

# ECONOMIC FOCUS



Rt. Hon. Baroness  
Williams of Crosby

The Lord Phillips  
of Sudbury -  
President of the BICC

Rt. Hon. Lord Lamont  
of Lerwick -  
Chairman of the BICC



“It is better having a  
step-by-step process  
in which both sides  
benefit -  
UK and Iran”

Baroness Williams of Crosby

## **In this issue of Economic Focus**

- President Obama; will there be change?
- Correlli Barnet, speaks at BICC AGM
- BICC Reception Photographs

# RAK Free Trade Zone: world-class business hub

Ras Al Khaimah, only 45 minutes from business hub Dubai, is fast becoming the investment destination by choice of investors from across the globe.

With access to over 2 billion consumers and awarded "Best Emerging Free Zone" for the second year running, Ras Al Khaimah Free Trade Zone (RAKFTZ) has already developed into a world-class business hub with state-of-the-art infrastructure and hi-tech facilities for industrial growth and development in less than ten years of its inception.

The Free Zone, offers customized support services to its investors. It is one of the most cost-effective free zones in the region and, most importantly, it offers an absolutely trouble-free, customer-friendly environment, which is very important for the success of any enterprise.

RAK FTZ through its marketing and awareness campaign has created a name for itself known around the world. It has registered more than 4,500 companies that originate from 106 countries.

The Free Trade Zone Authority has created a system of four unique Free Zone Parks that will suit and serve every investor according to their requirements:

- The Business Park
- The Industrial Park
- The Technology Park
- Al Ghail Industrial Park

Situated at different locations each Park caters to specific business interests and requirements of investors.

## Free Zone parks cater to investors' specific requirements

### The RAKFTZ Business Park

The Business Park is located in the central business district of the city, close to the modern RAK Exhibition Centre, Hilton Hotel & Beach Club and Al Manar Shopping & Entertainment Mall.

The RAK Business Centre is a free zone facility which gives investors an opportunity to start a business with no hassles. Some of the key features of the RAK Business Centre are the furnished, fully-functional and ready-to-use offices, flexi-offices (shared office) & flexi-desks (shared desk). All are offered at highly cost-effective rates.

### The RAKFTZ Industrial Park

Located along the coastal road, approximately 15km north of the city and adjacent to Hulaylah Island, about 6km from Saqr Port, covering an area of 300 hectares. Ideal for construction, heavy industries and warehousing.

Plot sizes are provided to suit individual requirements and are fully serviced



with water, electricity and communications.

Facilities include on-site employee accommodation, custom offices, operations supportive services centre and other administrative and service support centres located within the Park.

### The RAKFTZ Technology Park

Located south of the city close to the Emirates Road Ras Al Khaimah International Airport.

Covering an area of 100 hectares, it is located opposite 5 Star resorts with an 18-hole golf course (Al Hamra Village &

resort). It is sited in a rapidly expanding area devoted to light industries and automated manufacturing and capital intensive quality lifestyle projects.

### The Al Ghail Industrial Park

Covers an area of 400 hectares and caters for heavy industries that deal with the construction market such as steel fabrication.

It has a strategic location since it is close to Sharjah and Fujairah. The park is still under development and contains different size of plots that suits various companies' sizes.

## Types of licenses issued by RAKFTZ

### • Commercial - General Trading License:

Import, export, distribution, storage or warehousing of items specified on the License. Allows for more than seven different product lines

### • Commercial License - Limited Activities

Import, export, distribution, storage or warehousing of items specified on the License. Maximum limit is seven similar product lines or two different categories. (Business Specific License)

### • Industrial License

Import of raw materials, manufacturing,

processing, assembling, packaging, and exporting finished products, Feasibility and environmental impact studies and clearance from RAK FTZ are required

### • Consulting and Service License

Offering consulting services in management, investment, economics, industrial development, marketing, and related subjects

Special Activities upon the approval of RAKFTZ's Management

For details of documents required, please visit our website

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## WISHING YOU A SUCCESSFUL YEAR

***"I hope you have had a good and productive start to this year and continue to do so throughout"***



A belated welcome to 2009! I hope you have had a good and productive start to this year and continue to do so throughout the remaining months. I would also like to wish "Norooz Mubarak" to all those celebrating the Iranian new year.

The BICC has been very busy during the second half of 2008, with two major events; one being the Annual General Meeting which was held on 19<sup>th</sup> September and was sponsored by one of our greatest supporters, Targetfollow. We had Correlli Barnet give a passionate speech at the meeting. The other was the House of Lords Dinner on 28<sup>th</sup> November. We were lucky to have Baroness Williams of Crosby as our guest speaker at the Reception. Both events were well-attended and thoroughly enjoyed.

With the recent inauguration of President Barack Obama, Alun Evans, BICC Deputy Chairman has written an article discussing whether President Obama's promise of change will apply to America's fragile relationship with Iran and whether there will be an easing of sanctions.

We are pleased to welcome back a regular and valued contributor to our magazine, Dr Mohammad Ala who has been closely associated with the oil industry for more than 30 years both as an exploration geologist with an independent oil company and as a consultant. He has written an article about the Gas Industry in Iran and how this can be made to be more productive, which is included in this publication.

In this edition we are publishing an appeal on behalf of 'Picture People' - a registered UK charity. Its mission is to provide creative education to increase the capacities of men, women and children who have suffered war, disaster or social neglect. By the end of 2009 they are hoping to launch a book of photographs taken by the people in Bam, each year since the earthquake of 2003. This launch will coincide with exhibitions in London, Tehran and Bam, and of course our valued members will be informed and invited to support this cause.

We have also added a list of upcoming events and meetings for 2009 on page 30. The diary is available on-line on our website and invitations will be issued closer to date. We continuously endeavour to update our website and now have a page in the members section dedicated to photographs of BICC major events.

We are pleased to have feedback on our magazine (both positive and negative!). Please send an email to [Asmhah@aol.com](mailto:Asmhah@aol.com) and leave your comments/suggestions.

*Yousef (Joe) Daneshvar OBE*

*Editor-in-Chief, Economic Focus*

*Deputy Chairman, BICC*

## CHAIRMAN'S MESSAGE 2009

***BICC Chairman, Rt. Hon. Lord Lamont of Lerwick writes about the progress of BICC during 2008 in what was particularly difficult political circumstances and emphasises the importance of the***



Rt. Hon. Lord Lamont  
of Lerwick

A year ago the main problem British exporters to Iran faced was political restriction on trade finance for Iran. This continues but now the effects of global recession add another problem to doing business in Iran, which although it has diversified its trade increasingly with Asia, is not immune from the world downturn. Former President Rafsanjani recently reminded Iranians the problems of the West would affect Iran.

So, it may seem surprising that UK exports to Iran in 2008 were higher than in the year before when exports transhipped through the United Arab Emirates are included. Let us hope the determination shown by companies who have continued to trade, despite the difficulties, will be rewarded in 2009.

The big question for those interested in doing business with Iran is "Can relations between the West and Iran be improved?" There have been so many false dawns in the past. This year, we have had the inauguration of a new American President who has offered a change in American policy to Iran. Later this year there will be the Iranian Presidential Election, whose outcome is far from certain.

***“Again this year I commend Membership of the Chamber to you”***

For progress to be made with the nuclear negotiations, Iran will need to respond to President Obama's overtures. Iran's economic woes may be an incentive to do this, as may the Presidential election in June. Our programme this year includes Members' meeting where we plan to provide a full analysis of the election process, the candidates and possible future changes in policy. In March, the Chamber will be holding a meeting to discuss the direction US policy towards Iran might take.

In January, the Ras al Khaimah Free Trade Zone Authority offered its services to our Members who wish to trans-ship goods to various destinations in the Persian Gulf or otherwise undertake business there.

Looking to the medium-term, the supply of gas is a concern for Europe and Iranian gas would diversify deliveries, reducing dependency on other suppliers. Towards the end of the year, we are expecting to hold a conference to consider the issues and the prospects for the supply of Iranian gas to Europe, as well as the opportunities for UK exporters and investors.

In addition, BICC will continue to support British exporters during the year, using its network of people in Iran and the UK involved in commerce between the two countries.

The networks provide: information about the Iranian market and how to do business there, contact with prospective buyers of UK goods and services, information about financing contracts and contract problem-solving. A substantial part of the network is our counterpart chamber, the Irano-British Chamber of Commerce, Industries and Mines, in Tehran. Members were able to meet an IBCCIM delegation to London in February and we expect further such contacts in the near term.

Again this year I commend Membership of the Chamber to you.

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## ECONOMIC HEADLINES

**Oil & Gas exploration and production.** A MoU between NIOC and CNPC has been signed for the development of north Azerdegan oil field Phases 1 & 2.

**Oil & Gas sales.** Iran told the European parliament that it was ready to export its own gas to Europe or provide transit from elsewhere. It is reported that Iran has reduced the gas price in the prospective IPI contract, but not as much as Pakistan had sought. Russia and Iran have a general agreement for gas swaps: Russian gas supplied to northern Iran and Iranian gas in the south delivered to takers of gas under Russian contracts.

**Electric Power.** A construction programme of 27 power plants is expected to make available a further 19,366 MW of electricity for the network by 2010.

**Trade.** EU trade with Iran rose 9% to €21.6 billion in the first ten months of 2008

**Economy.** Forex reserves were US\$53 billion in August. Iran's population is some 71.2 million and GDP per head was US\$4,020 per capita in November.

**Economic Reform.** The Majlis has rejected the cash subsidy bill, believing fuel, electricity and water prices should be adjusted to market over a five period and because the inflationary impact of raising prices quickly and paying subsidies to the public was un-estimated but expected to be enormous.

**Government Budgeting.** A government budget deficit is expected this year, perhaps US\$25-30 billion. During the present 5 year development plan government has drawn more than planned from oil revenues and the OSF (US\$48.6 billion and US\$60.3 billion respectively) to fund expenditures 229% more than planned. Next year's budget is being prepared on the basis of US\$37.5 p/b oil, a Rls. 9,500 exchange rate and a 54% growth in government tax revenues. However some published calculations suggest that budget break-even requires a US\$55 p/b oil price and a Rls. 16,500 exchange rate.

**Inflation and price increases.** The CBI Governor predicts inflation to fall to about 20% by March.

**Rationing, shortages and subsidies.** An electricity shortage of some 7,000 MW is expected in the summer as a result of drought, but US\$200 million credit facilities are to be made available for drought response work.

**Privatisation.** US\$40 billion of government assets were privatised in the six months to September.

**Banking, Insurance and Finance.** In the year to August, bank lending increased by 19% to US\$200 billion, of which US\$173 billion was to the state. The World Federation of Exchanges reported that, in November, the TSE alone among its 56 members, had positive gains compared with a year earlier.

## UK/IRAN TRADE STATISTICS

### Trade in Goods

Bilateral trade figures: £ million

	2004	2005	2006	2007	% Change 2006- 2007	Jan- Nov 2007	Jan- Nov 2008	% Change Jan- Nov 2007/2008
<b>UK Exports</b>	443.8	463.9	431.4	400.3	- 7.2%	359.3	363.4	+1.1%
<b>UK Imports</b>	43.8	38.8	71.7	66.4	- 7.4%	61.9	63.9	+3.2%
<b>Balance</b>	400	425.1	359.7	333.9			299.5	

Source: UKtradeinfo HM Revenue & Customs

- UK exports to Iran have increased slightly (+1.1%) in the eleven months to November 2008 compared with the same period in 2007
- UK imports from Iran have increased (+3.2%).
- The trans-shipment of UK trade through the UAE, seems to have grown in the same period. Exports to: the Northern Emirates were £581.7 million (36.8% higher); Abu Dhabi were £394.3 million (38.7% higher); Dubai were £2,302.3 million (27.8% higher)

### Trade in Services

	2004	2005	2006	2007
<b>Exports / Credits</b>	234	204	212	158
<b>Imports / Debits</b>	61	44	43	40

Source: The Pink Book 2008, Office of National Statistics

- In recent years, the UK has provided over £200 million of services to Iran per annum.
- At £158 million, services exports were 25.5% lower than in 2006.

Although on a greater scale, this decline reflected the decline in the trade of goods in 2007.

## INVESTMENT BY IRANIANS ABROAD EXCEEDS \$2,000 BILLION

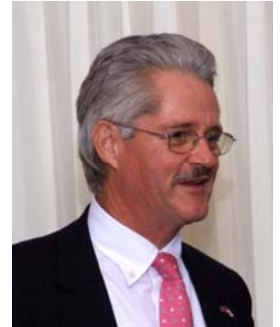
At a round table meeting which was held to debate the effect of USA's and Europe's financial crisis on Iran, Dr Jamshed Edalatian said that the total assets of Iranians abroad exceeded US\$2000 billion. The majority of these investments were made in the economic centres of Dubai, USA and Europe.

According to Dr Edalatian the world financial crisis is temporary and will gradually return to normality. He mentioned that in regard to the possibility of transferring the money back into the Iranian market, is not possible because the Iranian market is not strong enough to be able to absorb such a large amount of money for years to come. Dr Edalatian also mentioned that the economic crisis will effect the oil exporter states badly and that they must be prepared.

## DIRECTOR GENERAL'S MESSAGE

***Martin Johnson, BICC's Director General writes about the Chamber's progress during the past year and the outlook for 2009.***

During 2008, we continued to provide a series of business and social events for Members. Events included a useful assessment of UK/Iran relations by the FCO, and a helpful analysis of the Majlis elections. Targetfollow sponsored the AGM at which Correlli Barnet, the well-known historian and journalist, argued strongly for more constructive engagement with Iran. At another meeting, Nigel Turner, CEO of bmi, explained his strategies for the business: we hope Nigel's talk will have been useful to those intending to fly with bmi. You may have heard that our recent dinner at the House of Lords was oversubscribed and those who attended were given a perceptive report on her visit to Iran by our principal guest and speaker, Baroness Williams of Crosby.



Martin Johnston

In 2008, more than in previous years, our Members have sought the Chamber's help in their contract dealings with Iran; this has been particularly so for reliable payment routes for contracts. That the UK's traditional entrepreneurial spirit in overseas trade is still strong is shown by the fact that UK exports to Iran in the nine months to September 2008 were higher than for the same period last year – despite the persuasive influence of US sanctions law in restraining the availability of banking services for Iranian business.

***“The Chamber will continue to provide support to Members”***

The desire to trade despite the odds bodes well for the future of UK exports, I believe 2009 will be a year of change for Iran and the outside world. There is a new President in the USA, Iran has presidential elections and all countries involved in nuclear negotiations with Iran have other major problems (largely emanating from the recession) to resolve.

The Chamber will continue to provide support to Members in expectation that the trading and investment environment will improve over time. The calendar of formal networking events is being drawn up now: it will include suggestions for the incoming US President on what might be done to free up the nuclear negotiations; a preview of Iran's Presidential elections; a conference on the strategic place of Iran in the supply of gas to Europe. There will be other events also.

I do hope you will continue to enjoy and use your Membership of the Chamber and I hope to see and talk to you during 2009.

This is my opportunity to wish you a successful 2009.

***“I believe 2009 will be a year of change for Iran and the outside world”***

*For up-to-date information on the BICC's meetings and events please visit [www.bicc.org.uk](http://www.bicc.org.uk)*

# COMPANY TYPES & GOVERNANCE IN IRAN

## Introduction

There are 8 types of companies (corporations) under the Iranian Commercial Code and its Amendment (the Joint Stock Companies Act):

private joint stock company; public joint stock company; limited liability company; general partnership (company); limited partnership (company); joint stock partnership (company); proportional liability partnership (company); and cooperative company.

Of the above 8 types, the most common in use is the private joint stock company. The public joint stock company type is used, in particular, for stock exchange listed companies. Limited liability companies are still in use but mostly in smaller or family owned companies. The other types are rarely used. Nevertheless, a brief description of also these rarely used types of companies is given below.

## Company Types

### Private Joint Stock Company:

liability of shareholders is limited to the nominal value of the shares held; the minimum number of shareholders is three;

share certificates are issued to shareholders;

transfer of shares can be made subject to approval of the board or other shareholders; shares can be divided into classes and a class voting system may be provided;

the minimum number of board members is two;

all members of the board of directors should be shareholders and should deposit with the company the number of shares provided in the articles of association of the company as directors' guarantee shares; the company should have a managing director who may or may not be a shareholder or a board member;

the company should have at least one principal and one alternate inspector (internal auditors);

and board members are elected by the ordinary general meeting of shareholders with a special and mandatory voting system.

not be partners in the company;

the articles of association of the company may contain majority provisions different from that stated under item (f) below; and

transfer of capital contribution is possible only with the approval of majority of partners who together hold at least three fourths of the capital of the company.

### General Partnership:

partners are liable for all financial obligations of the company;

minimum number of partners is two;

no share certificates are issued;

partners should elect at least one director who may or may not be a partner;

transfer of capital contribution is possible only by approval of all partners; and

quorum and majority requirements are as provided in the articles.

### Public Joint Stock Company:

Generally the same rules apply as in a private joint stock company, except that:

shares are offered to the public for prescription;

transfer of shares cannot be made subject to the approval of the board or the general meeting of the company;

the company can be listed on the stock exchange; and

the company can issue debentures.

### Limited Liability Company:

the liability of each partner is limited to the amount of its/his capital contribution;

minimum number of partners is two;

no share certificates are issued;

the company is managed by one or more directors who may or may

### Limited Partnership:

at least one of the partners is responsible for and guarantees all of the company's financial obligations. the liability of the other partners (referred to as "limited partners") is limited to the amount of their contribution to the company's capital;

minimum number of partners is two;

no share certificates are issued;

the company is managed by the partner or partners who are jointly and severally liable for all of the company's financial obligations;

the relationship between the partners is regulated by the terms of the articles of association; and

limited partners cannot transfer their capital contribution to non-partners without the consent of the other partners.

Joint Stock Partnership:

at least one partner is responsible for all of the financial obligations of the company while the liability of the other, one or more, partners is limited to the nominal value of their shares;

minimum number of partners is two;

no share certificates are issued to the partner or partners who have unlimited liability for the financial obligations of the company;

share certificates are issued to the partner or partners whose liability is limited to the nominal value of his/their shares;

the company is managed by partner or partners whose liability is unlimited; and

the company should have a supervisory board elected by and from amongst the partners.

Proportional Liability Partnership:

each partner is liable for the financial obligations of the company at a ratio equal to the ratio of his contribution to the capital of the company;

minimum number of partners is two;

no share certificates are issued;

the company is managed by a director elected by partners who may or may not be a partner; and

capital contributions cannot be transferred except with the agreement of all partners.

Cooperative Companies

These are not capital oriented commercial companies and are formed between individuals for special purposes that serve a common interest such as (i) producers cooperatives; (ii) consumers cooperatives; and (iii) housing cooperatives.

**Equity Capital and Shares**

In all types of companies the minimum capital required is Rs 1,000,000 except in case of public joint stock companies where the minimum capital required is Rs 5,000,000.

Only in joint stock companies (private or public) it is permitted to pay a minimum of 35% of the equity capital at the time of incorporation. In all other types of companies, the total initial capital should be paid at the time of incorporation.

In all types of companies it is possible to have non-cash contribution to the capital. However, non-cash contribution should be evaluated by an official Ministry of Justice appraiser and only the value so determined will be applied as the relevant party's share (or part of its/his share) in the equity capital of the company.

Share certificates are issued only in joint stock companies (and in joint stock partnerships only for partners whose liability is limited to the amount of their contribution). In all other types of companies no share certificates are issued to partners.

**Corporate Governance - General Meetings**

Considering that the other types of companies are rarely used at present, the information regarding company governance is given only in connection with joint stock and limited liability companies.

Public or private joint stock companies:

The highest authority in a joint stock company (whether private or public), is the general meeting of shareholders, which is of two types: (i) the ordinary general meeting which is held annually but could also be called extraordinarily; and (ii) the extraordinary general meeting. The ordinary general meeting has general jurisdiction on all matters relating to the company, except those within the exclusive jurisdiction of the extraordinary general meeting, while the extraordinary general meeting has limited and exclusive jurisdiction to decide on any change in the articles of association or any increase or decrease of capital dissolution of the company.

The quorum of the ordinary general meeting, in the first call, is established by the presence of those holding more than half of the shares. If this is not achieved the meeting is called for the second time and in the second call the presence of those holding any number of shares is sufficient to establish a quorum. Decisions in the ordinary general meeting are taken by the vote those holding half plus one of the shares present, except in case of election of members of the board of directors which is subject to another, mandatory, voting provision.

The quorum of the extraordinary general meeting, in the first call, is established by the presence of those holding more than half of the shares. If this is not achieved the meeting is called for the second time and in the second call the presence of those holding one third of shares is sufficient to establish a quorum. Decisions of the extraordinary general meeting are taken by the vote of those holding two thirds of the shares present.

It is accepted practice that the above quorum and majority requirements (except the majority requirement for election of board of directors) may be increased but cannot be reduced in the articles.

It is possible to establish preferred shares with additional voting rights. The additional voting right, however, will not apply to election of directors. It is also possible to divide the shares into classes and provide for a class voting system.

Limited liability companies:

The highest corporate authority is the general meeting of partners. The law does not differentiate between an ordinary and extraordinary general meeting. Decisions of the company, including election of directors, are passed by partners who together hold at least half of the company's capital. If this is not achieved in the first call, partners are called for a second meeting and in that meeting decisions can be made by a majority of partners even if they do not together hold more than half of the company's capital. This majority requirement can be changed by providing otherwise in the articles of association of the company.

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Articles of association may be amended only by majority vote or partners who together hold at least three fourths of the capital, except if the articles of association themselves provide for another majority requirement.

## **Corporate Governance - Directors**

### Joint Stock Companies:

The joint stock company is by law required to have a board of directors elected by the general meeting. All members of the board of directors are required to be shareholders.

In private joint stock companies the minimum number of board members is two. In a public joint stock company the minimum number of board members is five.

Legal entities can be elected to the board but each legal entity board member can be represented on the board by only one representative.

For election of directors the number of shares of each shareholder is multiplied by the number of directors to be elected and the result is the number of votes that the relevant shareholder may cast for election of directors, which he may give to one candidate or divide among as many as he may wish.

Each director is entitled to one vote. The chairman does not have a casting vote. Presence of more than half of the directors establishes a quorum and decisions are adopted by majority votes present, except if otherwise provided in the articles of association.

The board elects one person as managing director who may but need not be a shareholder or a member of the board of directors.

### Limited Liability Companies

Although the law does not require limited liability companies to have a board of directors, it is customary to have a board of directors comprising at least two members.

Majority and quorum requirements of the board of directors are as provided in the articles of association.

It is also customary for limited liability companies to have a managing director. The corporate body vested with the authority of electing the managing director is as provided in the articles of association although in most cases it is the board of directors.

## **Duration**

Companies (regardless of their type) can be established for an unlimited period of time. This is also the common practice. It is, of course, possible to establish the company for a specified period of time. This is neither common nor practical as at the end of the specified period the company will automatically cease to exist except if the shareholders/partners extend the duration of the company by revising its articles of association.

*The above information was sourced from Torossian, Avanesian & Associates*

# PRESIDENT OBAMA HAS PROMISED “CHANGE”: WILL THERE BE CHANGE IN US FOREIGN POLICY?



*Following President Barack Obama's inauguration on 20th January 2009, BICC's Deputy Chairman, Alun Evans CMG writes about the new US President's policy towards Iran and whether relations will improve between the US and Iran.*

A major plank of President Obama's election campaign was that “change” was needed in Washington and in all aspects of policy. And this was an important factor in helping to secure his election in November. The aim of this article is to see to what extent there will be change in US foreign policy and in particular in US policy towards Iran.

Foreign policy traditionally does not change to any considerable extent when a new government assumes power in democratic countries. Foreign relations are based on and dictated by a country's history, its geography and other external realities over which an individual country has minimal control. When a new government assumes office, we may see a change of foreign policy priorities, a change of approach, a change of style, but not usually a major change in direction. It is also exceptional to see a change that ignores external realities. that ignores external realities.

Ironically it was the conservative President Bush who tried to demonstrate that he could initiate policies that flew in the face of external realities, by attempting to enforce “change” in the Middle East. The aim of the removal of Saddam Hussein from power was to introduce an era of US style democracy first in Iraq and later, by example and gentle pressure, in other Middle Eastern countries.

Bush now argues that he was successful at least in Iraq, but the price in loss of life and human suffering was painfully high and a peaceful future is far from assured. Equally ironically, even though Hamas won the elections in Gaza and the West Bank, the USA has refused to accept the outcome as it strongly disapproves of Hamas. It is of course not alone in adopting this attitude.

Now that he is President, Obama's first priority is to tackle the economic crisis in the USA. Coping with that will absorb a great deal of his working day. At the same time his foreign affairs In-tray is bulging with problems and important issues requiring attention. Vying for first place are Afghanistan/Pakistan and Israel's invasion of Gaza with Iraq coming up close behind. There are also problems in US relations with Iran, with Russia and with China. The Six Nation negotiations aimed at ending North Korea's nuclear weapons programme are suspended waiting for the new President to revive them. Many South American countries are asking for more attention. There are additionally pressing issues in Somalia, Zimbabwe, Sudan and Myanmar which cannot be ignored. I could go on.

All these concerns are jostling for an early place in the foreign affairs queue. Relations with Iran will undoubtedly come to the fore sooner rather than later. If the minimal change thesis proves right this time, and I believe it will, we should be hoping and looking for changes in style and in emphasis in US relations with Iran. We should not be looking for immediate results. In some ways it will be helpful if the new Administration does not move too quickly. What is needed is time to consider carefully the history of relations with Iran since the Revolution in 1979, what has gone right, what has gone wrong and how to make improvements.



During the Presidential elections both Barack Obama and Hillary Clinton as candidates made the ritual and essential pledges of support for Israel. This does not however mean that they accept the deeply hostile line Israel takes towards Iran. During the campaign Obama showed that he understood the need to talk

to Iran without laying down conditions that Iran found impossible to accept. The latter seemed to be Hillary Clinton's approach, not all that dissimilar to Bush's, which will presumably change now that Obama is her boss.

Just before assuming the Presidency, Obama gave us some clues about his likely policy towards Iran in a US news programme. He said that he wanted to work directly with Iran to improve relations between the two countries. He went further and made clear that a new approach was required with the emphasis on respect and showing a willingness to talk to Iran. Assuming this approach, showing respect for and understanding of Iran, is followed, there is the possibility that over time relations between the two countries will improve and we will see a movement away from confrontation and towards cooperation. Iran for its part will have to respond positively and show more understanding of the international community's concerns about its nuclear programme and its support for Hamas and Hezbollah. With careful planning and a bit of luck we should hope for a resumption of diplomatic relations between the two countries in the not too distant future.

The new US Administration is also aware that Iran will soon be involved in its own Presidential elections. The elections will be held in June. President Ahmadinejad is standing for re-election but there are likely to be a number of other candidates. If a new candidate succeeds Ahmadinejad, he will not assume office until the beginning of August. Either way there will soon be an "end of term" mood in Iran which will not be the right time to make significant changes or achieve major progress in Iran-US relations. Obama will need to be patient and not listen to siren voices from Israel and the American 'right' demanding immediate action.

The US line on nuclear issues will not change significantly. The US is not opposed to an Iranian civil nuclear programme, but Obama will continue to oppose any attempts Iran might make to develop nuclear weapons. Obama will almost certainly offer economic benefits to Iran in return for cooperation over nuclear issues. Bush had already accepted the strongly held views of the US military that an attack on Iran's nuclear programme would not only have minimal chance of success, it would be seriously counter-productive. These views had also been made clear to the Israelis who would have found it near impossible to undertake an attack without US support. All this is not going to change.

In summary we can be certain that there will be a change of approach and of style on the part of the US Administration but not, at the beginning, any significant change of policy. Providing that both sides move forward cautiously, slowly and patiently, there is hope that under President Obama US-Iran relations will no longer remain in the deep freeze. If both parties learn to respect and understand each better we may before too long see a restoration of diplomatic relations.

***“He said (President Obama) that he wanted to work directly with Iran to improve relations between the two countries”***



# A REVIEW OF IRAN'S GAS INDUSTRY AND ITS FUTURE POTENTIAL



*Dr Mohammad Ali Ala, a regular and valued contributor to our publication writes about Iran's gas industry and its future potential.*

## Introduction

Over the past twelve years, the Middle East has overtaken the Russian Federation in terms of gas reserves. Current estimates place the Middle East reserves at 72.579 trillion m<sup>3</sup> (TCM), accounting for nearly 40% of the total global gas resources of 181.945 TCM (Table I and Figure 1). This dramatic increase in reserves is due to the discovery of the North Dome field, the largest gas and condensate accumulation in the world. Situated in the Persian Gulf, the accumulation straddles the Iran/Qatar

maritime boundary and contains an estimated 40.80 TCM of recoverable gas reserves, split approximately 2/3 and 1/3 between Qatar and Iran.

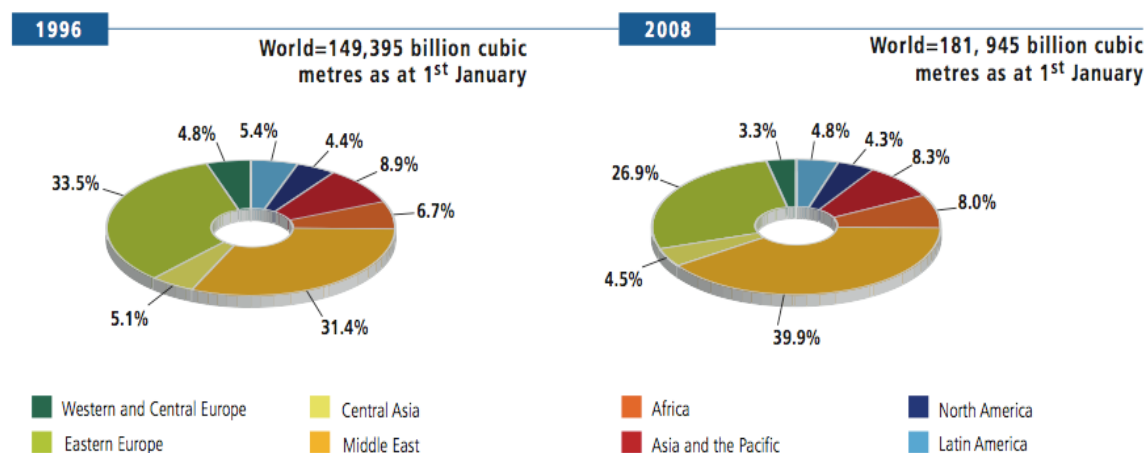
The Iranian sector of the field, discovered by the NIOC in 1991 and containing reserves of about 10.77 TCM, is referred to as South Pars (Figure 2).

Despite these vast reserves, however, the gas resources of the Middle East in general, and those of Iran in particular, are underdeveloped and under-utilised.

REGION	RESERVES (billion m <sup>3</sup> )
<b>EUROPE</b>	<b>55,025</b>
West. and Central Europe	6,071
Eastern Europe	48,954
<b>CENTRAL ASIA</b>	<b>8,226</b>
<b>MIDDLE EAST</b>	<b>72,579</b>
<b>AFRICA</b>	<b>14,528</b>
<b>ASIA AND THE PACIFIC</b>	<b>15,052</b>
<b>AMERICAS</b>	<b>16,535</b>

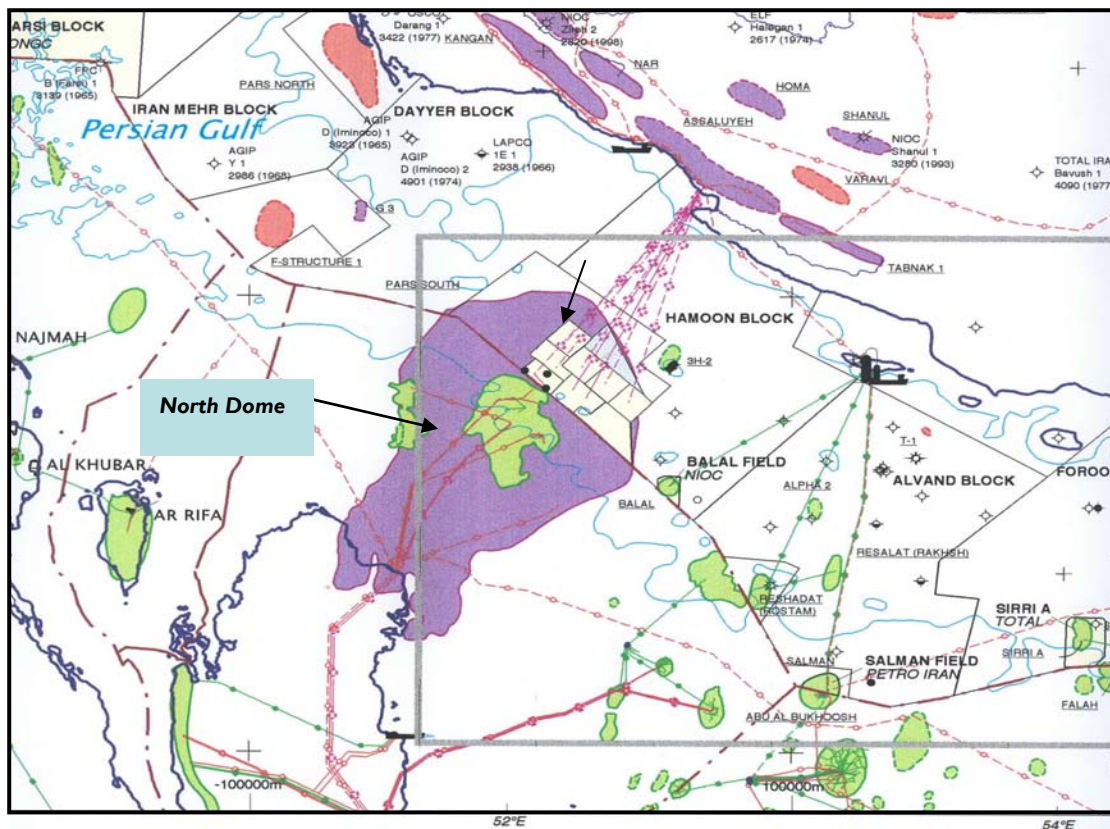
**Table I Regions with the largest gas reserves**

(Source: ENI Oil & Gas Review, 2008)



**Figure 1 Regional distribution of gas reserves**

(Source: ENI Oil & Gas Review, 2008)



**Figure 2 North Dome-South Pars field: the largest gas and condensate accumulation in the world**

**Estimated total recoverable reserves: 48.80 TCM**

*(Sources: IHS Energy and the International Energy Agency, 2008)*

## A review of Iran's gas reserves and production

With reserves of 47.814 TCM, the Russian Federation has the world's largest gas reserves. Iran comes second with 26.845 TCM and Qatar ranks third with 25.490 TCM, holding 14.8% and 14.0% respectively of the total global gas resources (Table 2 and Figure 3). A comparison of the production levels of Russia, Iran and Qatar, however, provides an indication of the underdeveloped status of the reserves of the latter two countries. Although the combined reserves of Iran and Qatar exceed those of Russia, their combined production is only a fraction of Russia's gas output. In 2007, the latest year for which statistics are available, Russian production was 607.4 billion m<sup>3</sup> (BCM), while Iran and Qatar produced 111.9 BCM and 59.8 BCM respectively. In global terms, Russian production amounted to 20.6% of the total, whereas Iran's share of the total was 3.8% and Qatar's output constituted 2%. Clearly, Iran and Qatar are some way behind in terms of achieving the full potential of their gas resources.

Qatar, however, seems to be making greater progress in this direction: its production grew by 17.9% in 2007 compared to 2006, while Iran achieved a growth of only 3.0% over the same period (*BP Statistical Review of World Energy, 2008*). It should be noted that the growth in Qatar's production was the result almost entirely of increasing output from its sector of North Dome.

This has been achieved by creating favourable commercial conditions to attract the necessary investment from the international oil industry as well as efficient project execution and on schedule completion of the various phases of the development of the field. By contrast, Iran's plans to expand production from South Pars are behind schedule as the result of the unwillingness of the major western companies to become involved in the country's oil and gas industry. This is due to the current unfavourable political climate arising from Iran's stance on the nuclear issue and pursuit of confrontational foreign policies, American sanctions, unattractive commercial and contractual terms as well as a lengthy and complex negotiating process.

COUNTRY	RESERVES (billion m <sup>3</sup> )
Russia	47,814
Iran	26,845
Qatar	25,490
Saudi Arabia	7,546
United States	6,173
United Arab Emirates	6,111
Venezuela	5,565
Nigeria	5,275
Algeria	4,428
Iraq	3,170

Table 2 Countries with the largest gas reserves

(Source: ENI Oil & Gas Review, 2008)

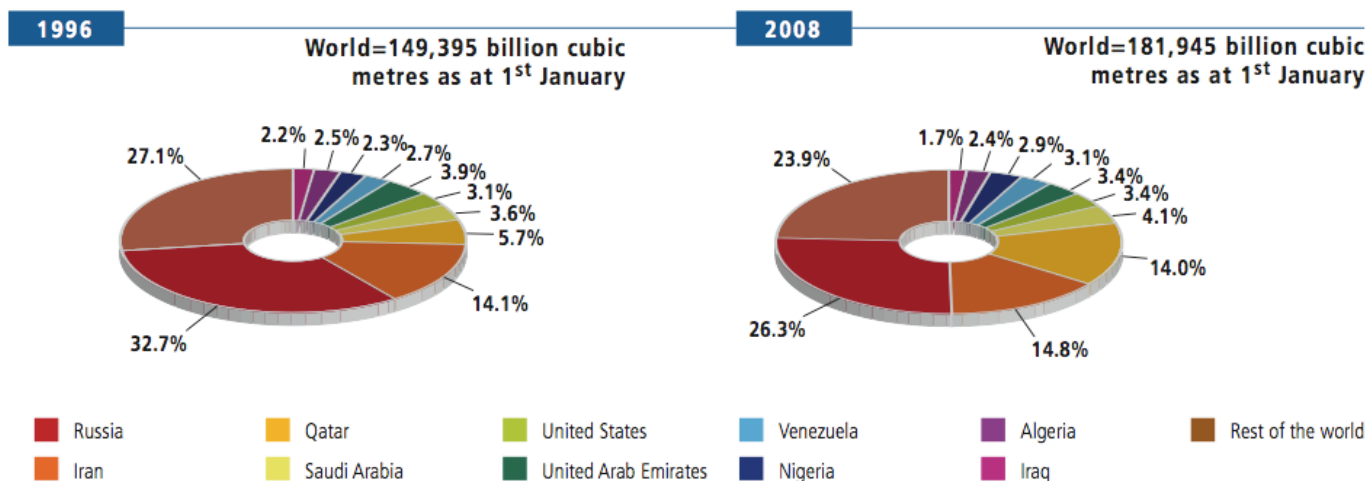


Fig 3 Pie charts showing countries with the largest gas reserves

(Source: ENI Oil & Gas Review, 2008)

Due to its size, the development of South Pars is a major, long term and capital intensive undertaking. The programme consists of up to 30 phases, with each phase designed to increase production by a predetermined volume of gas and condensate. Phases 1-5 commenced production at the beginning of 2008, and phases 6-10 were due to come on stream by the end of the same year. Phases 11-18 are currently under development but are experiencing delays due to the lack of interest by the international oil industry. The work is now in the hands of Iranian contractors but they lack the financial resources to complete the task. Negotiations for phases 19-24, in progress until mid-2008, have been suspended for the time being.

The importance of accelerating the development of South Pars cannot be overemphasised. Urgent attention to removing the obstacles hampering progress in this direction is essential to maximise Iran's benefit from the gas resources of the field. Achieving the originally envisaged production targets is thus of paramount importance as this will contribute to the availability of the quantities of gas required for injection into Iran's aging oil fields for pressure maintenance and improved recovery. It will also provide valuable export gas to boost the country's foreign exchange earnings. It should be noted that gas is a mobile substance and will move towards the areas subjected to higher extraction rates. This will favour Qatar if it maintains its rapidly rising production rates from its sector of the field.

Attention must also be paid to developing production from the North Pars gas field (discovered in 1967) as well as the more recent onshore gas discoveries such as Homa, Tabnak, Assaluyeh, Gardan, Mokhtar, to mention just a few. Collectively, these fields contain substantial reserves and will help to meet the rising domestic demand for gas and eliminate, or at least reduce, imports from Turkmenistan.

### Iran's gas exports

Due to the underdeveloped state of its reserves, Iran is not among the world's major gas exporters. It produces no LNG and exports only a small amount of gas by pipeline to Turkey. As shown in Figure 4, Iran's gas exports amounted to 6.02 BCM in 2007, less than one-twentieth and one-thirteenth of those of Russia and Norway respectively.

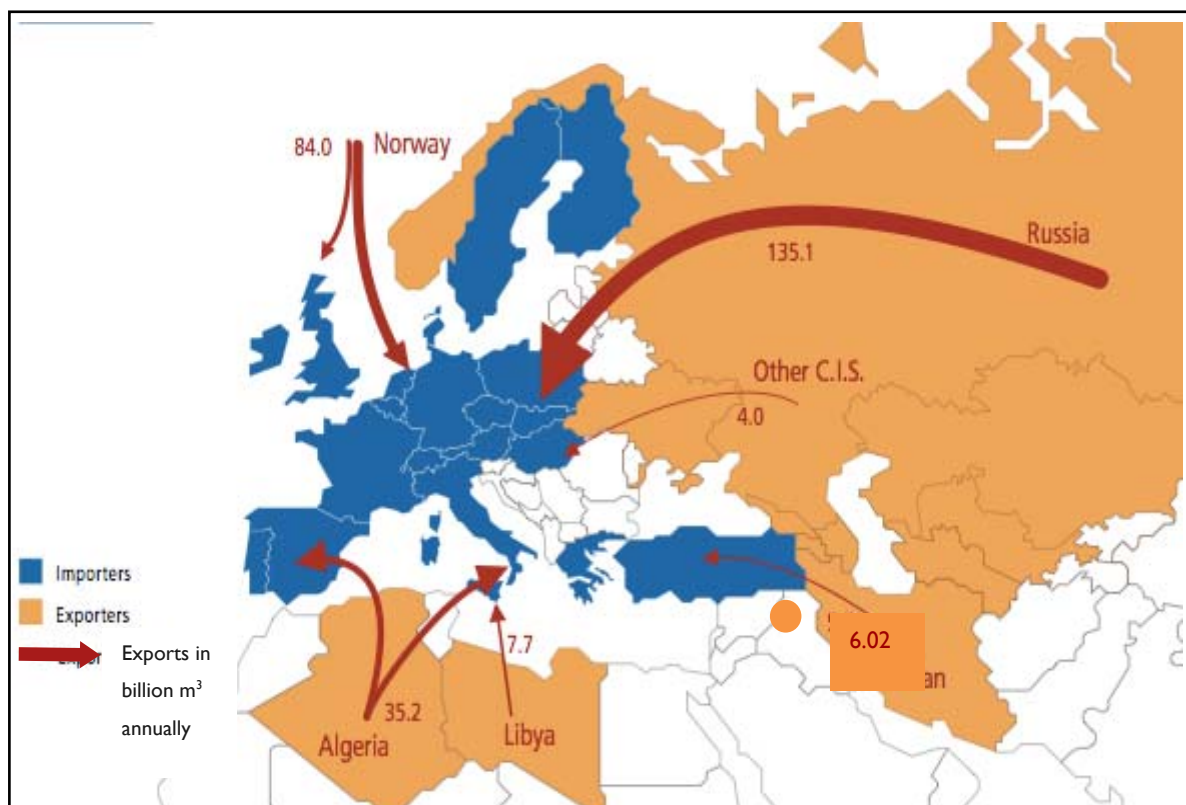


Figure 4 LNG flows by pipeline into Europe in 2007

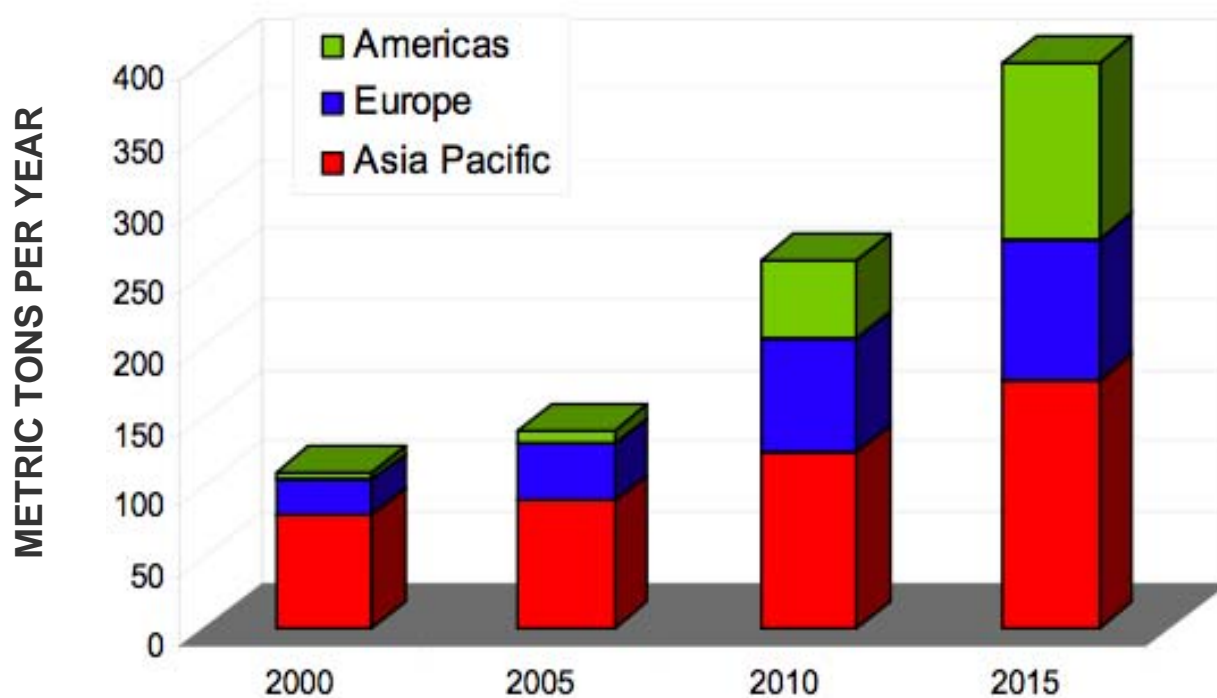
(Source: ENI Oil & Gas Review, 2008)

Qatar, by contrast, has successfully developed a substantial gas export capability by promoting investment in LNG production and tanker capacity over the past decade. It is now the world's largest producer of LNG, supplying 20% of the UK's gas needs since the beginning of 2008.

LNG production requires foreign technology and large scale investment, neither of which is available to Iran under the current unfavourable political and economic conditions. Iran has therefore announced that building LNG capacity is not a priority of its gas industry. This policy is not, however, in the country's medium/long term interest. Global LNG demand is expected to grow strongly in the next decade (Figure 5) and Iran will be excluded from supplying this market. In addition to Qatar, the demands of this expanding market will be met by Algeria, Libya and Malaysia.

Currently, Russia supplies about 25% of Western Europe's gas requirements, all of which are routed through Ukraine. This represents a large dependency and the security of the supply has come into question twice in the last two years by disputes over prices between Russia and Ukraine in the winters of 2006 and 2008. Western Europe would like to reduce its dependence on Russian gas by diversifying its sources of supply and the magnitude of Iran's reserves makes it a viable alternative. Iranian gas could be transported westward through a proposed Turkmenistan-Iran-Turkey-Europe pipeline. It must be recognised, however, that this is a long term prospect and its realisation depends on a sea change in the political and economic relations between Iran and the West.

***“Efficient management would transform the gas industry into a dynamo of the country's (Iran) economic growth”***



**Fig 5 Global LNG demand 2000 - 2015**  
(Source: Qatargas, 2007)

## Gas to liquids (GTL) conversion

**GTL** technology is based on the Fischer-Tropsch process that was developed in Germany in the 1920s and used during World War II to produce liquid fuels from coal gas. By early 1944 Germany was producing more than 124,000 barrels per day of transportation fuels for its war effort.

Although in its infancy, the age of GTL fuels is dawning and there are expectations of strong global growth in demand for these products on account of their low sulphur content and low emission characteristics. These have been confirmed by long term tests of GTL diesel in road vehicles.

**“the gas resources of Iran in particular, are underdeveloped and underutilised”**

Commercial production of GTL fuels is dependent, however, on the availability of large volumes of uncommitted, low cost natural gas. It is uneconomic using market priced natural gas and is therefore sensitive to gas feedstock costs. Construction of GTL plants also involves major investment and advanced technology which is available only from the leading Western oil companies.

In partnership with Shell, Qatar has embarked on building a large scale GTL facility. Using gas from its North Dome field, it plans to produce 140,000 barrels per day of GTL fuels by 2010. Qatar is thus making good progress towards achieving its goal of creating the world's largest centre for the gas industry.

With the political will to implement the necessary changes, proper long term planning, management and utilisation of its gas resources, Iran could also be in a similar position.

## Conclusions

Iran is a 'sleeping giant' in terms of the production and export potential of its gas resources, which currently has a reserves-to-production ratio of 278 years (*ENI Oil & Gas Review, 2008*). Efficient management would transform the gas industry into a dynamo of the country's economic growth. This potential can be realised by:

- Long term planning.
- Securing adequate investment.
- Ensuring that projects are executed efficiently and completed on schedule.
- Creating incentives for the international oil companies to participate in the development of Iran's gas resources and provide the necessary cutting edge technology.
- Simplifying and shortening the negotiating process with the foreign investors.
- Establishing LNG and GTL industries.
- Developing the human resources of the industry through strategic alliances with leading universities at home and abroad to provide further education and training.

## BICC ANNUAL GENERAL MEETING

**The BICC held its Annual General Meeting on the 16th September which was sponsored by Targetfollow. We were fortunate to have Correlli Barnett as our main speaker, he was followed by Lord Phillips of Sudbury (President of the Chamber) and Rt. Hon. Lord Lamont of Lerwick (our Chairman).**



L-R: Martin Johnston, Lord Lamont, Correlli Barnett and Lord Phillips

account of the chamber's activities over the past year.

He ended his comments by expressing BICC's concern about the closure of the commercial office in the Embassy in Tehran and reassured the audience that he has made representations to Iran in regards to this.

*This years AGM is due to be held on the 18th September. Invitations will be issued closer to date.*

Correlli Barnett is a well-known historian, author and a columnist for a number of mainstream newspapers. Mr Barnett talked about his past visits to Iran and gave an insightful account of the economic-political relations between the UK and Iran.

Following Mr Barnett's talk, Lord Phillips of Sudbury, spoke about his fascination with Iran, which started following a five week trip in 1972. He said that "Iran is an impossibly contradictory country" but emphasised that the BICC was committed to maintaining intelligent relations with Iran and offered his congratulations to members of the audience who, despite the difficulties, were able to carry on trading between the two countries.

Lord Lamont thanked our speaker and the president as well as our members for their support over the past year and gave a brief



L-R: Rt. Hon. Lord Lamont of Lerwick and Correlli Barnett

# BICC ANNUAL GENERAL MEETING

**“BICC committed to maintaining intelligent relations with Iran”**

*Lord Phillips*



L-R: Asmha Hussain, Mitra Taheri and Ms Fahim Kharazi

**“I have made representations to Iran in regard (to the closure of commercial office in the embassy in Tehran)”**

*Lord Lamont*



# ANNUAL



Baroness Shirley Williams speaking to members and guests

We were lucky enough to have Lord Crosby as our guest of honor at the Reception last year. Baroness Williams is of state for Education and has held various positions in government during her career. She is currently an advisor to the Prime Minister. She gave a very interesting speech to the guests talking about her relationship with Lord Phillips. This was followed by a reception for members. We would like to thank the members for giving us the opportunity



Top Photograph: The violinist entertaining guests over dinner.



L-R: Yousef Daneshvar, Lady Temple-Morris and Peter Thornton-Dewhirst

# RECEPTION 2008

to have Baroness Williams of  
honour at the House of Lords  
ness Williams is ex-secretary  
d has held many other senior  
during her political career. She  
y the Prime Minister, Gordon  
interesting talk to members and  
recent visit to Tehran with  
followed by questions raised by  
to thank Baroness Williams  
ity to listen to her.



L-R: Mr & Mrs Stroh with  
Mr & Mrs Rides



L-R: The Lady and Lord  
Temple-Morris and BICC  
Chairman Rt. Hon. Lord  
Lamont of Lerwick

Clockwise from top  
left: Mr Vahedi, Mr Y.  
Daneshvar, Mr Maz-  
raeh, Mr  
Peivandzadeh, Mr  
Imandoost, Mr Amiri  
and Mr Sabershiekh



# ANNUAL

L-R: Sir Richard Dalton, the ex-Ambassador to Tehran talking to Ambassador Movahadian and Lord Phillips of Sudbury



***“I don’t think sanctions on goods imports have been very effective”***

*Baroness Williams*

***“I believe that Mr Obama understands ...there must be a direct relationship (with Iran and the west)”***

*Baroness Williams*



L-R: Rt. Hon. Baroness Williams of Crosby with Mr and Mrs Daneshvar

# RECEPTION 2008



L-R: Lord Phillips of Sudbury with Ambassador Movahadian, Rt. Hon. Baroness Williams of Crosby and Rt. Hon. Lord Lamont of Lerwick

***“the ones that bite are the sanctions with the big banks”***

*Baroness Williams*

***“Recent visit to Iran gave a great deal of pleasure ”***

*Baroness Williams*

L-R: Beverley Gaynor with Ms Claire Jolley





On December 26th, this year, the people of Bam will head to the graveyard. They will spend the day in mourning for the 26,000 people who were killed by the earthquake of 2003. This is a ritual they repeat every Thursday, but this year it will mark the sixth anniversary of that disaster which flattened their city. The immediate aftermath of the disaster saw the world mobilize its emergency teams, who descended on this area of the world that boasts millions of palm trees and tranquil citrus gardens.

Before the earthquake Bam was flourishing. Tourists would flock to the Arg (a citadel that is over 2500 years old – some say more than 3500 years old). It has always been the symbol of Bam, and remains today a sombre reminder of the past. New buildings have sprung up over the city, including in the area near the Arg several new schools. The Bazaar is being rebuilt now, so the merchants are happy, there is a new hospital just outside of the city, which is always overcrowded, and the streets are always filled with people in the morning and evening hours.

Rewind four years to October 2004, when Picture People alongside the British NGO Merlin, came to Bam to hand out cameras to the people. This was in response to an earlier visit I made in April and May 2004. Here I felt an overwhelming sense of universal co-operation. Iran had opened the borders to international relief agencies. The Stars and the Stripes flew over Bam City (one day a few months later, being blown over by a freak gust of wind). On a hot day in May 2004, I was picturing Bam for Merlin and the whole city was working like ants. Constant movement of trucks ferrying debris to a landfill site, scavenged by Afghans and Turkmens, looking for anything they could reclaim. I saw faces from all over, huge white UN and ICRC Land Cruisers, motorbikes provided by the Iranian government to the lucky few, air conditioners being ferried in, fridges, boxes of Rani juice, soldiers, policeman, the odd hapless tourist, kebab stalls, bread vendors, Mahmood the cigarette seller (who has for 5 years now stood by the same curb in the main street selling cigarettes).

I thought the people of Bam, would love to make photos for themselves to show others their city – as a healing tool, as a celebratory event, as a new

# THE BAM

## A UNIQUE PHOTO PROJECT BAM TO DOCUMENT THE

All photos © PicturePeople

beginning. And this is what Picture People did, for every year after the earthquake till now, when we close it down, for the reason that Bam is tired, and needs something new to grow again.

The Bam Project and its participants and friends, have seen many things. The darkest of moments, to the first baby born after the earthquake. From cold winter nights, to the harsh sun of the mid summer. From blossoming citrus trees to the dying palms of 2008. But the one thing it has not seen, in the words of Abdul Reza, the Taxi Driver, is “my city rebuilt”. For all Bami people this is the most important thing for them – their homes back again, their city rebuilt, so they can live life like they used to.

During the first project, we asked people “where is your favourite place in Bam?” - the overwhelming majority of people said it was a graveyard. When asked why this was so, many responded “because this is where all our memories are”. This was the kind of response we got when we asked people to photograph their lives in Bam. Then, Bam was truly traumatised. Bam had gone through a tragedy on an unparalleled scale. 80% of the town had in one or the other experienced a loss of a direct family member, a relative, a neighbour or a friend. But for the first project these memories shone through in the photos that the people of Bam took.

Abdul Reza, who was to become the project fixer, translator, driver, handyman and friend, told me, “if we do this, we do it my way – I know all the people of Bam”. And he did. So we went where he thought we could invite the most interesting people to make photos and tell their stories. In Bam we became friends with many people, most of them from Abdul’s extended family of cousins, aunts, uncles, nieces, nephews, brothers, sisters and in laws. This is the reality after a disaster, the human in us reaches out for others to grow again, and so Abdul’s family reaches its pre-earthquake levels again – he lost 14 members of

# PROJECT

## MADE BY THE PEOPLE OF RECOVERY OF THEIR CITY

### /The Bam Project

his family that day. The friends we have made remain there in Bam – Asma and Amir, the Artists, Shahanaze, the Teacher, Tiger Ali, Mafar, the Student, Mohsen, the Truck Driver and more. Their photos you can see in the project. This humanizes them.

The Bam Project began as a celebration. It has become a document of recovery. It became a unique project made by the people of Bam, and others concerned and gracious enough to donate their work to the project. Seiffollah Samadian, Parisa Damandan, Michael Winterbottom, and several Iranian photographers who flocked to Bam the days after the disaster, all gave their work to this project.

In 2008, after 12 trips back and forth to Bam, I felt that Bami People were tired of photographing. The project had lost its meaning to many. Bam had not been rebuilt, there was still not enough of the necessities of life to keep people happy and content. People were just giving up. For every success story with a happy ending, like the marriage of the beautiful Asma to Amir, there were five that had a bad taste, like illness, road accident, no water, no house.

We decided "Tamam Shod" – "The End". And lets put all this into a book. Five years of Bam has given more than enough photography, more than enough narrative and copy, and more than enough of the life of the people of Bam. For those who have spent time here over the years, it is easy to feel romantic about an oasis in the middle of the desert, where people are living on the edge, but surviving by ingenuity and cunning. It is easy to feel content, when your mind has slipped into dreamy and never ending Bam sunsets, looking over the desert toward the mountains, when the sky turns red, yellow, orange and explodes over the horizon. It is easy to feel a long way from home driving at speed along the flat and straight roads in and out of Bam, looking at land trodden on over millenia. It is easy to feel peace and quiet drinking tea on a warm afternoon in a palm garden listening to birdsong and the sway of palm trees. And it is easy to



For Abdul, for everyone I have met and become friends with in Bam, I hope that day comes to you soon. So you can see the real Bam, instead of the memory.

Deep gratitude must also be given to themany individuals and organizations who have supported Picture People from the outset. Amongst these, Lord Phillips of Sudbury, Geoffrey Adams, Joe Daneshvar, Ardeshir Nagshineh, Diana Khalatbari, Jamileh Kharazi, The British Council, Kodak and many more.

To celebrate this achievement, Picture People would like to mark the five years of the Bam project by giving something back to teh people of Bam: a 120-page book of the past 5 years. The book will caputure the essence of the project through a selection of photographs from the Bam Project, as well as snippets from the making-of process and images from the archives of Bam's illustrious past from Parisa Damandan's extraordinary collection. World famous photographer, film maker and author Nick Danziger will be writing the foreword , and we have been invited by Jon Snow to have the book launch at the Frontline Club in November this year. The book will be a lasting testimony as well as an educational resource that will be made available at the recently opened vocational school of the Popli Khalatbari Charitable Foundation, with whom Picture People have also collaborated.

The book of photography will also be a unique celebration of Iranian culture and history that has at its heart a sense of cultural dialogue between Iran and the rest of the world. To celebrate its launch, which is currently intended for November 2009, coinciding exhibitions will take place in London, Tehran and Bam.

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# 2009 BICC MEMBERS

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Chilansaz-sene	Hanley, Sir Jeremy	M. Feiz Trading		Zeta-PDM
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To find out how you can become a member of the BICC, please visit <http://www.bicc.org.uk/membership.jsp> or telephone the office on 020 7233 4441 for further information.

## IRANIAN OFFICIAL HOLIDAYS IN 2009

(Based on a list of holidays in 2009 faxed to the Embassy by Khajeh Printing Office)

Tassoua	Tuesday 6 January, 2009
Ashura	Wednesday 7 January, 2009
Anniversary of Islamic Revolution Victory	Tuesday 10 February, 2009
Arbaeen	Monday 16 February, 2009
Prophet Mohammad's Death & Hassan's Martyrdom	Tuesday 24 February, 2009
Martyrdom of Imam Reza	Thursday 26 February, 2009
Prophet Mohammad's and Imam Sadegh's Births	Sunday 15 March, 2009
Oil Industry Nationalisation Day	Thursday 19 March, 2009
Noruz	Saturday 21 March, 2009
Noruz	Sunday 22 March, 2009
Noruz	Monday 23 March, 2009
Noruz	Tuesday 24 March, 2009
Islamic Republic Day	Wednesday 1 April, 2009
13 <sup>th</sup> Day of Noruz (Nature Day)	Thursday 2 April, 2009
Martyrdom of Hazrat Fatemeh	Thursday 28 May, 2009
Imam Khomeini's Death	Thursday 4 June, 2009
15 <sup>th</sup> Khordad Uprising	Friday 5 June, 2009
Imam Ali's birth	Monday 6 July, 2009
Prophet Mohammad's Call to Mission	Monday 20, 2009
12 <sup>th</sup> Imam's Birth	Friday 7 August, 2009
Martyrdom of Imam Ali	Friday 11 September, 2009
Eid ul- Fitr (End of Ramadhan)	Sunday 20 September, 2009
Martyrdom of Imam Sadegh	Wednesday 14 October, 2009
Eid ul-Adha (Eid Ghorban)	Saturday 28 November, 2009
Eid Ghadir Khom	Sunday 6 December, 2009
Tassoua	Saturday 26 December, 2009
Ashura	Sunday 27 December, 2009

**We are pharmaceutical wholesalers linking suppliers to buyers and buyers to suppliers**

**We will meet all your requirements for Pharmaceutical finished products, APIs (Pharmaceutical Bulk Agents), Herbal Extracts and Essential Oils, Vitamins, Intermediates, Chemicals, Contract Manufacturing, Pharmaceutical Machinery and related Services...**

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[www.abachem.co.uk](http://www.abachem.co.uk)

## British Embassy - Tehran Holidays in 2009

Thursday, 1 January	New Year's Day
Wednesday, 7 January	Ashura
Sunday, 22 March	Noruz
Monday, 23 March	Noruz
Thursday, 2 April	Sizde Bedar (Nature Day)
Sunday, 12 April	Easter Sunday
Thursday, 11 June	Queen's Birthday
Sunday, 5 July	Eve of Emam Ali's Birthday
Thursday, 27 August	In lieu of August Bank Holiday
Sunday, 20 September	Eid-e Fetr
Thursday, 15 October	In lieu of Martyrdom of Emam Sadegh
Thursday, 26 November	In lieu of Eid-e Ghorban
Thursday, 24 December	In lieu of Christmas Day
Sunday, 27 December	Ashura

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## Facts



## Travel

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As an appointed Agent of BICC, Facts Travel offers a bespoke travel service for the business traveller:

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E-mail: [sales@factstravel.co.uk](mailto:sales@factstravel.co.uk)



## BICC DIARY 2009

<b>23<sup>rd</sup> January</b>	Board & Members' meeting (Ras al Khaimah Free Trade Zone)*
<b>5<sup>th</sup> February</b>	Board & members' meeting with IBCCIM Delegation
<b>13<sup>th</sup> March</b>	Board and members' meeting (Micheal Axworthy on "Recommendations to President Obama on dealing with Iran")
<b>17<sup>th</sup> April</b>	Board meeting
<b>15<sup>th</sup> May</b>	Board and members' meeting (Sir Richard Dalton to speak)
<b>26<sup>th</sup> June</b>	Board and members' meeting (Bijan Khajepour to review Iranian presidential elections)
<b>17<sup>th</sup> July</b>	Board meeting
<b>August</b>	<i>No meetings</i>
<b>18<sup>th</sup> September</b>	Board & Annual General Meeting
<b>6<sup>th</sup> October</b>	House of Lords Annual Reception
<b>16<sup>th</sup> October</b>	Board meeting
<b>13<sup>th</sup> November</b>	Board meeting
<b>Tba November</b>	Conference on the Iranian Gas Industry
<b>11<sup>th</sup> December</b>	Board meeting

*Members will receive invitations for meetings and events closer to the date.*

*An on-line diary of BICC events is also available [www.bicc.org.uk](http://www.bicc.org.uk)*

## **Persian Gold – First Mover Advantage in Gold Exploration in Iran**

Persian Gold, which is listed on the London Stock Exchange (AIM: PNG), was created to take advantage of outstanding gold opportunities in Iran. Iran is a large geological province containing an array of world-class minerals that has been significantly under explored over the past 30 years. Not alone has there been little exploration, but almost none of the new exploration techniques developed in the past generation have been used in Iran. Very few international mining companies are working there creating a unique opportunity for an exploration company like Persian Gold. Persian Gold began operations in 2004 and is currently active in three areas of the country.

**Chah-e-Zard near Yazd**, is a late stage gold project where a 15 hole-drilling programme produced good results finding gold in 13 of 15 holes. The target is an open cast heap leachable deposit. A further detailed programme of trenching and drilling to define the ore body will get underway by September 2007. The project is a joint venture with the local license holder who holds 30%. Recent drilling on this project catapulted Persian Gold's share price to over 40p valuing the company at over USD\$50m.

**At Dalli South of Tehran**, Persian Gold will shortly begin a drilling programme on a gold/copper porphyry project where soil sampling has shown significant gold values over a large area. The property has never been drilled. Persian Gold has an option to acquire 70% of the concession.

**The Takestan area in Northwest Iran** is the third area of focus. The Takestan area is particularly exciting. Modern gold exploration techniques have discovered gold associated with silica and alunite. Some of the largest gold mines in the world have been developed or are being developed in silica-alunite deposits in the Andes of South America. The Takestan area of Iran contains over 1 billion tonnes of alunite, the second largest deposit in the world. It has never been systematically prospected for gold. After sampling over 1800 sq km Persian Gold has zeroed in on 4 license areas the most advanced of which is Twin Hills near Qazvin.

The in country operations are overseen by Iranians with specialist support from external consultants. Persian Gold is currently looking to augment its commercial management team in Iran to support its increasing portfolio of projects. The board which has over 30 years experience in the Natural Resources industry and contains the founders of Petrel Resources plc, an Oil and Gas Company operating in Iraq, is privileged to have the technical advice of Monir Davoudzadeh and the board support of Manouchehr Takin to call on. As one of the very few international explorers working in Iran, Persian Gold sees a continuous flow of projects and is interested in discussing any opportunities to increase its operations in Iran. Over the coming years, Persian Gold expects to become a significant Iranian gold producer.

For more information please visit Persian Gold plc website – [www.persiangoldplc.com](http://www.persiangoldplc.com).

# Persian Gold plc.

## Middle East Gold Exploration

Persian Gold plc. is a Middle East gold explorer focused on Iran and listed on the London Stock Exchange (AIM:PNG).

Iran is a highly prospective and under explored country for natural resources. Persian Gold has an early mover advantage.

[www.persianguardplc.com](http://www.persianguardplc.com)  
[info@persianguardplc.com](mailto:info@persianguardplc.com)

**Persian Gold plc.**  
Middle East Gold Exploration

Please see inside page for more information on Persian Gold Plc



**Persia**  
International Bank Plc

### Business Name



Persia International Bank was established in London on 29th of April 2002 following the merger of the London branches of Bank Mellat and Bank Tejarat, who are the joint shareholders of the Bank.



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