

# Mass Construction To Help Ease Housing Problems

**TEHRAN, Feb. 21--** Housing construction will be expanded through mass building and government participation in the construction sector, said Housing and Urban Development Minister Mohammad Saeedikia.

Speaking in a meeting with the governor generals and governors of Markazi province in Saveh, he said that the ministry's policy is to entrust construction operations to mass builders.

He added that the ministry would only grant bank loans and supervise their activities.

The minister stated that those who do not have any house and did not use government facilities can establish cooperatives to own a residence.

"Under a plan, the Housing Ministry will pay 50 percent of the cost of the projects and grant long-term loans (15 year) to builders," Saeedikia said.

Referring to natural disasters including earthquake, he said that mass builders should prioritize improving the quality of buildings.

He said that renovating old structures of cities and resolving the problems of informal settlements is necessary and should be taken into consideration by municipalities and housing organizations.

Last year there was a shortage of 1.6 million housing units in the country. Experts argue that it is necessary to build at least three million housing units to stabilize real estate market.

Though 84 real estate developer associations built at least 250,000



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housing units nationwide last year, housing shortage has not eased. Poor growth in urban construction sector is mainly due to low investment, unsatisfactory economic growth and obstructive laws.

# Hydropower Generation Capacity Improving

**SHAHR-E KORD, Chahmahal-Bakhtiari, Feb. 21--**Iran is expected to increase hydroelectric power generation capacity by 3,300 megawatts by the end of the Fourth Five-Year Development Plan in 2010.

Stating the above to IRNA on Wednesday, Naser Ehsani, deputy head of technical and development projects at Iran's Water and Energy Resources Development Company, said the total capacity of hydroelectric power generation in 2010 will reach just about 9,800 megawatts.

He said to this end several dam construction projects and hydroelectric power stations will become operational by the end of the plan period.

According to him, Water and Energy Resources Development Company has already built three dams, one giant hydroelectric power station with a capacity to generate 3,500 megawatts of electricity as well as several other small and medium-sized hydroelectric dams. The company is also planning to build several hydroelectric dams in an effort to generate over 16,000 megawatts of electricity in the near future.

At the moment the company is preparing to commission several hydroelectric power stations with a capacity to generate 2,500 megawatts of electricity to meet the growing demand in Khuzestan, Gilan, Isfahan, Kohkiluyeh-Boyer Ahmad, and Chahmahal-Bakhtiari provinces.

# Support for Energy Cooperation With Turkey

**ANKARA, Turkey, Feb. 21--**Cooperation between Iran and Turkey in the field of energy has reached a desirable level, said Turkish Energy and Natural Resources Minister Hilmi Guler, IRNA reported.

Speaking to reporters after meeting Iranian Foreign Minister Manouchehr Mottaki, he described the negotiations as fruitful and expressed hope that bilateral collaboration would be further expanded.

He added that Iranian Oil Minister Kazem Vaziri Hamaneh is due to visit Turkey within two weeks and this will provide a good opportunity for the two countries to review details of their energy cooperation.

Guler noted that the two sides also talked about cooperation in the electricity sector, adding the transmission line is due to be upgraded to facilitate rapid exchange of power.

He said cooperation in field of gas refinery construction is on the two countries' cooperation agenda as well.

The Turkish minister added that Iran and Turkey will also collaborate in the field of oil exploitation in the two countries, adding Turkey expected Iran to create conditions for Turkish companies to participate in Iranian tender especially in the field of energy.

He noted that strategies for Iran and Turkey joint activities in the third country in mine and other fields of energy would be studied as well.

Mottaki, for his part, referred to the two countries' deep relations and bilateral cooperation in the economic, commercial and trade areas.

He said that the meeting, which was held in the framework of Iran-Turkey Economic Commission, was a good opportunity for studying details of bilateral energy cooperation.

He expressed satisfaction over the cooperation of the two countries in the energy sector.

Head of Turkish Foreign Trade Organization Tuncer Kayalar told IRNA on Saturday that Iranian and Turkish officials are expected to make good on the opportunities the two countries missed so far for economic cooperation.

# Poverty Alleviation on Agenda

**TEHRAN, Feb. 21--**The government has a number of plans for the next Iranian year (starts March 21) to reduce poverty and provide a wide range of services and support to selected number of low-income households, reported the Persian Daily Iran.

Stating the above to reporters, Mahmud Asgari Azad, deputy head of social affairs at Management and Planning Organization, said as per Note 2 of the budget bill for March 2007-2008, three billion rials will be allocated for supporting low-income households.

He said the aim is to resolve food and nutrition issues, eradicate poverty and ensure that the next generations will go through similar circumstances.

Asgari Azad maintained that a special effort will also be set up to create jobs for the needy.

Also poor families will have dormitories in the deprived areas to help their children continue education without having to pay for accommodation, he added, noting that some 1,000 billion rials have also been allocated to create jobs for poor households as well as those which will be covered by the nationwide scheme.

Other measures in the budget bill include allocation of funds for health insurance (1,000 billion rials), plus 383 billion rials for those suffering from rare diseases and disabilities.

In conclusion the official said special attention has also been given to private sector involvement in the scheme. For instance, private businesses willing to set up health and treatment centers in deprived areas will receive 25 percent of construction costs plus free land. Academic centers will also be duty-bound to allocate 5.1 percent of their budgets to private units by purchasing their services.

The scheme is expected to cover 45,000 needy households by providing health and treatment services, education, health insurance cover, income and employment.

# Tea Farmers Seek Help

**TEHRAN, Feb. 21--**Head of North Tea Farmers Union has said even if Tea Framers Cooperative is set up, it will still be unable to resolve many pressing issues facing tea growers, such as tea smuggling, adding that there is a need for the country to come up with a comprehensive plan to help tea farmers, producers and distributors to work and cooperate with each other.

Iraj Hessami told Moj that despite the numerous promises made to tea growers in the past, their problems remain unresolved and the only way to solve them is to have tea farmers and other production and distribution units work with each other.

He underlined that officials need to come up with a new plan in which tea growers are the main producers, factories are processors and buyers and sellers are distributors under direct supervision of the government. They should also commit themselves to the responsibilities they are supposed to carry out during the entire process.

Hessami called on all the affiliated organization to also work and cooperate with each other as part of collective efforts to protect the tea industry 'as this is the only way to save the industry'.

Turning to tea smuggling, he said the growing trend of tea smuggling and untrained imports have undermined the tea industry in recent years.



Billions of rials from public funds have been spent on annual tea production but most of the produce remain in the warehouses.

"As a result many farmers have lost their jobs and their only source of income. The only way to prevent the situation from deteriorating, it is crucial to stop uncontrolled tea imports and smuggling," he added.

Smuggling is a pressing issue for the industry. According to media estimates, some 50,000 tons of tea are smuggled into the country each year. Some of it is low-grade Iranian tea, bought at knock-down prices and then flavored with artificial additives, repacked as foreign produce and sold at high profits.

While such products are eagerly consumed, tons of Iranian tea lie rotting in warehouses, as wholesalers do not want it. In an effort to avert total collapse, the government has pledged to buy half the farmers' crops and give grants to factory owners to buy the remaining.

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# Petrol Smugglers Fined

**TEHRAN, Feb. 21--**A senior official said a foreign ship on lease by Iran was seized near Iran's Lavan island in the Persian Gulf, carrying over 100,000 liters of gasoline.

Hamid Reza Mohammad-Taqizadeh, secretary of the Headquarters for Combating the Smuggling of Goods and Foreign Currencies told ISNA on Tuesday that the smugglers will face an 8.5 billion-rial fine and disclosed that the crew was considering a 4,000-dirham kickback for local judiciary officials. "The case has been taken up by Kish court branch 101," he said.

Two Iranian and one foreign boat were also caught on February 16, near the Persian Gulf island of Abu-Mousa island carrying over 120,000 liters of gasoline. The owners of the boats would face heavy fines of more than five times the international value of the fuel they were carrying, Mohammad-Taqizadeh added.

The secretary also pointed to 144,000 cylinder ampoules worth 2.8 billion rials as well as 6 million liters of furnace oil in a factory in the north eastern province of Semnan. The smugglers were fined 8.8 billion rials and 210 billion rials respectively.

Noting the significant amount of subsidies allocated to fuel, Mohammad-Taqizadeh stressed the priority of fuel smuggling cases.

# Majlis Will Review Budget Bill in March

**TEHRAN, Feb. 21--**First Vice Speaker of the Majlis Mohammad-Reza Bahonar said here Wednesday that Majlis will begin reviewing the budget bill for the Iranian year (March 2007-2008) on March 3.

According to IRNA, Bahonar, who was speaking at an open session of the Majlis, said there will be no open session of parliament next week.

President Mahmoud Ahmadinejad submitted his proposed 229,000-billion-rial annual budget for the Iranian year 1386 to the Parliament on January 21.

The proposed budget, the second to be submitted to Majlis by President Ahmadinejad, shows a 19.6 percent increase over the figure in the current budget.

As in previous years, Majlis will review the bill and propose whatever amendments it deems necessary.

The MPs will have 10 days to study the proposed budget and inform the Majlis' Budget Commission of their findings and recommendations.

# Call to Fix Gasoline Price

**TEHRAN, Feb. 21--**Majlis Speaker Gholamali Haddad Adel said here Wednesday that gasoline price should be approved in the open session of the Majlis noting that the rate proposed by Majlis Budget Joint Commission is not concrete, Fars reported.

The Majlis Budget Joint Commission Tuesday proposed 1,500 rials (16 cents) per liter for gasoline on Tuesday for the Iranian year which starts on March 21.

The proposal should be discussed and approved by all MPs in an open session of the Majlis, said the speaker.

Talking to reporters, the speaker added that MPs are divided on gasoline price, some believe that it should be fixed while others seek rationing to control consumption. This would do away with the need for the parliament to allocate hard currency for gasoline imports. However other lawmakers consider that gasoline rationing will create black market, Haddad Adel noted.

He observed that gasoline price hike can control consumption.

Upon approval by city of Isfahan objected to the voting process and said that the decision contradicted the provisions of the Fourth Development Plan (2005-2010).

Hassan Kamran said that a number of MPs had left the meeting in protest.

The 47-member commission approved the decision by 23 votes in favor.



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Earlier Deputy Oil Minister said that gasoline rationing will have to begin by March otherwise there would be no alternative but to import the commodity against government policies.

Mohammad Reza Nematzadeh added that some \$2.5 billion approved by the Majlis for gasoline imports would be sufficient only until March.

An MP from the central