

Petchem Output at 23m Tons

Iran's petrochemical industry has reportedly produced more than 23 million tons of petrochemical products in the first eight months of the current Iranian year (started March 21).

"The total production of petrochemicals reached 23 million tons from March 21 to November 6," Shana reported.

The report added that the oil-rich country also exported 8.5 million tons of petrochemical products worth more than \$5.05 billion in the first six months of this year.

The products included polyethylene, methanol, benzene, ammonia, sulphur, PVC and propylene.

Iran's Customs says the figure indicates a 50 percent increase compared with the same period last year.

The level of exports of petrochemical products to China exceeded \$1.650 billion in the current Iranian year (started March 21) from an average of \$482 million in recent years.

Based on official statistics since March 21, petrochemical products worth about \$850 million have been exported to China.

China accounts for some 27 percent of Iran's petrochemical exports compared to the previous level of 16 percent.

Estimates reveal that by March 2011 Iran's export of petrochemical products to the Asian country will hit \$2 billion, registering a record.

Iran, the world's fifth largest oil producer, exported around 14 million tons of petrochemical products worth more than \$9 billion in 2009.

In May, the managing director of the National Iranian Petrochemical Company (NIPC), Abdolhossein Bayat, said Iran accounts for 25.8 percent of the Middle East's production of petrochemicals.

"This year will see a 10.5-million-ton increase in the production capacity because of a 5.2-billion-dollar investment in the petrochemical sector," Bayat said. He predicted that the volume of petrochemical exports would hit 17.9 million tons this year. Bayat added that Iran, compared to other regional countries, is in a better position in terms of investment in its petrochemical sector.



\$650m Textile, Garments Exported in H1

Iran has exported more than \$650 million worth of textile and garments during the first six months of the current Iranian year (started March 21), the head of textile and garments department for Iranian Industry and Mines Ministry said.

"Iranian textile and garments exports valued \$650 million during the first half of this year and currently 14 percent of employment in industrial sector of the country works in textile and garments industry," Mehdi Esfalampanah said, Moj News Agency reported.

More than 500,000 people are employed in textile and garments sector of the Iranian industry, he added.

"More than 9,500 textile and garment production units are currently active in Iran which accounts for 8 percent of the total value of Iran's industry," the official noted.

The 16th international exhibition of machinery, raw materials and products of textile industry opened at Tehran's permanent fair grounds on Thursday.

Some 138 foreign companies from India, Taiwan, South Korea, Turkey, Japan, Italy, Germany, China, Thailand, Switzerland, Austria, Indonesia and Syria took part in the 4-day event. Hundreds of local firms also put on display their accomplishments in the exhibition.



Foreign Investment Up in Arvand FTZ

Foreign companies have widened their partnership in various projects in Arvand despite the UN and western sanctions against the country, said managing-director of Iran's Arvand Free Trade Zone (FTZ).

Speaking to Fars News Agency, Ali Asqar Parhizgar expressed satisfaction over the growth in foreign investment in his zone, and said the pressures imposed by a number of western countries to block foreign investors' presence and partnership in Iran have failed.

"Despite these pressures, a major foreign investor will start activity in the zone in the near future," the official noted, but declined to name the foreign party, but said that the foreign party plans to invest in the production of construction materials.

Parhizgar noted that the necessary negotiations have already been conducted in this regard, and added, "We will witness their presence and investment in the zone within the next few days."

In May, Commerce Minister Mehdi Ghazanfari announced that Iran's exports from its free trade zones surged 36-fold over the past few years. He underlined that Iranian free zones should play a more active role in re-exporting goods.

"In one point of view, free zones are regarded as a launch pad for exports; from the other vantage point, free zones are seen as playing a role in re-exporting goods," said the minister.

Based on the second viewpoint, some countries boost the inflow of investment funds by rendering proper commercial services, and re-export Iranian commodities to other nations around the world, a role that Iranian free zones are deprived of, he added.

Earlier executive advisor of the Free Trade Zones of Iran's Cultural Heritage and Tourism Organization Ja'far Ahangaran said Iran would construct 23 new special trade zones adding at present 6 special trade zones are active in the country.



Call for Islamic Economic Integration

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He added that about 12 percent of technical-engineering services have been exported to Africa, while 16 percent is exported to Latin and South American states.

Also, Germany, Canada and Europe totally receive 8 percent of Iranian technical-engineering services, he pointed out.

> Bilateral Agreements

Iran has signed many agreements with Muslim nations in recent years, Ghazanfari said.

He explained that the country has finalized trade agreements with Developing 8 group which also includes Bangladesh, Egypt, Indonesia, Malaysia, Nigeria, Pakistan, and Turkey.

The minister said Majlis has finalized ECO Trade Agreement (ECOTA) with ECO member states, adding that Iran has inked trade agreements with Muslim nations such as Syria.

The country has made active efforts to amend its economic structure, play a more effective role in global markets and have a greater say in regional groups such as ECO and D8, he pointed out.

He referred to amending trade regulations, fighting against money-laundering, creating facilities required for cargo transit, attracting foreign investment and accelerating privatization process and planning subsidy reform as the most important reforms made by Iran for reaching convergence with Muslim nations.

Based on official figures, GDP rate of Muslim nations hits 4 percent on average during 2000-2009, this is while the figure stands at 5 percent for the world, he compared.

The minister said Muslim nations have achieved to raise their share of global economy in the past decade.

Muslim nations accounted for 12 percent of the global exports and 8 percent of imports during 2005-2009, he mentioned.

The value of exports from Muslim nations rose to \$1188 billion from \$712 billion during the mentioned period, he said. While Imports reached \$1098 billion from \$712 billion, he added.

Ghazanfari pointed out that Muslim na-



Iran's nonoil exports to Muslim countries increased to \$7.5 billion from \$6.3 billion during March 21-October 21, indicating a 19-percent rise. (Photo by Amirhesam Zarafshan)

tions possess about 30 percent of the global resources, 23 percent of world population and 24 percent of global lands.

Out of 57 OIC members, 12 are Asian nations, 17 are African countries and 21 are Arab states, he elaborated.

Since half of Islamic nations are less developed countries, international organizations such as IDB should make a balance among Muslim nations, he said. He continued that Muslim countries boast numerous potentials which have not been tapped yet. Some of them are rich and some others are poor, he added.

Economic integration and a common market can make a trade balance among

Muslim countries, he underlined.

He termed Organization of Islamic Conference and other economic bodies such as Permanent Committee of Social and Economic Cooperation (COMSEC) as examples of such convergence.

The minister said IDB makes numerous decisions to increase economic cooperation among Muslim nations. However, the entrepreneurs of Muslim nations have poor information about IDB performance and facilities, he pointed out.

He urged IDB to raise knowledge of entrepreneurs about the bank potentials through holding specialized sessions and

training workshops.

> Halal Food Industry

Ghazanfari suggested the following recommendations for reaching more convergence among Muslim nations: unifying customs regulations, creating a trade bloc, launching a free trade zone among Muslim states, and contribution to trade chains such as Halal food industry.

He also urged for exchanging technical-engineering services among member states, promoting the functions of Islamic banking, launching joint companies and banks, and dynamic presence in exhibitions across Muslim countries.

IKCO Produces 800,000 Vehicles

Giant carmaker Iran-Khodro Company (IKCO) has manufactured 800,000 vehicles since the beginning of the current Iranian year (March 21), the managing director of the company announced.

Announcing the above, Managing Director of IKCO Javad Najmeddin told Mehr News Agency that the company also exported more than 55,000 vehicles -- some 7 percent of total sales -- to other countries.

He said the company, the Middle-East's largest automaker, has an annual turnover of some 90 trillion rials (around \$9 billion). The company also boosted its production capacity by 28 percent in the first half of this year. IKCO was founded in 1962 and is currently regarded as



the biggest carmaker in the Middle East. The automaker made 688,000 passenger cars in 2009.

Iran's largest carmaker manufactures vehicles including sedans, trucks, minibuses and buses.

The company plans to increase its annual exports to more than 600,000 cars by 2016.

Iran's auto industry is the second biggest industry in the country, after its oil/gas. The country is the 12th largest automaker in the world and the largest in the Middle-East, with total production of 1.4 million cars, including 35,900 commercial vehicles.

In 2009 Iran ranked fifth in car production growth after China, Taiwan, Romania and India.

Private Investment for Mining Sector

Deputy Industries and Mines minister said major contracts in the mining sector will be signed in the near future at the presence of senior officials and with the special utilization of the private sector's capability.

According to public relations office of the Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO), Hassan Pelark said that "These investments which are several times larger than the previous ones will be made mainly in steel, copper, aluminum and mining sector."

He made the remarks at the introduction ceremony of the new CEO of Mines and Metals Development Investment Company Hassan Sheikhnia on Sunday.

"With the inauguration of three new projects, steel capacity will increase to 20 million tons from the current 17.5 million tons by March 20, 2011 which is expected to reach to 42 million tons by the end of 2013," Pelark said.

Sheikhnia, for his part, noted that his company



has on agenda to zero in on profit yielding activities.

Referring to the privatization of state-owned companies, he called it a great opportunity for investment companies.

He pointed to the existing potentials in the mine

and mining activities of some countries and emphasized on proper planning for the execution of joint projects.

Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO) is a major holding company active in the mining sector in Iran. IMIDRO has 8 major companies and 55 operational subsidiaries active in steel, aluminum, copper, cement and mineral exploitation fields.

In 2009, IMIDRO reported that 9 countries including Syria, Venezuela, Bolivia, Algeria, Lebanon, Ecuador, Iraq, Belarus and one of the Mid-Asian countries will have cement plants which will be constructed by Iranian engineers.

In July, Minister of Industries and Mines Ali Akbar Mehrabian said Iran ranks fifth in the world in terms of cement production.

"Among the key indicators of development and progress in any society are production and consumption of cement and steel," said the minister, adding, "Today, there is no limitation for the production of the two commodities in the country."