

# **“Iran Economy” Weekly News**

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## **18 May 2017**

### **❖ China central province keen to invest in Iran**

A delegation from Chinese province of Shaanxi came to Tehran chamber of commerce industries mines and agriculture (TCCIMA) so take a series of talks to make joint investment with Iranian partners.

A delegation from Chinese province of Shaanxi came to Tehran chamber of commerce industries mines and agriculture (TCCIMA) so take a series of talks to make joint investment with Iranian partners.

At a meeting with Chinese delegation Bahman Eshghi, TCCIMA's secretary general, welcomed to consolidation of trade relations between TCCIMA and Chinese central province.

Shaanxi is the commencement of Silk Road and one of the educational and industrial regions of China so we are ready to make joint investment with our Chinese counterpart in the province he said.

The Chinese delegates showed their intention to joint investment with Iranian partners in domain such as Mine, Telecommunication, construction and agriculture.

### **❖ Iran, Russia integrate bank card systems**

Iran and Russia integrated their bank card systems with each other for the citizens of both sides to be able to use their bank cards in each other's countries, Public Relations Department of Central Bank of Iran (CBI) announced.

According to CBI, the two countries have started related trial transactions since Monday and Iranian citizens will be able to use their cards on the territory of Russia, while Russian bank cards will automatically operate in Iran like local cards from the end of Iranian fifth calendar month of Mordad (August 22), IRIB reported.

### ❖ **Iran inks MOU with Finland’s major financing company**

Export Guarantee Fund of Iran and Finnish state-owned financing company Finnvera, which is the country’s official Export Credit Agency, signed a memorandum of understanding (MOU) on insurance cooperation in Denmark, IRNA reported on Tuesday.

The MOU, which was signed on the sidelines of Berne Union’s spring meeting in Copenhagen, covers various areas including joint insurance coverage in third countries, commercial and credit information exchange between the two countries and other areas of trade facilitation.

## **17 May 2017**

### ❖ **Danieli Persia starts operation**

Danieli Persia, the Iranian manufacturing company of Danieli & Co was inaugurated in Alborz Province on 2 March 2017.

Minister of Trade and Industry, Mohammadreza Nematzadeh, who joined the inauguration ceremony said: “This is going to be a start for further collaborations between Iran and Italy. Danieli has been active in Iran for many years but since lifting the sanctions, in every meeting, I have asked Mr. Benedetti, CEO of Danieli, to build a manufacturing company in Iran to help transferring the know-how to Iranian engineers”.

In January 2016, Danieli signed an agreement worth 5.7 billion euro on a joint venture and orders for the supply of machinery and plants to be installed in the territory of Iran.

“As the first step, we will employ 100 people, where 90% of them will be Iranian”, said Michael Cottin, CEO of Danieli Persia, “we also plan to expand our activities in other fields, particularly in non-ferrous and Oil and Gas industry”.

Danieli workshop is built in an area of 14 hectares in Eshtehard Industrial Park, in Alborz Province, about 100 Km from Tehran. The total investment has been 40 million Euros to be the biggest initial investment of Danieli & Co. The workshop is equipped with heavy-weight lifting cranes and highly accurate and automated machineries.

### ❖ **Iranian goods permanent expo opens in Dushanbe**

Permanent exhibition of Iranian goods and services called “Almas” was opened in Dushanbe, Tajikistan.

As IRNA reported on Wednesday, Iran's ambassador to Dushanbe and a handful of Tajik officials attended the opening ceremony. Construction equipment, food products, detergents, medicine, carpets and footwear are among Iranian products being presented at the exhibition.

### ❖ **Iran's post-sanctions export markets nearly double**

After the implementation of nuclear deal in January 2016, the number of countries which import Iranian goods increased to 15 from the eight destinations before the deal, ILNA reported on Tuesday quoting a trade official. According to Mojtaba Khosrotaj, the head of Iran's Trade Promotion Organization (TPO), Iranian goods were exported to more than 20 countries before the west-imposed sanctions cut the number to eight.

### ❖ **Tehran, Harare explore new avenues for trade**

Zimbabwe's Industry and Commerce Minister Mike Bimha and Iranian Ambassador to Harare Ahmad Erfanian met on Monday to discuss ways of developing economic and trade relations between the two countries. According to IRNA, in the meeting Erfanian noted that despite the two countries' good political relations, the economic cooperation is not satisfactory. "The two sides have little knowledge about each other's potentials and capabilities and this can be compensated for by exchanging trade delegations, signing trade agreements and facilitating the activity of the two sides' private sectors," he said.

### ❖ **Tehran, New Delhi discuss co-op in oil, gas sectors**

Iran and India discussed cooperation in oil and gas projects especially Iran's Farzad B gas field which Indian ONGC Videsh Ltd. (OVL) seeks to develop, Shana reported on Tuesday.

According to the report, an Indian delegation headed by Indian Foreign Secretary Subrahmanyam Jaishankar met with Iranian Oil Minister Bijan Namdar Zanganeh in Tehran on Tuesday to discuss the financial issues regarding the Farzad B project.

On the sidelines of the meeting, Iranian Deputy Oil Minister in International Affairs and Trading Amir Hossein Zamaninia said that the two countries are determined to reach an agreement in this regard.

"The payment of some Indian private refineries' dues to Iran and alternative ways of sending Iranian natural gas to India were also among topics discussed in the meeting," Zamaninia said.

A consortium headed by ONGC Videsh Ltd (OVL), the overseas investment

arm of Indian explorer Oil and Natural Gas Corp, discovered Farzad B in the Farsi offshore block in 2008.

The consortium, could not obtain permission to develop the field due to Western sanctions, but those sanctions were removed last year.

In March 2017, OVL submitted a revised plan to the Iranian government for the block, which the company will be able to develop within five years. The Indian oil company is now waiting for feedback from Tehran.

### ❖ **Zarif urges facilitation of Iran-India banking ties**

Iran's Foreign Minister Zarif held talks with Indian Deputy Foreign Minister Subrahmanyam Jaishankar Tue. in Tehran to confer on the expansion of bilateral relations.

During the meeting, Mohammad Javad Zarif pointed to the various common grounds and historical experiences for cooperation between the two countries in trade and energy, adding "it is imperative to make efforts for removing the remaining obstacles to the development of banking relations between Tehran and New Delhi."

He also stressed the need for providing necessary facilities for the Iranian students studying in India.

The Indian diplomat, for his part, deemed the prospect of future relations with the Islamic Republic highly positive, adding his meetings with Iranian officials, particularly the Oil Minister for cooperation on energy, have been very constructive.

Jaishankar further called for closer cooperation between the two countries in the fields of energy, transit, and North-South corridor.

## **16 May 2017**

### ❖ **Iran, Latin America call for bilateral mining co-op**

During The first Iran-Latin American countries joint meeting on cooperation opportunities in mining sector which was held in Tehran on Monday, the two sides emphasized the expansion of mining cooperation. The event was attended by Mehdi Karbasian, the head of Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO), some high-ranking Iranian officials and a handful of Latin American countries ambassadors.

During the meeting, Keshavarzian, a director at Iran's foreign ministry, said that there are no limits for cooperation between Iran and Latin American countries in mining sector.

He also mentioned Latin America's special position in Iran's foreign policy saying that Iran is ready for cooperation in all areas especially in technology, investment, mining and related industries with the Latin American countries.

Elsewhere in the meeting the head of IMIDRO also voiced the country's readiness for cooperation in mining sector and related industries.

He also noted that Iran has envisaged attracting \$50 billion of foreign investment in mining sector during the country's Sixth Five-Year National Development Plan (2016-2021), so Latin American countries' investments are welcomed in this regard.

### ❖ **1st LPG cargo exported from South Pars phases 15,16**

The first cargo of liquefied petroleum gas (LPG) produced in the phases 15 and 16 of Iran's South Pars gas field was exported on Monday, IRNA quoted Mohsen Miri, a director in Pars Oil and Gas Company (POGC).

POGC is in charge of implanting development phases of South Pars, a supergiant gas field Iran shares with Qatar in Persian Gulf waters.

The field is estimated to contain over 14 billion barrels of oil in its oil layer. It is also estimated to contain a significant amount of natural gas, accounting for about eight percent of the world's reserves, and approximately 18 billion barrels of condensate.

Phases 15 and 16 of the field produce 56 million cubic meters per day (mcm/d) of sour gas and 50 mcm/d of sweet gas as well as 75,000 barrels of gas condensate and 400 tons of sulfur per day.

The phases also produce one million tons of ethane and one million tons of LPG per annum.

Addressing the inaugural ceremony of these phases in January 2016, Rokneddin Javadi, the previous managing director of National Iranian Oil Company (NIOC), put the worth of project to develop phase 15 and 16 at \$5.5 billion.

### ❖ **9th FAO's Codex meeting presided by Iran**

During the meeting which started on Monday, regional countries exchanged views on expansion of cooperation to execute food security and safety codes.

The goal of the 17-member coordinating committee of food codes for Near East, is to ease the international food exchange and preserving food products in the right way.

Head of Iran's National Standards Organization Nayyerh Piroozbakht who is in charge of coordination with FAO in Near East, accredited Codex with raising

awareness on food quality and security as well as promoting consumer support all over the world.

'Codex with the help of its members and the international consensus could analyze and assess some part of today's food security issues and suggest solutions to them,' she said.

FAO experts believe that Islamic Republic of Iran in its term taking over coordinating committee of Codex in the Near East, has taken long strides in boosting regional cooperation.

Codex meetings are attended by various food experts, including food control authorities, scientific and technical specialists, consumer associations' representatives, producers, industries and traders.

### ❖ **Iran, Spain to broaden railway cooperation**

The deal was signed by Iran's Deputy Head of State Railway Organization for Planning and Economy, Nurollah Biranvand, and Spanish Railway Infrastructure Management state company's International Relations Director Fernando Nicolás Puiggarí on Tuesday.

The MoU was signed on the sidelines of the 5th International Railway Transportation Exhibition.

Talking to reporters, Biranvand said Spain's railway has rich experience in railway traffic management and 'we wish to use the experience by signing the MoU'.

He said the deal will be in effect for three years and they work for maintenance and reconstruction of the cargo and passenger transportation capacity.

The Spanish side will also contribute to transfer of technical know-how and provide necessary education for the Iranian railway personnel, he added.

## **15 May 2017**

### ❖ **EAEU, Iran agree on consultation co-op: Putin**

Eurasian Economic Union (EAEU) and Iran have agreed to launch consultation cooperation, Russian President Vladimir Putin said on Monday. He made the statement at a roundtable meeting during the second day of the international "One Belt, One Road" forum in Beijing, Sputnik reported.

Putin mentioned Egypt, India, Serbia and Singapore the other countries with them EAEU has reached agreement on consultation cooperation.

"The EAEU is steadily expanding its foreign ties. Some 50 European, Asian and Latin American states showed interest to cooperation with it," the Russian president further noted.

EAEU is an international organization for regional economic integration. Its member states are Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia.

### ❖ **Iran, S. Africa to set up direct banking relations: Envoy**

Referring to the existing trade and economic exchanges between Iran and South Africa, Max Philemon Whitehead, Ambassador of South Africa to Iran Whitehead said Implementation of Iran nuclear deal, known as the Joint Comprehensive Plan of Action (JCPOA) made it easier for the two countries to maintain ties and safeguard mutual interests.

Whitehead said that now the most important problem faced by the two sides is establishment of a mechanism for furthering banking ties.

“That is why the two sides are following to establish direct banking relations between Iran and South Africa,” he said.

He said that two South African multinational banks, namely Barclays and Standard, cannot cooperate with Iran because banks in the country are still under sanctions.

That’s why efforts are underway in the two nations for setting up direct banking ties, Whitehead said.

The South African trade and industrial delegation arrived in Iran on May 13. According to the website of the country’s President, the goal of the visit is to fulfill commitments made by President Jacob Zuma during his last year visit to Iran to boost ties with the Islamic Republic in an array of areas, including oil and gas, chemicals, detergents, processed food, airplane electronic parts, steel, urban construction, environmental structures, water and sewage filtration equipment, trailers and diesel tankers, chicken and ostrich meat, medicine and medical equipment.

Due to the sanctions the commercial exchanges between South Africa and Iran dropped from more than two billion dollars in 2011 to 583 million dollars in 2016.

### ❖ **South African commercial delegation in Karaj**

The 15 member commercial and economic delegation led by the head of Trade and industry office arrived in Iran to get acquainted with the economic infrastructures and boost trade interactions with those commercially involved in Alborz Province.

The mission consists of officials from companies active in agriculture, airplane and automobile electronic parts, automobile parts, pig iron, building materials and furniture, environmental structures, water filtration equipment, cell phone equipment and engineering, chicken and ostrich, medicine and medical



equipment.

So far missions from Ukraine, Bosnia, Italy, Croatia, Poland, France, and Estonia have visited Alborz Province.

Alborz Province, located west of Tehran Province, has about 3,500 big and small industrial units, making the province an industrial pole.

### ❖ **Iran, S Korea to bind financial markets**

Mohammad Reza Mohseni, Chief Executive Officer and Board Member of Central Securities Depository of Iran (CSDI), said in the past two years several negotiations had been held with the Korean side over linking the two markets adding “the base mode for binding financial markets of Iran and South Korea through Islamic treasury bills is in the final stages and would be implemented in the near future in case restrictions on exchange and interbank transactions are eliminated.

Yet another measure taken by CSDI pertain to cooperation with Greece’s Hellenic Central Securities Depository and Athens Stock Exchange (ATHEX Group) aimed to develop a joint operating model between Iran and Greece capital markets, said Mohseni.

The official said various models including Exchange-traded funds (ETFs) have been designed to connect the two markets and Bank Mellat will hopefully provide proper grounds for monetary and banking affairs of the joint venture. Head of Central Securities Depository of Iran (CSDI) also called for formation of two working groups to develop a system for payment and settlement of transactions aimed at hedging against risks and joint collaboration to enhance international relations.

### ❖ **Intl. railway expo to kick off in Tehran**

The 5th International Exhibition of Rail Transportation, Related Industries and Equipment of Iran (RAILEXPO 2017) will open today at the Tehran Permanent International Fairgrounds.

The exhibition will be hosting about 300 domestic and foreign companies from different countries, IRNA quoted Babak Ahmadi, the deputy director of the Islamic Republic of Iran Railways as saying on Saturday.

“130 foreign companies and over 160 Iranian exhibitors will participate in this year’s event,” Ahmadi said.

According to the official, exhibitors from Sweden, Switzerland, Belgium, France, India, Ukraine, Turkey, New Zealand, Italy, Latvia, Spain, Russia, the

Czech Republic, China, Germany and Serbia are going to showcase their latest achievements and products during the four-day event.

Ahmadi further noted that a €250-million deal is also going to be signed with Russia for manufacturing 6000 freight wagons, of which 4900 wagons will be manufactured inside the country and the rest will be built in Russia. “The project is estimated to take three years to complete,” he added.

The 5th International Conference on Recent Advances in Railway Engineering is also going to be held on the sidelines of the exhibition.

## **14 May 2017**

### **❖ Iran-S. Africa trade planned to hit \$2b by 2021**

Iran and South Africa have planned to boost the volume of their bilateral trade up to \$2 billion by 2021, an official in Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA) Shahram Khasipoor announced on Sunday, IRNA reported.

Making the remarks addressing Iran-South Africa Business Forum at the place of ICCIMA, Khasipoor noted that regarding the existing political and cultural ties between the two countries, the volume of common trade is not at a satisfactory level and should be increased.

Minister of Trade and Industry of South Africa Rob Haydn Davies had previously said that exchanging trade delegations with Iran will improve mutual all-out ties.

The minister mentioned recognition of industrial, trade, and investment opportunities in Iran to sell his country’s products and services as the objective of dispatching this trade delegation to the Islamic Republic.

Iran-South Africa trade volume decreased to \$45.7 million in 2016 from the previous \$2.055 billion in 2011, due to the Western-led sanctions imposed on Iran.

### **❖ Iran in talks with Europe on gas export**

National Iranian Gas Company (NIGC)’s Managing Director Hamidreza Araqi said Iran is in talks with European countries to export gas to Europe, ISNA reported on Saturday.

The official noted that sending Iranian gas to Europe is possible both through pipeline and in the form of liquefied natural gas (LNG).

“Various European companies expressed willingness in this regard but reaching a final deal generally takes near five years,” he added.

## **13 May 2017**

### **❖ Australia to ease trade and banking transaction with Iran**

In a meeting with TCCIMA's chairperson, Masoud Khansari, Australian envoy in Tehran expressed readiness of Austrian embassy to collaborate with Tehran chamber of commerce Industries Mines and Agriculture (TCCIMA) to facilitate trade transaction between two countries TCCIMA's public relations reported.

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Yan Bigz, Australian ambassador to Iran said Austria's business is interesting to have a good engagement and ties with Iranian partners but there are still banking problems so for lifting the obstacles the Australian central bank and center for exportation of Australia are to create the banking channel for Iran and to ease business with Iran for Australian enterprises. Actually some Australian corporations invested in Iran's mineral sector and administration services he added.

Australia economic structure bases on trade according to Bigz fortunately Iran-Australia relations are in a convenient safe verge he said.

Also TCCIMA's chairman expressed hope that in a post sanction era in which the Iran's relation with entire the world is becoming better the economic ties with Australia day after day to be expand.

### **❖ TCCIMA and Vienna chamber of commerce Inked MoU**

A memorandum of understanding aiming to expand ties between Iran private sectors and its counterparts in Austria have been signed by Masoud Khansari and his Valter Rouk.

In the verge of Tehran-Vienna economic and trade forum hosted by Tehran chamber of commerce Industries Mines and Agriculture (TCCIMA) a memorandum of understanding aiming to expand ties between Iran private sectors and its counterparts in Austria have been signed by Masoud Khansari, TCCIMA's chair person and his homologue in Vienna chamber of commerce, Valter Rouk.

According to the MoU, two sides will increase its collaboration by dispatching and accepting trade delegations, exchanging legal and economic information, statistic data and information about investing projects.

Taking part at the Tehran-Vienna economic forum, Austrian trade delegates in face to face negotiations with Iranian businesspersons read a situation for joint investment with Iranian partners.

In a speech at the event Austrian ambassador in Tehran announced that it's due to Austria's finance minister and some of the banking authorities to talk about banking problems with Iranian authorities travel to Tehran.

Several Austrian trade delegation after the nuclear deal have been came to Iran so two Iranian delegation dispatched to the country.

The trade turnover between two countries has a upward trend but according to Khansari this has not yet reached to favorite level. Actually the trade turnover is 377 m Euro. Machinery is the major imports from Austria to Iran.

### ❖ **Iran welcomes China's new Silk Road initiative**

Iranian Minister of Finance and Economic Affairs Ali Tayyebnia has welcomed the idea of reviving the Silk Road proposed by China, underlining that the plan will fortify ties and solidarity among countries along the ancient road.

Speaking to China Radio International on Thursday, Tayyebnia said the 'One Belt, One Road' initiative is important, noting that the plan will increase solidarity among countries, IRNA reported.

He called Iran and China two strategic partners, whose bilateral ties are expanding and the idea to revive the historical road can add a new chapter to bilateral cooperation.

Tayyebnia will represent the Islamic Republic of Iran in the New Silk Road Summit in Beijing on May 14-15.

The two-day summit will promote Chinese President Xi Jinping's One Belt, One Road Initiative, a massive bankrolled infrastructure project linking China with Africa, Asia and Europe through a network of ports, railways, roads and industrial parks.

As reported, Some 1,500 delegates, including 850 foreign guests from 130 countries and 70 international organizations will attend the conference.