

# PROMING group Ltd.

Company for trading, import-export, advising, agency by selling, engineering, computer science, computer programming and design, mobile application development, literature trading, organizing & realization of business conferences in Slovenia and

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## NEWS ABOUT IRAN

### INFORMATION FOR BUSINESS SECTION



JULY, 2013

Mr. Franc Lenhart is biggest connoisseur for Iran in Europe and he is trying to present the Iran in truthful picture that is why he is preparing every month a set of news for business sectors, private and other population. I hope employability will meet your address.

05/29/13

Iranian Parliament passes \$593 billion national budget bill

Source: [Tehran Times](#)

The [Iranian Majlis](#) approved a 7.27-quadrillion-rial (about \$593 billion) national budget bill for the current Iranian calendar year on Monday. 170 MPs voted in favor of the bill, 8 voted against it, and 7 abstained.



The current Iranian calendar year started on March 21. The parliament usually approves the national budget bill before the Iranian New Year, but this year there was a delay.

On February 27, the administration of President Mahmoud Ahmadinejad presented the national budget bill to the Majlis.

The national budget has been increased by 22 percent compared to the previous year.

The new national budget has forecast a 40 percent drop in oil revenues compared to the previous year's projected figure.

The funding for running the government has been increased by 15.2 percent to 1.6 quadrillion rials (about \$135 billion).

The bill has set the price of oil at \$95 per barrel, based on the official exchange rate of 12,260 rials for a U.S. dollar, which has been fixed by the Central Bank of Iran.

At the time it was presented to the Majlis, Ahmadinejad said the drafters of the bill took the effects of the international economic sanctions into consideration and thus reduced the national budget's reliance on oil revenues.

05/29/13

## **Iran selected as Renault's industrial agent in the Middle East**

Source: [ISNA](#)

**Iran has been selected as Renault's industrial agent in the Middle East, said Managing Director of [Renault Pars](#) Peiman Kargar. "Renault's activities in Iran will enter into a new phase based on which Iran will join international markets under international standards," he said.**



# **RENAULT PARS**

Iran will also work as Renault's agent for 13 Middle Eastern states, and cars produced in Iran would be exported to 13 countries covered by Middle Eastern Renault.

The main department of Middle Eastern Renault is deployed in Tehran. The marketing and sales department is in Dubai and the supporting team is in Paris.

Iran, Iraq, Saudi Arabia, Kuwait, Bahrain, the UAE, Oman, Qatar, Jordan, Lebanon, Syria, Yemen and Afghanistan are

covered by Renault's Middle East agent.

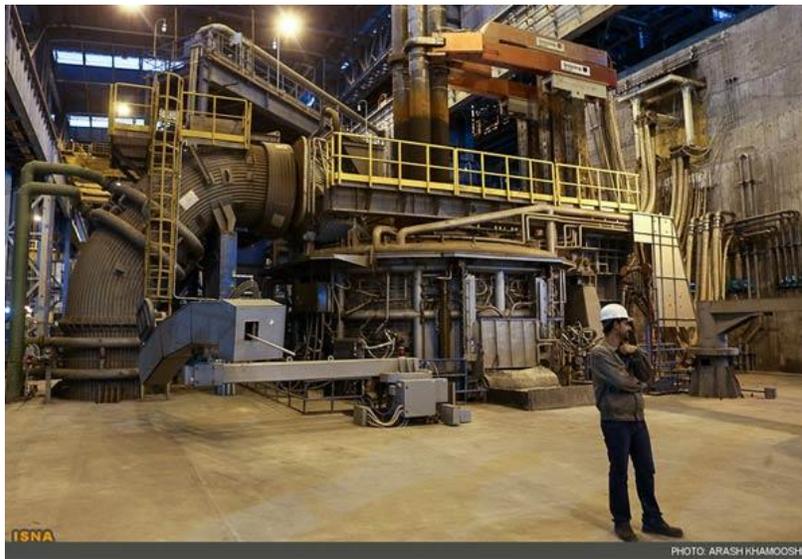
"Renault has been and will remain in Iran despite all problems in trading, because it has chosen Iran as its strategic partner based on a fundamental and strategic decision," he added.

05/25/13

## Iran, second biggest sponge iron producer in world

Source: [ISNA](#)

**Iran is the second largest producer of sponge iron in the world, said Deputy Head of Iran's Steel Alloy Company Assadollah Farshad.**



"Iran is the largest iron sponge producer in the world in terms of quality and quantity. Iran's home-made product is gas-fueled reaching 15 million tones. Iran is followed by India whose output hits over 22 million tons. India uses coal to produce iron sponge while Iran makes the material with gas, making less environmental pollution," Farshad told a press conference.

Last month, Iranian President Mahmoud Ahmadinejad inaugurated the country's second sponge iron plant, and oxygen-nitrogen unit of Saba Steel Complex in the central Iranian city of Isfahan.

The iron sponge plant with the annual output capacity of 1.5 million tons will increase the country's total sponge iron production to 10 million tons per year.

The plant developed on a \$193 mln budget will create 700 jobs in the region.

Also the oxygen-nitrogen unit of the Saba Steel Complex founded on a \$540,000 mln investment has created some 230 job opportunities for the people.

The unit produces 20,000 cubic meters of oxygen, 16 cubic meters of nitrogen and 200 cubic meters of argon.

Late October, Ahmadinejad inaugurated a steel plant and the sponge iron production line in the plant in the country's Persian Gulf Kish Island.

The direct reduction steel factory named Kaveh which was developed by \$1.4bln budget will create 1,300 jobs in the

region.

Iran ranks third in Asia and 11th in the world in terms of iron reserves.

Iran is among the 15 major mineral-rich countries and exports its industrial and mineral products to 159 countries, including Iraq, China, the United Arab Emirates, India and Afghanistan.

05/24/13

## Iran, India agree on bartering oil for textiles

Source: [Tehran Times](#)

Iranian and Indian officials have reached agreement to barter Iranian crude oil for Indian textile machinery, the Mehr News Agency reported. "Iran is a major exporter of crude oil to India. The two countries have reached agreements to barter Iranian crude oil for Indian textile machinery," Mehr quoted Iranian Trade Promotion Organization deputy director Reza Tofiqi as saying on Wednesday.

On Sunday, around 60 leading companies held an exclusive textile exhibition in Tehran. Indian deputy minister of textiles, Mrs. Zohra Chatterji, attended the exhibition. She said that Iran is currently importing 13 percent of its needed textile machinery from India, but the figure could double in the future.



India is looking to broaden its range of exports to Iran to help balance bilateral trade under an agreement that allows the countries to bypass Western sanctions, Indian industry and government officials said.

India is one of the largest buyers of Iran's crude oil and so far, 85%-90% of India's exports to Iran has been agricultural products such as basmati rice and soymeal. But now, India plans to also export products such as textiles, pharmaceuticals, medical-diagnostic equipment, auto components and consumer goods.

"We are looking at diversification of our exports," said Ajai Sahai, director general of the Federation of Indian Export Organization.

Last year, India and Iran entered into an agreement in which India would pay for about half of its crude oil imports from the Middle Eastern country in Indian rupees instead of U.S. dollars. The move followed U.S. sanctions that have shut down the global financial system for Iranian crude trade.

But the value of India's exports to Iran is far lower than the value of its imports. India exported \$2.95 billion worth of goods to Iran last year, while its imports from Iran totaled around \$11 billion.

India's imports from Iran, which mainly comprise crude oil, are expected to fall to around \$10 billion this financial year because of a decline in oil prices.

Mr. Sahai said the trade organization aims to raise the value of Indian exports to Iran to around \$4.5 billion to \$5.0 billion in this financial year.

05/22/13

## Iran Khodro to launch car assembly line in Iraq

Source: [Mehr News Agency](#), Tehran

Iranian carmaker [Iran Khodro](#) will establish an assembly line with the capacity of 30,000 units per year in the Iraqi city of Iskandariya by next month.



Dena by [Iran Khodro \(IKCO\)](#)

Preliminary agreements were made three years ago, IRNA quoted Iran Khodro deputy director for exports Abdol'azim Sa'dian as saying.

Iran Khodro has been exporting its products to Iraq for about a decade, he said.

Iran plans to manufacture at least three million cars by 2025 and export some one million sets, Iranian Industry, Mines and Trade Minister Mehdi Ghazanfari has said.

Iranian car manufacturers produced 1.648 million cars in 2011, ranking the country 13th in the world, according to a report by the International Organization of Motor Vehicle Manufacturers.

Meanwhile, Iran imported over 44,000 cars, worth more than \$1 billion, during the past Iranian calendar year, which ended on March 20.

The United Arab Emirates, South Korea, and Kuwait were the main sources of exporting cars to Iran.

05/17/13

## Iran's car imports drop 68% in month

Source: [Tehran Times](#)

**Iran's car imports fell by 68.3 percent in number in the first Iranian calendar month of Farvardin (March 21-April 20), ISNA reported on Wednesday. Some 518 cars, valued at \$12 million, were imported to the country in the month of Farvardin.**

The imported cars were 63.6 percent lower in value compared to the same month last year.

The average price of an imported car was \$22,736.

About 94 percent of the cars were imported from the United Arab Emirates, and the rest from South Korea, Kuwait and other countries.

Iran plans to manufacture at least three million cars by 2025 and export some one million sets, Iranian Industry, Mines, and Trade Minister Mehdi Ghazanfari said last June.

05/13/13

## Iran to produce diesel engine soon

Source: [ISNA](#)



**[Iran Khodro \(IKCO\)](#) is going to present its self-developed diesel engine by 2013 in order to develop its cars fuel portfolio as well as its domestic and international market share.**

IKCO diesel engine was designed and developed in a project called EFD. The project started in 2010. IKCO diesel engine is a part of the company's five-year strategy to develop its cars powertrain.

IKCO strategy is to increase the production of diesel engines to 100 thousand sets by 2016 and outfit ten percent of its cars with this engine.

IKCO diesel engine production line has been designed and developed by Iranian experts. IKCO diesel engine would be eco-friendly and economical due to its common parts with EF7 engine and its compatibility with euro V emission standards.

This 1500cc engine produces 120 hp of power. Its torque reaches 256 Nm and it sips only 5.5 liters of fuel per 100 Km. IKCO diesel engine would be mounted on Soren sedans. The company has plans to install the engine on Samand too. In order to adapt this engine to other cars, there should be slight changes to engine and gearbox accessories.

Increasing the fuel economy by 30 percent, decreasing emissions by 40 percent, higher durability of the parts and lower maintenance costs are the advantages of this engine over similar gas-fuelled ones.

IKCO diesel engine could be used on all C and D segment cars in Iran domestic market.

Iran's first national diesel engine for passenger cars was unveiled at Iran Khodro Powertrain Co. (IPCO) on November 17, 2009. This 90Kw diesel engine is considered as one of the most powerful ones in its kind worldwide.

05/09/13

## **Iran allocates \$157m to import medicine, medial equipment**

Source: [Tehran Times](#)

**Iran has allocated \$157 million to import medicine and medical equipment since the beginning of the current Iranian calendar year (March 21), IRNA reported, citing a statement by the Central Bank. Some \$1.6 billion has also been allocated to import staple foods, the report added.**

There is no problem for allocating dollar to import staple foods and medicine, according to the report.

Iran's Health Ministry official Hossein Ayati has said some 97 percent of Iran's required medicine is currently produced domestically.

About 50 percent of necessary raw material for producing the medicine is imported, he added.

Last year, some \$1.7 billion was allocated to import medicine which is not produced inside the country, the official said.

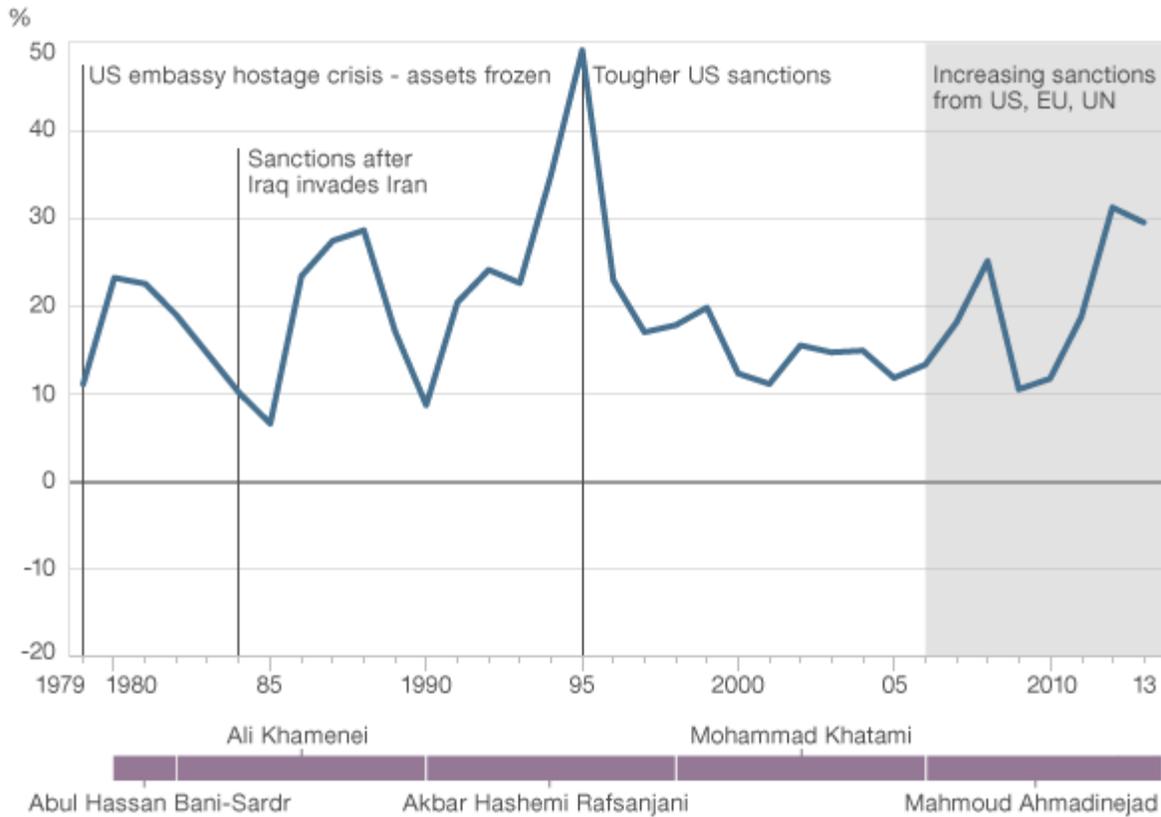
In November 2012, Iran's health ministry called the central bank to earmark \$2 billion for importing medicine to cope with the domestic shortage as a result of international sanctions.

7 June 2013 Last updated at 22:47 GMT

## **Iran in numbers: How cost of living has soared under sanctions**

Iran has lived under Western sanctions for years, but after Mr Ahmadinejad restarted the country's nuclear programme, the international community ramped up the sanctions, imposing new rounds of restrictions every year since 2006.

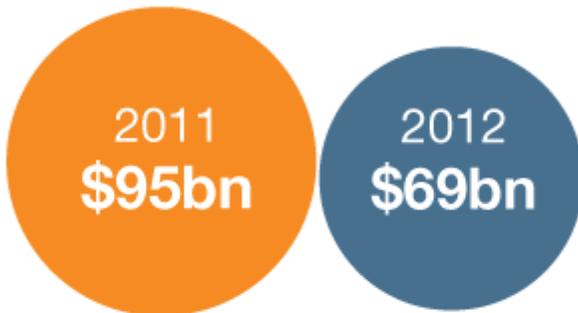
## Inflation soars after subsidies cut



Source: Statistical centre of Iran, Central Bank of Iran, IMF, BP, Opec

In July 2012, the EU banned the import, purchase and transport of Iranian crude oil, which until then accounted for about 20% of Iran's oil exports. The sanctions cut Iran's oil exports to their lowest level since 1986 - during the Iran-Iraq war - and the Iranian rial also fell to a record low against the US dollar.

## Net oil export revenue



**80%** Iran's export earnings from oil

**50%** Government's revenue is from oil

Source: Economist Intelligence Unit

In 2012, the IMF said the Iranian economy had gone into recession for the first time in two decades.

But it is not just sanctions that are hurting the Iranian people. The president's subsidy reform plan, introduced in December 2010, has also affected the economy.

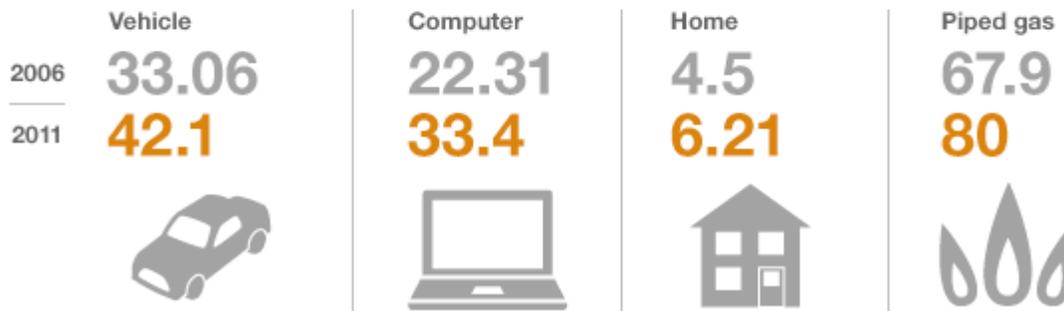
The reforms were aimed at easing pressure on state finances by cutting tens of billions of dollars from government subsidies on food and fuel, while offsetting the impact on Iran's poorer citizens by giving them monthly cash payments, so they could spend more.

But the policy helped drive up food and energy prices. As a result of increased fuel costs, products became more expensive, which reduced demand, and some firms had to lay off workers and cancel production.

### Cost of living



### % of households owning...



Source: Statistical centre of Iran

The price of a sangak, Iran's national bread, has risen from a UK equivalent of 6p in 2007 to 11p in 2013. An average family would consume about 42 sangaks per month - so their outlay has risen from £2.52 to £4.62. Meat, rice and milk have also soared in price.

Meanwhile, the national minimum wage has gone down in real terms. In 2010, it was over 300m rials a month, equivalent to \$275 (£177.97). High levels of inflation mean the minimum wage is now 487m rials a month, but that is only worth \$134 (£87.40).

## Unemployment 2012

10.5%



19.9%



## Youth unemployment 15-29

20.9%



38.3%



Total youth unemployment: **24.5%**

Source: Statistical centre of Iran

Car ownership is increasing as more middle-class Iranians buy them as investments, since cash savings have been losing value because of inflation and the currency collapse. However, they are becoming more expensive because they are made with foreign parts which keep on rising in price.

Unemployment has remained above 10% since 1997, but unofficially the rate is thought to be much higher, and the unemployment rate for women is almost double that of the men. Iran has a young population - the mean age of the population was 30 in 2011 - and youth unemployment among those aged 15-29 has remained stubbornly high at above 20% since 2006.

Critics of Mr Ahmadinejad say his populist policies have won him support among the poorer classes, but he has failed to invest in industry. During his time in power, an average of just 14,200 jobs a year have been created, whereas during his predecessor's tenure around 695,400 jobs were being created every year.

An IMF report in 2006 found Iran had the highest rate of brain drain out of 90 countries studied. According to the IMF 150,000 of the best minds were leaving the country every year - and, in 2011, official Iranian statistics said almost 4,300 students were studying abroad.

Iran was one of the first countries in the Middle East to allow women to study at university and since the Islamic Revolution of 1979, it has made big efforts to encourage more girls to enrol in higher education.

## University admissions

50%



50%



49% of the population leaving school go on to college or university

Source: UNESCO

Today, enrolment levels for men and women at primary, secondary and tertiary levels are about the same. In fact university applications in 2011 were slightly higher for women than men.

But in September 2012 a number of colleges and universities announced they were closing courses to women. No official reason was given for the decision but critics believe it was an attempt to restrict women's access to education and return them to the home.

It is too soon to know whether these changes have had an impact on the numbers applying.

## [Iran to launch technological export network in region](#)

June, 12.2013- economic desk- Tehran Times

**TEHRAN** - Iran will set up a network with regional countries for industrial and technological exports, IRNA quoted Iranian deputy industry minister Mohammad-Sadeq Mofatteh as saying.

The network will be established in cooperation with the India Ocean countries, as well as the center for Asian-Oceanic technology transfer, affiliated to the UN, he added.

Iran's technical and engineering exports are predicted to exceed \$10 billion in the current Iranian calendar year, which began on March 21, Iranian Industry, Mines, and Trade Minister Mehdi Ghazanfari announced on Saturday.

This will be the minimum amount of technical and engineering exports and the country's capacity will be much more than this, IRNA quoted Ghazanfari as saying.

He emphasized the role of free trade zones in increasing the technical-engineering exports.

The head of the Association of Iranian Exporters of Technical and Engineering Services, Mohammad Reza Ansari, said in February that Iranian companies have the potential to annually carry out projects worth up to \$20 billion in different countries.

Over 120 Iranian companies implemented several development plans in 60 countries last year.

## 'Iran has capacity to transit 40m tons of goods annually'

June, 11.2013



**TEHRAN** – Iran has the capacity to transit 40 million tons of goods annually, the Iranian deputy roads and urban development minister said on Monday.

Shahriyar Afandizadeh told IRNA that the capacity has been attained through expanding the roads network, establishing border terminals, and boosting transport infrastructures.

Over one million tons of goods were transited via Iran during the first two months of the current Iranian calendar year (March 21-May 21), showing 10.8 percent rise compared with the same period in the previous year, the official said.

He added that 93 countries transited goods via Iran during the two-month period of time.

The transited consignments mostly consisted of fuel, construction materials, cotton, home appliances, vehicles, foodstuff and fertilizers, he noted.

In April, Afandizadeh said that over 11.6 million tons of goods were transited through Iran last year.

Afandizadeh added that 106 countries transited their goods via Iran. Iraq, China, the UAE, Turkmenistan, and Azerbaijan transited the highest amounts of goods, he noted.

Meanwhile, head of Iran's Ports and Maritime Organization Ataollah Sadr has said that Iran earns some 14 trillion rials (about \$1.15 billion) annually through transiting goods via ports.

Around \$140 billion worth of goods are annually transited via Iranian ports, he added.

In February, IRNA quoted Iranian Roads and Urban Development Minister Ali Nikzad as saying that the total capacity of Iranian ports has increased by 80 million tons during the past eight years, reaching 184 million tons.

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