

## Proposal for The Formation of a Large “Grains Customs Union”

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## Iran's Commerce Minister, Indonesian Parliament Speaker Meet, Sign Three Agreements

At the end of a meeting between Mr. Irman Gusman, The Chairman of the House of Regional Representatives of Indonesia, and his accompanying delegation with Iran's Commerce Minister, Dr. Mehdi Ghazanfari, two agreements were signed in the areas of direct flights, and development of tourism.

During the meeting, Ghazanfari referred to Indonesia as one of the countries interested in developing ties with Iran and said while certain countries were beating the drum of sanctions, Jakarta was taking expansion of trade with Iran as one of its main priorities.

Stressing that the \$700m for Tehran-Jakarta trade was meager against Indonesia's \$110bn foreign trade and Iran's \$160bn transactions with other countries, the Commerce Minister expressed hope that Iran and Indonesia would study mechanisms to promote relations.

He said the two sides also reiterated that establishment of a direct air Route between Tehran and Jakarta would further expand relations between the two countries and it was decided that interested companies from the two countries become active in the field of direct flights.

He also referred to the development of tourism as a way to develop relations.

The Commerce Minister said during the meeting that special attention



was paid to the follow up of previous agreements including encouraging investment and avoiding double taxation with an aim to expedite their implementation. It was decided to further discuss these issues in the joint commissions.

### \* Sanctions made Iran stronger than before

Chairman of the House of Regional Representatives of Indonesia believes that attempts of the Westerners to imposed economic sanctions on Iran have not only failed but on the contrary have made Iran stronger than ever in its economy as well as in other areas.

Irman Gusman, speaking on the sidelines of his meeting with Iran's Commerce Minister said Indonesia was deeply upset that some governments have imposed sanctions against Iran "because we believe the right of sovereignty and independence of the countries should be respected."

Stressing that the Islamic Republic of Iran enjoys many capabilities, he said that making use of such capacities would enable Iran to be represented in various areas of the world more efficiently.

Elsewhere in his remarks, the Indonesian official said Iran is a country with a few thousand years of civilization and Indonesia attaches special importance to developing relations with this country.

He pointed to the figure \$700m for trade transactions between the two countries and said in his talks in Iran it was decided that Tehran and Jakarta would show greater support for promoting the figure for trade exchanges.

He pointed to the establishment of Tehran-Jakarta direct flight and said it would result in further acquaintance of economic entrepreneurs and citizens of the two countries with each other. He said this would further expand economic and cultural relations.

The Indonesian official said investment in the customs sector was another topic of discussion while Iran and Indonesia further emphasized on development of tourism.



## Iran, Afghanistan Hold First Session of Joint Trade Committee

Commerce Ministers of Iran and Afghanistan in a joint session which was held at the Iranian Commerce Ministry underlined effective results of holding a joint trade committee at deputy Ministerial level to solve prevailing problems and accelerate trade transactions.

Mehdi Ghazanfari in a meeting with his Afghan counterpart Anwarulhaq Ahadi also discussed ways to facilitate monetary and banking exchanges and it was decided that a joint trade committee follow up The proposals of the two countries.

The Iranian Commerce Minister in the talks with his counterpart hailed the "effective" efforts of senior officials of both countries for increasing trade volume and boosting trade transactions up to 50% in the past year.

Ghazanfari said currently the volume of transactions was over \$1bn per year which showed an increase of 54.4% over the corresponding figure last year.

Meanwhile, Iran's share of the transactions was \$1.2bn and Afghanistan's share was \$15m.

In the first eight months of the Iranian calendar year 1389 (March 21 – October 21, 2010) the volume of bilateral trade reached \$820m of which Iran's share stood at \$815m and that of Afghanistan at \$5m, showing an 18 Percent increase over the previous year.

The Commerce Minister also Indecated Iran's readiness to strengthen bilateral relations in the area of exporting technical and engineering services and said Iran's exports of technical and engineering services last year amounted to over \$3bn.

He said capable Iranian companies had the potential to build and equip infrastructures in Afghanistan which required timely announcement of tenders and support of the Afghan public sector for the presence of Iranian partners in their market.

Ghazanfari referred to the willingness of the Afghan partner for greater presence of Afghan investors in Chabahar and transit of goods from that port city and said so far the Iranian side has made great efforts in this connection.

Elsewhere in his speech, Ghazanfari pointed to the call of the Afghan counterpart for assistance to issue trade cards and visa for Afghan tradesmen and expressed hope that such issues would be discussed in the joint trade committee.

Holding joint handicrafts exhibitions and signing a memorandum of understanding in this regard was among other topics discussed by the two Commerce Ministers.

Meanwhile, Afghanistan's Minister of Industry and Trade also reminded during the meeting the longstanding ties between the two countries and expressed hope that the level of relations between the two countries would further expand its current level.



## Answers to WTO Questions Ready in The Near Future

Answers to the questions of the Member Countries of World Trade Organization will be ready and would be sent to the Organization in The Near Future.

Deputy Commerce Minister for International Affairs, Masoud Movahedi, announcing the above said that members of the World Trade Organization by sending 700 questions have Requested more accurate information on the process of trade mechanisms in Iran. He said 56 organizations and institutions were invited to answer the questions of which about 50 ministries, organizations and institutions have responded to some 550 questions. The answers are in the process of final preparation and adjustment and so far some 400 questions have been finalized.

Movahedi further remarked that the remaining questions would be answered in The near future and The answers after being edited would be sent to the World Trade Organization in The Near Future.

Referring to the emphasis the Fifth Development Plan has placed on the duty of government to support both public and private sectors and provide them with the conditions of gaining access to the WTO, the official said the process of pursuing membership in the WTO has been actively and effectively followed within the country by approving the trade regime and forwarding it to WTO. The regime, he added, is as such that would further acquaint and activate the private sector and government agencies within the international trade environment.

Movahedi said Iran's membership in the World Trade Organization was being followed up at the three levels of council of Ministers, coordination committee of deputies and working groups of experts and administrators of relevant agencies. He said the Fifth Development Plan has paid special attention to Iran's membership in the World Trade Organization as well as to treaties, obligations, and regional and international organizations.

According to the official, membership in the World Trade Organization and similar arrangements and treaties would be an opportunity to transfer The culture, arts and message of the Iranian nation to the world and gain Iran's appropriate share in the world trade by interacting with other Nations and maintaining presence in the world markets.



## Somalia Interested in Investment of Iranian Private Sector

Somali Parliament Speaker in a meeting with Iranian Commerce Minister called for The participation of Iranian private sector in making investment in economic projects in his country.

Sharif Hassan Sheikh Adam, emphasizing the important role of Iran in the region and the world, said contrary to the long-lasting bilateral political relations and satisfaction over the level of ties, the volume of trade transactions was meagre.

Recalling the historical record of relations between the two countries, the Somali parliamentarian said civil war conditions have impeded further expansion of cooperation and balancing of mutual relations. However, he added, the Somali Government is highly interested in expansion of relations with Iran.

Sharif Hassan Sheikh Adam pointed to proper farming conditions with fertile lands in his country and said by taking advantage of Iranian technical know-how, great strides could be taken in further promoting agriculture in Somali.

During the meeting, Iran's Minister of Commerce referred to the signing of different agreements for the development of bilateral relations and said that during expert sessions matters of mutual interest should be discussed by the two sides so that by signing more agreements relations would be further developed.

Meanwhile, Mehdi Ghazanfari cited relations among banks in the two countries, support for the private sector with an aim to develop bilateral relations, preparation of grounds for the presence of capable companies in building and construction sector, cooperation in activities relevant to setting up exhibitions, and The signing of memoranda of understanding in the fields of agriculture and fisheries as mechanisms which would lead to further expansion of mutual ties.



## Iran, Kyrgyzian Relations to be Developed

First Deputy Commerce Minister of Iran in a meeting with Kyrgyz parliamentarians emphasizing on the issue, said that following up of agreements on trade preferences between the two countries is among issues which should be given priority.

Masoud Movahedi highlighted presence in international exhibitions held in both countries as a factor for further familiarization of tradesmen as well as for further expansion of trade relations.

Movahedi underlined the significance of Iran's access to international waters and its specific strategic situation in the region and said: "Iran, through transit of goods from its neighbouring countries to the littoral states of the Persian Gulf can play an influential role in the development of foreign trade of those countries."

He further remarked that if circumstances were favourable and facilities were allocated by Kyrgyzstan, Iranian entrepreneurs could become active in all economic sectors of that country.

The Commerce Ministry official pointed to dam building, road construction, industries and mines, oil and gas and agriculture as sectors suitable for making investment and said opening of an Iranian bank, activation of the joint commission and follow up of preferential trade agreements would facilitate conditions for investment.

During the meeting, Kyrgyz parliamentarians expressed willingness for the expansion of economic and trade relations and proposed creation of a barter trade chamber in Kyrgyzstan. They also called for taking advantage of Iran's technical capability and know how in such areas as industrial machinery, food industry, road construction industry and construction of power plants.



## Increase in Trade Exchanges with Asia-Pacific

Deputy Commerce Minister pointing to The ineffectiveness of sanctions against the Islamic Republic of Iran said despite all problems fomented by the big powers, ample mechanisms are available to increase the volume of trade with Asian countries.

Making the remark in a meeting with members of the Asia-Pacific Trade Confederation, Masoud Movahedi said Iran's policy is focused on increasing trade exchanges with regional countries. Based on such policies, he further noted, developing relations with Asian and Pacific countries is among the government's top priorities and there is a possibility to extend it to regional relations among ECO (Economic Cooperation Organization) members and member states of the Confederation.

Stressing that Asian countries could use Iran's transit networks for transporting export goods of member states of the Asia-Pacific Trade Confederation to Central Asia and vice versa, Movahedi said that formation of a banking union among members and the joint rail, marine and air transportation company is among mechanisms for the expansion of trade transactions.

He also Stressed Iran's readiness for cooperation in re-export of goods from the above-mentioned countries to Iran's neighboring countries, especially those in Central Asia.

Elsewhere in his remarks, Movahedi referred to the cultural common importance of among the Central Asian countries and while emphasizing on the expansion of trade among The countries and full fulfilment of their needs, expressed hope that Iran and Asia as well as the Pacific countries would further study the trend for upgrading their relations.

The official pointed to some periodical problems in monetary transactions and said with regard to innovative people in Asia, removal of problems and finding a solution is easily applicable. Furthermore, despite the prevailing problems, Iran's monetary transactions with other countries are underway.

He referred to Iran's import-export growth in 2010 as compared to the previous years and said for facilitating trade affairs and monetary exchanges, transactions could be made on the basis of national currencies of the countries and regulate barter trade among member states.

He also invited the Confederation member countries to inspect Iran's free trade zones and use possibilities and facilities there.

Movahedi voiced preparedness of the Islamic Republic of Iran to offer marine transportation services, technical-engineering services and export of halal foods to member countries of the Confederation.

Changing indirect imports to direct imports, formation of a joint consortium for production of halal food and expansion of barter trade for applicant countries were among other topics discussed at the meeting.



## Iran, Kuwait Launch Joint Trade Committee

The Iranian Minister of Commerce said in a meeting with Kuwaiti Deputy Minister of Commerce and Industries that given religious commonalities, capabilities and background of longstanding relations between Tehran and Kuwait, the current level of relations was not adequate and should be increased.

Dr. Mehdi Ghazanfari added that Iran and Kuwait can increase exchanges to 500 million dollars and should make necessary plans to achieve that goal.

He stated that Iranian and Kuwaiti Commerce officials, as facilitators and coordinators of trade relations, should provide businesspeople with all kinds of existing and legal facilities.

Ghazanfari also declared the Islamic Republic of Iran's readiness to receive Kuwaiti trade delegations and economic activists in order to get familiar with Iran's capacities and capabilities during Tehran International Trade Fair.

The Iranian Minister of Commerce further noted that the Iranian private sector has indicated its willingness to launch a joint trade center in Kuwait and added that preliminary measures have been taken in cooperation with Trade Promotion Organization of Iran and projected goals are expected to be achieved through closer interaction.

### Kuwait eyes Iranian private sector's investments

The Kuwaiti Deputy Minister of Commerce and Industries first submitted an invitation from the Kuwaiti Minister to Dr. Ghazanfari to visit that country.

Rashed Al-Sayyed Yousef Al-Tabtabai, who was visiting Iran heading a high-ranking Kuwaiti delegation to take part in the 10th meeting of the two countries' Joint Trade Committee, underlined his country's keen interest in increasing cooperation with Iran.

The 10th meeting of Iran-Kuwait Joint Trade Committee wrapped up after a memorandum of understanding was signed by Kuwaiti Deputy Minister of Commerce and Industries and head of Trade Promotion Organization of Iran.

The Kuwaiti official added that Kuwaiti officials highly valued expansion of ties with Iran. He noted that the global crisis in 2009 was instrumental in reducing the level of trade between Tehran and Kuwait and added that the two countries enjoy a range of opportunities and facilities which should be taken good advantage of to protect the interests of the private sector.

The Kuwaiti official stated that facilities have been considered for the

Iranian businesspeople and a Kuwaiti port has been totally allotted to the Iranian businesspeople.

Rashed Al-Sayyed Yousef Al-Tabtabai said Iranian products and industries were welcome in Kuwait adding that based on the coordination between the two countries' chambers of Commerce, Iranian and Kuwaiti merchants will be able to travel between The two Countries and avail themselves of available facilities.

The Kuwaiti official noted that Iranian merchants should provide their Kuwaiti counterparts with necessary information on their country's capabilities and resources in order to expand trade exchanges and engage in common projects in various fields.

Expressing concern and willingness over investment in tourism, the Kuwaiti Deputy Minister said his country had plans to increase trade exchanges with Iran and noted that any ground which may be used to strengthen bilateral relations should be explored in order to clear the way for development.

Stressing on the need to increase cooperation between the two countries' private sectors, Rashed Al-Sayyed Yousef Al-Tabtabai noted that Iran and Kuwait could cooperate in such areas as agriculture, food industries, aquaculture, and industrial production.

### Iran, Kuwait sign MOU

At the end of the meeting of Iran-Kuwait Joint Trade Committee, the two sides signed a memorandum of understanding on the expansion of trade exchanges.

Hamid Safdel, head of Trade Promotion Organization of Iran, explained about the agreement noting that it would further expand trade and economic relations between the two countries.

He added that during the 10th meeting of the Joint Trade Committee, agreements were reached by both sides on such issues as future trade development outlooks and a new roadmap for development of bilateral trade.

He noted that the MOU included an agreement to expand commercial relations, exchange of trade documents, agreement on holding various exhibitions, speeding up signing of MOUs by both countries chambers of Commerce, and agreement on bilateral investments.

Kuwaiti Deputy Minister of Commerce and Industries expressed satisfaction over the 10th meeting of Joint Trade Committee and its positive achievements and emphasized on the necessity of further expanding joint investments by the two countries' private sectors.



## Iran Ready to Transit Uzbek Goods

The Islamic Republic of Iran is ready to transit various import and export commodities for Uzbekistan.

Mehdi Ghazanfari, the Iranian Minister of Commerce, said in a meeting with the Uzbek Deputy Minister for Foreign Economic and Trade Relations in Tehran that Iran attached special significance to bilateral relations with Tashkent.

He added that Uzbekistan was a very important country in Iran's foreign trade and both sides should do their best to further expand bilateral trade exchanges.

Ghazanfari then announced Iran's readiness to contribute to regional transit and proposed a plan for the reduction of transit costs. He added that if Uzbekistan's transit through Iran increased more reduction in costs would be possible.

He stated that activating regional transit through Iran, will benefit all regional countries. "Therefore, Iran has set transit targets in order to facilitate transit in the near future," he said.

The Uzbek Deputy Minister for Foreign Economic and Trade Relations, Kamalov, said for his part that his country was happy to expand ties with the Islamic Republic of Iran. He added that past meetings had been effective and in both sides' interest. "Tehran and Tashkent can cooperate in various economic and trade areas," he said.

The Uzbek official also pointed to geographical conditions of Iran and stated that a number of Uzbekistan's export and import articles such as machinery, foodstuff, cotton and chemical fertilizers can be transited through Iran and bilateral efforts should be doubled to speed up the process.

He then pointed to transit of one million tons of chemical fertilizers through Iran and said, "India, the United Arab Emirates, and some African countries are our main customers and Iran is the best transit route for them."



## Tehran, Ankara to Sign Preferential Trade Agreement

During a meeting between the Islamic Republic of Iran's Minister of Commerce Mehdi Ghazanfari and the Turkish State Minister Cevdet Yilmaz, both sides expressed hope that a preferential Trade agreement will be signed during the upcoming visit to Tehran by The Turkish President.

The Iranian Minister of Commerce added that facilitation of trade ties by signing bilateral agreements will help both countries' achieve their goal of increasing bilateral trade volume up to 30 billion dollars.

He then pointed to Iran's positive attitude to Turkey as a Muslim neighbor and Tehran's emphasis on expanding trade ties with Ankara, adding, "Iran is planning to remove all barriers to exports and imports with Turkey."

Ghazanfari further noted that trade liberalization in Iran will clear the way for economic competition among all regional countries and Turkey will be better off to avail itself of this situation due to geographical propinquity as well as cultural and other commonalities with Iran.

He emphasized that Iran was ready to provide opportunities for further cooperation with Turkey and noted that Ankara's stances on regional developments and the situation in Palestine have been very smart and indicate that both countries are treading on the correct path.

The Turkish State Minister Cevdet Yilmaz, who also heads the Turkish side of Iran-Turkey Joint Economic Commission, said for his part that both countries' leaders are very positive toward future outlooks of trade ties and have come up with a clear directive for their executive officials to further increase relations.

Cevdet Yilmaz pointed to remarks made by the Turkish Prime Minister and the Iranian First Vice President about a roadmap for both countries exports and promotion of bilateral trade exchanges up to 30 billion dollars, adding, "Such remarks are based on expert views and can be materialized in view of the existing potentials in both countries."

He also pointed to exchange of lists of goods covered by preferential tariffs in 2010 and added that this was a first step. "I hope we would achieve the final goal in the near future," he added.



### **Qatari Minister to Mehdi Ghazanfari: Tehran, Doha Form Joint Trade Committee**

**Q**atari Commerce Minister Sheikh Jassem bin al-Thani in a meeting with his Iranian counterpart Mehdi Ghazanfari, called for formation of a joint trade committee to facilitate trade relations between the two countries.

Sheikh Jassim bin al-Thani said in the meeting that with the operation of the Joint Trade Committee under the chairmanship of the two Commerce Ministers, in addition to studying grounds for development of commercial relations, speedy steps would be taken for implementation of agreements.

Announcing Iran's consent over the formation of a Joint Trade Committee, Ghazanfari said the committee could set a suitable structure for bilateral relations.

Expressing satisfaction with the provision of the opportunity for exchange of views on bilateral and regional cooperation the Iranian Commerce Minister said the Islamic Republic of Iran attaches high importance to activation of relations among regional countries, especially Qatar, in different dimensions, including economy and trade.

Pointing to the visit of an Iranian delegation led by First Vice-President's Deputy for Economic Affairs to Qatar last year and holding of Iran's exclusive exhibition in Doha, Ghazanfari said still different areas of bilateral cooperation between the two countries have remained inactive.

In Ghazanfari's point of view, the current level of trade in comparison to high political interactions of Tehran and Doha is meager.

Also, the Qatari Minister admitted that under the circumstances that political relations between the two countries enjoy a long-standing record, bilateral trade ties are not in a satisfactory level.

He pointed to the issue of using Iran's transit capacities for goods that are destined from the North to Qatar and vice versa and called for the study of the situation by Iran.

The Qatari official also announced his country's readiness to benefit from Iran's scientific and technical capacities in health and medical fields and said Qatar is ready to purchase Iranian medical equipment and receive services in the field.

Port cooperation was among other topics discussed by the two Commerce Ministers and it was decided that with regard to Qatar's hosting of the World Cup competitions in 2022, the country provides facilities for the participation of Iranian contractors in projects related to the event.



### **Iran Proposes Opening of One Hundred Top Brand Branches in Iraqi Kurdistan**

**I**ranian Commerce Minister in a meeting with Commerce Minister of the Iraqi Kurdistan Region offered six proposals aimed at boosting bilateral trade and strengthening economic relations.

In his meeting with Sanan Abdel Qadir in Tehran, Ghazanfari also announced Iran's readiness to open representative offices of 100 top Iranian production units in Iraqi Kurdistan Region.

He then referred to the three sectors of flow of money, goods and information as the main issues which could help accelerate further expansion of bilateral relations.

Stressing that the two countries have left behind difficult times and that the future was highly promising, Ghazanfari said that currently bilateral relations have been upgraded from mere supply of commodities to offering technology and production lines which is an indication of higher level of ties in the past few years.

He expressed hope that with the formation of the new government in Iraq stability would be restored to the country and Iran would be witness to new developments in different domains, especially in economy.

The Iranian official said opening of representative offices of Iranian commodities in Iraq is one way to ensure the high quality of goods represented in that country.

Agreements to avoid double taxation, encouragement and protection of investment, banking arrangements, and transportation and customs were among other topics Ghazanfari discussed with his Iraqi counterpart. He said that without doubt accelerating signing of memoranda of understanding would prepare the ground for development of relations between Iran and Iraq more than ever.

Establishment of a joint transport company, holding an investment conference in Arbil of Iraq, setting up exclusive exhibitions by the Islamic Republic of Iran on the basis of goods and products demanded by Iraq were among proposals of the Iranian Minister to the Iraqi official.

In the meeting, the Iraqi official also called for further improvement of relations and said the Iraqi government sets no limit for its trade relations with Iran.

Sanan Abdel Qadir extended an invitation to the Iranian Commerce Minister to visit Iraqi Kurdistan Region and expressed hope that the visit would further expand bilateral trade relations between the two countries.

He also called for 24-hour customs operations at border with Iraq as well as for the visa waiver between the two countries.



**Report on Commerce Minister's Belarus Visit**

# New roadmap for developing relations

Commerce Minister Mehdi Ghazanfari left for Republic of Belarus on December 8, 2010 at the head of a high-ranking delegation to open Iran's exclusive exhibition in that country as well as to meet and confer with senior Belarusian officials. The visit was highly successful and resulted in great achievements.

**\* Commerce Ministers of both countries emphasize development of trade ties**

While in Belarus, Mehdi Ghazanfari met and conferred with his counterpart Valentin Chekanov. The Iranian Minister emphasized on capabilities of both the countries and said availability of a common point such as production, distribution and retail network in trade domain of the two countries would provide conditions for Tehran and Minsk to further expand the volume of bilateral cooperation with the involvement of the private sectors.

He further remarked that in the area of technical-engineering services, the volume of bilateral activities is significant, adding that it must also be managed and expanded in the area of trade since the volume of bilateral trade is lower than the existing capacities.

Meanwhile, the Iranian Commerce Minister presented the schedule for trade transactions between the two countries for 2011 and 2012 as well as exchange of trade delegations in different cargo categories. He said selection of 10 to 11 items and formation of delegations to reach consensus over the selected goods, would provide a background to increase the volume of trade between the two countries.

Valentin Chekanov, the Commerce Minister of Belarus, welcomed the proposed plan by the Iranian Commerce Minister with regard to the exchange of goods between the two countries. He cited lack of knowledge of Iranian and Belarusian tradesmen of the existing trade opportunities and potentials in both the countries as the main reason for the low level of trade between the two countries. He stressed that currently there was no problem concerning bilateral trade, adding that expansion of trade would be possible only through identification of businesses and bilateral trade capacities.

He said without doubt, exchange of trade delegations and holding joint sessions between chambers of Commerce of the two countries would help prepare the ground for recognition conditions and expansion of relations.

**\* New roadmap for developing relations**

In another development, the Iranian Commerce Minister met and held talks with Belarusian Industries Minister Alexander Mikhailovich Radevich. During the meeting, Ghazanfari emphasized on expansion of banking cooperation, helping to promote the level of joint banks as well as removal of the existing obstacles. He said exclusive exhibitions of the two countries could open new trade and economic windows for the two countries. In this regard, he added, expansion of bilateral cooperation in non-trade domains could be considered as well.

The Commerce Minister stressed that a comprehensive plan should be

sketched out for economic activities of the two countries which also requires a new roadmap for development of bilateral relationships. Ghazanfari said that for promotion of bilateral cooperation, capacities of the two countries should be put together and a kind of synergy should be forged.

Also speaking at the meeting, Radevich pointed out that relations between the two countries are rapidly developing and said That although the volume of trade in the area of industrial products has been tripled, it is far beyond the \$3bn level. He expressed hope that bilateral exhibitions could further expand the volume of mutual relations.

Stressing that Belarus attaches great importance to the agreements of the joint commissions, the Minister said his country seriously follows the terms of the agreements of the joint commissions.

During the meeting some Iranian entrepreneurs discussed their problems while the Belarus Industry Minister called for investigation into the cases and removal of the existing obstacles.

**\* Realization of goals in trade domain**

Meanwhile, the IRI Commerce Minister participated in the first meeting of the joint trade council of the two countries in which he underscored the importance of strategic relations between the two countries. Ghazanfari said relations with Belarus were among Iran's 10 top priorities among 200 world countries. He said study of mechanisms for realization of targets in bilateral trade sector at the meeting could accelerate implementation of projects of the two sides as well as expansion of trade relations.

President of the Chamber of Commerce and Industries of Belarus who was also present in the meeting, pointed out to industrial, production and legal capacities of his country and said 58% of gross domestic product (GDP) in his country belonged to the private sector. On the basis of a program available, he noted, in 2011 the entire public shares would be ceded to the private sector. With regard to the expansion of joint meetings of chambers of Commerce of the two countries, this could prepare the ground for an increase in trade cooperation between Iran and Belarus more than ever, he added.

The official referred to the role of sanctions imposed against Iran and said sanctions not only were not effective in reducing the trend of economic transactions but on the contrary helped them to take an upward course.

**\* Emphasis on comprehensive, integrated approach to Belarus market**

The Commerce Minister appreciated efforts of Iranian businessmen in properly holding special exhibitions in Belarus and underlined the importance of a permanent and steady presence in the Belarus market.

Mehdi Ghazanfari also attended a gathering of Iranian businessmen residing in Minsk as well as organizers of Iran's special exhibition in Belarus and expressed satisfaction over appropriate management of the fair. He said: "We, as the public sector, are trying to strengthen the required background for the activities of the private sector and we expect companies present in Belarus to continue to maintain their activities through detailed and proper planning and codified marketing strategy."

**\* Opening of Iran's exclusive exhibition in Minsk**

Inaugurating Iran's exclusive exhibition in Minsk was among other programs of the Commerce Minister in his visit to Belarus. In this exhibition which occupied an area of 700 square meters, 76 Iranian companies displayed their products in such fields as construction and mining, petrochemicals, agricultural and industrial machinery, textiles, foodstuffs and canned foods, medical and hospital equipments, dairy and meat industries, handicrafts and agricultural products. Also, presentation of new technical and engineering services in telecommunications, automation industry and tourism by companies

active in the said areas were among other sectors of the exhibition. Simultaneously with the work of the exhibition in Minsk, a group of parliamentary representatives also visited the exhibition.

During the inspection tour, in which the Iranian ambassador (to Minsk) and officials of the Commerce Ministry accompanied the lawmakers, Iranian businessmen and entrepreneurs presented their products and outlined their plans to the parliamentarians for an expanded presence in Belarusian market.

In continuation of the visit, a meeting was held in the presence of a number of representatives of Iran Chamber of Commerce, Industries and Mines and the participants who inspected the exhibition.

In this session, after issues and problems related to promotion of exports were raised by the participants, Mohammad Reza Tabesh, Majlis representative from Ardakan (Yazd), thanked the Commerce Minister for his unsparing support in setting up the exhibition and taking other necessary measures for development of economic and trade relations with Belarus, Iran Trade Promotion Organization and organizers of the exhibition.

Reza Tofighi, Trade Promotion Organization Marketing Deputy, speaking on the sidelines of the exhibition in Belarus told a gathering of businessmen that the exhibition was among exclusive fairs of the Islamic Republic of Iran in Belarus. He said the exhibition was set up upon permission of the Trade Promotion Organization and supports of the Commerce Ministry.

He said: "Belarus is one of the major target countries for the development of trade relations with Iran which, with regard to its significant capacities, could be turned to one of Iran's trade partners."

Tofighi further remarked that satisfactory political relations exist between the two countries and presidents of the two countries consider achievement of long-term goals.

He added that in the economic sector lack of sufficient knowledge of businessmen, craftsmen and producers of the two countries from bilateral potentials has resulted in low application of such capabilities.

The official stressed that various promotional tools in the area of foreign trade is being used to compensate for the backwardness.

He expressed hope that in the light of appropriate legal infrastructures, such as sessions of the joint economic commission as well as the existing economic and trade agreements, trade capacities of the two countries would be further activated than before.

Tofighi emphasized that exchange of economic and trade delegations between the two countries, formation of a joint council for Businessmen, setting up of special exhibitions, and application of informative and marketing research tools are placed in the agenda of the Trade Promotion Organization for development of trade relations with Belarus.

He said simultaneously with setting up of the exhibition, the Commerce Minister's visit to Belarus, opening of the Iranian exhibition by the Minister and his meetings with his Belarusian counterpart were all effective steps towards further promotion of bilateral ties.

Tofighi further remarked that Iran's special exhibition with a concentrated management of Commerce Department of Mazandaran and cooperation of Mazandaran Chamber of Commerce, Industries and Mines, was set up in an area of 1700 square meters with participation of 76 Iranian companies. The event is considered as one of the largest Iranian exhibitions in target markets.

The official said the Trade Promotion Organization of Iran hopes that by organizing meetings between officials of the two countries and setting up such exhibitions, the volume of trade relations between the two countries would expand remarkably.

Tofighi said: "Iranian companies in the field of technical and engineering services enjoy a long-lasting record and reliable background in Belarusian market."

In conclusion he stressed that with regard to such a record, potentials and capabilities of the two countries could be well understood.



The first regional meeting on grains trade:

## Proposal for The Formation of a Large “Grains Customs Union”

The first regional two-day meeting on grains trade was held in Tehran on 23 January 2011 in the presence of the Iranian Commerce Minister, President of Kazakhstan Stock Market, Deputy Minister of Foreign Trade and Economy of Uzbekistan and representatives of several foreign companies.

Representatives from public and private sectors of 20 countries, including Uzbekistan, Kazakhstan, Switzerland, Oman, Australia, Bangladesh, UAE, Turkey, Netherlands, Italy, Iraq, Britain, India, Ukraine, Russia, Pakistan, Lebanon, Bahrain, China and Germany as well as some international agencies such as the OPEC Fund, the International Association of Operative Millers and the International Grains Council were present at this occasion.

The two-day event was aimed at providing required grounds for economic growth as well as for promoting trade position of regional countries, reducing finished price of grains, supplying wheat and processed products, increasing regional convergence, and introducing capabilities and geographic advantages of the Islamic Republic of Iran under the motto of “Common Path for Regional Development”.

Speakers at the gathering pointed to issues such as transportation and transit, stock of goods, trade infrastructures, customs issues, investment and, banking affairs in the area of grains.

### \* Formation of a large Grains Customs Association

Iranian Commerce Minister Mehdi Ghazanfari said to the participants in the meeting that trade is an important factor in regional integration and friendship, adding that efforts could be made for the formation of a large grains customs association.

Ghazanfari stressed that presence of guests from the public and private sectors of Iran and the neighboring countries, has made grains trade an issue of consideration both from public and private sectors.

The senior Iranian Commerce Ministry official while proposing signing of a memorandum of understanding between the parties involved in grains trade, said this could be mentioned as an agreement or a statement at the end of the meeting.

He said cooperation in the field of trade not only covers financial interests and commercial profits for all the countries involved, but would give shape to regional friendship as well as regional integration. Therefore, he said, a large customs association could be established in the area of grains.

Ghazanfari remarked: "Under these circumstances we can reduce trade tariffs and transportation costs among ourselves and prepare a multilateral agreement for trade cooperation in the field of grains trade."

The Iranian Commerce Minister termed such cooperation a win-win trade cooperation in the direction of development for all the parties involved.

### \* Regional cooperation for grains trade should be strengthened

Also addressing the gathering, Deputy Commerce Minister Hamid Alikhani said given that Iran is the best route for grains trade in the region, strengthening regional cooperation in the field of trade of such strategic goods is essential.

Alikhani who is also Managing Director of the Government Trading Corporation, said the aim behind holding such a meeting is to strengthen cooperation among the regional countries in grains trade. "No doubt, grains are considered by all countries of the world as strategic commodities and their supply is among the most important tasks of any government."

He added that Iran, due to its geographical location, is on the one a bridge between Central Asia and Middle East, and on the other hand is the midway between the Indian Subcontinent and West Asia and Europe. In The ancient times this situation served as a ground for the Silk Road. He stressed that under the status quo, the Silk Road could serve as a route for affection and friendship and to this end the motto of the meeting has been chosen “Common Route for Development”.

Alikhani further remarked that the Middle East was dependent on imports to address its needs for grains and said in the 21st century moves should be directed more towards regional cooperation and formation of economic blocs among neighboring countries. To this end, one of the achievements of regional convergence is the priority



that is given by neighboring countries to supplying demands of each other, he noted.

He pointed out that a study of the countries in Central Asia and the Middle East regions in geographical and economic terms shows that a major part of this region's demands could be supplied within the region itself.

The Managing Director of Government Trading Corporation pointed to the export of 26 million tons of wheat by Russia and Kazakhstan as the largest wheat producers in northern Iran during 2009 and 2010 and said this happens at a time that the Middle Eastern and North African countries have imported over 42 million tons of wheat over the same period.

He said although due to unfavorable climate changes the amount of wheat exports by Russia and Kazakhstan has dropped considerably, however it would certainly be a temporary situation and trade figures in the region would return to their normal trend.

The Deputy Commerce Minister pointed out that the 22% share of Russia, Kazakhstan and Ukraine of global wheat exports would reach 35% by 2020. He noted that according to forecasts, the growing trend of agricultural products in these countries would continue over the next decade.

He referred to lack of proper access to the open seas as one of the main difficulties of the landlocked countries and said transfer of goods from origin to destination is an integral part of trade and these countries are obliged to spend time and money for this purpose. However, the regional countries could, through mutual participation, find a way to reduce the gap between producers and consumers.

#### \* Development of regional exchange market is necessary

Meanwhile, First Vice-President's Deputy for Economic Affairs Ali Aqa Mohammadi, addressing the meeting said evidently development of a regional exchange market is necessary for achieving targets in the area of grains trade in the region.

Aqa Mohammadi said all countries in the region should forge a basic and fundamental cooperation for the expansion of trade, strengthening of production and building a progressive region in grains trade.

He termed the Middle East a region of ample capabilities and potentials

and added that production always holds the upper hand but it should be noted that supply in the absence of demand would be meaningless.

Aqa Mohammadi reminded that some might suppose that trade is a subsidiary affair but it should be noted that for the production and increase of optimum products, that trade should be pursued seriously. Stressing that advantage should be taken of all regional opportunities, the official said when the talk is over trade of 126 million tons of wheat in the world, the Middle East region certainly has allocated a major part of it to itself. He further remarked that Iran's grains exports could include a major part of regional exports.

He said all countries of the region should present their opportunities and potentials so that as a result of conflict of views a single thinking would take shape and that would be the thinking about cooperation.

He said that up to now, the subsidy system was the basis for all the activities in Iran whereas with the lifting of consumption subsidies, trade facilities, processing and any change in products could be used in a more optimal way.

Aqa Mohammadi referred to the removal of wheat subsidy as a major step in the path of improvement of bread production and said our discussion today is that all should work together in an effort to expand trade, strengthen production achieve an advanced region. He said basic and fundamental cooperation was needed in the area of grains.

#### \* Iran, an important, remarkable hub for global grains trade

Also speaking at the meeting, Director of Trade Promotion Organization of Iran Hamid Safdel said enjoying special circumstances and economic relations, has turned Iran to a center of attention for grains trade.

Outlining the most important events in the world towards global grains trade and foodstuff industries, Safdel said in the past few years drought in 40 world countries had turned grains trade into a serious challenge. He termed water crisis as a significant factor in this trade and said floods in some countries, outbreak of war and unrest in grains production and consumption poles are among factors that have reduced global trade in grains.

Safdel further remarked that paying attention to supply and logistics network, transportation network and transit are among effective factors in the pricing approach to grains trade in which improper management

could impose unwanted costs on the consumer.

He also referred to growing demand as a result of population growth, price increases due to increased costs of energy carriers in the world, increase in per capita income and population growth in China, India and the Middle East, use of some grains in the food industry such as production of consistent fuel and appearance of some other diseases as factors effective in reducing global trade of grain.

With regard to the approach and importance of food industries and grains in Iran, Safdel said unparalleled climatic diversity and ecosystem were among the main reasons for entering into the sphere of annual production of 100 million tons of agricultural products.

He noted that access to the open seas, rail networks and presence in a talented region, enjoying cultural and social relations, proper economic ties and availability of infrastructures for grains storage have turned Iran into one of the active centers in trade of the commodity.

He said during the past decades increase in consumption has been witnessed and production due to price and quality approaches, as well as other factors that have already been mentioned, has been under severe fluctuations.

The official pointed to the United States as the main exporter of grains in 2009 and Saudi Arabia as the major importer and referring to grains trade between 2005 and 2009. She said grains exports increased from \$44.1 billion in 2005 to \$104bn in 2008. However, he stressed, the proportion of exports to production is very low and is about one to four. He continued his remarks by saying that the need for compilation of trade logistics in the area of grains trade through investment and developing transit infrastructures for transportation, providing a facility network, founding a stock exchange in this area, the need to formulate a roadmap for development of conversion and complementary industrial units, planning for allocating one of the free or special economic zones to grains trade, paying attention to investment in countries susceptible to agriculture such as the CIS and African countries, signing preferential tariff agreement in the area of grains in the regional countries and the need for developing rail transportation network within the country by the Roads Ministry are all among factors which should be considered in the advancement of global grains trade.

#### \* Regional organizations play important role in grains trade

The need for coordination of domestic institutions such as the Ministry of Finance and Economic Affairs, the Customs Administration, the Ministry of Foreign Affairs, the Roads and Transportation Ministry, banks, the Standards Organization and regional agencies play an important role in grains trade.

Javad Amin Mansour, head of the Department for Trade and Energy who was speaking at the Foreign Ministry addressed the participants at the meeting and said That by holding regional assemblies on grains trade, a major step has been taken toward identifying barriers on the way of the trade and ways to develop it.

He added trade plays an important role in the economic development of countries and is the motivating power for economic development in each country which causes profitability and deepening of relations among nations.

Amin Mansour noted that all parties involved in trade would benefit from it and that the interest of one country would not be detrimental to another.

He stressed that cooperation of governments with the private sector in grains trade, reduction of tariffs and removal of nontariff barriers, improvement of transport infrastructures, facilitation of banking transactions and strengthening of financial cooperation are among needs that should be taken into consideration in grains trade.

Amin Mansour reminded that grains trade like any other profitable activity is in need of sound planning so that not only it would not pose any threat to domestic products but would create more opportunities. Concluding his remarks, he said the Iranian Foreign Ministry is ready to remove obstacles in line with the targets of the meeting and with regard to its capabilities.

#### 24% of grains exports dependent on maritime transport

Director General of Ports and Maritime Organization of Iran, Jalil Eslami, also told the participants at the meeting that with regard to the

50 million tons of grains produced in the region, 24% of the exports is dependent on maritime transportation and is being done by sea ports.

Eslami said policy making for grains trade is in need of a solid maritime idea and noted that in order to address such a volume of trade, the country's maritime transportation fleet needed development.

He added that in the Iranian calendar year 1388 (March 2009 – March 2010), some 130 million tons of goods were shipped through the ports of the country and based on government policy the volume is expected to reach 200 million tons during the Fifth Development Plan. He said such an improvement is underway through investment of the private sector, including both domestic and foreign investors, which also include grains.

Eslami noted that according to a recently approved circular of by the cabinet and the possibility for offering competitive tariffs this commitment would be created that on the basis of the achievements of this meeting cooperation would be made for tariff and export fees exemption to the ceiling of 75%.

He stressed that in order to facilitate grains export through ports of the country, so far 47 ports have been equipped with modern loading and unloading facilities and also a storage capacity of one million has been created there as well.

Concluding his remarks, Eslami said Iranian ports have a daily capacity of unloading and loading of 40 thousand tons of goods, adding that the nominal capacity of transportation of goods through ports of the country would be more than 30 million tons per year.

#### \* Customs trend for grains trade to take place in minimum time

Also, Exports Deputy at Iran's Customs Administration Seyed Ahmad Pour-Kiaei told the gathering that the trend of customs formalities for corruptible and grains at the airports and ports of the country would be taken in 24 hours and completed in the least time possible.

Pour-Kiaei further remarked that the Customs Administration in the area of export has resorted to its charter of rendering services with an aim to support non-oil exports and has taken effective steps in this regard.

He added that equipping 21 major export customs offices of the country to route selection system is among such effective steps in order to release goods that are not in need of compatibility with legal standards and are defined in the green route declaration in the minimum possible time, namely two hours.

Pour-Kiaei noted that during the past two years, temporary import permits for 182 thousand tons of wheat have been granted to wheat flour producers with an estimated value of about \$45m.

He stressed that among other measures that have been taken at the Customs Administration for reducing production and export costs, one has been about reclamation of import charges of import goods which are used in the case of export goods and have already reached 200 billion rials. He added that in this way after the exports, the amount which has been paid would be refunded.

According to the official, the assessment formalities which are taking place in the factory and warehouse of the producer or the consumer are among other measures of the organization which are taken for supporting non-oil exports.

#### \* Grains exports through Iran to benefit all regional countries

Simon Arnold, Managing Director of SeaGrain Company emphasized on strengthening of the transportation network, especially railroads in the region and said by boosting the network 20 million tons of grains could be exported through the Iranian territory to the consuming countries.

Stressing that Iran has ample advantages for export of grains, he said the most important advantage of grains exports from Iran and the Persian Gulf is the tangible reduction in transportation costs to such an extent that the Persian Gulf could support export of 5.18 million tons of wheat.

Arnold termed hailed the Tehran holding as an effective step towards realization of these goals and referring to the 30% grains export in the world by the United States in the past five years, he said during these years trend of exports in Kazakhstan, Russia and Ukraine has undergone noticeable changes and, "by taking advantage of logistical facilities, we can transit our products through Iran."

# Iran, Regional Hub for Grains Trade



Given to its geographical features which can turn it into a centre for trade in grains, Iran is being considered a hub among the entire regional countries since its position is as such that it could play the role of a Link to connect upstream countries, namely wheat producers, and downstream countries, that is to say the consumers.

At present and from the perspective of world trade, some 32 wheat producing countries are landlocked and as a result percentage of their economic growth and trade volume in comparison to other countries is at a lower level. Among these countries, nine are located in the neighbourhood of Iran and only through the Iranian territory could gain access to the open seas. Therefore, such a divine blessing provides a superb opportunity for Iran in the area of grains trade.

This provides an exceptional situation, both in terms of trade and geography, for Iran and can also provide suitable grounds for strengthening trade advantages of the country as well as its access to the targets of its 1404 (2025) Vision Plan.

Studies that have been conducted so far indicate that Iran is capable of turning into a trade hub in the region that is the same opportunity that has been provided for Turkey and Dubai. This has always been deeply considered by the government and realization of such a target would definitely be in the interest of all the countries concerned. Because, this is a win-win game for all through which all the exporters achieve a bigger share, finished prices would reduce for all and Iran would gain a more powerful presence in the regional trade.

In the recent regional meeting on grains trade, 19 countries from the region and the world, both producers and consumers, were present. The event was held at the initiative of Iran and attended by senior officials, industrial managers and well known domestic and foreign trade figures on January 23-24 at the conference hall of the Islamic Republic of Iran Broadcasting.

Of course, the greatest motive for organizing the meeting was to utilize the country's abilities and potentials that have not been used to date. Under the present circumstances, the question is not trade of grains and wheat but, after gaining the required experience in this regard, it could be generalized to other areas as well.

Currently wheat exports in the world amounts to 126 million tons of which 35 million tons are dealt in neighbouring countries of Iran with Russia, Ukraine and Kazakhstan holding 22% of the exports. It is predicted that by 2020 the share would increase to 35%. Meanwhile, the share of Canada and Australia is expected to decrease as at present the cost of shipping wheat from Australia through the Black Sea is \$140 per ton, via (Iran's) Amirabad Port \$125 and through (Iran's) Sarakhs \$135. At the same time the two routes in Iran will reduce the distance from 9,000 km to 3,000 km and subsequently bring down the transportation costs and make it more economical.

Geographical situation of Russia, Kazakhstan and Ukraine, the three

main grain producing countries in the region and the world, is as such that the said countries are in northern Iran while the importing countries are located in the southern part of the country. Therefore, if the product is transported through the Iranian route, in addition to the outstanding drop in the costs and time of transportation, producers would gain a bigger share of the market.

On the other hand, based on the condition of importers, the value of wheat imports by member countries of the Arab League amounts to \$11bn and up to the next 10 years the highest rate of growth in demand for purchasing wheat would belong to the Middle East and North Africa. Also, wheat imports by Saudi Arabia would amount to 3.5 million tons by the year 2016.

Statistics show that wheat exports from Kazakhstan and Russia comprise 22% of the world wheat exports worth \$30bn and according to the forecasts of international organizations, growth rate for wheat exports of Russia would increase from 18.4 million tons to 28.7 million tons in 2020 while growth rate of wheat exports from Kazakhstan would increase from 8 million tons to 11 million tons in the same year. Meanwhile, wheat imports by the target countries which are Iran's neighbours would increase to 32 million tons.

Therefore, given that consumption in Iran's downstream countries is 37 million per year and surplus production in Iran's upstream countries is over 35 million tons, it provides a suitable condition for Iran in this regard to be turned into a hub for grains trade in the region by deploying the three transit, swap and re-export mechanisms. Of course, for achieving such a target the Government Trading Corporation of Iran has invited all private sector activists to cooperate in purchasing, building silos and transportation of wheat.

Fortunately, at present there is a national determination for the implementation of the plan and the government is interested in performing it. Creation of job opportunities, utilizing vacant capacities, increasing in Iran's industrial and economic influence in the region, cost reduction for wheat consumers and increasing in the share of wheat producing Iranian neighbours in this market are among advantages of implementation of regional cooperation plan for grains trade with Iran playing a central role. The most positive point in this plan is that no overhead costs is generated for the government as it is expected that all the existing facilities in the country would be used in an optimum possible way so that with the cooperation of all sectors its success would be achieved as soon as possible.

**Hamid Alikhani**  
**Deputy Commerce Minister**  
**Managing Director of Government Trading Corporation of Iran**



## Sixth Joint Trade Committee of Iran, Pakistan:

# A stride towards promotion of joint trade relations

Iran's Commerce Minister Mehdi Ghazanfari arrived in Islamabad, Pakistan, on Wednesday January 19 to participate in the sixth meeting of Iran-Pakistan Joint Trade Committee and was officially welcomed by local officials as well as Mashallah Shakeri, Iran's Ambassador to Pakistan and other staff members of the Iranian embassy.

Director General of International Affairs of Chamber of Commerce, Head of Iran's Trade Promotion Organization, Managing Director of Iran Export Guarantee Fund and Managing Director of Export Development Bank, accompanied the Iranian Commerce Minister in his visit to Pakistan.

During his two-day visit, the Iranian Commerce Minister met and conferred with senior Pakistani officials, including Prime Minister Yusuf Raza Gilani, Commerce Minister Makhdoom Amin Fahim, Finance Minister Abdul Hafeez Shaikh, National Assembly Speaker Fahmida Mirza and Pakistan Central Bank (PCB) Governor Shahid Kardar.

Ghazanfari also delivered a speech at the gathering of the participants in the joint session of the Federation of Chambers of Commerce of Pakistan.

In the meetings, while emphasizing on the expansion of trade relations between the two countries, the two sides called for removal of The obstacles and bottlenecks hampering bilateral relations.

### \* Strengthening bilateral relations in trade, tourism and transit

In a meeting with Pakistani Prime Minister, Ghazanfari underlined the need for increasing the trade volume between Tehran and Islamabad.

The Iranian Minister, referring to the compilation of a trade roadmap between Iran and Pakistan, stressed The importance of increasing bilateral trade transactions to \$4bn by the year 2016.

He pointed to the expanded volume of Iran's trade with neighboring countries and said That according to the existing potentials and capacities, trade transactions between Iran and Pakistan are expected



to increase more than ever.

Ghazanfari said one of the major problems in trade between the two countries is inefficient supportive infrastructure for development of bilateral ties, adding that efforts should be made with regard to the development of efficient infrastructures.

He said That capacities of the two countries for further expansion of trade relations is much more than current levels and added that sound planning should be made in this regard.

Also speaking in the session, Prime Minister of Pakistan stressed on the expansion of cooperation with Iran and said that unused potentials and capacities should be employed to meet mutual interests.

Yusuf Raza Gilani announced Pakistan's readiness for removal of all the existing obstacles with an aim to strengthen bilateral relations, especially those in trade, tourism and transit.

He underscored ample and long-lasting commonalities between the two countries and, referring to regional cooperation, emphasized that regional problems should be solved by regional states themselves.

**\* Compilation of strategic plan**

Iranian Commerce Minister in a meeting with his Pakistani counterpart stressed The refrence of compilation of a strategic plan for trade cooperation between the two countries, by the specialized committee of the joint session and said: "While setting target for the volume of trade in each year of the plan, it is necessary to highlight the mechanisms for their realization." Ghazanfari also referred to setting up of exhibitions, dispatching trade delegations from the private sector and cooperation of chambers of Commerce as mechanisms to boost trade between the two countries. He emphasized The refrence of identification of potentials of the two countries, and said direct trade between the two countries could reduce prices of finished goods and increase their competitiveness.

In the meeting, Pakistani Commerce Minister Makhdoom Amin Fahim also welcomed Ghazanfari's proposals and said Pakistan's

market could serve as a place for selling Iranian brands provided that such brands are offered continuously and maintain their presence in the market.

The Pakistani official complained about high tariff rates of Iranian goods and the Iranian side noted that the problem could be solved through development and diversification of a list of goods of The Preferential Trade Agreement (PTA).

**\* Export of technical-engineering services**

Meeting with Pakistan's Economy Minister was another part of Ghazanfari's visit to Islamabad. In this meeting, the Iranian Commerce Minister pointed to Iran's capabilities in exporting technical and engineering services and by citing a list of projects ready for cooperation, called for the assistance of Pakistani Ministry of Commerce for speedy implementation of such projects.

During the meeting it was decided to form a working group, prior to the holding of the joint commission between the two countries, with the presence of the Iranian Ambassador, at the Pakistani Commerce Ministry to review the projects and ways to speed up their implementation and forward the guidelines to the joint commission for approval.

**\* Need to prepare ground in bilateral trade relations**

In continuation of his meetings with Pakistani officials, the Iranian Minister of Commerce conferred and exchanged views with Finance Minister Abdul Hafeez Shaikh.

Ghazanfari called for financial support of private companies in Iran and Pakistan to promote trade and commercial relations between the two countries.

He pointed to \$1bn increase in trade transactions between the two countries and said potentials and opportunities existing in Iran and Pakistan are as such that volume of trade exchanges between the two countries could surpass the announced figure.



He underlined the need for establishment and activation of banking networks between the two countries to support and solve problems of traders, merchants and investors of the two countries.

The Pakistani Finance Minister stressed The importance of preparing the ground, support and institutionalization of trade and commercial relations and cooperation between the two countries.

Abdul Hafeez Shaikh announced Pakistan's readiness for removing obstacles and problems in this regard.

**\* Meeting with Pakistani entrepreneurs**

The Iranian Commerce Minister also attended a meeting at the Federation of Chambers of Commerce, with the participation of heads of Commerce chambers from different provinces of Pakistan and delivered a speech which was aimed at explaining trade policies of the Islamic Republic of Iran to the Pakistani economic activists.

In his speech which received the applause of the audience, the Iranian Commerce Minister pointed to the long-lasting historical background and cultural commonalities of Iran-Pakistan trade relations and said capabilities of the Islamic Republic of Iran could be placed at the disposal of Muslim people of Pakistan. "There are no restrictions for expansion of relations of private sectors of the two countries."

Referring to the readiness of Iran's private sector for making investment and exporting goods to Pakistan, Ghazanfari added that in case the two sides directly undertake their commercial activities the cost of cargo transportation would diminish while greater strength would emerge for more competition.

Ghazanfari pointed to the efforts by the U.S. and a few other Western countries for creating problems in the relations among Muslim countries, especially the Islamic countries of Iran and Pakistan, and said Islamic countries should not be affected by such misinformation.

He further remarked that while some Western countries are trying to pretend there is high risk in trade with Iran and thus hinder cooperation of other countries with the Islamic Republic, they are making greater indirect efforts to be present in the Iranian market. This, he added, meant that they intended to be the only one who takes advantage of bilateral trade.

In the meeting, head of the Federation of Pakistan Chambers of Commerce Mian Muhammad Elahi welcomed proposals of the Iranian Commerce Minister and his remarks concerning the activity of the private sectors and said arrogant powers did not wish to see the two neighboring countries promote their trade and therefore constantly created problems.

He added that the government of Pakistan should ignore these pressures as increased trade between the two countries would be in favor of the two nations.

At the end of the meeting, the Iranian Commerce Minister and his

accompanying delegation answered questions on latest economic and trade developments.

**Iran, Pakistan Trade target set at \$4bn in Memorandum of understanding signed in Islamabad**

Iranian and Pakistani Ministers signed a memorandum of understanding in which they called for further expansion of trade ties on the basis of a five-year strategic plan.

According to the memorandum of understanding which belonged to the sixth Iran-Pakistan Joint Trade Committee, Tehran and Islamabad agreed to boost trade exchanges within the next five years from the present \$1bn to \$4bn.

Development of preferential tariffs and further expansion of cooperation in running exhibitions and regional quarantine were among other provisions of the agreement.

With the signing of the memorandum of understanding, the two countries obligated themselves to further develop economic and trade relations in such fields as industrial and agricultural products, transportation and transit of goods and joint cooperation with an aim to expand banking relations.

**\* Preparing ground for free trade**

Mehdi Ghazanfari, Iranian Minister of Commerce, referring to the memorandum of understanding said the two countries enjoyed common views in certain areas, including cooperation in the field of exhibition and offering free spaces to private companies as well as exchange of visits of specialized Commerce and trade teams between the two countries.

He pointed out that during the talks the Iranian side reached agreement with Pakistani officials on offering a list of announced preferential tariffs to pave the way for launching free trade.

Ghazanfari also underlined the importance of development of bilateral relations in banking and financial affairs and said with the activation of credit lines among banks in the two countries bilateral trade would expand between the two sides.

In conclusion of his remarks, the Iranian Commerce Minister said that the Pakistani side had expressed interest to take advantage of the Iranian space for transit of goods to Turkey and other third countries. Amin Fahim, the Pakistani Minister of Commerce, said that implementation of the above-mentioned documents would serve as a great step in the direction of trade and commercial cooperation between the two countries.

The Pakistani Minister said that presence of the Iranian delegation and signing of documents between the two countries would further increase responsibilities of Iran and Pakistan for moving in the direction of joint trade activities.

Tehran province trade delegation in Syria:

## A Trip With Significant Achievement

A trade, marketing, and investment delegation was dispatched to Syria by Tehran Province Commerce Organization on January 17, 2011.

The delegation consisted of representatives of 28 production and export companies specializing in such areas as spare parts, automobile parts, medical equipment, shoes and leather, construction materials, foodstuffs, gold, jewels and precious stones, technical and engineering services, and investment. The delegation was headed by Advisor to Head of the organization, Hojjatollah Fazlali.

During their four-day stay in Damascus, the Iranian merchants and businesspeople took part in many face to face meetings with their Syrian counterparts.

Taking part in a specialized meeting to introduce Iran's export capabilities which was attended by more than 170 economic activists and state officials of Syria, as well as the Iranian ambassador to that country, Head of the Iranian and Syrian Merchants Committee, the Syrian Deputy Minister of Economics And Commerce, and director General of the Syrian Export Development Board; visiting food industries, gold and jewelry makers, and producers of shoes and leather in Halab; holding meetings with economic entities involved in the above fields; touring Edra industrial park, holding a meeting with its officials and signing a contract to buy 2,000 square meters of the park for investment; visiting Syrian permanent fairgrounds and meeting with its officials were part of the Iranian delegations' schedule.

All specialized Iranian groups represented in the delegation also met and conferenced with relevant Syrian merchants and officials which is supposed to help the two countries' private sectors break new grounds as follows.

The gold group met with officials of two plants producing various kinds of gold and jewelry called "Hup" and "Taiba" both of which are famous gold brands in the Arab world. They also discussed cooperation between the two countries' private sectors. The group visited many gold plants during the trip and received orders for manufacturing gold artifacts.

The group of Iranian shoe industries met with officials of two shoe companies called Jks and S.G. Co. and discussed export of various kinds of men's and women's shoes, import of leather, shoe casts and machinery and signed two cooperation agreements. The companies also indicated their willingness to open offices and sell Iranian shoes in Syria.

The investment group, which represented Investment Fund of the Social Security Organization (SHASTA) met and conferred with the Syrian officials in charge of Syrian foreign investment projects and reached agreements including for the construction of two expressways (from Turkish border to the border with Jordan and from Tartus port city in west Syria to the border crossing in Abu Kamal with Iraq) as well as construction of a number of hotels in various cities.

The foodstuff group entered into negotiations with Basel Qadah and Darvish Khalil trading companies on the export of kiwi and soft drinks. They also conducted negotiations with Al-Kheir, Al-Reis and Zeno Co. on the export of olive.

Pastries and chocolate group entered into negotiations with Al-Sultan, Damas, Cordoba, and IBAA companies which led to agreements on opening representative offices of the Iranian companies in Syria.

The medical equipment group signed a cooperation agreement with Abdolrahman Attar, managing director of the Syrian Red Cross



Society for training Red Cross volunteers of Syria. The group also received a proposal for the construction of a Syrian-Iranian hospital from a member of Board of Directors of Iran-Syria Economic Agents. It also negotiated with At'ham, a big-time organizer of international tenders on medical equipment and nanotechnology.

Dried nuts group conducted negotiations with Samsum Lil Tijara, United Trade, Abu Raas, and Al-Hakim companies to represent Iranian companies and also to buy Iranian pistachios. The group also signed a memorandum of understanding with JPT Company managed by Farid Farzam for the export of saffron.

Automobile and spare parts group also held negotiations with Javad Company on further cooperation and visits to the Iranian factories.

Iran tour and tourism investment group signed contracts for the construction of two hotels in the Syrian cities. They also signed a contract to open representative offices of two Iranian hotels in Zeinabiya and Murja' square in Damascus to dispatch Iranian pilgrims to Syria. The group also concluded an agreement for the establishment of a joint venture company to conduct inexpensive Syrian tours with priority given to scientific and student tours. The company will open branches in Halab and Laziqia. Their head office will be in Damascus to make necessary coordinations.

The last proposal offered to the company organizing the delegation; that is, Tawaf International Co., by the Chamber of Commerce and the Iranian embassy in Syria was publishing a high-quality gloss-paper magazine containing information on the Iranian companies interested in doing commerce in Syria and agreements were reached. Head of the Iran-Syria Merchants Committee, Hassan Javad, also proposed that a big conference should be held to be attended by 100 Iranian and about 200 Syrian investment companies within the next four months.



## Strengthening Iran's Interaction with regional and international Agencies based on the Strategic Policies of the Fifth Five-Year Economic Development Plan

The Fifth Five-Year Economic Development Plan Act was approved by the Islamic Consultative Assembly (the Parliament) of the Islamic Republic of Iran in February 2011. The said Act was formulated in the framework of the General Policies of the Fifth Five-Year Development Plan as laid out and notified by the Supreme Leader of the Islamic Revolution.

In the foreign trade sphere, the Plan, in its Article 104.f, seeks to coordinate the national laws and regulations on foreign trade with those of regional and international organizations, in order to strengthen the country's economic indices for accession to the World Trade Organization (WTO).

In order to prepare the foreign trade section of the Fifth Development Plan Act, a number of relevant legal documents were taken into account; namely the Act on General Policies of the Principle 44 of the Constitution of the I.R. of Iran, the Third and Fourth Development Plan Acts, and the 2025 Vision of the I.R. of Iran.

Today, the I.R. of Iran is an active member in some regional and international economic organizations, such as the United Nations Conference on Trade and Development (UNCTAD), the Global System of Trade Preferences among Developing Countries (GSTP), the Economic Cooperation Organization (ECO), The Group of Developing 8 (Islamic) Countries (D-8), the Standing Committee for Economic and Commercial Cooperation (COMCEC) of the Organization of the Islamic Conference, and the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC).

Based on the Fifth Development Plan Act, it is expected that the country's trade relations will be expanded with the neighboring countries, non-neighboring Islamic countries, the geopolitically important countries and high-tech industrial countries.

Simin Ehterami, Foreign Trade Expert, International Affairs and Specialized Organizations Department.

## The Protocol on the Preferential Tariff Scheme for the TPS-OIC ratified by the Islamic Consultative Assembly (the Parliament) of the I.R. of Iran

The Protocol on the Preferential Tariff Scheme (PRETAS) for the Trade Preferential System among the Member States of the OIC (TPS-OIC) was ratified on 22 December 2010 by the Islamic Consultative Assembly (the Parliament) of the I.R. of Iran and also approved on January 5, 2011 by the Guardian Council. The Protocol was notified to the government organizations and agencies for implementation.

The Framework Agreement on Trade Preferential System among the Member States of the OIC (TPS-OIC) was formulated based on the objectives and provisions of the General Agreement for Economic, Technical and Commercial Cooperation among the Member States of the Organization of the Islamic Conference and also the decisions of the Third OIC Summit.

Following the entry into force of the Framework Agreement, COMCEC established the Trade Negotiating Committee (TNC) in 2003. Accordingly, the first round of trade negotiations for determining the details of the Preferential Trade Scheme to be established among the Member States was launched in April 2004. At the end of its first round of negotiations in April 2005, the TNC finalized, adopted and submitted the Protocol on Preferential Tariff Scheme for TPS-OIC (PRETAS) to the Twenty-First Session of COMCEC.

This Protocol was signed by the Minister of Commerce of the I.R. of Iran on May 2009. To date, PRETAS has been ratified by 13 Islamic countries including the I.R. of Iran.

The Rules of Origin of the Protocol, the outcome of the second round of TNC negotiations, were later submitted to the Twenty-Third Session of COMCEC, and have been ratified by 9 Member States, so far. Upon the tenth ratification, this instrument will also enter into force.

PRETAS complements the Framework Agreement by stipulating meaningful reductions in tariff rates in accordance with a certain time-table for implementation. PRETAS will gradually over a 4-year period, cover seven percent of goods, tariff rates of which exceed 10. Accordingly, tariffs higher than 25 will be decreased to 25, tariffs between 15 and 25 will be decreased to 15, and tariffs between 10 and 15 will be decreased to 10.

Simin Ehterami, Foreign Trade Expert, International Affairs and Specialized Organizations Department.

# Iranian Carpet: An Ancient Medium

About 500 years before Christ was born, crafty Iranians, already skillful in agriculture, metal smelting and pottery, were also dexterous enough in weaving carpets to create such an exquisite work as Pazyryk Rug.

The rug was hidden underneath layers of snow at Altai Valley for many centuries until archeologists who were exploring Sekai kings' tombs found it and drew analogy between its designs and bas-relief designs at Persepolis. The 2,500-year-old Pazyryk Rug is telltale of ancient Iranian art and industry and introduces modern humans to savvy and arts of ancient human beings.

Carpets and other handicraft which have shed light on ancient history and civilization of this land like decorated potteries of Susa and Silak, bronze artifacts of Lorestan, stone inscriptions of Bistoon as well as Manichaean books, tell us about ancient attitudes of our ancestors and relate us to them. As if, they are a medium which disseminate the message of our culture, civilization and art and are still disseminating that information after lapse of many centuries and even millenniums. Iranian hand-woven carpets convey a number of messages. Sometimes in the language of designs and colors, they give information about what their creators felt or about climatic and environmental conditions of the region where they have been produced. At other times, they attest to cultural background of their producers and even reveal what they believed in. Sometimes, Persian poems are seen on their margins which are indicative of attachments of their weavers and sometimes the names of those weavers are written on the top of those carpets and remain there for many years to come.

Here, more emphasis is put on certain types of such messages.

Iranians have been known as the first creators of "trademark" or "brand." The author of "Iran at Galactic Crossroads of Communication" has noted that ancient inhabitants of Iran were so advanced in conveying messages that even as early as Achaemenid time, they used trademarks.

Dr. Mohsenian-Rad has pointed to archeological exploration at the ancient city of Dahaneh Gholaman in Sistan saying that 100 glasses have been found in a room "all carrying the same mark. Five seals have been also found carrying the same mark and it was evident that it had been used to put the mark on those glasses. This collection can be considered the oldest collection of Trade marks used for advertising in Iran."

Therefore, smart Iranians with such a long record in using brand and special trademarks were naturally expected to use brands on their handicraft. This is why the name of weaver or the region where a carpet was woven has been put on the margins of carpets and this has been mentioned in history books.

This method of inscribing information onto carpets was made more formal in later years after establishment of "Iran Carpet Institute" under the rule of Pahlavi dynasty. Out of 25 duties enumerated for the Ministry of National Economy in 1930, one was "introducing special state brands for carpets."

Writing the name of the place or the name of weaver on the margins of ancient Iranian carpets has not only been used to assign a special brand to them, but has also been a method for dissemination of information which has been giving information to people since ancient times.

Two methods were used to write information down on carpets. In the first method, the weavers put their names on the margins and instead of using the present-day "made in," they used "performed by." Sheikh Safi carpet is the most famous example on which they have written "performed by the servant of God, Maqsood Kashani."

This carpet, which has been woven under Shah Tahmasb Safavid in

order to be spread at the Mausoleum of Sheikh Safi and is currently being kept at Victoria and Albert Museum in London, has a frame on its top close to the margin on which is written: "I have no haven in the world, but your shelter; my head goes nowhere but there; performed by the servant of God, Maqsood Kashani in the year 946 (AH)."

In the second method, a piece of writing was put on the carpet as ordered and, sometimes, revealed the reason behind weaving of the carpet. Such phrases as "ordered by..." or "dedicated to..." which can be seen on many old carpets and introduce those who have ordered them are examples to the point.

An instance is a carpet carrying such designs as trees, birds and other animals which has been woven under the rule of Mozaffar-ed-din Shah Qajar and the weaver has added his own name, Abolqasem Kermani; the name of designer, Forsat od-Doleh, and the name of he who had ordered it, "ordered by Mr. Behjat ol-Molk."

Using "special signs," "trademarks," and "informative writings" is still in vogue and producers of the Iranian carpets are still sending messages through their carpets.

Carpets have not only been used to disseminate information through writings on them since ancient times, they are still used as a medium to express viewpoints of their creators. Designs and plots, hues and colors, sizes and compositions, as well as materials used to create them are not only conveyer of our ancestors' messages, but also take our message to those who live in other lands and also to the next generations.

The weavers reflect their mental ideas in their designs in order to perpetuate their desired values and aspirations. Sometimes they tell their own stories and sometimes represent symbols of age-old myths; at other times, they depict what has been going on around them.

An example is attempts made to bring Paradise on the Earth. They depicted the Paradise on their carpets and put a pool at the center and called that design "toranj" which was reminiscent of Paradise.

In another example, they used "tree" which was a mythological symbol, as a sign of light and life and "blue lotus" as a gift from Mitra.

They used "swastika" to stand for "the revolution of Sun" which also shows that ancient Iranians considered the Sun as center of the universe. Or they used "botteh" design which is similar to a cedar tree bent under the pressure of wind to symbolize greenness and spring.

Rugs made by nomads depicted cattle and sheep as well as water and sun, nomad life and the love between a bride and groom and a horse that loves black tents. Turkmen carpets carried signs of totems of their tribes.

The Iranian Carpet is not only a medium to convey its creator's message, but it represents the Iranian culture, arts, civilization, economy and way of life.

The media have been said to be of cultural and social value; hasn't the Iranian carpet been carrying a heavy responsibility put on it by the Iranian history and civilization and hasn't it been interwoven in the Iranian economy and livelihood of the Iranian families for many centuries?

They say that every medium has its own language, style, technique, punctuation system, traditions and aesthetic features; hasn't the Iranian hand-woven carpet been unique in terms of designs, color, size, material, special techniques, exclusive signs and symbols as well as aesthetic features?

They say that media show us a world which although seems to be natural, is virtual; isn't the world shown through the Iranian carpets a symbolic and virtual interpretation of The truth?

They say that media deliver messages in an evenhanded manner, but their meanings are not received the same by the audience; isn't it so that messages hidden in the Iranian hand-woven carpets are understood in a certain way by different audiences?

They say that form and content cannot be differentiated in media because they influence each other; don't the Iranian hand-woven carpet's size, material, quality, and coloring affect the content of messages they deliver?

I think that this age-old medium and methods used by it to disseminate information need more exploration.

**Hamid Kargar**

**Director of Public Relations Department and Information Advisor,  
Iran National Carpet Center**

### Iran's Foreign Trade Index Improves 3 by Places

Vice President of Trade Promotion Organization of Iran for Trade Aid noted that despite international sanctions and threats, Iran's trade index has improved by three Places.

Kioumars Fathollah Kermanshahi added that according to a report released by the World Bank, the Islamic Republic of Iran's ranking for foreign trade in 2011 has been reported at 131 out of 183 countries, up by three positions compared to 2010.



He noted that reducing trade time from 38 days to 32 days has been the most effective factor for improving Iran's rating in addition to optimization of trade costs compared to a year before.

The official noted that all means which facilitate trade process by reducing cost and time are taken into account when classifying trade ranking of countries.

Vice President of Trade Promotion Organization of Iran for trade aid also noted reduction in trade time, cost and number of documents as three subsidiary indices of foreign trade, adding, "Business projects as well as time, cost, and number of trade documents needed for import and exports such as contractual agreements, documentary credits and discharge of commodities from ports are other indices of foreign trade."

He added that reducing the time needed for logistics (loading, offloading, and warehousing) in all ports and land border crossings, especially at Shahid Rajaei port; facilitating inspection, assessment and clearance process in all customs offices; transferring administrative operations for discharging raw materials as well as imported equipment and machinery needed for production units from Shahid Rajaei customs to manufacturing plants; and following up on the elimination of legal barriers related to foreign trade were other factors which improved Iran's foreign trade index.

Kermanshahi stated that taking advantage of experiences of other countries, cooperation from the private sector, and accepting private sector's proposals for facilitating trade and removal of barriers; reducing unnecessary red tape by promoting information and communication technology in organizations related to foreign trade; implementing single electronic window system throughout the country; and reducing traditional paper-based communications were other factors improving Iran's foreign trade factor.

"Other measures which should be taken to further improve Iran's foreign trade index include domestic transit from Shahid Rajaei customs office to other executive customs to reduce traffic at Shahid Rajaei port as a pilot port; speeding up widening of Zagh strait along Sirjan road to Bandar Abbas by finishing the second tunnel of Zagh strait; as well as improvement and development of capacities of Shahid Rajaei port and speedy completion of the third pool of the port city should be considered," he said.

### Persian Carpet Conference Held in Beijing

A conference on the Persian carpet as the most precious and most valuable handicraft of Iran was held in Beijing attended by dozens of people involved in Iranian carpet industry as well as heads and representatives of Chinese decoration companies.

The conference, which was sponsored by the trade advisor of the Iranian embassy in China and in cooperation with Iran National Carpet Center, was also attended by representatives of 27 companies involved in production and export of hand-woven Persian carpets from various Iranian provinces.

During the one-day event, representatives of Chinese companies offered their ideas on the Persian carpet and ways of developing its export to China to the Iranian side.

Mr. Tian, head of the Chinese Decoration Association, addressed the meeting calling the Persian carpet a priceless commodity with international fame and adding, "We are interested in providing grounds for more cooperation between Chinese companies and Iranian hand-woven carpet industry."

The official said the meeting was a valuable opportunity for introduction of the Persian carpet and expressed hope that presence of representatives of various state-run and private sectors from Iran and producers of hand-woven Persian carpets in Chinese exhibitions will pave the way for more introduction of this valuable commodity to China.

Ali Malekiju, Deputy Head of Iran National Carpet Center for marketing affairs, announced that the Persian carpet dates back to 2,500 years ago and is a telling account of the country's culture, history, and arts.

He added that six million people are involved in carpet industry in Iran, saying that it was an honor for the Iranian carpet industry to produce the world's biggest carpet with an area of 6,000 square meters.

"At present, the Persian carpet is exported to many countries and still has the first say due to its diverse design and colors," he added.

Meanwhile, The commercial counsellor trade advisor of the Iranian embassy in Beijing, Massoud Kamali, noted that the meeting in Beijing was a good opportunity for the introduction of the Iranian carpet as a valuable item representing the Iranian culture, arts, and civilization.

"This is the first time that Iranian companies producing carpets have come in direct contact with Chinese companies which are consumers of carpet," he said.

Kamali stated that the meeting aimed to introduce the Persian carpet to Chinese companies as a luxury commodity of high artistic value because of those companies attitude toward the Iranian handicraft productions.

An exhibition was also held on the sidelines of the conference which was welcomed by the Chinese visitors.

### IRISL Managing Director Honored as Prominent Figure of 2010

The Managing Director of the Islamic Republic of Iran Shipping Lines (IRISL) has been introduced as a prominent shipping manager in 2010.



During a festival organized by Lloyd's international institute, Newsmaker of the Year Award of 2010 shipping in the Middle East and the Indian Subcontinent was granted to Mohammad Hossein Dajmar, the Managing Director of the Islamic Republic of Iran Shipping Lines.

The award was given to the IRISL chief for his efforts to keep the company going despite international sanctions as well as financial and insurance problems imposed by the European Union and for protecting the company's international standing.

Lloyd's List's Middle East and Indian Subcontinent Awards 2010 was held in Dubai and was attended by more than 400 managers of the shipping industry.

### €50 m Allocated to Belarus Exports



Trade Promotion Organization of Iran's director general for Europe and Americas trade announced that a credit line worth 50 million euros has been opened by the Export Development Bank of Iran for the Iranian exporters and importers who are engaged in export and import of goods to and from Belarus. Abdolhamid Asadian added that based on agreements reached during the Iranian Commerce Minister Dr. Mehdi Ghazanfari's visit to Belarus in December 2010, a credit line worth 50 million euros has been opened by the Export Development Bank of Iran for the Iranian exporters and importers who are engaged in exporting and importing goods to and from Belarus. The official added that during the aforesaid visit, a memorandum of understanding was signed between the Export Guarantee Fund of Iran and the Trade Capital Bank and the two sides agreed that the bank would grant 40 million dollars to Iran as a guarantee of exports with easy repayment conditions.

### TPO to Sign Cooperation Agreement with Japan

Deputy Director of the Trade Promotion Organization of Iran (TPO), who was explaining about 20 years of cooperation between the organization and Japan, said that an agreement for cooperation in packaging will be signed between the Trade Promotion Organization of Iran and Japan in the near future.

He made the statement on the sideline of a seminar on packaging in foodstuff industries held in cooperation with the Japan External Trade Organization (JETRO).

Kioumars Fathollah Kermanshahi stated that the seminar aimed to build a suitable culture and promote packaging knowledge among exporters and importers of foodstuffs in Iran and also familiarizing them with the developments in food packaging industry of Japan.

The official then focused on the role and importance of packaging in qualitative development of foodstuff exports from Iran and added that taking advantage of successful experiences of other countries will be a major stride toward optimization of packaging in Iran.

Somi Moto, a Japanese expert in packing, also addressed the educational workshop and explained about packaging for foods from viewpoints of aesthetics, design, understanding needs of consumers and necessity of continued changes in packaging to meet exigencies of time. He also explained about international issues which are of import to packaging design as well as food decay and ways of preventing it by suitable packaging. The expert further presented a report on the most important foodstuff consumed in Japan.

The seminar on packaging in foodstuff industries was attended by about 70 Iranian companies producing and exporting foods, specialists in packaging from Japan as well as head of JETRO office in Tehran and officials of Trade Promotion Organization of Iran. The event was held at the site of Trade Promotion Organization of Iran in Tehran.

### Five New Trade Centers Open

The managing director of branches affairs at Trade Promotion Organization of Iran noted that the Iranian private entities have filed requests for the establishment of Iranian trade centers in Iraq, South African, Kuwait, Turkey and Central Asia.



Hamid Zadboum noted that establishment of such centers will lead to prosperity of economic relations with the aforesaid countries.

The official noted that of trade centers should be established to promote exports of goods and services and provide good support for the Iranian exporters in target markets. "At present, the private sector has proposed to establish such centers in target countries and the requests are being assessed."

Zadboum stated that the plan to establish trade centers in Iraq, South Africa, Kuwait, Turkey, and Central Asia is being studied.

"We must try to get export countries establish trade centers. Therefore, researchers in state-run and private sectors and exporters should help to formulate a model for increasing efficiency of such centers so that the

Iranian exporters and merchants will be able to work more securely in target markets," he said.

### 40 Countries Are Priorities for Iran's Exports

Deputy head of Trade Promotion Organization of Iran for marketing and regulation of relations pointed to the role of gathering information and introducing target markets in reducing investment risk and said that 40 countries are now on top of the list of Iran's export priorities.



Reza Tofiqi pointed to the role of gathering information in various markets and added, "Introducing export target markets usually takes place on the basis of a set of technical indices such as population, gross domestic product, per capita income, geographical distance, as well as physical and legal infrastructures."

Deputy head of Trade Promotion Organization of Iran for marketing and regulation of relations stated that 40 countries have been set as priorities for Iran's marketing and export efforts and the list of priorities is reviewed every year.

Pointing to the necessity of having a strategic plan for development of trade relations in target markets, the official said, "We relay information about various markets to private sector investors and businesses because identification and introduction of target markets will greatly reduce risks of subsequent investments."

Tofiqi mentioned issues like market introduction through website of Trade Promotion Organization of Iran, publication of various books containing trade information, taking part in exhibitions and dispatching trade delegations as major steps taken to introduce foreign markets.

He said, "At present, we are trying to provide information through the internet and take advantage of the abilities of the cyberspace."

Underlining efficiency of measures taken to introduce target markets to stakeholders, Deputy Head of Trade Promotion Organization of Iran for marketing and regulation of relations added that neighboring countries, the Commonwealth of Independent States, east Asia, Africa and certain Latin American countries are Iran's current priorities for exports.

**Qom**



**The needs for of Increasing Trade with Afghanistan Underlined**

Head of Qom Province Trade Organization, Younes Alipour said in a meeting with an Afghan trade delegation in Qom province, which was held at Ma'soumiyeh Hall of the Governor General's office, that the Provincial Trade Organization has identified 21 countries as target markets to increase trade relations, which included the Persian Gulf littoral countries, Muslim countries, neighboring states and other countries with suitable trade conditions.

Alipour noted that Iraq and Afghanistan accounted for the lion's share of Qom's exports, adding, "Since Qomi merchants avail of suitable facilities and technologies, they should not forget about the European and African countries and this is why we have been planning to establish trade ties with European states."

The official concluded by saying that shoes, bags, motorcycles, pharmaceuticals, cosmetics, and foodstuff constituted Iran's top exports to Afghanistan in return for which sesames and various dried nuts have been imported.

"Given extensive investments in industries and trade throughout the country, including in Qom province, I announced that there are high capacities for the export of Iranian goods and technologies as well as joint investments in Europe and Qom businesspeople should find a secure foothold in those markets," he said.

Head of Qom Province Trade Organization further stated that the delegation was the highest ranking Afghan delegation to visit Qom and included representatives of Afghanistan's private and public sectors.

**Qom**

**Qomi Businesspeople Can Register Companies in Afghanistan**

Meanwhile, economic and trade advisor of Afghanistan embassy in Iran said that businesspeople of Qom province can register their companies in Afghanistan enjoying full proprietary rights and implement various projects, including export projects.

Abdolhadi Farhang stated that Afghan merchants were very willing to expand ties with Iran and the high ranking delegation from Afghanistan was visiting Iran and Qom in order to discuss ways of increasing trade relations.

He expressed hope that the visit by the delegation would be a beginning for similar exchanges between Qom and Afghanistan because "we are proud of the power and technological advances of Iran."

Economic and trade advisor of Afghanistan embassy in Iran further stated that 500 Iranian companies were providing technical and engineering services in Afghanistan and proposed that to reduce transportation costs, Iranian companies better establish branches in Afghanistan in order to easily market their products.

Referring to presence of more than 2 million Afghan refugees in Iran during past years, the official said that the problem has been weighing heavily on the Iranian government and while being thankful of Iran's hospitality, Afghan people will never forget that.

Deputy Speaker of Afghanistan's Consultative Assembly stated that there are good cooperation grounds between the Islamic Republic of Iran and Afghanistan, especially in terms of imports and exports and this opportunity should be taken advantage of in order to increase trade and economic relations between the two countries.

"We thank the Iranian Nation and Government for their close ties to the Afghan nation and we hope for further development of economic and trade relations," he added.

Hajj Rahim-od-Din Haji stated that all major businesspeople of Afghanistan were in Qom to increase cooperation and interaction with that religious city.

Deputy Speaker of Afghanistan's Consultative Assembly further urged Iranian, especially Qom businesspeople to work for development of Afghanistan in cooperation with their Afghan counterparts because such cooperation will be in both countries' benefit.

He said that in addition to exports and imports, Iranian and Afghan businesspeople can cooperate on reconstruction of Afghanistan and expressed hope that negotiations will be beneficial to development of Qom and Afghanistan.

**Razavi Khorasan**

**Trade Delegation Signs Agreements in Iraq**

A trade delegation from Razavi Khorasan province visited Iraq and the two sides' private sectors have signed trade agreements. The 30-member delegation was headed by Deputy Governor General for Logistics and Human Resources Development and included Head of Razavi Khorasan Trade Promotion Organization as well as representatives of exemplary national and provincial companies. They stayed in Iraq from November 28 to December 2, 2010.

The delegation aimed to promote trade exchanges with Baghdad, Najaf, and Karbala provinces to make the most of the two sides' capacities. The Iranian delegates held numerous sessions with officials of the Iraqi provinces, including governor and business union of Karbala; provincial council and chamber of trade and industry of Baghdad; and chamber of trade and industry of Najaf. The meetings ended in conclusion of agreements on supply of meat and technical and engineering services; establishing joint trade centers; processing and packaging of chicken meat; and supply of agricultural foods between private sectors of Razavi Khorasan province of Iran and Baghdad, Najaf, and Karbala provinces of Iraq.

It should be noted that during the meetings, Ali Safarzadeh, head of Razavi Khorasan Trade Promotion Organization, explained about high provincial capacities for the export of technical and engineering services and implementation of various projects in the Central Asian nations. He added that grounds should be provided for the export of such services to Karbala and to establish an exhibition of Iran's exports to Karbala. He also underlined the need for launching joint trade centers and agencies of Mashhad and Karbala chambers of commerce.

Reza Abdolmaleki, Deputy Governor of Razavi Khorasan province, then explained about the province's production, industrial, and agriculture capacities and emphasized the need for making the most of Razavi Khorasan's technical and engineering abilities in Iraq.

During its stay in Iraq, the Iranian delegates took part in 101 sessions of trade talks which led to conclusion of 11 agreements and memorandums of understanding between private sectors of the two countries.

East Azarbaijan

**All-out Expansion of Relations with South Korea**

Head of East Azarbaijan Trade Promotion Organization has said that the greatest achievement of a recent visit to South Korea by a trade delegation from East Azarbaijan province was enthusiastic welcome accorded to the delegation by the Korean officials.



Sadeq Najafi added that for the first time in the history of East Azarbaijan province, a delegation comprising industrial activists, businesspeople and merchants, as well as economic activists visited South Korea to the warm welcome of the Korean officials.

He added, "During the visit, we discussed matters of interest with the Korean counterparts who indicated their willingness to expand economic relations with Iran. Korean industrialists also called for all-out expansion of economic relations and investment in the Islamic Republic of Iran."

Najafi, who is also secretary of Northwest Iran Economic Cooperation Committee, added that Korea is a developed country which can provide a good role model in energy consumption for the Iranian industries.

Referring to a meeting between East Azarbaijan delegates and Iran's ambassador in Korea, he said the Iranian embassy played an active role in expanding trade relations between the two countries' businesspeople.

Sadeq Najafi further explained about economic and investment potentials in East Azarbaijan and northwest Iran and added that the delegation visited Korea in line with President Ahmadinejad's recommendations for expanding foreign relations of northwest Iranian provinces.

As to the reason behind choosing Korea as destination of their visit, Sadeq Najafi added that the volume of trade between the Islamic Republic of Iran and South Korea stood at over 11.5 billion rials (almost USD 11m), which is meager compared to the two countries' economic, trade and industrial potentials. "The Korean side was willing to increase trade volume with Iran," he said.

Najafi noted that South Korea enjoyed high technology in electronics, automobile industry, information technology, and digital technologies. "Transfer of such technologies to Iran and encouraging South Korean investors to bring production lines of their international brands to East Azarbaijan was a major goal of the Iranian delegation's visit to South Korea," he added. The official said during meetings in South Korea, East Azarbaijan delegates toured Hyundai plant, CNJ Corporation, and major research centers of South Korea.

Sadeq Najafi added that during May 2011, a conference on South Korea's investments in Iran will be held to discuss various investment opportunities for Korea in Iran in various areas of automobile industry, steel and energy.

Head of East Azarbaijan Trade Promotion Organization noted that bilateral cooperation on dispatching trade delegations, holding mutual international exhibitions, exchange of students between Iran and South Korea, cooperation in manufacturing tractors, holding a conference on joint investment to develop trade and economic relations, introduction of Iranian goods to South Korean markets, and cooperation in manufacturing CNG plants in East Azarbaijan were major agreements reached by East Azarbaijan trade delegation in South Korea.

Kermanshah

**Iran's Solo Exhibition in Sulaimaniyah**

Head of Kermanshah Province Trade Promotion Organization said that the third exhibition of the Islamic Republic of Iran's capabilities will be held in the Iraqi city of Sulaimaniyah.

Asghar Mirzaei added that manufacturing companies carrying national brands as well as special potentials existing in Kermanshah province were good motives to hold the third exhibition of Iran's trade capacities in Iraq. "The exhibition aims to expand non-oil exports, increase Iran's share of the Iraqi market, and help to develop trade and economic relations between Iran and Iraq.

The official stated that the event will not only display Iran's capabilities, but will also include discussion panels in which both countries' economic activists will discuss various issues in face to face manner and within framework of various working groups. "This will hopefully lead to conclusion of trade contracts," he said.

Mirzaei concluded by saying that studies prove that Iraqi businesspeople are very willing to expand trade relations with Iran in view of the Iraqi market's needs.

"Powerful manufacturing and industrial plants should avail of this opportunity and claim a bigger share of the Iraqi market," he said.

Chaharmahal and Bakhtiari

**118 Tons of Almond Nuts Exported to India**

Producers of Chaharmahal and Bakhtiari province have exported 118 tons of almond nuts to India. Head of Marketing Department of Chaharmahal and Bakhtiari Trade Promotion Organization announced that Iran's sole specialized customs office on almonds was in Chaharmahal and Bakhtiari province where the highest amounts of various kinds of almond were produced.

"A total of 2.129 million dollars of almond nuts has been exported in November 2010, 24 percent of which consisted of almond kernels," he added.

The official announced that 86 million dollars of goods have been exported from Chaharmahal and Bakhtiari since the beginning of the current Iranian calendar year (started March 21, 2010) and noted that the figure will hit 100 million dollars by the year-end.

## Exhibitions Calendar 2011

Exhibition Title	Date of Exhibition	Organizer
The 6th RoboCup Iran Open 2011 Exhibition	5- 9 Apr	Iranian Robocup National Committee 88057577 - 88057579 www.Iranrobocup.ir
The 16th Oil, Gas & Petrochemical International Exhibition (Iran Oil Show 2011)	16-19 Apr	Ministry of Petroleum Public Relations Dept 66152736 - 88939888 www.iranoilshow.org
The 19th Tile, Ceramic & Sanitary Wares International Exhibition	26 - 29 April	Iranian Ceramic Society www.Irancers.ir 88303737-8
The 9th Kitchen, Bath, Sauna & Pool Industries & Equipment International Exhibition	06 - 09 May	Tehran International Trading & Exhibition Company (T.I.T.E.X) 22247479 , 81 http://www.kb-sp.com
Iranian Heart Association Conference & Exhibition	10 - 13 May	
The 14 <sup>th</sup> International Exhibition on Medical, Pharmaceutical & Laboratory Equipment (Iran Health)	16 - 19 May	Association of Medical, Dental & Laboratory Equipment Manufacturers 88600160-2
The 18 <sup>th</sup> Detergents, Hygienic, Washing Products & Related Machineries International Exhibition	16 - 19 May	Samee Paad Novin Co. 88708390-2 http://www.spnco.net/
The 2 <sup>nd</sup> Modern House Specialized Exhibition	25 -28 May	Nama Negar Co. 88873283 , 4 - 88208423 http://nni.ir
The 13 <sup>th</sup> International Exhibition of Decorative Stones, Mine, Equipment & Machineries	26 - 29 May	Iran Stone Association 88698830 88698380-1 www.stoneassoc-ir.com
The 2 <sup>nd</sup> Industrial & Specialized Exhibition of Humidity, Heating, Acoustic, Corrosion, Light Isolations Equipment & Related Industries	26 - 29 May	Milad Mobtakere Shargh Exhibition Co. 22922920-22 www.miladgroup.com
The 17 <sup>th</sup> Food, Technology & Agricultural International Exhibition (Iran Agro Food 2011)	05 - 08 June	Palar Samaneh CO. 88799334 - 88798738 http://www.palarsamaneh.com/
The 20 <sup>th</sup> Home & Office Furniture International Exhibition (Hofex 2010)	15 - 18 June	Iranian Union of Furniture Manufacturers & Exporters 88615797 - 88068101 Irfurnitureunion.ir