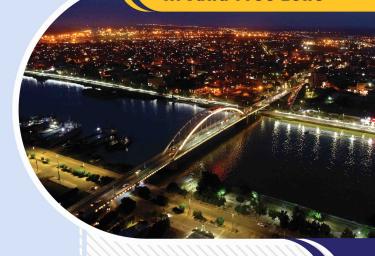


Introduction of **Arvand Free Zone**



Arvand Free Zone, a golden opportunity for investment, production and export



TO GET CONTENT SCAN ELECTRONICALLY



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Free Zones

Free zones are geographical areas that are often established near borders and customs points with the aim of supporting domestic industry and facilitating import, export and transit of goods, and have more limited rules and simpler customs procedures than the mainland. These areas are outside the scope of many laws of the mainland and due to the facilities, potentials, exemptions and privileges intended for them, they can create a suitable platform for the producers of export goods, traders and transit industry activists.

The main focus in the development of these zones is on encouraging the export of industrial and goods conversion, attracting foreign capital and technologies, strengthening transit channels and reinforcing the country's position in the field of international trade.

Currently, eight free zones are active in the country, including Imam Khomeini Airport City (RA), Kish, Qeshm, Chabahar, Aras, Mako, Anzali and Arvand.







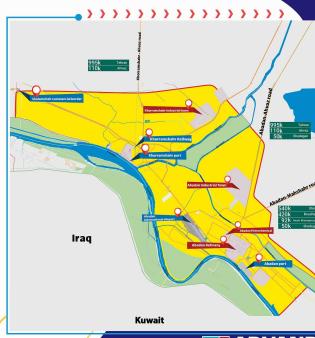
Introducing Arvand Free Zone

Arvand commercial-industrial free zone in the north-west of the Persian Gulf and in the south-west of Khuzestan province, including the areas of Abadan, Khorramshahr and Minoushahr (Mino Island) started to operate since 2004.

Arvand is the first zone in terms of population and the second free zone of the country in terms of area and one of the largest and most populated free zones in the world. This zone is located in the focal center of untapped markets with a population of over 20 million people in a radius of less than 200 km. Arvand is the only free zone that has the extraordinary advantage of combined transportation including road, rail, water and air transportation. Abadan International Airport, Khorramshahr Railway, Shalamcheh-Basra Railway, two ports of Khorramshahr and Abadan, Shalamcheh Dry Port and numerous transportation roads to the provincial capital and nearby cities, together make Arvand Free Zone the only free zone with combined transportation.

This zone has the largest industrial site in the country's free zones with an area of about 9200 hectares, where nearly 200 industrial units are currently operating. The presence of such as oil, petrochemical and steel industries are among the industrial advantages in Arvand Free Zone.













Area: 37,400 hectares





Amount of production (annual average): 165 thousand billion rials

Number of active industrial units: More than 200 industrial units

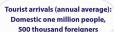


Variety of industrial products: Petroleum and petrochemical products, ships and metal structures, mobile phones, lamps and lighting, blankets, clothes, cosmetics and hygiene, steel





Number of ports: 2 active ports





Number of hotels and accommodation centers: 20 centers

Railways and the number of passengers per year: Khorramshahr railway with more than 700 thousand passengers per year



Airport and number of domestic and international flights: Ayatollah Jami Abadan International Airport with two runways and more than 5000 landings and takeoffs per year

Distance from the region to Ahvaz: 100 km Distance from the region to Imam Khomeini Port (RA): 100 km Distance from the region to Tehran: 950 km Distance from the area to Basra: 25 km





Geography of Arvand Free Zone

The establishment of Arvand Free Zone in the cities of Abadan, Khorramshahr and Minoushehr has doubled the importance and influential position of Khuzestan province. Khuzestan is located in the southwest of Iran and on the shore of the Persian Gulf, with an area of 64,057 square kilometers centered on Ahvaz. Khuzestan has a very strategic position in the country with a population of over 5 million people. After Tehran province, with 14.8 percent, Khuzestan has the highest GDP among the provinces of Iran. It is the most abundant province of Iran in terms of water despite the existence of many rivers (5 rivers).

This province with Abadan Refinery and Abadan Petrochemical, Bandar Imam Petrochemical, Mahshahr Petrochemical, iron and steel smelting factories and other related industries, on the other hand, the presence of ports, airports, railway lines and numerous roads, and having rivers full of water is known as one of the most important provinces of the country in terms of industry, trade and agriculture.

Abadan, Khorramshahr and Mino Island are located in the south of Khuzestan province and in the delta of Arvand river. Abadan is considered the most watered city in Khuzestan province in the basin of Bahmanshir, Karun and Arvand rivers, at the mouth of the Persian Gulf and in the neighborhood of Kuwait and Iraq. The existence of an oil refinery, a petrochemical plant, ports and its access to open waters has assigned an important position in the country's economy.

Khorramshahr was the first and largest port in the Middle East before the Iran-Iraq imposed war and is now one of the largest container ports in the country. The strategic and commercial position of this port had caused the development of this city long ago, so that it was called the bride of Middle Eastern cities. Mino Shahr is a small green city located in the heart of Mino Island and is considered its largest settlement. This city, with its beautiful palm trees stretching to the sky, is considered a natural recreation for the people of Abadan and Khorramshahr. Agriculture, livestock breeding and fishing have a special place in this Island.







Advantages of investing in Arvand Free Zone

Legal advantages

- The possibility of acquiring 100% of the shares of foreign companies
- Guarantee of foreign investments in accordance with the Law of Encouraging and Supporting Foreign Investment in Iran
- The possibility of unlimited investment for Iranian and foreign nationals in any amount with the possibility of transferring 100% of the capital and profit from the activities of foreign registered persons abroad.
- 100% tax exemption on income and property for 20 years and renewable
- Free export of manufactured products in the region based on general export and import regulations
- Customs exemption for products produced by industrial units in the region for export to the mainland at the amount of added value in the use of domestic raw materials approved by the Value Added Commission.
- The possibility of exporting the products produced from foreign raw materials in the amount of the allowed percentage determined by the Value Added Commission Ease of issuing visas for foreigners working in the region
- Compliance with labor laws specific to commercial and industrial free zones

Commercial discounts

- Discounts on warehousing costs for bulk and container goods
- Discount on the cost of warehousing export and transit goods from the free zone



- Discounts on customs duties of deprived areas in the ports of the region (25% at Khorramshahr customs and 20% at Abadan customs)
- Discounts on customs duties for goods imported through the region's ports (up to 2% of the region's share
 of commercial profit)
- The possibility of obtaining a bank guarantee for the import duties

Arvand Exclusive advantage

- Exemption from import duties of machinery and raw materials used by production units
- Issuance of negotiable warehouse receipts and separate warehouse receipts within the region by the organization
- Not abandoning the goods in Arvand free zone warehouses for up to six months
- Strategic geographical location in the neighborhood of Persian Gulf countries and especially access to the markets of Iraq
- Access to natural and mineral resources in Khuzestan province to supply raw materials for industrial units
- The existence of oil, gas, petrochemical, steel, shipbuilding, etc. industries within the region and in Khuzestan province
- The existence of combined transportation (railway, international airport, land, sea and roads Having two chambers of commerce in the zone (Abadan Chamber of Commerce and Khorramshahr Chamber of Commerce Enjoying two Industry, Mine and Trade departments and two guild chambers and more than 20,000 guild units in many fields within the scope
- Having two ports (Abadan and Khorramshahr) in the area with modern and mechanized port equipment
- Possession of specialized customs for fabric import (Khorramshahr customs and Abadan customs) within the region
- The largest export zone in the country
- Deployment of the Islamic Republic of Iran customs administration (IRICA) in industrial sites to facilitate the entry and exit of goods of production units
- The possibility of foreign nationals entering the zone without the need for a visa



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Maritime trade in Arvand Free Zone

With the existence of two large ports (Khorramshahr and Abadan) within the Arvand Free Zone, trade and related economic activities (including commerce, shipping, loading and unloading, warehousing, transit, supply of goods, etc.) have become one of the main pillars in the region. Khorramshahr port has an area of 230 hectares in the northwest of the Persian Gulf, in the neighborhood of Iraq, at the confluence of Arvandroud and Karun rivers in Khorramshahr city, and is one of the strategic container ports of the country. This port has a long history in maritime trade, and the construction and operation of special docks for accepting ocean-going ships in this port has started since the early years of 1300 AD. Khorramshahr port is connected to the Persian Gulf by Arvand river and the length of the river from the mouth of Arvand to Khorramshahr port is 62 nautical miles. The capacity of Khorramshahr port for unloading general goods is between 4000 and 6000 tons per day. Khorramshahr port operates with modern port equipment with the capacity to receive 3,500,000 tons of goods per year in the field of import and export of container and bulk goods to and from countries around the world. Easy connection and access to international communication lines by sea, air, road and railway, having the largest sea passenger terminal in the country, use of modern container unloading and loading equipment, the most economical transit way in the country, a special berth for the purpose of loading Ro-Ro ships, the existence of a specialized training center for sailors and access to fresh water sources are among the special advantages of goods clearance from Khorramshahr port.

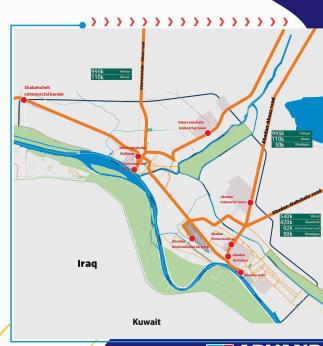
Characteristic of Khorramshahr port

Roo warel	open warehouse	Number of berths	Length of the piers	Container capacity	Bulk capacity	Depth of the draught
137 Square	341827 Square meters	21	3326 Meter	300 thousand TEU	3/5 million tons	Up to 6 meters

Abadan port with an area of about 6.5 hectares is located on the outskirts of Arvandroud and in the center of Abadan city. The multi-purpose berth of Abadan port is also used for fishing activities and it is possible to accept all types of vessels up to 500 tons capacity. Flexibility in accepting all types of vessels from 60 tons to 2000 tons, being adjacent to Khorramshahr port and enjoying all its communication advantages are other advantages of Abadan port.

Characteristic of Abadan port

Roofe		open	Number	Length	Bulk	Depth of
wareho		warehouse	of berths	of the piers	capacity	the draught
200 Square n	-	26000 Square meters	7	300 Meter	43 thousand tons	5.5 meters





Air, rail and land trade in Arvand Free Zone

Shalamcheh

Shalamcheh border area is located in the northwest of the region and at a distance of 12 kilometers from Khorramshahr, and Shalamcheh border terminal is the main communication bridge between Iran and Iraq in the southwest of the country. Iraq's dire need for all kinds of goods and services is an exceptional opportunity especially for Iranians.

The daily arrival and departure of hundreds of transit and export trucks from this crossing shows this golden opportunity. The 700-hectare logistics park is being completed, the covered warehouse of Golf Agency Company with an area of 6,400 meters on a 55-hectare site, a cold storage facility with private sector investment, the deployment of Saderat and Melli Bank branches and 115 emergency services, the Anisheh-e- Khallagh Bandar company's logistics terminals, Hammadi's commercial company, Arvand Cement Export Development Terminal, as well as the industrial and commercial welfare complex of Mehvar -e- Talaei Company, the Aquatic Terminal of Mobarak Sanat Karoon Company, represent a part of the characteristics and specifications of the strategic terminal of Shalamcheh. On the other hand, 6 hectares of the 11-hectare area of this terminal is related to the passenger site.



Ayatollah Jami Abadan International Airport

Abadan International Airport is a public and cargo airport with an area of 354 hectares in the eastern part of Abadan city and is located at a height of 6 meters above sea level. Abadan airport with a century of history has two terminal, a main runway 3400 meters long and a secondary runway 2400 meters long and equipped with modern air navigation systems (DVOR and ILS devices). Abadan airport is located in the tourist site of Arvand Free Zone. Abadan airport itself is considered one of the basic and strategic advantages of the Zone.

The airport has the capacity to receive 8 wide-body planes in one flight ramp at the same time. Since this airport was built with international standards, it is able to accept large planes such as Boeing 747 and Airbus 340.





Khorramshahr Railway

Khorramshahr railway is one of the most important railway lines in the country, which plays an important role in the movement of cargo and passengers and the export and import of various goods. Khorramshahr has a significant impact on the progress and development of the region due to its location in the border region and the proximity of the Persian Gulf and the availability of rail, land and sea communication routes. The Khorramshahr railway is connected to Shalamcheh border line, and its continuation joins the Iraqi railway in the city of Basra. After the completion of the Iraqi railway, this project will be connected to other Eastern Mediterranean countries in several phases, and this issue can cause a huge change in the field of transit and transportation of goods and passengers in the region. The plan to connect Khorramshahr to Shalamcheh railway and its continuation to the city of Basra and its continuation to the city of Basra in Iraq is under implementation. The country's railway is connected to Iraq and Eastern Mediterranean countries through Arvand Free Zone. Even now, Shalamcheh railway has been extended to the border zero point and is in operation.



Industry in Arvand Free Zone

The industry in its modern form was established with the construction of a refinery in Abadan and then with the establishment of other industries in the region and is known as one of the main pillars of Arvand Free Zone

Presently, Arvand Free Zone has two industrial sites, including Abadan industrial site and Khorramshahr industrial site with a total area of 9200 hectares. In this site, there are more than 200 manufacturing units with different uses such as metal industries, chemical industries, downstream petrochemical industries, textile, food, non-metallic minerals, electronics, etc., most of which have export products, are located.

Considering the necessity of codified planning for the creation and completion of infrastructures in industrial lands, performing the necessary operations and services in all fields (technical, financial, administrative, service, legal and educational) and other services needed by all the affairs of production units centrally in the said site takes place. This has made the process of handing over land to investors as soon as possible and at the lowest cost. In this site, based on environmental standards, industrial needs assessment and industrial master plan studies have been completed within the site, and construction and infrastructure projects have also been carried out by Arvand Free Zone Organization in order to create suitable platforms for attracting investment in recent years based on master plan studies.

The advantages of the industrial site include quick access to four modes of international transportation (rail, road, water and air), customs deployment, proximity to Khorramshahr and Abadan ports. Shalamcheh export terminal, Mahshahr special economic zone and Imam Khomeini port petrochemical complex. Proximity to Basra province of Iraq, using the benefits of free zones such as the entry of machinery and raw materials of production units to the industrial site without paying customs duties.

The deployment of two fire stations in the industrial site with advanced fire engines, artificial grass, as well as all the cleaning and maintenance services of the infrastructure are among the other measures of Arvand Free Zone within the industrial site.



Oil in Arvand Free Zone

After the discovery of oil in Iran and the formation of downstream industries in the region (refining and petrochemicals in Abadan and distribution in Khorramshahr), these two cities have brought rapid development to the extent that they have gained world fame, as well as the matter of oil in the cities of Abadan and Khorramshahr also had an impact on the World War. Until 2007, only the downstream sector (i.e., refining and distribution) was dominant in this region, and after that year, the upstream oil sector, crude oil and cas production was added to it.

Due to the presence of upstream and downstream oil, gas and petrochemical industries in Arvand Free Zone, the existence of huge oil and gas resources in Khuzestan province, and the proximity to Iraq, which has huge oil and gas resources, and their need for technical and engineering services. - Goods and equipment, the need to pay attention and focus on it for the economic, social and cultural development of the region has become more apparent.

In this regard, since 2005, with the establishment of Arvandan Oil and Gas Company in Khorramshahr, the responsibility for the production and operation of 13 oil fields in the west of Karun was transferred to National Oilfields Company.

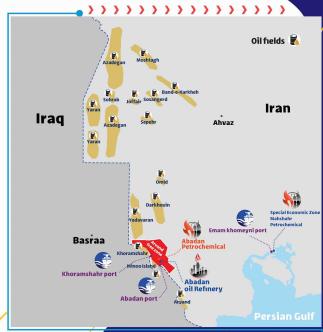
Arvandan Oil and Gas Company is an Iranian company and one of the subsidiaries of the National Iranian Oil Company, which operates in the field of oil exploitation and extraction in the south and west of Iran.

The possibility of using the capacity and facilities provided by the Arvand Free Zone for the entire huge oil, gas and petrochemical industries of the country has attracted various attractions.

Arvand Free Zone emphasizes the development of existing capacities (including Abadan Oil Refinery, Abadan Petrochemical, offshore construction companies, etc.) by trying to achieve the goals of taking major steps in the field of oil, gas and petrochemicals in the region.

- Development of investment and development of oil and gas fields in West Karun, Darkhvin, Mino Island and the downstream part, especially Khuzestan Refinery.
- · Constructing a hypermarket for the oil, gas and petrochemical industries to supply the required goods
- Holding a permanent annual conference and exhibition of oil and gas and petrochemical industries in the region
- · Construction of regional and international oil, gas and petrochemical exchange trading hall
- · Development of international training in the region in the field of oil and gas, petrochemicals and related fields
- Pursuing the establishment of offices of public and private companies active in the field of supplying goods, parts and equipment in the region
- · Exporting technical engineering services, especially to Iraq and Kuwait
- Investing and establishing companies for the production of required parts and equipment







Tourism in Arvand Free Zone

The existence of tourist attractions, numerous access ways (roads, railways, airport and sea), proximity to other cities of the province, modern and traditional commercial complexes with various goods, groves and local culture, as well as wonderful souvenirs in the cities of Abadan. Khorramshahr and Mino Island have made Arvand Free Zone one of the tourist destinations in the south of the country, so that the trip to Arvand becomes a memorable and memorable trip for all people. The semi-desert climate of the region has made travelers travel to the zone all year round. Travelers who travel to the zone can benefit from its many hotels and entertainment centers.

Among the most famous sightseeing places in the zone are Abadan Cultural Heritage Museum, Abadan Holy Defense Museum Garden, Abadan Wildlife Museum, Abadan Contemporary Art Museum, Abadan Gasoline House Museum, Abadan Apprentices Museum, Khoramshahr War Museum, Khoramshahr Grand Mosque, the beautiful Khorramshahr beach, Naseri lagoon, Jahanara bridge, the very beautiful beach of Arvand, Bahmanshir and Karun rivers, Abadan church, Natt cinema, Bowardeh and Berim areas and Abadan oil refinery, Abadan oil college, Armenian tomb and many others.

The zone has traditional and modern markets, the most popular of which are the Berelian commercial entertainment complex, Sif Bazaar, Safa Bazaar, Kenzalmal, Arvand Commercial Complex, Central Bazaar, Tah Lenji Street, Kadus Complex, etc.



Sabour (Ilish) fish, Iranian Southern Fish Stew (Qaliye Mahi), Madfuneh, Maloghe, Amghest, falafel, etc. are traditional dishes of this region, and tourists can buy souvenirs such as dates, citrus fruits, date cookies, date bread, spices, fresh fish and shrimp, etc.at the end of their trip.

There are several ways to travel to AFZ. In addition to private cars, passengers can travel to the zone by bus from the roads leading to the cities of Abadan and Khorramshahr. It is noteworthy that the cities of Abadan and Khorramshahr have out-of-town passenger terminals. Also, Khorramshahr railway provides the possibility of moving domestic and foreign passengers with numerous comfort facilities and access through taxis in the city.

Abadan International Airport has the ability to provide services to passengers of foreign and domestic flights in Arvand Free Zone. In 2018, there were 7,914 landings and takeoffs of planes at this airport, and 6,481,197 kg of cargo and 604,615 passengers were moved through it.

The passenger hall of Shalamcheh border terminal, with an area of about 4500 square meters of building infrastructure and about 1700 square meters of canopy, receives hundreds of thousands of domestic and foreign passengers every year, using modern architectural design for the well-being of pilgrims and passengers.

Through the international sea passenger terminals of the region in Khorramshahr and Abadan, boats transport around 300 passengers daily from these ports to neighboring countries. It should be noted that the mentioned terminals have the capacity to provide services to 2000 passengers per day.

Khorramshahr sea travel terminal shines with a beautiful and large standard with an area of more than 6 thousand square meters in the Persian Gulf area. This terminal with a hundred meters of berth and a daily capacity of 1200 passengers is providing services to the passengers of Khorramshahr sea border.



Scientific and knowledge-based centers in Arvand Free Zone

The educational and cultural development of local communities, along with the development of industry, trade and tourism, is one of the most important approaches of Arvand Free Zone Organization, which is known as one of the components of human and economic development. The existence of more than 12 universities (including Islamic Azad university, State university, Payam Noor university, non-profit university, scientific and applied university and international educational centers) with a variety of academic fields (over 250 fields of studies and 20 thousand students) within the Zone, shows Knowledge has a special importance and place in the approaches of Arvand Free Zone Organization.

Universities in the Zone have been developed focusing on fields of studies related to chemical, petroleum, maritime, commerce, economics, etc. industries. By training specialized students, these fields have helped to provide social capital and workforce needed by industries and businesses in the Zone. The establishment of international centers in regional universities aiming accepting foreign students has led to the transfer of world knowledge to the region.

Among the other capacities created by scientific platforms, we can mention the establishment of the innovation and acceleration center. This center was created with the aim of helping to provide the necessary hardware and software infrastructure for people interested in creating a business and provides services such as providing capital, mentoring, and establishing communication between these groups and consultants.

The establishment of knowledge-based and creative companies in free zones with the approach of export production, attracting foreign capital and joint production with a foreign company, technological collaboration, creating innovative businesses with export cooperation capacity is on the agenda of the regions.

By establishing in free zones, knowledge-based companies can benefit from the legal benefits of free zones (such as facilities and benefits related to customs, employment of manpower, taxes and transfers of foreign currencies, etc.) in addition to special support and facilities for knowledge-based companies.







