

Short Economic News

New appointments in Ministry of Industries and Mines

Minister of Industries and Mines Ali Akbar Mehrabian appointed several new deputies and advisors.

According to the report of Ministry's Public Relations Office, Mehrabian by issuing separate decrees appointed Hassan Sheiknia as deputy in Human Resources development and logistical affairs, Mohammad Masoud Sami-Nejad as deputy



minister in Mines Affairs and Mining Industry.

The minister retained Ahmad

Ali Harati-nik as his deputy and Chairman of Managing Board of Organization for Development and Renovation of Mines and Mining Industry. He also appointed four new members in the organization's managing board.

Abdulhamid Samareh Hashemi and Mohammad Hossein Basiri were also appointed as the minister's advisors.

Ilam is key to better commercial relations with Iraq

Head of Ilam Branch of Iran's Chamber of Commerce, Industries and Mines Mohammad Ahmadi said that Ilam province is the key for commercial relations and expansion of exports to Iraq.

Ahmadi told a group of his personnel that 430 kms of common borders with Iraq and the family and commercial ties have turned Ilam into crossroads of economic relations between Iran and Iraq over recent years.

He said Mehran exit in Ilam is now fully ready to export different kinds of goods and services to Iraq.

He added that the private sector in the province too is fully prepared to broaden commercial, customs, construction, health and servicing activities in Iraqi cities.

The official said Ilam has since the past been maintaining good relations with Iraqi religious cities, which necessitates to use the advantage properly for economic development of the region.

He noted that now after fall of Iraqi region, proper grounds have been prepared for expansion of commercial relations and visits to holy sites.

Ahmadi concluded that expansion of commercial activities between Iran and Iraq can serve as a strong backing for mutual solidarity.

Mehran exit is one of the most important hubs for exchange of visits by pilgrims and export of Iranian goods to Iraq.

About dlr 200 million worth non-oil commodities are annually exported to Iraq via Mehran International and Trade Border 90 kms south of Ilam by Iranian and foreign traders and merchants.

Iran to Privatize \$90 bln of Energy Assets

Iran plans to privatize 47 firms in its energy sector worth \$90 billion and set up a holding company for these assets which it will list on four international exchanges, a National Iranian Oil Company (NIOC) executive said.



The plan would see the oil and gas companies put under an umbrella group to attract foreign investment, Hojatollah Ghanimifard, director of international affairs at NIOC told the London-based Middle East Economic Digest (MEED).

He said the firms would also be

listed in Tehran by 2014.

«We decided the Iranian stock exchange may need to have some support financially from outside stock exchanges, especially for the oil sector, because the money involved is too much (for Iran),»

Ghanimifard told the magazine, without naming the firms.

Iran, the world's fourth-largest crude exporter, tried to revive its stalled privatization plan in 2006 by ordering the floating of 80 percent of several firms. But it said the upstream oil sector and

key banks would remain in state hands.

The 2006 list included NIOC subsidiaries, such as Petropars, set up in 1998 to help develop part of Iran's huge South Pars gas field and which has since signed energy deals in Venezuela.

Other NIOC subsidiaries included Petroiran Development Company and North Drilling Company. Firms affiliated to Iran's petrochemical industry were also on the list.

Deals have already been signed to list the holding company on markets in two of Iran's neighbors and two Asian countries, Ghanimifard said, adding that more details would be given by the end of March. He declined to name the exchanges.

«Today, the valuation award is something close to a \$90 billion book value,» Ghanimifard said. «But at the time they go to the stock market, based on the bidding you will see from those that want to buy it, the total amount will be more than that.»

Adults' population to double in 15 years

The number of Iranian citizens aged above 60 will double in 15 years, said an official here.

Secretary of the Third Congress on Adulthood Issues in Iran and the World Mahshid Foroughan

told IRNA that based on latest public census in 2006, about 7.27 percent of Iran's population of 70 million, i.e. more than five million, are adults aged above 60.

Foroughan said offering serv-

ices to the group is not something easy regarding the fact that increase in age causes chronic and hard-to-cure illnesses such as diabetes, brain stroke, cardiovascular diseases and cognitive disorders.

Iran to Become Net Exporter of PVC



Iran is planning to bring on stream 417,000 tons/year of additional polyvinyl chloride (PVC) capacity by the end of 2008, turning it into a net exporter, a source close to National Petrochemical Co (NPC) said.

«The new capacities will help ease the tight supply of PVC in Iran and provide export opportunities,» a Tehran-based trader said.

Arvand Petrochemical Co's 340,000 ton/year PVC plant, located at Bandar Imam, will start up in December this year, the source said, comprising 300,000 tons/year of suspension grade

and 40,000 tons/year of emulsion grade.

The complex would also include vinyl chloride monomer (VCM) and ethylene dichloride (EDC) plants, with a capacity of 340,000 tons/year each and a 635,000 ton/year caustic soda line, a second source said.

Abadan Petrochemical is also planning to double its PVC capacity to 120,000 tons/year by the end of the year, the first source added.

And Bandar Imam Petrochemical Co (BIPC) will debottleneck its 175,000 ton/year PVC plant at Bandar Imam by 17,000 tons/

year.

Iran's current installed PVC capacity is 235,000 tons/year, while consumption in 2007 was estimated at about 260,000 tons/year.

«Demand for PVC is robust from the construction, water supply and synthetic leather segments,» the trader added.

Once the new capacities come on stream, Iran is set to become a net exporter, with a surplus of an estimated 390,000 tons/year, after the plants achieve full output.

Arvand and BIPC are subsidiaries of NPC, while Abadan Petrochemical is a privately owned Iranian company.

Iran Breaks World Record on Dam Construction

Iran's Energy Minister Parviz Fattah said that Iran is holding top record on dam construction in the world, mentioning that Iranian companies are implementing 90 dam projects concurrently.

«Such an event is unprecedented,» Fattah stated in the northwestern province of West Azerbaijan.



Describing dam construction as a prerequisite for agricultural and industrial growth and development, the minister mentioned, «If the sum of rls 26,000 bln in credit is allocated to the projects as envisaged for the new Iranian year, we will accomplish executive works of the half-finished projects in the next four years.»

Over 19 million pieces of processed leather exported



Over 19 million pieces of processed leather were exported abroad in the current Iranian

year to March 20.

Announcing this, head of Tehran veterinary department noted that the processed skin has been exported to the countries of Italy, Turkey and Pakistan.

«Some 4,500,000 intestine units have been exported to Germany during the same period this year,» Seyyed Asqar Baraei Nejad said.

He also noted that over 21,900,000 pieces of processed skin also was exported to the

same countries during the previous year (ended March 2006) and over 436,000 units of processed intestine exported to Germany last year.

Baraei Nejad underlined that over 7,000 tons of eggs also were exported to Iraq and Armenia during the current Iranian year.

«Veterinary products can play a pivotal role in boosting of non-oil exports,» he concluded. Each intestine unit is 91.6 meter

Iran's gas likely to be sent to Europe

Iran could be among suppliers of the required gas for Nabucco pipeline but it is up to countries whether to buy Iran's gas or not, the head of Nabucco consortium declared.

His remarks occurred where as some western media have already declared Iran's gas would not be used for carrying out the project.

Iran has already declared it is ready to export gas to Europe through Nabucco gas pipeline.

This pipeline will deliver gas from Caspian Sea region to Europe.

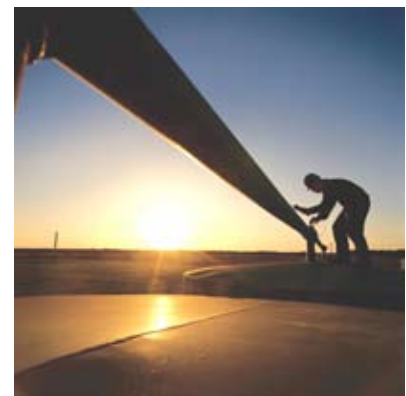
Last month the foreign min-

ister declared Nabucco project can be one of the possible ways for Iran and EU to cooperate in energy-related fields.

The pipeline project is estimated to cost about 6.14 billion dollars and is to connect Caspian Sea region to Austria through Turkey by 2011.

Iran's cooperation in the project is affected by the decision made by European purchasing countries, the head added.

Russia, Turkmenistan, Iran, Iraq and Egypt are among selling counties.



Also the German company RWE was recently accepted to be the sixth member of Nabucco project.

First gas technology exhibition opens in Mashhad

The first gas technology and related industry exhibition dubbed as «GasTex 2008» opened.

Managing director of the Mashhad International Fair said in the inauguration ceremony «Considering Iran's second position after Russia as the biggest gas producer in the world, Iran has a special stance in the energy market.»

Referring to the importance of gas and Iran's position in this concern, Mohammad Seyyedi said, «In recent months demand for buying Iran's gas has in-



creased by different countries.»

Seyyedi called establishment of OGEC (known as Gas OPEC) as the most important event in the field of gas and added Iran has played a basic role in establishment of the new organization.

He continued, «The aim of holding such an exhibition here

is to present the province (Khorassan Razavi) abilities and potentials in this field.»

45 domestic and foreign firms have participated in the fair and delegations from Cameroon and Turkey by visiting the exhibition got acquainted with Iranian experts abilities.

He said, «Main fields of activities in the fair are discovery, production, refinery, technical and engineering services, automation, security, gas transfer and distribution, public contracting, equipment and machinery, pipes, joints and other activities related to the gas projects.

135,000 tons of goods exported via Kerman Customs Office

Over 135,000 tons of goods worth 6,164 billion rials (dlrs 662.5 million) have been exported via Kerman Customs Office in the current Iranian year.

Announcing this on Sunday, the director general of Kerman Customs Office said that the figure showed a 10 percent increase

compared to the same period last year.

«Most of the exported goods included pistachio, copper products, wool, paints, resins and ed-

ible products,» Hossein Salari said.

He cited European countries, Russia, Hong Kong, Malaysia, Turkey and Central Asian countries as the target markets, adding over 20,000 tons of goods, worth rls 659 billion, have been imported via Kerman Custom Office during the same period.

Salari cited mechanical and industrial machinery, agricultural equipment, electrical and industrial instruments as the most important imported goods,

adding Central Asian countries, Italy, China, The Netherlands and Malaysia have exported their products to Iran via this custom office.

Referring to the number of passengers entering Kerman, he underlined that over 57,000 passengers have entered the province from UAE, Syria and Saudi Arabia during the same period.

Salari also put the total revenue of Kerman Customs Office at 207.4 billion rials in the current Iranian year.

Iran, Iraq to link their power networks

Iran's Deputy Energy Minister, Mohammad Ahmadian said on Friday that Iran and Iraq will link their power networks through nine border points in order to supply Iraq with its needed electricity.

Iraq is a country whose infrastructures particularly its power plants have been devastated to a large extent by terrorist attacks and bombing of US troops, he said.

Ahmadian also pointed to President Mahmoud Ahmadinejad's upcoming visit to Iraq and said the two 400 kw electricity transmission lines from Abadan and Marivan (Southwestern Iran) to Haresah and Panjwin

(Southern Iraq) are to become operational.

By opening the transmission lines which will transfer electricity to Iraq, Iran's potential



for export of electricity to Iraq will double, said Ahmadian.

Referring to Iran's cooperation with Iraq in setting up power plants, Ahmadian said that a project on constructing Heidariyeh power plant in Najaf would be launched in the presence of two sides's energy ministers simultaneously with the visit of the Iranian president to Iraq.

In response to an invitation extended by his Iraqi counterpart, President Ahmadinejad heading a high-ranking delegation is to visit Iraq on March 2 for talks with senior Iraqi officials and signing several memoranda of understanding (MoU) in different fields.

Iran, Russia to Set up Joint Venture

A Russian official said a joint energy and transportation venture between Iran and Russia will yield a \$20bn profit for both sides.

In a press conference, Alexander Mariasov, a senior official in the Russian Foreign Ministry said that Iran and Russia will engage in gas, oil and aviation industry projects worth \$20 billion in the near future, a press tv

report said.

Iran's Oil Minister Gholam Hossein Nozari said earlier that Iran and Russia have agreed on establishing an oil cartel presiding over more than 40 percent of the world's oil supply.

Russia's oil monopoly Gazprom and National Iranian Gas Company agreed on developing the South Pars field in the

Persian Gulf, and the creation of a joint venture company with a third country in the next two months.

Nozari added that both sides have also agreed to construct a refinery in northern Iran.

Nozari said that Gazprom prompted the implementation of liquefied natural gas projects in the country.

Iran to export 200 megawatts of power to Iraq

Energy Minister Parviz Fattah said here Friday that Iran is to export 200 megawatts of power to Iraq as of next week.

Fattah told IRNA that power

exports will be possible after connection of power networks in Iran's western city of Abadan (Khouzestan Province) to Iraqi city of Basra.

He said Iran has the possibility to raise power exports to the neighboring countries, including Iraq, in certain seasons of the year due to its high power generation capacity.

Chamber News

IBCCIM News

Holding the IBCCIM's Board Meeting

The IBCCIM's monthly board sessions were held regularly with the presence of the all members in the winter. In these sessions, besides the discussion about the

economic problems between Iran and Britain, the next year's plans were propounded. In the last session, sending a trade and investment mission accompa-

nied by the chamber's executive board to London was discussed and it was assigned to arrange for sending a mission in the middle of spring.

Holding Investment Facility and Cooperation Committee

The Investment Facilitation and Cooperation Commission were held regularly and monthly with the presence of all members in the winter. In these sessions after exchang-

ing views in regard to the economic news especially about Iran and Britain they discussed about the problems written in the agenda and in addition it was assigned to hold the

chamber's annual meeting after the new year's eve and arranged for sending a mission to London accompanied by the chamber's executive board in the middle of spring.

Holding the IT and Education Committee

The monthly Education and IT Commission were held with the presence of all members in the winter. In the sessions of this commission after nego-

tiation and review of the considered issues it was assigned to arrange visiting some fairs in London provided that the chamber's board approves it

and also decided to inform the members electronically hereafter.