreed by President Ilham Aliyev on 28 December 2017, the Agency for SME was set under the auspices of the Azerbaijan Ministry of Economy to coordinate the government body efforts in support and promotion of the private entrepreneurial initiatives and operations. The Agency's steering committee is chaired by the Minister of Economy; representation bureaus are spread across the country districts, hosted by ASAN centres or, in their absence, by regional offices of the Ministry of Economy.

The event featured a keynote address by deputy Minister of Economy Niyazi Safarov as well as speeches by Nazim Talybov, Director General of the Sumgait Chemical Industrial Park, and Orkhan Mamedov, Director of the Azerbaijan Agency for the Support of Small and Medium-Sized Enterprises.

Addressing the Conference participants, Mr. Talybov of SCIP underscored the magnitude of Azerbaijan's investment into the five national industrial parks over the past few years at \$2.6 billion, as well as the capacity of these parks to generate jobs. "In 2011, about 10,000 people were expected to work in industrial parks; today, however, there are 11,000 of them. Over 7,500 more jobs will be created in industrial parks in the near future", Mr. Talybov said.

The event's featured speaker Mr. Farid Jafarov, General Manager of SOCAR Polymer LLC, made a presentation on a broad versatility of PP and HDPE application for end-customer product manufacture: construction as a premium sector, as well as the production of electronics, food industries, manufacture of medical and household appliances, furniture, toys, textiles, stationery, sport gear, etc. Mr. Jafarov emphasized that the primary goal of the SOCAR Polymer project is to phase out import dependencies in polypropylene and high-density polyethylene, which used to be purchased from abroad before the Polymer project was put to life. "The domestic market's well-being is a priority for SOCAR Polymer", Mr. Jafarov said. "By year 2021, we plan to reach a combine total capacity of 570 KTA. Azerbaijan enterprises may capitalize on the opportunity to use our proper PP and HDPE as feedstock for manufacturing the end-customer products. We are willing and prepared to provide technical support to the interested parties, and forge long-standing partnerships", he added. The SOCAR Polymer Team led by Mr. Jafarov included Messrs. Fuad Ahmedov, Vugar Aslanov, Rovshan Sadygov, Babek Beydullayev and Rouslan Huseynov.

Mr. Aydin Kerimov, Director of Metak LLC, and Mr. Gulagha Abyshov, Director of El-Plastics LLC each spoke in turn on behalf of the national plastics manufacturer community. The Conference was also attended by Messrs. Vidadi Rustamov, Rasim Atakishiyev, and Parvin Jafarov, representing the Marketing Department of Polymer's parent company SOCAR. The entrepreneurial community was represented by Fizuli Jabbarov, the founder and Director of FUND-PLAST INC. LLC; Arzu Namazova, Director of Azlitbalkan BM LLC;



Nazim Talybov,  
Director General  
of the Sumgait  
Chemical  
Industrial Park

*"In 2011, about 10,000 people were expected to work in industrial parks; today, however, there are 11,000 of them. Over 7,500 more jobs will be created in industrial parks in the near future"*

Samir Alizade, founder of ZZ Procurement LLC; Araz Guliyev, deputy Director of Azercan LLC; Teyyub Jafarov, the founder of ATC Company LLC; Matlab Aliyev, Director of Interplast-A LLC; Sabuhi Mammadov, Director of Fostanpak LLC; Javad Mubariz, Director of KLAUS-PLAST LLC; Tural Aliyev, Director of Finance at Samurai Company; Elkhan Asgarov, the founder of Texnolayn LLC; Samad Hajiyev, deputy Director of AKABE LLC; Anar Hajizade, deputy General Director of Sumgait Technologies Park LLC; Tofiq Mammadov, Director of Azertexnolayn LLC; Kenan Najafov, Director of SumPlast LLC; Samira Huseynova, Director of Diamed Co; Afet Najafov, Director of "Polimer.net" LLC; Aydin Kerimov, Director of Metak LLC; and Gulagha Abyshov, Director of El-Plastic Ltd.



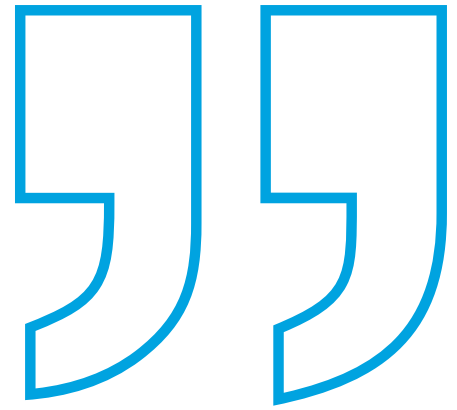
Farid Jafarov,  
General Manager,  
SOCAR Polymer

*"By year 2021, we plan to reach a combine total capacity of 570 KTA. Azerbaijan enterprises may capitalize on the opportunity to use our proper PP and HDPE as feedstock for manufacturing the end-customer products. We are willing and prepared to provide technical support to the interested parties, and forge long-standing partnerships"*

**To date SOCAR Polymer has signed MoUs with 18 industrial enterprises, to supply PP and HDPE as feedstock for the manufacturing of end-customer products.**



# Quotes about **SOCAR Polymer**



**Ilham Aliyev**  
President of the  
Azerbaijan Republic

“With the commissioning of the polypropylene plant to be followed by that of the polyethylene plant at the end of this year, Azerbaijan’s export potential will be significantly increased. Both plants will manufacture 300,000 tons of products annually, of which 70% will be exported to foreign markets. Thus, Azerbaijan will completely eliminate its dependence on imports and our country will have a large volume of non-oil exports. This is precisely the goal we pursue in the economic sphere and in the field of industrial production. This plant is the manifestation of the successful economic and industrial policy Azerbaijan has pursued in recent years... The plant will largely support the development of the non-oil

sector in Azerbaijan. I am sure that this plant’s operation will result in thousands and perhaps even tens of thousands of new employment positions because the feedstock produced by this plant will be used to manufacture end products and Azerbaijan will also eliminate its dependence on imports of such end products.”

“Polymers are the products that nowadays play a role in the production of many a household item or industrial material. Therefore, the private sector should also be on the alert. As soon as the plant is launched, it should immediately be followed by setting up of local industrial production.”



**Rovnag Abdullayev**  
SOCAR, President

“SOCAR’s processing plants are closely tied within the single economic value chain. It is envisaged that the Heydar Aliyev Oil Refinery, “Azerikimya” PU’s Ethylene-Polyethylene plant in the Sumgayit city, and the SOCAR Polymer plant be integrated in this production process. The expansion of this production chain will rationalize the performance of each of the facilities constituting the complex.”



**Niyazi Safarov**  
Deputy Minister of Economy

Measures are being taken to ensure sustainable development and diversification of economy, development of the non-oil sector, creation of competitive and export-oriented, innovation-based production facilities in various fields of industry, boosting of economic dynamics, and facilitation of entrepreneurial activity.

SOCAR Polymer is the largest project implemented in the non-oil sector. It plays a big role in the process of establishing a value chain in this country.



# SOCAR Polymer's Chemical Laboratory up and running



With a site footprint of 30 hectares that accommodate 2 polymer production units, a utilities infrastructure, a bagging & packing facility, and a warehouse, the SOCAR Polymer plant site also houses laboratory facilities for testing feedstock (in-process tests) and products (intermediate and final product tests).

Incoming feedstock propylene and ethylene will be tested for content to make sure they are polymer-grade, i.e. suitable for use in polymer production, containing acceptable levels of possible impurities such as oxygen, hydrogen, nitrogen, CO, CO<sub>2</sub>, ammonia, acetylenes, arsine, methanol, sulfur, water, etc. Propylene will be sampled at different stages: at the entry to the plant – before and after purification/drying, at the exit of the ethylene stripper and light ends

stripper, and after hydrogen is fed to each of the loops. The laboratory shall also check the quality of incoming nitrogen and hydrogen – fresh or purified, the composition of the gas in the gas phase reactor, as well as the outcoming off-gases, treated exhaust oil, fresh mineral oil, and other substances/compounds involved in the production process.

Polymer powder from the Dryer is homogenized and tested for melt flow rate (MFR), particle size distribution (PSD), and for content. Differential scanning calorimetry (DSC) is used to determine polymers' thermal transitions which can be utilized to compare materials, although the transitions do not uniquely identify composition. The composition is completed using another technique such as IR spectroscopy.





The final polymer products at the SOCAR Polymer plants are produced in the form of pellets, which undergo routine quality tests at the laboratory before delivery. Polymer pellets are then used by our customers to manufacture numerous types of consumer goods, industrial materials, or parts. For instance, the automobile industry produces bumper covers, body side moldings, grilles and various interior parts such as dashboards, consoles and air-bag covers.

To meet customer requirements with products of assured and reliable quality, the laboratory operates 24/7 and performs multiple tests that based on a number of verified product characteristics help ensure the quality of our polymers. The laboratory is fully equipped for gas chromatography (GC), mechanical, chemical, and spectroscopic tests. The number of kinds of tests the

laboratory is ready to perform totals about 66-70.

The list of tests to be conducted on polymer pellets is drawn up depending on polymer type (homo/random/heco), polymer grade, product designation (for future use in food packaging/medical supplies/automobile parts/etc. manufacturing), method of future processing (compounding/stretching/thermoforming/extrusion/casting/injection moulding/blow moulding) production period (start up/new production/established production), etc. The laboratory performs certain tests in a planned manner as part of the daily routine, while some tests are upon request.

The table below shows the titles and frequency of tests performed on pellets routinely regardless of the above-mentioned criteria:

Test	Analysis frequency	
	Pellets from Pelletization area/ Extruder	Pellets from final product batches
<b>Melt flow rate (MFR)</b>	6 times a day	Each lot
<b>Yellowness index</b>	3 times a day	Each lot
<b>Pellets contamination</b>	3 times a day	Each lot
<b>Pellet size &amp; uniformity</b>	3 times a day	Each lot





The size and shape of particles, for example plastic pellets used in injection moulding processes, can greatly affect the outcome of the finished product. No matter what the resin type is, pellet size and shape should be perfectly uniform to ensure that pellets are melted at a consistent rate. On top of this, very small particles (fines) melt quicker and cause an inconsistency in not only the colour but the properties of the product. In this manner,

PSD ultimately affects the overall quality of the moulded parts.

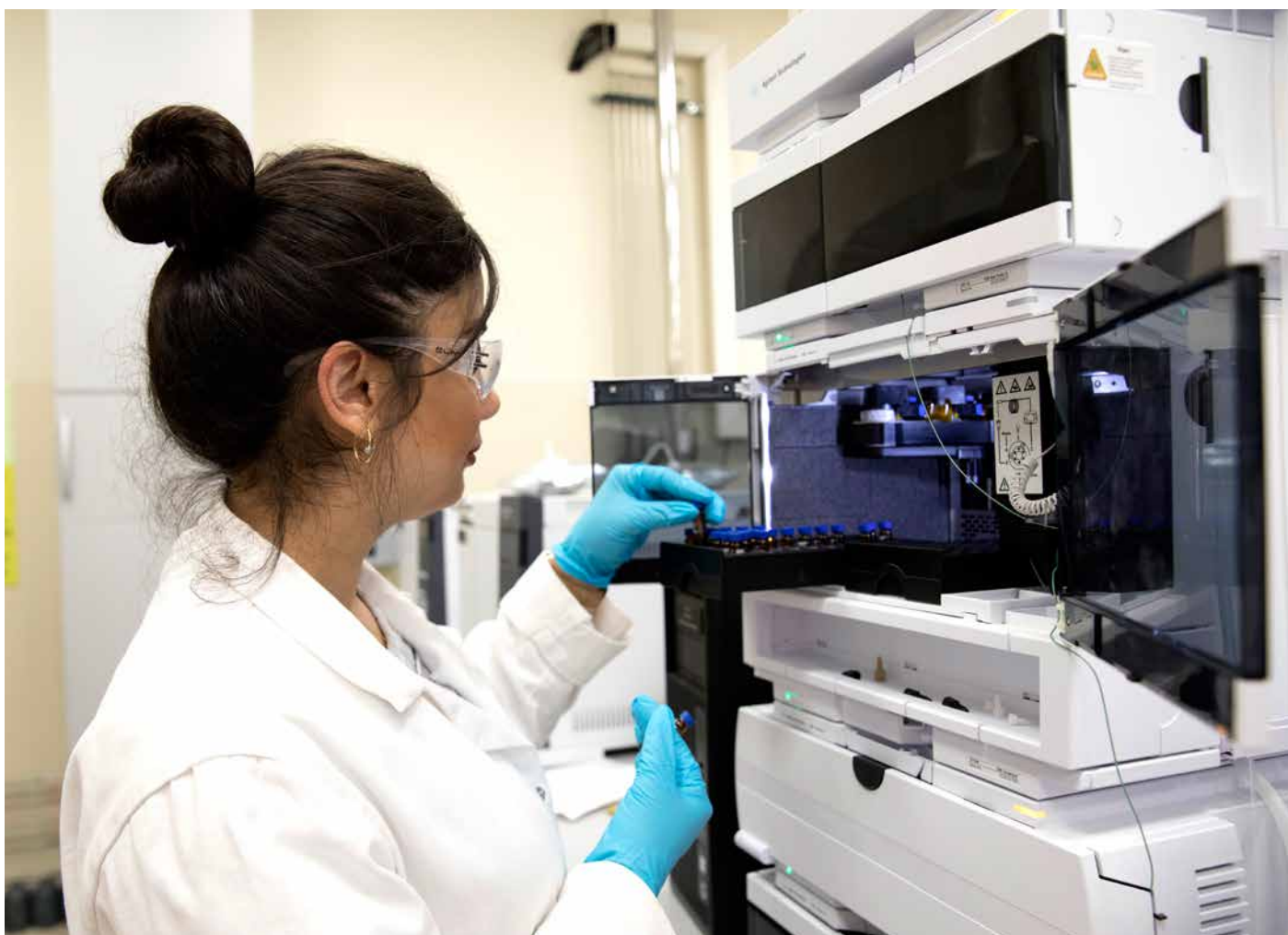
The size of polymer particles is also important for the lifespan of the manufacturing equipment. Larger pellets can create blockages or cause the machine to malfunction. At best, production is slowed or stopped while the equipment is cleaned.

Apart from the Licensor methods, the laboratory widely











uses internal test methods including MA, ITM/MTM, ASTM, ISO, and BTM. As a reminder, the technological process of PP production at the SOCAR Polymer plant is licensed by LyondellBasell (USA), one of the largest plastics, chemicals and refining companies in the world.



The lab team members consider one another as not only colleagues, but also friends who celebrate even small remarkable occasions in a fun way.





# HR Training and Development at SOCAR Polymer

## OPS Trainings

OPS (operations) trainings are offshore/onshore trainings conducted for SOCAR Polymer's operation/maintenance/laboratory staff to expand their theoretical knowledge and practical skills regarding the technical aspects of operating/maintaining various types of equipment/facilities installed at the PP plant. The trainings are arranged by Tecnimont, SOCAR Polymer or Fluor, and are delivered at vendors' facilities abroad or at appropriate institutions in Azerbaijan.

The EPC contract with the Tecnimont company includes trainings which the Kinetics Technology (KT) company has been provided on daily basis since 28 August. An extensive Training Program has been carried out since August 2017 to date, covering all aspects of plant operations and envisaging both Classroom training (480 hours total) by various specialists and vendors, and On-job training (1,050

hours total) to be led by experienced technicians until the end of the project to ensure complete grooming of SOCAR Polymer operators to efficiently handle the Plant. An operation readiness and start-up team from South Africa comprising specialists with more than 30 years' experience in the petrochemical industry was engaged to conduct on-the-job trainings, to coach and support the professional development of national staff to ensure safe and flawless operation of the new plant. The trainings are listed under four major disciplines/categories: electrical, instrumentation, mechanical and operation. Thus, the SOCAR Polymer plant personnel gets a better understanding of the principles of equipment operation, and grows better informed of the basic maintenance and troubleshooting processes.

More detailed information on some of the training sessions conducted on site in August is provided below:



### **Electrical team received a training session on MVS**

On 16 August, the electrical technicians team of the SOCAR Polymer plant had a hands-on training on Medium Voltage Switchgear and received overall information about the steps of operations on the switchgear. The trainer, Orkhan Farzaliyev also spoke about and demonstrated some operations and reading of data on ABB type protective relays.

ONSHORE TRAININGS					
Training theme	Training Vendor	Duration	Dates	Number of participants	Participants' positions
<b>TEAL Awareness</b>	SP	1 day	1 Aug	27	12 mechanical technicians, 1 mechanical supervisor, 7 electrical technicians, 2 electrical supervisor, 3 Jr. mechanical technician, 1 electrical engineer, and 1 Jr. electrical technician
			2 Aug	40	6 laboratory analysts, 3 mechanical technicians, 1 Distributed Control Systems (DCS) technician, 2 electrical technicians, 1 instrument technician, 1 Jr. shift HSE advisor, 16 forklift drivers, 1 forklift supervisor, 4 Sr. warehousemen, 1 warehouse team leader, 3 shipping clerks, and 1 input data clerk
			3 Aug	29	11 instrument technicians, 1 Jr. instrument technician, 1 instrument supervisor, 2 electrical technicians, 1 electrical engineer, 1 electrical supervisor, 3 mechanical technicians, 3 mechanical supervisors, 2 DCS technicians, 1 Jr. instrument and control engineer, 2 maintenance superintendents, and 1 technical assistant
			8 Aug	25	3 process engineers, 1 Jr. process engineer, 3 mechanical technicians, 1 Jr. mechanical technician, 1 mechanical supervisor, 7 plant operators, 2 shift supervisors, and 7 electrical technicians
			9 Aug	21	1 bagging/dispatch operator, 5 plant operators, 1 shift supervisor, 1 electrical technician, 1 electrical supervisor, 2 Jr. mechanical technicians, 1 mechanical rotating and static engineer, 4 instrument technicians, 2 mechanical technicians, 1 forklift driver, and 2 instrument supervisors
			14 Aug	10	8 laboratory analysts and 2 lab engineers
			16 Aug	5	2 Sr. lab analysts, 1 lab analyst, 1 HSE team lead, and 1 Jr. shift HSE advisor
			22 Aug	7	6 plant operators, 1 bagging shift supervisor
<b>Case Reporting Stand-Down Awareness</b>	SP	1 day	10 Aug	38	2 laboratory engineers, 1 lab analyst, 5 mechanical supervisors, 2 electrical engineers, 10 electrical technicians, 3 electrical supervisors, 1 Jr. electrical technician, 2 maintenance superintendents, 3 instrument supervisors, 2 process engineers, 1 Jr. process engineer, 3 shift supervisors, 1 OR training manager, 1 OR maintenance manager, and 1 forklift supervisorw
			13 Aug	18	7 lab analysts, 7 plant operators, 1 shift supervisor, 1 bagging and dispatch operator, 2 electrical supervisors, 2 mechanical technicians
			14 Aug	54	21 plant operators, 1 Jr. instrument and control engineer, 9 instrument technicians, 12 mechanical technicians, 1 Jr. mechanical technician, 4 Sr. warehousemen, 1 warehouse team leader, 1 input data clerk, 3 lab analysts, 1 Sr. lab analyst
			15 Aug	39	2 lab analysts, 17 forklift drivers, 2 materials coordinators, 3 shipping clerks, 1 storeman, 8 plant operators, 5 bagging & dispatch operators, and 1 bagging shift supervisor
			16 Aug	25	15 plant operators, 2 mechanical technicians, 1 shift supervisor, 1 lab analyst, 1 Sr. lab analyst, 1 environmental specialist, 1 bagging shift supervisor, 1 electrical technician, 1 DCS technician, and 1 Jr. instrument technician
			17 Aug	25	15 plant operators, 2 instrument technicians, 2 mechanical technicians, 1 Jr. mechanical technician, 3 electrical technicians, 1 shift supervisor, and 1 bagging shift supervisor
			<b>WMS</b>	SP	1 day
16 Aug	10	5 plant operators, 1 bagging shift supervisor, 1 custom declarant, 1 customs supervisor, 1 Jr. customs coordinator, and 1 Jr. customs declarant			



# Operations team received a theory-based training on “Polymerization”



On 31 August, the Operations team received a theory-based training on “Polymerization” at the plant site in Sumgayit. Converting monomer to long chain polymer is the final step in the polymer manufacturing sequence. Advances in catalysis have given a high degree of control over both structure and molecular mass so that grades of a given polymer can be tailored for specific end usage. It is possible to look at polymerization in at least two different ways: the nature of the catalyst used, and the way the chains grow to form the final product. An extra dimension to polymer

structure is added by the possibilities of copolymerization, where two or more different monomers are polymerized together. In one sense it is comparable to alloying different metals to produce an appropriate balance of properties in the final product.

A basic understanding of polymerization processes is important because polymerization affects structure, and hence properties of the final product, and therefore must take place in technical conditions closest to the ideal scenario.

# HDPE Operations team received a training on “Organoleptic Treatment”



On 28 August, the HDPE Operations team received a training on “Organoleptic Treatment” at the plant site in Sumgayit. Organoleptic treatment is an important aspect of polymer production. The word “organoleptic” is defined as “capable of being perceived by one or more sense organs”, where the common senses are touch, hearing, smell, taste and sight. The perception of odour/taste/texture is a key factor for product quality and usually derives from a combination of chemical components. In many cases the most hazardous substances in plastics are not the monomers but other compounds, such as solvents, initiators, catalysts and other polymerization additives. Therefore, it is important to make the right choice of chemical agents from a wide range of available alternatives. Failure to do so may lead to complex issues such as off-odours, contamination in raw materials, intermediates and final products, which can be detrimental to the quality of a product, and subsequently, to comfort and impact on health, causing consumer complaints worldwide.

# Further promoting the HSE culture at SOCAR Polymer



Having celebrated the achievement of 17 mln LTI-free man-hours, SOCAR Polymer decided to honour the people who had made it possible and to encourage further HSE improvements that will secure flawless operation of the plants. Proposed by the Senior HSE Manager, Eric Strefford, the HSE Incentive Program is looking to challenge our team members even further regarding their HSE performance, identification of HSE issues, contribution to fixing of problems, putting HSE knowledge into practice, and helping others to work safer. The aim is that all of us put forward ideas to make our work environment safer.

HSE merit acknowledgement awards are presented based on evidence and observations of the candidates' active contribution towards HSE. An HSE Champion Trophy will be awarded once a month for the most outstanding contribution to HSE.

The first winners of merit acknowledgement awards were QA/QC team members Zahid Sultanov and Rauf Aghabeyov, who received gifts for their safety observations on site and recommendations of ways to improve HSE Documentation. They had spent their time & efforts on site checking the daily checklist of heavy equipment and machinery and took

note of valuable safety concerns which have now been addressed and rectified by our contractors.

In the second week of August, Teymur Sadigov from SP Construction team was awarded for having reported a safety-critical observation regarding fire and electricity hazards on site which could lead to undesired consequences.

QA/QC Electrical Inspector, Heybat Muradov received a prize for his valuable contribution, and later became the HSE Champion of the month. He had covered many areas of safety concerns (Housekeeping, PPE, Fall protection, Excavation, Electrical, Vehicles and Heavy Vehicle, Fire Protection and Documentation) during his HSE inspections. All the concerns were immediately addressed to contractors for the necessary eliminating actions to be taken to mitigate the existing safety risks to as low as reasonably practicable level.

The other awardees of the month were the QA/QC Administrator Zohra Mammadova, and QA/QC Construction Inspector Akif Kerimov.

The award ceremonies took place in SP Main conference room on site at the Tuesday SP Team Toolbox Talk Meetings.



# New wave of interns

## SOCAR Polymer meets & greets summer interns



***SOCAR Polymer Summer Internship Programme** was introduced in 2016 to offer senior students an opportunity to put their theoretical knowledge to practical application, boost soft skills and develop leadership qualities. A ten-week exposure to site operations and business environment are to prime the young men and women up for future employment and promotion. The selection process is four-phased, starting with screenings, followed by English Language and Ability (Math & Logic) tests in succession, and finalized with Interview. There were 303 applications in 2016.*

There are twenty-five of them this year, best of the best selected out of 803 applicants. There might have been more, as there had been 40 finalists who scored 99 out of 100, radiated enthusiasm and manifested performance excellence. It was a tough call for the HR Team, who found a solution, by requesting student progress transcripts from the Universities the applicants came from, to make the final judgement. "They are so good; we would have taken them all, had there been enough room", says Nargiz Salimova, an HR Senior Learning & Development Specialist, under whose remit falls the SOCAR Polymer Summer Internship Program.

There were 1,044 applications altogether, as some of the most eager contestants applied for several disciplines at once. Gender-wise, female aspirants made up over a half of the recruits, a leap in gender equality awareness compared to previous years. Another good news is, that practical evidence-based knowledge and competences are most sought out by the young: 160 of them applied under the Process Engineer section, the largest number of applications per section, and a solid testimony to the viability of petrochemical engineering tradition in Azerbaijan. Next on the Top Three list follows Finance with 89 contenders, and Accounting with 67.

### **Beyond stereotype**

It would hardly be revealing to say that some summer internship programmes are a drag, another "tick-a-box" exercise, and a test of will to both the supervisor and the apprentice. No wonder, that the apprehension hung thick in the air when the very first bunch of recruits arrived at SOCAR Polymer three years ago. It turned out later, that most of them came to stay.

Three years ago, it took the HR department an effort to impose interns on various departments of the company. Now, in contrast, they feel under siege of pleas for interns. "What's happening is a boom demand on behalf of our line managers. The feedback from the past two years was super positive, so now even the hardest of sceptics put forward their requests for interns", says Nargiz. This year the Internship Programme subject fields were extended to include Sales, Planning and Quality Assurance Engineering, to make a rounded total of 20 project-oriented training specializations.

We hear the same story from the other side of the fence – a number of students who would like to test themselves tripled in three years. A word of the mouth does its work, as much as Twitter & Facebook do theirs, when Polymer interns share their stories with peers, igniting curiosity. After all, the successful incumbents are fully integrated in business operations, they are assigned their first employment record book, a social insurance card, and they get on a formal payroll for their first monthly wages.

"This time we had to think of ways to step up competition at the very early stage of application submission, to screen off those who are just trying their luck for anything better to do", - says Nargiz.

– "That's why we introduced a request to write two 500-sign thematic essays on 'Why would you like to work for SOCAR Polymer?', and 'Why are you interested in petrochemical industry?'. Most of the essays we got were copy-paste jobs of various degrees of sophistication, and we would discard them on the spot. Some were more complex, and we appreciated tips from a member of our team, a Polymer intern in very recent past, who turned out to be well aware of major online



sources of petrochemical information available to students and would recognize the wording and point out the original."

While the rest of the applicants gathered together for a panel interview, the final touch to a rigorous selection process, in which the competitors' behavior and technical knowledge were analyzed, the Process Engineering program contenders – particularly multifold this year, as was mentioned above – were introduced to a psychometric group interview led by a certified psychologist and HR Advisor. This was a new format introduced by the HR Team to sieve through the successful contenders, keeping the process measurable, and therefore less subjective.

### **Recruits & recruitment**

Earlier in spring, the HR Team arranged 'road shows' to promote the Polymer Internship Programme among potential participants. Presentations and meetings with the academia and students of ADA University and Baku Higher Oil School were arranged. No surprise then that these two schools sent the largest number of applicants a few months later.

An understanding exists between SOCAR Polymer and its strategic partner BHOS for the release of BHOS students of the English Language test. Exemption is also granted to those who have valid IELTS or TOEFL certificates, at a minimum of 6 and 80 points respectively. This year 52 applicants were exempt from the test in addition to a large body of BHOS students.

Among other higher education institutions, the Azerbaijan State Oil Industry University, Baku Engineering University and Azerbaijan State Economics University were particularly active encouraging hands-on approach to and participation of their charges in summer internship programs.

The Baku Engineering University students tell out being outspoken, proactive, industrious and resourceful. Among the recruits we came across a student of Missouri Southern State University, who we hope will bring the SPSIP an international recognition.

### **Transparency & impartiality**

To enforce transparency and keep the selection process free of bias, the HR Team had third parties engaged as non-partisan expertise providers. Selection steps were organized by separate companies, at different locations.

London School of Azerbaijan put together customized language tests for Polymer applicants, to be done in writing. While Step IT Academy offered their office premises and laptops to carry out the Ability Test, particularly stressful because it imposed time limitations on answers. The Ability Test and the administrator to supervise test performance were provided by HRC Company, a Baku-based certified representative of Saville Psychometric Assessment Centre, an internationally-recognized authority on assessment techniques for staff selection and development.

These companies were true to their reputation of consummate professionals and proved to be valuable and confident like-minders, whose contribution to the successful SPSIP performance was complementary.

### **Starts the countdown**

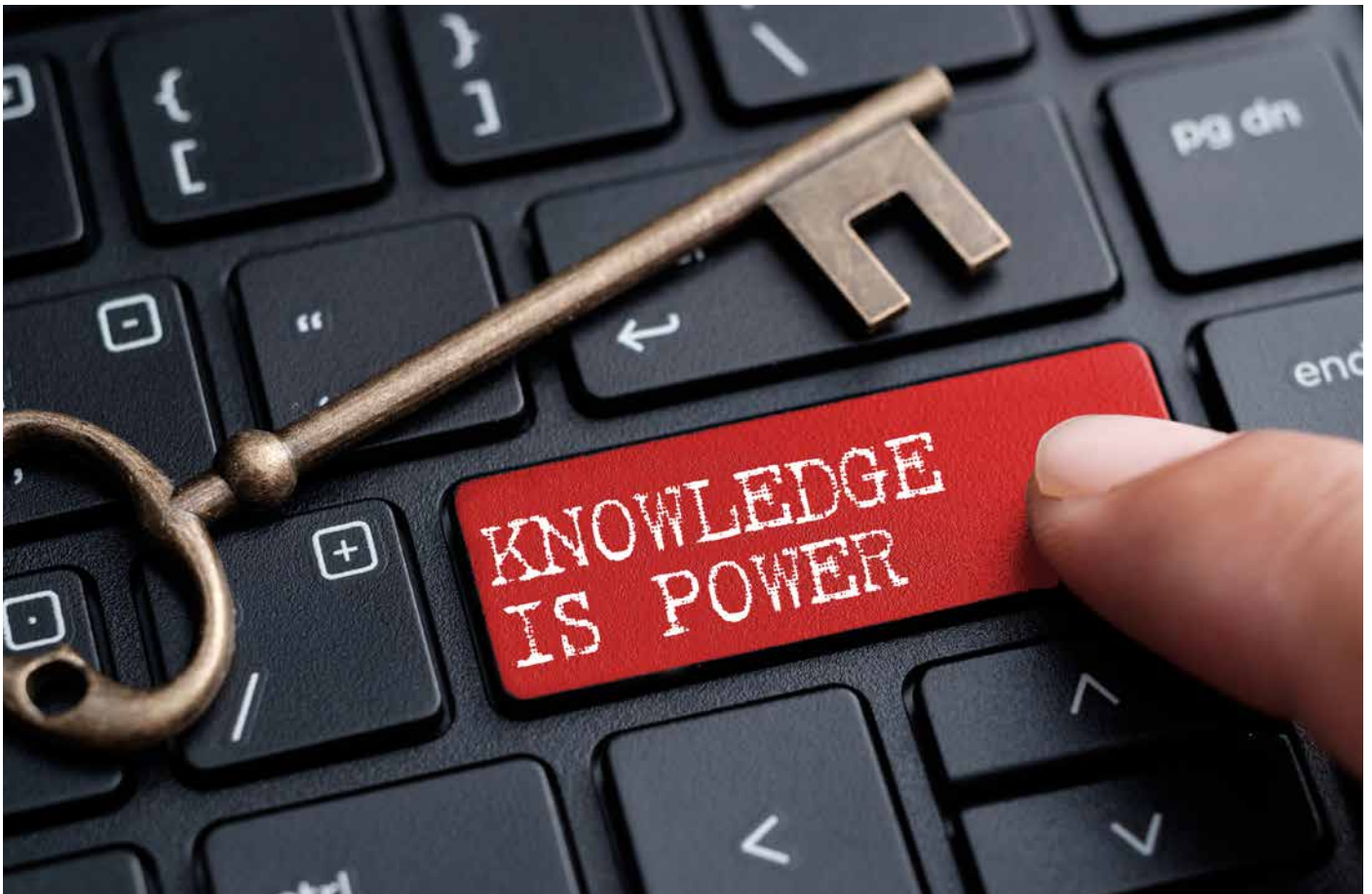
On July 23, the twenty-five newly selected freshmen arrived at the SOCAR Polymer office for their first induction session. Only a few of them would work on site, while the absolute majority had been assigned to concentrate on SAP adjustments in a variety of sections, e.g. Planning, Sales, Accounting, HR, as per their preferences. By the end of the 8-week training course (two-week shorter this year due to SP operational needs), each of them will make a PowerPoint presentation describing the project they've worked on and the input made. The event will be attended by the Company's Leadership Team members, whose unfeigned attitude of engagement gives value to the Internship Program and provides meaningful incentive to the Programme participants.

In the interim, however, there will be a lot of work on a daily basis, feedback meetings with supervisors, and regular checks on behalf of the HR officers in charge. Juniors, they say, are motivated, learn quickly, and represent the perfect cost-quality balance. A classic win-win solution for all the stakeholders.



# Knowledge

Tools of the trade and much more



The fast-paced medlied world and new technologies bring the daunting amount of change to work and life demands. They turn the “static” knowledge enclosed by rigid academic curricula obsolete within a few years. A career is no longer the end product of an education. A career itself becomes an education, proliferating one’s knowledge, upgrading skills and competencies, and buttressing adaptability.

## A culture of continuous learning

**While the big picture is important, the continuous learning processes happen on a smaller scale: in teams and departments where employees are encouraged to learn whenever they can.**

At the individual level, continuous learning is about expanding your ability, re-examining assumptions, values, methods, policies, and practices. It takes an initiative and motivation to engage.

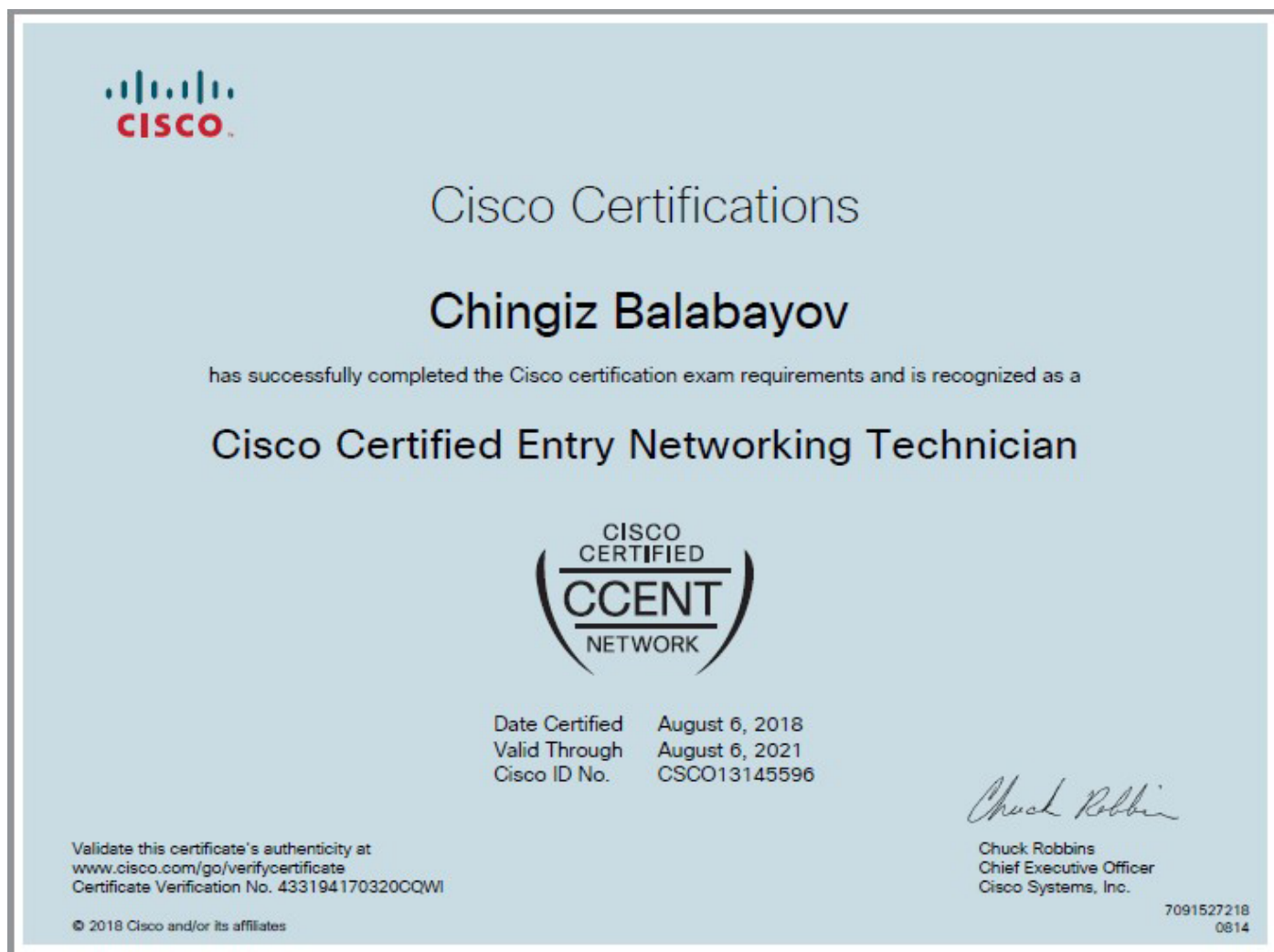
The first Massive Open Online Course (MOOC) digital learning platforms emerged in 2012 and 2013, rapidly

gaining in numbers of university partners and subscribers. Initially available in English, they now feature free courses in many languages, on the widest array of academic disciplines presented by the most reputed universities across the globe. Over time they have evolved to provide entire specializations with a rigorously graded academic process and grant recognized certificates upon successful completion. E.g., by June 2018, coursera.org has got over 30 million registered users and over 2,400 courses and specializations offered by Universities world-wide; FutureLearn.com, includes 143 British and international university partners. More and more universities put their benchmark courses online, to raise their own visibility as much as to satisfy the growing demand for easily accessible knowledge.

## SOCAR Polymer knowledge champions

Initiative and motivation in a hunt for knowledge and professional growth among SOCAR Polymer's own ranks served an inspiration for this article, when Chingiz Balabayov in the IT team shared a CISCO Certified Entry Networking Technician diploma he received upon successful completion of the exams at the

end of the training undertaken at his own edge and his own expense. Our congratulations, Chingiz, for your passion and enterprise. And to those fellow colleagues who have manifested drive, initiative and care for the work they do by aspiring to perfect their competences in a strive for excellence.



**Chingiz Balabayov**  
IT Specialist

- I have a strong passion for network technologies and operations. And CISCO's being one of the biggest companies in this field determined my choice of the training vendor. It took roughly 3 months to fully prepare for the exam, and I gained knowledge and ability to install, operate and troubleshoot a small enterprise branch network, including basic network security. I can use the acquired skills to implement various features into our production network, as well as to monitor, troubleshoot and further improve the existing infrastructure.

I graduated from Azerbaijan State Economic University in 2015, so, I don't have much work experience. For now, I am

learning through practice and following an experienced team leader, as is Zaur Rustamov, our senior Network Administrator. But I am working on it to reach the capacity of a Senior Network Administrator, at the very least. And this certificate is just a beginning. I'm already amidst my studies for another certificate of a higher level. My dream is to become a really experienced professional, one of the very few. I've had strong interest in computers since I was a child. That's definitely the reason I am here and moving on. To tell the truth, I don't see myself anywhere but in IT. Perhaps, in a different branch of IT, like programming, but that's it.

Other than computers, I like learning something new, creating music, and reading which is another one of my passions, although I really don't get much free time nowadays to read or engage in hobbies. When I do, I try to relax and rest a bit. Meanwhile, there are many books I call my favourites, including Count Monte Cristo, Lord of the Rings, Pharaoh, etc.



# Industrial parks, clusters & districts in Azerbaijan



## SUMGAYIT CHEMICAL INDUSTRIAL PARK 508.14 ha

Set by Presidential Decree # 548 dd. December 21, 2011  
**Managing company:** Sumgayit Chemical Industrial Park LLC  
 directly responsible to the Ministry of Economy of AR  
**Location:** Sumgayit city  
**Total investment to date:** USD 2.1 Billion  
**Employment capacity to date:** 10,000  
**Current number of residents:** 17  
**Incentives:** 7-year grace period for property tax; land-value tax, corporate income tax; VAT & customs duties on imported equipment

## PIRALLAHI INDUSTRIAL PARK, 30 ha

Set by Presidential Decree # 2336 dd. September 14, 2016  
**Managing company:** Sumgayit Chemical Industrial Park LLC  
**Location:** Pirallahi district of Baku city  
**Total investment to date:** USD 100 mln  
**Employment capacity to date:** 350  
**Current number of residents:** 3 (Azerbaijan, Iran, Russia JVs)  
**Main focus to date:** "Made in Azerbaijan" innovative pharmaceutical & medicinal products  
**Incentives:** 7-year grace period for property tax; land-value tax, corporate income tax; VAT & customs duties on imported equipment

## BALAKHANY MUNICIPAL SOLID WASTE TREATMENT PARK, 7 ha

Set by Presidential Decree # 1947 dd. December 28, 2011  
**Managing company:** Tamiz Shahr OJSC, Public-Private Partnership (PPP)  
**Location:** Sabunchi district of Baku city  
**Total investment to date:** USD 22.8 mln  
**Employment capacity to date:** 670  
**Current number of residents:** 15  
 Five residents already in operations, recycling used motor oil, plastic wastes, paper, cardboard and sponge, to produce activated carbon and cable insulation

## GARADAG INDUSTRIAL PARK, 72 ha

Set by Presidential Decree #1255 dd. July 3, 2015  
**Managing company:** Sumgayit Chemical Industrial Park LLC  
**Location:** Garadag district of Baku city  
**Total investment to date:** USD 498 mln  
**Employment capacity to date:** 2,000  
**Current number of residents:** 1  
**Main focus to date:** shipbuilding and maintenance; onshore/offshore engineering works; metal construction  
**Incentives:** 7-year grace period for property tax; land-value tax, corporate income tax; VAT & customs duties on imported equipment



## MINGACHEVIR INDUSTRIAL PARK, 14.8 ha

Set by Presidential Decree # 1077 dd. February 26, 2015

**Managing company:** Sumgait Chemical Industrial Park LLC

**Location:** Mingachevir city;

**Investment to date:** USD 85 mln

**Employment capacity to date:** 750;

**Current number of residents:** 1

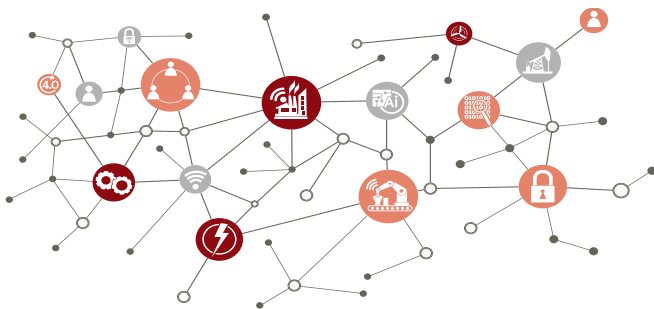
**Main focus:** development of light industries - textile, leather and cotton processing, etc.

**Incentives:** 7-year grace period for property tax; land-value tax, corporate income tax; VAT & customs duties on imported equipment

## Industry Clusters

As a regional agglomeration of legally and economically independent companies and institutions, often related to one another in up- and downstream activities along the value chain within a specific economic sector, clusters differ from parks as they have no integrated planning or collective objectives. Characteristic to an industry cluster is emergent development and the presence of anchor industry, around which other companies group.

**SOCAR Polymer** is the anchor for the first cluster under formation in Azerbaijan. According to Vilayat Veliyev, Director of the Economic Reform Scientific Research Institute, about 200 types of raw materials and semi-processed materials to be produced by SOCAR Polymer will serve the feedstock for the SMEs to manufacture household ware and goods as well as elaborate machinery and mechanisms, creating their own value chains.



## Industrial districts

An industrial district is a tract of land indicated for industrial use in the urban land use plan by municipal authorities. Contrary to industrial parks and clusters, industrial districts are characterized by a lack of well-established business bonds between the companies which could operate in a broad array of sectors. Similar to industrial clusters, districts do not call for centralized activities on behalf of the participants, or

necessarily provide facilities and infrastructure to share. As was mentioned above, there are four industrial districts under development in Azerbaijan currently – Neftchala, Sabirabad, Hajigabul and Massalli. The experts at the Azerbaijan Ministry of Economy believe that Azerbaijan regions' capacity is sufficiently strong and versatile to allow for a larger number of industrial districts to be developed in the near future.

## Green corridor

Export cargo tonnage capacity of the Sumgait Chemical Industrial Park alone is estimated at 1,8 Million tons a year. The export capacity of all the five Azerbaijani industrial parks taken together will exceed 2 million tons a year. To expedite customs clearance of the annual tonnage and ensure smooth running of production operations, a new initiative, Green Corridor, has been recently advanced and is now awaiting implementation.

In July 2018, a Memorandum of Understanding was signed between the managing companies of SCIP and Balakhany Park, as well as SME Development Agency and Green Corridor CJSC, that envisages streamlining cargo delivery to the park sites directly, bypassing queues at customs terminals; only 10 % of cargo will be subject to full-fledge customs clearance.

The implementation of the Green Corridor initiative will facilitate export and import operation procedures for the tenants of Azerbaijani industrial parks. However, certain rules and regulations will be introduced to counter fraud and promote the new mechanism based on mutual confidence and trust between customs officers and entrepreneurs.







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

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