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**IN THE  
NAME OF  
GOD**



## Introduction of the Governor of East Azarbaijan



**Abedin  
Khorram**  
Governor of  
East Azarbaijan

Development is the process of transition from the current situation to optimal situation in various cultural, social, political and economic fields. Therefore, identifying the current states leads to recognizing the basic needs of development. In a dynamic economy, the role of investment is important in the process of economic growth and development of societies and it is always taken seriously at the time of adopting the strategies and policies of development.

In this regard, studying and presenting the advantages, capabilities and potential and actual talents of the communities and regions pave the way for motivation and attractiveness and thereby attract and encourage new domestic and foreign investments and this issue (identifying and introducing capabilities and opportunities) is one of the fundamental plans of countries in the domestic and foreign investment scope.

Emphasis on investment as a driver of economic growth, development and sustainable employment and providing the required conditions to support investment in the country and emphasis on encouraging foreign investment for export has been considered as a part of the macro-plans of the resistance economy in the policies announced by the Supreme Leader. Therefore, the role of the government as a facilitator of investment attraction contexts has been considered in the thirteenth government and the conditions have been provided

for the effective entry of the private sector in the country's economy.

Development is the process of transition from the current state to optimal state in various cultural, social, political and economic fields

According to all the mentioned aspects and considering the specific conditions of East Azarbaijan province, having honorable precedence in the scopes of industry, mining, trade, tourism, agriculture and people with exemplary culture and art on the one hand and the efforts of the governmental authorities for providing favorable contexts for investment on the other hand, have led us to prepare the context for prosperity and economic growth of the country while supporting domestic economic enterprises, strengthening the necessary and attractive infrastructure for investors by creating proper environment for business and establishing security.

We are interested in providing and introducing a set of production and investment capabilities and advantages of East Azarbaijan province to the economic actors, the Iranian investors living in foreign countries and all of the foreign investors and also supporting their attendance in East Azarbaijan province to keep this province at the forefront in providing services to domestic and foreign investors in the regional and national levels.

What is important is to inform the investment applicants about the capabilities, opportunities and incentives of investment in the province. It is hoped that this information can raise the awareness of investors and interested individuals in the economic field, and finally lead to their presence in East Azarbaijan as the land of golden opportunities.

## Introduction of the president of Tabriz Chamber of Commerce, Industries, Mines and Agriculture



**Younes  
Zhaeleh**

President  
of Tabriz  
Chamber of  
Commerce,  
Industries,  
Mines and  
Agriculture

Production, industry and commerce sector can be considered as the driving force of an economy and as an effective and influential component in all sectors. Benefitting of the province from a specific strategic position, locating on the Silk Road, proximity to several neighboring countries, presence of infrastructure such as international airports and cargo, connection to the railway network, rich mineral reserves, Aras Free Zone and knowledge-based companies have caused this province to have a competitive advantage for commercial activities. East Azarbaijan has long been considered as one of the most important commercial provinces of Iran by essential capabilities to participate in national and international markets.

Meanwhile, Tabriz Chamber of Commerce and the private sector activists of the province have always played a role in the economy of the province and the country with their will and presence of 4187 active industrial units and 608 mining and mine industries witnesses the specific place of this province in the field of production and economy.

Due to the efforts of active and prominent industrialists, entrepreneurs and businessmen, East Azarbaijan province has been able to account for seven percent of the total exports and be among the top six provinces in the field of exports. The province now has trading relations with more than 100 countries and the products of East Azarbaijan are known among the markets of different countries and some of its products such as shoes, leather, food and agriculture are of specific interest

among foreign customers.

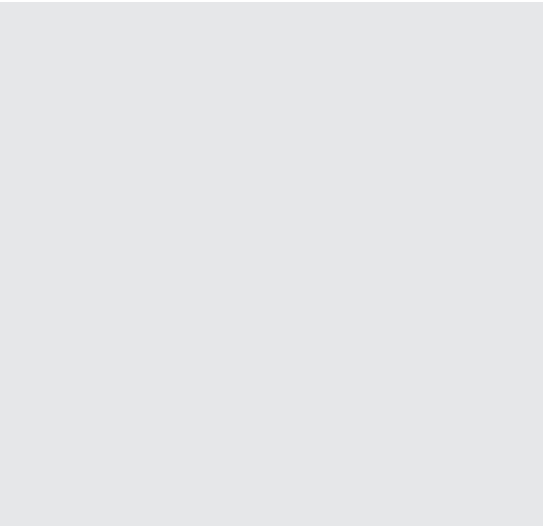
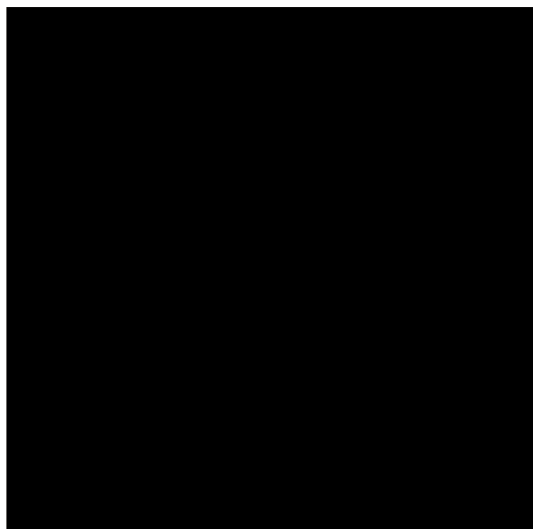
Activity of advantageous industries in the field of export such as petrochemical, metallic and non-metallic mineral industries, nuts, confectionery and chocolate, polymer, textile, clothing, shoes and home appliances has increased the capabilities of this province in the field of export. Production, industry and commerce sector can be considered as the driving

On the other hand, the first rank of East Azarbaijan in the field of mineral production and the identification of 8.7 billion tons of mineral reserves in it, depict the specific capabilities of this province in the field of mining, which has paved the way for any foreign investment in this scope. force of an economy and as an effective and influential component in all sectors

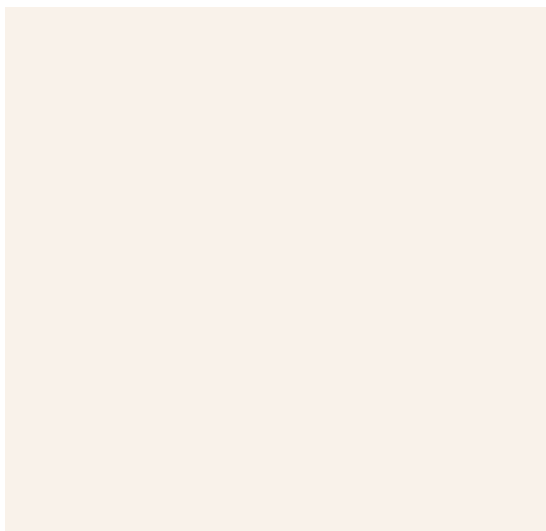
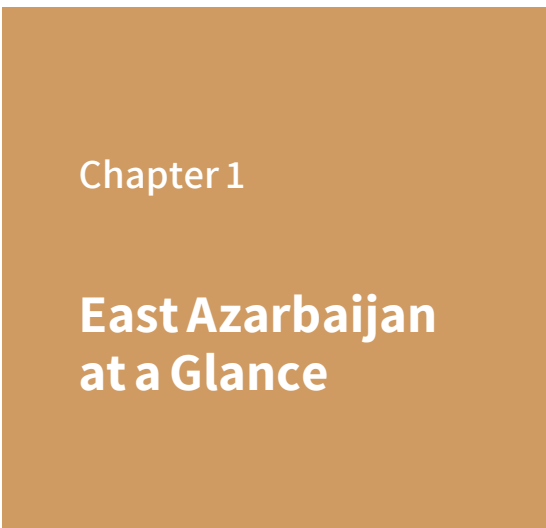
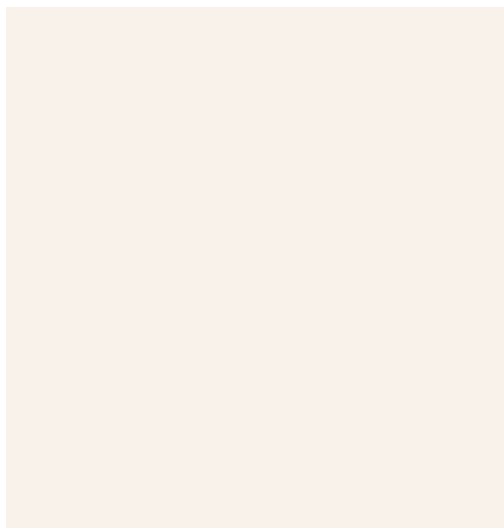
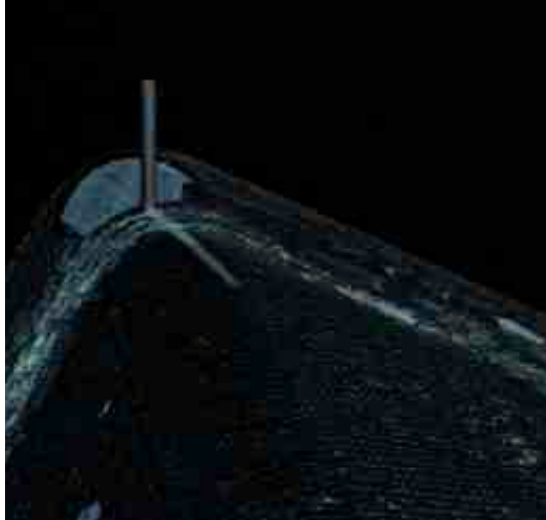
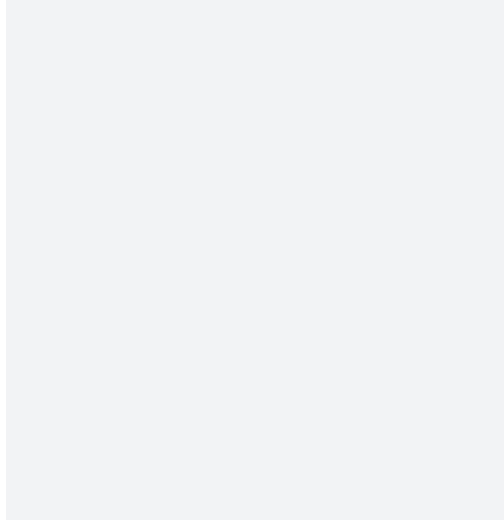
Agriculture can be considered as another advantageous sector of East Azarbaijan, which with a total production of 4.6 million tons and despite the top rankings in the production of many products, has been able to account for 5.5% of Iran agricultural production and it has a high advantage in trade and exports.

The existence of Aras Free Trade and Industrial Zone and Sahlan Specific Economic Zone are other capacities of East Azarbaijan, which has provided a proper context for increasing the amount of trade and facilitating investments in this province. Applying tax and customs exemptions and facilities provided to investors are other advantages available to these people.

This book introduces the capacities and capabilities of East Azarbaijan province in different sections so that by considering and recognizing these capacities, we will be able to witness the province's further progress in economic fields.







## Chapter 1

# East Azarbaijan at a Glance

### East Azarbaijan at a Glance

East Azarbaijan Province is a high region surrounded by high mountains from different directions and caused to establishment of the plains of Moghan, Tabriz and Maragheh. The highest point of this province is Sahand summit with a height of 3722 meters located in the south of Tabriz and its lowest point is located near Lake Uremia at a height of 1220 meters. There are two climatic regions in Azarbaijan: the cold region, which is located on the slopes of the Sahand Mountains and in the direction of wet winds and its annual rainfall varies between 250 and 300 mm. The temperate zone, which is located in the corridors, foothills, southern slopes and sunny areas that the coasts of Uremia and the cities of Maragheh and Miyaneh are considered as temperate zone.

#### **Economic, political and cultural developments in East Azarbaijan**

The region of Azarbaijan is one of the oldest Iranian civilizations and has an established place in the ancient civilization of Iran. Tabriz, the historical center

East Azarbaijan Province is a high region surrounded by high mountains from different directions and caused to establishment of the plains of Moghan, Tabriz and Maragheh.

of this region, is an ancient city whose first historical traces date back to eight centuries BC, where its conquest is mentioned in the inscription of Sargon II, the Assyrian king. Also, the city has historic works from the first millennium BC with an Iron Age museum.

According to history, Azarbaijan has been inhabited since ancient time and has had significant economic, social and industrial activities (due to its location on the Silk Road) so that the archaeologists attribute the weaving of the oldest woven carpet (Pazyryk carpet) to this area. Also, based on the observations and writings of the known tourists such as Yaghout Hamavi, Marco Polo, Ibn Battuta, etc., the city of Tabriz had numerous markets and its

## Production-export capabilities, Investment capabilities and Capacities

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products had been exported to all parts of the world. The prosperity of Tabriz market and the economy of the city over the past centuries, had converted the city to a place of international trade, supply and demand, and in return, it has had a rich, wealthy and powerful people. Culturally, in addition to the printing industry, foreign books have been translated into Persian for the first time in this city and the art of translation has been established in this city. Talibov, one of the children of the city, taught the new composition or simplification to others. The first encyclopedia in the world of Islam and Christianity, the first public library, the first cinema and theater, photography, modern carpet, the first novel, children's literature, national journalism, new poetry and literary criticism have been established in this city and its people were pioneer in this case. In the field of modern science and knowledge, the children of this region were the pioneers of modern medicine, mechanized agriculture, aviation, roads and construction, building mints, establishing the first factories, the first municipality, new trading (Chamber of commerce), the first public joint stock company and finally, the first investment service center.

### Race, language and religion of the people of Azarbaijan

The Azeri people are the noblest Iranians of Aryan descent who migrated to this land three to four thousand years ago. These people are divided into two groups: Parthians and Medes who have settled in different parts of Iran and the Medes have settled in Azarbaijan.

The Azeri people are the noblest Iranians of Aryan descent who migrated to this land three to four thousand years ago

The language of the people of East Azarbaijan was Azarbaijani Turkish and over the time in its evolution due to close relations with other ethnic groups living in Iran such as Persians, Arabs, Armenians, Georgians, Kurds and other ethnic groups, this language has been expanded in lexical and grammatical terms. The current language of the people of Tabriz is Azeri. The common religions in Azarbaijan from the beginning until now have been the original religions of Aryans, Zoroastrians, Jews, Christianity and Islam. Religiously, the vast majority of people in this province are Muslim and Jafari Shia and a minority of Christians, mostly Armenians and Gregorian live in Tabriz.

East Azarbaijan region is one of the most sensitive and important regions of Iran due to its specific geographical location. It is one of the most important and populous provinces of Iran, which is located in the northwestern part of Iran. The population of this province is about 4 million people. East Azarbaijan province, with an area of 45491 square kilometers, occupies about 2.8% of Iran's area and has 11th rank among the provinces in terms of area. According to the divisions of Iran catchments, Aras, Sefidrood-Ghezel Ozan and Lake Uremia watersheds are located in this region.

This province has a 235 km shared border line with the Republics of Azerbaijan,

Armenia and the Nakhchivan Autonomous Republic from the north and the Aras River constitutes the shared border of this province with the above countries. Also, this province is connected to Turkey and Iraq through the provinces of West Azarbaijan and Kurdistan that the effective use of this position can be very effective in the development of this province.

### **Tabriz metropolitan**

Tabriz with an area of 2167.19 square kilometers is the capital of East Azarbaijan province and its approximate altitude is 1350 meters above sea level. Tabriz has long been known to tourists and businesses around the world and along the Silk Road, it connects the west to the east and is called the Orient Gate. It is the largest city in the northwestern region of Iran and is known as the administrative, communication, commercial, political, industrial, cultural and military hub of this region. The climate of Tabriz is cold in winter and hot and dry in summer. However, the temperature is moderated due to its proximity to Sahand Mountain and existence of many gardens around the city. After operation of the Nabi Akram freeway (Tabriz-Zanjan), the passenger capacity of Tabriz increased and this city hosts thousands of domestic and foreign travelers every year.

Tabriz is the largest city in the northwestern region of Iran and is known as the administrative, communication, commercial, political, industrial, cultural and military hub of this region.

According to the latest general census, the population of Tabriz is about 1.8 million people. Tabriz has been considered important from the past to the present due to its proximity to Russia and the Ottoman Empire and its relationship with European countries and trading affairs are done in this city. Industrial development began in 1966 in this region and it was flourished by construction of Tabriz tractor factories and machines manufacturing. In this sector, significant partnerships have been made with other countries such as Czechoslovakia, Romania and Germany. The large industrial workshops and factories of East Azarbaijan in the city of Tabriz have turned it into one of the industrial hubs of Iran. Major industrial products in the region include food stuff, chemicals, non-metallic minerals, base metals, textile machinery and carpets. These products are very important for both domestic and export use. The industrial units of the province, which are mainly located in Tabriz, are located in the three roads of Tabriz-Miyaneh, Tabriz-Marand and Tabriz-Maragheh and these paths are very important because of locating on the Iran-Europe road. Tabriz is one of the pioneers in the field of leather industry and its bags and shoes are generally of high quality. Khosravi Leather Factory was one of the first industrial factories in Iran, which has now become the University of Islamic Art in Tabriz. Tabriz is the center of arts and crafts, especially ceramics, pottery, jewelry and silverware, carpet weaving, which handmade carpet is the most important export of handicrafts. Tabriz has been registered as the city of handmade carpets in the World Council of Handicrafts.

Tabriz International Exhibition is the largest exhibition center in Iran. This

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exhibition with an area of 4 km<sup>2</sup> is located at the eastern entrance of Tabriz and with a useful space of 1km<sup>2</sup> in the form of 9 covered exhibition halls with a total area of 50000 m<sup>2</sup> and an open exhibition space of 20000m<sup>2</sup>, has an outstanding place in the Middle East.

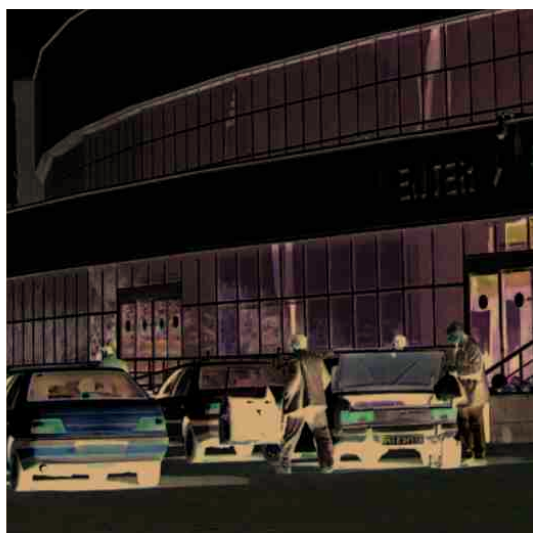
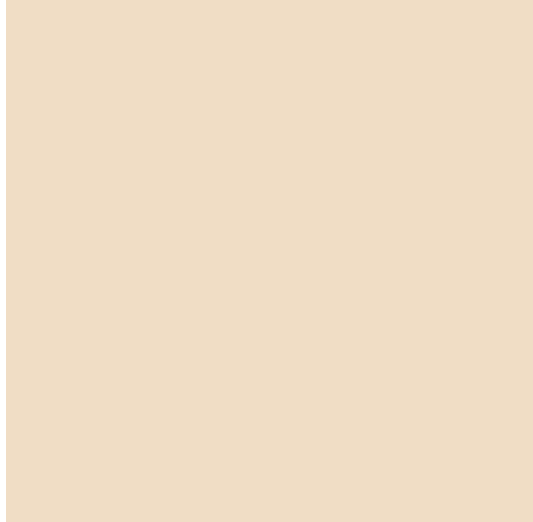
According to the increasing growth of intra-city travel in Tabriz and necessity of using the rail transportation system in order to reduce traffic problems, the Tabriz city train network is being operated in 4 routes.

### Specifications of Tabriz metropolitan

- Possessing national and international registered valuable historical background and historical-cultural monuments
- Existence of Tabriz Historical Bazaar (registered in UNESCO), modern commercial centers, international exhibition, Tabriz stock exchange and etc.
- Existence of suitable facilities for road, rail and air transportation
- Strategic location of Tabriz International Airport
- Possessing of specialist and efficient forces and social capitals, celebrities and etc.
- Existence of large industrial and knowledge based units
- Possessing of numerous higher education centers and a specific area for science and technology



Major industrial products in the region include food stuff, chemicals, non-metallic minerals, base metals, textile machinery and carpets.



## Chapter 2

# Infrastructure of East Azarbaijan



## **Infrastructure of East Azarbaijan**

### **Water resources**

Due to its extensive network of waterways and drainage routes and existence of numerous and important rivers in 24 hydrological units within the province, East Azarbaijan Province has created a known potential capacity of 3000 million cubic meters for the province that more than half of this capacity is being exploited.

### **Electricity**

The practical capacity of the province power plants in 2019 equaled 1482 MW, which this amount of energy has been provided through hydropower, thermal, combined cycle power plants, small-scale generators and other facilities.

### **Gas**

Due to the fact that Iran has rich natural gas resources, East Azarbaijan province also advantages from this natural blessing and there is an extensive natural gas distribution network throughout the province. The total consumption of natural gas in this province in 2019 was 10 milliard cubic meters.

### **East Azarbaijan Roads**

The road transportation network of the province includes: freeways, highways, main and secondary roads and rural roads. The length of the province freeways in 2019 equals 263 km and the length of the province highways is 577 km. The main roads are 848 km and the secondary roads are 1895 km. Also in 2019, there were 6500 km of rural roads in the province.

### **Tabriz Shahid Madani International Airport**





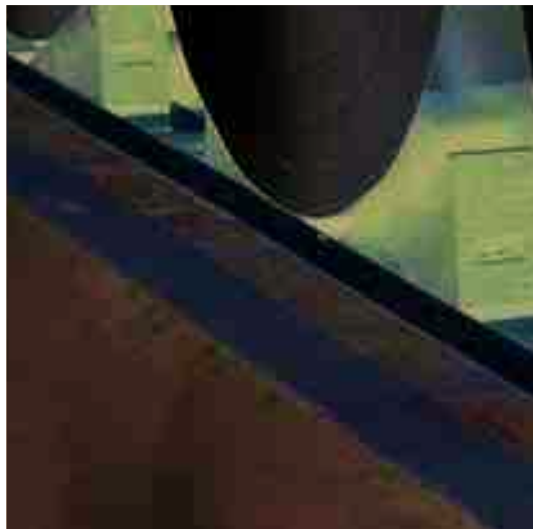
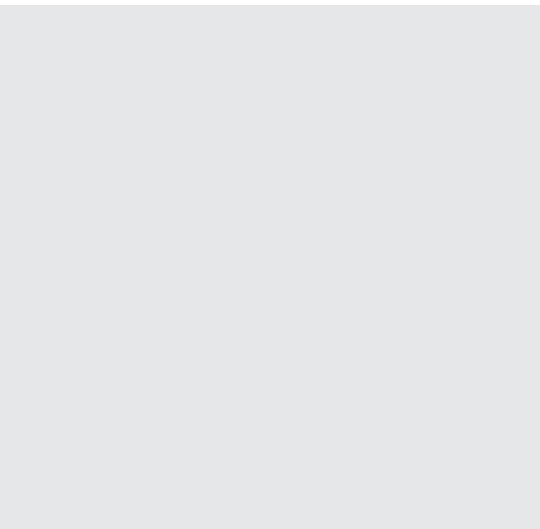
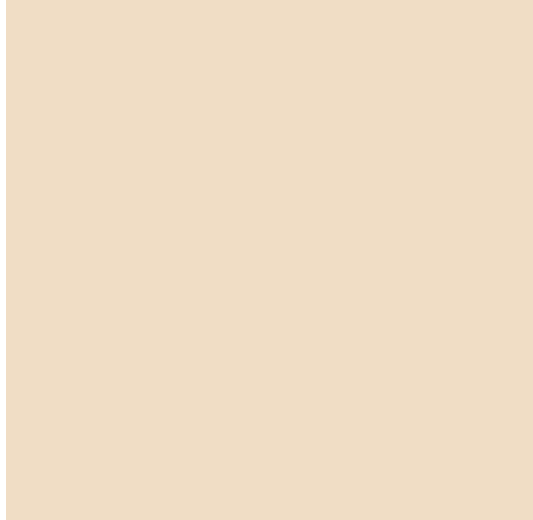
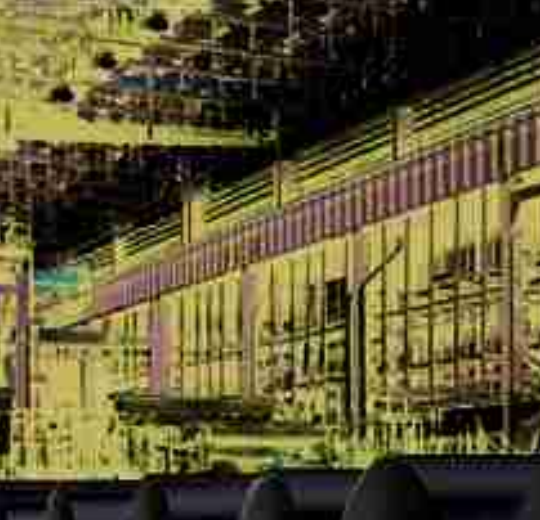
Tabriz Shahid Madani International Airport is one of the busiest and most important airports in Ira

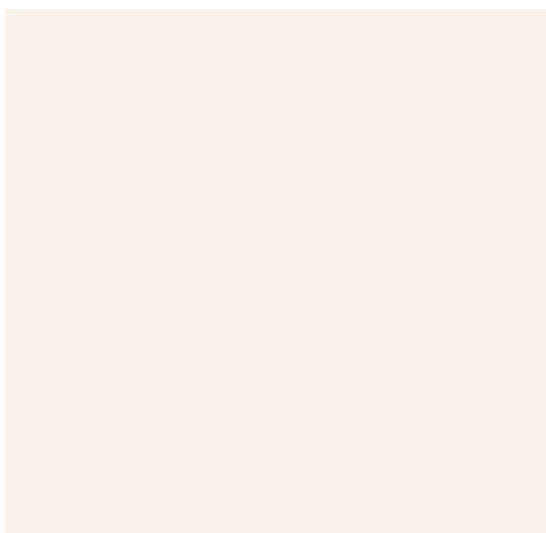
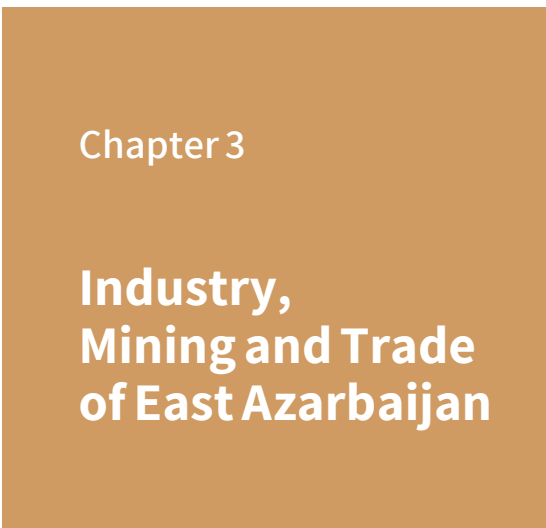
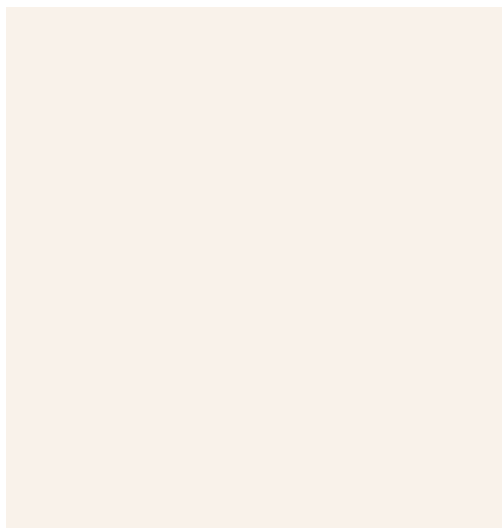
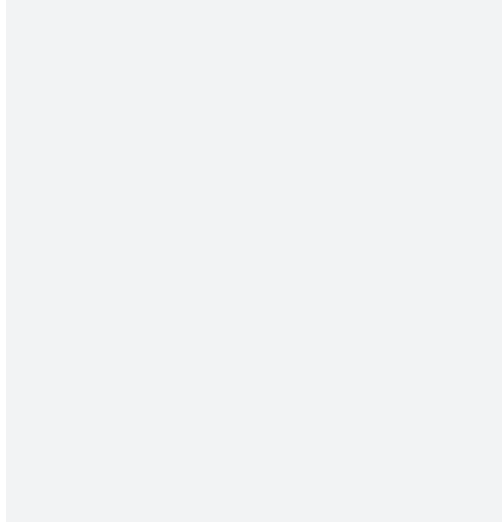
Tabriz Shahid Madani International Airport is one of the busiest and most important airports in Iran, which is currently open sky in 24 hours and it has an outstanding role in this regard due to locating in the border of the international air corridor in providing navigation, radar and aviation services to domestic and international flights, especially international transit (over fly) flights, which is mostly done from the EU member states to Southeast Asian and Central Asian countries and vice versa. Domestic and international flights are currently operated on various routes in this airport.

### **Azarbaijan Railway**

Due to its specific position as the artery of the Iranian railway, the Azarbaijan Railway has been expanded in three routes: Tabriz-Jolfa, Tabriz-Razi and Tabriz-Maragheh with a length of 816 km of main line and 295 km of sub-line (industrial, commercial, maneuver). The railway has 28 stations that 4 stations are considered as international open station, carrying out customs formalities for export, import and transit of goods.

On the one hand, as a bridge, Azarbaijan Railway connects Iran railway network to the railways of Europe and the Middle East through Turkey and to the railways of the Caucasus and Transcaucasia through the Nakhchivan Autonomous Republic. On the other hand, it provides the possibility of connection to the mentioned countries by the corridors to Central Asian countries, ports on the Caspian Sea and the Persian Gulf and free sea.





## Industry, Mining and Trade of East Azarbaijan

### Industry Landscape

East Azarbaijan province is one of the industrial provinces of Iran including 4200 industrial units. Due to the high share of private sector investment in the industry and production of this province, this sector accounts for 33% of GDP and about 7% of the total production of the country's industrial sector that depicts the role of East Azarbaijan industry in the national and regional economy.

The existence of the main and strategic industries such as I.D.E.M, Iranian Diesel Engine Manufacturing, Charkheshgar, Machine Sazi (Machine Manufacturing), Pumpiran, Tractor Manufacturing, Tabriz Refinery and Petrochemical indicates the outstanding record of the province and the capability of industrial units and the existence of specialist work force in this sector.

East Azarbaijan province is one of the industrial provinces of Iran including 4200 industrial units.

The main industrial activities of the East Azarbaijan include the industrial groups of food and beverage, chemical and rubber and plastic, textile and leather and shoes products, non-metallic mineral industries, construction of machinery and equipment and metal industries.

Existence of 57 towns and industrial zones in East Azarbaijan province and 5 non-governmental specialist towns active in the field of glass, processing, leather, shoes, electricity and electronics and Besat Industrial Town with an area of 2000 hectares as the largest industrial town in the Middle East and the only town with foreign investment in East Azarbaijan province and the existence of more than 60 production and industrial units with a foreign investment partner in this

## Production-export capabilities, Investment capabilities and Capacities

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province indicate presence of foreign investment attractions in the industrial sector, which has converted East Azarbaijan to the first choice of investors in the industrial sector.

The first rank of private sector investment in heavy and commercial automobiles in Iran, the first rank of private sector investment in longitudinal steel sections in Iran with a production capacity of 1.5 million tons that can be increased to 5 million tons, the first rank of production and export of home appliances, the first rank of production of confectionaries and chocolates with annual exports of more than \$500 million, pioneering in heavy leather industry, the first industrial town of Charmshahr and pioneering in footwear industry with more than 10000 industrial units and direct and indirect employment of 20000 people, pioneering in glass industry with a capacity of 300000 tons and the first private glass town, pioneering in the pharmaceutical industry and existence of 6 powerful pharmaceutical units equipped with modern technology are the most important capabilities of the East Azarbaijan industrial sector in Iran.

**380**



Food  
Industry  
Units

**550**



Carpet  
Industry

**49**



Technical And  
Engineering  
Industries

**152**



Home  
Appliance  
Industries

**350**



Building  
And Civil  
Materials  
Industries

**67**



Wood  
and wood  
products  
Industries

**233**



Chemical  
Industries

**525**



Polymer and  
plastic  
Industries

**210**



Leather  
and shoes  
Industries

**396**



Steel  
Industries

**92**



Oil, Gas  
and  
petrochemical  
Industries

**92**



Oil, Gas  
and  
petrochemical  
Industries

**239**



Textile  
Industries

**493**



Agricultural  
machinaries,  
machin  
manufacturing,  
item production  
industries

**100**



Pharmaceutical  
and health  
industries

**197**



Agricultural  
Converted  
Industries

### Major industries of East Azarbaijan

#### **Automobile, items and parts manufacturing and machine manufacturing**

In recent years, the automatable sector in East Azarbaijan province has ranked as first place in Iran in private sector investment and it includes 13 active industrial units with approximately 10% of commercial vehicle production capacity and 15 % light vehicle production capacity of the country in terms of potential car production capacity. Also in this province, more than 300 industrial units are active in the fields of items and parts and machine manufacturing.

#### **Steel industry**

In recent years, in terms of private sector investment, steel has the first rank in East Azarbaijan and in terms of potential production capacity due to the activity of nearly 30 units, with a production of 1.5 million tons (15% of Iran capacity) of steel ingots and 5.2 million tons (24% capacity of country) of construction steel

In recent years, in terms of private sector investment, steel has the first rank in East Azarbaijan

sections, this province is one of the poles of steel in final and longitudinal products. The nominal production capacity of steel billets (ingots) in the province is 1.5 million tons per year, steel sections 5.1 million tons and galvanized sheets 90000 tons. In recent year, the companies' products portfolio includes beams, bars, studs, angles, belts, galvanized sheets and steel ingots. East Azarbaijan ranks first in the production of longitudinal sections in Iran and the Mena region.

#### **Home appliances**

The province has 149 home appliance manufacturers with a total production capacity of about 3 million and 200 thousand units annually, which due to high domestic demand and regional markets and production capacity, the home appliance industry in the province is in the first rank. The products of the province are exported to several different countries, including the Russian Federation, Turkey, Afghanistan, the Republic of Azerbaijan, Georgia, Sudan, the Iraqi Kurdistan region, and etc.

#### **Confectionaries and chocolates**

East Azarbaijan province has 534 active food industry units with a total annual production capacity of 3.9 million tons. With having the first rank in Iran, this province is one of the most important centers of the food industry in the field of beverages, dairy and ice cream, industrial slaughterhouses, dried fruit and nuts, flour and especially confectionery, chocolate, cakes and cookies and it is able to provide more than 50% of the country's needs.

#### **Leather and shoes**

The province has 134 active leather making units that about 120 units are active in the production of cow leather and the rest in the production of underlay. About 75% of Iran cow leather and 90% of the underlay leather are produced in this

## Production-export capabilities, Investment capabilities and Capacities

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province and it is the largest center for the production of finished cow leather in the country. The products are of good quality and are exported to the countries of the Russian Federation, China, India, Turkey, the Republic of Azerbaijan, etc.

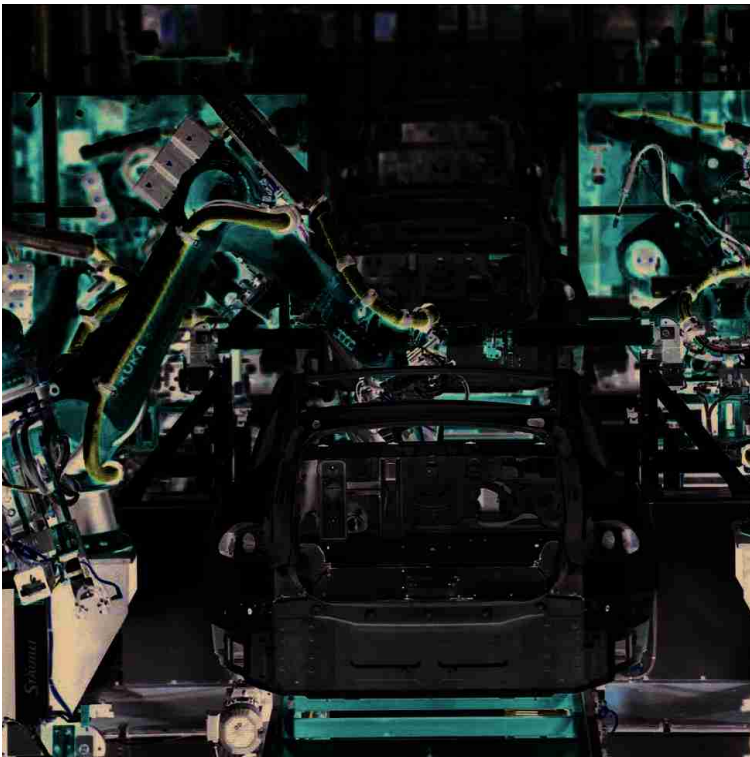
Tabriz shoe cluster with 3000 production units and more than 500 home units is the largest shoe cluster in Iran in terms of number of members. This cluster provides 17.5% of Iran domestic consumption by producing 30 million pairs of shoes annually.

### Copper industry

Due to the province being located in the copper belt and existence of the rich mines, large investments have been made in the production of copper concentrate with a capacity of 330000 tons and molybdenum concentrate with a capacity of 5000 tons. In addition, the project of producing copper concentrate by hip leaching method with a capacity of 100000 tons is under operation.

### Glass industry

East Azarbaijan province is one of the important centers of production and



In recent years, the automatable sector in East Azarbaijan province has ranked as first place in Iran

## Chapter Three: Industry, Mining and Trade of East Azarbaijan

export of glass and related industries. Despite the private industrial town of glass and investments made by large manufacturing companies, 500000 square meters of glass, 200000 tons of calcium carbonate and 200000 tons of silica are produced in this province.

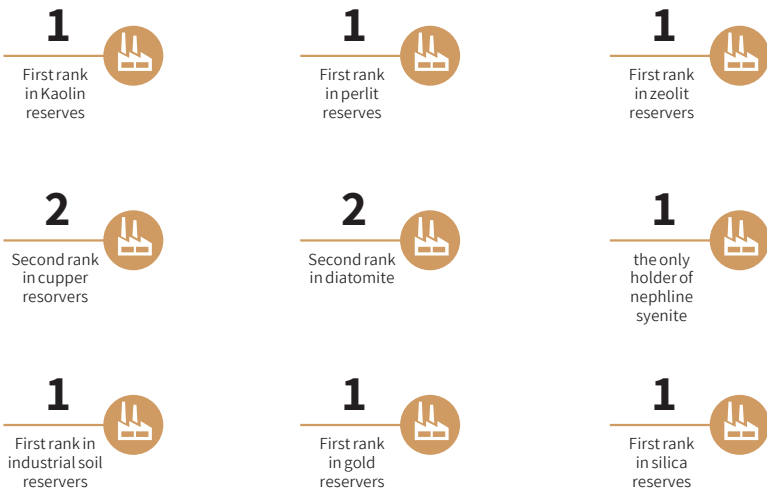
### Investment incentives in the industrial sector

Type	National Or provincial	Explanation of incentives services and advantages
Industry	National	Explanation of incentives services and advantages
	National	Issuance of establishment permit to start investment with the minimum documents and in the shortest possible time after receiving the inquiry of the Department of Environment (maximum in less than 2 hours)
	National	Priority of foreign investors in transferring land in industrial estates and possibility of transferring land in installments and using significant discounts to purchase land from the company of industrial estates in case of obtaining an exploitation license in due time.
	National	Possibility of benefitting from customs exemptions for the import of machinery and equipment.
	National	Utilization of temporary business card to import machinery and equipment (no business card required).
	National	Possibility of benefitting from the banking facilities provided in paragraph A of Note 18 of the Budget Law.
	National	Introduction to the commodity exchange for direct purchase of raw materials and elimination of intermediaries in this regard.
	National	Possibility of issuing licenses for large stores and chains to supply manufactured products directly.
		Possibility of issuing activity license from customs duties for import of the used production line machinery.



**Mines Landscape**

Due to possessing the specific structures in geological layers, East Azarbaijan province has always had a high chance of mineral exploration and is one of the richest provinces for having mineral reserves. This province ranks first in Iran in terms of specified mineral reserves that has reserve of 8.7 milliard tons of extracted mineral areas. In Iran, 70 types of minerals have been identified, of which 52 types are extracted in East Azarbaijan which the most important group of metal minerals are copper, gold, manganese, molybdenum and iron, and from the non-metallic minerals group, it can be referred to industrial soil, silica, diatomite and vermiculite.



**608 units**

number of the province mineral industry active units and mine

**8.7 milliard tons**

Province identified mineral reserves

**1st**

First rank in Iran

Investment incentives in the mining sector

Type	Explanation of services of incentives and patents
National	Note 1 Article 9 of the Iranian Mining Law - Financial institutions such as banks are obliged to accept licensed mines as collateral and guarantee of granting and repayment of financial facilities
National	Note 2: Article 9 of the Iranian Mining Law - Exploiters of second-class mineral reserves, with the exception of exploratory exploiters or holders of exploration certificates, are required to pay a maximum of half a percent (0.5%) of the product extracted at the mine or its price at the daily rate since the date of commencement of exploitation of the maximum amount of reserves stated in the certificate of exploitation for a maximum of twenty-five years as the right of exploration.
National	Note 1 Article 10 of the Iranian Mining Law - Producers of processed minerals, industrial units consuming minerals, real and legal specialist holding employment licenses for mining activities, related miners who have not submitted the application for exploitation license within the deadline stipulated in Article (7) and mining cooperatives consisting of miners are given priority in equal conditions at the time of transfer, if they have technical and financial qualifications respectively in accordance with the executive regulations of this law.
National	Note 5 Article 14 of the Iranian Mining Law - Mining exploiters who take action for the optimal exploitation and protection of mineral reserves, productivity promotion and research and development and exploration and protection of the environment in the relevant mine are exempt from maximum payment (20%) of government rights with the approval of the Supreme Council of Mines
National	Note 6 Article 14 of the Iranian Mining Law - The government is obliged to add fifteen percent (15%) of the collected government salaries to the credits of the same province, so that all the mentioned credits should be allocated to create infrastructure and welfare and development of the city with priority given to mines.
National	Article 17 of the Iranian Mining Law - The government is obliged to investigate the proposal of the Ministry of Industry, Mines and Trade in relation to production, trade, financial and monetary policies in order to develop the processing and export of more value-added minerals and to expand exploration and exploitation activities. In the case of approval, it should be taken into account in the development plans, and make the necessary predictions for its implementation in the annual budget bills of the country.

## Production-export capabilities, Investment capabilities and Capacities

### Investment incentives in the mining sector

Type	Explanation of services of incentives and patents
National	Note to Article 17 of the Iranian Mining Law - The Ministry of Industry, Mines and Trade is obliged to prioritize the development of mineral processing and its export in its executive plans.
National	Article 31 of the Iranian Mining Law - In order to realize the sustainable development in the mining sector, the government is obliged to provide the Mining Investment Insurance Fund to cover all or part of the possible damages resulting from non-discovery of ores and existing investments, according to the statute to be approved by the Board of Ministers in the Ministry of Industry, Mines and Trade and every year, if necessary, propose the required credit for the government's share in accordance with the production policies in the annual budget bills.
National	Note to Article 31 of the Iranian Mining Law - The government is obliged to provide a maximum of five percent (5%) of the total government rights received under Article (14) of this law and the following notes annually to support the activities of the insurance fund for investment of mining activities.
National	Article 63 (c) of the Executive Regulations of the Mining Law - in cases where the operator declares the amount of extraction less than the amount specified in the exploitation license in the annual report and his justifications are included in cases beyond the operator's will, with the approval of the council, the government rights are calculated and demanded based on the actual extraction rate.
National	Article 108 of the Executive Regulations of the Mining Law - Pursuant to Article (17) of the Law, the Ministry is obliged to use advanced technologies in the fields of exploration, extraction, ores, processing and mining industries, modernizing and improving productivity in the mining sector and support domestic or foreign investments in the mining sector and support the activities of Iranian mining companies in or outside of Iran annually to provide the necessary financial resources, including Rials and foreign currency to provide machinery, equipment and other items in the annual budget.
National	Note. Article 108 of the Executive Regulations of the Mining Law - Vice President for Strategic Planning and Supervision is obliged to anticipate the production, research, trade, financial and monetary policies proposed by the Ministry in the priority of development plans and annual budget bills and take necessary measures.

Investment incentives in the mining sector

Type	Explanation of services of incentives and patents
National	Article 90 of the Executive Regulations of the Mining Law –The exploiters of the mines whose construction of mining, processing and mining unit is approved in the exploitation plan upon their request, do not need to issue an establishment permit and are allowed to establish the mentioned unit within the relevant license. The executive bodies are obliged to consider such exploiters as other holders of establishment licenses. Such exploiters will be subject to government support and incentives.
National	Article 109 of the Executive Regulations of the Mining Law - In order to encourage and support mining investments, the import of exploration, mining and industrial machinery and equipment required for the production line of mining operations and mining industries, which is done with the permission of the Ministry, is exempt from paying any import duties.
National	Article 110 of the Executive Regulations of the Mining Law - In order to encourage and support mining investments, the import of suitable second-hand exploration, mining and industrial machinery and equipment required for the mining operations production line is approved by the Ministry. At the discretion of the Ministry, the provisions of the regulations of technical imports of vehicles are not required to be observed in this regard.
National	Article 132 Amendment dated 2002/02/16 of the Law on Direct Taxes regarding the tax exemption for mines with mining industries within the mining area
National	Paragraph 3 (b) of Instruction No. 28200/20 dated 2007/10/03 of Land Administration - The construction area change is not illegal if it is prior the approval of the Law on Land Use Protection of lands and gardens approved on 1995/07/22.

**Investment incentives in the mining sector**

Type	Explanation of services of incentives and patents
National	Article 14 Rules and Regulations for Establishment of Production, Industrial and Mining Units (Subject of Article 11 of the Clean Air Law)- Any construction, development, change of production line and relocation of production, industrial and mining units require compliance with the notification regulations by the Environmental Protection Organization. The organization is obliged to respond to the inquiries requesting the establishment and operation license within a maximum period of one month, and if the organization does not agree, it should provide the reasons in writing to the inquirer. Failure to respond within the mentioned period shall constitute confirmation. Industrial and production units that have been established before 1993/11/03 (approval of the establishment rules in the High Council of Environmental Protection) in neighborhoods that do not meet the settlement rules, if there is no pollution, they can continue their current activities in their place.
Provincial	Clause 7 of the minutes No. 17 of the Joint Working Group on Interaction of Mining Activities in the Areas of Natural Resources of the Province regarding the construction of a processing unit, etc. within the agreed area of natural resources and the mining area.

**Trade and export capabilities**

East Azarbaijan province has a shared border with the Republics of Azerbaijan, Armenia and Nakhchivan Autonomous Republic and is also connected to Turkey through the Bazargan border that has created a specific strategic situation for the establishment of a major international trade center.

East Azarbaijan province has a high export potential due to the taking advantages of production capacity in various industries, so that this province with 7% of Iran total exports, is one of the top 6 provinces in terms of exports in Iran.

This province has international relations with about 100 countries in the field of foreign trade. The main export destination countries for several consecutive years were Turkey, Iraq, Armenia, Afghanistan, Azerbaijan and Nakhchivan Autonomous Republic, Georgia, China, India, etc. The main goods exported from customs of this province include petrochemical products, metal mineral industries, dried fruits, sweets and chocolates, polymer products, non-metallic mineral industries, textiles, clothing and footwear, home appliances and etc.

## Chapter Three: Industry, Mining and Trade of East Azarbaijan

The value of exports of the province's customs in 2020 was more than 1 milliard and 400 million dollars, which has been exported to more than 100 countries. Also, the value of exports through the province's customs in the first seven months of 2021 was near to \$ 900 million, which indicate the growth of exports in recent years.

It should be noted that due to the comparative advantages of East Azarbaijan in the field of technical and engineering services and the activities of capable companies in this field, it is possible to export these services.

### East Azarbaijan exports in 2021

Item groups	Value (\$)	Weight (ton)
Metal mineral industry	441,996,255	570,094
petrochemical	392,344,688	551,007
Food industry	160,693,416	176,592
Dried fruits	141,764,240	94,934
Polymeric products	122,616,131	93,162
Oil based products	99,800,666	244,796
Non-metallic mining industry	66,906,400	591,665
Textiles, clothing and footwear	43,509,629	19,509
Chemicals	38,671,758	102,075
Home Appliances	31,162,828	20,127
Fruit and vegetables	30,177,836	101,070
Mine	29,770,176	196,083
Machinery and equipment	26,624,916	17,286
Vehicles and driving force	7,224,504	2,417

**East Azarbaijan exports in 2021**

<b>Item groups</b>	<b>Value (\$)</b>	<b>Weight (ton)</b>
Cellulose products	7,018,988	18,564
Electrical and electronics industries	6,497,027	2,923
Animal products and related industries	5,867,709	10,927
Medicinal, edible, ornamental and industrial flowers and plants	3,302,309	3,386
Sports and creative industries	1,236,147	429
Handmade carpets(except kilim)	1,219,404	17
Medical Equipment	572,743	164
handicrafts	463,714	895
Cereal	371,358	274
All kinds of seeds	337,929	365
Other industrial products	108,616	16
medicine	91,627	24
Other machine manufacturing industries	0	0
<b>Total</b>	<b>1,660,651,014</b>	<b>2,818,798</b>

### East Azerbaijan exports in 2022

Item groups	Value (\$)	Weight (ton)
Metal mineral industry	482,944,596	739,940
petrochemical	270,039,651	744,658
Dried fruits	160,709,904	91,247
Polymeric products	119,283,485	87,921
Food industry	112,843,082	117,259
Oil based products	92,343,401	218,959
Machinery and equipment	68,085,389	17,593
Non-metallic mining industry	55,481,850	436,745
Chemicals	44,340,794	104,630
Textiles, clothing and footwear	40,909,397	22,405
Home Appliances	27,070,773	15,928
Mine	24,423,544	200,426
Fruit and vegetables	20,496,795	70,357
Vehicles and driving force	13,929,137	3,551
Animal products and related industries	12,929,566	13,037
Cellulose products	12,795,621	34,191
Electrical and electronics industries	7,815,658	4,053
Medicinal, edible, ornamental and industrial flowers and plants	4,735,335	4,070
Sports and creative industries	1,412,363	478



### East Azarbaijan exports in 2022

Item groups	Value (\$)	Weight (ton)
handicrafts	489,327	881
All kinds of seeds	421,366	226
Medical Equipment	309,916	87
medicine	251,105	89
Cereal	147,126	113
Other industrial products	26,136	20
Handmade carpets(except kilim)	2,746	0
Other machine manufacturing industries	930	0
<b>Total</b>	<b>1,574,238,993</b>	<b>2,928,864</b>

#### East Azarbaijan Customs

East Azarbaijan customs includes 3 departments (Tabriz customs, Aras-Jolfa free zone customs and Sahlan specific economic zone), 3 offices including (Norduz customs, Khodaafarin customs, Maragheh customs), 3 customs offices including (Bonab city, Shahid Salimi industrial town and Tabriz Petrochemical) and 2 customs units including (Tabriz International Airport Customs and Tabriz Postal Deposit Customs).

#### Tabriz Customs Department

Tabriz Customs is one of the oldest customs departments in Iran and its current building is nearly a century old. This customs is located on the west of Tabriz metropolitan on the Iran-Turkey transit road and adjacent to the Tabriz railway. In terms of exports, it is one of the most important customs departments in Iran, which is one of the top ten export customs departments in Iran. East Azarbaijan export service center has started operating in this customs for the first time in 2000 by attendance of related organization in foreign trade. The customs of Tabriz Shahid Madani International Airport, Tabriz Postal Deposit Customs, Shahid Salimi Town Customs Office and Tabriz Petrochemical Customs Office are among the dependent offices of Tabriz Customs Departments.

#### Sahlan Specific Economic Zone Customs Department

Sahlan Customs Department is one of the subsidiaries of the Customs Supervision Department of East Azarbaijan Province, which officially started its activity in 1975 in the National Company of General Warehouses and Customs Services of Sahlan. This customs is located 15 km from Tabriz, on the Iran-Europe and Iran-Central Asia transit road, next to East Azarbaijan land transportation terminal. It is one of the most important customs in Iran with its significant infrastructure and facilities including 15 km of railways.

### **Aras-Jolfa Free Zone Customs Department**

Jolfa Customs is located in the border city of Jolfa in 135 km away from Tabriz and with an area of 500 000 hectares, it is one of the largest land customs in Iran. Wooden Bridge Customs which is the international border between Iran and the Nakhchivan Autonomous Republic and the customs formalities of passenger affairs, entry and exit of import, export and transit trucks are carried out 24 hours a day.

### **Norduz Customs**

Norduz Customs has been operating since 1992 after the formation of the Republic of Armenia on the Norduz border. The customs is located 70 km from the city of Julfa on the banks of the Aras River, which is the only shared border with Armenia and the Eurasian Union and a corridor with the CIS countries. Export, import, transit and passenger procedures are active in this customs. Khodaafarin Customs

This customs has started operating since 2015 in Khodaafarin city with 3 main exit gates. The transit procedure (origin and destination) is active in this customs.

### **Maragheh Customs**

This customs started operating in 1996 and is active for export.

### **Customs Office of Tabriz Shahid Salimi Industrial Town**

This customs office started its activity in 2012 in order to facilitate the customs affairs of the production units of this town. In this office, it is possible to issue export licenses for the goods produced by the units located in this town.

### **Tabriz Petrochemical Company Customs Office**

This office began its activity since late 2017. With the establishment of this customs center, 1350 tons of polymer materials produced by Tabriz Petrochemical and about 60 trucks including petrochemical materials are exported directly from this complex.

### **Bonab Customs Office**

This office has begun its activity in Bonab since the end of 2014 and the procedures of export, temporary exit and issuance of certificate of origin are active in this customs office.

### **The most important trading capabilities of East Azarbaijan**

1. Existence of inlets and outlets in the border area of Jolfa, Norduz, Sahlan, Tabriz and Jolfa customs with high storage capacities
2. Specific geographical position as a crossroads between Iran and Europe
3. Domestic and international freight and passenger railways
4. Existence of Aras free trade-industrial zone
5. Locating Tabriz International Exhibition
6. Possibility of establishing flights between Tabriz and most major cities in Iran and abroad
7. 4 silos and 5 wheat warehouses
8. 53 below zero, above zero and two circuits refrigerators

### **Towns and industrial areas of East Azarbaijan province**

East Azarbaijan province has 57 towns and industrial zones, including 37 industrial towns and 20 industrial zones. Among these towns, 6 towns include Hashemi Rafsanjani, Automobile Parts Technology, Marand Ceramics, Downstream Petrochemical Industries, Varzeqan Copper and Azarshahr stone are special towns.

### **The most important industrial towns of the province**

The most important industrial towns of East Azarbaijan are Foreign Investment Industrial Town, Shahid Salimi Industrial Town and Besat Industrial Town. The Foreign Investment Town is located 18 km north of Tabriz-Sufiyān highway, after Sahlan customs and has been designed and constructed by the aim of creating employment, transferring technology, industrial development of East Azarbaijan province and attracting foreign investments. Having a foreign partner is one of the conditions for transferring area in this town. Shahid Salimi Industrial Town, the largest industrial town in the northwest of the country, is located 35 km from the Tabriz-Azarshahr highway. In addition to the fundamental facilities and infrastructure, it has a higher education center and is also the first industrial town that has a hotel in the country. Besat Industrial Town, the largest industrial town in the Middle East, is under construction in 20 km from Tabriz after Sahlan Customs in an area of about 10 thousand and 800 hectares. This industrial town, which is considered as a station for production of export products, has the capability to cover the northwest of Iran in addition to East Azarbaijan and affect the economy of these regions. Proximity to Sahlan Specific Economic Zone, airport, highways, railways and customs and proximity to Tabriz is one of the important advantages of this industrial town. On the other hand, the proximity to two foreign investment towns and the construction industry for industrial units have enhanced motivation for chain activities in the form of horizontal and vertical connections.

### **Advantages of establishing industries in industrial towns**

1. Lack of need to obtain separate permits from different departments;

## Chapter Three: Industry, Mining and Trade of East Azarbaijan

2. Exemption from the law of municipalities;
3. Payment of cash and installments of utility costs of facilities;
4. Issuance of free of charge and on time construction permits;
5. Assignment of the industrial town administration to the board of trustees of industrial owners;
6. Possibility of renting halls ready to accelerate the operation of the production unit;
7. Reduction of investment costs due to the use of joint services organized by industrial towns such as water, electricity, telephone, and gas and wastewater refinery plant.

### Conditions for transferring land in industrial towns and regions

		Area	Cash percentage	Installments (month)
Demand based industrial towns	Tabriz 3 (Saeedabad), Ahar, Tabriz 1 (Rajaei), Miyaneh, Marand, Tabriz 2 (Salimi), Shabestar (Vayqan), Bonab-Bostanabad, Specialized in construction industries, automotive technology, Tabriz 5 (Foreign investment), Tabriz 4 (Sahand), Akhula, Besat	Up to 4000 m	30	30
		4000-6000 m	30	36
		6000-1 hectare	25	36
		1 hectare to 1.5 hectare	20	42
		1.5 hectare 2 hectare	15	48
		More than 2 hectares	Approval by board of directors	
Non-demand based industrial towns	Sarab, Malekan, Miyaneh 2, Maragheh, Kaghizkanan, Marand 2, Marand Ceramics, Ajabshir, Kalibar, Hashtrud, Jolfa (Hadi Shahr), Turkmenchay, Varzeqan, Bostanabad 2, Ousku, Bilverdi (Heris)	Up to 4000 m	20	36
		4000 1 hectare	15	42
		1 hectare to 1.5 hectare	10	48
		More than 1.5 hectare	Approval by board of directors	

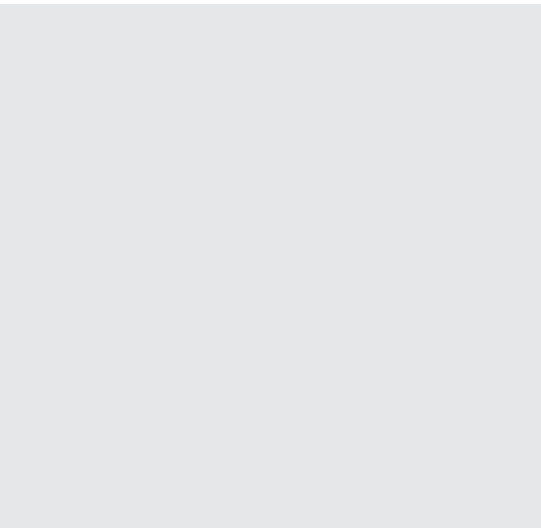
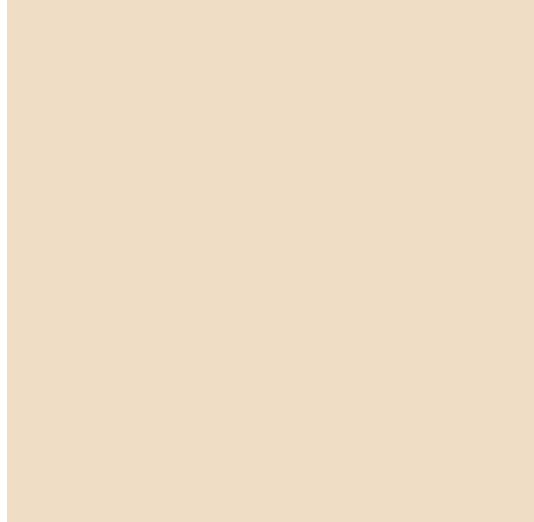
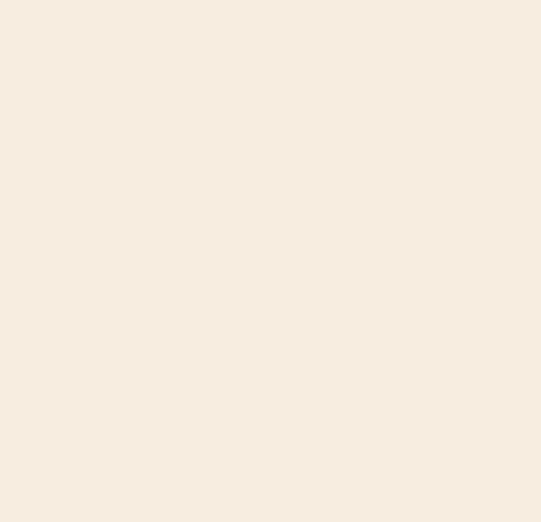
## Production-export capabilities, Investment capabilities and Capacities

### Conditions for transferring land in industrial towns and regions

	Area	Cash percentage	Installments (month)
Workshop lands		30	30
Service lands	-----	50	12

### General situations of industrial towns in East Azarbaijan province

Number of industrial estates approved by the government	37 towns
Number of industrial areas	19 areas
Number of towns and industrial areas being transferred	48
Number of specialized towns and industrial zones in transfer	3 towns
Land transferable in towns and industrial areas	1034 hectares
Industrial land assigned to towns and industrial areas	1932 hectares
Number of units in operation located in towns and industrial areas	2782 units
Number of technology towns created (automobile parts technology)	1 town
Number of technology units located in the technology services center of the automobile parts technology town	30 units

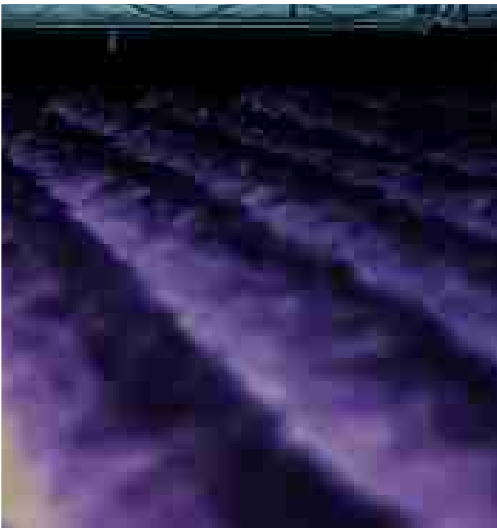




Chapter 4



**Agricultural  
Perspective of  
East Azarbaijan**



## Agricultural Perspective of East Azarbaijan

### Agricultural Perspective

Climatic conditions, soil characteristics and geographical location of the region have made the province a suitable region for agriculture. In this beautiful land, various horticultural, agricultural, vegetable, summer and cereal products are produced, which are exported outside the region and the country while meeting domestic consumption. Despite its diverse and fertile soil, East Azarbaijan is one of the major agricultural centers in the field of agricultural activities. Its location and geomorphological specifications have made it possible to create a strong pole in agriculture, natural resources and livestock.

Irrigated and rained lands	Rained lands under cultivation	irrigated under cultivation lands
49000 hectares	615000 hectares	308000 hectares

**4.6 milion tons**

Province agricultural total production

**1.3 milion tons**

province horticultrual production



## 2.5 million tons

province agricultural production level

## 830 tons

province livestock production

## 8603 tons

province fisheries production

### Top ranks of province in agricultural production

Alfalfa production	2nd rank	9% of total production
Apricot production	2nd rank	13% of total production
Lentils production	2nd rank	14% of total production
Plum production	2nd rank	12.6 % of total production
Tree apple production	2nd rank	16% of total production
Honey production	2nd rank	13% of total production
cornel production	2nd rank	33% of total production
Cherry production	2nd rank	11% of total production
Red meat production	3rd rank	6% of total production
Walnut production	3rd rank	7.8% of total production
Egg production	3rd rank	10 % of total production
Buckthorn production	4th rank	7.4% of total production
Grapes production	5th rank	8% of total production
Wheat production	6th rank	5% of total production

## Chapter Four: Agricultural of East Azarbaijan

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Raw milk production	6th rank	5.5% of total production
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### Production and export capabilities of the agricultural sector

The specific capability of the agricultural sector of East Azarbaijan has paved the way for this province to have unique features and capabilities in the production of some agricultural, horticultural and greenhouse products, including:

- Existence of a proper context for agriculture and industry in the downstream of dams due to the vastness of arable lands and climate diversity and creating homogeneous agricultural production spaces (mega projects) in a specific area (greenhouse complexes) with suitable conditions and necessary infrastructure
- The first to fifth rank position of the province in the production of 13 agricultural products
- Existence of universities and training center for agricultural research and engineering as a supplier of specialist personnel in the agricultural sector.
- Existence of large agricultural and natural resources research centers, northwestern biology center and production center for various livestock vaccines in the province
- Existence of silos and cold storages for long-term storage of agricultural products
- Specific consideration of modernize and optimize agricultural activities and providing the necessary conditions for investment in agricultural towns
- Legal support for the development of agricultural conversion industries and support for investors with the aim of developing conversion industries and utilization of the latest technology and technical knowledge in the field of processing agricultural products and accessing to global and international markets.
- A proper context for the creation and development of industries in the field of dried fruit production
- Production of aquaculture products along the Aras River in relation to the production of cold-water fish using coastal well water (300 rings).

Relying on the mentioned capabilities, East Azarbaijan has also been successful in exporting agricultural products, so that the level of the export of agricultural products in 2020 equals 200 thousand tons with an approximate value of 280 million dollars, which is equivalent to 5.5% of total exports of agriculture in the country. The main export agricultural products of the province include raisins, tomato paste, vegetables and fruits, juice, milk, cream, etc. Also, in the first 8 months of 2021, the province's agricultural exports amounted to \$180 million, which was exported to more than 50 countries such as Iraq, Afghanistan, Pakistan, Russia, India, Turkey, Turkmenistan, Azerbaijan, Armenia, etc.

### Valuation of each kilogram of crop in agricultural sub-sectors in foreign currency:

## Production-export capabilities, Investment capabilities and Capacities

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Currency per kilogram of crop: \$0.3 (\$0.5 tomatoes, \$0.3 watermelon). Currency per kilogram of horticultural products: \$1.3 (valuation of each of raisins, flowers and plants \$1.5).

Currency per kilogram of livestock products: \$1.1 (dairy industry \$ 0.9, animal products and related products \$1.3).

Average exchange rate per kilogram of the agricultural sector: equivalent to \$0.6, while the province is \$0.9.

### Agricultural products grouping based on exports

Agricultural products are classified into three groups and export planning is based on commodity group prioritization as follows:

1. The first group: the products produced inside the country that compete with imported products, including rice, meat, oilseeds, barley, etc., The export of these products has been banned or restricted since 2018.
2. The second group: the products produced domestically that can be exported only in excess of domestic consumption and have a significant impact on people's daily lives, and the export of these goods is sometimes prohibited or restricted such as potatoes and tomatoes.
3. The third group: the products that are produced for the purpose of export such as tree apple, grapes, livestock and poultry products, which are export priorities.

### Investment incentives and facilities in agriculture sector

Type	National Or provincial	Explanation of services of incentives and patents
Landrequired	National	Article 108 of the Third Development Law Paragraph A - In order to use the expert and entrepreneurial forces of the water and agriculture sector with the priority of rural residents, the government is allowed to allocate them the large scale economic lands in the field of natural resources that can be rehabilitated and exploited by agriculture with appropriate conditions and provide necessary support such as infrastructure and payment of facilities. The government is obliged to transfer the value of that part of the national lands and other state-owned lands to the people (both real and legal) to invest in various production projects at the beginning of the date of transferring and receive maximum installments of five years accordingly after the start of the operation period.

## Chapter Four: Agricultural of East Azarbaijan

	National	The value of renewal and conversion of these lands belongs to the exploiter and the government has no right to receive money for it.
	National	Pursuant to Note 1 of Article 2 of the Land Use Protection Law, agricultural and livestock projects are exempted from paying 80% of the daily price with new use as tolls.
	National	Transferring of land for the implementation of economic projects subjected to Article 75 of the Law on Receipt of Some Government Revenues
	National	Transferring of land for the implementation of economic projects based on the bill of assignment and renewal of lands, approved by the Revolutionary Council dated 1980/05/22
	National	Transferring of land required for Touba plan in the form of paragraph (b) of Touba plan law
		Pursuant to Note 1 of the Article of the Law on Preservation of the Use of Agricultural Lands and Gardens, the land management is obliged to issue a response within two months from the date of receiving the request.
	Regional	Issuance of the fundamental agreements
	Regional	Essential instructions for choosing the location of the plan
	Regional	Essential technical and expert guidance and supervision in the implementation of the plan and establishment of relevant facilities
	Regional	Issuance of exploitation license, guidance and technical supervision on selection and breeding of livestock, poultry and bees

## Production-export capabilities, Investment capabilities and Capacities

	Regional	Providing the necessary guidance for optimal and sustainable production and reducing production costs for increasing investment profit
	National	Guaranteed purchase of livestock products through Livestock Support Company with price announcement
	National	Investment guarantee by full coverage of livestock, poultry and bee insurance
	National	Payment of part of livestock, poultry and bee insurance premiums by the government as insurance subsidy
	National	Market regulation by providing facilities for storage and maintenance of products in case of surplus production
	Regional	Providing long-term investment facilities to continue production and support units (laying hens and broilers, dairy farms, industrial, service and production cooperatives)
	Regional	Assistance in obtaining production licenses such as production licenses (initial agreement, establishment license, exploitation license, development license, etc. through the ministry and obtaining relevant inquiries)
	Regional	Offering technical advice and guidance on implementing the plan in accordance with the instructions and technical conditions
	Regional	Assistance in marketing the products of the existing units of the province.
	Regional	Participation in the agreed purchase of products required by conversion industry factories in order to regulate the market of the province's products

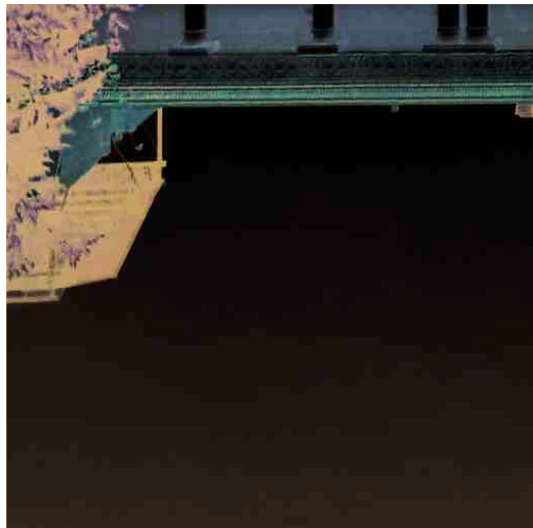
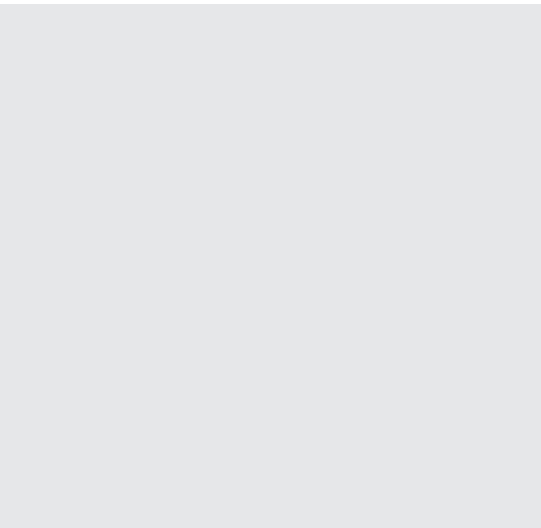
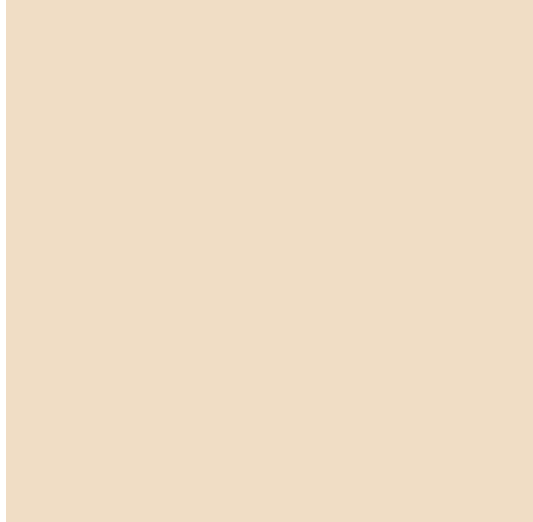
## Chapter Four: Agricultural of East Azarbaijan

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	Regional	Offering liquidity services for existing units and providing capital facilities for establishing new units
	Regional	Consulting on selection of fields of activity based on the Ministry ISIC codes and avoiding establishment of production units that face a shortage of demand and supply in the province
	National	Offering guidance on the regional priorities required in selecting the field of activity.
	Regional	Providing low-interest facilities, especially in less developed areas through the Ministry credit facility systems
	Regional	Assistance in obtaining activity licenses and related inquiries.
	Regional	Prioritizing greenhouse facilities in comparison with other agricultural activities due to the special importance of this activity and providing 100% of the mentioned facilities
	Regional	Assistance in the export of greenhouse products, especially vegetables and grains through service cooperatives.
	Regional	Participation in the supply of greenhouse seeds and production inputs to make production economical
	Regional	Gradual and installment acquisition of the transferred land value of 30% in cash and the rest in 6 3-year installments.
	Regional	Gradual and installment acquisition of the value of implemented infrastructure, including electricity, gas and water

## Production-export capabilities, Investment capabilities and Capacities

	Regional	Issuance of activity license without observing the ministry normal regulations by Agricultural Towns Company
	Regional	Assistance in providing capital and working facilities through the related Ministry.
	National	Financial support and introduction to the relevant authorities to receive loans at notified rates in accordance with the associations of the Monetary and Credit Council.
	Regional	Issuance of necessary permits in the shortest time.
	Regional	Providing expert services in all fields in free (such as aquatic engineering, health and nutrition, production, breeding, education and promotion).
	Regional	Providing all consulting services in all fields
	Regional	Discounted tariff in calculating electricity, gas and water rates
	Regional	Conducting Phase 1 and 2 studies on aquaculture breeding plans and preparing executive plans along with receiving inquiries from relevant departments







## Chapter 5

# Cultural Heritage, Handicrafts and Tourism of East Azarbaijan



## Cultural Heritage, Handicrafts and Tourism of East Azarbaijan

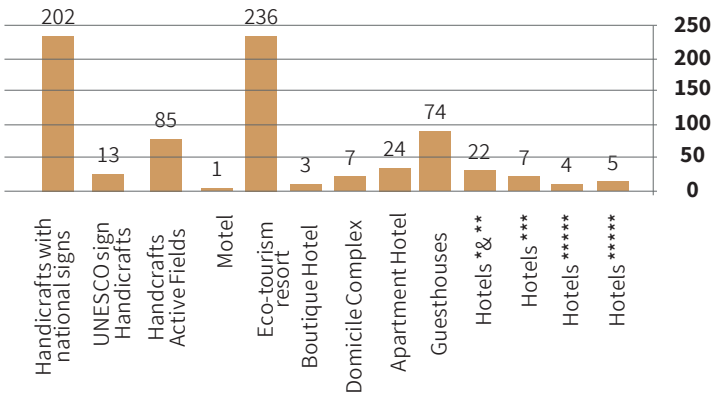
### **East Azarbaijan cultural heritage, handicrafts and tourism**

Tourism is one of the important capacities and potentials of any region that plays an important role in the development, culture and economy of that region. East Azarbaijan province with main city of Tabriz, according to the history and writings of Islamic and European tourists has always been considered by domestic and foreign tourists in terms of arts, traditions, ethnicities, language, customs, economy and ancient historical culture. This province has unique climatic features that are considered a suitable climate for travel in terms of the tourism industry. Existence of different wetlands, various mineral and hot waters as well as various historical monuments including Kandovan rock architecture to modern religious and commercial places and integration of architecture in the socio-economic life of this land have caused this region to be one of the important areas to attract domestic and foreign tourism.

Among the several thousand nationally registered monuments in the province, two monuments of Saint Stephen's Church in Julfa and the historical bazaar of Tabriz, as the largest interconnected brick market in the world, have been registered in the list of world monuments. Historical castles with architectural, technical, artistic, historical and fighting values such as Babak Castle in Kaleibar, Zahak Castle in Hashtrood, religious monuments including mosques, shrines such as Blue Mosque, Tabriz Grand Mosque, Seyyed Hamzeh, several museums in the province that some of them are specialized such as the Archaeological Museum of Azarbaijan, the Ilkhanate Museum of Maragheh, Sanjesh Museum, Museum of Anthropology of Sarab can be stated. Tabriz, as an ancient city with

## Production-export capabilities, Investment capabilities and Capacities

a history of three thousand and five hundred years includes historical and cultural monuments and attractions, new and modern towers and commercial complexes, which have given a different look to this ancient city and this city hosts thousands domestic and foreign tourists annually. As a world city of handmade carpets registered in the World Council of Handicrafts, Tabriz carpet weaving is well-known in Iran and the world. In addition to carpets, the handicrafts of the province, especially Tabriz, are always famous for painting, miniature, silverware, inlay, pottery and ceramics. In the East Azarbaijan province, the city of Ahar has been registered as the national city of Verni and Osku has been introduced as the city of Batik. Among the important souvenirs of this province, it can be referred to the nuts and dried fruits of Tabriz, cookies and nougat and Tabriz meatballs and Dolmeh made by grape tree leaves in food.



### Handmade carpet industry art

The province's handmade carpet industry has the following advantages by having the largest traditional markets, especially Mozaffariyeh Bazaar in Tabriz and registering the city of Tabriz as the carpet capital of the world:

1. Employment of 200 thousand people in the province
2. 35% share of the country's carpet production and export
3. Center of Iran carpet design school with more than 175 designers and painters
4. Registration of 9 geographical indications of carpet areas in the national level including Tabriz, Heris, Sardrood, Bakhshayesh, Khajeh, Mehraban, Sarab, Sharbiyan and Azarshahr
5. Registration of three geographical indications at the international level in the World WIPO Organization
6. Supply and production of 80% of raw materials for production and dyeing of Iranian carpets
7. Existence of carpets unions and organizations under the supervision of the

- Industry, Mining and Trade Organization of the province as the custodian of carpets
8. The center of diversity and texture of various commercial and artistic carpets, including Tabriz, Heris, Maragheh and etc.
  9. The second center of silk carpet weaving in Iran including Maragheh, Bonab, Malekan and etc.
  10. Establishment of carpet faculty at Tabriz University of Islamic Arts

### **Health tourism**

East Azarbaijan province with its pleasant climate, having experienced doctors and advanced medical facilities, low treatment costs, numerous hot springs, proximity to Lake Uremia and tourism facilities has provided the context for the presence of health tourists from the Republic of Azerbaijan, Armenia, Nakhchivan Autonomous Republic, Turkey and Iraq, so that East Azarbaijan province has been one of the top provinces in Iran in terms of attracting health tourists in recent years. There are currently 6 travel and tourism services companies and 7 international hospitals in the field of health tourism in this province.

### **East Azarbaijan handicrafts export capabilities**

East Azarbaijan as the realm of art has raised many artists in its history. Due to the climatic conditions and historical features, traditional arts and handicrafts have always been considered and used by the people of Azarbaijan and have gradually become an inseparable part of their lives. Out of 300 fields and sub-branches of handicrafts in Iran, 70 fields including carpet weaving, pottery, copper engraving, carving, embroidery, kilim weaving, mosaic work, inlay work, ceramic painting, silver work, ornamentation, book decoration, painting, etc. are created by East Azarbaijan artists. Well-known Tabriz and Heris handmade carpets are also exported to different countries of the world. The level of export of handmade carpets (except kilim) in 2020 was equal to 4 million dollars and in the first seven months of 2021 equaled 928 thousand dollars. Also, the export of handicrafts in the province has been estimated 166 thousand dollars in 2020 and 125 thousand dollars in the first seven months of 2021.

Investment incentives and facilities in agriculture sector

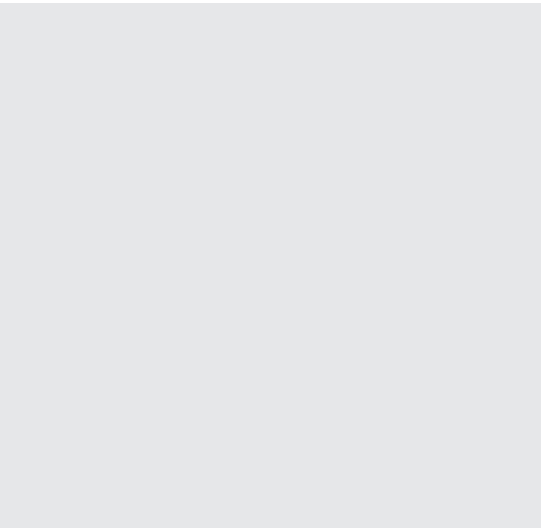
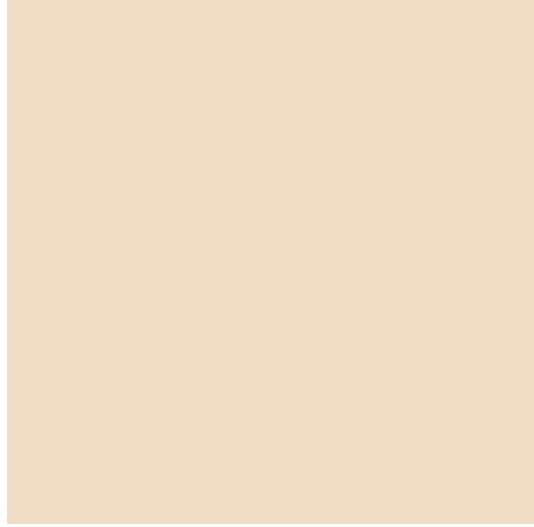
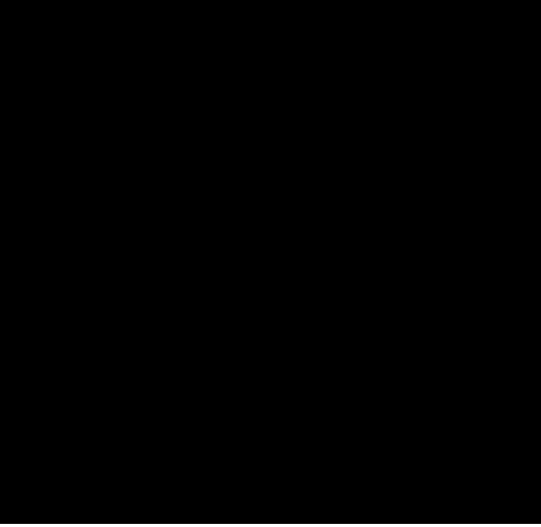
Type	National Or provincial	Explanation of services of incentives and patents
Construction duties	Provincial	Exemption of 100% of tolls for renovation of building permits for hotel construction in the city of Tabriz by Tabriz Metropolitan Municipality
	Provincial	Issuance of a commercial construction permit in the field of hotel construction in 20% of the total area of the hotel without tolls, in the city of Tabriz by the Tabriz metropolitan municipality
	Provincial	Exemption of 100% of all recreational centers, military and indoor parks, cultural centers and tourist camps from the payment of renovation fees in the city of Tabriz by the Tabriz Metropolitan Municipality
	National	Article 38 of Local toll tariff of the municipality- in order to promote tourism and development of welfare infrastructure and accommodation of guests and tourists, based on (Article 38 of local toll tariff of the municipality), the owners of residential buildings on the first and second degree arterial passages are exempted from paying duties according to the condition of obtaining a permit from the municipality and the Cultural Heritage, Tourism and Handicrafts Organization and other relevant legal authorities to convert the entire building into an apartment hotel or use it as an apartment hotel

**Investment incentives and facilities in agriculture sector**

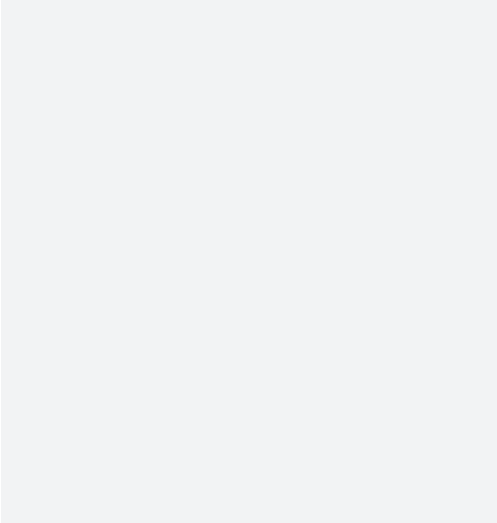
<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
Tax	National	<p>Note 3 Article 132 of the Law on Direct Taxes - All tourism facilities are exempt from paying 50% of their taxes every year.</p> <ol style="list-style-type: none"> <li>1. Hotels, motels and guesthouses.</li> <li>2. Self-catering accommodation centers including hotels, apartments, pilgrimages and guest houses.</li> <li>3. Ecotourism resorts and traditional resorts.</li> <li>4. Recreational and tourism centers.</li> <li>5. Complexes, camps and tourist camps.</li> <li>6. Health tourism centers such as health complexes and hydrotherapy and hospital hotels.</li> <li>7. Environments and parks for nature and rural and nomadic tourism.</li> <li>8. Coastal and marine tourism centers.</li> <li>9. Reception units and types of individual food courts on the roads.</li> <li>10. Accommodation and catering facilities located in intermediate welfare service complexes.</li> <li>11. Catering units located in the terminal of airports, suburban land passenger, and sea and rail terminals.</li> <li>12. Catering reception units located in the border passenger terminals.</li> <li>12. Traditional canteens.</li> <li>13. Tourism famous areas.</li> <li>14. Health villages.</li> <li>15. Offices or companies of tourism services</li> </ol>

**Investment incentives and facilities in agriculture sector**

<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
	National	Paragraph (R) of Article 132 of the Amendment to the Law on Direct Taxes – In the case of obtaining permit from Cultural Heritage, Handicrafts and Tourism Organization until 2015/03/19 and before implementation of this article dated 2015/03/20 all of the aforementioned Iran tourism facilities are exempted from paying fifty percent (50%) of income tax on income for a period of six years after the entry into force of this Article. This provision does not apply to the income from sending a tourist abroad.
	National	Provisions of Article 132 of the Amendment to the Law on Direct Taxes and the following paragraphs - From the beginning of 2016, service revenues of hotels and tourist accommodation centers for which an operating license has been issued by the relevant authorities since 2016/03/20 are taxed by zero rate in accordance with its executive regulations from the date of commencement of operation or activity for five years and in less developed areas for ten years.
	National	Paragraph 16 of Article 9 of the value added tax bill- It has been approved that the accommodation services of three-star hotels and below, guesthouses and other accommodation centers licensed by the Ministry of Cultural Heritage, Tourism and Handicrafts are exempt from value added tax.

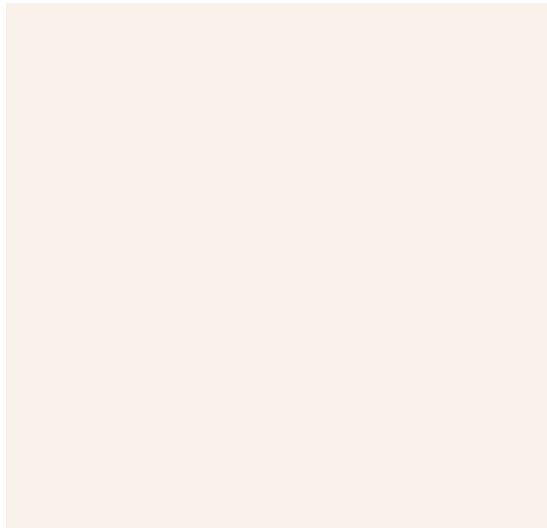






Chapter 6

**Higher Education  
and Science and  
Technology Park**



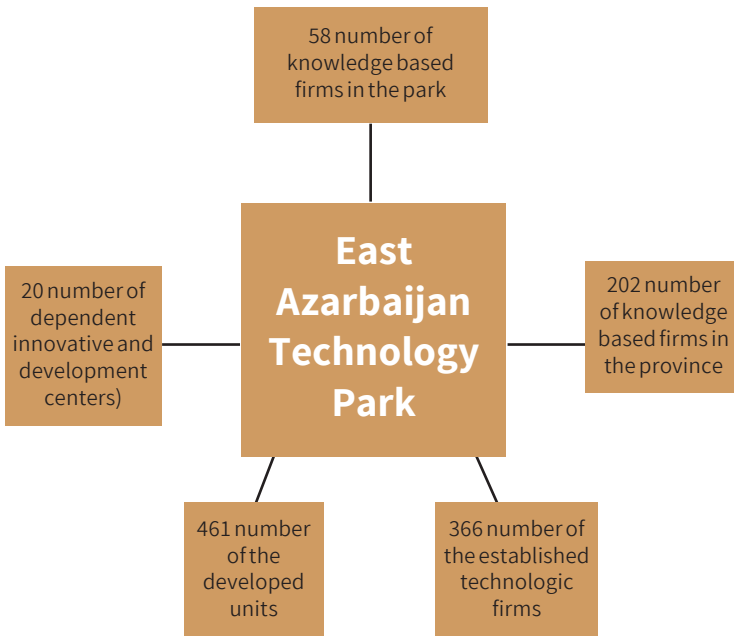
## Higher Education and Science and Technology Park

### Higher Education

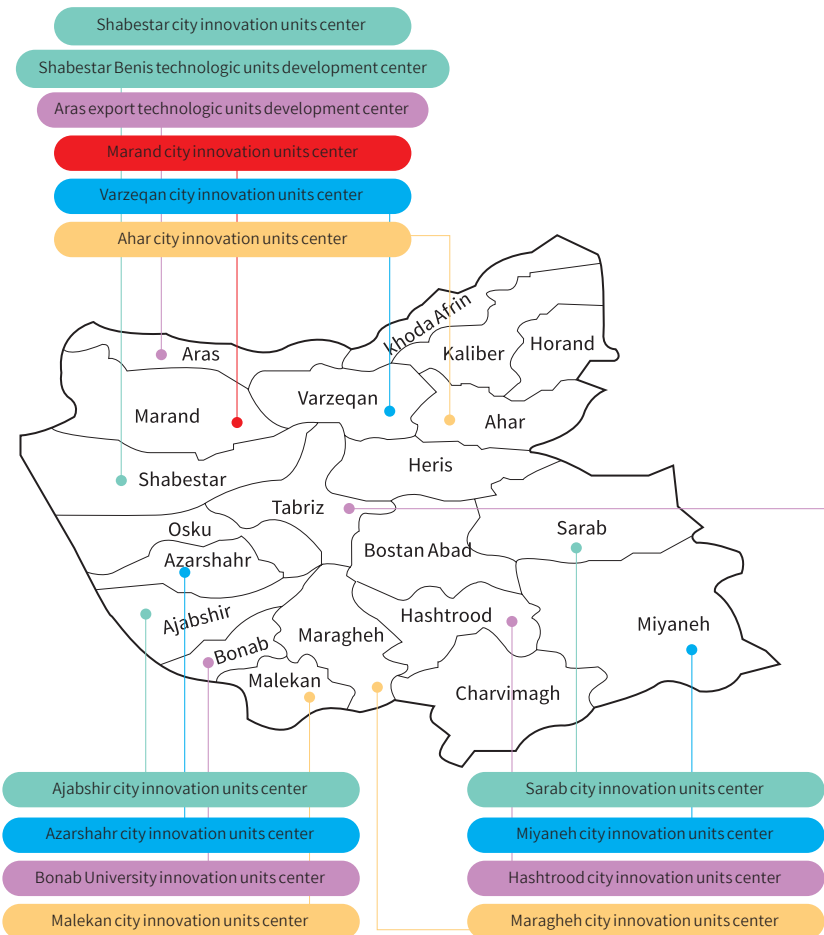
East Azarbaijan province with having several universities such as Tabriz University, Tabriz University of Medical Sciences, Sahand University of Technology, Shahid Madani University, Payame Noor University, Islamic Art University, Islamic Azad University, Technical and Vocational University, University of Applied Sciences and non-profit universities with more 156000 students is considered as one of the scientific centers of Iran.

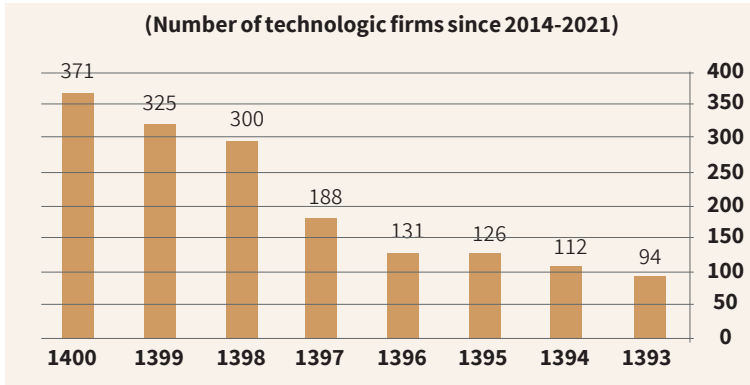
### Science and Technology Park

East Azarbaijan Science and Technology Park as a socio-economic institution, an effective place for technology development and consequently development of knowledge-based economy and specialist job creation for professional establishment and presence of small and medium sized technologic companies, industry research and development units and technology research institutes is a governmental institute under supervision of the Ministry of Science, Research and Technology. Its activity scope includes information and communication technology, electricity and electronics, mechanics and mechatronics, chemistry and polymer industries, materials, civil engineering, agriculture, medical engineering, biotechnology, etc.

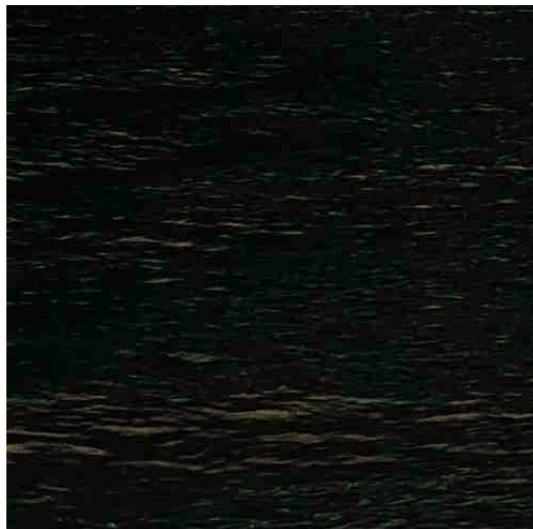
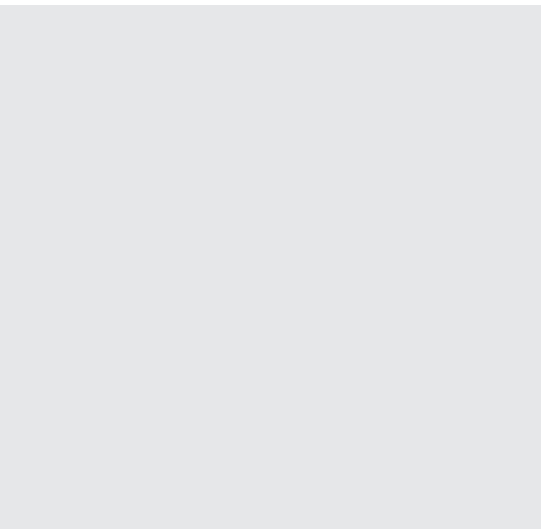
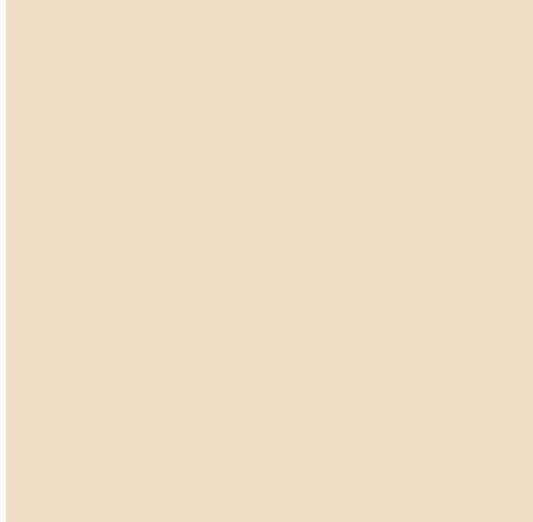


## Expansion of East Azarbaijan Science and Technology Park innovations and development centers in province level





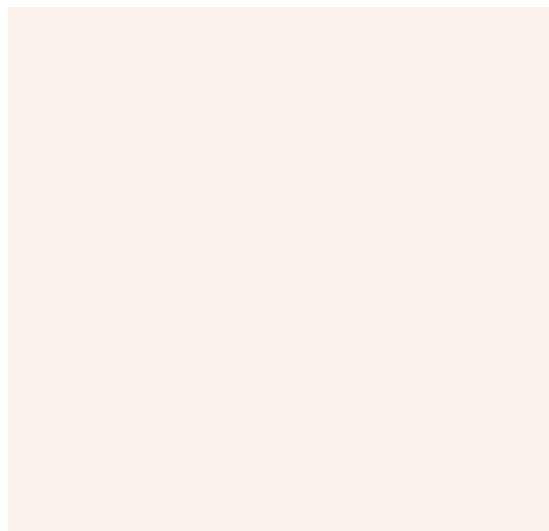
- Tabriz technologic units development center
- Tabriz Islamic Azad University technologic units development centers
- Agriculture Education and Research Center technologic units development center
- Azarbaijan Shahid Madani University technologic units development center
- Bonyad Beton Road and Building Development and Entrepreneurship, Innovation Center
- Knowledge Based and Technologic Cooperatives Innovation Center





## Chapter 7

# Free and Specific Economic Zones of East Azarbaijan



## Free and Specific Economic Zones of East Azerbaijan

### **Aras, the golden point for trade and investment**

The Aras Free Zone is located in four separate sections at the zero point of the border in northwestern Iran, adjacent to Armenia, the Republic of Azerbaijan and the Nakhchivan Autonomous Republic along the Aras Border River. The Aras Free Zone has long been considered by Asian-European traders and travelers and the Silk Road. There are currently 45 active foreign units (with operation license) in the Aras Free Zone.

### **Transit advantages and tourism potentials of Aras Free Zone:**

- Moderate mountainous climate
- Proximity to the market of 300 million CIS countries
- Locating within 10 million market of northwestern Iran
- Proximity to Turkish borders
- Locating on the borders of the three countries of the Republic of Azerbaijan, Armenia and the Nakhchivan Autonomous Republic
- Transit roads and location in the north-south corridor
- Abundance of electricity, gas and high-speed telecommunication lines
- Aras, Khodaafarin, Golfaraj and Gordian dams
- Lands and projects ready for investment in various industrial, agricultural and tourism uses
- Customs with a history of 60 years and warehouses for various goods
- Millennial historical monuments of different religions
- Aras Geo-park and beautiful natural attractions
- General investment incentives in Aras Free Zone



## **Production-export capabilities, Investment capabilities and Capacities**

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- Skilled and cheap labor human resources
- Cheap energy
- Investment security
- Inexpensive storage
- Exemption from customs duties and commercial profits for the import of raw materials and machinery
- The possibility of exporting goods produced abroad with the least formalities
- Possibility to import any kind of goods except goods that are contrary to Islamic law
- Registration of companies by the Aras Free Zone Organization
- Installment assignment of land

### **Tax incentives in Aras Free Zone**

Twenty year tax exemption from the date of operation for all types of economic activities

### **Customs incentives in Aras Free Zone**

- Imports of machinery, raw materials, components and parts required for production and production tools and spare parts for production vehicles of capital vehicles (excluding cars and yachts) are exempt from paying part of customs duties.
- -Imports of goods produced in the free zone to other parts of the country up to the value added in that zone are exempted from paying all or part of customs duties and commercial profits with the approval of the Council of Ministers.
- Importers and producers can transfer all or part of their goods to others in exchange for a separable warehouse receipt that will be assigned by the regional organization.
- Producers in the free zone can import or export goods produced in the zone only for payment of service costs and exemption from taxes and import duties to the zone for consumption to other free zones and sell them with exemption from duties.
- The import of goods in which all or part of the raw materials are supplied within the country and produced in the free zone will be exempt from all or part of the customs duties and commercial profits related to domestic raw materials.
- From the goods produced in the mainland, which are definitively cleared by the Iranian customs through the region, two percent of the customs duty (according to the decision of the Council of Ministers) will be deducted as part of the costs in the licensing stage.
- For transit goods, after the approval of the mainland customs, it is possible to change the package and repackage the goods.
- Aras Free Trade-Industrial Zone Export Capacities
- Issuance of export origin certificate at the zero point of the border
- Existence of public and private warehouses
- Suitable customs infrastructure facilities with a history of more than 100 years

## Chapter 7: Free and Specific Economic Zones of East Azarbaijan

- Existence of Norduz customs as the only land connection point to Eurasian countries
- -Having border with the countries of the Republic of Azerbaijan, Armenia and Nakhchivan Autonomous Republic and proximity to Turkey
- Existence of a railway line and its connection to the mainland and the countries of the Caucasus
- Existence of suitable transportation routes to the mainland and neighboring countries
- Exports of goods and services worth \$6.3 million in 2020

### Sahlan Specific Economic Zone

Conversion of Iran General Warehousing and Customs Services Company (Sahlan Complex) into a specific economic zone since the beginning of 2011 has been considered as a turning point in the commercial activities of East Azarbaijan province and has played an important role in the transportation chain for economic policy makers and regional planners. This area, which is located in 20 km of the northern part of Tabriz industrial city with an area of approximately 2000 hectares, is one of the most important centers for the distribution of goods in the northwestern region of the country with nearly 45 years of experience in warehousing management.

### Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
Land transferring	Regional	Allocation and assignment of lands to investment plans and projects at expert price
	Regional	Gap in the payment of land value installments (12 months)
	Regional	Possibility of selling or renting land transferable to others, subject to the approval of the relevant district organization

**Sahlan Specific Economic Region Investment Incentives and Facilities**

<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
	Regional	Possibility of selling or renting land to foreign investors with a company registered in Iran.
Issuance of permits	Regional	Issuance of all relevant licenses in the special zone for economic activists in a centralized form by the Sahlan Special Economic Zone Organization (including establishment license, operation license, activity license, production certificate, export license, etc.)
	Regional	Entry of goods into the area with minimal formalities
Infrastructural possibility	Regional	Existence of infrastructure facilities in the area including water, electricity, gas, optical fiber, railway and access to the airport
	Regional	Providing warehousing services in roofed, hangar, non-roofed and incendiary warehouses
	Regional	Equipped with a container terminal with an annual acceptance capacity of up to 20000 containers
	Regional	Possessing a container export specific terminal
	Regional	Possessing rail shunting yard (5 lines) in the area

**Sahlan Specific Economic Region Investment Incentives and Facilities**

<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
Employment	Regional	Special regulations on employment and social security in the special zone
	Regional	Possibility of entry, staying and leaving of foreign nationals without obtaining a visa that can be extended for another 6 months
	Regional	Possibility of issuing employment licenses to foreign nationals and their families for using specialized services and skills
	Regional	Possibility of employing foreign nationals in production units of special regulations
	Regional	Flexibility of labor relations based on mutual agreements.
	Regional	Exemption from customs duties, commercial profits and all duties on the entry of machinery, equipment and goods into the region
	Regional	Customs exemption for the export of manufactured products originating from foreign raw materials based on the calculation of value added
Customs facilities	Regional	Exemption of 100% of the permitted share of imported products of the region into the country according to the origin of domestic raw materials

**Sahlan Specific Economic Region Investment Incentives and Facilities**

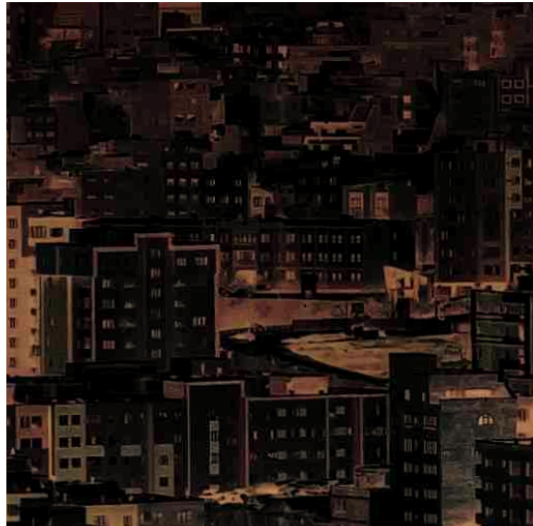
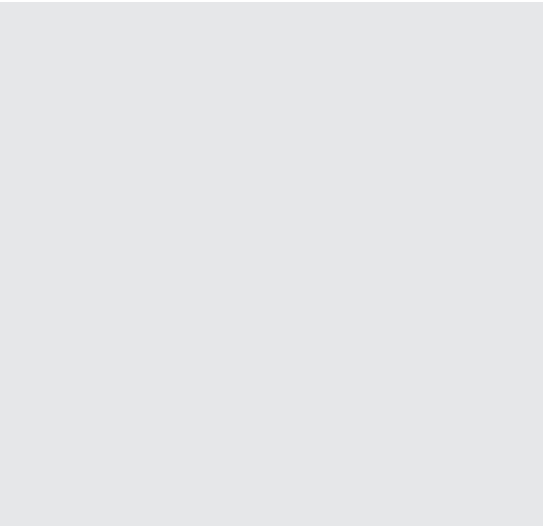
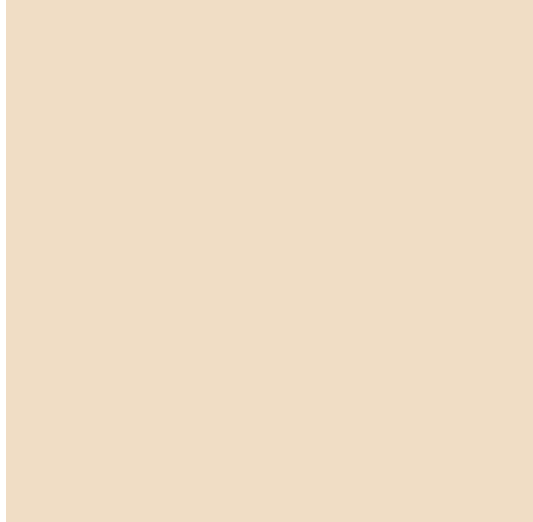
<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
	Regional	Exemption from order registration of a percentage of foreign raw materials used in manufactured products
	Regional	Percentage exemption from customs duties on foreign raw materials used to produce goods in the region for import into the mainland
	Regional	Permanent exemption from customs duties on imports of goods to the regions
	Regional	Permanent exemption from customs duties on imports of raw materials, equipment and machinery of production units without emphasis on the year of manufacture
	Regional	Import of goods subject to paragraph 2 to the areas located at the entry points of the country without any customs formalities
	Regional	Exit of goods entering the region from abroad or from free trade-industrial zones or other zones without any formalities
	Regional	Possibility of declaring and clearing all or part of the goods in exchange for a separate separable warehouse receipt issued by the regional management
	Regional	Issuance of certificate of origin for goods leaving the region with the approval of Iranian Customs

**Sahlan Specific Economic Region Investment Incentives and Facilities**

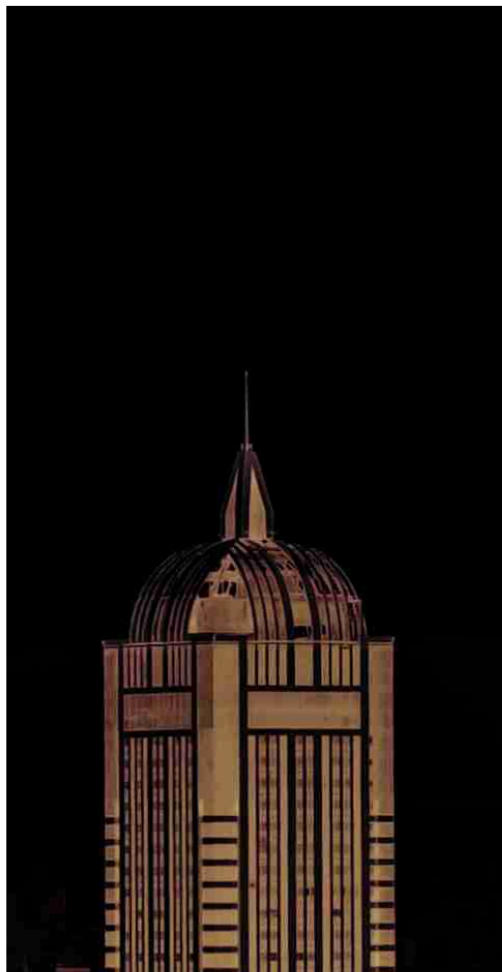
Type	National Or provincial	Explanation of services of incentives and patents
	Regional	Excluding pricing criteria for goods produced in special economic zones, as well as raw materials and spare parts imported from the region into the country, due to lack of use of resources and foreign exchange quotas
	Regional	No abandonment of goods in the area and any time limit for stopping goods
	Regional	Establishment of Sahlan customs in the region and activity in all customs procedures with a history of nearly half a century
Tax facilities	Regional	Exemption from VAT on machinery and equipment entering the special zone from the mainland.
	Regional	Non-impose any restrictions on the transit of goods from the region to other free and special economic zones of the country
	Regional	Full exemption from VAT on intra-area transactions 7-year direct tax exemption from the date of issuance of the operating license
	Regional	Permanent VAT exemption on exports of manufactured goods and services
Export and import	Regional	Possibility of temporary import of goods and storage for distribution, transit and re-export.

**Sahlan Specific Economic Region Investment Incentives and Facilities**

<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
	Regional	Non-requirement for obtaining a business card to export manufactured products outside the region or import raw materials into a special zone
	Regional	Exemption from customs duties and commercial profits for re-export of goods and equipment after changes in the region
	Regional	Possibility of trade exchanges with other free trade-industrial and special economic zones
	Regional	Taking advantages from incentives to import commercial goods to the mainland through the region.
Foreign investment	Regional	Possibility of foreign investment in any proportion in economic activities in the region.
	Regional	Possibility to taking advantages from the benefits of law and regulations to encourage and support foreign investment.
	Regional	Possibility of investing for Iranian and foreign citizens in any amount of participation.
	Regional	Investment guarantee according to the law of attraction and protection of foreign investment and freedom of capital transfer and profit from it.







## Chapter 8

# Investment in East Azarbaijan Province



### Investment in East Azarbaijan Province

Nowadays, the importance of investment, especially foreign investment, in making positive economic effects in the world is increasingly apparent and governments in both developed and developing countries consider foreign direct investment as one of the important factors in providing employment, security and income that is known as a device to improve income distribution. The most realistic and effective measures to stabilize the economy are attraction of foreign capital and encouragement of joint ventures, introduction of advanced technologies in production and the training of specialist in economic activities. Attracting foreign capital can be considered as a strategic policy that its role is to coordinate foreign participation with the goals of economic development. Economic development, especially in its early stages, requires establishment of appropriate infrastructure and facilities. Obviously, development of these facilities requires allocation of a large amount of capital, which should employ various tools for obtaining capital to attract domestic and foreign capital to achieve the goals.

Considering the role and importance of investment and need for simplification of its process as much as possible in order to facilitate the business environment for domestic and foreign investors, prompted the province's development planners to establish an investment service center. Also, according to the decision of the Ministers on 2010/4/18, the Investment Services Center was established as a center for referral of all foreign investment applicants in the province.

#### **Services provided in the Investment Services Center to foreign investors**

Services provided in the Investment Services Center to foreign investors in the form of pre-licensing services and post-licensing services are as follows:

### **a) Before obtaining a foreign investment license**

- Informing and providing necessary advice to investors regarding issues related to accepting and supporting foreign investment.
- Performing the necessary coordination and follow-up with the executive units of the agencies related to foreign investment applications.
- Accepting investment applicants in the province and following up issues related to investments through relevant executive bodies
- Receiving the request of foreign investors along with other required documents and coordination with the organization in order to issue investors' licenses
- b) After obtaining a foreign investment license
- Performing the necessary coordination in issues related to foreign investments in the stages after the issuance of foreign investment license, including registration of a joint venture, registration of orders for the entry of machinery and equipment, issues related to capital inflows and outflows, customs and tax issues, etc.
- Pursuing actions after the issuance of foreign investment licenses including administrative issues and entry of foreign investment
- Performing the assigned tasks related to the supervision and management of investment projects by the organization

### **Advantages and incentives for foreign investes in Iran**

#### **Law on Encouragement and Protection of Foreign Investment**

##### **Features and facilities of the law**

- No restrictions on the volume and percentage of foreign investment participation
- Ability to register an Iranian company with 100% foreign capital
- Transferring of the main capital, capital gains and advantages from the use of capital in the form of currency or goods
- Treating the foreign investors as the same and equal to domestic investors
- Possibility of investing foreign natural and legal entities and Iranians living abroad
- Possibility of investing in all areas allowed for the private sector
- Providing supportive coverage with all foreign investment methods
- Short and fast process of accepting and approving the foreign investment application
- Issuance of three-year residence permits for investors, managers, foreign experts and their first-degree relatives

##### **Risks covered by the law**

- Expropriation and nationalization
- Transferring of the main capital and profit from it indefinitely
- Guarantying the purchase of manufactured goods and services in foreign investment projects by BOT method if the sole buyer is the government.
-

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	Article 132 of the Law on Direct Taxes - Income from production and mining activities of non-governmental legal entities in production or mining units for which an exploitation license or extraction and sale contract concluded by the relevant ministries from the date of implementation of this article, as well as hospital service, hotels and tourist accommodation centers of the mentioned persons for whom the exploitation license is issued by the relevant legal authorities from the mentioned date are taxed zero amount from the date of commencement of exploitation or extraction or activity for five years and in less developed areas, this period is ten years.
	National	Paragraph (a) of Article 132 of the Law on Direct Taxes - Zero rate tax is a method in which taxpayers are required to submit tax returns, legal books, accounting documents for their income in the order specified in this law and within the deadlines specified in the tax affairs organization and the mentioned organization is obliged to review the taxpayers tax return and determine their taxable income based on the mentioned documents and declarations and after determining the taxpayers taxable income, their tax is calculated at zero rate.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	Paragraph (b) of Article 132 of the Law on Direct Taxes - Zero rate tax is applied for production and service units and other centers subject to this article that have more than fifty employees, if during the exemption period, each year compared to the previous year, the minimum workforce fifty percent (50%) increase, one year is added for each year of staff increase. The number of employed labor force as well as the increase in labor force employment in each unit is obtained with the approval of the Ministry of Cooperatives, Labor and Social Welfare and the submission of documents related to the list of employees social security insurance. In case of reduction of labor force from the mentioned minimum in the next year who have used the tax incentives of this paragraph, the tax belonging to the year of reduction will be demanded and collected. People who retire, redeem and resign are not considered in this reduction.
	National	Paragraph (c) of Article 132 of the Law on Direct Taxes - the period of zero tax calculation for the mentioned economic units of the subject of this article located in industrial estates or special economic zones is considered two years and in case of establishment of industrial estates or special economic zones in less developed areas, it is increased for three years.
	National	Paragraph (d) of Article 132 of the Law on Direct Taxes - the condition for benefitting from any tax exemption for real and legal entities operating in the free zones and other regions of the country is the submission of a tax return in due time. The tax return of legal entities includes the balance sheet and profit and loss account according to the sample prepared by the Tax Affairs Organization.
	National	

**Sahlan Specific Economic Region Investment Incentives and Facilities**

<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
	National	Paragraph (e) of Article 132 of the Law on Direct Taxes - In order to encourage and increase economic investment in the units subject to this Article, in addition to the period of protection through zero tax rate, investment in less developed areas and other areas shall be supported as follows:
	National	1- In less developed areas:
	National	Taxes for the years following the tax calculation period at the rate of zero mentioned at the beginning of this Article shall be calculated at the rate of zero until the total taxable income reaches twice the registered and paid-in capital and then the tax at the rates specified in Article (105), this law and its notes are considered.
	National	2- In other areas: Fifty percent (50%) of the tax for the years following the tax calculation period at the beginning of this Article shall be calculated and received at the rate of zero and the remaining fifty percent (50%) at the rates specified in Article 105 of the Law on Direct Taxes and its notes. This condition continues until the total taxable income is equal to the registered and paid capital, and after that, one hundred percent (100%) of the tax related to the rates prescribed in Article (105) of this law and its notes are calculated and received.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	Transportation income of non-governmental legal entities is covered by the tax incentives referred to in sub-paragraphs (1) and (2) of this paragraph. Non-governmental legal entities subject to this Article established before this amendment may use the incentives provided for in this Article in case of reinvestment. Any investment made with the permission of the relevant legal authorities for the establishment, development, reconstruction and renovation of the mentioned units to create fixed assets other than land is subject to the provisions of this paragraph.
	National	Paragraph (c) of Article 132 of the Law on Direct Taxes - Exception of the land mentioned at the end of paragraph (d) is not applied regarding the investment of non-governmental legal entities in transport units, hospitals, hotels and tourist accommodation centers only to the extent specified in legal permits issued by competent authorities.
	National	Article 132 (c) of the Law on Direct Taxes - In case of reduction of the amount of registered and paid-in capital of the mentioned persons who have used the tax incentives of this article to increase the capital, the relevant tax and its fines will be demanded and collected.
	National	Paragraph (g) of Article 132 of the Law on Direct Taxes - If the investment subject to this Article is made with the participation of foreign investors with the permission of the Investment and Economic and Technical Assistance Organization of Iran, for every five percent (5%) of foreign investment participation at the rate of ten percent (10%) is registered and paid in proportion to the capital according to the incentive of this article and up to a maximum of fifty percent (50%) is added.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	Article 132 of the Law on Direct Taxes - Foreign companies that use the capacity of domestic production units in Iran to produce products with a valid mark, if they export at least twenty percent (20%) of the products from the date of concluding the cooperation agreement with the Iranian production unit in the tax calculation period at the rate of zero of the mentioned production unit, is subject to this article and in case of the mentioned period, they are benefitted from fifty percent (50%) discount in the tax rate to the declared income from the sale of manufactured products in the mentioned period.
	National	Article 132 of the Law on Direct Taxes - Foreign companies that use the capacity of domestic production units in Iran to produce products with a valid mark, if they export at least twenty percent (20%) of the products from the date of concluding the cooperation agreement with the Iranian production unit, they have zero tax calculation in the mentioned production unit subject to this article and in case of the mentioned period, they shall enjoy from fifty percent (50%) discount in the tax rate of the mentioned income from the sale of manufactured products in the mentioned period.



Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	<p>Paragraph (j) of Article 132 of the Law on Direct Taxes - Zero tax rate and incentives subject to this article, including the income of production and mining units located within one hundred and twenty kilometers from the center of Tehran and fifty kilometers from the center of Isfahan and thirty kilometers from other provinces and cities with more than three hundred thousands of people will not be housed according to the latest census. IT production units with the approval of the relevant ministries and the Vice President for Science and Technology in any case shall benefit from the privilege of this article. Also, the tax on production and mining units located in all special economic zones and industrial towns, except for special economic zones and towns located within one hundred and twenty kilometers from the center of Tehran province is calculated at zero rate and benefit from tax incentives subject to this article. In the case of special economic zones and industrial towns or production units located within two or more provinces or cities, the criterion for determining the boundary shall be in accordance with regulations that must be submitted no later than three months after the adoption of this law by a joint proposal of the Ministries of Industry, Mines and Trade, Economic and Finance and the Management and Planning Organization and the Environmental Protection Organization.</p>
	National	<p>Article 132 of the Law on Direct Taxes - List of less developed areas including provinces, cities, districts and rural areas is provided in the first quarter of each five-year plan, by the Management and Planning Organization in cooperation with the Ministry of Economic Affairs and Finance in terms of unemployment rate and investment indicators and it is prepared and approved by the ministers and until the new list is announced, the previous list will be valid. Date of commencement of activity with the approval of the relevant legal authorities, credit areas is announced for taking into account incentives for less developed areas.</p>

**Sahlan Specific Economic Region Investment Incentives and Facilities**

<b>Type</b>	<b>National Or provincial</b>	<b>Explanation of services of incentives and patents</b>
	National	Paragraph (l) of Article 132 of the Law on Direct Taxes - All Iran tourism and tourism facilities that have obtained an operating license from the relevant legal authorities before the implementation of this Article are exempted from tax for a period of six years after the effective date of this Article from the payment of fifty percent (50%) income tax. This provision does not apply to the income from sending a tourist abroad.
	National	Paragraph (m) of Article 132 of the Law on Direct Taxes - One hundred percent (100%) of the declared income of tourism and pilgrimage offices licensed by the relevant legal authorities, which is obtained from attracting foreign tourists or sending pilgrims to Saudi Arabia, Iraq and Syria is taxed in zero tax rate.
	National	Paragraph (n) of Article 132 of the Law on Direct Taxes - Zero rate tax, the subject of this law, only includes declared income, except for undisclosed income. This ruling applies to all zero-rate tax provisions in this law and other applicable laws.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	<p>Article 132 of the Law on Direct Taxes - Equivalent to research and development costs of private and cooperative legal entities in production and industrial units licensed by the relevant ministries in the form of contracts with universities or research centers and higher education with a final license from the Ministries of Science, Research and technology and health, treatment and medical education performed within the framework of the comprehensive scientific map of the country is considered provided that the annual progress report is approved by the research council of universities or relevant research centers and gross income from their production and mining activities should not be less than five milliard (5,000,000,000) Rials and a maximum of ten percent (10%) of the tax on the year of the mentioned expense will be exempted. The equivalent of the amount credited to the tax account of the mentioned persons will not be accepted as tax eligible expense. The executive instructions of this section shall be approved by the Ministers of Economic Affairs and Finance, Industry, Mining and Trade, Science, Research and Technology, and Health, Treatment and Medical Education upon the proposal of the Tax Affairs Organization.</p>
	National	<p>Note 1 Article 132 of the Law on Direct Taxes - All tax exemptions and calculation at zero tax rate in excess of the existing laws mentioned in this article will be implemented from the beginning of 2016.                      Note 2: Article 132 of the Law on Direct Taxes - The executive by-law of this article and its clauses shall be prepared by the Ministries of Economic Affairs, Finance, Industry, Mines and Trade in cooperation with the Tax Affairs Organization and approved by the Board of Ministers within six months after the law is notified.</p>

**Sahlan Specific Economic Region Investment Incentives and Facilities**

Type	National Or provincial	Explanation of services of incentives and patents
	National	Article 13 of the Law on the Administration of Free Trade-Industrial Zones of the Islamic Republic of Iran - Real and legal entities are engaged in various economic activities in the region, regarding to economic activity in the free zone from the date of operation specified in the license for twenty years. Payment of income tax and assets subject to the law of direct taxes will be exempt and after the expiration of twenty years will be subject to tax regulations that will be approved by the Islamic Consultative Assembly upon the proposal of the Cabinet.
	National	Paragraph (a) of Article 5 of the Law on the Protection of Knowledge-Based Companies and Institutions and the Commercialization of Innovation - Exemption from taxes, duties, customs duties, commercial profits and export duties for fifteen years.
	National	Article 9 of the Law on the Protection of Knowledge-Based Companies and Institutions and the Commercialization of Innovation - In order to establish and develop knowledge-based companies and institutions and to strengthen international cooperation, research, technology and engineering units located in science and technology parks are allowed to carry out assigned missions shall be benefitted from legal benefits of free zones in terms of labor relations, tax exemptions and levies on foreign investment, and international financial transactions.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	Support package for the development of non-oil exports (announced through No. 396404/99/48 dated 2021/06/05) - According to the implementation of the plan for the declaration of final export shipments, all commercial actors and relevant stakeholders can use the facilities provided in this regard during day and night and it is also necessary for the relevant customs to take the necessary measures regarding its correct and accurate implementation.
	National	Issuance and renewal of temporary entry permits for processing (subject of Article 2 of the Customs Law) and extension of temporary entry permits for processing (subject of Article 2 of the Executive Regulations of the Customs Law) according to publication No. 430858/97/169 dated 2018/06/06 to the areas of customs supervision and the customs of the provincial centers have been delegated, and it is also possible to settle the temporary entry permits in stages (before the full export), so it is appropriate to take the necessary measures by examining the issue within the framework of the relevant regulations.
	National	Refunding of import duties on imported goods that are directly exported from the country, as well as raw materials used in the production of export products (subject of Article 2 of the Customs Law), according to Circular No. 430886/97/173, has been delegated to customs centers of provincial centers. Therefore, it is necessary for the customs to act in accordance with the relevant regulations. Also they shall accelerate the processing of import refund requests of national and provincial sample exporters as well as authorized economic operators (AEO) in accordance with the provisions of the Article.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
	National	Issuance of temporary export license for goods for repair, participation in exhibitions, equipment required by exporters of technical and engineering services and automobiles, according to Circular No. 94977/92/238 dated 2013/07/21 has been delegated to Tehran customs, provincial centers and border customs and the relevant customs offices shall comply with the relevant laws and regulations.
		It is possible to provide "full shipment" and "on-site assessment" services to production units in carrying out customs formalities of export cargoes, as well as the possibility of exporting cargoes of production units through border markets (with the exception of some goods such as petroleum products) according to Circular No. 62991./92/143 dated 2013/06/1 has been notified to the customs, so it is appropriate that the customs, in compliance with the relevant regulations, to implement it and also to provide services outside office hours and holidays and provide the necessary facilities pursuant to the request of the owners of the goods and observing the relevant regulations and the necessary action should be taken as usual.

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
		<p>Due to appropriate conditions to facilitate customs formalities for export shipments at the customs of origin, including the need to refer to the consignment of export declarations of green and yellow routes for weighing and the possibility of registering cargo specifications by exporters in export declarations of these routes, it is possible to deposit valid bank guarantees by exporters of goods subject to export duties instead of cash payment that solves the problems caused by lack of liquidity of production units located in free and special economic zones through the possibility of keeping part of export goods produced in free trade-industrial and special economic zones as a guarantee with implementing regulations of the Customs Law and enabling the export of goods of exporters with a superior exporter certificate and holders of certificates that can use of the standard mark without the need for a standard case license, the possibility of allocating special export routes, especially in high-traffic border customs for fast, corrupt and dangerous goods. It is appropriate to provide the mentioned facilities in compliance with the relevant laws and regulations. Due to establishing a systemic relationship with neighboring organizations to obtain all relevant regulatory licenses, in order to expedite and facilitate the customs formalities of export shipments to obtain the relevant licenses systematically in the context of the relevant system.</p>
		<p>According to the amendment of the instructions for reforming and improving the processes of export, import, transit and swap of crude oil and gas condensate, petroleum products and derivatives notified to the customs through the circular No. 8/98 dated 2019/2/20, it is necessary for the customs to take action in compliance with the relevant regulations.</p>

Sahlan Specific Economic Region Investment Incentives and Facilities

Type	National Or provincial	Explanation of services of incentives and patents
		<p>According to the elimination of the reputational process in the process of exporting liquid oil and gas derivatives, in accordance with paragraphs 24(a) and 24(c) of the instructions for modifying and improving the processes of export, import, transit and exchange (swap) of crude oil, gas condensate and products and petroleum derivatives in customs affairs (notified through Circular No. 8/98/256 dated 2019/02/20) and in order to facilitate customs formalities, export cargoes belonging to production units or items with the national standard mark (exported by production or commercial units) as well as cargoes which are not subject to coding are purchased through the export ring of the stock exchange and the departure of these consignments after the sampling process is possible by obtaining a commitment from the exporter. Therefore, it is necessary for the relevant customs to take the necessary actions in compliance with the relevant laws and regulations.</p>
		<p>Considering the possibility of storing export cargoes of liquid oil and gas derivatives belonging to production units in private warehouses, it is possible to store export cargoes of liquid oil and gas derivatives produced in free trade-industrial and special economic zones in private warehouses and export the main oil products (gasoline, kerosene, diesel and fuel oil) by the companies affiliated to the Ministry of Oil through all official borders of the country and it is necessary for the relevant customs to take the necessary steps in accordance with the relevant laws and regulations.</p>



## **Tabriz Chamber of Commerce, Industries, Mines and Agriculture**

Tabriz has been one of the most important commercial centers in Iran regarding locating on connection of Iran with Europe, the east-west route as well as the north-south route and has a specific position in exporting agricultural and industrial products to foreign countries. On the other hand, large local merchants as well as merchants from other provinces of Iran were active in this city and held meetings to exchange their views, settle disputes, regulate commercial affairs, and solve problems, production and export of the goods and transport and appointed persons called chief executors. These merchants also set and enforced regulations to make their business better. It can be said that this was the first step in forming Tabriz Chamber of Commerce.

The establishment of chamber of commerce in Tabriz dates back to 1906, which started operating as the Chamber of Commerce and as the first chamber in Iran. This chamber has been operating for more than one hundred years and has always been an important center for Iranian trade.

The Tabriz Chamber of Commerce is currently one of the most populous chambers and one of the export hubs of Iran with about 2000 members in various fields of industry, mining, agriculture and trade. Members of Tabriz Chamber are active in various fields such as food, pharmaceutical and health industries, items and parts manufacturing, automobiles, machinery and agricultural machinery, oil, gas and petrochemical industries, mining, agriculture, steel, leather and footwear, polymer, plastics, textile industries, chemical industries and industries related to technical and engineering services, home appliance manufacturing industries, tourism-related industries, handicrafts and carpets. The members of Tabriz Chamber are selected as the top exporters in the country in various fields every year, which shows the high production and export capacity of the members of Tabriz Chamber.

Tabriz Chamber has always hosted economic and commercial delegations from all over the world and has a favorable relationship and interaction with chambers and businessmen of other countries.

Tabriz Chamber of Commerce, Industries, Mines and Agriculture is currently located in the historic building of this chamber on Artesh-e-Shomali Street in Tabriz and is a place for flourishing of Iran's trade with all countries of the world.

