



## **DOMESTICALLY PRODUCED**

SIBUR and equipment manufacturers announce the results of import substitution efforts.

SIBUR held its annual import substitution meeting with Russia's largest equipment manufacturers in Tyumen. More than 45 manufacturers, including from the Tyumen Region, joined the meeting. In 2016, SIBUR already did pilot runs of domestically produced measurement tools at its facilities. The plants backed away from purchasing imported temperature sensors, excess and differential pressure gauges, and pressure indicators. At the last year's annual meeting, NIPGaspererabotka representatives assessed the potential of Russian automation system manufacturers.



---

IMPORT SUBSTITUTION PROGRAMME OFFERS BUSINESSES A SIGNIFICANT ECONOMIC EFFECT WHEN EQUIPMENT AND COMPONENTS ARE PROCURED FROM DOMESTIC MANUFACTURERS. DEPENDING ON THE SCOPE OF A COMPANY'S PROCUREMENT NEEDS, THIS EFFECT MAY BE AS SIGNIFICANT AS SEVERAL HUNDRED MILLION ROUBLES.

---

This year, in addition to measurement tools, automation, and automated control systems, electrical equipment was put on the agenda.

In 2017, under the import substitution programme, SIBUR's facilities used domestic spare parts and components for the key compressor and pumping equipment as well as heat exchanging equipment. For example, the coils of the company's cracking furnaces were replaced by locally produced pipes. This year, the share of imported equipment and components is expected to stay below 20% of the total demand.

Moreover, most of the substation equipment was supplied by domestic manufacturers, too. Imported electrical protection and uninterruptible power supply units, as well as power factor compensation units, have been replaced by domestic ones. Most of the motors at SIBUR's facilities are also domestically-produced. The list of instrumentation manufacturers has expanded – now there are Russian manufacturers in virtually all classes of instrumentation equipment.

Leonid Ostroumov, Head of the Investment Policy and Government Support for Business Activity Department of the Tyumen Region, said that SIBUR was the region's strategic partner in several ways, as the most significant investor, employer, and consumer. The company and the regional government have had a cooperation agreement in place since 2011. In 2017, SIBUR had a road map developed for the Project Expanded Use of Products and Technologies Supplied by the Businesses of the Tyumen Region, including the import-substitution products and technologies.