

ECONOMIC FOCUS



Tehran City
against the
spectacular
backdrop of the
Damavand
Mountains

Tower Bridge &
River Thames
in London



In this issue of Economic Focus

- UK/Iran Trade Statistics
- Iranian Business School Project
- Report: Fluctuation in the Price of Oil

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

RAKFTZ contacts

Ras Al Khaimah
Free Trade Zone

PO Box 10055,
Ras Al Khaimah, UAE

Tel: +971 7 2041014

Fax: +971 7 2077120

Toll free: 80072539

iran@rakftz.com

www.rakftz.com

4.....Message from your Editor-in-Chief



UK/Iran Trade Statistics.....5

6-7.....Article: Iranian Economy



Article: After the Iranian Presidential Election,,,,,.....8-9

11.....Notice from the British Embassy, Tehran



Visa Application Process.....12-13

14-15.....Bank Saderat Privatisation



Iranian Business School Project.....16-17

19.....BICC Annual Reception Application Form



The Fluctuation in the Price of Oil: By Dr M. Ala.....22-25

30.....BICC Members Diary

The *Economic Focus* is the official publication of the British-Iranian Chamber of Commerce.

Editorial Team:

Publisher/Editor-in-Chief:
Yousef Daneshvar OBE

Editor:
Asmha Hussain

Editorial Director:
Martin Johnston

Magazine Photographer:
Siamak Nikoopour

Events Co-ordinator:
Mitra Taheri

Editorial Consultant:
Dr Cyrus Mehdizadeh

The British-Iranian Chamber of Commerce
NIOC House
No. 4 Victoria Street
London, SW1H 0NE

Tel: 020 7233 4441
Fax: 020 7233 4442

Email: asmhah@aol.com
Web: www.bicc.org.uk

Cover designed by Asmha Hussain

The Economic Focus is printed on behalf of the British-Iranian Chamber of Commerce by the ASK Group and is distributed free of charge. Although all effort is made to ensure the accuracy of information published in the magazine, the Chamber nor the Printers can be held responsible for any errors or inaccuracies printed. The content of the Economic Focus is only for your general information and use and is not intended to address your particular requirements. In particular, the Economic Focus does not constitute any form of advice, recommendation, representation, endorsement or arrangement by BICC and is not intended to be relied upon by readers in making (or refraining from making) any specific investment or other decisions. Appropriate independent advice should be obtained before making any such decision. Any agreements, transactions or other arrangements made between you and any third party named or advertising in the Economic Focus are at your sole risk and responsibility. Although reasonable effort is made by the British-Iranian Chamber of Commerce the information published may not necessarily be current at the time of printing as this is not a publication of "real time" information and may have ceased to be current by the time of publication and therefore not entirely accurate. The British-Iranian Chamber of Commerce and ASK Group do not accept responsibility for updating any information published or any reliance by you on the content of the Economic Focus. The views in this publication are not necessarily those endorsed by the British-Iranian Chamber of Commerce. Any advertisements printed in the Economic Focus does not imply endorsement of the product or services of the advertising company. No part of this publication may be reproduced in any format (including electronic), copied or sold without prior written permission from the British-Iranian Chamber of Commerce which can be obtained by writing to applying to The Director General at directorgeneral@bicc.org.uk.

UK & IRANIAN COMPANIES SHOWING RESILIENCE



“UK exports to Iran are the same as last year...furthermore imports from Iran have increased”

The Economic Focus is very pleased to help launch a new and enterprising project - The Iranian Business School Project. The main focus of the project is to establish a world-class and prestigious Business School in Iran. This school will aim to pioneer the development of entrepreneurial solutions for pressing management needs and challenges of the Iranian economy today and to ensure that Iranian managers can effectively compete for, and succeed in, business on a global scale. A full report can be seen on pages 16-17.

On page 5 we have published the recent UK/Iran trade statistics. Which show despite ongoing political issues and US sanctions during the first four months of 2009 there was a slight increase in UK exports to Iran compared to the same period last year and furthermore of particular interest is the 1.4% increase of imports of Iranian goods in the same period. This is indicative of the enthusiasm both British and Iranian companies have in working together despite the tremendous pressures imposed on them.

Once again, one of our valued contributors, Dr Ala has written an article on pages 22-25 about the fluctuation in oil price. The price of oil is an important factor impacting global economy since 90% of all transport is fuelled by oil products; 99% of all lubricants are produced from oil; and 99% of food production involves oil or gas for fertilisers, agrochemicals, cultivation and transport.

Finally, the BICC's annual House of Lords Reception is just around the corner! We are holding the reception, as usual in the Cholmondeley Room & Terrace on the 6th October 2009. We are pleased to announce that Lord High Chancellor of Great Britain and Secretary of State for Justice, Mr Jack Straw MP, has accepted to be our guest speaker this year. This is a very popular event for our members and guests and places are limited, therefore I would urge you to reply as soon as possible. You can use the reply form on page 19 or call our offices on 020 7233 4441. I look forward to seeing you there.

*Yousef (Joe) Daneshvar OBE
Editor-in-Chief, Economic Focus,
Deputy Chairman, BICC*

UK/IRAN TRADE STATISTICS

Trade in Goods

Bilateral trade figures: £ million

	2005	2006	2007	2008	% Change 2007-2008	Jan- April 2008	Jan- April 2009	% Change Jan- April 2008/2009
UK Exports	463.9	431.4	400.3	412.1	+2.9%	135.8	136.0	+0.1%
UK Imports	38.8	71.7	66.4	66.6	+0.3%	28.0	28.4	+1.4%
Balance	425.1	359.7	333.9	345.5	+ 3.5%	107.8	107.6	-0.2%%

Source: UKtradeinfo HM Revenue & Customs

- UK exports to Iran, at £136 million in the first four months of 2009, are virtually the same as in the same period in 2008
- UK imports from Iran have increased (1.4%).
- Although the trans-shipment of UK trade through the UAE, seems to have continued to have grown, the growth is slowing. Exports to the UAE, at £1,153 million for this period, were higher (16%) than for the same period in 2008.
- In 2008 and in 2009 thusfar UK exports to Iran have been resilient and have grown, despite the outreach affect of US sanctions on the international banking system and the world recession.
- This seems to have been because UK companies have found new banking routes to receive payments and the strength of the oil price has enabled Iran to buy goods from abroad without significant recourse to the use of credit.
- There is no clear sign of a tipping point at which the cumulative effect of sanctions will shortly reduce trade, but that is not to say that trade will not decline in the near future.
- Exporters report that Iran has been placing fewer orders in the recent months (perhaps because there are fewer funds to import goods or because of uncertain conditions for business). This being so a decline in exports can be expected soon.

For up-to-date trade statistics please visit the BICC website: www.bicc.org.uk

TOUGH TIMES AHEAD FOR THE IRANIAN ECONOMY

With oil prices taking a downturn this year, Iran's economy is facing tough times, due to its over-reliance on this sector. The following article, written by the Brookings Institution discusses the imbalances faced by the economy.

Iran's oil-dependent economy is in for tough times as slack conditions continue in the global oil market. Oil prices averaged over \$80 a barrel last year but in 2009 they likely will be half as much. Despite assurances from President Mahmoud Ahmadinejad about the looming economic crisis, the business mood in Iran is very grim as consumers and businesses brace themselves for a serious downturn.

Post-oil boom adjustments are not new to Iran. Similar, if not greater, declines in oil revenues took place in the mid-1980s, as a result of the intensification of the war with Iraq and the oil price collapse of 1986, and then in the mid-1990s, as a result of overindulgence following the brief oil boom of 1990-91. On the first occasion, the state of the economy was already dire and characterized by extensive rationing, so the adjustment was just greater restraint on consumption and investment enforced with more rationing. However, the experience of 1993-95 is more relevant because it resembles the current crisis more closely: market forces played a greater role and the country was experiencing economic growth. As a result, when the Rafsanjani government switched from a liberal import policy in 1990-92 to import restrictions that cut imports by half during 1993-94, consumers were shocked and unprepared.

The problem during the mid-1990s was not that oil prices had collapsed suddenly. As hostilities in the first Persian Gulf War came to an end in early 1991, what made the adjustment much worse was that Iran had to pay back about \$20 billion in short-term loans that it had borrowed. The effect of the adjustment on ordinary Iranians and the poor was severe. Inflation soared to 50 percent in 1995, real wages fell by about 20 percent in just two years during 1993-95, and poverty increased. Widespread dissatisfaction with the economic adjustment led to a revival of populist politics, which forced President Rafsanjani to abandon his market reform program and institute controls on prices and imports.

A harsh lesson was learned by the average person, who felt they had seen little of the gain but had to bear the brunt of the adjustment: get your goodies early in an oil boom so you are not left empty-handed when it comes to an end. This was felt especially by the young, who were last in queue to share in the benefits of the boom. The candy store had closed too quickly and without warning, leaving the more patient customers with baskets yet to be filled. It took barely a decade before this theory was put to test. In the middle of the latest oil boom — in 2005 — Iranians voted for a president who promised to “bring the oil money to their dinner table.”

Iran's economy is facing at least three large imbalances. The most acute is in the balance of payments. Unlike Saudi Arabia and the United Arab Emirates, Iran does not have enough in reserves to finance its way out of the crisis. Oil exports are not responsive to domestic policy actions, so the foreign exchange gap will have to be met in part by cutting imports, through foreign borrowing, or by increasing non-oil exports. The last option is the most desirable from the perspective of jobs and growth. To boost non-oil exports the *rial* must *depreciate* in value, which will cause prices to rise but will also make exporting more profitable. When the exchange rate was raised to help exports during the last adjustment in the early 1990s, I recall reading in Iranian newspapers about the heroic citizens of the northern agricultural province of Gorgan who stopped the trucks taking “their” produce to Central Asia. So much for the national desire to promote exports and lower dependence on oil!

Foreign Debts

In these times of frozen international credit markets and economic sanctions against Iran, the second option of foreign borrowing is less likely than it was in the 1990s, but the risk of state-owned enterprises racking up foreign debts using short-term credit from eager overseas suppliers is not altogether gone. This is precisely what they did in the early 1990s, which deepened the post-oil boom slump and halted Rafsanjani's reforms. Anticipating devaluation and government bailout, these enterprises incurred \$10 billion in new short term debt alone

between 1991 and 1993. Their actions forced the highly anticipated devaluation of the *rial* by a factor of 27 during the same period and forced the government to accept this debt as its own. If lessons from the past do not save Iran from repeating this scenario, the sanctions might, ironically, do so by making it harder for state enterprises to borrow abroad.

The second imbalance is in the government budget. Imposing more taxes will be politically costly and printing money inflationary. There are no good options here except cutting back on public expenditures and, if the past is any guide, investment will take the biggest hit. By 1995, economic contraction had brought investment down by 29 percent compared to 1992, while consumption actually increased by 8 percent. If this scenario is repeated in the next couple of years, economic growth, and thus jobs, unfortunately will suffer.

The third imbalance is in the country's financial markets. President Ahmadinejad reduced interest rates as a way of helping borrowers, especially young people, who were targeted in an ambitious lending program for so-called "quick return projects." Banks were pressured to lend, which they did to the tune of \$18 billion during the first year of the program. However, returns were not quick enough and domestic supply did not respond as anticipated, causing prices and imports to rise. During the summer of 2008, inflation reached annual rates above 30 percent. The Central Bank intervened to limit the lending program and the resulting expansion of the money supply. This intervention has lowered inflation and inadvertently caused the economic adjustment to arrive earlier in Iran than in other oil-rich parts of the region, such as UAE.

Iran's Demography

There are several parallels with the previous episodes of adjustment, but there is also one important difference — demography. Whereas in 1986 and 1996, in the aftermath of the last two great downturns, youth (ages 15 to 29) comprised 26.4 percent and 28.4 percent of the population respectively, in 2006 they accounted for 35.4 percent of the population and 70 percent of the unemployed, both ratios being the highest in the Middle East and among the highest globally. Furthermore, most of these young men and women are well educated and, lacking stable employment, unable to marry, likely engendering feelings of disappointment and alienation. Had the oil boom lasted another 5 to 10 years, most youth would have "survived" their twenties and reached the glorious age of 30, when most Iranians finally find a stable

job and many get married. (Unemployment rates drop from 25 percent for men and 45 percent for women in their twenties to less than 5 percent after age 30.) The onset of the economic slowdown at this time will likely inflict more damage on youth than any other age group.

There is never a good time for an economic downturn, but this is a particularly bad period for Iran and its youth to face adjustment, especially if it is administered the old fashioned way — that is, by contracting the economy to limit imports and causing investment and industrial production to fall. Most young people who are lucky enough to be employed are on short term contracts, as Iran's labor law protects jobs for older people and those with less than three months on the job. These youth will be the first to lose their jobs, and those who do not have a job to begin with will have to wait longer to find one.

The alternative to such a policy is to increase the scope of activity for the private sector to enhance its ability to create employment by shifting from contracting sectors (mostly services) to sectors that can expand (agriculture and manufacturing). On the macro side, this entails allowing the *rial* to depreciate and interest rates to rise so financial markets can provide the necessary credit. On trade, it implies resisting the impulse to protect unproductive industries, but rather to restructure them through privatization, greater competition, and prioritization of exports. Restructuring should also be extended to institutional reform of the labor market to make it more flexible. These are hard steps to take during a time of increased uncertainty but, if these reforms are not pushed forward now, the opportunity will disappear and "business as usual" will return once oil money begins to flow again.

“if these reforms are not pushed forward.. the opportunity will disappear and 'business as usual' will return once oil money begins to flow again ”

“Iran's economy is facing at least three large imbalances. The most acute is the balance of payment ”

AFTER THE IRANIAN



BICC's Deputy Chairman, Alun Evans CMG, writes about the aftermath of the Iranian Presidential Election, focusing on how a re-election would have allowed President Ahmadinejad to embark in his term with acceptance from both inside and outside of Iran.

The June Iranian Presidential Election was quite the most controversial that we have seen in the thirty year history of the Islamic Republic. All four candidates are committed supporters of the post 1979 state and yet there were wide differences of view between the sitting President in particular and the challengers. In his first term President Ahmadinejad implemented populist economic policies which owed more to his aim of winning mass electoral support than to achieving a healthy and growing economy. There is no doubt that his government's generosity won him significant support, but a large body of opinion is convinced that he did not win the overwhelming majority of votes that has been claimed to ensure his re-election.

Alternative Scenario

Let us for a moment look at an alternative scenario to the one that is currently being played out in Iran. Given that there is widespread agreement that the President did not achieve the absolute majority of votes at the first ballot which is required to avoid a run-off between the two leading candidates, it is quite likely that he received more votes than Mousavi, but without an absolute majority. He remains very popular in the countryside and particularly with those who have benefited from his populist largesse. It is less likely that Mousavi would have been in the lead, but he at least would have come a close and very good second.

If we accept that this was the actual outcome of the first ballot, President Ahmadinejad and Mousavi would have then gone on to fight it out at the second ballot. Just for the sake of argument let us assume that President Ahmadinejad won again because of his greater grass roots popular appeal. Frankly a win by either would have been possible. With an Ahmadinejad win, there would have been strong pro-Mousavi demonstrations, but there would have been no cause, assuming all was fair and above board in the conduct of the election, for the current campaign arguing that Mousavi was robbed of victory.

The reason for following this line of speculation is to see that President Ahmadinejad would then have been accepted as the unchallenged President both inside and outside Iran and President Obama and his allies would have been in a position to embark on his much touted policy of constructive engagement. At present Iran is in a state of turmoil with deep divisions at the

PRESIDENTIAL ELECTION

heart of the ruling elite and among those committed to the Islamic Republic. The President's position has been seriously weakened and his legitimacy is being widely challenged in his own country. It is difficult in these circumstances for outside powers to embark on a serious attempt to improve relations with Iran.

Economic Effect

What is so tragic in the present situation is that Iran is attacking countries with whom it could have mutually beneficial relations. The economies of the UK and the USA on the one hand and Iran on the other are complementary. Iran needs the West's engineering products, above all in energy and aerospace and the West needs access to Iran's energy and markets. The UK is receiving the brunt of the attack because it is a surrogate for the USA. The USA only has an Interests Section in the Swiss Embassy in Tehran staffed by Swiss and not US nationals. France and Germany are also in the firing line. In the first half of the twentieth century the UK and the USA exploited their more powerful positions and took advantage of Iran's relative weakness, but those days are long since past.

It is ironic that Iran is now on much closer terms with Russia and China: they are unlikely to become long term allies. Russia, as a near neighbour of Iran, is opposed to Iran acquiring a nuclear weapons capability, but its main aim, as in so much of the conduct of its external relations, is to seek to embarrass and make complications for the USA in the implementation of its foreign policy. China for its part is only interested in having access to Iran's oil, gas and mineral riches. This is not the place to comment at

length on the show trials and the accusations against western powers in Tehran that we are witnessing at the present. It is sufficient only to say that the latter accusations are either false or distortions of the facts which are designed to divert attention from the reality of the deep internal divisions inside Iran.

Another major reason for Iran to respond to the policy of constructive engagement is that President Obama is doing his best to ensure that Israel, now ruled by one of the more right wing governments in its short existence, does not undertake any foolish anti-Iranian adventures. The current US administration understands the futility and dangers of attempting an attack on Iran's nuclear programme and will do its best to curb Israeli wrong-headedness.

Friends of Iran

As friends of Iran we are at present bewildered that, at a time when the chances of improved relations between Iran and the western powers are potentially as good as they have ever been over the past thirty years, the current Iranian regime appears to be doing its best to ensure that relations will deteriorate even further. We can only watch and wait for an early resolution of the power struggle being played out in Iran.

***“We can only watch
and wait for an early
resolution of the power
struggle being played
out in Iran ”***

FOREIGN DIRECT INVESTMENT (FDI) BETWEEN THE UK AND IRAN

Martin Johnston, BICC's Director General produces the following report outlining direct investment between the UK and Iran.

FDI from Iran into UK

Bilateral investment figures: £ million

	2004	2005	2006	2007
FDI	97	78	49	67
Capital Stock	529	508	523	643

FDI from the UK into Iran

Bilateral investment figures: £ million

	2004	2005	2006	2007
FDI	-	C	C	-20
Capital Stock	-	C	C	39

Source: Office for National Statistics (ONS)

C - Confidential

- Between 2004 and 2007, Iranian FDI into the UK was some £50-£100 million per annum; the capital stock being over £600 million by 2007. In the main, investments are made by the Iranian private rather than the public sector.
- UK investment in Iran is very low: the capital stock being £39 million in 2007.
- The balance of investment is into the UK.. However a number of large UK investments in Iran have been planned in recent years but did not proceed or await suitable financial and political conditions.

Notes

- These statistics are derived from FDI Surveys undertaken by the ONS. The law requires investors to provide information to the surveys, but provides protection, where publication might indicate identity. This explains the confidentiality of figures for UK FDI into Iran in 2005 and 2006.
- FDI is new investment less disinvestments in a year: it excludes portfolio investments and bank lending. The capital stock is not solely the sum of annual FDI figures but may be adjusted to include, for example, revaluation of the capital stock as a result of mergers or acquisitions and currency fluctuations.
- These figures show only direct investment between Iran and the UK and not investment made through a third country.

NO VISA APPLICATIONS TO BE ACCEPTED - BRITISH EMBASSY, TEHRAN

The British Embassy in Tehran has recently announced that no applications for UK Entry Visas from Iran will be accepted, for the foreseeable future. Please see the full announcement below.

Please be aware that, for the foreseeable future, the British Embassy in Tehran is not able to accept visa applications. We apologise for the inconvenience this is causing you. In order to continue offering you a visa service UK Border Agency, which is an Agency of the Home Office, have arranged for visit visa applications (including business visit) to be made at any British visa application location.

For information on application locations please go to [where to apply](http://www.ukvisas.gov.uk/en/howtoapply/wheretosapply/) section in UK Border Agency website.

You will need to make an application from wherever you decide to apply from and travel to that destination to submit your application and give the electronic finger scan.

I understand that Abu Dhabi seems to be the location of choice by Iranian businessmen and that they are particularly anxious about the 10-14 day delay on decision making. I have been advised that the target is to resolve 90% of non-straightforward applications within 15 working days. UKBA do appreciate the particular issues for Iranian applicants waiting for decisions in Abu Dhabi and turnaround times will be monitored closely. Visa Application Centre staff (VAC) will be able to give information on processing times at the point of application.

For information on the visa application centre in Abu Dhabi, including location and opening times please go to <http://www.vfs-uk-ae.com/contactus.aspx>

www.ukvisas.gov.uk

VISA APPLICATION PROCESS

Below is a guide to some of the documents that will make it easier for a Visa Officer to arrive at a fair and prompt decision. This was prepared by the Visa Section staff at the British Embassy, Tehran. The Embassy would like to remind applicants to read the advice below as they are unable to give advice during appointments.

Please note, although the below procedures would apply in usual circumstances, the British Embassy in Tehran has made a decision not to accept visa applications, until further notice. Please see page 11. The BICC is working to resolve this issue.

Two Year Multiple Entry Visas.

Please see the ***Frequently Asked Questions*** page on the UK Visas website: www.ukvisas.gov.uk for more on two-year visas.

Business Visitors.

First time business visitors and business visitors who have not travelled to the UK during the previous 12 months always have their applications referred to the UK. This includes those attending conferences and exhibitions. This process takes a minimum of 10 UK working days from the date of application. Therefore applications must be made in good time. Visas are issued for a maximum period of one month. However if re-applying for a further visa, once the one-month visa has been used, a six-month, multiple entry visa may be applied for, without the need for a second referral. Documents should include:

- Invitation letters from UK companies, written on original (not faxed, copied or e-mailed) company headed-paper.
- A letter from your employer in Iran, written on original company headed-paper, detailing the purpose and length of the proposed visit, plus the name of who is paying for the visit.
- Two recent payslips.
- A six-month bank statement in the applicant's name, preferably detailing salary deposits, plus a **certificate from the International Division of your bank.**
- Property documents.

Medical Treatment Applications.

We treat all medical visitor applications sympathetically. If our appointment system is fully booked you may contact visaenquiries.tehran@fco.gov.uk to request an earlier appointment. Documents should include:

- A letter from the UK doctor/hospital, stating the appointment date, the expected cost of treatment and the expected length of the treatment.
- A six-month bank statement detailing the funds available to pay for the proposed treatment and any additional expenses, such as hotel costs.

- Evidence of the medical condition and of treatment received in Iran.
- Evidence of employment/income/property of all who are travelling. This can include a recent six-month bank statement plus **a certificate from the International Division of your bank**, recent payslips, property documents, evidence of study in Iran (children/students etc).

In an emergency we will accept a faxed letter from the UK institution but we will take steps to validate the letter.

Points Based System.

This includes: Highly skilled migrants; Investors; Entrepreneurs; Post-Study Work; Skilled Workers; Temporary Workers; General and Child Students.

Please visit the following page: www.ukvisas.gov.uk/en/howtoapply/infs/

Settlement.

The requirements for settlement are best described under the following link. Here you will find the instructions given to Entry Clearance Officers for all visa categories.

Please visit the following page: www.ukvisas.gov.uk/en/ecg

Visitors.

Please visit the following page: <http://www.ukvisas.gov.uk/en/ecg/visitandtransit/>

Documents required may include:

- An invitation letter (family visitors).
- Evidence of funding, such as a six-month, itemised bank statement. Please note that bank letters that do not provide any financial history are usually unacceptable. Bank documents should be endorsed by the bank and should be accompanied by **a certificate from the International Division of your bank**.
- Evidence of employment or income, such as an employment letter, recent payslips, tax documents, contracts, receipts, and bank statements detailing salary deposits. If you are self-employed you may also wish to provide work permits and evidence that you receive an income from your business, such as receipts etc.
- Evidence of your ties to Iran, such as property documents, birth certificates, evidence that your children are at school, university etc.

For members requesting a Visa sponsorship letter from the BICC, please note that applications must be made in good time before your estimated date of travel.

“process takes a minimum of 10 UK working days so applications must be made in good time....”

For up-to-date information on visa application procedures please visit the following www.ukvisas.gov.uk

BANK SADERAT PRIVATISATION

On Friday, 5th June 2009, Bank Saderat Iran, in anticipation of its forthcoming privatisation, arranged a presentation at the Gibson Hall in the City of London. Gibson Hall is one of the eldest and most famous halls in the City of London.



Dr Borhan, Chairman & Managing Director of Bank Saderat, Iran addressing the audience

Dr. Hamid Borhani, Chairman and Managing Director of Bank Saderat Iran delivered the presentation in the presence of approximately 100 attendees, from various organisations based in London. Details of the information presented can be found on Bank Saderat PLC's website: www.saderat-plc.com.

At the end of the presentation, and before lunch, there was a session of questions and answers.

Based on the information received, the privatisation of Bank Saderat Iran started on Tuesday 9th June 2009. An initial offer of 6% of the shares was subscribed within 6 minutes of the opening, which going by previous events would appear to be a record time established in the Tehran Stock Exchange (TSE).

Since then a further two blocks of 5% each have also been offered in TSE, and were successfully subscribed on 20th July 2009.



Guests listening to the presentation with Martin Johnston and Mr Daneshvar sat on the near side in the middle row.



L-R: Mr Ibrahimzadeh (1st Secretary), Mr Islamian (Deputy Head of Envoy, Iranian Embassy), Dr Azizi (Managing Director, Melli Bank Plc), Dr Borhani (Chairman & MD, Bank Saderat), & Mr Iranzad (Managing Director, Bank Saderat Plc)



Dr Borham, Chairman & Managing Director of Bank Saderat being interviewed by a member of the media.

WORLD-CLASS BUSINESS SCHOOL TO SUPPORT EDUCATION AND DEVELOPMENT OF IRANIAN BUSINESS MANAGERS AND ENTREPRENEURS

In January 2009 a new and exciting project was launched. The project's main aim is to establish the Iranian Business School, which will serve as a centre of excellence for learning and will endeavour to be a world-class business school based in Iran.

Iran is a nation brimming with vast commercial opportunity and it is undoubtedly amongst the most important and rapidly developing nations in the heart of a strategic and high growth region.

It has favourable macro-economic conditions – particularly when compared to many of its neighbours – and with its abundant natural resources and manufacturing capabilities, it possesses all the requisites to transition from a commodities to a knowledge-based economy. Iran's average GDP growth rate and its level of gross investment are forecast to be significantly higher than the MENA average for the next 5-10 years (Source: EIU), and it also boasts a young, highly educated and enterprising population with an adult literacy rate of 89%.

This strong economic foundation would, however, benefit from a greater number of management and entrepreneurial education facilities and additional resources to support economic advancement at rates more commensurate with the country's real potential and rightful position in the global economy.

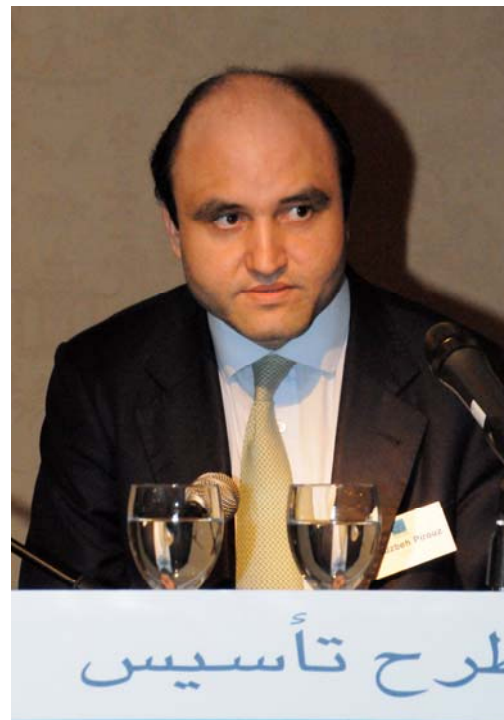
“singular focus will be on delivering international best practice in management education and training.”

It is the aim of the newly announced Iranian Business School (IBS) Project to support the next generation of Iranian business leaders as they strive to help Iran meet its staggering commercial and human potential and, along the way, effectively transform the country's economic landscape, particularly in the prevailing environment of rapid privatisation.

The project is philanthropically motivated and will culminate in the establishment of a world-class business school in Iran. It is envisioned that the School will serve as a centre of excellence for learning and the sharing of knowledge. Importantly, it will also aim to pioneer the development of entrepreneurial solutions for the most pressing management needs and challenges of the Iranian economy today (as corporations transition to private sector status), in order to ensure that Iranian managers can effectively compete for, and succeed in, business on a global scale.

IBS, which was officially launched in London in January of 2009, is being established as a fully independent and not-for-profit organisation, whose singular focus will be on delivering international best practice in management education and training. The project has obtained full charitable status in the UK (Charity Number: 1125584) and will retain a not-for-profit based structure once operational in Iran.

Underscoring the independent nature of the School, its establishment has been spearheaded by a group of individuals from the business community of the Iranian Diaspora and supported by leading private sector figures within Iran. These individuals have collectively identified the strategic need for a management school that sets the highest standards. The value of postgraduate business training as a catalyst for progress has long been recognised the world over and it is with this aim that the project has been conceived.



Mr Rouzbeh Pirouz - Chairman

It is hoped that by providing Iranian business managers with the requisite resources and access to world-class training, IBS will not only help individuals to excel, but that it will help to enhance the country's overall competitiveness. Turning out a group of highly skilled managers that can support global organisations as they seek to enter, grow or advance their positions in the Iranian market, will ultimately make Iran a more attractive investment destination.

The founders and the team of volunteers taking the project forward together bring a track record of achievement in the commercial sphere, expertise in management and planning, individual experiences of Business School training and a profound understanding of the Iranian market and culture.

The project also benefits from the experience of its distinguished Special Advisor, Michael Hay who is a Professor of Management Practice in Entrepreneurship at London Business School (LBS). Professor Hay has spent more than 30 years as a faculty member of LBS, including five years as Deputy Dean, helping to build the organisation globally and to establish its reputation as an international leader.

Working together and under the guidance of Professor Hay, there has been strong progress in every facet of IBS's establishment from finalising the requisite permit for the creation of an independent educational establishment in Tehran, to preparing the academic agenda and recruiting the teaching faculty.

Pending the completion of the necessary licenses and approvals from relevant government and academic bodies in Iran, the Iranian Business School will be established in Tehran and open for its first intake of students in September 2010. At the outset, the School will offer a Non-Degree Executive Education Programme. These initial courses will be targeted at CEO and Board Level Executives of leading Iranian and foreign corporations operating in the local market.

By September 2011/12, IBS intends to offer the full range of management training courses covering a broad spectrum of subjects and programmes starting with a modular EMBA, with later stage programmes to include tailored courses for companies and organisations, non-degree open programmes, Executive MBAs, and Advanced Research and PhD programmes.

Courses are currently being developed in collaboration with leading international and Iranian management experts. The curriculum is being set with an eye towards applying global best practices in education and management training to the local Iranian business culture and marketplace.

The School will be a bilingual Persian and English speaking institution and will host international faculty comprised of a group of academics with an expertise base that is specifically applicable to advancing management education in Iran.



Mr Michael Hay - Special Advisor

Ultimately, it is the aim of IBS to develop and provide a unique value proposition and model that will set the School and those students that study at IBS apart. This model will be one grounded in the School's not-for-profit and independent status, a team of multi-national and multi-discipline professionals, a global faculty, international benchmarking and partnerships with top-tier organisations and private sector companies sharing IBS's vision and values.

The significant strides made to date in creating what will be an exceptional organisation are in no small part thanks to the overwhelming amount of support and generosity the project has already received from numerous individuals and organisations from both within Iran and outside it.

As individuals and corporations with an interest in Iran and the desire to see strengthened economic participation from the country on a global scale, we invite you to find out more about the project and welcome your involvement and support. This is a unique opportunity to both provide Iran's youth and entrepreneurs with a competitive edge, and simultaneously ensure that your business has access to the best talent and managerial expertise that Iran has to offer.

Further information on the Iranian Business School can be found on the project's official website: www.iranianbusinessschool.org

“ensure that Iranian managers can effectively compete for, and succeed, in business on a global scale..”

Are you
paying too much
 for your private
 health plan?



BICC is pleased to advise its members that it has established a valuable link with SecureHealth Ltd, part of the AXA PPP healthcare group of companies, for the provision of private medical insurance at extremely competitive premiums.

SecureHealth is a specialist intermediary, established in 1996 to provide bespoke, value for money private medical insurance plans.

Since those early days SecureHealth has progressed into becoming one of the major private healthcare providers in the UK.

We act on behalf of our clients and do not charge for our services.

- Access the *premier London hospitals* without increasing your premiums
- A choice of plans to suit all needs and budgets
- Corporate and personal plans
- We also offer a range of attractive employee benefits including worldwide travel cover and dental insurance

SAVE UP TO 25% ON COMPARABLE PLANS!*

To find out more about how you could save money and improve your cover, call **Paul Evans** on:

Freephone 0808 100 3480

Online www.securehealthagents.com/023001



Paul Evans is an Appointed Representative of SecureHealth Ltd, which is authorised and regulated by the Financial Services Authority and part of the AXA PPP healthcare group of companies.

* Correct as at 30.9.08. www.securehealth.co.uk

SecureHealth
 private medical insurance

HOUSE OF LORDS RECEPTION 2009

The House of Lords Reception is to be held on 6th October this year. The event is held annually for members and their guests and is an opportune moment to network with fellow members and members of the BICC Board. This year we are fortunate to have the Rt. Hon. Jack Straw MP as guest speaker. If you would like to attend (places are limited) please complete the form below and either post to NIOC House, No. 4 Victoria Street, London, SW1H 0NE or fax to 020 7233 4442. Please note entrance tickets will be issued once payment has been received.

HOUSE OF LORDS RECEPTION 2009

ATTENDANCE CONFIRMATION

I would like to attend the BICC House of Lords Reception on 6th October 2009.

Please reserve _____ tickets

(£115.00 each for members £126.50 for non-members - all prices are inclusive of VAT)

Attendee Name (s) _____

Address _____

_____ BICC Membership Number _____

Method of payment: _____ cheque (made payable to 'BICC' and posted to BICC offices)

_____ credit card (payment can also be made by telephone 020 7233 4441)

Amount to be debited: £ _____ Card No: _____

Issue No: _____ Valid from: _____ / _____ Valid to: _____ / _____



IBCCIM BOARD ELECTION

Our counterpart in Tehran, the Irano-British Chamber of Commerce, Industries & Mines (IBCCIM) held it's Annual General Meeting on 1st July, during which an election was held to determine board members for the following two years. The results are published below.

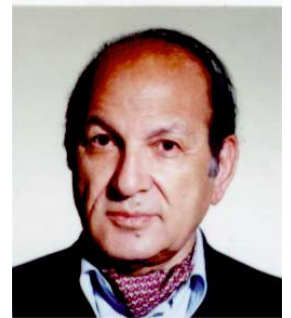
1. H. E. Eng. Alinaqi Khamoushi

President



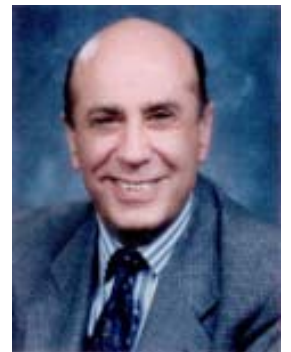
2. Dr Amir Houshang Amini

Vice President &
Secretary General



3. Dr Ali Sharghi

Vice President



4. H. E. Eng. Ali Kolahdouz Esfahani

Treasurer



5. Eng.Ali Hamzenejad

Board Secretarial



6. Dr Naser Homapour

Director



7. Dr Reza Jaber Ansari

Director



8. Mr Jafar Zarebini

Alternative



9. Mr Saeed Khalili

Alternative

The BICC congratulate the above on their recent elections and offer them best wishes.

THE CAUSES AND CONSEQUENCES OF THE RECENT FLUCTUATION IN THE PRICE OF OIL

BY MOHAMMAD ALI ALA

Due to the defining role of oil in the modern world, the fluctuations in its price over the past few years have been a topic of numerous analyses and debate in the news media and commercial circles. Industrial society is underpinned by energy and of all energy sources oil is the most dominant, since, with the exception of uranium, it has the highest energy density among all presently known sources. One of our most popular writers, Dr Ala writes about this subject starting with a perusal of the list below which will demonstrate the impact of oil on the modern world.

- 90% of all transport is fuelled by oil products.
- All petrochemicals are produced from oil.
- 99% of all lubricants are produced from oil.
- 95% of all goods in the shops are transported using oil.
- 99% of food production involves oil or gas for fertilisers, agrochemicals, cultivation and transport.

Modified from Skrebowski, 2004

On account of their dependence on oil, modern communities are sometimes referred to as *hydrocarbon societies* and the term *hydrocarbon man* is applied to their inhabitants.

A REVIEW OF THE HISTORICAL PRICE OF OIL

Figure 1 shows the historical price of oil since 1861, barely two years after the birth of the modern petroleum industry in western Pennsylvania in 1859, in terms of both the \$ of the day and the value of the \$ in 2008. Significantly, it demonstrates that spikes and fluctuations in crude oil prices are not a new or recent phenomenon; indeed, until the advent of \$147 per barrel oil in July 2008, the highest historical price of oil was in the mid-1860s, when it reached \$110 per barrel in terms of 2008 value dated \$. As in recent years, there were equally spectacular collapses in price. Perhaps the most notable among these was during the Great Depression of the late 1920s-early 1930s, when the price dropped to 30 cents a barrel in terms of the money of the day due to reduced economic activity resulting in low demand and overproduction in Texas, Oklahoma and California.

Relative to other commodities, crude oil prices remained low for the next three and a half decades following the Great Depression. Significant changes, referred to as *oil shocks*, occurred in the 1970s. The first of these was in October 1973, in the wake of the Yom Kippur war and the ensuing Arab oil embargo against the West, when the price doubled to \$5.12. In February 1974, led by Iran, the OPEC producers raised it to \$11.65 per barrel. Crude oil thus quadrupled in price over a three month period, the \$11.65 price being equivalent to \$50 per barrel in terms of 2008 value dated \$.

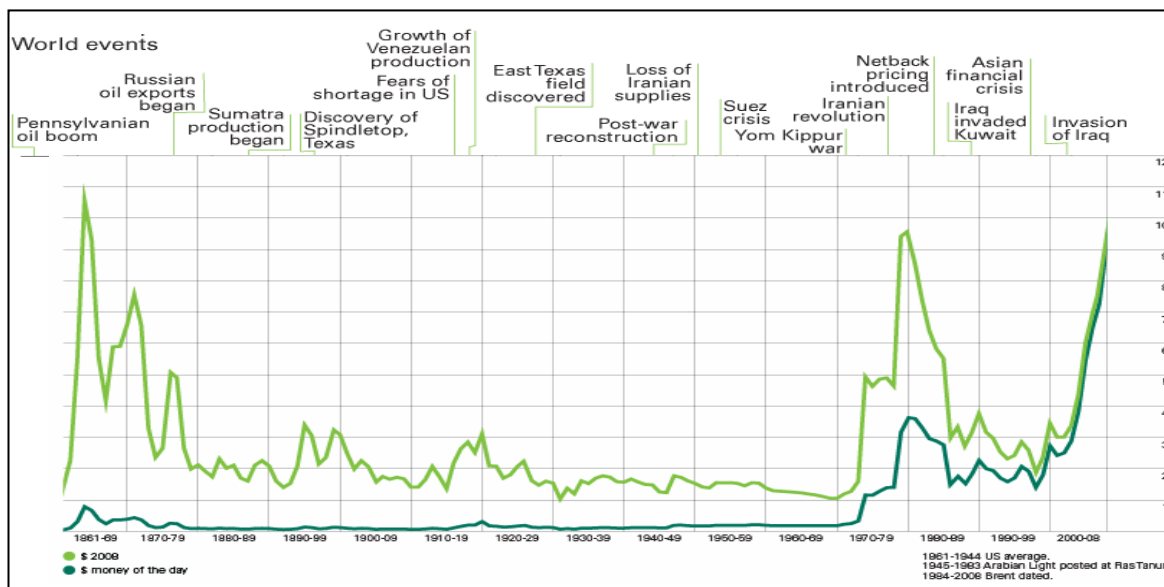


Figure 1 Historical price of oil: 1861–2008 (\$/barrel) *BP Statistical Review of World Energy, June 2009*

The second oil shock was precipitated by the 1978/79 Iranian Revolution. Fears of interruption of supplies from Iran pushed up the price sharply, with spot cargos on the Rotterdam market fetching up to \$38 per barrel, equivalent to about \$95 in terms of 2008 prices.

While the oil shocks of the 1970s can be related to specific events, the origins of the 2007-08 price spike are more complex and cannot be attributed, as some earlier analyses suggested, to a simple tight supplies coupled to a demand driven scenario. As shown in Table I, spare supply capacity seems to have been available throughout 2007 and 2008.

YEAR	2007	2008	2009	2010	2011	2012
SUPPLY (Million b/d)	88.9	91.4	93.1	94.9	96.1	97.1
DEMAND (Million b/d)	85.8	86.6	88.5	90.4	92.3	94.3
SPARE CAPACITY (Million b/d)	3.1	4.8	4.6	4.5	3.8	2.8

Table I Supply/demand balance, 2007-12 *Citigroup & the IEA*

The causes of the 2007-08 price spike are examined briefly on the following page.

THE 2007/08 OIL SHOCK

The price of oil soared to an all time high of \$147 per barrel in July 2008 and collapsed equally dramatically over a 6 month period to \$34 per barrel in January 2009 (Figure 2).

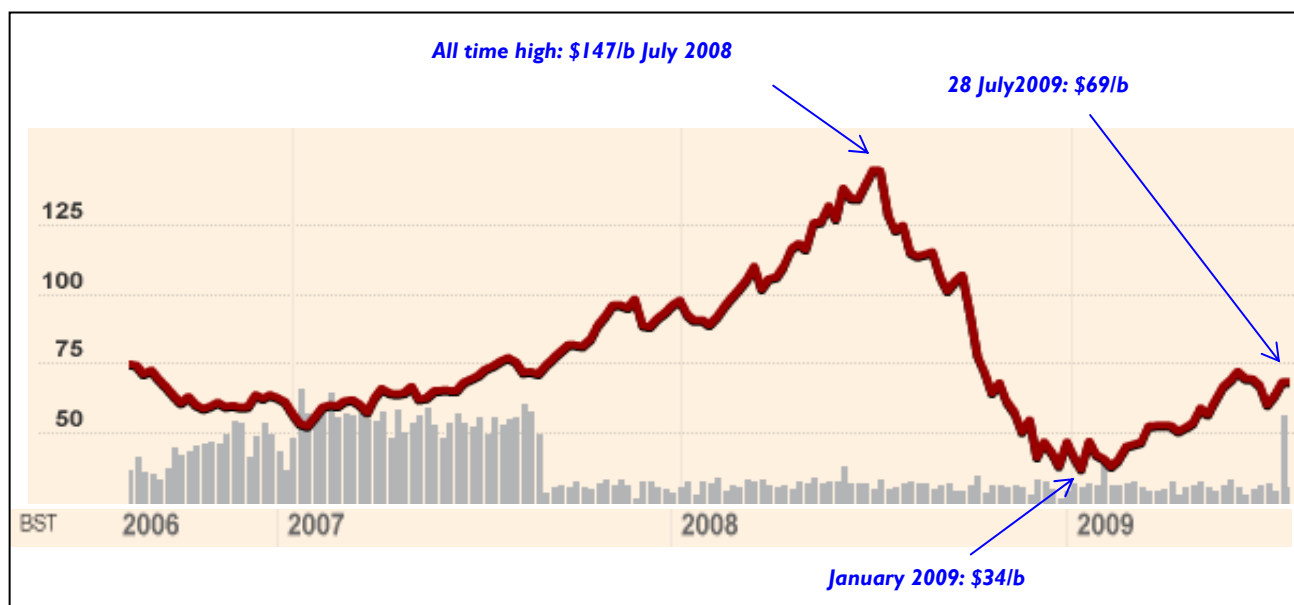


Figure 2 Crude oil prices July 2006-July 2009

Financial Times

The 2007/08 surge in the price of oil had its root causes in a series of preceding events. Through most of the 1990s supplies were abundant and the prices were low. The problems originated in Southeast Asia: beginning with Thailand, the 'Tiger Economies' (South Korea, Taiwan, Philippines and Thailand) overheated and collapsed in 1997/98, precipitating a financial crisis that spread across Asia/Far East (with the exception of China and India) and then engulfed other emerging markets such as Brazil and Russia. This resulted in a drop in oil demand and the price collapsed to below \$10 a barrel in 1999.

The global economy began to recover in the early 2000s and the period 2003-07 saw the strongest growth in a generation. The accompanying rise in incomes in emerging countries (China, India, Middle East and others) resulted in a surge in demand for oil to fuel the rising living standards.

This surge in demand caught the industry by surprise; during the preceding decade and a half it had been under-investing in exploration and building production capacity due to low prices and demand. At the same time, supplies were constrained by military conflict and internal political unrest in Iraq, Venezuela and Nigeria.

Confrontation with Iran over its nuclear programme was a further contributing factor. Concern that an escalation of the issue might lead to conflict and closure of the Strait of Hormuz, the strategic, narrow seaway through which the Persian Gulf producers transport their oil and LNG exports.

At the same time, there were dramatic increases in the cost of developing new discoveries, signalling the end of the 'cheap oil era'. During the 2004-08 period development costs more than doubled due to shortages of equipment, skilled personnel and rising commodity prices, particularly that of steel.

Decline in the value of the \$ against the other major currencies (euro and yen) was another significant factor. A strengthening \$ usually results in lower oil prices.

A new phenomenon was speculation and 'paper trading' on the London and New York oil markets. Financial institutions and hedge funds dipped in and out of the futures market, buying and selling contracts. Global demand for oil is around 85 m b/d, but several times this amount was traded on paper, leading to price volatility. It is estimated that speculation added between \$30 to \$50 to the price of a barrel of oil. The US Senate considered legislation to impose restrictions on speculation in the oil markets by large institutional investors.

Expectations and perceptions raised concern, particularly in the financial sector, that demand from the emerging countries, led by China and India, would continue to surge, causing shortages over the next several years.

The combination of the above factors resulted in the creation of a 'bubble' in which the price became detached from the market fundamentals, leading, inevitably, to a drop in demand. This, in turn, caused the price to tumble rapidly from August 2008 onwards.

Finally, as the result of the collapse of the banking industry in September 2008, financial institutions and hedge funds were forced to raise cash by liquidating their leveraged energy futures positions. This exerted a further downward pressure on the price, which dropped to \$34 a barrel in January 2009.

PREDICTED AND ACTUAL OIL PRICES, 2008-10

There are wide variations in the predicted and actual prices of oil over the period 2008-10 (Table 2).

Year	PREDICTED AND ACTUAL AVERAGE PRICES OF CRUDE OIL (\$/b)			
	Reuters	Fortis Financial Group	Royal Bank of Scotland	ACTUAL
2008	113	125.7	86	97
2009	113	171.5		50*
2010	115	224.9		

*First 6 months of 2009 Average price of crude oil in 2007: \$72/b

'Timesonline, 29 June 2008 & BP Statistical Review of World Energy, June 2009'.

Average predicted prices for 2008 ranged from \$86 to \$125.7 per barrel, while the actual value was \$97. Over the first six months of 2009 the actual average price of crude was \$50 per barrel, well below the predicted levels of \$113-\$171.5.

The International Energy Agency (IEA) has cautioned against the prospects of a swift recovery from the current economic recession, cutting its forecasts for the growth in global oil consumption for the next few years. As the result of the slowdown in demand growth, OPEC's cushion of spare supply is expected to reach 7.78m barrels per day by 2010, amounting to 8% of global consumption (IEA report, 30 June, 2009). The threat of a supply crunch has thus receded, making it unlikely that the average 2009 crude price will equal the 2008 figure of \$97.

By the same token, the predicted \$115-\$224.9 average prices for next year now appear optimistic and such prices are unlikely to be reached in 2010.

FLIGHT TICKET DISCOUNT FOR BICC MEMBERS

Exclusive bmi fares to Iran for BICC members.

bmi

bmi is delighted to offer exclusive fares for members of the British Iranian Chamber of Commerce.

With a wide range of benefits for our Business Class customers, there are now even more reasons to fly with bmi, Heathrow's second largest airline. With benefits such as:

- 50" leg room
 - Business lounge access
 - 30kg cabin baggage allowance
 - A varied selection of complimentary catering
 - Online Check-in up to 30 minutes before departure
- With fares starting from £900* return there's never been a better time to book.

Route	Flight no.	Depart	Arrive	Days
Heathrow - Tehran	BD931	1900	0425	123467
Heathrow - Tehran	BD931	2015	0540	5
Tehran - Heathrow	BD932	0855	1200	1234567

Members, employees and family of BICC members can receive exclusive fares on Business Class tickets booked through FACTS Travel.

To make your booking call FACTS on: 020 7603 1246. Please ask for the BICC rate when making your booking.

We look forward to welcoming you onboard.

fly **bmi**.com
better for business

visit flybmi.com

© 2009 British Midland Airways. All rights reserved.

A STAR ALLIANCE MEMBER

*Exclusive of taxes and charges. Subject to availability.

View our [privacy policy](#)

British Midland Airways Limited trading as bmi, is registered in England and Wales, with registered number: 464648 and registered office: Donington Hall, Castle Donington, Derby, East Midlands, DE74 2SB.

2009 BICC MEMBERS

Abachem Limited	Daneshvar, Kooros	Khozestan Development	RAK Free Trade Zone
Abbasabad Chemical Complex	Denton Wilde Sapte	Lawrence Associates	Rasana Mehr
Aceona Management Ltd	Deutsche-Forfait AG	Lemax Engineering Ltd	RCC London & Tehran
AGCO Limited	DHL Express	LV Shipping Limited	Ridgway, Andrew
Alpert International Ltd	Energy Deployment	Liberty Commodities Ltd	Royal Bank of Canada
Amin Aluminium	Evans CMG, Alun	Lord Andrew Phillips	Saneye Alu Guilan Shakiba Co
Apollonia College Ltd	Esmael Trading Co.	Lord Temple Morris	Sangam Limited
Astran Cargo Services Ltd	FIC Limited	Mirzadeh Fars	Saudi Sim
Aubin Limited	Facts Travel Limited	M. Feiz Trading	Shell Exploration Limited
Bafandeh Imandoost, Ahmad	Falcon Trade Cooperation	MZ Trading	Sherlock Thomas, David
Balli Group	Finwest Limited	Nagi Mazraeh (Imam Hospital)	Sina Sarve
Bank Saderat Plc	Fiscal Solutions Limited	Negin Naderi Company	Sir Dalton KCMG, Richard
Bank Julius Baer	Gaffney Cline & Associates	Norton Aluminium Ltd	Sky Co (UK) Ltd
Behzad Persian Group	Garner, Sir Anthony	Napier Turbo Charges	Sout Machine Co.
Bazargani Rafiei	Greedharry & Co	Nasre Saher International Co.	Sogoli Traditional
Bazargani Kamyab	H. Beesley Limited	Omex Agrifluids Ltd	SPP Pumps
BG Group	H. Reiss Limited	O.P.E.C	Square Acre
Bimeh Iran Insurance Co Ltd	H. E. Adeli, S. M. Hossein	Dr Pashazadeh	Tahator Kaleye Khorasan
BP Exploration Co Ltd	H. N. L International Ltd	Parviz Hemat Trading Co.	Targetfollow Group Ltd
bmi	Hanley, Sir Jeremy	Payam Salamati Abadan MRI	Technomot Limited
Calyon Corp Investment Bank	HSBC Bank Plc	Pelican Partners	Tehran Paraffin Co. Ltd
Chase Geotechnique	IDT	Persia International Bank Plc	TNA Limited
Chilansaz-sene	Iran Hassas Limited	Pars Mackenzie LLP	TNT Iran
Clarke, Dick	Iran Khodro	Persian Gold Plc	Toos Resane
Classpa Co.	IRISL (UK) Limited	Petrochemical Commercial Co.	Toos Gas Technology
Comtek Network Systems Ltd	James, Sir Jeffrey	Pouria Sanat Jonoob Ahwaz	Union Resource Limited
Contractors Machinery Ltd	John Crane Limited	Pooshak Partov	United Industrial Supplies
Cooper Electronic Security	Jumbo Line Shipping Agency	Qatar National Bank	Worthy Technologies Limited
	Kamyab South Dev Co		Yasamansazeh Arvandan
	KBC		Zeta-PDM
	Key Group Solutions Ltd		

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.



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.



Incorporated in the UK and fully authorized and regulated by the Financial Service Authority (FSA).



Offer financial services for individuals and business customers in London and Dubai at the prestigious Dubai International Finance Centre.

- Trade Finance
- Commercial / Syndicates Loans
- Overdraft Facilities
- Foreign Exchange Facilities
- Money Transfer
- Current and Deposit Accounts

Call on our friendly and professional team to discuss your requirements.

London: + 44 20 7606 8521
Dubai: + 97 14 362 0811
Email: info@persiabank.co.uk

For further information visit us at
www.persiabank.co.uk

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 th 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 th Khordad Uprising	Friday 5 June, 2009
Imam Ali's birth	Monday 6 July, 2009
Prophet Mohammad's Call to Mission	Monday 20, 2009
12 th 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...

ABAchem Ltd

Providing high quality at competitive prices

Tel: +44 (0)208 348 8860

Fax: +44 (0)208 374 0799

Email: enquiries@abachem.co.uk

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

Provenda Ltd

We are a UK based general trading company buying and selling a range of products which are sourced from several countries worldwide using our international network of contacts. We offer the best prices whilst providing the highest quality.

We specialise in Pharmaceutical Products and Medical Devices including Raw Materials and Active Pharmaceutical Ingredients.

Tel: +44 (0)208 348 4868
Fax: +44 (0)208 348 0248
Email: info@provenda.co.uk
www.provenda.co.uk

Facts



Travel

Iran Specialist

With over 25 Years experience in providing Travel services to Iran

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

- Flights to Tehran and provincial cities with all major carriers with the best negotiated rates
- Hotel reservations in Iran
- Business and tourist visas to Iran
- Fully inclusive private tours to Iran
Please visit our website www.silkroadandbeyond.co.uk



Preferred **bmi** Partner to Tehran

371 Kensington High Street
London W14 8QZ

Tel : 020 7603 1246
Fax :020 7602 9715
E-mail: sales@factstravel.co.uk



BICC DIARY 2009

23rd January	Board & Members' meeting Presentation given by Ras al Khaimah Free Trade Zone*
5th February	Board & members' met with IBCCIM Delegation
13th March	Board and members' meeting Presentation was given by Micheal Axworthy on "Recommendations to President Obama on dealing with Iran"
17th April	Board meeting
15th May	Board and members' meeting Presentation given by Dr Amirahmadi on Iran/US Relations
26th June	Board and members' meeting Presentation given by Bijan Khajepour reviewing the Iranian presidential elections
17th July	Board meeting
August	<i>No meetings</i>
18th September	Board meeting
6th October	House of Lords Annual Reception
16th October	Board meeting
13th November	Board meeting & AGM
Tba November	Conference on the Iranian Gas Industry
11th December	Board meeting

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

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.



TURQUOISE FUND

TURQUOISE EQUITY FUND SEEKS SUPERIOR LONG-TERM CAPITAL GROWTH BY INVESTING IN THE CONSUMER AND COMMODITY POTENTIAL OF IRAN, ONE OF THE MOST UNDER-VALUED EMERGING MARKETS IN THE WORLD. WITH OFFICES IN TEHRAN AND LONDON, THE TURQUOISE FUND COMBINES INTERNATIONAL EXPERIENCE WITH LOCAL EXPERTISE TO PROVIDE SUPERIOR RETURNS BY INVESTING IN EQUITIES LISTED ON THE TEHRAN STOCK EXCHANGE (TSE) AND IRANIAN-BASED SECURITIES.

The Professionally
Managed **Investment Fund**
for the Iranian Market

◆ **TEHRAN OFFICE**

248 MOTTAHARI STREET, TEHRAN, IRAN
t: + 98 (0) 21 88 30 40 79
f: + 98 (0) 21 88 82 68 36
e: ramin.rabii@turquoisepartners.com

◆ **LONDON OFFICE**

143 NEW BOND ST. (5TH FLOOR)
LONDON, UK
t: +44 207 4930412
f: +44 207 4930436

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
info@persianguardplc.com

Persian Gold plc.
Middle East Gold Exploration