



**Industrial Development &
Renovation Organization of Iran
Investment Opportunities**

*In the name of God
the Compassionate
the Merciful*

Name of the book:

Industrial Development & Renovation
Organization of Iran - Investment
Opportunities

Author and editor:

Vice President of Industrial Planning and
Development/Management of Economic
Studies; Investment Plans and Industrial
macro Development

Release date: Winter 2024

Phone: +98-21-22044101-9

Fax: +98-21-22040010

Address: Vali e Asr Building, Jam e Jam St.,
Vali e Asr Ave., Tehran, Iran

P.O.Box: 19395-1855

Postal Code: 1995613996

Web site: www.IDRO.ir

Email: Investment@IDRO.org

**Industrial Development &
Renovation Organization of Iran**
(IDRO)

Investment Opportunities

Prologue

The 7th Development Plan aims for an average annual economic growth rate of %8, with %35 of this growth (%2.8) hanging on increased Total Factor Productivity (TFP) and the attraction of substantial new investments.

Recent years have seen a decline in investment levels and a negative net formation of fixed capital in the country due to capital depreciation outpacing the creation of gross fixed capital. To drive economic growth, it is essential to leverage all available tools and resources to stimulate investment in the economy.

The Industrial Development & Renovation Organization of Iran (IDRO), as driver and a key player in the country's industrial progress, has prioritized investments in high-value industries, advanced sectors, and underdeveloped regions to spearhead industrial development efforts.

To support this strategy, a series of investment plans have been developed by focusing on ongoing projects and identifying new initiatives that align with industrial investment capabilities and regional development needs. Priority is given to projects where private sector participation is feasible, with government-led initiatives reserved for cases where independent funding is not viable.

Over the past few decades, advancements in technology and innovation have played a pivotal role in boosting production levels and income across nations, thereby fueling economic growth. IDRO recognizes that eliminating technological barriers is crucial for enhancing industrial value chains. By strategically investing in projects that leverage technology to improve capital efficiency,

IDRO aims to drive productivity growth and foster economic expansion within the country.

The forthcoming volume will delve into IDRO's core missions and its performance as a development organization. It will also shed light on the project selection process, approval procedures from relevant authorities, and details of ongoing, upcoming, and potential investment projects. By engaging with the private sector, IDRO seeks to catalyze industrial development in the country. The organization stands ready to facilitate the non-governmental sector's involvement in industrial progress by partnering with capable stakeholders to secure additional resources for investment projects and reduce government intervention.

Babak Ahmadi
Deputy Minister and
Chairman of the Board of Directors



Table of contents

CHAPTER 1: The concept of development Organization and the role of IDRO in industrial development

The concept and the function of development organizations	3
The foundational reason for IDRO and its influence in different eras	5
Some of the most important projects implemented by IDRO since its inception	10
IDRO's mission in upstream regulations and documentation	15
IDRO initiatives within the timeframe of the 7 th development plan of Iran for investment development	16

CHAPTER 2: The process of evaluating and approving of investment proposals at IDRO

The organizational process of IDRO in investigating and authorising investment plans	21
IDRO's legal regulations in investigation, authorization, and implementation of investment plans	27
Steps of implementation in the process of Industrial investment	29
Type of the article of association for cooperative investment	32
Viable financing methods	33
Reviewing, evaluating, and approving changes to approved investment plans	35
The method of transferring IDRO shares in joint investment companies	36

CHAPTER 3: Introducing investment plans

Investment plans	41
Projects under implementation	43
Production of bioethanol fuels in Kermanshah	46
Production of bioethanol fuels in Kohgiluyeh & Boyer-Ahmad	48
Establishing south-east of Iran's hub of textile (Phase 1)	50
Production of water filters (Membrane) in Ilam	52
Establishing production centers of disparate bio-implants	54
Production of heavy tires in Sistan & Baluchistan	56
Car tire production in Lorestan province	58
Construction production infrastructure in Garmsar Special Economic Zone	60
Construction production infrastructure in Jahrom Special Economic Zone	62
Construction infrastructures for the development of technology and knowledge-based industries in Kavosh research town	64
The plan to create and develop export-oriented complexes on the coasts of Jask to Gwadar	66
Plans ready for execution.....	69
Car tire production in Kurdistan	72
Production of glass fibers in East Azerbaijan	74
Production of synthetic paper by BOPP method with high calcium carbonate	76
Creation of polyester-viscose and viscose yarn spinning line	78
Creation of a weaving line for warp and weft fabrics	80
Preliminary stage plans.....	83
Super plus gasoline production	84
Production of aircraft engine parts	85
Lithium-ion battery production	86
Forming a textile hub in the southeast of the country (phase 2)	87
Cloud computing development	88
Development of 3D printer application	89
Production of wind turbines	90
Climate recovery technology	91
Establishment of manufacturing and production innovation centers	92
Production of acrylonitrile	93
Production of Omega 3 supplements	94
Establishment of a plasma processing refinery	95

Development of technology, extraction, and liquefaction of helium from natural gas	96
Production of medicine from narcotics	97
Production of lysine amino acid	98
Development of the casting line of circular grey cast iron auto parts in North Khorasan	99
Renovation and reconstruction of Tabriz Machinery Casting Company	100
Production of acetic acid, vinyl acetate monomer, polyvinyl acetate, and polyvinyl alcohol	101
High speed trains	102
Renovation of fleet	103
Fine cotton thread spinning plan	104

APPENDIX





Industrial Development & Renovation Organization of Iran -
Investment Opportunities

CHAPTER 1

**The concept of
development
Organization and
the role of IDRO in
industrial development**

Industrial Development & Renovation Organization of Iran
Investment Opportunities

CHAPTER 1

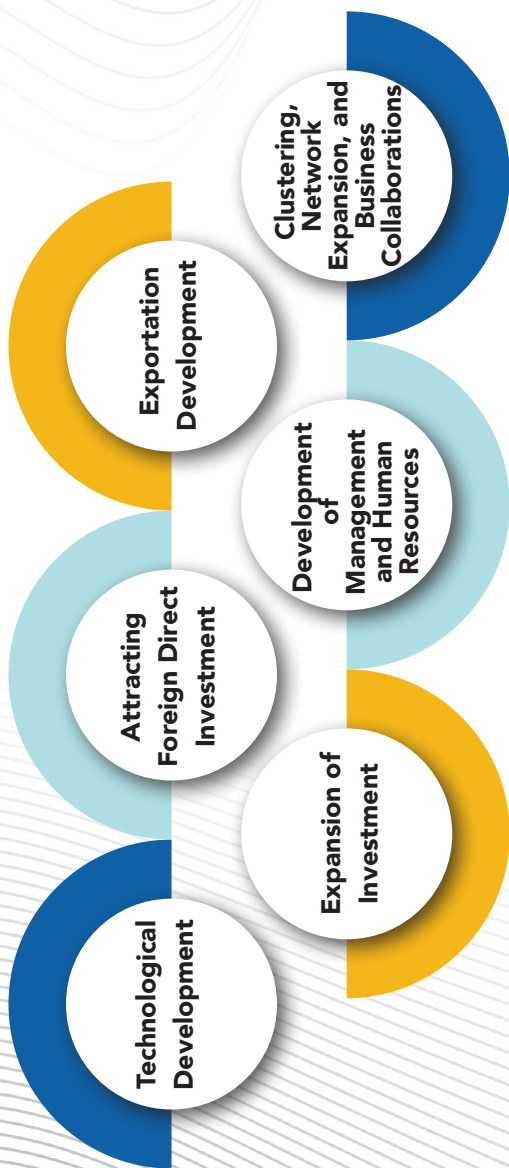
The concept and the function of development organizations

Development organizations are establishments that analyse the unique features and strategic directions of a country's economy and industry in order to design and deliver services aimed at advancing the overall economy and specifically the industrial sector.

These organizations serve as a valuable instrument for the government in fostering the establishment and growth of critical new businesses, while also providing a platform for capacity building to strengthen economic institutions that may be unfeasible for private sector financing due to high risk, delayed returns, or other factors.

Development organizations serve as the crucial bridge connecting the government, industry (supply side), and market (demand side) - the three fundamental pillars of the economy. Their role is to facilitate effective communication and expedite value-driven operations and processes.

Even developed nations, tailored to their unique characteristics and economic needs, have established their own institutions for advancement. Examples include "The New Energy and Industrial Development Organization" in Japan, "High Technology Industry Development Center" in China, and "Malaysian Investment Development Authority" in Malaysia. These organizations have played a significant role in driving the development of East Asia, as evidenced by their impact.(Fig.1)

Fig.1: The function of development organizations

The foundational reason for IDRO and its influence in different eras

Established in 1967, IDRO is an independent institution operating under a special law. Our primary objective is to expedite the industrialization of the country by facilitating the expansion and modernization of industries.

Over the course of approximately 57 years, IDRO has established key and large industries essential for the country, laying the foundation for investment and private sector involvement in alignment with industrial development objectives. By establishing industrial units and transferring ownership to the private sector, IDRO has facilitated the growth of the private sector instead of competing with it.

Through an analysis of the deliberations in policy-making bodies and industrial assemblies, a comprehensive list of positive, restrain and side duties can be delineated for the organization as Fig.2.

IDRO aims to leverage the capabilities of target industries, as well as regional advantages, to extend its operations and contribute to balanced development in underdeveloped regions by tapping into the potential of the private sector.

Fig.2: Positive, restrain and side duties

Positive duties

Investing in industries that:

- a) Align with national interests, yet lack appeal for private sector investors;
- b) Foster domestic industry growth;
- c) Lead to the rectification of shortcomings in existing industries.

Attracting
private sector
funds

Providing services
and support to the
country's indus-
tries (Such as
managerial, marketing
and technical services
and supports)

Transferring
the shares of
profitable
companies to
the private
sector

Renovation of dilapidated factories with techni-
cal, managerial and financial problems

Restrain duties

Refraining from
banking, mineral
activities, etc.

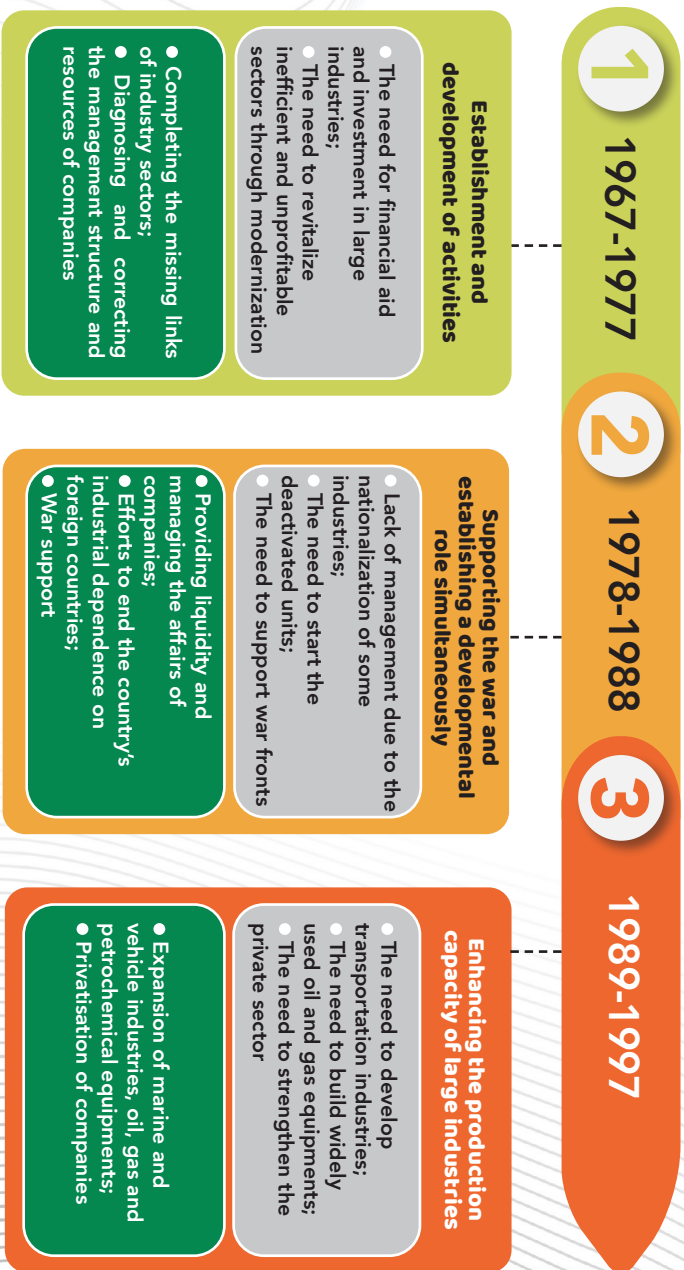
Refusing to attract
profitable industrial units
in order to show off
success

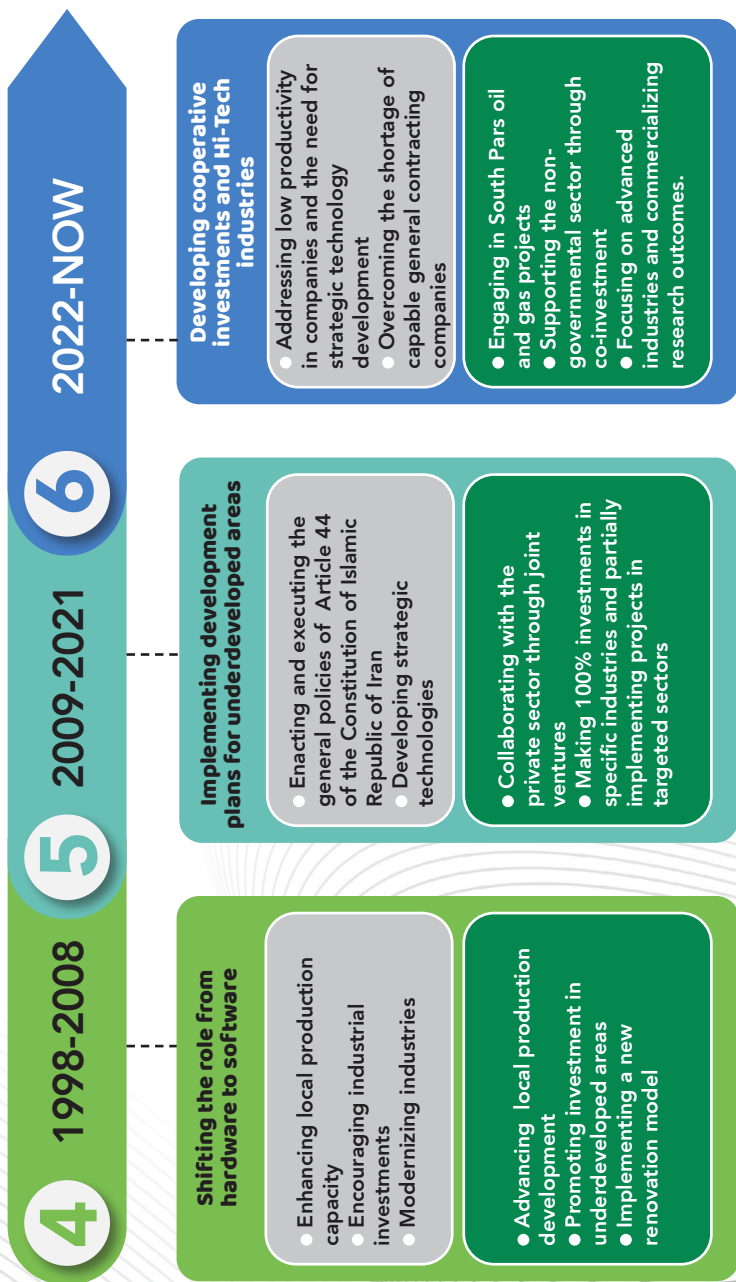
Refusing to turn IDRO into a permanent
exploitation institution of profitable industrial
units

Side duties

Institutionalizing to facilitate the process of industrialization
(such as creating export platforms, etc.)

Over the course of approximately 60 years, the Industrial Development & Renovation Organization of Iran has demonstrated significant impact in the field of industrial development within the country. In response to the nation's needs and the demands of the industry sector, the organization has implemented a range of policies and delivered noteworthy accomplishments, as depicted in the Fig.3.

Fig.3: IDRO policies in 6 decades of activity



Some of the most important projects implemented by IDRO since its inception

Construction of innovative industrial units:

- Iran Tractor Manufacturing Company

- Arak Machinery Company

- Technolog Company (Iran Industrial Consulting Engineers)

- Casting sand supply Company

- Pakistan Paper Company

- Arak House Building Company

- Tabriz House Building Company

- Hepco Company

- Ray Cement Company

- Persian Gulf Shipbuilding Company

- Gold Electric Company (Motogen)

- Iran Wood and Paper Industry Company

- Ghaem Shahr Textile Company

- Leyland Diesel Company of Iran

- Technikan Company

- Pars Machinery Company

- Pars Wagon company

- Avangan Company

• Pompiran
Company

• Nirepars
Company

• Baft Baloch
comprehensive
Company

• Chitsazi
Behshahr
Company

• Mana
Construction
Company

• Emad
Semiconductor
Company

• Iran tractor
manufacturing
company

• Lift Terrak
Sazi Sahand
Company

• Patleh
Company

• Iran Industrial
Renovation
Company

• Productivity
and Human
Resources
Studies
Institute

• Big pumps
and water
turbine
production
company
(Petco)

• Industrial
Projects
Management
Company of
Iran

• Iran Marine
Engineering
and
Construction
Company

• Information
Technology
Development
Center
Company
(MAGFA)

• Iran surface
engineering
and research
center

• Vehicle
Industry
Consulting
Engineers
Company

• Advanced
Materials
Development
Company

• Iran
Shipbuilding and
Offshore
Industries
Complex
Company
(ISOICO)

• Esfarayen
Industrial
Complex
Company

• Jovain
Electrical
Machines
Industries
(Jemco)

• Welding
Research and
Engineering
Center of Iran

• Iran
Informatics
Development
Company

• Iran
Entrepreneurship
Development
Company

• Iranian
Catalyst
Development
Company

• Life Sciences
Industry
Development
Company
(Lidco)

• Luleh Gostar
Esfarayen
Company

• Renault Pars
Company

• Iran Combine
Manufacturing
Company

• Arvandan
Shipbuilding
Company

• Mehvar Sazan
Industrial
Company

• Ferdows
Textile Factory
Company

• Gostaresh
Gam Afarin
Aluminum
wheel rims
company

• SAIPA
Equipment and
Tools Design
and
Engineering
Company

• Pars Pangan
Design and
Engineering
Company (Oil
Equipments)

• Iran Heavy
Diesel
Industrial and
Production
Company
(DESA)

• Iran Marine
Industrial
Company
(Sadra)

• Kajeh Tile
Industry
Company

• Oil
Equipment
Industries
Company

• Tabriz
Machinery
Casting
Company

• Iran Tractor
Foundry
Company

• Sepideh Jam
Toos Company



Executing projects for the reconstruction and modernization of industries:



And executing significant contracting projects:

- Phases 6 ,7 and 8 of South Pars gas field

- Phase one of South Pars gas field

- Tabnak Gas Refinery

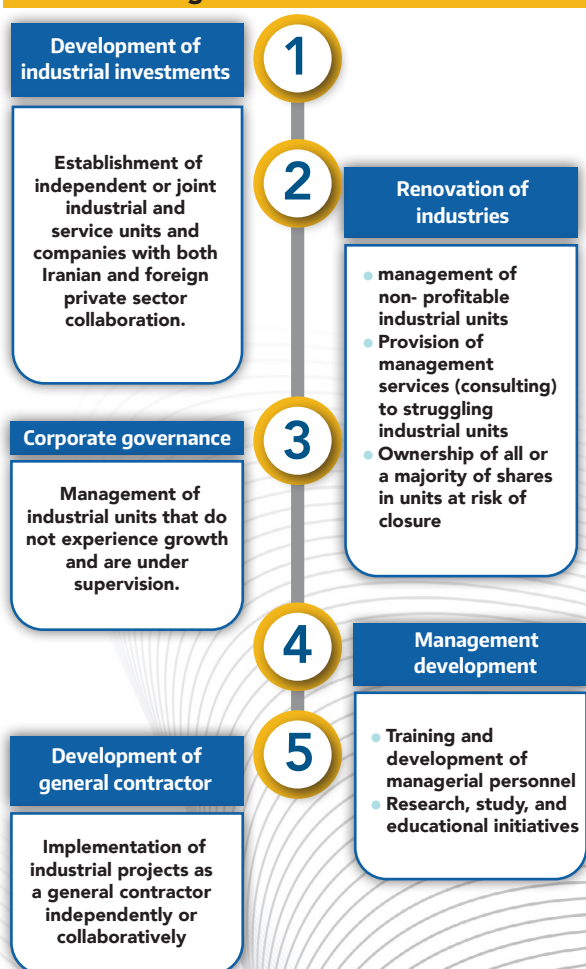
- Phase 14 of South Pars gas field

- Phases 17 and 18 of South Pars gas field

IDRO's mission in upstream regulations and documentation

In accordance with the founding law and legal statutes, IDRO's mission encompass industrial investment development, industry modernization, management development, general contracting development and corporate governance, as outlined in the Fig.4.

Fig.4: IDRO's mission



In accordance with the guidelines outlined in Article (44) of the Constitution and its implementing law in 2008, the regulations pertaining to investment, ownership, and management of public sectors have been defined. Additionally, the mandates and activities of government institutions and organizations have been aligned with the corresponding legislation.

As per Article (2) of the Implementation Law for the General Policies of Article (44) of the Constitution, economic activities are categorized into three groups.

In accordance with Article (3) of the same law, development organizations are authorized to partake in economic activities. Group one comprises diverse industrial sectors in underdeveloped regions or advanced industries with high technology across the country, as well as investments in group two's economic activities. The identification, compliance, and classification of activities and economic enterprises within each of the three economic groups mentioned in the aforementioned constitutional principle are defined as Fig.5, based on the regulations.

IDRO initiatives within the timeframe of the 7th development plan of Iran for investment development

As a driver for industrial development, IDRO has formulated programs in the following five sectors (Fig.6) to propel the country's industrialization process and actively contribute to the expansion of targeted investments. These programs adopt an investment-oriented approach, specifically focusing on less privileged areas and advanced industries.

Fig.5: As per Article (2) of the Implementation Law for the General Policies of Article (44)

Note (7): The government, including development organizations such as IDRO, has the option to invest in this sector; however, the government's share should not exceed %20 of the participation share of these activities in market. Any surplus beyond the established limit for this group's activities must be divested within three years from the commencement of operations.

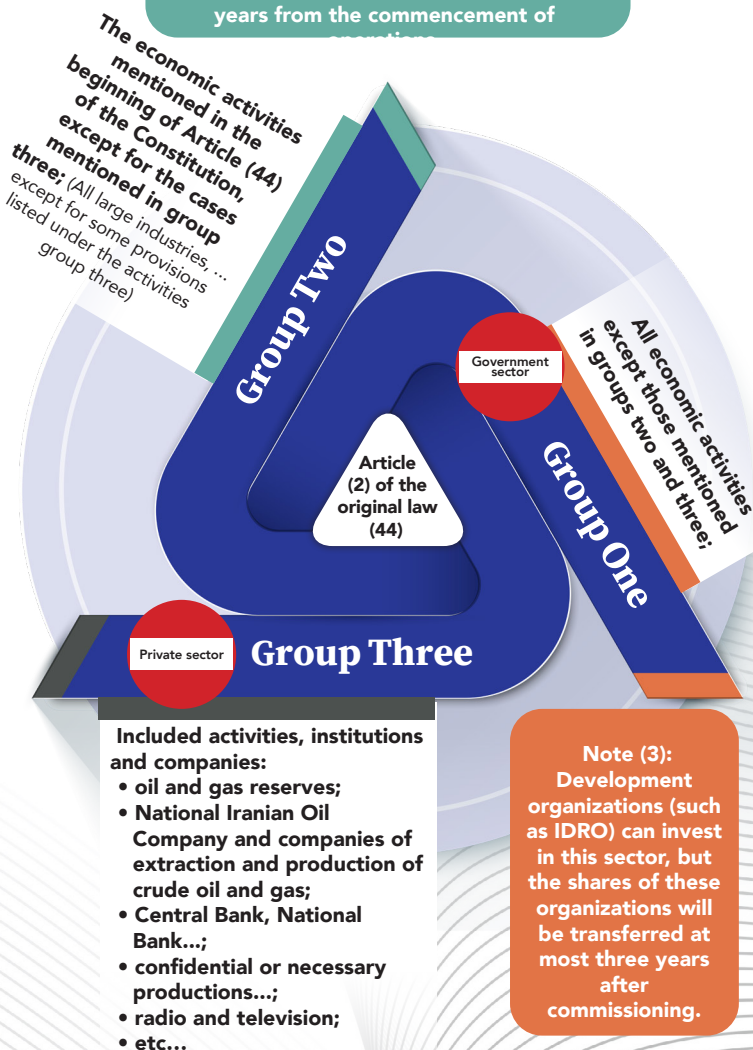


Fig.6: IDRO programs**1****Leadership and participation in the implementation of driving and transformative projects:**

- Development of climate recovery technologies
- Development of biofuels, particularly bioethanol, as an environmentally friendly fuel (to enhance gasoline quality)
- Production and supply of high-demand components for aircraft engines, involving a 35 million euro investment
- Development of infrastructure necessary for electric cars, including batteries, charging stations, etc., with a 120 million euro investment
- Development of energy storage systems
- Development and completion of the value chain in expanding Baluch industries company, involving a 40 million euro investment
- Local construction of 50 various types of passenger, tourist, and recreational vessels
- Manufacturing of high-speed trains.

2**Promoting balanced industrial investment with a focus on enhancing export-oriented production capacity**

while maximizing private sector involvement and facilitating the transfer of shares to the private sector upon project completion

- Execution of 30 investment projects with a total value of 2 billion euros, leading to the creation of 25,000 job opportunities.

3**Empowering and modernizing industries**

- Expansion and refurbishment of commercial ships (both medium and ocean liner) by a factor of four
- Design and implementation of the experimental phase for integrating artificial intelligence in selected industrial units
- Enhancing the production of industrial machinery and equipment to reach a value of 50 million dollars annually, with a 5% increase in exports each year
- Renovation of affiliated industrial companies through credit facilities amounting to eight trillion Tomans

4**Development of innovative platforms**

- Initiating and establishing the Manufacturing and Production Innovation Center
- Establishing and overseeing Industrial Innovation Hubs in 20 technology bottleneck areas, with the objective of saving billions of dollars in foreign exchange
- Creating an Export Platform.

5**Developing highly skilled managers and promoter of emerging concepts through world-class training**

- Providing training to 1000 entrepreneurial managers specializing in emerging technologies
- Empowering and enhancing the skills of 1000 industrial managers at a global scale

Industrial Development & Renovation Organization of Iran -
Investment Opportunities

CHAPTER 2

**The process of
evaluating and
approving of
investment proposals at
IDRO**

Industrial Development & Renovation Organization of Iran
Investment Opportunities

CHAPTER 2

The organizational process of IDRO in investigating and authorising investment plans

One of the primary functions of IDRO involves the thorough scrutiny and approval of investment plan. This involves the reception of an investment proposal from a prospective beneficiary, culminating in a decision on participation in the plan.

The organization has received the initial proposal in the form of a pre-feasibility studies (PFS) following the approved format. (appendix (1)) The proposal is being assessed using the indicators outlined in table1, and a score will be assigned to the plan based on this evaluation. Then, based on the scores obtained, the presence of a private sector partner, and the project's characteristics related to major industries and implementation in underserved and underdeveloped areas, a decision is reached regarding the project. If IDRO chooses to engage in the project, a qualified and reliable consultant will be tasked with preparing and compiling the feasibility studies (FS). Following the completion of the feasibility report, the plan will be reassessed using the criteria outlined in table 2, and if the minimum score is achieved, legal procedures and required approvals will be pursued. This process is detailed on the following Fig.7.

Fig.7: IDRO's organizational process in reviewing and approving investment -plans

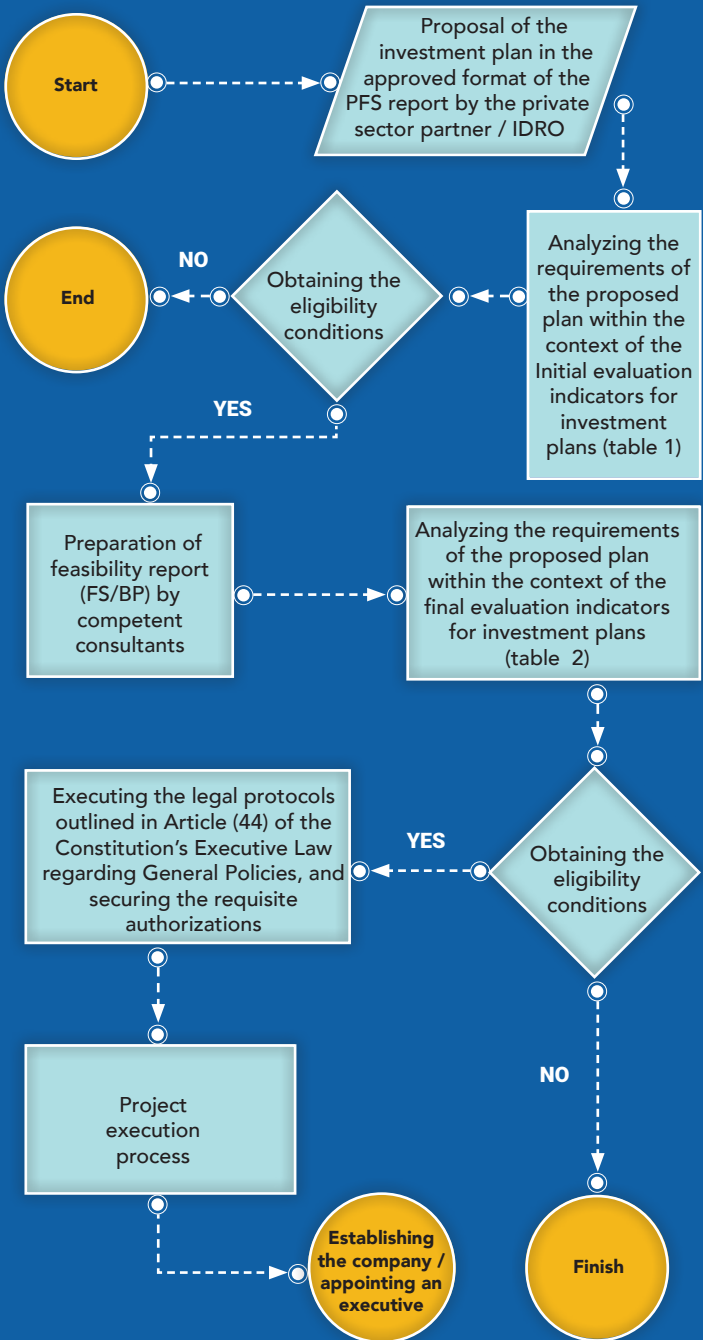


Table 1: Primary indicators for the evaluation of proposed investment plans

Main indicators	Sub-indexes (dimensions of each sub-index)
Completing the value chain of the country's industries:	target areas and investment priorities
	Completing the chain of an industrial field
Availability of maximum partner/partners jurisdiction unit*	Industrial related experience <ul style="list-style-type: none"> ● More than 20 years ● 10 to 20 years ● Under 10 years
	Participation share <ul style="list-style-type: none"> ● Above 80% ● 51 to 80 percent ● Below 51 percent
	Financial capability
Product marketability	Domestic market <ul style="list-style-type: none"> ● high ● medium ● low
	Export market <ul style="list-style-type: none"> ● high ● medium ● low
Industries with advanced technologies	Getting in the list of advanced industries**
The possibility of implementation in deprived areas	Implementation in deprived areas***
Entrepreneurship	The employment level of the plan <ul style="list-style-type: none"> ● High (over 100 people) ● Medium (between 50 to 100 people) ● Low (under 50 people)

Main indicators	Sub-indexes (dimensions of each sub-index)
Investment	The amount of investment <ul style="list-style-type: none"> ● High (more than 350 times the average trading volume) ● Medium (between 150 times and 350 times the average trading volume) ● Low (below 150 times the average trading volume)
Grouping the economic activity of the plan	Compliance with the grouping of economic activities of the Law on the Implementation of General Policies, Article (44) of the Constitution <ul style="list-style-type: none"> ● Group 1 ● Group 2 ● Group 3

* If the plan is implemented without participation, the score of this index is zero.

** According to the report of the presidential vice president of Science and Technology

*** According to the list approved by the Council of Ministers

Table 2: Indicators for the evaluation of investment plans

Main indicators	Sub-indexes (dimensions of each sub-index)
The desirability of the place of establishment	<p>Ease of supplying raw materials and consumable parts</p> <ul style="list-style-type: none"> ● Completing the chain in the province ● Supply from within the country ● import
	<p>Access to skilled and specialized workforce</p> <ul style="list-style-type: none"> ● The presence of required specialist forces at the place of implementation ● Necessity of providing expert personnel from surrounding areas
	<p>The existence of basic infrastructure (water, electricity, gas, communication roads, etc.) and the geographical and climatic conditions of the region</p> <ul style="list-style-type: none"> ● It can be provided according to the amount of needed in the project ● It requires investment in the project ● Need infrastructure investment in the region

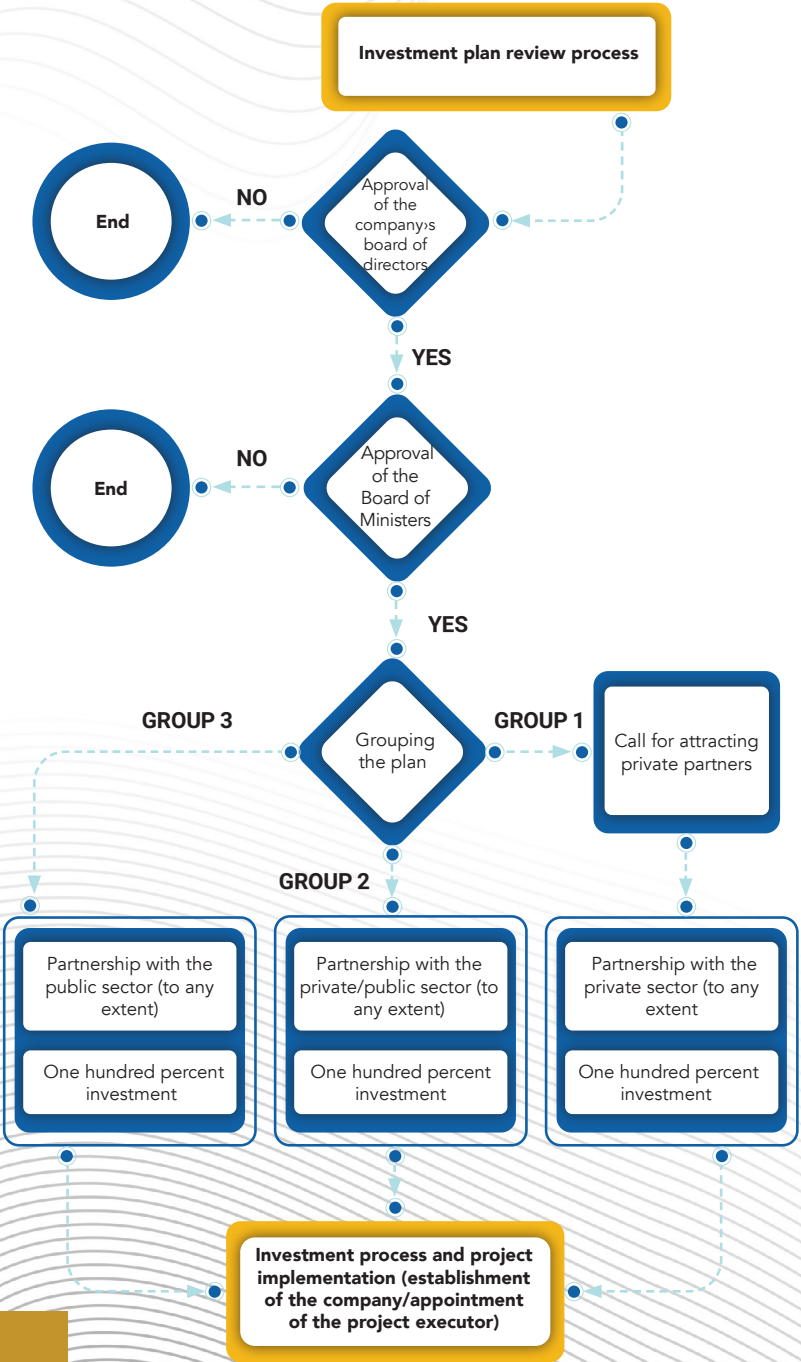
Main indicators	Sub-indexes (dimensions of each sub-index)
Market desirability	Domestic market <ul style="list-style-type: none"> ● Excess demand for the product ● Need competition
	Export <ul style="list-style-type: none"> ● Export of at least 30% of products ● Absence of export market ● Limited export
The possibility of obtaining and the level of technical knowledge of production	The possibility of obtaining production technical knowledge <ul style="list-style-type: none"> ● local technical knowledge ● foreign technical knowledge
	Technology level of products <ul style="list-style-type: none"> ● high ● medium ● low
The desirability of financial and economic indicators and entrepreneurship	Internal rate of return (IRR) <ul style="list-style-type: none"> ● At least 5 units more than the rate approved by the Money and Credit Council ● Between 1 and 5 units more than the rate approved by the Money and Credit Council ● Less than the rate approved by the Monetary and Credit Council

Main indicators	Sub-indexes (dimensions of each sub-index)
The desirability of financial and economic indicators and entrepreneurship	The ratio of investment to human power
	Positive net present value (NPV).
	The number of employees <ul style="list-style-type: none">● More than 100 people● Between 50 and 100 people● Less than 50 people

IDRO's legal regulations in investigation, authorization, and implementation of investment plans

According to the provisions of the Law on the Implementation of General Policies, Article (44) of the Constitution, the legal procedures for obtaining approval are described in the Fig.8.

Fig.8: The process of reviewing the investment plan in IDRO



Steps of implementation in the process of Industrial investment

The plans of Note (3) of Clause (A) of Article (3) of the Law on Implementation of General Policies of Article (44) of the Constitution

The process of reviewing, selecting and approving the plan

The title of the activities

Project Discovery

Preliminary Feasibility Analysis and Technical & Economic Viability Assessment

Departmental Examination and Decision-making at IDRO's committees

Board of Directors' Review and Decision-making

Plan Approval Notification

Securing Council of Ministers' Approval for Project Type, Investment Amount, and Procurement Method

Issuing a Call for Bids

Assessment and Selection of Private Sector Investors and Partners

Formulation and Execution of Memorandum of Understanding

The process of establishing the company

The title of the activities

Convening a Founders' General Assembly

Presenting the Organization's Board Members and Private Sector Engagement

The title of the activities

Formulating the Company's Articles of Association

Fulfilling the Necessary Documentation for Companies Registration

Initiating the Establishment of a Company-owned Bank Account

Executing the Initial Registered Capital Payment for the Company

Concluding the Company Registration Process and Securing the Registration Notice

Project implementation process**The title of the activity***

Approval of the executive plan proposed by the board of directors

Approval of the detailed plan, including the detailed list of machines and equipment by BP, technical knowledge, land, building, facilities, and...

Obtaining legal permits to establish an industrial unit from the Ministry of Industry, Mining, and Trade

Approval of capital increase by the board of directors

Depositing the share of the partnership of the parties

Buying and owning land

Obtaining bank approval and credit opening

The title of the activity*

Providing collateral and guarantees required by the bank in proportion to the share of the company

Purchase of technical knowledge and machinery

Construction operations

Obtaining foreign currency and Rial facilities

Providing periodic reports of physical and financial progress and reviewing and approving them in the organization

Approval of the capital increase at the predicted times based on physical and financial progress by the board of directors

Depositing the share of the partnership of the parties

Requesting changes in the approval of the investment plan according to the requirements during implementation by the board of directors

Reviewing and approving the changes of IDRO's decision-making bodies

*According to the type of plan and execution conditions, some activities are performed with priority and delay or in parallel.

The process of delivering the plan to the operator unit

The title of the activity

Confirmation of the end of the implementation of the project by the FS and the approvals of IDRO's decision-making bodies, as well as other related documents and reports. Notification of this confirmation will be sent to the representative of the organization on the board of directors of the company and the representative of the deputy operator of the project

The start of the trial operation will be coordinated with internal organizational elements and non-governmental sector partners

Preparation of the closing report of the project after the trial operation period

Minutes of the transfer to the operator

Product exploitation and production

Type of the article of association for cooperative investment

The type of the article of association for the group of IDRO subsidiary companies briefly introduce the company and its governing framework based on commercial law. It is worth mentioning that due to the governmental nature of IDRO, changes have been made in the articles of association's statutes compared to the statutes based on commercial law. These changes include

obtaining a positive opinion from the organization in decisions made during ordinary and extraordinary general meetings of the company, the selection of board members, and the elected director of IDRO being one of the authorized signatories of the company for signing documents and securities. Additionally, their positive vote is required for the purchase of foreign machinery and technology selection, the sale and transfer of the company's fixed assets, as well as the transfer of IDRO shares. The transfer of government shares will be done according to the current laws and regulations of the country, and the transfer of shares of private sector partners will require obtaining the written consent of IDRO.

Viable financing methods

Funding methods for the implementation of investment plans will be one or a combination of five internal financial sources (cash and non-cash) IDRO/Non-Governmental Sector Partner, public government resources, money market, capital market, and Research and Technology fund.

1- Internal financial source (cash and non-cash) IDRO/non-governmental sector partner

The cash contribution is required at three time points: before the establishment of the company, before the purchase of land, and during the implementation of the project, and the total of these items will be up to twenty percent of the organization's contribution, and non-cash contribution in the form of land and buildings will be provided.

2- General resources of the government

According to the credit lines provided in the annex of the annual budget rules, every year according to the development policies of the

government, resources are allocated in the form of Islamic treasury documents or cash, to spend these resources, compliance with government laws such as the law It is necessary to hold tenders.

3. Money market

Obtaining fixed investment facilities from the banking network (internal resources of the bank/ National Development Fund) Obtaining facilities from the banking network in the form of fixed capital for projects from the bank's internal resources or in the form of agency contracts with the National Development Fund within the framework of project feasibility criteria It is possible from the bank.

4. Fund market

Issuance of Sukuk bonds

Securities that are issued based on Islamic contracts and backed by one or a set of assets can be traded in the secondary markets. If the conditions are met, it will be possible to provide part of the resources needed for investment through the issuance of Sukuk bonds from the capital market.

Public joint stock company of the project

The joint stock company of the project is formed by the founders in the form of a joint stock and with the mechanism of public subscription of part of the shares in order to complete and exploit macroeconomic projects that have technical and economic justification. In projects with physical progress (at least 20 percent), it will be possible to use this method.

5- Research and technology funds

Research and technology funds are non-governmental cooperative funds that aim to finance and implement venture projects by investing in shares and shares of knowledge-based

businesses that have received the relevant certificate from the Presidential Vice President for Science and Technology. They finance part of the required investment costs.

Reviewing, evaluating, and approving changes to approved investment plans

Modifying the execution process of advancing projects and preventing consecutive interruptions during work is following the guidelines for reviewing, evaluating, and approving changes in investment projects. This instruction has been compiled in order to define the type of changes in the specifications of the approved investment plans and determine how to review, evaluate, and make decisions about these changes.

Option to increase the amount of fixed and total investment as a result of changes in investment items and changes in the inflation rate (changes due to fluctuations in exchange rates and inflation, changes in fixed investment items, changes due to delays in the use of the plan) up to a maximum of %20 of the total investment approved in one or more stages (cumulatively) provided that the financial-economic indicators of the project do not deviate from the approved acceptable range, will be the responsibility of the deputy responsible for the project in IDRO. In case of an increase in the total investment of the project, If the above items are more than %20, it is necessary to take necessary action to review and modify the justification plan and process it, to make a decision. The person in charge of the project will re-examine the technical and economic feasibility and the implementation feasibility within the scope of increasing the total investment by %20.

If, during the implementation of the plan, based on the conditions and requirements of the product market or the raw materials needed for it, a change in the composition, type, or capacity of the products of the approved plans becomes necessary, the issue will be reflected in a report, and if the rate of return does not decrease compared to the approved plan, a decision will be made regarding its approval.

The method of transferring IDRO shares in joint investment companies

Regarding the method of handing over IDRO shares in a partnership company with the non-governmental sector, the following reference rules and regulations are used as a basis:

- General policies of Article (44) of the Constitution (Communication of Supreme Leader);
- The Law on the Implementation of General Policies of Article (44) of the Constitution;
- annual budget rules;
- The approvals of the Supreme Council for the implementation of the general policies of Article (44), the government board, the Ministry of Economic Affairs and Finance, and the delegation board within the framework of the laws (including the approval of regulations, guidelines and executive methods related to privatization).

The authorities and trustees of policy-making within the framework of laws and regulations are the following pillars:

- The Supreme Council for the Implementation of General Policies of Article (44) of the Constitution;
- the government cabinet;
- Ministry of Economic Affairs and Finance;

- assignment board;
- The Privatization Agency.

The annual operational and executive process of privatization and transfer of shares belonging to the government is as follows:

1. Compilation of the transfer plan and the list of companies subject to transfer by the privatization organization within the framework of laws and regulations (including the schedule, transfer method, and other conditions) to be submitted to the transfer board;
2. Approving the list of transferable companies by the transfer board;
3. Stock evaluation and price determination by the privatization organization and presenting it along with the proposal of the installment sales method, the amount of the cash price and installments, the duration of the installments, and their intervals to the delegation board for approval;
4. Approving the price and terms of sale of shares by the Board of Allocation;
5. conducting marketing by the privatization organization;
6. Conducting formalities for the sale and sale of shares by the privatization organization until the date of the sale (inserting the notice of transfer, providing information and reports to the applicants and issuing them permission to visit the relevant companies, receiving the auction and negotiation envelopes, coordinating with the stock exchange organization for the sale of shares Exchange and OTC companies, etc.)

7. holding a meeting to open auction and negotiation envelopes (in auction and negotiation methods) and offer shares through stock and over-the-counter brokerages on the day of the offering (in stock and over-the-counter methods);
8. Determining the winner by the privatization organization (after checking the qualifications of the applicants according to the instructions for each supply method);
9. Signing contract with buyer or buyers (except for gradual publishing through stock and OTC)
10. Post-handover supervision by the privatization organization.

Introducing investment plans

Industrial Development & Renovation Organization of Iran -
Investment Opportunities

CHAPTER 3

Industrial Development & Renovation Organization of Iran
Investment Opportunities

CHAPTER 3

Investment plans

In alignment with the IDRO's mission pertaining to industrial investment, industrial modernization, general contracting management, and entrepreneurship development, the subsequent plans are delineated according to the implementation stages across a three-tiered framework:

Plans in the preliminary stage:

It includes the plans that have been proposed and are undergoing the review process for approval (or revision of the plan) in the IDRO's elements (Industry development committee or the IDRO's executive board).

Plans ready for execution:

It includes projects that have been approved by the IDRO's elements and in its implementation process, such as determining the project executive, determining the financial model, determining partners, establishing the company, providing financing, providing technical knowledge, and selecting the executive contractor or contractors.

Projects under implementation:

It includes plans that, in addition to the actions of the above-mentioned stages, executive and operational processes including basic and detailed design, supply and procurement, construction and installation are being carried out by consultants and contractors.



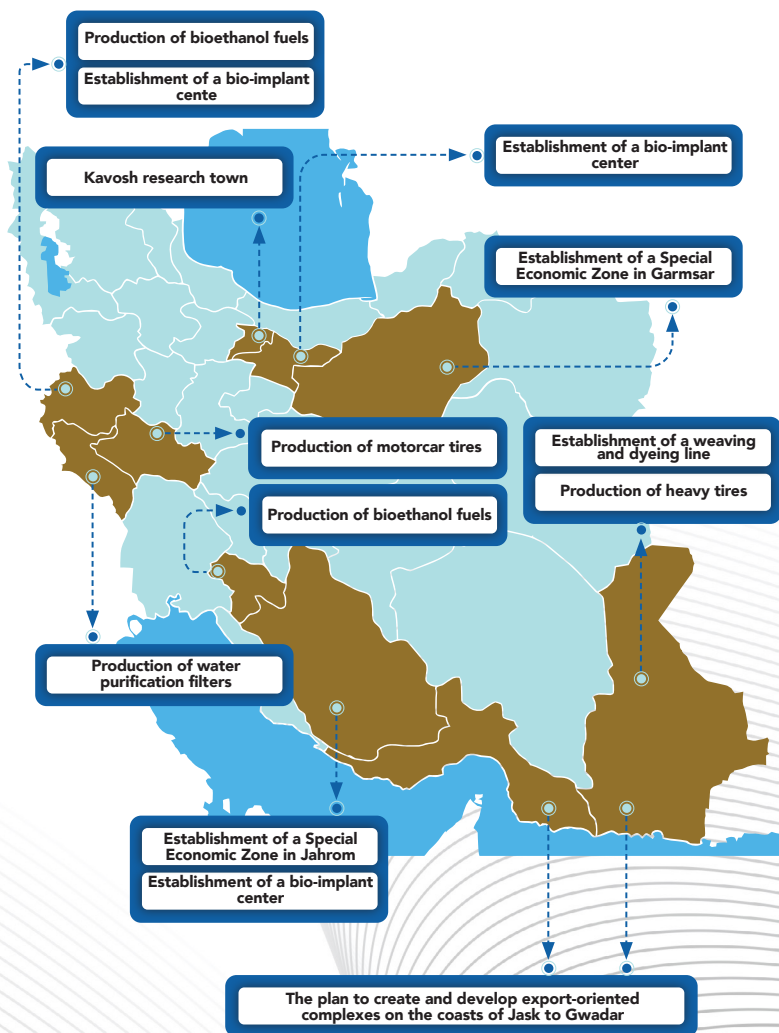
Industrial Development & Renovation Organization of Iran
Investment Opportunities

Introducing investment plans

**Projects under
implementation**

- Production of bioethanol fuels in Kermanshah
- Production of bioethanol fuels in Kohgiluyeh & Boyer-Ahmad
- Establishing south-east of Iran's hub of textile (Phase 1)
- Production of water filters (Membrane) in Ilam
- Establishing production centers of bio-implants
- Production of heavy tires in Sistan & Baluchistan
- Car tire production in Lorestan province
- Construction production infrastructure in Garmsar Special Economic Zone
- Construction production infrastructure in Jahrom special Economic Zone
- Construction infrastructures for the development of technology and knowledge-based industries in Kavosh research town
- The plan to create and develop export-oriented complexes on the coasts of Jask to Gwadar

Fig.9: The location of the ongoing plans:



Production of bioethanol fuels in Kermanshah

The construction of a fuel bioethanol production unit as a modern bio-refinery in line with the production of clean “octane booster” mixed with gasoline and increasing the quality of gasoline and reducing vehicle emissions was done by IDRO in Biston industrial town.

Considering the need to gradually remove the currently used MTBE¹, which has irreparable destructive effects on human health and the environment, as well as the requirement of Iran’s National Company for Refining and Distribution of Petroleum Products to mix at least %5 bioethanol with gasoline, capital investment in this industry was made by IDRO, based on the daily consumption of at least 100 million liters of gasoline in the country, there is a need to produce at least 5 million liters of bioethanol daily.

The annual production capacity of the plan is 66 million liters of bioethanol fuel as the main product and 66 thousand tons of DDGS² fermented flour (livestock and poultry feed) and organic carbon dioxide as secondary products.

The production of the products in the project will be manufactured for the first time in Iran and hold significant strategic importance in addressing the country’s needs related to human health, environmental sustainability, and currency savings.



1- Methyl Tertiary Butyl Ether

2- Dried Distillers Grains with Soluble

Project location: Kermanshah province - Kermanshah - Bistun Industrial Town

Project executor: Zagros Green Fuel Development Company

IDRO's share: 47.12%

Amount of investment:

Fixed investment cost: 22.7 million euros and 22986 billion Rial

Working capital: 5351 billion Rial

The amounts of investment have been updated by taking into account exchange rate changes and Rial adjustments of the Planning and Budget Organization.

Direct employment: 260 people



Production of bioethanol fuels in Kohgiluyeh & Boyer-Ahmad

With the aim of expanding capacity to produce high-quality, clean octane for blending with gasoline and reducing vehicle emissions, IDRO is leveraging its technical expertise and experience from the successful implementation of the Kermanshah bioethanol fuel production plan. This initiative also aligns with the investment opportunities in Kohgiluyeh & Boyer Ahmad province. The construction of the second bioethanol fuel production unit in Basht city, a county of the province, has been initiated as part of this strategic direction.

The annual production capacity of the plan is 66 million liters of bioethanol fuel as the main product and 66 thousand tons of DDGS fermented flour (livestock and poultry feed) and organic carbon dioxide as secondary products.

Considering the country's high demand for bioethanol supply, IDRO has on its agenda the construction of similar production units in other provinces with the participation of investors.



Project locaton: Kohgiluyeh & Boyer Ahmad province - Basht city - Khan Ahmad industrial town

Project executor: Zagros Green Fuel Development Company

IDRO's share: 47.12%

Amount of investment:

Fixed investment cost: 22.7 million euros and 22986 billion Rial

Working capital: 5351 billion Rial

The amounts of investment have been updated by taking into account exchange rate changes and Rial adjustments of the Planning and Budget Organization.

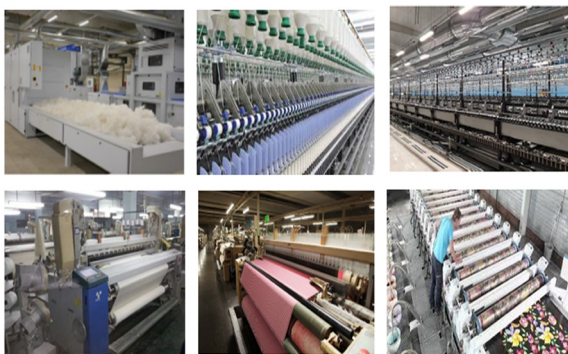
Direct employment: 240 people



Establishing south-east of Iran's hub of textile (Phase 1)

(Setting up a weaving line and revamping a dyeing, printing, and finishing line in Sistan & Baluchistan province)

The establishment of a textile center aims to streamline the entire process from cotton planting, cleaning, spinning, dyeing, printing, and finishing to clothing production and sales. The advantages of setting up a textile center include enhanced operational efficiency, minimized material wastage, streamlined transportation, and creation of additional value. The initial phase of the project will focus on launching a weaving line, revamping the dyeing line, printing and finishing, and completing the spinning line. The weaving department will have a capacity of 18 million square meters, with a production plan targeting 7.5 million meters of various fabrics in different widths.



Project location: Sistan & Baluchistan province - Iranshahr

Project executor: Baluch Industrial Development Company

IDRO's share: 100%

Amount of investment:

Fixed investment cost: 9.98 million euros and 1630 billion rials

Working capital: 780 billion rials

Direct employment: 250 people



Production of water filters (Membrane) in Ilam

Nowadays, membranes play a crucial role in water purification systems by effectively blocking impurities from contaminating the water. The reverse osmosis membrane, also known as the semi-permeable membrane module, employs a polymer membrane for water purification. This semi-permeable membrane, comprised of multiple thin polymer films each several thousand angstroms thick, is supported by a fabric. It has the capability to eliminate solutes and salt from even the seawater or salty water.

The purpose of implementing the present plan is to build a production unit with a capacity of 70,000 eight-inch membrane modules per year. Each prototype industrial membrane module is 100 cm (40 inches) long and 20 cm (8 inches) in diameter. According to the selected machinery technology, the project products will include sea water desalination membranes (SW¹) and salt water desalination membranes (BW²).

The main consumers of this product are all organizations in charge of supplying drinking water, industrial water, as well as petrochemical units, food and pharmaceutical industries, etc.



1- Sea water

2- Brackish Water

Project location: Ilam province - Eyvan city - Eyvan industrial town

Project executer: Ghesha Gostar Dalahoo Company

IDRO's share: 25.86%

Amount of investment:

Fixed investment cost: 9 million euros and 812 billion rials

Working capital: 936 billion rials

Direct employment: 75 people



Establishing production centers of disparate bio-implants

(3 independent centers in Tehran, Kermanshah, and Shiraz provinces)

Bio-implants are physical components that are surgically implanted in the body to enhance or repair the function of various organs. These implants, derived from biological sources, are utilized in conjunction with body tissue engineering and biotechnological methods. The shift from traditional metal and polymer products to bio-implants has been driven by their superior compatibility with the body. This transition not only addresses the diverse needs of patients but also mitigates the need for costly foreign graft imports, thereby reducing treatment expenses and duration. Furthermore, the use of bio-implants eliminates the adverse effects associated with non-biological products and opens up the potential for significant export earnings. Due to the advanced technical expertise in manufacturing “bone, cardiovascular, and tendon-ligament bio-implants” at Kish Tissue Replicator Company, the company has been recognized as a valuable private sector partner. As part of this partnership, the company aims to execute a plan to produce 243 cardiovascular bio-implants, 427,000 cc bone bio-implants, and 1,070 tendon-ligaments.

These custom-designed products exhibit optimal biomechanical properties and are biologically compatible with patients. Following processing in controlled, sterile environments to prevent environmental and microbial contamination, these tissues are carefully packaged for use in organ replacement or repair procedures.

Project location: Kermanshah, Tehran, and Shiraz

Project executor: Alborz Tissue Science Company

IDRO's share: 40%

Amount of investment:

Fixed investment cost: 14 million euros and
315 billion rials

Direct employment: 60 people



Production of heavy tires in Sistan & Baluchistan

Given the growing demand for heavy vehicle tires in the country and the reliance on imports, IDRO is strategically positioned to capitalize on this market gap by venturing into underdeveloped and economically disadvantaged areas. Our goal is to establish a strong presence in the production and distribution of high-quality, competitive tires, utilizing cutting-edge technology to meet the nation's demand, while also drawing inspiration from international standards.

The purpose of implementing this plan is to build a truck and bus tire production unit (TBR¹) with a capacity of 18,000 tons and radial tires for road construction and mining machines (OTR²) with a capacity of 9,000 tons.



1- Truck and Bus Radial
2- Off The Road

Project location: Sistan & Baluchistan province - Zabol city, Ramshar industrial town

Project executor: Aria Tire Hamon Company

IDRO's share: 25%

Amount of investment:

Fixed investment cost: 59 million dollars
and 10756 billion rials

Working capital: 3215 billion rials

Direct employment: 670 people



Car tire production in Lorestan province

Considering the country's increasing need for all kinds of tires for light and passenger cars and the fact that a part of it is imported, IDRO, to cover the existing shortage in the market by entering this industry. concerning the production and supply of all kinds of quality tires that can compete with foreign models with Using modern technology, IDRO tried to meet the needs of the country. The purpose of implementing this project in the first phase is to build a radial tire production unit with a nominal capacity of 5,000 tons per year (600,000 rings).

The products considered in this project are light radial tires in 3 common sizes with diameters of 14 ,13, and 15 inches, which are mainly used for cars such as Pride, Peugeot, Samand, L90, etc.



Project location: Lorestan province - Khorram Abad city - industrial town No. 3

Project executor: Nikro Gostaresh Rubber Company

IDRO's share: 19%

Investment amount

Fixed investment cost: 2.85 billion rials

Working capital: 403 billion Rials

Direct employment: 125 people



Construction production infrastructure in Garmsar Special Economic Zone

The Garmsar Special Economic Zone was established based on the "Law on the Creation of New Special Economic Zones" on 19 Dec.,2010 (approved by the Islamic Council). An industry was determined 90 km from Tehran and next to the Tehran-Garmsar highway, and its legal responsibility was assigned to the IDRO.



Project location: Semnan province - Garmsar city
- Garmsar special economic zone

Project executor: Garmsar Special Economic
Zone Company

IDRO's share: 100%

Investment amount

Fixed investment cost: 2,839 billion Rials

Direct employment: 4,620 people - phase one
(based on the transfers made)



Construction production infrastructure in Jahrom Special Economic Zone

Jahrom Special Economic Zone was established based on the "Law on the Creation of New Special Economic Zones" on 19 Dec.,2010 (approved by the Islamic Parliament). It was determined and its legal responsibility was assigned to the IDRO.



Project location: Fars province - Jahrom city - Jahrom special economic zone

Project executor: Jahrom Special Economic Zone Company

IDRO's share: 100%

investment amount

Fixed investment cost: 1,060 billion rials - phase one

Direct employment: 80 people - phase one



Construction infrastructures for the development of technology and knowledge-based industries in Kavosh research town

Kavosh Research Town is located 60 km from Tehran on the northern side of the Karaj-Qazvin highway and in the vicinity of Alborz Science and Technology Park with an area of 100 hectares and most of the infrastructure facilities have been implemented there. Due to its proximity to the main academic and industrial centers of the country, this town has been built to become a technology base support for industrial research and development units and complete the chain of ideas to the market and commercialization of new and advanced industrial technologies and products.



Project location: Alborz province - Kavosh research town

IDRO's share: 100%

Investment amount

Fixed investment cost: 886 billion Rials -
(Foreign Block, 10 hectares)

Direct employment: 50 people



The plan to create and develop export-oriented complexes on the coasts of Jask to Gwadar

In line with the Supreme Leader's emphasis on the necessity of developing the coastal areas of the southeast of the country between the Jask-Gwadar border, a row was defined under the title of technical and credit assistance for the creation and development of export-oriented production complexes on the coasts of the Jask-Gwadar border.

This plan is defined and implemented to encourage and persuade the private and cooperative sectors to be present and invest in the region by granting subsidized facilities from the internal resources of the banking network. The places of implementation of the plan are Chabahar and Konarak cities in Sistan and Baluchistan province and Jask and Sirik cities in Hormozgan province.

The goals of this plan are as follows:

- creating sustainable and productive employment in the region;
- Creating prosperity and improving the economic level of the region;
- settlement and increase of population in the region;
- Creating added value by using the existing capacity and benefits of the region.

In case of approval and issuance of the credit approval of the operating bank for granting facilities regarding the introduced project, subsidized facilities will be granted to the investment applicants to provide the necessary ground for the creation and development of

industrial investment projects with technical and economic justification in the target area be made.

Some of the industrial units established or developed using the financial resources of the plan are as follows:

- Production of pipes, cans, and metal profiles - Aria Profile Makran Company
- Completion of the fish and shrimp processing and packaging unit - Nilgoon Fishing Company
- Water desalinator 300 cubic meters per day - Wash Aab Bris company
- Development of fish powder production unit - Part Sirang Company
- Production of malt beer and fruit essence - Sadra Omid Sharq Company
- Production of fishing nets - Mahor Bafan Balochi Company
- Development and completion of polyethylene tank production unit - Polyethylene Industries Company
- Konarak Beach
- Rice processing and packaging - Salar Makran company
- Rice processing and packaging - Tajeran Novin Radman Company
- Construction of fishing support float - Hormozgan Pars Honar Cooperative Company
- Fish and shrimp processing - Mrs. Asefi
- Chromite processing - Makran Pars Alloy Company
- Developing and increasing the capacity of products - Sahil Said Konarak Company
- Shrimp Larva Propagation and Breeding Unit (baby shrimp) - Sepas Bitai Bandar Company
- A metal can with an easy-to-open lid - Arman Gostar Novin Konarak Company
- Development of fishing net production

- unit - Balochi Mahurbafan Company
- Processing and curing of fish and shrimp - Nilgoon Fishing Makran Company
- Aquatic feed production - Mrs. Tarahi
- Rice processing - Mehr Konarak company
- Fish and shrimp processing - Konarak Brodt Company
- Production of fish meal - Persian fish meal company
- Production of fish powder - Golden Seed Company
- Production of baby supplies - Rakhshan Tejarat Co
- Production of dairy products - Damavand Milk Company
- Some of the running units are as follows:
- Food packaging - Khavaran Lanj Chabahar Company
- Production of fish powder and aqua feed - Mr. Mehdipour
- Production of lavashak from dates - Makran Golden Palm Company

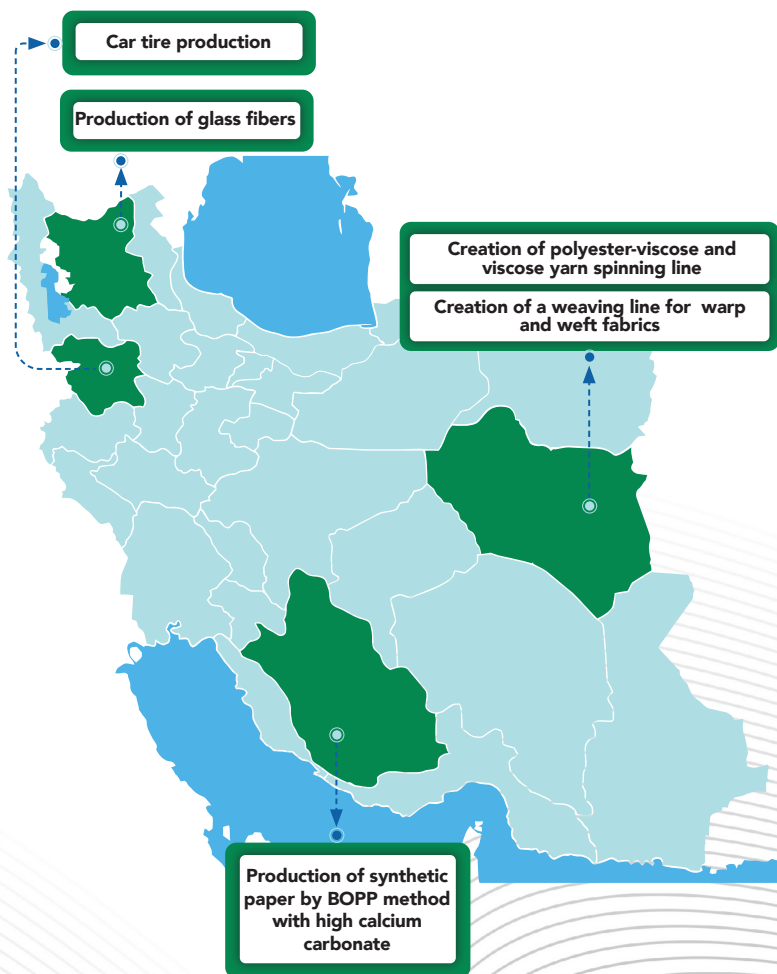
Industrial Development & Renovation Organization of Iran
Investment Opportunities

Introducing investment plans

**Plans ready for
execution**

- Car tire production in Kurdistan
- Production of glass fibers in East Azerbaijan
- Production of synthetic paper by BOPP method with high calcium carbonate
- Creation of polyester-viscose and viscose yarn spinning line
- Creation of a weaving line for warp and weft fabrics

Fig. 10: The location of the plans ready for execution



Car tire production in Kurdistan

To increase the production capacity of light and heavy vehicle tires, IDRO has partnered with the private sector to build a tire production plant in Kurdistan province, expanding its presence in regional markets.

The goal of the yearly production plan is to manufacture 35,000 tons of radial passenger and SUV¹ tires, 10,000 tons of radial bus and truck tires, and 5,000 tons of radial minibus and pickup truck tires. This will provide a total capacity of 50,000 tons per year, which meets international standards and caters to the needs of both domestic consumption and regional markets. The plan also aims to create job opportunities in underprivileged and less developed areas.



1- Sport Utility Vehicle

Project location: Kurdistan province - Sanandaj city - Dehgolan

Project executer: Razi Tire Expansion Company

IDRO's share: 100%

Investment amount

Fixed investment cost: 183 million euros
and 25,000 billion Rials

Working capital: 1,051 billion Rials

Direct employment: 1340 people



Production of glass fibers in East Azerbaijan

Glass fiber is a crucial raw material that is widely used in composite industries to enhance mechanical, chemical, thermal, and electrical resistance. It finds extensive application in the production of GRP¹ pipes, moisture insulation (isogum), and fiberglass composite parts.

Due to the absence of notable glass fiber producers in the country, along with the domestic demand for high-quality glass fibers and the necessity of importing them, our organization has decided to implement a production plan to save foreign exchange and fulfill the domestic needs of glass fibers in East Azerbaijan province, considering the investment potential of the province.

The plant has an annual production capacity of 30,000 tons of various types of glass fibers which include unirradiated glass fiber category², aggregated fiber category³, and shredded fiber⁴. These fibers are widely used in industries such as transportation (rail, sea, air, automobile), chemical and petrochemical, water and sewage, construction, new energy, sports, and entertainment.



1- Glass Reinforced Polymer Pipe
2- Direct Roving
3- Assembled Roving
4- Chopped Strand

Project location: East Azarbaijan province -
Marand City - Zenouz industrial area

Project executer: Marand Glass Fiber Expansion
Company

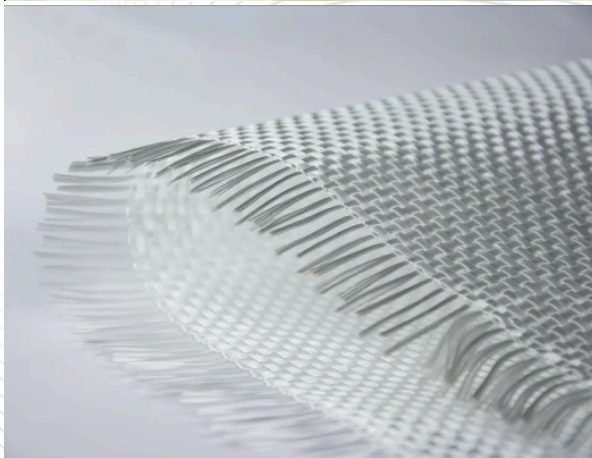
IDRO's share: 100%

Investment amount

Fixed investment cost: 683 million yuan and
6,663 billion rials

Working capital: 2300 billion Rials

Direct employment: 432 people



Production of synthetic paper by BOPP method with high calcium carbonate

Synthetic paper is a unique type of paper that is produced using petroleum derivatives and petrochemical raw materials, instead of wood and tree raw materials. As the world's consumption of paper and cardboard increases and natural resources become limited, it is becoming increasingly important to use synthetic paper. By combining polypropylene and different minerals in specific proportions, a plastic sheet with properties similar to ordinary paper is obtained.

The project aims to produce synthetic paper using the BOPP production method with high calcium carbonate. The paper will be available in thicknesses ranging from 50 to 150 microns, with a production capacity of approximately 14,000 tons per year.

Based on the chosen technology, the product design has the ability to be printed on, is flexible, tear-resistant, can be easily replaced with ordinary paper, and can be used in the packaging, publishing, and advertising industries. It is also possible to laminate the product with other films, produce it in different thicknesses, and use it as labels. This product offers a lower cost and has better access to raw materials.



Project location: Fars province - Khorameh city - Khorameh industrial town

Place of performance: Kharamah Sabz Paper Company

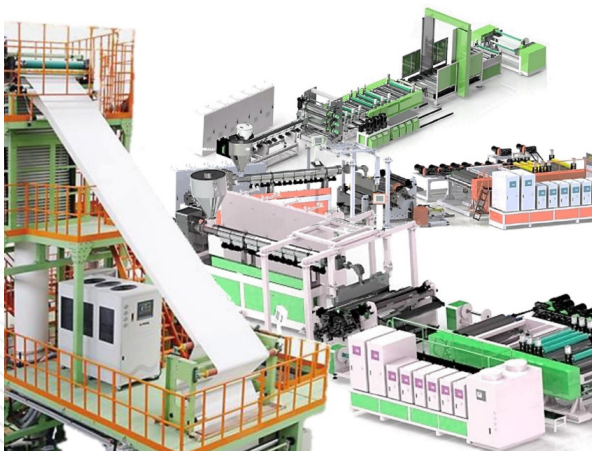
IDRO's share: 100%

Investment amount

Fixed investment cost: 1309 billion rials and 16.7 million euros

Working capital: constant and 489 billion Rials

Direct employment: 200 people



Creation of polyester-viscose and viscose yarn spinning line

The textile and clothing industry is listed among the eleven industrial development drivers of the country. As per the plans of the Ministry of Industry, Mining, and Trade, the aim is to achieve third place in the region and 50th rank globally. To achieve this, the industry will rely on competitiveness, modernization, and investment, along with the development of technology and improvement in productivity of production factors. The target year for this plan is 2026 A.D.

The current factory layout is based on a short-fiber spinning system and a ring-spinning production line. The factory produces polyester-viscose yarn with a thickness of -30grade and has a practical capacity of 2,000 tons per year. Additionally, it produces pure viscose yarn with a thickness of -30grade and has a practical capacity of 1,000 tons per year. These products will be used as raw materials for the production of various fabrics, such as viscose fabric, viscose polyester, round weave, stretch weave, and more, depending on the determined thickness.



Project location: South Khorasan province, Tabas City, Tabas industrial town

IDRO's share: 40%

Investment amount

Fixed investment cost: 17 million rupees and 157.6 thousand dollars and 8.4 million euros and 1700 billion rials

Working capital: 206 billion Rials

Direct employment: 11 8 people



Creation of a weaving line for warp and weft fabrics

The objective of this project is to establish a weaving unit in Ferdous City in collaboration with Ferdous Textile Company.

This factory has the capability to produce a variety of medium to high-weight warp and weft fabrics including cotton and linen, linen and denim, as well as lightweight fabrics such as shirts, twill, and bedclothes. The target products for this plan include the annual production of 16,450 thousand square meters of warp and weft fabrics, which will be sold in their raw state before any finishing and dyeing operations are conducted.



Project location: South Khorasan Province - Ferdous County

IDRO's share: 40%

investment amount

Fixed investment cost: 6.9 million euros
and 547 billion rials

Working capital: 81 billion Rials

Direct employment: 205





Preliminary stage plans

Industrial Development & Renovation Organization of Iran
Investment Opportunities

Introducing investment plans

Super plus gasoline production

Super Plus gasoline is a sustainable and environmentally friendly fuel produced by combining gasoline and fuel bioethanol. It offers several advantages over traditional gasoline, such as reducing environmental pollutants and greenhouse gases, improving energy security, and reducing dependence on oil sources and consumption of oil derivatives. IDRO is considering constructing a fuel bioethanol plant in Kermanshah and Kohkiluyeh & Boyer Ahmad provinces in Iran. The plan is to produce Super Plus gasoline in collaboration with the National Iranian Oil Refining and Distribution Company (NIORDC).

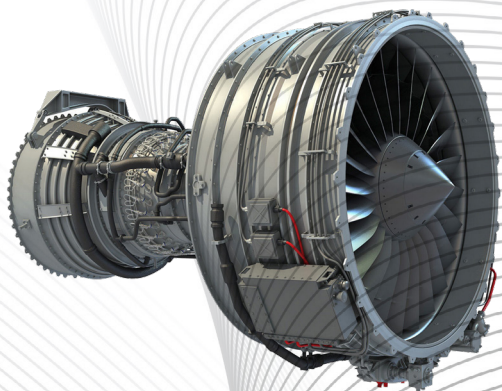


Production of aircraft engine parts

Given the difficulties involved in supplying, constructing, and repairing aviation industry equipment, particularly high-tech parts for aircraft engines, one of the country's top priorities is to establish a reliable supply chain for aircraft engine parts, utilizing the expertise, infrastructure, and capabilities of domestic professionals.

IDRO is prioritizing its participation in a 35 million euro investment with the Iranian Engine and Aviation Equipment Engineering and Manufacturing Company (MAPNA). The investment aims to construct factories specifically for manufacturing the main parts of airplanes.

This investment aims to meet the country's demand for manufacturing compressors, combustion chambers, and turbine components for four popular aircraft engine models. Currently, there are 344 units of these engines in the existing air fleet. This investment is expected to reduce the country's reliance on foreign production and could potentially decrease costs by up to a third of the purchase price from abroad.



Lithium-ion battery production

Many countries aim to eliminate fossil fuels from cars due to air pollution and the scarcity and high cost of fossil fuels. Therefore, developed countries prioritize the production of electric cars.

The battery pack is a crucial component of an electric vehicle, accounting for 40% to 60% of the vehicle's cost. IDRO has made it a priority to invest 120 million euros in partnership with the MAPNA Electrification and Storage Development Company. The goal is to produce lithium-ion batteries through Mapna Energy (Midco). Lithium-ion batteries are rechargeable batteries used in various applications, such as electric and hybrid vehicles, electronic devices, and energy storage systems.

The plan aims to produce 500 megawatt hours per year, which is enough to manufacture battery packs for around 10,000 to 13,000 electric vehicles annually.



Forming a textile hub in the southeast of the country (phase 2)

(Establishing a cotton ginning factory and setting up a clothing production line)

During phase one, the focus is on establishing a textile hub in the southeast of the country. This involves setting up a weaving line, reconstructing the dyeing line, printing, finishing, and completing the spinning line. Additionally, plans are in place to set up a second spinning line and a clothing production line.

IDRO is striving to complete the textile hub in the southeast of the country to attract domestic and foreign partners and investors while creating favorable added value.



Cloud computing development

Cloud computing is a modern and efficient solution that enables industries and organizations to provide a wide range of cloud services on the Internet without the need for internal infrastructure or hardware for their customers. The present design product will be applied on three levels.

Infrastructure-as-a-Service – IaaS

Platform-as-a-Service – PaaS

Software-as-a-Service – SaaS

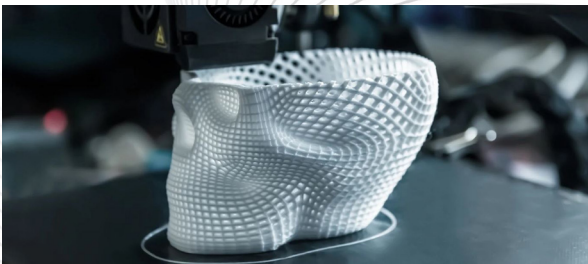
Private companies that provide cloud storage services may find it difficult to gain the trust of potential customers such as businesses, organizations, and individuals. To instill confidence in consumers, it is essential to have a government organization involved in providing these services. Therefore, the participation of IDRO in this project is both logical and desirable. This move can address the growing need for information technology services in various industries and help meet market demands.



Development of 3D printer application

Additive manufacturing, which is commonly referred to as 3D printing, is an innovative method of producing components that result in lighter, stronger, more precise, and longer-lasting parts. This approach also offers several benefits, such as faster production time, less space requirements for manufacturing, significantly lower energy consumption, and an absence of pollution like smoke and noise, all of which are typically associated with traditional production methods.

There are several reasons why there is a growing trend towards using 3D printers for various economic, technological, production, and innovation purposes. Some of these reasons include innovation in product design, reduction in the time and cost of product development, ability to create custom and exclusive products, technological advancements in various industries, production of complex structures, and reduction in material wastage. Considering the value and importance of the existing plan, IDRO plans to implement this plan and create maximum added value while cooperating with the private sector partner.



Production of wind turbines

This technology is particularly important in light of the implementation of Article 16 of the law on the leap of knowledge-based production, which is based on the construction of renewable power plants. Wind turbines are used to supply electricity to different regions, develop green technologies, reduce dependence on fossil fuels, increase demand for clean energy, and reduce air pollution and greenhouse gases. Developing wind power plants in Iran and worldwide will strengthen the market for related products such as blades and towers, which are known as the main components of wind turbines. Therefore, promoting the development of new technologies in the blade manufacturing process has improved efficiency and reduced costs. Domestic production of wind turbine components makes the country more independent from importation and saves foreign exchange, and import costs. With high demand in global and domestic markets, relatively low production costs, the ability to quickly return capital, and stable income throughout the life of the project, investing in wind turbines is an attractive option.



Climate recovery technology

The drought, depletion of water resources, significant reduction in rainfall, and desertification of a substantial portion of Iran's land, coupled with the imperative for industrial development in the southeastern regions and the necessity to provide water for industrial growth, have spurred the development of technologies aimed at climate restoration. A particular emphasis is placed on enhancing soil performance, reducing water consumption, and preserving soil nutrients.

In addition to combating desertification, which necessitates tailored solutions based on regional, economic, social, and environmental factors and is endorsed by the World Environment Organization, the adoption of innovative technologies such as Liquid Nano Clay¹ and the reclamation of desert soil is essential to transform arid areas into fertile agricultural lands² and restore the country's climate.

IDRO, while exploring diverse climate restoration technologies, welcomes and supports novel and practical ideas in this domain.



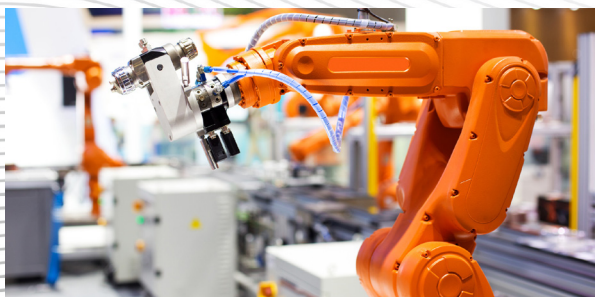
1- LNC

2- Soilization

Establishment of manufacturing and production innovation centers

The Manufacturing and Production innovation center is a dynamic ecosystem within the industry and entrepreneurship sector, designed to facilitate the growth of knowledge-based companies and dynamic businesses by minimizing obstacles and challenges, and ensuring timely achievement of their goals. The center is specifically tailored to provide a dedicated space for manufacturing and prototyping, along with specialized facilities such as shared technological offices, workshop spaces (including digital design and manufacturing labs, mechanical and machine tool workshops, electrical and electronic workshops, material engineering workshops, and data processing and production centers), as well as shared laboratory spaces for research tests and quality determination.

The primary objective of establishing this center is to address and streamline all executive, legal, technical, and other challenges faced by knowledge-based companies. This will effectively contribute to the growth and success of member companies through specialized acceleration programs.



Production of acrylonitrile

Acrylonitrile is a chemical compound derived from ethylene and ammonia, with a wide range of applications in the production of plastics, resins, rubbers, coatings, paints, electronic components, and other chemical products. It serves as a fundamental material in various industries, including automotive electronics and packaging. The exploration of new industrial uses for acrylonitrile has led to advancements and innovation in product development and manufacturing processes, enhancing industry dynamism and competitiveness. The distinctive properties of this material make it feasible to create high-quality downstream products with diverse applications.



Production of Omega 3 supplements

Fats are essential for the body, supporting vital processes such as metabolism and energy production, while also contributing to structural formation and hormone production. Omega3-, an unsaturated fatty acid found in fish and sesame oil, plays a crucial role in human health.

The production of Omega 3 as a health product presents a compelling investment opportunity, given its significance in global health and market growth trends. This strategic and attractive opportunity not only positively impacts the country's economy but also fosters job creation, making it a pivotal topic in macro investment discussions. Domestic production of Omega3- as a potent medicinal substance can bolster the country's pharmaceutical production capacity, generate employment, and promote self-sufficiency in health supplement manufacturing.

Iran's advantageous geographical proximity to seas facilitates the sourcing of raw materials from marine sources, thereby lowering costs and ensuring a steady supply of essential resources.



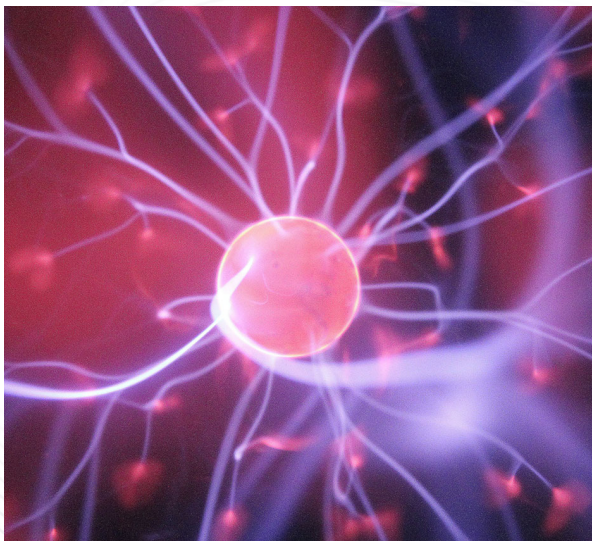
Omega-3

Establishment of a plasma processing refinery

Recognizing blood as a valuable strategic asset, blood refineries process whole blood to create over 40 to 50 high-value biological drugs. A proposal to establish a blood refinery industry that transforms plasma into pharmaceuticals is currently under review.

The pharmaceutical products of this refinery include albumin, coagulation factors 8 and 9, and IVIG¹ medicine.

Currently, only a select few countries worldwide, such as the United States, eight European nations, China, and South Korea, are utilizing advanced plasma storage technologies.



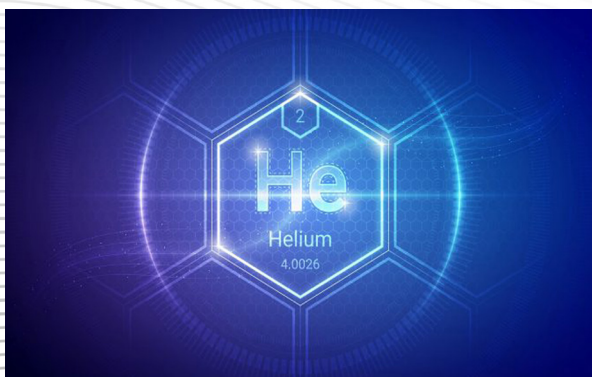
1- Intravenous Immune Globulin

Development of technology, extraction, and liquefaction of helium from natural gas

Helium is a colorless, odorless and tasteless gas that has wide applications in various industries due to its unique properties.

Helium is used in the medical, electronics, space, optics, nuclear energy, etc. industries and is even used as a cooling gas in various industries. This element is especially important in scientific research of space projects and advanced technologies.

An active presence in the field of helium production can place Iran at the top of the world's producers, increase industrial diversity and remove the economy from dependence on oil exports, and also plays an important role in meeting domestic needs and developing technology. Supplying helium as a new and strategic energy source can have an important effect on increasing the soft and hard power of the country. Helium reserves in South Pars of Iran have a suitable capacity to produce quality products.



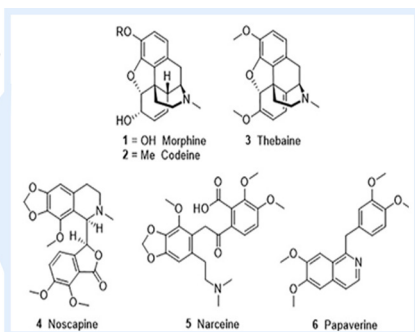
Production of medicine from narcotics

The pharmaceutical industry's global market is a vibrant and evolving sector driven by the growing demand for therapeutic solutions. Domestically, as the pharmaceutical industry advances and drug demand rises, manufacturing drugs from raw materials can significantly contribute to meeting local market needs. This initiative involves processing raw materials to create active pharmaceutical ingredients, crucial for producing alkaloid medications. Establishing a presence in narcotic drug production is vital for ensuring drug supply security, reducing import reliance, and enhancing the nation's pharmaceutical industry resilience. Furthermore, proximity to the Afghanistan border and access to discovered drugs, while boosting employment opportunities and conserving foreign currency reserves are key benefits of implementing this strategy.

Papaver somniferum L.



Opium Latex



Production of lysine amino acid

One of the most important and widely used amino acids in the food and pharmaceutical industries is lysine, which is widely used in the pharmaceutical and food industries. Lysine is used as a basic amino acid in the ration of poultry feed to determine the requirement of poultry for protein and the sum of other amino acids. This substance is not made in the body of the birds, but the poultry needs about %1 of the consumed feed, which must be supplied from the diet. An important part of it should be added to the diet through amino acid supplementation, and there is no other alternative way that is affordable and possible.. use of proper lysine can produce more breast muscle meat, removes nitrogen and ammonia and increases the yield of consumed feed and reduces breeding costs.

Considering the country's need for foreign exchange supply and saving and the lack of domestic production, the execution of the plan is underway in the IDRO.



Development of the casting line of circular grey cast iron auto parts in North Khorasan

“Davar Khodro Grey Cast Iron Company” is an industrial facility specializing in the production and casting of a wide range of gray cast iron components. The company’s portfolio includes various rotating car parts made from gray cast iron, such as brake discs, wheel hubs, clutch discs, and flywheels. These components are primarily used in car manufacturing and the aftermarket.

Utilizing raw materials like scrap iron, ferrosilicon, sulfur powder, ferromanganese, tin, and scrap copper, the manufacturing process involves melting these materials and casting them into their final shapes. The resulting components exhibit exceptional heat and pressure resistance due to their inherent properties.

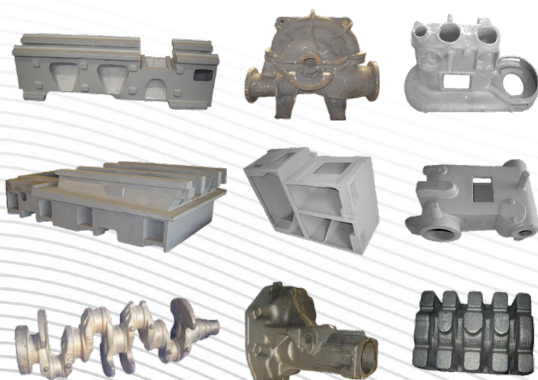
Recognizing the demand in both the aftermarket sector and the automotive industry for these components, IDRO has facilitated partnerships with private enterprises to enhance the value proposition of these products.



Renovation and reconstruction of Tabriz Machinery Casting Company

In order to achieve the set goals and increase the capacity of Tabriz Machinery Casting Company to 22,500 tons of ductile iron castings, 52,500 tons of gray cast iron castings and 10,000 tons of steel castings per year, a plan has been prepared for the modernization and reconstruction of the company.

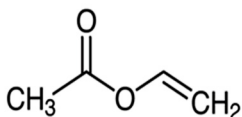
The mentioned products have wide applications in the industries such as automotive, agricultural, railway, machine tool, mining, electricity distribution, cement, shipbuilding, etc.



Production of acetic acid, vinyl acetate monomer, polyvinyl acetate, and polyvinyl alcohol

Acetic acid, vinyl acetate monomer (VMA¹), polyvinyl acetate (PVAc²), and polyvinyl alcohol (PVOH³) are essential chemicals in industrial manufacturing. Acetic acid is a potent acid utilized in chemical and plastic production, VMA serves as a monomer in plastics and paints manufacturing, PVAc acts as a polymer for plastic films and adhesives, while PVOH is crucial in the adhesive industry and for creating water-resistant films.

Investing in this field will cause industrial development in underdeveloped areas, increase employment in related and downstream industries, create added value, self-sufficiency in industrial raw materials, reduce dependence on imports and save foreign exchange. This area is presented as an investment opportunity with reasonable returns, significant profitability and long-term development potential for investors.



-
- 1- Vinyl Acetate Monomer
 - 2- Poly Vinyl Acetate
 - 3- Poly Vinyl Alcohol

High speed trains

With the country's growing demand for efficient passenger transportation and the public's increasing preference for travel options that offer maximum comfort and convenience, the advancement of high-speed train technology has become an imperative.

Furthermore, the advanced technology utilized in high-speed trains presents an opportunity for domestic manufacturers to enhance their technological capabilities and integrate themselves into the global production value chain. Investing in this sector promises long-term attractiveness and potential for exporting to neighboring countries. The anticipated surge in high-speed train usage underscores the importance of leveraging the rich history of wagon manufacturing and increasing domestic production in the rail industry.

Therefore, IDRO is prepared to engage in investment partnerships with both private and public entities through mutually agreed-upon investment models.



Renovation of fleet

Upgrading the nation's transportation fleet in response to diminishing fossil fuel reserves can lead to fuel savings. Moreover, enhancing safety measures and incorporating cutting-edge technology can yield significant advantages for the country.

Hence, recognizing the aging state of the transport fleet and the imperative to enhance the efficiency of the national transportation sector through the adoption of contemporary technologies, The Industrial Development & Renovation Organization of Iran aims to leverage all available resources. This includes aligning efforts with relevant entities and utilizing various capacities, particularly in accordance with legislation (12) aimed at promoting competitive production and enhancing the country's financial system. The organization is committed to initiating steps towards modernizing the transportation fleet by harnessing the capabilities of domestic production units, as well as collaborating with knowledge-based and technological enterprises.



Fine cotton thread spinning plan

As part of our project analysis and identification of industrial investment opportunities in Golestan province, we have carefully assessed the region's potential and consulted industry experts. Through this process, we have identified a strong demand for fine yarns in weaving units. Therefore, we have selected the production of %100 cotton combed yarns, -30 grade compact yarns with a ring system, and 20 -grade %100 cotton thread with an open-end system as the focus products for this project. The projected nominal capacity for flat cotton fabric production is 7964 tons per year, catering to various applications such as denim, linen, sheet fabrics, woven products, and towels.



Industrial Development & Renovation Organization of Iran - Investment
Opportunities

APPENDIX

Industrial Development & Renovation Organization of Iran
Investment Opportunities

APPENDIX

Guidelines for the report preparation Preliminary Feasibility Study (PFS)

1- Objective and application of the domain

The objective of consolidating these guidelines is to outline the necessary headings to be incorporated in a preliminary feasibility study (PFS) and encompass all feasibility reports intended for organizational review.

2 . The preliminary feasibility study includes the follows:

1 -2 . Product Specifications

- Product overview with detailed general and technical specifications, as well as the intended product scope;
- Application scenarios and future prospects of the product;
- Substitute products;
- Pricing strategy for both domestic and international markets;
- Analysis of evolving production technologies on a global scale.

2 -2 . Market research:

- Conducting an analysis on the country's exploitation capabilities;
- Ongoing assessment of potential capacities;
- Forecasting the supply outlook for upcoming years;
- Monitoring imports and compiling comprehensive statistics;
- Assessing export opportunities and identifying target markets;
- Analyzing demand levels and forecasting future trends;

- Evaluating the balance between supply and demand to identify gaps and potential new product opportunities for the future.

3 -2 . Technical and economic Investigation:

- Analyzing production technology and forecasting the necessary technical expertise while assessing plant capacity;
- Determining the fixed capital investment (Currency and Rials);
- Calculating the working capital needed (Currency and Rials);
- Projecting employment opportunities;
- Forecasting utilities requirements;
- Overall assessment of production costs and ultimate pricing strategy;
- Evaluating potential profits and economic indicators;
- Concluding assessment.





Address: Vali e Asr Building, Jam e Jam St., Vali e Asr Ave.,
Tehran, Iran

Phone: +98-21-22044101-9 **Postal Code:** 1995613996
www.IDRO.ir