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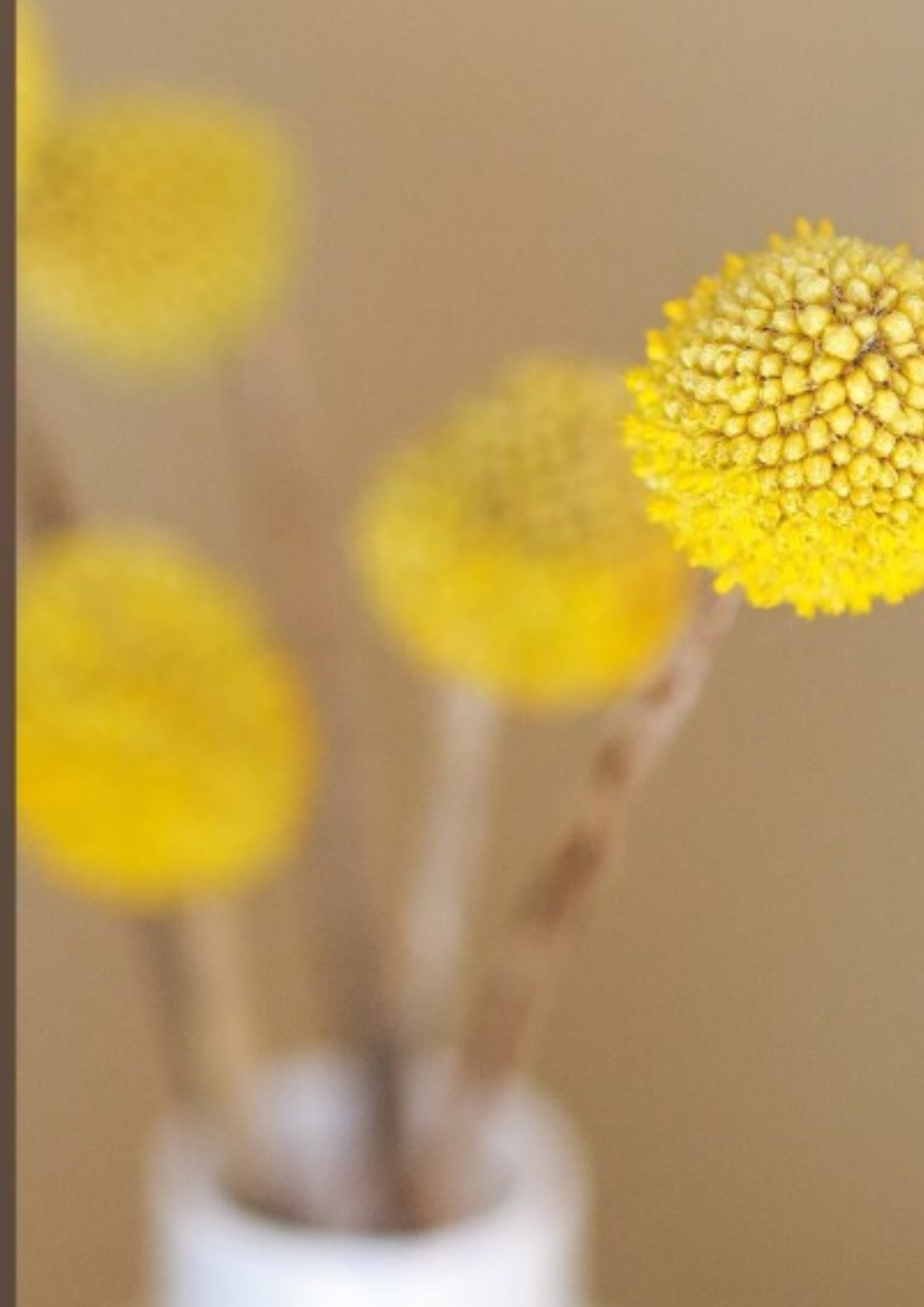
Iran's Private **Steel** Exports Up **118%**

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Servcorp opens its office in **Tehran**

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THE WORLD BANK GROUP

World Bank Forecasts 5.2% GDP Growth for Iran in 2017

The World Bank, in its recent report titled “Global Economic Prospects”, forecasted a 5.2 percent gross domestic product (GDP) growth for Iran in 2017. Yet GDP growth in Iran is estimated to have strengthened considerably last year, bolstered by large gains in oil production as well as automotive, trade and transport sectors, the report said.

The recent Iranian nuclear deal has paved the way of investing in Iran and has encouraged a large number of corporations to enter into the Iranian markets. Iran has unlimited investment and business opportunities to the extent that it can be called “Investors’ Paradise” which heralds the emergence of one of the most powerful economies in the world.

Iran’s Private Steel Exports Up 118%:

Iranian private steelmakers exported 2.56 million tons of crude steel during the nine months ending December 20, recording a 118% upsurge compared with last year’s corresponding period.

Considering the country’s rich energy resources, raw materials, human resources and available technological capabilities, there is an appropriate background in investing in steel industry of the country. National Iranian Steel Industry Company (NISCO)’s current installed capacity is 8 million tons per annum and necessary measures have been taken to increase the capacity to 10 million tons a year.

Iran is the biggest steel producer in the Middle East and North Africa. The country’s main steel production facilities are located in Isfahan and Khuzestan provinces.

Have You Thought about Investing in Iran's Oil & Gas Industry?



Currently, Iran, with 33/6 trillion cubic meters of natural gas reserves which is equivalent to 234 billion barrels of crude oil reserves, is the world's largest owner of gas reserves.

In its last official report, National Iranian Oil Company declared that Iran's normal and natural gas reserves are more than 33/7 trillion cubic meters and the volume of normal and recoverable crude oil reserves of the country are about 157 billion barrels; Overall, with the total volume of oil and natural gas reserves of 400 billion barrels, Iran is the world's largest gas reserves.

In order to attract foreign investment in Iran's oil and gas industry, particularly after termination of sanctions, a committee known as the "Oil Contracts Review Committee" unveiled a new contract titled "Iran Petroleum Contract (IPC)" in late 2015. The primary purpose of this Contract is to make a dramatic change in the oil and gas industry of Iran. On the other hand, Iran's Parliament has also played an important role in this evolution through legislation of several laws such as "Duties and Powers of the Ministry of Oil," enacted in 2012, "Petroleum Law Reform Act" passed in 2011 and "The Fifth Development Plan" in 2010.

However, The turning point of this legal evolution can be found in contractual mechanism of the implementation of projects in the upstream of oil and gas industry which is mentioned in law of "Duties and Powers of the Ministry of Oil" 2012.

Contact **ESK Law Firm** for more information about investing in Iran's Oil & Gas Industry.

Social Security Insurance in Iran:

All Iranian and foreign employers are obliged to withhold two types of taxes as tax on payroll from the receipts of their employees: "tax on employment" and "social security contributions". Social security contributions are directly made to the Social Security Fund and the Pension Fund and as such, are not considered as tax proper in the Iranian tax system. Social security contributions are deductible when the corporate taxable income is computed.

The social security charge is levied on income up to a certain ceiling, which is revised annually. The employee's contribution is 7%, and the employer's share is 23% for Iranian employees and 20% for expatriate employees. Government will also contribute 3%. Clause B of Article 5 of the Social Security Law provides that expatriate personnel might be exempted from the Iranian social security charge, if they can prove to the Social Security Organization (SSO) that they are insured under a similar scheme in their country of domicile.



Requirements of Becoming an Employee in Iran:

Any individual who work for someone else (employer) for a specific salary will be considered as an employee. "Employer" is an individual or a legal entity which the employee works based on its request for a specific amount of salary.

According to the Labor Law, Minimum age of an employee should be 15. However, as specific requirements necessary for employees under 18, it is recommended to employ individuals older and 18 years old. Other major requirements are: Signing a permanent or temporary contract with the employee, paying social security for him/her, deduct his/her tax and pay to the tax office.

Extension of Iran Sanctions Act: is It Something to scare of?

The U.S. Senate passed a 10-year extension of sanctions against Iran last year which resulted in more political tension between two countries. Iran maintains that the measure will be a clear violation of the Joint Comprehensive Plan of Action (JCPOA), a nuclear agreement between Tehran and the Group 5+1 (Russia, China, the US, Britain, France and Germany).

Business experts, however, believe that extension of ISA will not considerably affect Iran's deals with other countries as many of them already started their business in Iran or planning for entering into Iran's markets. European countries are tired of being a puppet in hands of U.S governors and prefer to find their own way of doing business.

Servcorp Opened its First Branch in Tehran

Australia's Servcorp - the World's Finest Serviced Offices - opened its first branch in the Iranian capital city. Tehran office is the seventh branch that the Servcorp has opened in the Middle East region. Servcorp Limited is a multinational organization that sells serviced office space, virtual office products and IT services. It was established in 1978 and listed on the Australian Stock Exchange in 1999. It currently operates in 150 business centers in 52 cities across 21 countries, the website reported.

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