

750 Iranian Projects in Iraq

> By Sadeq Dehqan

Iranian contractors are currently implementing 750 projects in Iraq, the head of Tehran's Chamber of Commerce, Industries and Mines said on Sunday.

Speaking at a press conference held at Tehran's Chamber of Commerce, Yahya Al-e Es'haq said that the projects include dam construction, road building, hotel building, oil, power plant and housing.

> \$4b Trade

He said Iran's annual investments in Iraq stand at \$100 billion, which is a golden opportunity for the country.

Al-e Es'haq put the annual trade between the two neighbors at \$4 billion. "If we included the technical-engineering services, the figure will reach \$7 billion."

"We plan to increase the bilateral trade to \$10 billion in future." Referring to Iraq's market demands, Al-e Es'haq described the country as one of major venues for investment in the Middle East.

The official said an Iranian delegation is visiting Iraq to expand and deepen bilateral relations.

In addition to being a neighbor, Iraq shares historical ties with Iran and also has an especial situation that makes it one of the main places for economic investment in the Middle East, he said, adding Iraq can link Iran to other nations. The official continued that Iran boasts high technology and experience in infrastructural affairs which can expand its penetration in regional markets. Once the security is established in Iraq, Iran will face many rivals in Iraq market, he said.

"The government should pave the grounds for presence of Iranian bank in Iraq. If insurance, banking and finance issues are resolved in Iraq, Iran can play a prominent role in Iraq market."

Meanwhile, director general for Iran-Iraq Joint Chamber of Commerce put the country's export to Iraq at \$2.7 billion during March 21-Oct. 22.

Mohammad Sanjabi said the figure has grown by 6.5 percent in comparison with \$2.5 billion trade in the same period of last year.

He pointed out that more than 332,000 Iraqis have traveled to Iran during March 21-Oct. 22. "Considering \$500 income from each Iraqi visitor, Iran has gained \$170 million from their visit," Sanjabi added.

> Meager Share

Iran has a share of 7 to 13 percent from Iraq's market, he said, expressing dissatisfaction over the amount given the country's huge potentials. More than 90 percent of Iraq's markets will be consumer-based economy within five years, the official predicted, and said "We hope to gain a greater share from Iraq's market during the next five years. Also member of Iran-Iraq Joint Chamber of Commerce's Presiding Board Hamid Hosseini said Iraq is considered as an opportunity for Iran.

Currently, there is a new trade center in Iraq whose investor is ready to accept the sales units of Iranian commodities and distribute them in Iraq market.

The Iraqi investor gives sufficient guarantees to Iranian exporters, he added. Close to 50 giant Iraqi companies are to visit Iran in near future, Hosseini said.

In addition, Iraq chain stores have declared their readiness to distribute Iranian commodities.

He gave news that Iraq Eqlimi Bank will launch a branch in Iran in not-too-distant future.

Iran and Iraq have enjoyed growing ties ever since the overthrow of the former Iraqi dictator, Saddam Hussein, during the 2003 US invasion of the Muslim country.

Both sides are working on a series of plans to take wide strides in the expansion of their ties, in economic fields in particular.

Dairy Factory Planned In Zimbabwe

Iran will implement several projects in Zimbabwe, including a dairy manufacturing plant and a hospital.

The issue was raised in a meeting between Iranian Minister of Cooperatives Mohammad Abbasi and visiting Zimbabwean Foreign Minister Simbarashe Mumbengegwi on Sunday, Moj News Agency reported.

Abbasi said the agreements reached between the two sides during the sixth session of the joint economic commission.

Zimbabwe has called for the import of oil and chemical fertilizer from Iran, and joint tractor manufacturing project. It has also urged the Islamic Republic to construct a dairy factory and a hospital in the African country, Abbasi stated.

Reiterating the need for further expansion of friendly relations of the two countries and pursuing a close bilateral cooperation trend, Iranian minister noted that "Fortunately Zimbabwe has improved from political and economic points of view, and the existing capabilities and potentials manifest the growing trend in the country."

Mumbengegwi, for his part, noted that his country enjoys a promising and prosperous level of agriculture and is an exporter of agro-products.

"The government of Zimbabwe is interested in reinforcement and development of relations, particularly economic relations, with the Islamic Republic and within the framework of the MoUs, and spares no effort to fully implement such agreements," he added.

On Saturday, President Mahmoud Ahmadinejad in a meeting with Mumbengegwi underlined Tehran's interest in the further development of economic cooperation with Harare.

"Increasing the cooperation and the level of economic exchanges between Iran and Zimbabwe in the different sectors will serve the interests of the two nations and regional countries," Ahmadinejad said during the meeting on Saturday.

He also stressed the necessity for utilizing all the existing potentials in the two countries to promote Tehran-Harare bilateral and regional ties.

New Oil Layer Discovered

> Domestic Economy Desk

A major oil layer was discovered beneath the country's Ferdowsi gas field off the coast of Persian Gulf in southern Iran, a top Iranian official said.

Managing director of Pars Oil and Gas Company Ali Vakili said the new layer has an in-situ reserve capacity of 34 billion barrels.

"The new oil layer is regarded as one of the biggest layers in the country and it is located beneath Ferdowsi gas field," Vakili said at a meeting of Iranian oil industry's senior managers in Tehran on Sunday.

"We are currently digging an oil rig to complete our assessments," he was quoted by Shana as saying.

Regarding Iran's giant South Pars gas field, Vakili said all the wells in phases 9 and 10 have come on stream while phases 15 and 18 will begin production next year.

Phase 12 of the South Pars field is scheduled to come online in 2012, he added.

Oil Minister Masoud Mirkazemi said in October that a new oilfield had been discovered in southern Iran, increasing the country's proven oil reserves to 150.31 billion barrels.

He also announced the discovery of a new gas field -- named Sefid (white) -- in Iran's southern province of Hormuzgan, saying that the field contains "70 billion cubic meters of gas, 72 percent of which can be exploited."

"Over the course of the past six months, the country's oil and gas reserves have been reassessed. According



Iran has discovered 19 new oilfields and eight new gas reserves during its Fourth Five-Year Development Plan (2005-2010).

to the latest studies, the country's oil reserves have reached 150.31 billion barrels," the Shana quoted Mirkazemi as saying.

He said exploration efforts would continue for the discovery of new fields, adding that the volume of the country's reserves "will definitely increase" by the end of the Iranian calendar year on March 20, 2011.

Earlier this year, an Iranian oil official announced plans to explore new reserves of 500 million barrels of oil and 5 trillion cubic feet of gas per year in a five year plan.

National Iranian Oil Company (NIOC) director of exploration Mahmoud Mohammadi said that Iran has discovered 19 new oilfields and eight new gas reserves during its Fourth Five-Year Development

Plan (2005-2010).

Iran is OPEC's second-largest oil producer after Saudi Arabia. It holds around 10 percent of the world oil reserves. In 2009, Iran's revenue from oil exports reached \$69.1 billion and it exported approximately 3.8 million barrels per day.

The Persian Gulf country sits on the world's second-largest gas reserves after Russia.

€250m Forex Bonds Sold for SP Development

Iran has offered €250 million (\$342 million) in foreign exchange bonds in the last phase of a major plan to fund the development of South Pars gas field.

"Some €130 million worth of bonds were sold by Monday afternoon," Ali Vakili, the managing director of the Iranian Pars Oil and Gas Company was quoted by IRIB as saying on Monday.

Vakili said the government agreed last year to issue up to €1 billion worth of bonds to help develop the South Pars oil and gas project.

Iran's Bank Mellat was tasked with



issuing the bonds in four 250-million-euro phases, he added.

The bonds were offered successfully in the previous three phases, he said, adding the proceeds have been funneled in to the South Pars development project.

Earlier he said the Oil Ministry would soon issue international bonds worth €5 billion for the development of the gas field Iran shares with Qatar.

In May, Oil Minister Masoud Mirkazemi said Iran needs close to \$25 billion a year in investments in its oil/gas industry and could in the future "turn into an importer of oil" because of the lack of funding for the development of its energy

resources.

One of the world's biggest oil and gas producers, Iran is trying to raise \$12.5 billion this year by selling state assets, including two refineries.

Vakili said financing for the development of the South Pars would not be hindered because of the sanctions imposed on Tehran over its nuclear program.

By the end of the current (Iranian) year (in March), Iran will have invested \$13 billion on the development of various phases of the field, he said.

Algeria Keen on Economic Cooperation

First Vice President Mohammad Reza Rahimi has called for the expansion of ties with Algeria, ahead of the first session of the two countries' joint commission in Tehran.

Rahimi made the remarks at a meeting with visiting Algerian Prime Minister Ahmed Ouyahia on Sunday, PressTV reported.

He went on to say that the two countries enjoy great potential to expand their bilateral economic ties.

Ouyahia arrived in Tehran along with a high-ranking economic delegation to attend the meeting of the Iran-Algeria High Joint Commission. He was officially welcomed by the Iranian first vice president, Health Minister Marzieh Vahid Dastgerdi, and Oil Minister Masoud Mirkazemi. The visit is being made upon an invitation by Rahimi.

During the meeting, Rahimi noted that the volume of trade transactions between the two countries is not very high, but expressed hope that the meeting would help strengthen bilateral economic relations.

The Algerian prime minister also held a meeting with Iranian Foreign Minister Manouchehr Mottaki.

During the meetings, the two sides underlined the necessity to promote cooperation in various sectors. Ouyahia said Algeria wants to expand economic cooperation with Iran and is interested in making use of Iran's expertise in science, technology, and economic affairs.

Speaking in a telephone conversation with the Algerian premier last week, Rahimi expressed optimism about efforts to expand ties between the two countries, saying that the Islamic Republic and Algeria could strengthen their bilateral relations, particularly in the oil and natural gas sectors.



Algerian Prime Minister Ahmed Ouyahia (L) in a meeting with First Vice President Mohammad Reza Rahimi (R)

A preliminary meeting of the Iran-Algeria joint commission was held on Saturday, in which Iranian and Algerian officials stressed the need to increase economic cooperation between the two countries.

During the meeting, Iranian Minister of Housing and Urban Development Ali Nikzad and Algerian Deputy Foreign Minister Abdelkader Messahel discussed ways to increase trade between Tehran and Algiers, which currently stands at about \$150 million annually.

> Road Map

Iranian Economy Minister Shamseddin Hosseini and Messahel also held a meeting, stressing the need for a road map to strengthen bilateral relations.

During the meeting, Hosseini referred to the development of political ties between the two countries in recent years, and called for the further expansion of mutual economic cooperation.

He also announced Tehran's readiness to set up a joint investment bank with Harare and an independent Iranian bank in Algeria.

Messahel, for his part, hailed Iran's advanced and powerful industries, and said Iran is the only country which can understand the real needs and potentials of the Algerian market.

The meeting of the Iran-Algeria High Joint Commission is a follow-up to Iranian President Mahmoud Ahmadinejad's visit to the country.

President Ahmadinejad made a short stop in Algeria prior to his visit to New York in late September, where he met with his Algerian counterpart Abdelaziz Bouteflika.

During the meeting, Ahmadinejad pointed to the age-old relations between the two countries as well as their historical, religious and cultural commonalities, and said these commonalities have created a good ground for boosting all-out ties and cooperation between the two sides.

Bouteflika, for his part, said that Algeria is seriously pursuing a further promotion of bilateral ties and mutual cooperation with the Islamic Republic of Iran in both the Muslim world and international circles.

Also, Algerian Ambassador in Tehran Soufiane Mimouni in October announced his country's eagerness to use Iran's experiences in different scientific, technological and economic fields.

Grounds are prepared for active presence of Iranian industrialists in processing industries, canned food and marine products in Algeria, he said.

Mimouni also called on Iranian investors to contribute to his country's development projects.