

## IDRO, Renault Sign Deal in Paris, Open New Chapter in Iran-France Ties



**I**ndustrial Development and Renovation Organization of Iran (IDRO) and French multinational automobile manufacturer Renault signed a deal on the second day of the Paris Motor Show 2016.

The joint venture deal was signed by IDRO's managing director, Mansour Mo'azzami, and Renault's chief competitive officer, Thierry Bolloré, and in the presence of Iranian Industry, Mining and Trade Minister Mohammadreza Nemat-

zadeh and Renault President Carlos Ghosn. The venture will, for the first time, give Renault its own distribution network in Iran, complete with sales and after-sales services. The deal was on the establishment of an engineering and sales office in Iran to support Iranian auto part manufacturers and also setting up a manufacturing plant in the country with the initial capacity of 150,000 cars per annum.

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## Security and Stability Set Scene for Long-Term Investment: IDRO Chairman



**I**DRO Chairman Mansour Moazami says Iran's stability and security provides a heaven for long-term investment by foreign investors.

"Doors of the Iranian market are open to foreign investment, and the country's security and stability allows for long-term and lucrative investment by international investors," he said during a press conference with international media.

Iran and six world powers finalized a deal in July 2015, under which Tehran accepted to roll back its nuclear program in exchange for relief from international sanctions against the country.

Following the opening, groups of international investors have been visiting the country in an effort to win investment opportunities.

The IDRO chairman also cited that Iran's economic pace has gained momentum to 4.4 percent in the first five months of the current Iranian year, saying, "The JCPOA has amazingly increased Iran's industrial investment capacity."

Iran was under sanctions for more than three decades, with the country coming

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## IDRO Companies Eligible for International Energy Ventures



**T**he Iranian Oil Ministry has named eight domestic companies as eligible counterparts for foreigners' energy partners, including Industrial Projects Management of Iran (IPMI), an IDRO affiliate.

According to Mohammadreza Moghadam, the deputy Iranian oil minister

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## Cooperation with International Brands Boosts Domestic Production: IDRO Chairman



**T**he two day seminar on the role of powertrain components in sustainable transportation was held on the initiative of IDRO.

During the seminar Dr. Moazami, IDOR chairman as well as deputy industry minister, delivered a speech on the opportunities of Iran in the post-sanctions era.

The two-day seminar was a platform for the exchange of ideas on the latest developments in diesel and gasoline engines, gas-sipping engines, and electronic and hybrid automobiles. Referring to the post-sanctions era and the promising

situation of the country, Dr. Moazami stressed that Iran has to grab the opportunity and make the best use of it.

“Certainly, Iranian experts and technicians know how to take account of their financial considerations and this is a message to those worriers \not to be worry for unfounded reasons,” he said, adding, holding such training courses and seminars help the sides develop and understand a mutual dialogue.

Regarding the French IFPEN, Dr. Moazami characterized cooperation between Iran and the company as “good and long-standing,” saying that IDRO is more serious than ever and seeks cooperation with IFPEN.

### Gas surplus in Iran

Another speaker of the seminar was Ali Vakili, the managing director of the Iranian Fuel Conservation Company (IFCC) as well as oil minister advisor.

Providing the audience with some sta-

tistics, Mr. Vakili said almost 15 million cars are in Iran with an average age of 11 years. While Iranian cars burn 7.10 liters of fuel on a 100 kilometers (62 miles) run, the number is 5.4 liters and 5.5. liters in Japan and Europe, respectively. On average, fuel consumption in Iran is almost twice as high as the global standard.

A second solution is to enhance the share of natural gas in the country’s energy mix which can be key to the transportation sector. The oil minister advisor also referred to combined fuels and stated that good steps have been taken in this regard.

No country in the world can rut on its own and all research centers around the world collaborate with each other. Accordingly, IFPEN can use research findings by Iranian researchers and the way around in the form of joint enterprises, Vakili stated. Following Vakili’s speech, IFPEN experts started their technical session, introducing the company.

## IDRO Chairman Told Middle East Eye Increasing Number of Investors in Iran



**I**n an interview with the English Middle East Eye, IDRO Chairman Dr. Moazami emphasized that an increasing number of investors are attending the Iranian market.

Referring to advantages and rich capacities of Iran such as educated and skilled human resources and the strate-

gic situation of the country, Dr. Moazami hailed the post-JCPOA as a unique opportunity for foreign investors to participate in industrial projects up for grabs in the Iranian market.

“Iran gives more credit to its strategic partners that continued their partnership during the tough sanctions days he said in

the interview. There has been an increase in transactions with foreign investors in the post-sanctions era, he said, though the situation has not met Iran’s expectations yet. “We expect European countries to keep their own side of the bargain in the post-JCPOA era. After President Rouhani’s visit to France and Italy, we have seen more European investors in Iran. We clinched good agreements with Italy and are finalizing contracts with French companies in the automotive sector.”

The IDRO chairman also conditioned cooperation with foreign investors upon making investments in Iran and transferring technology to Iranian companies.

“Foreign companies should make investment in Iran, start production inside the country, transfer technology to Iranian companies, and export items,” he said.

## Iran Achieves Technology to Build Marine Platforms



**T**he mounting operation of platform 18B of phases 17 and 18 of South Pars gas field was successfully accomplished 100 kilometers offshore of Assalouyeh and other equipment such as bridges and torches are being installed. According to Masoud Golshenas, manager of macro-projects of IDRO, currently platforms are domestically built in Iran and “we have achieved self-sufficiency in this sector.”

Referring to the point that the newly installed platform enhances the country’s gas extraction from South Pars gas field up to 14 mcm per day, Golshenas reminded, “the platform was built in 17 months at Bandar Abbas and all engineering work of the project was provided by ISOICO, which is a subsidiary of IDRO.”

“Currently, platforms built by ISOICO meet the latest global technological standards, comparable to those manufactured by European brands in terms of quality and duration,” Golshenas said.

Talking about using domestic capac-

ity to manufacture the platform, the IDRO official said, “The policy shows that ISOCIO, as a subsidiary of IDRO, has fulfilled its mission in supporting the country’s industry.”

“In installing the platform, all safety measures were taken and all designing, building, and equipment supplies, and installation operation were conducted by Iranian experts,” he highlighted.

Pointing out to installing platforms 17B and 18B before installing platforms of phase 14, Golshenas added, “the decision was made by the Oil Ministry in order to make the most use of borderline areas of South Pars gas field and so we acted accordingly.”

“It took ISOICO between 16 to 18 months to design and build Platform 18B. The installed platform is an equipped one and we hope to operationalize it in four months so as to have gas extracted from the platform in the national gas network before this coming winter,” he said.

## ZF Members of the Board from Germany Visiting Dr. Moazami



**We will welcome German companies’ presence in Iranian market**

**Z**F members of the board express their willingness in bilateral cooperation in manufacturing parts and making common platform.

While Dr. Moazami has welcomed industrial cooperation of German companies in Iran, stated that, one of the main policies of Ministry of Industry and Mine is based on supporting private sectors; However, IDRO will support foreign companies whether they want to cooperate with Iranian companies or even to be active independently, According to Informing office of IDRO.

Having mutual cooperation jointly with ZF would be acceptable for us since we have had good experiences in cooperating with foreign companies, he said. ZF can create also joint investment for making common platform with car manufactures in Iran. Commercial vehicles and passenger cars’ platform production as well as car engines and parts manufacturing are other ZF’s activities.

## Turkmen Ambassador to Tehran Upbeat Joint Gas projects with IDRO



**T**urkmen Ambassador to Tehran Ahmad Qorbanov has expressed hope for the expansion of bilateral ties between his country and IDRO, particularly when

it comes to joint gas projects.

The ambassador made the remarks during a meeting with IDRO Chairman Dr. Moazami, where Qorbanov underscored that the chairman’s valuable experiences in the Iranian oil ministry can contribute to the signing of joint gas projects between the sides.

“The Turkmen government is interested in joint gas projects with Iran and fortu-

nately, initial steps have been taken. With new structural changes, we hope Turkmen Gas initiates one project soon,” the ambassador was quoted as saying in the meeting. Referring to the long-standing ties between Iran and Turkmenistan, the IDRO chairman, for his part, said, “Bilateral cooperation benefits the both sides and can set the scene for cooperation with all other countries, as well.”

“We hope that the two sides clear the obstacles to joint gas projects so as to prevent delays,” Dr. Moazami added.





### IDRO Chairman Depicts Prospect of Iran's Oil, Gas, and Petrochem in Energy Summit



**D**r. Moazami, IDRO chairman and deputy minister, has lured all international companies active in the oil, gas, and petrochemical sectors to the Iranian market.

Dr. Moazami, former managing-director of the National Iranian Gas Company, made the remarks during his speech at the ONS 2016 Energy Conference in Norway's Stavanger city.

Adopting sound and healthy economic measures has contributed to a much better economic performance, up from 0.8-percent economic growth in 2012 to 4.2 percent in 2015, according to Dr. Moazami.

Moazami said that Iran's new policies will involve the implementation of a 20-year outlook for Iran's oil industry which has been compiled focusing on four pivotal issues.

"Based on the first axis before 2025, Iran, in terms of value, will be the biggest producer of petrochemical products in the region. Secondly, by the end of 2025, seven percent of the world's oil demand will be met by Iran. The third axis has to do with gas exports depicted in such a way that Iran will have been the third largest gas producer in the world by the 2025, accounting for 8-10 percent of the global gas trade as well as gas derivatives. Under the fourth axis, Iran has been planned to be the first country in connection with gas and oil technology," Dr. Moazami was quoted as saying in his address.

Providing details on Iran's policies and development projects to flourish the oil,

gas, and petrochemical sectors over the next four years (2017-2021), Dr. Moazami said the oil industry should play a more important role in the country's energy sector on the basis of the ensuing pivots:

- Producing 4,750,000 bpd (from the current 3.8 million bpd)
- Producing one million gas condensates per day (from the current 580,000 bpd)
- Producing 1300 million cubic meters of natural gas per day (from the current 850,000,000 bpd)

**Moazami said that Iran's new policies will involve the implementation of a 20-year outlook for Iran's oil industry.**

- Building a refinery capacity equivalent to 3 million bpd (from the current 1,820,000 bpd)
- Reaching an annual capacity to produce 120 million tons of petrochemical products (from the current nominal and real capacities of 70 and 55 million tons, respectively)
- Focusing on building necessary infrastructures to develop the oil, gas, and petrochemical sectors in key regions of the country, particularly in islands and the northern parts of the Persian Gulf
- Working out plans for gas exports to neighboring countries through pipelines and to other countries through liquefied natural gas (from the current 35 million

cubic meters per day which needs to be increased to 200 million cubic meters per day)

- Working on a diplomacy of energy and upgrading ties with regional countries as well as OPEC members in a push to play a more central role in meeting energy meets, stabilizing global oil market, and earning fair revenues

- Seeking to establish strong Exploration and Production oil companies through links with pioneering countries in the field of oil extraction to obtain modern technology and lure foreign investment to the oil, gas, and energy sectors on the basis of a win-win framework

- Turning into a regional financial, monetary, investment, insurance, oil and gas equipment hub

An important point is that Iran has plans to attract nearly \$180 billion foreign investment, the IDRO chairman said.

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### IDRO Companies Eligible for International Energy Ventures

for research and technology affairs, the plan is in compliance with a bill ratified by the administration, aiming to help technological localization and ownership.

Only were those companies included which had met technical requirements in exploration and production sectors.

The companies, selected from among a pool of 37 applicants, include Petropars Company, Mapna Group, Iran Energy Market Oil Industries' Engineering and Construction (OIEC), Dana Energy Company, Petroiran Development Company, Khatam-al Anbiya Construction Headquarters (KAA), Industrial Projects Management of Iran (IPMI), an affiliate of Iran Development and Renovation Organization (IDRO), and Persia Oil and gas Development Company.

## Saipa Strikes Deal with Citroen to Build Cars in Iran



**T**he Iranian carmaker Saipa struck a deal with French counterpart Citroen to build cars in Iran.

Participating in the signing ceremony were Iranian Industry Minister Mohammad Reza Nematzadeh, Saipa CEO Mehdi Jamali, and Jean Christophe Quemar, member of the managing board of the French automaker.

The cooperation will be based on a 50-50 framework, under which Saipa and Citroen each will equally have three representatives in the managing board of the joint company.

"Today, a framework deal was struck between Saipa Group and Citroen, and the final contract will be inked in two months," said Industry Minister Nematzadeh, speaking to the press on the sidelines of the session. According to him, the deal is an agreement between

the two carmakers and the Industry Ministry has only played its policy-making role: "the contract has taken care of all dimensions such as transfer of technology, designing, engineering, and exports.

This is the second partnership between Iranian and French companies following the implementation of the JCPOA and we hope this will continue in the long-term."

The industry minister further stated, "the cooperation will lead to the production of new cars and we hope the first of these will be available on the market in less than two years from now. Under the agreement, Citroen and its Iranian partner will introduce three models."

Talking about the joint financing of the project, the Saipa CEO remarked that initial investment will be 300 million euros (\$330 million), equally funded by Saipa and Citroen.

## IDRO Says Drafting Plan to Introduce 500-World Class Managers



**D**eputy Industry Minister Dr. Mansour Moazami has announced that a plan is being drafted at IDRO with the aim of training and preparing 500-world class managers to make the best use of the post-sanctions opportunities.

Over the past years, bulk of the investment in Iran has been channeled into hardware infrastructures and this is while any sort of investment in human resources bears fruit in the long-run, the IDRO chairman said, addressing a session held on the issue.



The necessity to train industry managers, as a key component of capable human resources repertoire, is a highlight in the IDRO charter.

"The industry minister has commissioned me to embark on the plan and we strongly believe we have got what it takes considering IDRO's 50 years of experience," said Dr. Moazami, adding that the agenda boosts the underpinnings of human resources management knowledge in the country.

## IDRO Chairman Meets Croatian Ambassador: Joint Economic Commission key to Bilateral Ties



**T**he Croatian ambassador to Iran met Dr. Moazami, IDRO chairman as well as deputy industry minister, in Tehran, emphasizing the need for practical steps to resume industrial ties between

the two countries. Referring to excellent ties between Croatia and Iran in different historical periods and great, numerous untapped capacities, the Croatian ambassador called for more practical cooperation to boost relations.

Dr. Moazami, for his part, underscored the recent trip to Iran of the Croatian president, saying for economic and trade relations between the two countries to flourish, there is need for accelerating the process of establishing a joint state-run economic commission.





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**Security and Stability Set Scene for Long-Term Investment: IDRO Chairman**

under the most crippling economic pressures in 2011 and felt the consequences two years later, according to the IDRO chairman.

However, two years after President Rouhani took office and started nuclear negotiations with world powers, efforts bore fruit, he added.

"The sanctions had made it difficult to introduce new technology and investment into the country.

Moreover, we could not transfer our assets into the country," he was quoted as saying. But, now the situation is so different, Moazami stressed.

Reminding that after the sanctions more than 800 foreign officials have travelled to Iran, including presidents and ministers, the IDRO official said it takes time to see tangibly the difference. Elsewhere in his remarks, Moazami cited easy access to technology, double oil exports, and increasing gas condensates exports as outcomes of the JCPOA which have

brought in the country more revenues.

"The Central Bank of Iran has posed an economic growth of 4.4 percent for the first five months of the current year. Also, the World Bank and International Monetary Fund have forecast the Iranian economy to hit a growth of 5.3 percent in 2017, all testifying to the fact that our economy is performing well."

He also was quite optimistic toward the future, saying talks have been held with world-class companies and MOUs have been achieved, as well.

On eyeing on any investment from Arab countries, the IDRO chairman expressed readiness to cooperate with Arab companies interested in the Iranian market, particularly in oil, gas, energy and transportation sectors.

After the JCPOA and in a bid to encourage foreign investment, Iran has offered tax break schemes, facilitative laws and regulation, capital guarantee, etc.

Referring to IDRO's approach in the post-sanctions era, Dr. Moazami said the organization will do its best to introduce its own capacities as well as other investment opportunities in Iran so as to attract investment.

A number of international media, including NHK, the Middle East, the Economist, and Bloomberg, to name a few, were present in the press conference.

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**IDRO, Renault Sign Deal in Paris, Open New Chapter in Iran-France Ties**

The factory is to roll out its first Symbol and Duster models in 2018. Also, Renault will continue cooperation with its Iranian partners, Saipa and Iran Khodro, within the framework of Renault Pars joint venture.

Less than one year after the implementation of the nuclear deal, the first automotive deal was signed by Peugeot and Iran Khodro, and the second deal was signed by Citroen and Saipa.

The deal will be finalized soon. Iran Khodro and Peugeot are expected to roll out their joint product, named 2008 and then they will manufacture 301 and 208 brands. Citroen and Saipa have agreed to jointly produce the latest models of Citroen at Saipa Kashan assembly line.

Companies like Fiat, Volkswagen, and Benz have started talks with Iranian car-makers. Renault had limited activities to the production of higher quality cars of Tondar and Tondar Pickup. But, they have come back with manufacturing two cars jointly with Pars Khodro, named Sandero Hatchback and Sandero Stepway.

**IDRO in Talks with Italian Company to Accelerate Development of Esfarayen Project**

**I**DRO and the Italian Danieli Group held talks in Tehran to explore the

development of the Esfarayen Industrial Complex.

According to the report, the development project includes increasing capacity of the steel melting furnace from its current 120,000 tons to 180,000 tons of steel, equipping the complex's laboratory, as well as constructing machinery and thermal workshops.

Three companies of INTECO, Danieli,

and Gostaresh Foulad will jointly participate in the project.

Danieli Chairman and CEO Gianpietro Benedetti, at the head of a delegation, participated in the talks with IDRO Deputy Chairman Dr. Daliri.

The two sides exchanged views on a wide range of issues, including: steel bar straightening and peeling machines, the upgrading of continuous casting machines, and investment scenarios to develop the Luleh Gostar of Esfarayen (LGE).

## IDRO to Expand Industrial Ties with German Bavaria



As an international brand, IDRO has made it a priority in the post-sanctions era to lay the ground for joint international ventures, aiming at joint investment and production, and technological exchange at macro levels (mega projects). Accordingly, the German Bavarian state opened an industry and economy office at IDRO.

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The decision was influenced by strong interest shown by German companies to enter into industrial cooperation with Iran as well as unique economic and industrial indexes of Bavaria. Also, according to an action plan already agreed upon and previous ties between IDRO and Germany, IDRO Chairman Dr. Moazami, at the head of a delegation from IDRO department for industrial investment and representatives of some affiliate companies, took a three-day visit to Munich, the capital city of Bavaria state, at the formal request of the Bavarian Industry Association (VBW).

As the conference unfolded, some key projects under consideration by IDRO were introduced to the participants, including:

- Macro development projects at South Pars Gas Field with the goal of accelerating the country's industrial develop-

ment, creating jobs and national wealth, and increasing natural gas production

- Policy-making for the automotive industry (particularly when it comes to Iran Khodro and Saipa) in order to increase production and make products more cost-effective, promote technology and quality, and finally, upgrade products so as to enhance compatibility

- Benefitting from domestic capacities and experts and implementing appropriate supportive and supervisory policies to promote the status of the ship-building industry through managing Iran Shipbuilding and Offshore Industries Complex Co. (ISOICO).

- Constructing infrastructural industries as propellers for other industries, particularly those in the field of equipment manufacturing and machineries

- Paving the way for development of advanced technologies and supporting top industries via modern technologies

- Planning to identify investment and industrial development opportunities in unprivileged areas of the country through collaboration with legal and real investors of the private sector and implementing some joint plans

- Renovating projects and old industries with the aim of making them more profitable and enhancing production efficiency, quality, and quantity

- Opening economic zones to: establish international ties, energize regional economy, and attract and encourage domestic and foreign investment

- Training world-class managers for industrial and development units, boosting a knowledge-based approach, and finally, upgrading managers via an industrial management plan.

## IDRO Commissioned to Finance and Purchase 2000 Railroad Cars



The Iranian Interior Ministry has commissioned IDRO to finance and purchase 2000 railroad cars through an international tender for financing purposes.

Mr. Mofidi, IDRO manager for transportation industry development, made the remarks, saying that the tender allows for €2-billion foreign finance and all technical, economic, financial, and other dimensions, including installments, have been approved by the Economy Council.

Reminding that the Economy Council has missioned IDRO to handle the proj-

ect, Mr. Mofidi said the decision has been motivated by centralizing supply and forming production chains in the country's industrial sector.

The plan has highlighted investment, foreign finance, maximum use of domestic potentialities, and technological ownership, according to the IDRO official. Also, under the plan, IDRO will guarantee the railroad cars, offers aftersales services, provides periodical trainings, all for two decades. The cars will be purchased in five years and distributed among nine metropolises of the country.



## Foreign Investment Conditioned Upon Use of Domestic Capacity, Export Agenda: Nematzadeh



**T**he first smart control valves factory came online in Shamsabad industrial zone, meaning a less dependence on imports. Smart control valves are of use in the oil, gas, petrochemical sectors.

Participating in an opening ceremony held on this occasion were Industry Minister Mohammad Reza Nematzadeh, IDRO Chairman Dr. Moazami, Deputy Oil Minister Dr. Moqadam, the Italian ambassador to Iran, parliament member Mrs. Jelodarzadeh, and a number of other officials with state- and private-run companies.

Addressing the gathering, the industry minister said the contract to establish the factory had been signed during President Rouhani's visit to Italy.

"We hope the factory develops into a national industrial unit in light of the close cooperation between the ministries of oil and industry," Nematzadeh highlighted, adding, "Cooperation between the two industries can be very effective in building a robust industry."

Referring to an effort made by the two ministries to coordinate and centralize activities in connection with manufac-

turing turbine generators in the country, the industry minister said the synergy led to the establishment of MAPNA Group, one of the largest holdings active in manufacturing turbine generators in Iran.

As another instance of excellent cooperation between the ministries of oil and industry, Nematzadeh cited Iranian Offshore Engineering and Construction Company, urging a continuous link in the future.

**Nematzadeh cited Iranian Offshore Engineering and Construction Company, urging a continuous link in the future.**

"Foreign investment should be lured so as to develop oil and gas fields and avoid exporting raw materials. It will enhance employment, too."

On the mission of the newly established manufacturing unit, Nematzadeh said it should meet not only domestic needs but also keep an eye on international markets.

"Being located in Shamsabad industrial

zone is an opportunity for the company to benefit from the facilities available in the zone such as raw material, casting, etc."

The factory can also rely on the country's advance electronic industry for its needs, Nematzadeh stressed, depicting a bright future

In addition to production capacities, the factory can provide refineries in southern Iran with repair and maintenance services, according to Nematzadeh.

## Iran's Gas Extraction from South Pars Gas Field Increased



**I**ran Shipbuilding and Offshore Industries Complex Co (ISOICO), an IDRO subsidiary, successfully installed the platform 18B of the South Pars gas field. With the platform, supervised by ISOICO and built by Mobin Saze Gostar Khaliye Fars, on board, Iran's daily gas extraction from the joint gas field with Qatar will enhance.

According to Hamid Rezaeian-Asl, the managing director of ISOICO, the 2,200-ton platform has an extraction capacity of 14 mcm daily.

With other structures such as torch, bridge, and jacket taken into account, the platform weighs nearly 6,650 tons.

"Now the know-how has been indigenous in the country," Rezaeian-Asl said, referring to domestic capacities to build oil and gas platforms from A to Z.