

# Trade With Africa Must Expand

First Vice President Parviz Davoudi has said that Iran has commercial ties with 151 countries, exporting 3,900 types of commodities.

Speaking at a seminar on Iran-Africa trade opportunities on Monday, he said the country plans to develop trade in technical and engineering, dam building, power transmission, and telecommunication fields, IRNA reported.

Putting Iran transactions with Africa (excluding oil exports to South Africa) at \$600 million annually, the official stated that trade rose by 60 percent this year compared to the figures for last year.

He called for expansion of banking relations and establishing joint banks with African countries.

Iran cooperates with over 60 banks in 20 African states while 30 agent banks of Export Development Bank of Iran are active in 15 African countries, Davoudi noted.

Speaking at the same gathering, Commerce Minister Masoud Mir-Kazemi said that Iran's exports to Africa



Parviz Davoudi

increased by 3.2 percent during 2001-2006. Iran's African exports make up 2-3 percent of total exports, he added.

The minister underlined that unexploited potential should be tapped to develop exports with the continent. Highlighting the old Iran-African trade relations, he pointed out that imports from the continent grew by 165 percent in recent years.

In compliance with the Constitution, Iran foreign relations are based on expansion of South-South cooperation, Mir-Kazemi noted underlining bolstering ties with Africa in all arenas, especially commerce.

Also, director general of Trade Promotion Organization of Iran's Africo-Arabian Commercial Office, Mohammad Mousavi Mirkalaei, said the conference would help remove banking, transportation and insurance problems with Africa.

Attended by businessmen and representatives from Algeria, Chad, Kenya, Libya, Morocco, Senegal, South Africa, Sudan and Tunisia, the two-day gathering wraps up today. It is aimed at finding ways to increase export of goods as well as technical and engineering services to the continent.

## Export Given New Priority

By Masoud Safa

Iran intends to focus on exports rather than producing for the domestic market in order to compete in global trade. This view has been expressed by two senior economic officials.

Minister of Economic Affairs and Finance Davoud Danesh-Jafari has spoken of the need to promote the culture of production for exports and particularly using foreign investments to boost exports. He has said that attraction of foreign investments can lead to Iran gaining access to global markets. Meanwhile, Central Bank of Iran (CBI) Governor Tahmasb Mazaheri has announced that Economy Ministry and CBI intend to increase the capital of local banks to support exports.

The average growth rate of non-oil exports in the 1990s stood at about 5.6 percent. This rate should reach 10.7 percent during 2005-9.

Therefore, the ratio of non-oil exports to gross domestic product should reach 10 percent from 6.3 percent and the ratio of foreign investments to gross domestic product should also go up to three percent from 0.6 percent. Non-oil exports in 2006-7 amounted to over \$16.3 billion and it seems that the figure should reach \$20 billion in 2007-8.

Iran intends to make non-oil exports revenues at par with oil revenues. This is tough but attainable. Production capacities in sectors such as foodstuff, automotive, petrochemicals, carpet and agriculture have increased in recent years, but many of the existing exports structures are traditional and do not comply with modern marketing and exports production mechanism. The expectation is for producers and exporters to change their culture and learn the rules of global markets. Recently 'Trade Radio' went on the air in a bid to promote exports. At present, the focus of attention is using foreign investments as well as domestic financial resources to compete in the international scene. It is hoped that once the private sector dominates foreign trade, foreign investments in exports and service sectors would be promoted. Meanwhile, many financial resources have been provided for promoting exports. Iran Central Insurance Company has encouraged governmental and non-governmental companies to offer new supportive packages for covering exports risks and Exports Guarantee Fund of Iran, as an institution that supports exporters against political and economic threats, has launched more extensive plans.

As Mazaheri has said exporters shoulder the task of effective utilization of the capacities of the fund. "Procurement of financial resources for exports is not limited to Exports Development Bank of Iran or the Sanat va Madan (industry and mine) Bank or Exports Guarantee Fund of Iran, but rather through expanding software this task can be fulfilled by commercial governmental and private banks," Mazaheri said.

Currently, many foreign and domestic firms are cooperating to produce exportable goods. These companies have constantly appealed to officials to remove the legal and executive obstacles in order for Iran to find its way to foreign markets. It cannot and should not be doubted that the declared goals can be accomplished through effective utilization of the experiences of other countries which have had successful exports and also promotion of foreign investments—particularly by encouraging investments by expatriates. This way Iran's trade balance will become positive within a pre-arranged time span.

All angles considered, many barriers are being removed and Iran is trying hard to curb its dependence on petro-dollars. With this objective in mind, the everlasting concern of our statesmen will be exports and nothing but exports.

## Foreign Banks Get Permits

Branches of three foreign banks will be set up in Iran in the near future, head of Central Bank of Iran said without mentioning the names of the banks.

Tahmasb Mazaheri explained that with the approval of CBI, the permit has been issued for setting up branches of two foreign banks, adding the permit to launch the branch of another bank would be issued by next week, Fars news agency reported.

He elaborated that the executive procedures for launching the branches would take one or two months.

The official pointed out that other overseas banks could put forward their plans to CBI to set up branches or cooperate with Iranian parties.

Turning to charges of money laundering alleged by the US against two commercial banks Saderat and Mell, he said that these false accusations stem from US belligerence towards Iranian government and nation. No lawsuit against Iranian banks on money laundering has been filed anywhere in the world, he declared.

Highlighting that money laundering is used by those involved in illegal activities, such as drug trafficking, organized crime, tax-evasion, bribery and corruption to clean up the dirty money, he said anti-money laundering law has been ratified by Majlis.

In addition, CBI has obliged banks to campaign against money laundering since 2002, he underlined.

He continued that US banks have the highest number of money laundering in the world. This is while, no case of money laundering has been reported in Iranian banks, he compared.

Mazaheri said that Iran's trade partners are free to decide whether to work with Iranian banks or not. However if they close the offices of Iranian banks, they will face problems in re-registering them and should wait at least five years, he cautioned.

## Software Exports Reach \$25m

Deputy head of the Union of Exporters of Iranian Software on Sunday said that some \$25 million worth of products were exported to 10 countries in 2006-7.

Speaking to reporters, Mohammad Reza Taleai added that in 2005-6 some \$15 million worth of software products were exported.

He recalled that in 2005-6 a plan called 'Rise of Software Exports' was presented to Iran's Trade Promotion Organization, IRNA said.

"With the cooperation of the organization's experts, the plan changed to a supportive package for promoting software exports," the official pointed out, stressing that the package has been approved by the cabinet and over 30 billion rials has been allocated for its implementation.

The package's targets include paying a prize (eight percent of total exports) to exporters, costs for improving the quality of exports, introducing export potentials and related research and development.

Taleai hoped that with the implementation of the package, software exports will reach \$50 million in 2008-9.

He said that exported software in 2006-7 include a package for the blind, which was exported to Germany, a collection of tourism-related information exported to the UAE and an accounting program exported to Germany and the UK.

Supportive package for 2007-8 has been prepared, he concluded.

Meanwhile, a member of Board of Directors of the union, Mohammad Reza Hosseini said that a trade committee has been established in the union to help boost exports. By March, at least three specialized delegations will be sent to three countries selected from among Uzbekistan, Malaysia, Syria and Lebanon, he noted.

He also said that the union welcomes qualified software firms for participating in Cebit Fair in Germany. "We have set no pre-requisites for the firms and we invite all companies with exports potential to participate in the exhibition," he observed.

## Standardization Inevitable

By Sadeq Dehqan

Head of the Iranian Standard and Industrial Research Institute (ISIRI) Mohammad Nazemi-Ardakani on Monday said that standards facilitate scientific and technical infrastructure and serve as the common scientific and technical language for production, trade and consumption.

Addressing a gathering themed 'Standard and Quality', he added, "In order to have good production, healthy trade and safe consumption systems it is essential to use standards."

The official recalled that so far over 16,500 international standards and 9,700 national standards have been issued.

"Each of these standards serves as a practical and safe mode of producing diverse needs of the society," noted Nazemi-Ardakani stressing that the standard system improves the production process.

He recalled that the standard system also facilitates a scientific approach to trade and ultimately leads to public satisfaction.

Underlining that the standard system is the most important parameter for improving production quality and



Mohammad Nazemi-Ardakani the ISIRI chief at the gathering themed 'Standard and Quality' in Tehran on Monday.

productivity in economic agencies, he noted, "If production, management and social responsibility standards are utilized in a production unit, then the unit can move toward advancement and growth and also

increase its share in local, national, regional and international markets."

He said that producers benefit more from the standard system than traders and consumers.

"The impact of standards is complete when

we witness an efficient standardization system. This implies that compilation of standards, related training as well as their promulgation, implementation, evaluation and issuance are unified in the arenas of production, services, trade and consumption," he added.

Meanwhile, managing director of an exemplary production unit in Tehran, Hojjatollah Amani, said that in industrial countries the driving force behind economic advancement is the competitive spirit.

He underlined that competition is not really a consideration in Iran.

"In our country, some firms encounter fierce domestic and international competition while others compete with the government or are active due to governmental support. Such a situation necessitates that an entity should be in charge of production quality. This is why Iranian Standard and Industrial Research Institute has taken charge," he noted.

Some 22 exemplary producers were awarded in the ceremony, which was held at Tehran's Olympic Hotel.

## New Version of Multi-Purpose Computer Coming

The new version of the first multi-purpose computer in the world will hit the market soon.

The computer, called 'Colonizer', also has an in-built printer, scanner, webcam as well as fax and copy machines and can be hooked to a TV set. It was completely designed by Iranian engineers while European and Taiwanese companies have handled manufacturing of its hardware, www.hamshahronline.ir reported on Monday.

Commercial manager of Gostaresh-e Rayaneh Farda, Homayoun Farzaneh, said, "The good thing is that Colonizer is user-friendly. It has been designed in such a manner to enable people unfamiliar with computers to enter the digital world in one hour and even send e-mails."

He added that many methods of sending information have been simplified in Colonizer.

"For example, for a user who does not like to type a text when sending e-mails there is an option which enables the user to first write the text on paper, scan it and then send an e-mail by clicking once. For e-mailing a picture ordinarily there are three phases involved. But, when you use Colonizer, only one stage is necessary. Another advantage of this computer is that it has the smallest motherboard in the world. The motherboard was designed by Iranians and manufactured by a Taiwanese company. Colonizer does not have a case."

All the software of Colonizer has been written in Iran. The computer can be adjusted for English, Persian, Portuguese, Arabic, Thai, Russian and French languages.

Farzaneh also recalled that Colonizer was internationally patented under the name of its inventor, Mehdi Kashani in 2002.

"Hewlett Packard Company showcased another model of Colonizer in an exhibition in Las Vegas in 2003. HP won the top prize in this event," he noted.

The operating system of Colonizer is Windows XP. Special software has also been added to it to make it easier to use the computer. Web pages can be fully translated into Persian on this computer.

The Alpha model of Colonizer with a 15-inch monitor hit the market in 2003. The new version will enter the market with 17, 19 and 32 inch monitors.

The price of the Alpha model is 10.195 million rials. The new version's price will go down once mass production begins.

Colonizer is a product of Gostaresh-e Rayaneh Farda Company and the government sector also supports its production.

## Liquidity Tamed

### July Rate Put at 40%

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ening inflation than economic growth'.

Meanwhile, CBI pegged inflation at 16.2 percent in the year to October 22. The rate increased by 1.5 percent compared to previous



Liquidity doubled in one year to climb to 1,400 trillion rials this year from 700 trillion rials two years ago.

He called on state organizations, private sector, economic planners and policymakers to cooperate in curbing liquidity since this has more potential for wors-

Foreign reserves rose by 23 percent during the month compared for the same period last year to exceed 614.662 billion rials (over \$68.2 billion).