

# Rls.2.5 Trillion For Water Projects

**TEHRAN, Nov. 14--** Some 2.5 trillion rials out of the targeted 10-trillion-rial revenues from the sales of state-sponsored participation bonds will be allocated for water projects, a senior Energy Ministry official said here on Sunday.

Reza Ardakanian, deputy energy minister for water affairs, told ISNA that the water sector will also receive funds from Foreign Exchange Reserve Fund in cooperation with Management

and Planning Organization and Central Bank of Iran during the current year.

He further said that the government has allocated 15 trillion rials for water projects this year, stressing that several major projects would become operational by next March.

"Some 16 large dams will go on stream and another seven will reach the final stages of construction," he said, expressing hope that the government would be

able to supply the projected funds for water projects.

Iran is one of the world's top dam-building countries. Over 80 percent of the equipment used in dam-building projects is produced domestically. Iranian engineers design most of the plans.

At present, some 4.3 trillion rials in development funds has been invested in hydroelectricity development projects. These funds could help add some 800-1,000

megawatts of power to the country's overall electricity generation capacity.

The ratio of power generated from hydroelectric system to the entire power generation capacity is expected to increase by 20 percent by the end of the fourth development plan in 2010.

Fifty percent of dam-building projects have been and will be implemented during President Mohammad Khatami's tenure.

# Silk Producers Face Crisis

**TEHRAN, Nov. 14--** Excessive smuggling of low quality silk products into the country has pushed domestic industry on the verge of recession, said a senior silk industry official on Sunday.

Managing director of Iran Silk Company, Ali Shahrifard told ISNA that customs offices are obliged to check the import of substandard silk products.

"However, a glut of cheap and low quality silk yarn in the market, which have been brought in through illegal channels, has created crisis for local produc-

ers," he added. Shahrifard called on governor generals, related officials and those consuming illegal silk products join hands to combat smuggling to help domestic industry, which is currently undergoing a tough period.

A project to produce domestic silkworm eggs was one of the most successful projects in the country, which was implemented in cooperation with the UN Food and Agriculture Organization (FAO). Over 30,000 boxes of these locally bred silk-



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worms were exported to the last Iranian year (ended March 19).

## 35,000 Tons Of Tea Smuggled in 3 years

### Curbs on Border Trade Difficult

**TEHRAN, Nov. 14--** Shrimp production is expected to increase by 18-20 percent this year, the managing director of Iran Fisheries Company said Sunday, adding that the growth in shrimp output comes after three years of recession.

Lotfollah Saidi told ISNA that Iran's shrimp production declined following the drop in international shrimp prices in 2001.

"Shrimp production fell from 7,600 tons in 2001 to 6,000 in 2002 and then rose to 7,500 tons in 2003," he said, stressing that production would reach "9,000 tons by March," he said, adding that some 180,000 hectares

of southern coastal region have been identified as proper shrimp farms.

The official said 4,300 hectares have been brought under shrimp farming this year.

Saidi further noted that the fourth development plan (2005-2010) has envisaged annual production of 45,000 tons of shrimp in the target year of 2010.

"Some 95 percent of this year's production will be

exported," he said, adding that Iranian shrimp sells for four US dollars per pound, which is 50 percent lower than the prices for 1998.

He said the downward trend in global prices has led to major shrimp producing countries trying to employ modern techniques to lower production costs.

"Average production has increased from 1.2 to 2.3 tons per hectare in Iran," he added.

fresh deals with ISPs until new rates are announced.

Elmi said ICT Minister Ahmad Motamedi has agreed with the proposal of turning the association into a union, but talks are still underway to this effect.

"The (ICT) ministry is afraid once we become a union, it would lose control of the Internet sector," he said, adding that the only way to prevent financial corruption and create job security in the sector is to organize Internet affairs through a union.

The Internet browsers in Iran pay more charges than those in other countries. This is while they always complain about slow-speed Internet connections and relevant telecommunication problems.

consumer goods, fuel and narcotics.

He, however, said it is rather impossible to halt border trade due to strong social and economic bonds between people living on either side of the frontier.

"In recent years, border markets have been used mostly by smugglers to bring in strategic products, leading to a recession in national industries and production sector," he added.

Experts believe high import tariffs have given rise to smuggling of goods in border areas.

Border markets have also failed to operate cross-border trade effectively due to wrong policies devised by economic decision-makers.

The country will have to pay a high price for economic and security problems in border areas.

**TEHRAN, Nov. 14--** A lawmaker said here on Sunday that 35,000 tons of tea has been smuggled into the country in the past three years, stressing that border markets do not have the capacity to handle such huge amount of illegal trade.

Abbas Rajaei, rapporteur for the Majlis Agriculture Commission, told ISNA that those responsible for tea smuggling blame border markets for diverting public attention from their own illegal dealings.

"Unfortunately, it is very difficult to control all borders with neighboring countries," he said, adding that the huge bulk of smuggled goods has caused serious damage to the national economy.

The lawmaker said border inhabitants are involved mostly in smuggling of

## Internet Rates Drop 50%

**TEHRAN, Nov. 14--** An Internet industry official said here on Sunday that the Internet rates will be reduced by 50 percent within the next two weeks, stressing that the initiative would benefit both the Telecommunication Company of Iran and the users.

Alireza Elmi, who heads Legal Committee of the Internet Service Providers (ISPs) Association, told ISNA that a committee comprising of two senior officials of the Ministry of Information Communication and Technology (ICT) and representatives of the ISPs Association has been set up to look into the problems facing the Internet sector and cut the rates.

"Internet rates are coming down this year," he said, adding that the ministry has decided not to embark on

# National Iranian Steel Industries Company (NISCO)

Iran National Steel Industrial Group (INSIG) invites national and joint ventures of national and international companies to participate in an EPC tender based on buy-back scheme for construction of a direct reduction module with the capacity of 800,000 tons/y of +5 mm sponge iron and material handling plant with the capacity of 2.5 million tons/y consisting of a car tippler for unloading iron ore pellets, combined stacker reclaimer, the necessary connecting conveyors and truck unloader station.

- Scope of obligation of contractors shall be as set forth in tender documents, brief scope of obligation of contractor shall include provision of finance to cover all project costs, except down payment based on the schemes and terms acceptable to Central Bank of Iran (Bank Markazi Iran), design, engineering, supply of plants, civil construction works, erection works, commissioning and performance test of the plants, training, provision of license and know-how. Repayment of the finance shall be made through buy-back of steel products of INSIG.

- Bidders shall have adequate reputation and experience in the related field.
- Requirement of design, engineering, production, industrial, civil works and erection potentials and provision of facilities for export of services approved on 12.12.1375 in the parliament (corresponding to March 2, 1997) shall be fulfilled i.e. in any foreign-Iranian partnership, Iranian partners shall have at least 51 percent of the shares of the joint venture.
- Tender guarantee is USD three hundred and sixty thousand (\$360,000).
- Qualified bidders may obtain tender documents from November 16, 2004, to November 30, 2004, during working hours from 'Tara Tarh' Engineering and Technological Company located at No. 51, 19th Alley, Jahan Ara St., Tehran, Iran and Tel. No. (+98) 21 8005735, 8006446, 8001287 upon presentation of the following:
  - An official introduction letter from the company participating in the tender.
  - Original receipt of payment of non-refundable amount of Rls. 4,000,000 to INSIG Bank Saderat, Current A/C No. 2222, Branch code 3446, Ahvaz, Iran for Iranian companies or original receipt of payment of non-refundable amount of 1,000 USD to INSIG Export Development Bank, Ahvaz, Iran, Foreign Exchange, Current A/C No. 160034784 Branch Code 1316, Ahvaz, Iran for foreign companies.

Closing date: All bids must be delivered against a receipt to following address on or before December 29, 2004.

## Iran National Steel Industrial Group (INSIG)

Invitation To International Tender No. 283052

Direct Reduction, Material Handling, Storing & Reclaiming Project

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