



Message from the President of TCCIMA

Since the 2nd century BC Iran has been at the heart of the Silk Road, facilitating trade and commerce as well as acting as a hub for exchange of ideas and knowledge between East and West. The wider frameworks that governed the region's economic exchange for two millennia remain intact to this day.

Being the 18th largest economy worldwide, Iran is the final major market to be untouched by the global economy and has yet to reach its fullest potential in the international market.

It is our goal in the Tehran Chamber of Commerce to ensure that Iran's natural as well as human resources are utilized fully to boost high economic growth, offering profitable opportunities to investors and creating jobs for the country's youthful population.

Traditionally, the main focus of our trading partners has been the country's natural resources, particularly those of oil, gas, and petrochemicals. While these resources are undoubtedly crucial to our economy and capable of creating a mutually beneficial scenario for our partners by offering greater diversification and security of supply, it is also imperative

that more attention is paid to fostering the growth and development of the Iranian private sector, especially SMEs involved not only with the production of goods and services, but also with innovation and the development of new industries.

To this end, TCCIMA has formed an Investment Center comprising prominent members of the TCCIMA board with first-hand experience to facilitate contact between its members and their counterparts in the global ecosystem. The objective is to provide a vibrant platform for the exchange of ideas, sharing of experiences and development of new professional services apt to help foster new relations and partnerships which is imperative for the creation and successful realization of joint ventures, with the outlook of serving the interests of Iran as well as that of the region.

As the president of TCCIMA, I invite you to visit Iran and witness for yourself the opportunities our country has to offer as a basis for mutually beneficial co-operations.

*H.E. Masoud Khansari
President of Tehran Chamber of
Commerce, Industries, Mines and
Agriculture*





Head of Center's Message

Acknowledging the need to sustain joint collaboration between Iran and other countries in order to facilitate Iran's economic development, TCCIMA has been a key player in the private sector of Iran and been playing a central role in attracting foreign investment and sustaining economic development over the past few years.

In the Investment Center, It is our aim to provide foreign investors with top services to facilitate their investing process in Iran on the one hand, and on the other, offer a platform to Iranian companies that have a potential for global scale of growth to flourish and reach their real potentials.

Today is a critical phase in the country's economic history and it is our firm belief in the Investment Center that through sustainable investment, economic development of our country is not out of reach. Holding business meetings can help highlight Iran as a new market of global significance and provide insight into the best practices in extending its cooperation with the international community.

It is essential for Iran to move fast to identify gaps and provide recommendations for investment promotion and economic growth. It is essential that the private sector itself, and its chief arm, the Chamber of Commerce, adopt a leading role in defining the way forward.

Ferial Mostofi
President of Center of Investment
Consultancy Services

A handwritten signature in black ink, appearing to read 'Ferial Mostofi', on a white background.

Major Sectors





Overview



Overall Description of the Industry Sector

The industry sector account for a large portion of Iran's economy making huge contribution to the country's GDP, employment, economic growth, etc.

The industry which has accounted for around 38 percent of Iran's economy on a yearly average from 1991 to 2019, is the second largest contributor to the gross domestic product. Much of this, though, arises from mining and quarrying. Iran has the largest and most extensive industry among the countries in MENA region and has adequate infrastructure in the upstream, downstream and knowledge-based industries based on the report by the Iranian Investment Organization and Technical Assistance (2018).

The Iranian economy rigorously seeks to improve its manufacturing capacity with its relatively high level of human capital, know-how and access to natural resources. This can be achieved by using FDI of advanced economies' MNEs with superiority in high-tech divisions such as pharmaceutical, electrical, IT, automotive and other machineries, according to the Organization of Investment and Technical Assistance of Iran statistics (2018).



Iran is the fifteenth steel and ninth cement producer, the tenth order of iron production, rank 24 Aluminum production, ninth level in copper production and the world's second ornamentation stone production.

Competitiveness

Based on Competitive Industrial Performance Index 2018, Iran with rank of 58 between 158 countries is one of Emerging Industrial Economies (as well as China) with Upper Middle Income.



A detailed close-up photograph of a mechanical watch movement. The image features several interlocking gears of different sizes and colors, including a large brass gear in the foreground and a smaller steel gear behind it. A prominent purple gemstone, possibly a sapphire, is set into a metal component. The background is dark and out of focus, emphasizing the intricate details of the watch mechanism.

Why to Invest



Investment Opportunities in Industry Sector

The recent report of Iran's Statistical Center shows that Iranian manufacturing has risen by 3.1 percent relative to the corresponding period of last year in the first three quarters of the financial year, from 21 March 2017 to 20 December 2018.

During the 10 months from 21 March 2017 to 20 January 2018, the investment of USD 4.64 billion were attracted to different industrial divisions. During this period, 4,637 licenses were issued and around 77,370 jobs were created for industrial projects. Amongst the most substantial and productive industries in the country are that of the petrochemical, steel, cement and automotive industries the more detailed descriptions of which are as the following:





Petrochemicals

The petrochemical industry of Iran has over half a century of experience and now conducts various development projects, with production capacity exceeding more than 61,9 million tons. Petrochemical industry plays a crucial role in Iran's non-oil economy, as the petrochemical export is the second-largest source of revenue for the country after crude oil. Petrochemical exports already constitute nearly 33 percent of the country's non-oil exports.

The total revenue of the country's petrochemical industry in the previous [Iranian calendar] year was USD 15 billion, of which about 85 percent was returned to the country's domestic Forex Management Integrated System (locally known as NIMA).

According to the Iranian Oil, Gas and Petrochemical Products Exporters' Union export of petrochemicals increased 5% in the first ten months of this year (March 2019 -Feb 2020) compared to the same period last year.





Steel

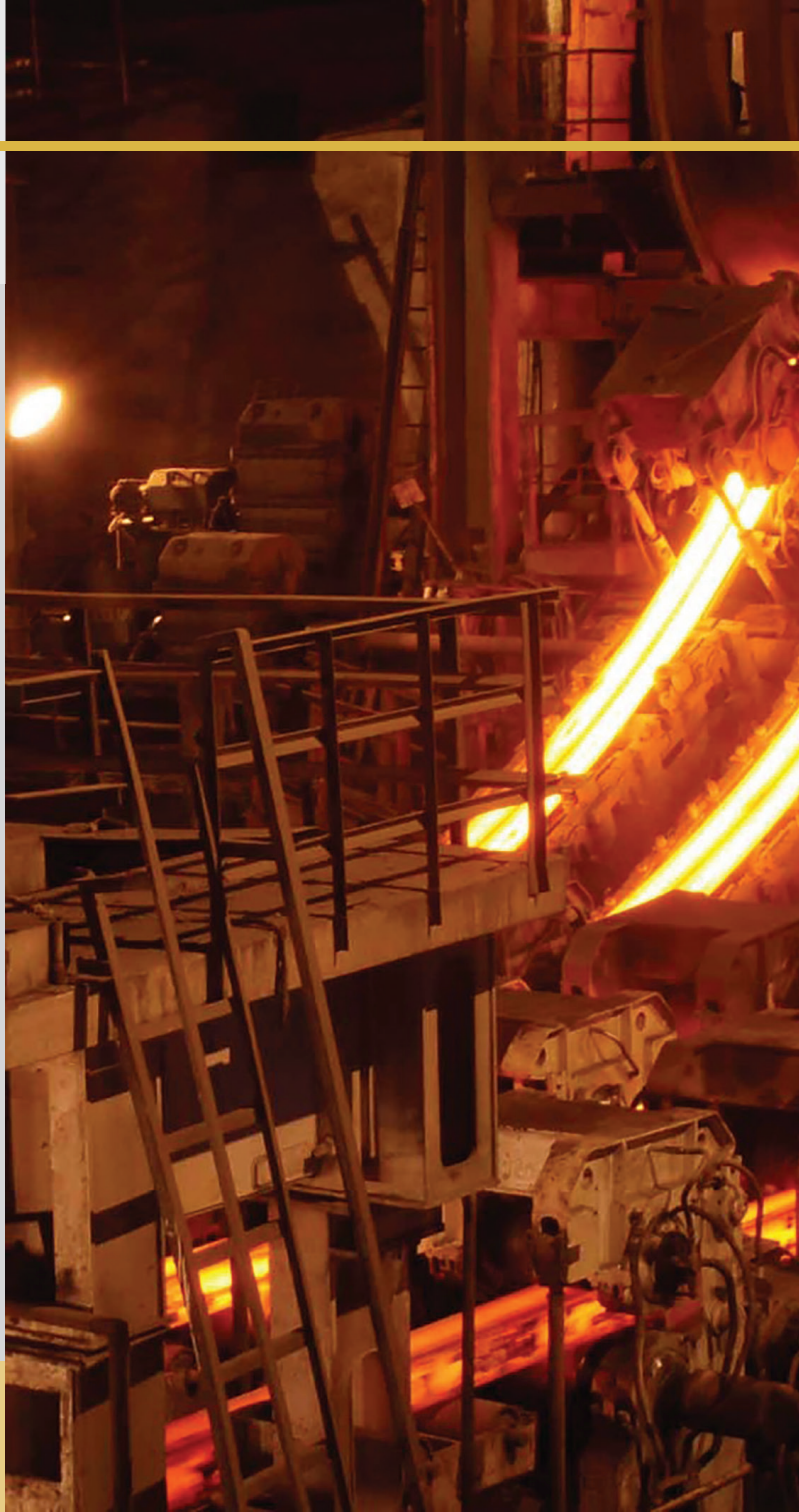
According to the World Steel Association Iran steel production hit 26,369,000 tons during the 11 months of 2020.

At present, Iran is the 10th largest steel producing state in the world and has planned to reach a capacity of 55 million tons.

A total of 10.36 million tons of finished and semi-finished steel products were exported from Iran in the last Iranian year that ended on 19 March 2020, to register a 22.21% year-on-year increase, according to the Iranian Steel Producers Association's latest report. Iran's export of steel products in the past Iranian calendar year rose 27 percent compared to its preceding year.

Iran aims to become the world's sixth-largest steel producer as per the 20-Year Vision Plan, which targets annual production capacity expansion to 55 million tons and 25-20 million tons of exports per year by 2025.

According to the deputy minister of Industry, Mine and Trade about 200,000 people are directly involved in the steel industry.





In terms of exports, the last data released by domestic sources indicate that Iranian steel producers have exported 2.358 million tons of steel ingots and products during the first half of the current Iranian calendar year (20 March - 21 September).

All these data and figures are an indication of Iran's success in elevating its industrial sector despite all pressures and limitations

Crude Steel

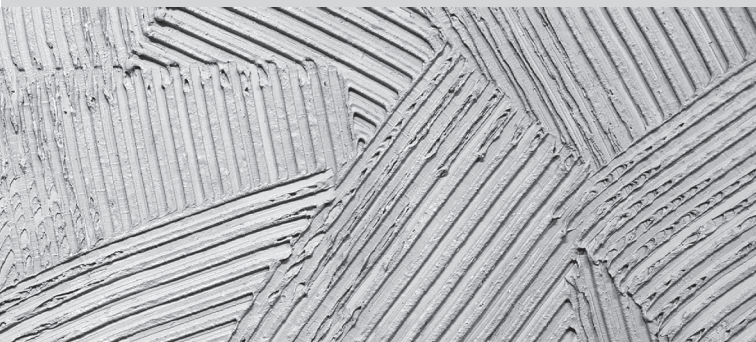
Iran was rated to be the fourteenth largest crude steel manufacturer in the world this year. The production capacity of crude steel in Iran exceeded 29 million tons in March 2017 with maximum capacity to boost domestic or export demand by about 10 million tons. Iran's steel production rose 7.6 percent year-on-year in March 2017 compared to the previous year. In the year ended March 2017 steel rose by 4% during total steel products and by 11% in crude steel. With 27.4 percent and 24.3 percent respectively, Billet and Bloom and Slab had the highest proportion of steel production. Since end of March 2017, the output of steel declined and in the same year the intake was 241.2 kg per capita.

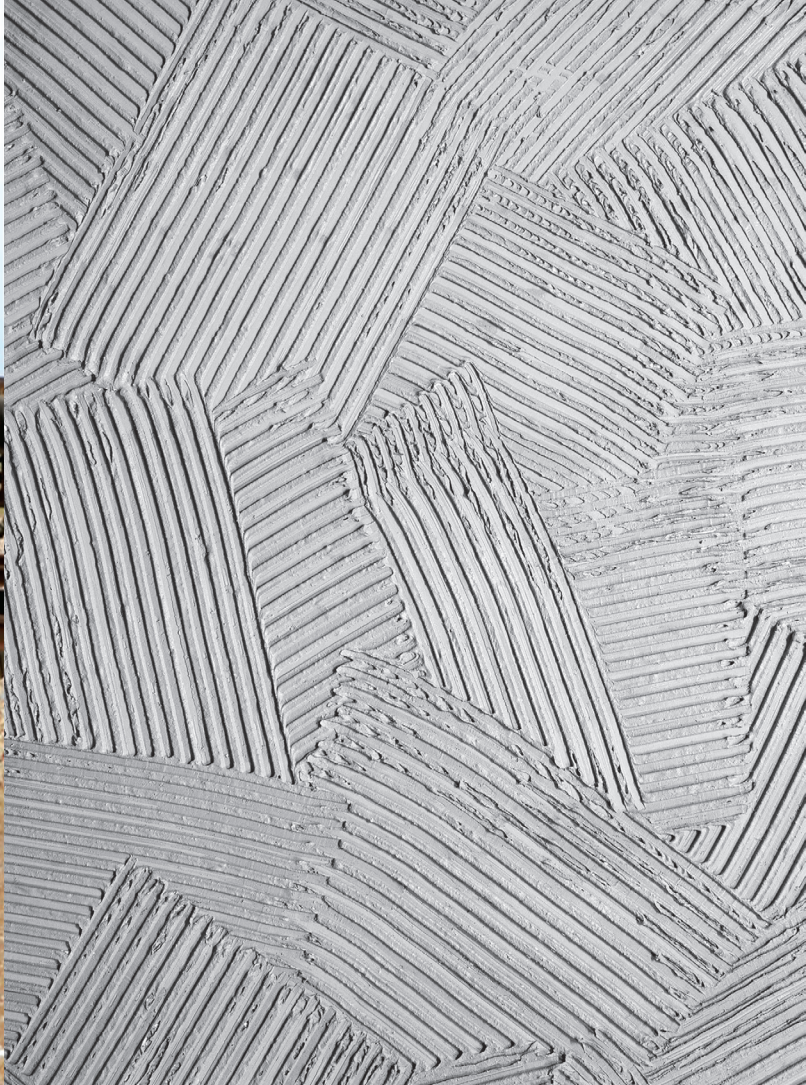


Cement

Iran's cement production in the first six months of the current fiscal year (started March 20) reached 35.63 million tons, which shows an increase of 14.4% compared with the same period of last year. Iran was the world's top 10 cement producer. By 2021 the objective of Iran is to increase its annual capacity for cement production to 100 million tons and by the end of the 20 Year Vision Plan (2025) to 120 million tons per year.

total of 5.84 tons of cement worth USD 128 million were exported from Iran during the first four months of the current Iranian year (March 20- Aug. 21), according to the spokesperson of the Islamic Republic of Iran Customs Administration.

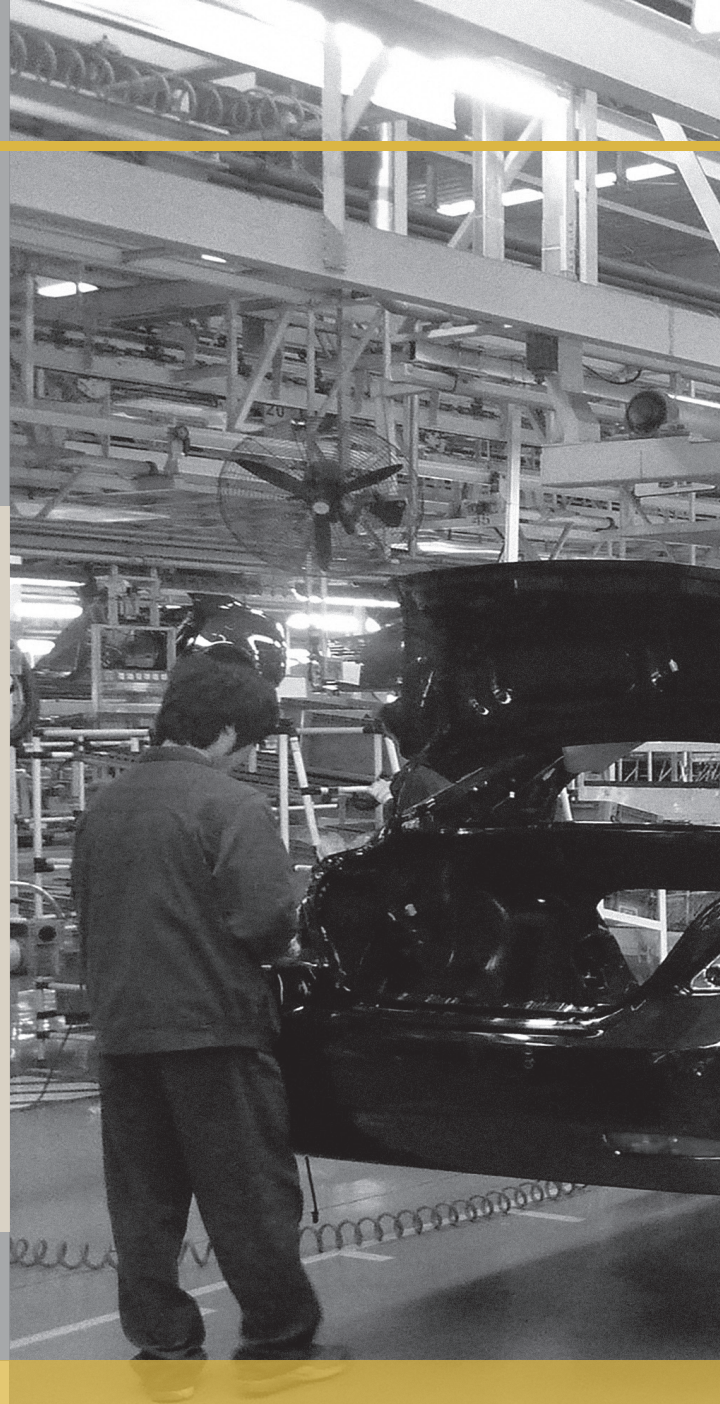






Automotive Industry

Iran's automotive industry is deemed as the second most important branch of the national economy, after the oil and gas industry. The International Organization of Motor Vehicle Manufacturers (OICA) has reported that the output of Iran's cars reached 1,515 million units in 2017. In 2017, the Islamic Republic was the 16th largest automaker in the country. Iran was 9th in the world in terms of export production. Iran produced just 770,000 automobiles in 2019, down from 1,418,550 just two years prior. The re-imposition of U.S. secondary sanctions interrupted new investment in Iran's automotive sector, particularly by European automakers such as Renault, Peugeot, and Volkswagen.







Food Products

Manufacture of food products was the fifth most common segment and gained more than USD 393.86 million of investment. In this section, around 680 operating licenses were issued and 10,945 jobs were created.

Market share of Food industries is 18.3% of total industries volume in Iran. Moreover, 16.5% of employment, 13.2% of investment and %10.8 of value-added belong to this industry.

Food and beverage contribution amounted for 22.9% of Iranian household's expenditure.

The following 9 groups had the highest export value in the year ended March 2017: vegetable oil, pasta, macaroni and dough, tomato paste, sugar, candy and its products, during that time, four groups faced decline in their export value which includes: compote and canned, concentrate and juice, honey and beverage.



Cookies, Chocolate and Biscuits

Iran has more than 40 years of experience in cookie and chocolate industry and the variety and volume of cookies and chocolates produced in Iran have grown significantly in recent years. There are about 1,100 active production units in confectionery industry, over 99% of which belong to the private sector and 1% is owned by banks or semi-public sector. The industry has a share of 10%, 16% and 20% in employment, value added and food export, respectively and has an annual production capacity of 2,500,000 tons. The chocolate industry of Iran holds the first place in the food industry export and competes with world's renowned chocolate factories given that the world-class technologies and the even domestic packaging machines used in Iranian factories are the same as the ones used in the best German, Italian, Turkish chocolate factories. Iran exports sweets and chocolates to 66 countries and the annual export of USD 1 billion has been planned for this industry. The latest data in terms of exports show that Iran has exported USD 250 million of sweets and chocolates during the first half of the current Iranian calendar year (20 March to 21 September 2020). It is while, according to Maghazei, Iran is capable of exporting USD 1.5 billion of sweets and chocolates just to the regional countries such as Iraq, Afghanistan, and the Persian Gulf littoral states.





The main areas in the food industry sector are as follows:


Beverages

In the year ended March 2017 a total of 16,895 licenses in agriculture sector were issued, most of which were related to food and beverage group with 2,732 items. These two groups also have the highest expected employment rate of 16.1% of the total population. The beverage production makes up for 7% of the food industry's value added. Currently, the juice and concentrate is a young industry with 257 units, while there were only three production units operating before 1987. The nominal production capacity of fruit concentrates remain at 290,000 tons per year. In addition, 200 fruit juice production units have 4 mn tons production capacity annually. There are up to 120 mineral water plants in Iran with average production of about 1.3 bn liters bottled mineral water per year. Moreover, 100 mn USD worth of beverages were exported in the year ended March 2 about 75% of which were fruit juice and concentrates.

Vegetable Oil

Iranian oil industry started their work around the same time as oil refining and packaging factories in 1928, most of which were established in the 1950s. In general, oil extraction units are located close to the raw materials' production





units, mostly in the provinces of Khorasan, Mazandaran and Golestan. Vegetable oil is one of the most important and the 2nd most strategic item in Iranian household basket, which is also used in other industries such as canning, confectionery, biscuits, chocolates, dairy products, etc.

Iran annually produces and packages about 1.5 mn tons of vegetable oil, 860,000 tons of which are solid and 650,000 tons are liquid.

Afghanistan, Iraq, Turkmenistan, Pakistan and Turkey were Iran's main export destinations, while Malaysia, Singapore, Ukraine, Argentina and Switzerland were the major import origins for vegetable oil in the year ended March 2017.

The ministry plans to achieve 70 percent self-sufficiency in the production of oilseeds in a ten-year program to curb the import of oilseeds and vegetable oil.



A low-angle, blue-tinted photograph of large industrial pipes and tanks, creating a sense of scale and depth. The pipes are arranged in a series of parallel lines, receding into the distance. The lighting is dramatic, with strong highlights and deep shadows.

Investment Incentives



Territorially large and densely populated, Iran offers great opportunities in many business divisions as well as tax incentives aimed at attracting foreign investment. Below is a brief outline of certain tax incentives available to foreign investors.

According to the 2017 report of Foreign Investment Office of Organization of Investment and Technical Assistance of Iran, “Foreign Investment in Iran Outlook of Iran Economy, Law, and Incentives¹, How to Invest in Iran²”, there are different types of following incentives:

Tax Incentives

Fixed Corporate Income Tax at a Flat Rate of 25%	
Income Tax with Rate of 0.0%	Duration of ExemptionKerman
Industry, Mining & Services (Hospital & Hotels)	5 Years
in Industrial Parks and Especial Economic Zones	7 Years
Industry, Mining & Services (Hospital & Hotels) in Less Developed Areas	10 Years
Industry, Mining & Services (Hospital & Hotels) in Less Developed Areas located at Industrial Parks and Especial Economic Zones	13 Years
100% of Income Derived Agricultural Activities	Perpetual
100% of Income Derived From Export of Services, Non-oil goods, Agricultural Products and 20% of Income Derived from Export of Non–Processed goods	Perpetual

1. For further information, please contact: Ministry of Economic Affairs & Finance, Organization of Investment and Technical Assistance of Iran, Foreign Investment Department, Foreign Investment Office, Foreign Investment Services Centre (FISC)
2. This report has been presented by Dr. Ahmad Jamali, General Director for Foreign Investment Office of Organization of Investment and Technical Assistance of Iran in South Africa, October, 2017.



Tax incentives (Employment and JV)

In companies with more than 50 employees, in case of increasing the employment volume up to 50% in comparison to last year, one-year exemption can be added to the duration of exemptions (mentioned in previous slide).

In the case that foreign companies with reliable brand produce goods using production capacity of Iranian companies and export at least 20% of total production, can enjoy 50% on Tax Rate for the income from sales of products (12.5% instead of 25%) after the end of above duration.



Custom Exemption

Import of Production Line Machineries and Equipment
Import of Raw Materials used for Production of Export commodities
Easy Circumstances & No Duty and Tax for Exportation of Products

Investment Incentives in Free Zones 7 free Zones:

- Qeshm Free Trade Industrial Free Zone
- Chabahar Free Trade Industrial Free Zone
- Aras Free Trade Industrial Free Zone
- Anzali Free Trade Industrial Free Zone
- Arvand Free Trade Industrial Free Zone
- Kish Free Trade Industrial Free Zone
- Maku Free Trade Industrial Free Zone

Tax incentives for these economic zones are as follows:

- Tax exemption for 20 years from the date of operation for all economic activities.
- Foreign investment and nearly a hundred percent of the amount invested.
- Freedom of entry and exit of capital and profits.
- Protection and guarantees for foreign investments.

- Abolition of entry visas and easily issue of residence permits for foreigners.
- Facilitated regulation on labor relations, employment, and social security.
- Transfer of part manufactured goods to the mainland without paying customs duties.
- Elimination of pay customs duties on imports from outside to the region and vice versa.
- Employing a trained and skilled workforce in all different skill levels and professions.
- Utilization of raw materials, oil, and gas as feedstock and fuel for all industrial activities.



Investment Facilities in Industrial Parks

- Industrial Parks and Areas provide the SMEs with Infrastructures (communication, water, and electricity and wastewater treatment plants).
- Software supports by the Technology and Business Service Centers (TBSCs), training, and renovation of industries and so on in a unified and concentrated form.
- No need for different permissions from various agencies and organizations
- Be exempted from the municipalities
- Free of charge services to take the construction permit and finish license
- Reduced investment costs due to the organized common services
- Rent/purchase of ready-built sites in order to accelerate the project exploitation
- Payment of exploitation costs by cash and installment

Investment Incentives in Special Economic Zones³

14 special economic zones:

- Salafchegan special economic zone
- Shiraz special economic zone



- Assaluye special economic zone
- Arge Jadid special economic zone
- Payam Airport special economic zone
- Persian Gulf special economic zone
- Lorestan special economic zone
- Amirabad port special economic zone
- Bushehr Port special economic zone
- Shahid Rajaee Port special economic zone
- Sarakhs special economic zone
- Sirjan special economic zone
- Yazd special economic zone
- Bushehr special economic zone

³Source: Organization of Investment and Technical Assistance of Iran Website, Economic and Free Zones of Iran, 201/13/5



The investment incentives for above-mentioned economic zones are as follows:

- Import of goods from the above-mentioned zones for domestic consumption would be subordinate to export and import regulations, and export of goods from these areas will be carried out without any formalities.
- Import of goods from abroad or free trade zones or industrial area would be carried out with minimal customs formalities and good internal transit cases would be performed in accordance with the relevant regulations.
- Log entry of merchandise subject to this article will be done without any customs formalities.
- Goods imported from outside or industrial areas or other commercial zones can be exported without any formalities of the country.
- Management of the region is allowed to assign the region to qualified natural or legal persons after classification and valuation.
- Owners of goods imported to the region can send all or part of their goods for temporary entry in to the country after doing customs clearance regulations.
- If the processing of imported goods is to some extent that changes the tariff of goods, the rate commercial benefit of the goods would be calculated equal the commercial benefit of raw materials and spare parts of the country.
- Importers of goods are allowed to hand over to others part or all of their products against warehouse receipt to be issued by the district administration, in this case the breakdown warehouse receipt holder would be the owner of the goods.
- The management of each district is authorized to issue certificated of origin for goods per applicant out of the area with the approval of the customs.
- All the goods imported to the region for the required production or services are exempted from the general import-export laws. Imports



of goods to other parts of the country will be subordinated to export and import regulations.

● Percentage of goods produced in the zone, based on paragraph (d) of clause (25) of the law of the second economic, social and cultural development plan of the Islamic republic of Iran imported to the country, the proportion of total value added and domestic

parts and materials used in the total price of the commodity production is allowed without any limitation and in addition to not having to order and open letter of credit.

● Goods manufactured in special economic zones, as well as raw materials and imported CKD parts into the country are not subject to price regulation due to unutilized resources and allocated currency.



Bilateral Investment Treaties:

Iran has signed its first Bilateral Investment Treaty with Germany in 1965, second BIT signed in the World.

Since 1995, The Organization for Investment, Economic & Technical Assistance of Iran (O.I.E.T.A.I) has negotiated & signed 68 BITs with different countries from all over the World.

Iran has concluded BIT with many capital exporting countries such as: Switzerland (1998), South Korea (1998), Italy (1999), China (2000), Austria (2001), Germany (2002), Spain (2002), France (2003), Sweden (2005), Japan (2016) and Singapore (2016).

Double Taxation Treaties:

DTT with 42 Countries: Algeria, Armenia, Azerbaijan, Austria, Bahrain, Belarus, Bosnia & Herzegovina, Bulgaria, China, Croatia, Cuba, Cyprus, France, Georgia, Germany, Jordan, Indonesia, Italy, Kazakhstan, Kyrgyzstan, Kuwait, Lebanon, Malaysia, Oman, Pakistan, Poland, Qatar, Romania, Russia, Serbia, Slovenia, Soudan, South Korea, South Africa, Spain, Sri Lanka, Switzerland, Syria, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, Uzbekistan, Venezuela.

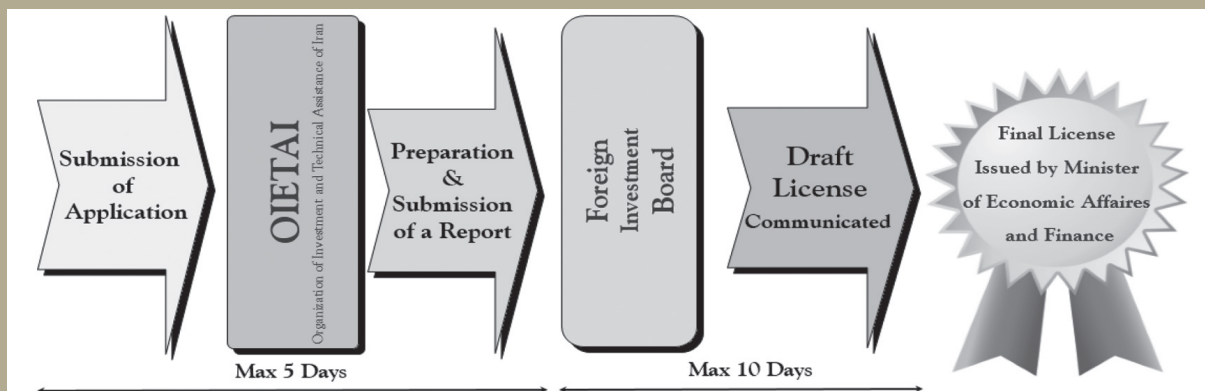


Highlights of Tax Exemptions

Activity			Rate of Tax Exemption	Duration of Exemption	Legal Basis (Act-Article)	Incentive Type
Industry and Mining	Developed Areas	Industrial towns	zero	7Years	DTA- Article 132	Tax Holiday
		special economic zones	zero	7Years	DTA- Article 132	Tax Holiday
		For other region	zero	5Years	DTA- Article 132	Tax Holiday
	Less-Developed Areas	Industrial towns	zero	13 Years	DTA- Article 132	Tax Holiday
		special economic zones	zero	13 Years	DTA- Article 132	Tax Holiday
		For other region	zero	10 Years	DTA- Article 132	Tax Holiday

Activity	Rate of Tax Exemption	Duration of Exemption	Legal Basis (Act- Article)	Incentive Type
Increase employer during the period of exemption,	zero	will be an increase of one further year of tax exemption for each annual increase of at least 50% of their employees.(they have more than 50 employees)	DTA- Article 132	Tax Holiday
Export of Services & Non-oil Goods	100%	Perpetual	DTA- Article 141	Tax Holiday
Salary in Less-Developed Areas	50%	Perpetual	DTA- Article 92	Tax Credit
All Economic Activities in Free Zones	100%	20 Years	Article 13- the Free Zones Act	Tax Holiday





Documents required by the OIETAI for the Issuance of Foreign Investment Licensing Procedure, included:

Activity		Rate of Tax Exemption	Duration of Exemption	Legal Basis (Act- Article)	Incentive Type
to promote and increase the levels of economic investment	Less-developed region	zero	as long as the aggregate taxable income is twice the registered and paid-up capital, the zero rate shall still apply	DTA- Article 132	Tax Holiday
	For other region	50% of the taxes shall still be zero rated and the remaining 50% shall be computed and collected at the rates prescribed in Article (105) of this Act and the Notes under it	This provision will persist unless the aggregate taxable income of the enterprise in question equals its registered and paid-up capital, but beyond that level, 100% of the due tax shall be computed at the rates prescribed in Article (105) of the present Act and the Notes under it	DTA- Article 132	Tax Holiday
the investments in partnership with foreign investor under the license of	For all region	for any 5% of foreign investment partnership, there will be a 10% increase in the tax incentive prescribed by this Article	, which shall not exceed 50% of the registered and paid-in capital	DTA- Article 132	Tax Holiday

Investment Licensing Procedure, included

- Application Form available at the website of OIETAI
 - Establishment License/Primary agreement/Preliminary agreement of the pertinent Iranian organization
 - Official letter of the foreign investor to submit to the OIETAI
 - The foreign investors background including a brief history of the company, the year of establishment area of activities in case of foreign investor is a natural person, a photocopy of passport and resume will be provided.
 - A list of machinery, equipment and CKD part which may be imported into the country as a part of the foreign investor's capital (if available).
- In case that part of the foreign investor's share is in the form of technical know-how, a draft of the contract outlining the conditions of the transfer of technology.

Activity		Rate of Tax Exemption	Duration of Exemption	Legal Basis (Act- Article)	Incentive Type
Foreign companies that produce well-known brand products in Iran by exploiting capabilities of domestic producing enterprises that they manage to export at least 20% of their products	For all region	such foreign companies shall still be subject to the 50% relief in the tax rate	after the expiry of the zero-rate taxation period, such foreign companies shall still be subject to the 50% relief in the tax rate with regard to the profits derived from the sale of their products during the period stipulated in this Article	DTA- Article 132	Tax Holiday



Government Vision



There are 3 defining elements of the 6th Five-Year Development Plan: the creation of a sustainable economy; scientific and technical progress; and the pursuit of cultural excellence. The development plan foresees an average 8% economic growth rate and a five-year restructuring of state-owned companies, the Financial and Banking Division and the allotment and allocation of oil revenue among the Government's main goals.

According to Article 4 of the 6th Five-Year Development Plan, the three pillars that form the foundation of industry and mining sectors include improving technology & know-how, developing export-orientated investment, attracting international and regional companies. Also, in the 6th Five Year Development Plan has envisioned an FDI of USD 15 billion, cooperative agreement of USD 20 billion and USD 30 billion worth of credit lines for international financial institutions. Iran plans, as expected by the country's authorities, to raise petrochemical output to



100 million tons per year. The 6th Five-Year Development Plan seeks to draw more than USD 15 billion in cumulative foreign investment in the mining sector.

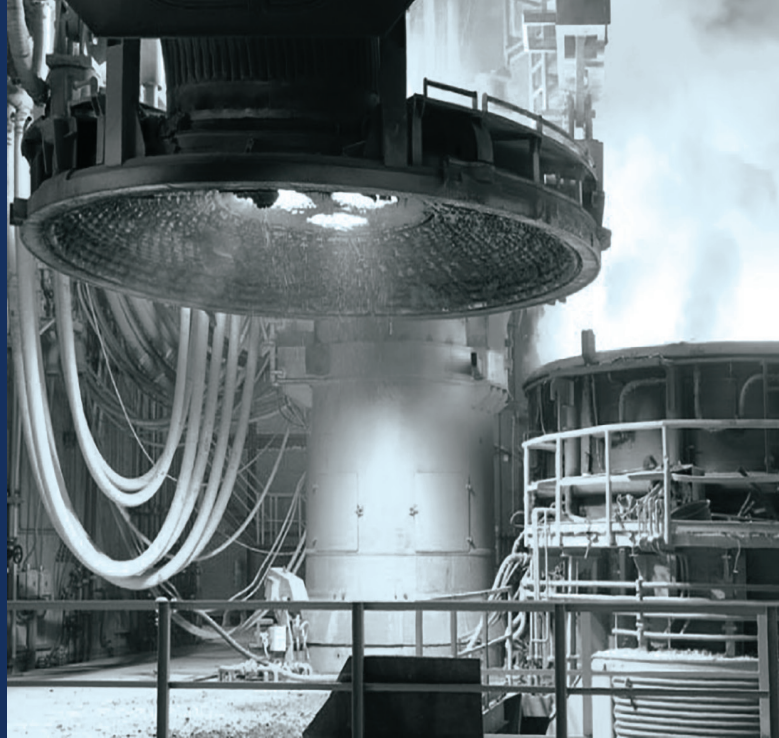
Iran is planning to increase its capacity to produce steel from the present 23 mn tons by 2025 to 40,3 mn tons under its 6th Five-Year Development Plan.

Iran plans to increase its Aluminum production rate to 1.5 mn tons by 2025 from the present 335,000 tons becoming one of the top ten aluminum producers worldwide.

The production of Lead & Zinc will grow to 300,000 tons from its current 140,000 tons by 2025.

The capacity of steel production in the sixth development plan is to increase to 50 million tons, Cuttid copper production to 400 thousand tons and Al to 700,000 tons.

Industry Prioritized Divisions for FDI







Manufacture of Food Products

This division includes the processing of the products of agriculture, forestry and fishing into food for humans or animals, and includes the production of various intermediate products that are not directly food products.

The activity often generates associated products of greater or lesser value (for example, hides from slaughtering, or oilcake from oil production).

This division is organized by activities dealing with different kinds of products: meat, fish, fruit and vegetables, fats and oils, milk products, grain mill products, animal feeds and other food products. Production can be carried out for own account, as well as for third parties, as in custom slaughtering. Some activities are considered manufacturing (for example, those performed in bakeries, pastry shops, and prepared meat shops etc. which sell their own production) even though there is retail sale of the products in the producers' own shop. However, where the processing is minimal and does not lead to a real transformation, the unit is classified to wholesale and retail trade.

This division includes:

- Processing and preserving of meat
- Processing and preserving of fish, crustaceans and molluscs
- Processing and preserving of fruit and vegetables
- Manufacture of vegetable and animal oils and fats
- Manufacture of dairy products
- Manufacture of grain mill products, starches and starch products
- Manufacture of grain mill products
- Manufacture of starches and starch products
- Manufacture of other food products
- Manufacture of bakery products
- Manufacture of sugar
- Manufacture of cocoa, chocolate and sugar confectionery
- Manufacture of macaroni, noodles, couscous and similar farinaceous products
- Manufacture of prepared meals and dishes
- Manufacture of other food products n.e.c.
- Manufacture of prepared animal feeds





The below table shows how much each state has contributed to the national production of prioritized division.

Ranking	State	Share in National Production (%)
1	Tehran	20.4
2	Fars	8.99
3	Mazandaran	7.65
4	Khorasan Razavi	6.75
5	Azerbaijan Sharghi	6.45
6	Alborz	6.22
7	Khuzestan	4.61
8	Markazi	4.00
9	Azerbaijan Gharbi	3.45
10	Esfahan	3.16

The below table shows each state’s contribution to the total output of prioritized division (whether final or intermediate).

Ranking	State	Share in National Total Demand (%)
1	Tehran	18.42
2	Mazandaran	7.68
3	Fars	7.39
4	Khorasan Razavi	6.85
5	Kerman	6.51
6	Azerbaijan Sharghi	5.56
7	Alborz	5.53
8	Khuzestan	4.36



Manufacture of Basic Iron and Steel

This class includes operations of conversion by reduction of iron ore in blast furnaces and oxygen converters or of ferrous waste and scrap in electric arc furnaces or by direct reduction of iron ore without fusion to obtain crude steel which is smelted and refined in a ladle furnace and then poured and solidified in a continuous caster in order to produce semi-finished flat or long products, which are used, after reheating, in rolling, drawing and extruding operations to manufacture finished products such as plate, sheet, strip, bars, rods, wire, tubes, pipes and hollow profiles.

This class includes:

- Operation of blast furnaces, steel converters, rolling and finishing mills
- Production of pig iron and spiegeleisen in pigs, blocks or other primary forms
- Production of ferro-alloys
- Production of ferrous products by direct reduction of iron and other spongy ferrous products
- Production of iron of exceptional purity by electrolysis or other chemical processes
- Production of granular iron and iron powder
- Production of steel in ingots or other primary forms
- Re-melting of scrap ingots of iron or steel
- Manufacture of semi-finished products of steel
- Manufacture of hot-rolled and cold-rolled flat-rolled products of steel
- Manufacture of hot-rolled bars and rods of steel
- Manufacture of hot-rolled open sections of steel
- Manufacture of steel bars and solid sections of steel by cold drawing, grinding or turning
- Manufacture of open sections by progressive cold forming on a roll mill or folding on a
- Press of flat-rolled products of steel
- Manufacture of wire of steel by cold drawing or stretching
- Manufacture of sheet piling of steel and welded open sections of steel
- Manufacture of railway track materials (unassembled rails) of steel

- Manufacture of seamless tubes, pipes and hollow profiles of steel, by hot rolling, hot extrusion or hot drawing, or by cold drawing or cold rolling
- Manufacture of welded tubes and pipes of steel, by cold or hot forming and welding,
- Delivered as welded or further processed by cold drawing or cold rolling or manufactured by hot forming, welding and reducing
- Manufacture of tube fittings of steel, such as flat flanges and flanges with forged collars, butt-welded fittings, threaded fittings and socket-welded fittings.





The below table shows how much each state has contributed to the national production of prioritized division.

Ranking	State	Share in National Production (%)
1	Esfahan	20.66
2	Kerman	19.34
3	Khuzestan	13.16
4	Yazd	10.63
5	Khorasan Razavi	5.29
6	Markazi	4.30
7	Tehran	3.59
8	Azerbaijan Sharghi	3.31
9	Hormozgan	3.28
10	Ghazvin	3.01

The below table shows each state’s contribution to the total output of prioritized division (whether final or intermediate).

Ranking	State	Share in National Total Demand (%)
1	Esfahan	25.59
2	Khuzestan	17.20
3	Kerman	9.26
4	Yazd	7.55
5	Hormozgan	5.83
6	Markazi	5.26
7	Tehran	4.75



Manufacture of Chemicals and Chemical Products

This division includes the transformation of organic and inorganic raw materials by a chemical process and the formation of products. It distinguishes the production of basic chemicals that constitute the first industry group from the production of intermediate and end products produced by further processing of basic chemicals that make up the remaining industry classes.

The first group as, manufacture of basic chemicals, fertilizers and nitrogen compounds, plastics and synthetic rubber in primary forms, includes the manufacture of basic chemical products, fertilizers and associated nitrogen compounds, as well as plastics and synthetic rubber in primary forms. This group includes:

- Manufacture of basic chemicals
- Manufacture of fertilizers and nitrogen compounds
- Manufacture of plastics and synthetic rubber in primary forms

The first group as, manufacture of other

chemical products, includes the manufacture of chemical products other than basic chemicals and man-made fibers, includes the manufacture of a variety of goods such as pesticides, paints and inks, soap, cleaning preparations, perfumes and toilet preparations, explosives and pyrotechnic products, chemical preparations for photographic uses (including film and sensitized paper), gelatins, composite diagnostic preparations etc. This group includes:

- Manufacture of pesticides and other agrochemical products
- Manufacture of paints, varnishes and similar coatings, printing ink and mastics
- Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations
- Manufacture of other chemical products n.e.c.
- Manufacture of man-made fibres



The below table shows how much each state has contributed to the national production of prioritized division.

Ranking	State	Share in National Production (%)
1	Bushehr	21.95
2	Khuzestan	9.93
3	Markazi	8.13
4	Qazvin	6.21
5	Tehran	6.01
6	Esfahan	5.10
7	Alborz	4.92
8	Kermanshah	4.65
9	Azarbaijan Sharghi	4.32
10	Fars	3.55

The below table shows each state’s contribution to the total output of prioritized division (whether final or intermediate).

Ranking	State	Share in National Total Demand (%)
1	Bushehr	42.69
2	Khuzestan	25.96
3	Markazi	5.48
4	Qazvin	4.07
5	Esfahan	3.29
6	Tehran	2.98
7	Azarbaijan Sharghi	2.72
8	Kermanshah	2.44
9	Alborz	2.19
10	Fars	1.73



Manufacture of Rubber and Plastics Products

This class includes the processing of new or spent (i.e. recycled) plastics resins into intermediate or final products, using such processes as compression molding, extrusion molding, injection molding, blow molding and casting. For most of these, the production process is such that a wide variety of products can be made.

This class includes:

- Manufacture of rubber tires for vehicles, equipment, mobile machinery, aircraft, toy, and furniture and other uses such as pneumatic tires and solid or cushion tires.
- Manufacture of inner tubes for tires
- Manufacture of interchangeable tire treads, tire flaps, "camelback" strips for retreading tires etc.
- Manufacture of other products of natural or synthetic rubber, un-vulcanized, vulcanized or hardened such as:
 - Rubber plates, sheets, strip, rods, profile shapes
 - Tubes, pipes and hoses





- Rubber conveyor or transmission belts or belting
- Rubber hygienic articles: sheath contraceptives, teats, hot water bottles etc.
- Rubber articles of apparel (if only sealed together, not sewn)
- Rubber thread and rope
- Rubberized yarn and fabrics
- Rubber rings, fittings and seals
- Rubber roller coverings
- Inflatable rubber mattresses
- Inflatable balloons
- Manufacture of rubber brushes
- Manufacture of hard rubber pipe stems
- Manufacture of hard rubber combs, hair pins, hair rollers, and similar
- Manufacture of rubber repair materials
- Manufacture of textile fabric impregnated, coated, covered or laminated with rubber, where rubber is the chief constituent
- Manufacture of rubber waterbed mattresses
- Manufacture of rubber bathing caps and aprons
- Manufacture of rubber wet suits and diving suits



- Manufacture of rubber sex articles
- Manufacture of semi-manufactures of plastic products:
 - Plastic plates, sheets, blocks, film, foil, strip etc. (whether self-adhesive or not)
- Manufacture of finished plastic products:
 - Plastic tubes, pipes and hoses; hose and pipe fittings
- Manufacture of plastic articles for the packing of goods:
 - Plastic bags, sacks, containers, boxes, cases, carboys, bottles etc.
- Manufacture of builders' plastics ware:
 - Plastic doors, windows, frames, shutters, blinds, skirting boards
 - Tanks, reservoirs
 - Plastic floor, wall or ceiling coverings in rolls or in the form of tiles etc.
 - Plastic sanitary ware, such as plastic baths, shower baths, washbasins, lavatory pans, flushing cisterns etc.
- Manufacture of plastic tableware, kitchenware and toilet articles
- Cellophane film or sheet
- Manufacture of resilient floor coverings, such as vinyl, linoleum etc.
- Manufacture of artificial stone (e.g. cultured marble)
- Manufacture of plastic signs (non-electrical)
- Manufacture of diverse plastic products: plastic headgear, insulating fittings, parts of lighting fittings, office or school supplies, articles of apparel (if only sealed together, not sewn), fittings for furniture, statuettes, transmission and conveyer belts, self-adhesive tapes of plastic, plastic wall paper, plastic shoe lasts, plastic cigar and cigarette holders, combs, plastics hair curlers, plastics novelties, etc.

The below table shows how much each state has contributed to the national production of prioritized division.

Ranking	State	Share in National Production (%)
1	Tehran	21.95
2	Azarbaijan sharghi	9.93
3	Fars	8.13
4	Alborz	6.21
5	Esfahan	6.01
6	Gilan	5.10
7	Kerman	4.92
8	Khorasan Razavi	4.65
9	Qazvin	4.32
10	Markazi	3.55

The below table shows each state's contribution to the total output of prioritized division (whether final or intermediate).

Ranking	State	Share in National Total Demand (%)
1	Tehran	22.00
2	Azarbaijan Sharghi	9.50
3	Fars	6.96
4	Esfahan	6.54
5	Kerman	6.33
6	Alborz	4.59
7	Khorasan Razavi	4.56
8	Qazvin	4.54
9	Guilan	4.46
10	Markazi	3.79



Manufacture of Fabricated Metal Products, Except Machinery and Equipment

This division includes:

Manufacture of structural metal products, tanks, reservoirs and steam generator

● The manufacture of structural metal products (such as metal frameworks or parts for construction), as well as metal container-type objects (such as reservoirs, tanks, central heating boilers) and steam generators.

Manufacture of structural metal products

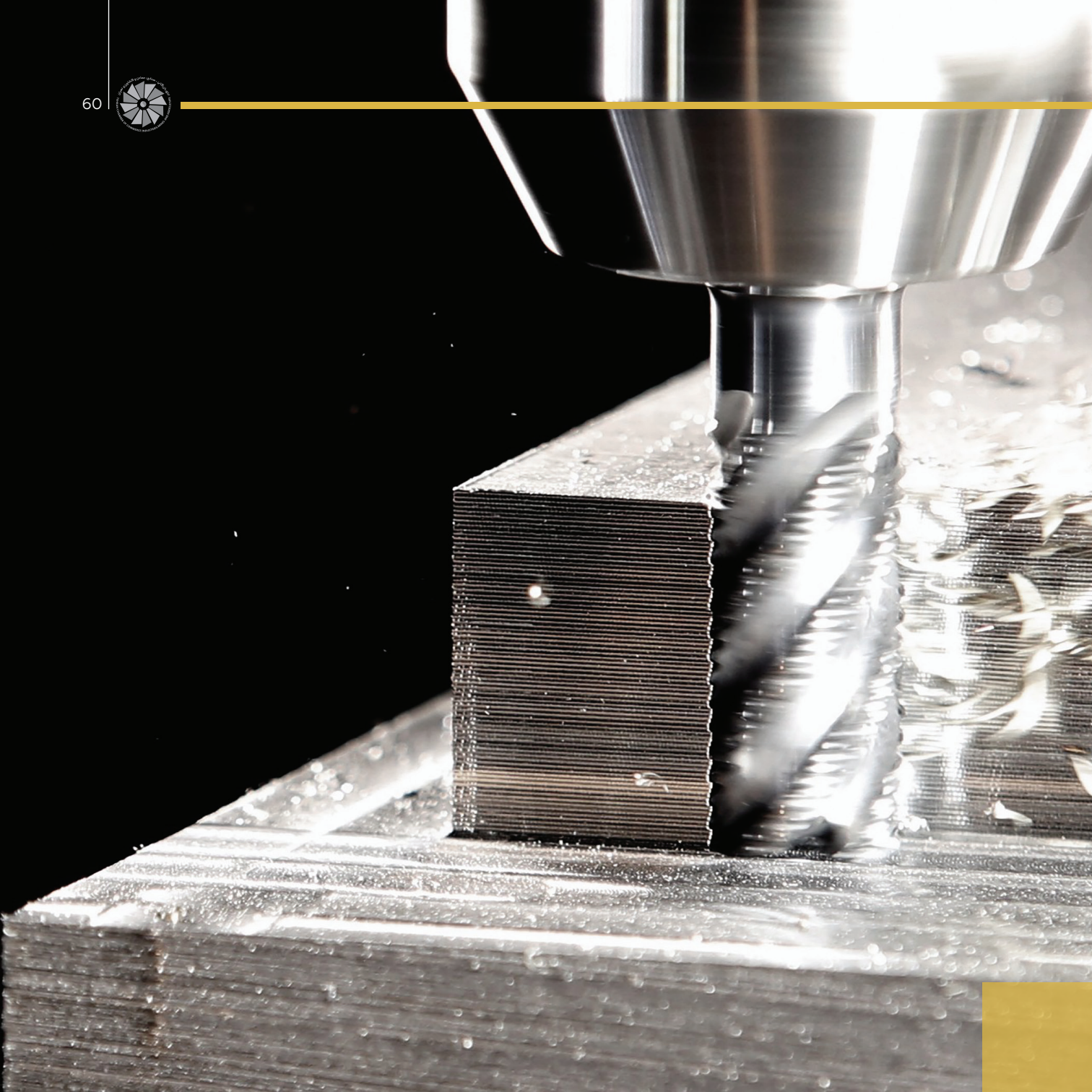
- Manufacture of metal frameworks or skeletons for construction and parts thereof (towers, masts, trusses, bridges etc.)
- Manufacture of industrial frameworks in metal (frameworks for blast furnaces, lifting and handling equipment etc.)
- Manufacture of pre-fabricated buildings mainly of metal, site huts, modular exhibition elements etc.
- Manufacture of metal doors, windows and their frames, shutters and gates
- Metal room partitions for floor attachment


Manufacture of tanks, reservoirs and containers of metal

- Manufacture of reservoirs, tanks and similar containers of metal, of types normally installed as fixtures for storage or manufacturing use
- Manufacture of metal containers for compressed or liquefied gas
- Manufacture of central heating boilers and radiators









Manufacture of steam generators, except central heating hot water boilers

- Manufacture of steam or other vapor generators
- Manufacture of auxiliary plant for use with steam generators, condensers, economizers, super-heaters, steam collectors and accumulators
- Manufacture of nuclear reactors, except isotope separators
- Manufacture of parts for marine or power boilers

Manufacture of weapons and ammunition

- Manufacture of heavy weapons (artillery, mobile guns, rocket launchers, torpedo tubes, heavy machine guns)
- Manufacture of small arms (revolvers, shotguns, light machine guns)
- Manufacture of air or gas guns and pistols
- Manufacture of war ammunition
- Manufacture of hunting, sporting or protective firearms and ammunition
- Manufacture of explosive devices such as bombs, mines and torpedoes

Manufacture of other fabricated metal products; metalworking service activities

- This group includes general activities for the treatment of metal, such as forging or pressing, plating, coating, engraving, boring, polishing, welding etc., which are typically carried out on a fee or contract basis. This group also includes the manufacture of a variety of metal products, such as cutlery; metal hand tools and general hardware; cans and buckets; nails, bolts and nuts; metal household articles; metal fixtures; ships propellers and anchors; assembled railway track fixtures etc. for a variety of household and industrial uses.



Forging, pressing, stamping and roll-forming of metal; powder metallurgy

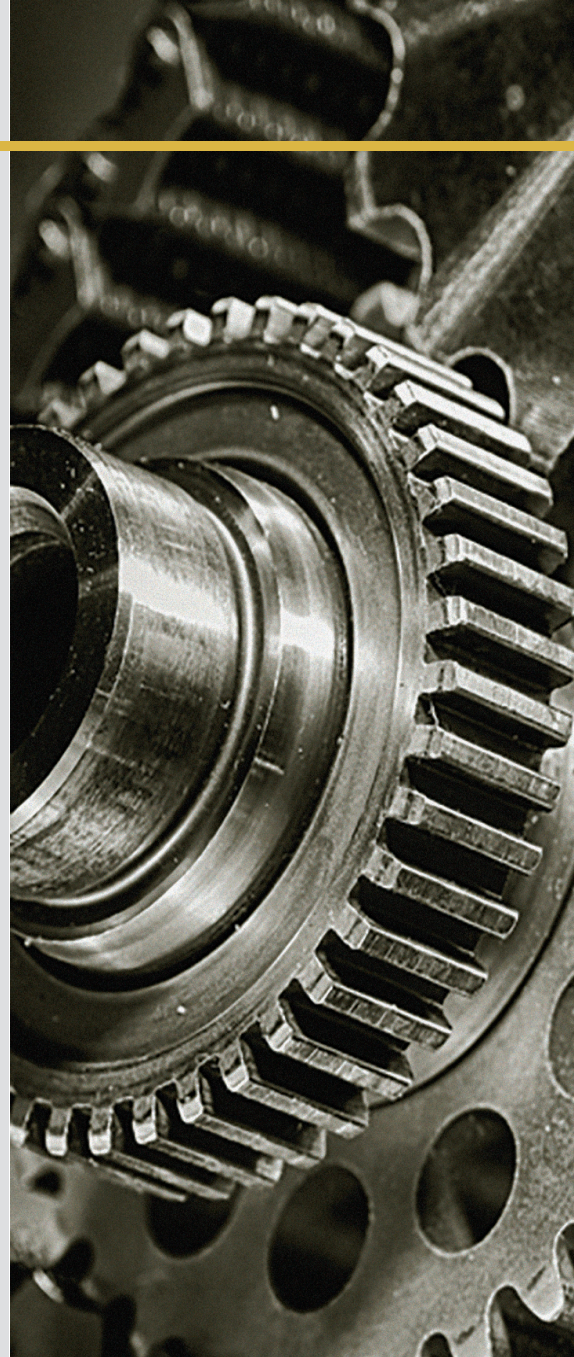
- Forging, pressing, stamping and roll-forming of metal
- Powder metallurgy: production of metal objects directly from metal powders by heat treatment (sintering) or under pressure

Treatment and coating of metals; machining

- Plating, anodizing etc. of metals
- Heat treatment of metals
- Deburring, sandblasting, tumbling, cleaning of metals
- Coloring and engraving of metals
- Non-metallic coating of metals, plasticizing, enameling, lacquering etc.
- Hardening, buffing of metals
- Boring, turning, milling, eroding, planning, lapping, broaching, levelling, sawing, grinding, sharpening, polishing, welding, splicing etc. of metalwork pieces
- Cutting of and writing on metals by means of laser beams

Manufacture of cutlery, hand tools and general hardware

- Manufacture of domestic cutlery such as knives, forks, spoons etc.
- Manufacture of other articles of cutlery, cleavers and choppers, razors and razor blades, scissors and hair clippers
- Manufacture of knives and cutting blades for machines or for mechanical appliances
- Manufacture of hand tools such as pliers, screwdrivers etc.
- Manufacture of non-power-driven agricultural hand tools
- Manufacture of saws and saw blades, including circular saw blades and chainsaw blades







- Manufacture of interchangeable tools for hand tools, whether or not power-operated, or for machine tools: drills, punches, milling cutters etc.
- Manufacture of press tools
- Manufacture of blacksmiths' tools: forges, anvils etc.
- Manufacture of moulding boxes and moulds (except ingot moulds)
- Manufacture of vices, clamps
- Manufacture of padlocks, locks, keys, hinges and the like, hardware for buildings, furniture, vehicles etc.
- Manufacture of cutlasses, swords, bayonets etc.

Manufacture of other fabricated metal products n.e.c.

- Manufacture of pails, cans, drums, buckets, boxes
- Manufacture of tins and cans for food products, collapsible tubes and boxes
- Manufacture of metallic closure
- Manufacture of metal cable, plaited bands and similar articles
- Manufacture of uninsulated metal cable or insulated cable not capable of being used as a conductor of electricity
- Manufacture of articles made of wire: barbed wire, wire fencing, grill, netting, cloth etc.
- Manufacture of nails and pins
- Manufacture of rivets, washers and similar non-threaded products
- Manufacture of screw machine products
- Manufacture of bolts, screws, nuts and similar threaded products
- Manufacture of springs (except watch springs)
- Manufacture of chain, except power transmission chain
- Manufacture of metal household articles



- Manufacture of baths, sinks, washbasins and similar articles
- Manufacture of metal goods for office use, except furniture
- Manufacture of safes, strongboxes, armoured doors etc.
- Manufacture of various metal articles
- Manufacture of foil bags
- Manufacture of permanent metallic magnets
- Manufacture of metal vacuum jugs and bottles
- Manufacture of metal signs (non-electrical)
- Manufacture of metal badges and metal military insignia
- Manufacture of metal hair curlers, metal umbrella handles and frames.

The below table shows how much each state has contributed to the national production of prioritized division.

Ranking	State	Share in National Production (%)
1	Tehran	29.32
2	Markazi	15.28
3	Azerbaijan Sharghi	9.09
4	Alborz	7.39
5	Esfahan	6.22
6	Fars	5.76
7	Gilan	4.10
8	Ghazvin	4.01
9	Khuzestan	3.43
10	Qom	2.12

The below table shows each state’s contribution to the total output of prioritized division (whether final or intermediate).

Ranking	State	Share in National Total Demand (%)
1	Tehran	30.27
2	Azarbaijan Sharghi	15.52
3	Markazi	9.52
4	Esfahan	5.98
5	Qazvin	4.91
6	Alborz	4.63
7	Fars	4.11
8	Guilan	3.04
9	Yazd	2.82
10	Mazandaran	2.70



Manufacture of motor vehicles, trailers and semi-trailers and other transport equipment

Manufacture of motor vehicles, trailers and semi-trailers includes the manufacture of motor vehicles for transporting passengers or freight. The manufacture of various parts and accessories, as well as the manufacture of trailers and semi-trailers, is included here.

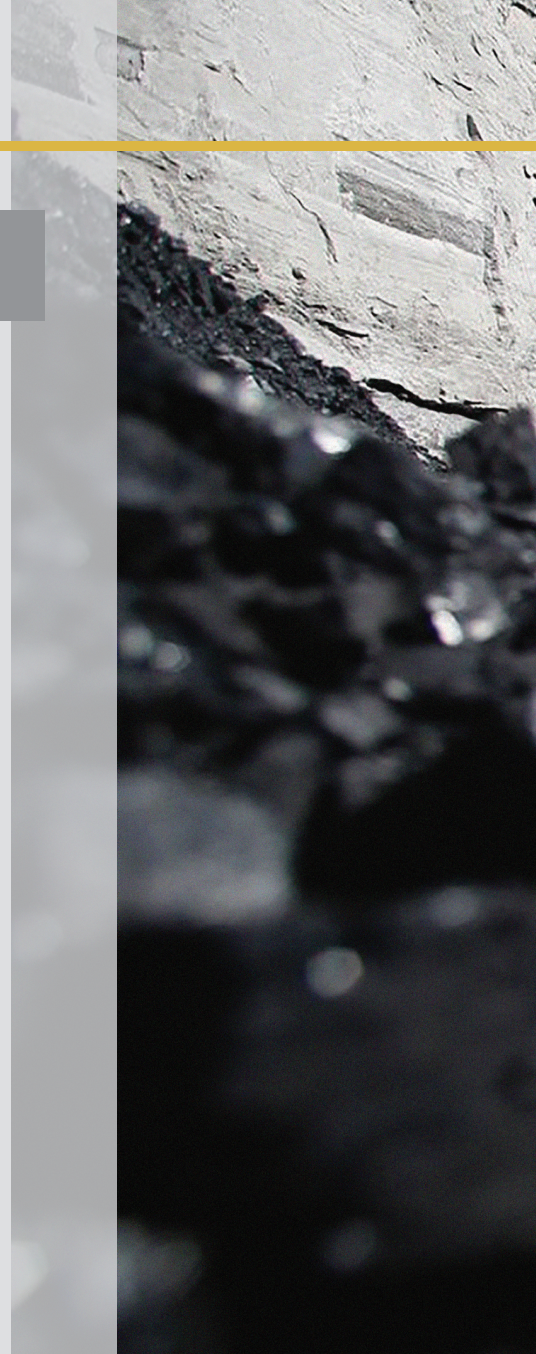
Manufacture of motor vehicles includes

- Manufacture of passenger cars
- Manufacture of commercial vehicles:
 - Vans, lorries, over-the-road tractors for semi-trailers etc.
 - Manufacture of buses, trolley-buses and coaches
 - Manufacture of motor vehicle engines
 - Manufacture of chassis fitted with engines
 - Manufacture of other motor vehicles:
 - Snowmobiles, golf carts, amphibious vehicles
 - Fire engines, street sweepers, travelling libraries, armored cars etc.
 - Concrete-mixer lorries
 - ATVs, go-carts and similar including race cars
 - Factory rebuilding of motor vehicle engines

Manufacture of bodies (coachwork) for motor vehicles;

manufacture of trailers and semi-trailers includes:

- Manufacture of bodies, including cabs for motor vehicles
- Outfitting of all types of motor vehicles, trailers and semi-trailers
- Manufacture of trailers and semi-trailers:









- For transport of goods: tankers, removal trailers etc.
- For transport of passengers: caravan trailers etc.
- Manufacture of containers for carriage by one or more modes of transport

Manufacture of parts and accessories for motor vehicles includes:

- Manufacture of diverse parts and accessories for motor vehicles:
 - Brakes, gearboxes, axles, road wheels, suspension shock absorbers, radiators, silencers, exhaust pipes, catalytic converters, clutches, steering wheels, steering columns and steering boxes
- Manufacture of parts and accessories of bodies for motor vehicles:
 - Safety belts, airbags, doors, bumpers
- Manufacture of car seats
- Manufacture of motor vehicle electrical equipment, such as generators, alternators, spark plugs, ignition wiring harnesses, power window and door systems, assembly of purchased gauges into instrument panels, voltage regulators, etc.

Manufacture of other transport equipment includes:

The manufacture of transportation equipment such as ship building and boat manufacturing, the manufacture of railroad rolling stock and locomotives, air and spacecraft and the manufacture of parts thereof. This class includes:



Building of Ships and Boats

Building of ships and boats includes the building of ships, boats and other floating structures for transportation and other commercial purposes, as well as for sports and recreational purposes. This class includes:

- Building of commercial vessels, passenger vessels, ferry boats, cargo ships, tankers, tugs etc.
- Building of warships
- Building of fishing boats and fish-processing factory vessels
- Building of hovercraft (except recreation-type hovercraft)
- Construction of drilling platforms, floating or submersible
- Construction of floating structures, floating docks, pontoons, coffer-dams, floating landing stages, buoys, floating tanks
- Barges, lighters, floating cranes, non-recreational inflatable rafts etc.
- Manufacture of sections for ships and floating structures
- Manufacture of inflatable boats and rafts
- Building of sailboats with or without auxiliary motor
- Building of motor boats
- Building of recreation-type hovercraft
- Manufacture of personal watercraft
- Manufacture of other pleasure and sporting boats:
 - Canoes, kayaks, rowing boats, skiffs



