

Establishing an Agency in I R A N

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Why establishing an agency in Iran?



Importation and registration of order of any consumer or capital goods require presence of an official agent for the same goods and brands in Iran. According to the regulations of Ministry of Industry, Mine and Trade of Iran, all foreign companies and business owners have to appoint a representative or distributor in Iran before importing and selling their products in Iran.

The first step in establishing an agency in Iran is signing an agency agreement with an Iranian individual or company. Then, the Iranian national has to apply for “Certificate of Activity” by following below steps:

- (i) Filling up an application form and other relevant forms according to the format available on the website of Iranian Center of Guilds and Traders at www.gatc.ir
- (ii) The original agency agreement in English (official translation into Persian is required if the contract is not in English).

Procedure for establishing an agency in Iran



(iii) Original letter of commitment of the foreign company for guaranteeing after-sales services and providing spare parts (at least 10 years for vehicles, 3 years for electronic and telecommunication goods and 5 years for other capital and durable consumer goods from the date of the last supply to Iran).

(iv) Registration documents of the Iranian agency (if it is a company) and identity documents of the agent if he/she is an individual.

(v) Confirmation Letter of after-sales services network and capability of presenting services and providing spare parts.

(vi) Presenting tax file No. of the applicant in Taxation Affairs Organization.

The application forms and other above-mentioned documents should be submitted to the “Iranian Center of Guilds and Traders”. Documents are often reviewed in 10 working days and “Certificate of Activity” will be issued to the applicant.



Validity of Certificate of Activity



Validity of Certificate of Activity for representation of the vehicle is maximum 5 years, and for other capital and durable goods is maximum 3 years and validity of the Certificate of Activity for the distributor is maximum 1 year (provided that the agency or distribution contract is still valid). Validity of Certificate of Activity of the representation for clothing supplier is two years.

The holders of Certificate of Activity of vehicle and durable goods are obliged, in addition to observing the related articles in the Act of Protecting Consumer Rights, to take action for establishment of the centers for after-sales services in proportion to quantity and scope of distribution of their goods and inform the list and particulars of such centers to the public.



There is no obligation for a foreign company to sign an “exclusive” agreement with its Iranian representative or distributor.



Is it necessary to conclude an “Exclusive”
agency agreement in Iran?



Additional requirement for representatives of clothing suppliers in Iran

The foreign company or its representative is obliged to produce clothes in Iran at least equal to 20% of the import value and at least 50% of it to be exported during the first two years and at least 5% should be added annually to the share of local production from the third year.

Termination of an Agency Certificate



In case of legal termination or nullification of the agency contract by any of the parties, the holder of the Certificate of Activity is obliged, while informing this matter to the public, report the matter to the Iranian Center of Guilds and Merchants for cancelling the Certificate.

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The information provided in this Newsletter is not a substitute for legal advice. Readers should be advised that if they have questions about Iran's laws and regulations, they should seek advice of competent counsel specializing in related area.

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