

CSR in State Oil Company of Azerbaijan Republic (SOCAR)

altruistic, business and political view...

MAIN GOAL:
TO ADOPT CSR POLICY IN SOCAR.

DURATION:
18 MONTHS

Zeynab Isayeva



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What SOCAR do and what we can present as CSR

Social and infrastructural projects

- Build up social infrastructure within state programs
- Sponsorship
- Carry out social construction for employees and maintain social infrastructure of SOCAR

Environmental projects

- Clean up projects of Oil contaminated lands within state
Environmental program for years 2006-2010
- Carbon emissions reduction projects
- Energy efficiency projects









Why SOCAR needs CSR policy

*SOCAR is one of the main implementer of social and infrastructural projects in Azerbaijan and it is 100% state owned company which means that SOCAR also responsible for the governmental image so the main purpose is mitigation of non technical risks in particular political and social risks.

*SOCAR needs proper communication management within communities where this projects are implemented. There is no dialog between this communities and SOCAR as there is no common approach on this problematic issues within company.

•To make social activity (CSR)more sustainable, transparent, effective and efficient through adopting enforceable internal CSR policy.



CHALLENGES

- Lack of capacity of employees who directly involved in projects implementations
- The communities are not open for cooperation and SOCAR hasn't reliable image within these communities.
- The lack of understanding importance of such projects especially environmental projects because of cultural aspects within communities and also within Company.
- Lack of monitoring during implementation of projects and final results of these projects



ACTION PLAN IMPLEMENTATION PROCESS

- **Involve consultancy for preparation of CSR policy**

Through transparent bidding procedures within local consulting companies

- **Involve community**

Get feedbacks from communities which will be taken into account during preparation of CSR policy. Get closer to target communities through building up decision making authorities and involve them in preparation of CSR

- **Involve interested stakeholders**

Cooperation with Ministry of Ecology and Natural Resources of Azerbaijan Republic, Ministry of Health , local municipalities and etc.



EXPECTED OUTPUTS

- *Initiating internal procedures for adopting CSR policy.
- * Identification general strategy for CSR within SOCAR
- *Social tension reduced among SOCAR and target communities
- *Creation of decision making groups within communities using BP`s best practice
- *Database creation of number of population legal and illegally inhabited in target zone
- *# meetings between SOCAR management and communities leaders to discuss the existing problems within implementation of projects.
- * #Public awareness campaigns and explanation works among the target zone population about the impact of projects.
- * Ministry of health, ministry of ecology and natural resources, local municipalities and SOCAR will be directly involved in campaign and dialog building process.



EXPECTED OUTCOMES

- Improved capacity of SOCAR staff who directly involved in projects implementation
- Systematic and common approach developed for the CSR projects
- Target population will be directly involved in CSR policy preparation.
- Non technical risks will be managed within SOCAR
- Improve sustainability of CSR projects. CSR project will get ensured funding within the SOCAR`s budget
- SOCAR will be accountable on CSR projects through annual reports.

