

## Short Economic News

### 2 Million Ton Products Transited via Iran in Spring

Transit via Iran in Spring with a 10.5 percent increase in weight reached 2 million and 194 thousand tons.

According to the stated report by Iran's customs the transited products via Iran in this period valued 3 billion and 601 million and 600 thousand dollars which this figure in comparison to the previous year showed a 20.7 percent increase.

The total amount of transited products via Iran in this period



minus fuel was one million 92 thousand and 800 tons.

In the mentioned three months 33.4 percent of the total transited products were based from Kazakhstan, 18 percent from Turkmenistan, 12.6 percent from United Arab Emirates, 9.5 percent from Uzbekistan and 5 percent from Azerbaijan.

This report also states that 79.9 percent of the exported products from Iran to Japan, UAE, Turkey, Afghanistan and Azerbaijan were transited.

### Aluminum shortage put at 60,000 tons

A top aluminum industry official said that the country's two largest aluminum factories, Al-Mahdi and Iralco, should cease exports if the market is to overcome the present 60,000 ton shortage of the key product.

According to Tehran based English-language newspaper Iran Daily, Hebbatollah Fazeli, who heads the Iranian Association of Aluminum Industry for Constructions said that aluminum production declined by 10 percent this year, adding that some 100,000 tons of the product is imported each year.

«However, given the soaring aluminum prices on the London Metals Exchange (LME), importers have been unable to import the product» he said, adding that domestic aluminum prices have overtaken international prices of the product.

He said that the country needs to import 100,000 tons of aluminum by next March, adding that the two companies are exporting 3,000 tons of aluminum per month, which needs to be consumed domestically.

Fazeli said given the

restrictions on importing aluminum from United Arab Emirates and Bahrain, domestic production of aluminum needs to grow significantly and greater competition has to be created in the sector.

«Iran imported 70,000 tons of aluminum from the UAE last year» he said, adding that imports from the Persian Gulf state will decline to 10,000 tons this year.

Iran's aluminum industry is one of the largest in the region. Annual demand for aluminum stands at 120,000 tons.

## Fall in licensed UK sales to Iran

The number of licensed sales approved for Iran fell for the third successive year, according to the latest annual report on strategic export control published by the Foreign Office Monday.

The report listed a total of 105 Standard Individual Exports Licenses (SIELs) being issued for sales to Iran in 2005, down from 135 in 2004 and 170 in 2003. In addition, 14 applications were refused.

Despite the fall, the value of the standard licenses issued were valued at pnds 179 million (dlrs 330m), compared to just pnds 23 million in 2004, by to

pnds 545 million in the previous year.

In 2003, the value was largely accountable to the issuing of two licenses for inspection tools on civilian aviation engines that were worth over pnds 500 million. But in the latest figures there were no details of any particular sales.

The latest report also shows that for the British government last year issued or amended five Open Individual Export Licenses (OIELs) for Iran, up from four in 2004 and three in 2003. OIELs are even less

transparent that SIELs and were not valued.

Overall, over 9,000 applications were processed in 2005, including 6,902 issues, 127 refused and 1 revoked. In addition, a further 1,260 applications were rated as no license required.

Despite the fallback in licensed sales, there has been an upward trend in approving applications, since the Foreign Office announced for the first time in March 2003 that it was no longer making Iran an exception to its assessments procedures of 30 days.

## US Companies Invited to Participate in Iran's Oil Projects

Managing Director of National Iranian Oil Company Gholam Hossein Nozari invited US companies to participate in Iran's oil projects.

Speaking in a press conference here in Tehran, Nozari said Iran is prepared to work out economic and financial incentives for the American companies to participate in the Iranian oil projects, adding, «Although economic preferences are a top priority for American firms and companies as they are well aware of the excellent

preferences that exist for their operations in Iran, this has actually been the D'Amato sanction Law of the US Congress which has impeded their activity in our country.»

Once the Law which is extended by the US presidents annually is ruled as null and void by the US officials, we are confident that many US enterprises will rush to Iran to enjoy the investment opportunities and preferences that reside already or we will create for them in here,» he added.

The Iranian oil official stressed

that under such circumstances, his company would certainly hold negotiations with the US companies to pave the ground for offering and attracting them with still more rewarding conditions and preferences that already exist in Iran.

He said partnership of the US oil companies can give rise to tighter competition in the Iranian projects and lower down tender prices and, meantime, affect current and future decision makings by the US politicians and statesmen.

## \$60b worth of Iranian Goods Exported in 2005



Iran exported USD 60 billion in goods and commodities during the period from March 21st, 2005 to March 20th, 2006, including USD 48 billion in oil exports, Minister of Economic Affairs and Finance said.

Expressing satisfaction with the 34.4% of growth in the export of non-oil products and approximately 50% in oil exports, Dawood Danesh Ja'fari said that during the same period of time Iran's imports registered the sum of USD 40 billion, showing 7% of increase in the value of Iran's imports compared with the previous year.

He further stated that the country's non-oil exports have experienced 82% of growth during the first quarter of this year, and expressed hope that further improvement of the

quality of Iranian made products would keep the present rate of growth in non-oil exports steady and as a result set the country free from its present oil dependent economy.

Elsewhere, the minister criticized previous administrations for the lack of coordination between economic bodies and the government's system of foreign diplomacy, stressing that Ahmadinejad's administration has now succeeded in establishing a close cooperation and coordination between the said two fields.

## Iran among UK's biggest markets for credit guarantees

Iran remains among the most active markets provided with financial support underwriting by the British government despite a deterioration in political relations.

According to the latest annual report by the Export Credit Guarantee Department (ECGD), Pnds 111.3 million (Dlrs 205 m) worth of guarantees were issued for British companies doing business with Iran in the last fiscal year to March 2006.

The amount, which is up from Pnds 99 million provided in the previous year, places Iran as the UK's sixth biggest market, behind Saudi Arabia, the US, Thailand, Philippines and

China.

ECGD issued a total of 151 guarantees and insurance policies worth Pnds 2.2 billion to help British companies to compete in overseas markets during 2005-06.

In Iran, the largest transactions underwritten was Pnds 67 m to support the involvement of SembCorp Simon-Carves in a polystyrene plant for the Pars Petrochemical Company.

Credit guarantee worth Pnds 41 m was also issued for SemCorp Simon-Carves in a project for a low density polyethylene plant for the Amir Kabir Petrochemicals company.

Underwriting was also provided

for another two petrochemicals projects as well as for pharmaceutical equipment, air handling units and two dry compressors sold to Iran.

The petrochemicals projects helped to increase the sector's share of ECGD's main civil business to 17 per cent last year, up from just 2 per cent in 2004-05.

Since restoring cover in recent years, the UK agency has started to support business to both the National Iranian Oil Company and the National Petrochemical Company without a requirement of government guarantees or complex structured finance arrangements.

## Foreign Companies enter Iran stock exchange market

TEHRAN, August 16 (ISNA)- Three Foreign companies were permitted to invest in Iran's stock exchange market.

These three companies who are from Kuwait, Saudi Arabia and the U.A.E according to the foreign investment article

of Iran's Stock Exchange have been allowed to purchase 10 percent of the stocks.

## Iran export increases 66 percent

TEHRAN, July 15 (ISNA)- Iran's Minister of Commerce commented that in the three months ago export would show a 66 percent increase. This official noted that when

comparing the Springs of the last three years a 16 to 18 percent raise could be seen each year. Masoud Mirkazemi commented that this was while the amount of import had also shown an

increase.

«Of course this increase is more related to weight than the value of imported products,» added Mirkazemi.

## National Airline to Offer 50 Percent Discount to Students Abroad

Managing Director of the Public Relations Department of the Islamic Republic of Iran Airlines (Homa) said that an earlier government approval to offer 50% discount to Iranian students who would like to return home from overseas, would take effect as of August 23rd.

Reza Ja'far-zadeh told FNA's economic desk that Iranian students residing abroad should receive a letter from the Iranian embassy in the country of their residence and present it to one of Homa's offices in the same country.

He also stated that such students willing to visit their homeland can use the discount twice a year.

Cabinet approved a bill in late June which stipulated 50 percent discount to Iranian students who live abroad and are willing to



travel to Iran.

The cabinet approval said that such students and their spouses and children can enjoy the facility twice a year after the High Council for Iranian Aviation approves the bill.

The Islamic Republic of Iran Airlines (Homa) issued a statement and announced that it would give a 50 percent discount to Iranian students abroad who

plan to visit their homeland.

The statement said that the ruling would take effect from August 23, and that students can avail of the discount by obtaining a letter from the Iranian Foreign Ministry or one of its embassies abroad and presenting it to any of Homa's offices in the country where the students reside abroad, added the statement.

## Emirate stands as Iran first import source

Tehran, July 21 (ISNA)-In Spring 2006, 10 million and 670.4 thousand tons of various products worth more than 9 billion dollars was imported to the country which when compared to the same period last year these figures show a 30.2 percent weight increase and a 2.6 value decreasing.

According to Iran's customs reports Iron products with 964.6

million dollars allocated 10 percent of the whole imported amount to itself and stood first and electric appliances with 5.9 percent and plastic with 3.2 percent stood second and third. Most of the imported products were exported by the U.A.E.

The imported products form this country allocated 2215.6 thousand tons and 2212.9 million dollars to themselves,

which these figure illustrate 20.8 percent of the whole weight and 22.9 percent of the whole value. Germany with 11.9 percent considering value stood second and China with 6.5, France with 4.6, South Korea with 4.5, Italy with 4.1, India with 3.5, Swiss with 3.3, U.K with 2.8 and Netherlands with 2.6 percents came in next.

## Chamber News

## IBCCIM News

### Annual General Assembly of IBCCIM

Monday 26th June 2006



The sixth annual general assembly of IBCCIM was held at the Iran Chamber on Monday 27th of June 2006. The assembly was attended by the IBCCIM president, vice president and board members of directors and the majority of the members welcoming the audience, Dr.Amini Secretary General and executive Board Member read out the agenda. Then Eng. Ali Naghi Khamoushi, IBCCIM's

president, while appreciation the performance of the secretariat of the chamber, emphasized on every necessary seasonal gathering and wished these meetings expand regularly. Then the meeting went through its agenda.

First Board's report was read out by Dr. Amir Houshang Amini, and ratified entirety.

Afterward the proposed plan & Budget for the year 1385 were

also submitted and approved entirety.

Then the IBCCIM,s official financial and legal inspector's report were submitted by Abdolhamid Mahalati and was approved .

In the end, Mahalati auditing co. was reelected as the chamber's auditor and legal Inspector for year 1385, and the newspaper «ETTELA-AT» was chosen for advertisement.

## Monthly Session of IBCCIM specialized Commissions

The «Investment facilities and participations» Commission

Monthly meeting of the «Investment and Participations Commission» of IBCCIM was held as usual and attended by Ms.Fatemeh Abdolahian ,Mrs. Eng.Zahra Naghav, Mrs. Eng. Mahvash Tayarani, Messrs Dr. Behrooz Akhlaghi, Dr. Nasser Homapour Chairman, Manouchehr Hamoon, Hossein Iranmanesh ,Manouchehr Bayat. Mehrdad Khajenouri and Dr. Amini.

In all sessions following the exchange of economic news about Iran and UK, the general policies of the article 44 of the constitutional Law issued recently by the supreme Leader ,was discussed in detail, particularly concerning mutual economic relationship between the two countries.

The «Training and information commission»

This commission was held in summer twice and the meetings

were attended by majority of commission members:

Mrs. Lili Marzabadi, Mrs. Eng. Mahvash Tayarani, Ms. Mahnaz Masoumi, Messrs Ramin Taati, Manouchehr Hamoon, Hossein Iranmanesh, And Dr. Amini as Chairman.

At the sessions, following the exchange of economic news and discussion on the information and training , E-weekly news and quarterly magazine, decision about necessary matter were made.

## British Ambassador Geoffrey Adams meets members of representative council of ECCIM



H.E. Geoffrey Adams accompanied with the, president Khamushi and members of executive Board of Directors of IBCCIM,attended in Esfahan chamber representative council, on Monday after noon dated 18 September 2006.

In this preplanned meeting, Dr. Ranjbaran the Esfahan Chamber president welcomed the audience and explained the Esfahan capabilities for developing the economic relationship with the U. K. .

Then Mr. Khamoushi, expanded the communique of article 44 of constitution and ways of implementation of relating Policies in detail, and replaced the questions raised.

Afterward H.E. Ambassador offered his thanks to IBCCIM specially to Mr. Khamoushi and Dr. Amini for making this meeting to happen . and also Esfahan Chamber president and attending members .Then he explained the economic relationship between the two

countries and the existing possibilities before economic development.

Hereafter he stated as the British Ambassador, to make his effort to improve the relationship between the Businessmen of the two countries, in order to increase the bulk of Iran's exportation to U.K. as well as expanding. U.K. export to Iran. Finally he once more offered his appreciation to the audience and ended up his speech.

## IBCCIM's Monthly Executive Board Meeting

The IBCCIM's Monthly executive board meetings were held regularly at the presence of its members on the 7th floor of the Iran chamber. In these sessions, after exchanging economic

news, the monthly report was presented by Dr. Amini, and discussed the problem. Decisions were also made to Arrange several General Gathering and seasonal seminar

with different subjects and Provide receiving British Trade & Investment delegations, and providing facilities appropriate for the members to visit coming exhibitions in Great Britain, etc.

## HBM Ambassador Geoffrey Adams visits president Khamoushi

On 28th July, HBM «Geoffrey Adams» to Tehran and Mr. Nick Coppin head of commercial department of British embassy were the honorable guests of ICCIM & IBCCIM,s president Khamoushi. The president of the chamber expressed his respect and welcomed H.E. Adams, then both exchanged their ideas and views on the expansion of trade between the two countries and went on to mention the important roles being played by



joint chambers ,both in Iran and U.K. In this meeting Dr. Amini senior Economic Advisor and member of Board of Director

as well as Secretary General of the the IBCCIM and Mr. Khareghani Deputy of ICCIM in Int. Affairs were present

## BICC News

### Monthly meeting of BICC

According to the report of BICC's spokesman in London the monthly meeting of BICC

was held with attendance of more than 100 Iranian businessmen, living and working in U.K. In

this meeting John Snow, BBC's channel 4 reporter held a speech on his trip to Iran.

### Announcement

The British Embassy has recently introduce online visa applications. This improved service now allows applicants to choose a convenient time

to visit the Embassy with their payment and supporting documents, avoiding the need to queue. Details cen be found at [www.britishembassy.gov.uk/iran](http://www.britishembassy.gov.uk/iran).

The Embassy particularly encourages Chamber members to apply online and enjoy the benefits it brings.