

# Trade-Industrial Free Zones of Iran

## Kish Trade-Industrial Free Zone

### -Geographical Location

Kish Island has a surface area of 90 square kilometers, with an outer boundary of 40kms, and a nearly elliptical shape. It is located in the Persian Gulf 19kms from mainland Iran. The Island is positioned along the 1359km long Iranian coastline north of the Persian Gulf, at the first quarter from the hormuz entrance to the Gulf. Its longitudinal and latitudinal positions are 2632 and 53.58 degrees respectively. The Island is 15.45kms long from west coast to the east coast. Its maximum width extending from the southern shorelines to the northern shorelines is 7.5kms. The island's surface is flat, lacking mountains or even high hills.

### -Infrastructures

#### ICT

Telephones are used 100% in Kish, and at the rate of 19% as compared to rest of the country, this is a high percentage. There are also over 5000 mobile numbers issued. KFZO has been active in this field by transferring mobiles to the private sector and preparing this zone to become an internet city.

#### Economic and commercial development

Considering the free zone potentials in cooperating with other countries in the region and investment opportunities, KFZO has had the following economic development plans:

#### Establishing a regional goods and services exchange center

The presence of large international oil and gas companies to support South Pars and Asalouyeh activities, and the transfer of the offices of the Oil Ministry from abroad have created the background for establishing an oil exchange market in Kish. Furthermore, the decorative and gem stones stock exchange and software and hardware are also being processed by the organization.

#### Industrial development

Over 100 production companies are currently active in Kish, and 120 units are being constructed. By the end of 2002, industrial investment was estimated at 1552 billion and 534 million Rials.

This sector had a 500% growth in the past year.

#### Establishing and expanding banking and monetary institutes

The activities of the country's first private insurance companies in KFZ, foreign exchange facilities and transfers by all the banks in Kish, receiving proposals from foreign and Iranian banks, and receiving the final approval for Iran-Europe Bank branches to work in KFZ are some of the successes of the organisation in developing the monetary units and banks.

#### Developing tourism

As a tourist center in the country, Kish has over one million Iranian and over 100 thousand foreign visitors annually. Developing tourism and observing world standards in giving high quality services have made Kish a replacement itinerary for Iranians traveling abroad, thus saving over 500 million dollars in foreign currency. Also, the long term programmes of the

regional officials have opened horizons for an increasing number of foreign tourists, including the Persian Gulf states and Europe.

Providing tourism facilities

Encouraging the private sector to develop hotels, motels, villas, and recreation centers have led to the exploitation of 58 residential units and nearly 80 guest centers in Kish. Also, interest in large investments in this sector have led to the construction of one of the largest hotels in the region and the dolphinarium by an Iranian resident abroad, and also designs for the construction of several hotels, golf courses, and leisure centers by French and German investors known as the Flower of the East Project.

Expanding tourist attractions – Kariz and Harireh

Expanding sports fields for internal and international competitions, attracting investment for the expansion of marine sports, and the construction of unique complexes such as the Kish Kariz, along with the attractive ancient city of Harireh, and the Kish sunset can increase motives for traveling to this beautiful island.

New patterns for tourism focused on increasing convenience for families

To have peace of mind and better tourist facilities for hoteliers and their employees, tours, public transport drivers, the police, and all those involved in the tourist industry, special training courses are run by experienced trainers at international standard levels and certificates are awarded. Therefore, all these centres will be able to be economically active in Kish by holding this certificate.

#### **-Investment Attraction and Opportunities**

1. 20 years of tax exemption for any kind of economic activity.
2. No entry visa requirement.
3. 100% foreign ownership
4. Legal guarantees and protection for foreign investment.
5. No limitations on transfer of foreign currency to other Iranian Free Zones or to other countries.
6. Flexible monetary and banking services.
- 7- Wide range of banking & insurance services provided by state/ private sectors.
8. Easy foreign exchange transactions.
9. Active international stock exchange and oil & petrochemical bourse.
10. Exemption from customs duty on imported raw materials and machineries for the manufacturing units.
11. Convenient and easy registration of companies, industrial establishments, cultural institutes and intellectual property rights.
12. Simple procedure for re- export and transit of goods.
13. Simple regulation for the importation of permissible goods.
14. Possibility of exporting goods produced in Kish Island into the mainland based on the value added scheme.
15. Sale/rent of land to Iranians and long term rent of land to foreign nationals.
16. Simple labor regulations and access to ample skilled workforce.
17. Reasonable rates for energy.
18. Presence of a community of leading universities and scientific centers.
19. Strategic location and proximity to Assaluyeh oil-rich regions.
20. Port with berthing capacity for 10000 dwt vessels.
21. Preferential land rates for the construction of Hi- tech industrial units.

22. Preferential land rates for the construction of hotels and recreational facilities. International brand hotels will enjoy additional privileges.

### **-Trade and Transit**

Kish Island is located on the most important international sea trade routes in the Persian Gulf and at the centre of the largest market in the region. Therefore, investing in Kish for the transfer of goods and services to other parts of the Persian Gulf is well justified. Moreover, suitable hardware and software facilities and the expansion of trade and financial facilities in the region have created good opportunities for the development of commercial activities in the region. Modern shopping and services centres, the harbour, the strategic position of Kish (easy access to production and consumer markets), providing legal and potential facilities to create and expand monetary and financial institutions, and the good and services exchange markets have all in all created a remarkable capacity for trade in the region. Also, one of the policies for the development of the region is the expansion of trading and commercial services. According to adopted guidelines, numerous exhibitions are staged in Kish annually.

## **Qeshm Trade-Industrial Free Zone**

### **-Geographical Location**

The largest Island in the Persian Gulf, Qeshm is situated at the mouth of the strait of Hormoz, 22 kms from Bandar Abbas and 220 kms from the UAE. The total area of this Free Zones is 300 sq. kms.

#### Major Characteristics

The rich natural gas reserve of the Island, refined in Gavarzin Refinery, provides all the gas used in the area. Above that, other oil and gas reserves have been explored around the Island. The Island's deep coast enables the construction of quays for high tonnage vessels.

### **-Accessibility**

Not only Iran and the Central Asian Republics markets are in the sphere of influence of Qeshm Free Zones, but also the countries at the southern coast of the Persian Gulf, particularly the UAE.

#### Communications Network

The Free Zones has a high quality road transportation network. An international airport will welcome passengers and cargo aircraft to the Island. Numerous ferries, barges and speed boats enable passengers to travel to and from nearby Bandar Abbas.

A plan for the Persian Gulf bridge connecting Qeshm to the north coast of the Persian Gulf has been prepared.

#### Public Utilities and Services

The Free Zones is connected to the nationwide electricity network. Moreover, power stations have been installed in the Zone. The water is provided by desalination facility and a few wells. Internationally connected telecommunication is also available in the Island.

### **-Infrastructures**

- Jetties
- Airport
- Roads

- Telecommunications
- Electricity

### **-Energy**

Iran's proven gas reserves is one fifth of the world's total gas reserves and the Qeshm Island lies at the center of gas rich fields of the country. There are two vast gas fields near the Qeshm Island. One is 'Gurzin' field which yields two million cubic meters of sweet gas annually for the power plant of Bandar Abbas and the other is the untapped field of 'Salakh' whose reserves are believed to be more than the former field. The proximity of the Qeshm Island to huge oil fields makes it possible to establish oil refineries one of whose products can be coal oil which is widely used in metallurgy. Such refineries can consume sulphur free crude oil that can be obtained from the oil fields adjacent to the Island. Therefore, the Qeshm Island has access to natural resources required for establishment of industries for production of export-oriented commodities such as oil and petrochemical products, construction materials and fisheries.

### **-Trade and Transit**

Qeshm Island by placing in the way of passing ships has special status in terms of bunkering project. Totally, we can list some of its benefits as follows:

- (1) Low distance from international passing way of ships so ships deviation from route for fueling is so short around 3 Km,
- (2) Having sufficient region for fueling operations with 30-50 meters depth which is the most safe and reliable depth for anchorage,
- (3) Closing to BANDAR-ABBAS refinery as main supplier of its crude oil and high quality of this refinery products and SHAHID RAJAEI port availability,
- (4) Using of Labor Law benefits because of Qeshm free zone laws.
- (5) Existence of sufficient land for storage construction and ability to south island jetty exploiting for loading terminal construction of fueling fleets.
- (6) Existence of native and cheap workman for all trading and servicing operations.
- (7) Exploiting from Island infra-structure facilities like International Airport in order to offering services related to fleets crew exchanging; KAVEH port for equipments transferring, road network, Power distribution, and telecommunication associated with data services.

## **Chabahar Trade-Industrial Free Zone**

### **-Geographical Location**

As large as 14,000 ha, Chabahar Free Zone is located and established at east Chabahar gulf, in the vicinity of Chabahar Port City and Oman sea and 70th km of Pakistan border. Some part of its land area has been allocated for industrial activities while the rest part has been earmarked for trade, commercial services, residential, tourism and green area activities.

As complementary cycle of eastern transit route of country, thanks to its specific status, Chabahar Free Zone is considered as development of eastern route in national dimension and as a communication bridge of central Asian states and southeastern Asian countries in ultra-national dimension for entrance to the global markets coupled with moving in tandem with globalization. It should be noted that Chabahar Free Trade Zone enjoys specific Strategic and prominent situation. It is regarded as an important gate of country for entering international waters and also origin of noncompetitive transit routes with vast lands and also with investment opportunities in various fields.

On the other hand, its specific climatic condition, brilliant sun in all season of year, azure waters and coastal areas and also natural beauties in this region is enough scenery that has turned Chabahar into a model and exemplary tourism hub of the region. Location of monsoon winds of Indian subcontinent (known as monsoon) Chabahar Free Zone has been turned into the coldest southern region of the country in summer season and the hottest point in winter seasons thanks to ever breezing of Oman Sea and Indian Ocean.

On one hand, it is regarded as gate of country for entrance to the international waters and origin of noncompetitive transit routes with vast land areas and with investment opportunities in different areas. On the other hand, its specific climate condition, bright sun in all seasons of year, azure water and natural attraction in this region has turned Chabahar Free Zone as a model and exemplary tourism hub of country.

It should be noted that Chabahar Free Zone enjoys fair and pleasant climate condition in some season of year.

### **- Infrastructures**

Infrastructural Installation in Chabahar Trade and Industrial Zone

Shahid Beheshti jetty : This jetty , with 18000 square meters sheltered warehouse, comprehends the capacity of receiving the vessels of 100000 gross tonnages

Shahid Kalantari jetty : with 42000 square meters sheltered warehouse is able to have the vessels berth

International Airport

Konarak airport is the only airport which connects CFZ to the other airports. This airport is located in 20 Kilometers far from CFZ. At present , the regular flights from Tehran and other big cities and United Arab Emirates have facilitated a very permanent and suitable air bridge for passengers. As a matter of fact , the operation of an international air port construction has already been started at the area NO : 8 of CFZ

Land Roads

By a well developed road network , Chabahar Trade and Industrial Free Zone has the access to the other neighboring countries as well as the Middle Asian states. The existence of transport terminal , with a capacity of receiving approximately 1000 trucks and lorries daily makes the transportation of different types of produced , imported or transited goods possible through the land roads

Information , Communication and Technology ( ICT )

Plans and objectives beyond Information, communication and technology of Chabahar Free Zone  
To create conditions and adequate facilities for the development of private sector in the domain of ICT and to promote the technical knowledge and needed man powers for the companies so as to offer different types of electronic services in industries, tourism , petrol, gas and petrochemical in both CFZ and mainland , the most significant mission in this regard, is the technical office of ICT of CFZO

### **-Investment Attraction and Opportunities**

Privileges and Legal Facilities for Investors

Possibility of investment for foreign and domestic inventors to any extent

Guarantee of Foreign investment at the zone according to the inserted mechanism in the law of Free Zone

Repatriation of capital and profit gained from the economic activities

Exemption of 30 years Tax

Free to import machinery, spare parts, transport means, raw material, material for construction

Possibility in using the foreign well qualified man powers at the zone to the extent of 10 % of the unit staffs

Possibility in transit and re-export of goods without any limitation

Possibility of arrival of foreigners at the free zone without getting visa

Possibility in retail trade for foreign and domestic businessman

Lack of limitation in giving the land for large industrial projects

Exemption from the payment of custom duties for those goods produced at the zone and

exported to the mainland in proportion of the added values and the exploited domestic materials

Release of the certificate of origin for those goods exported from the zone

## Aras Trade-Industrial Free Zone

### **-Geographical Location**

\* The location of the county of Jolfa:

Jolfa district is located in the north-west of Eastern-Azerbaijan province, between 45° and 17' till 46° and 31' in eastern longitude and between 38° and 39' till 39° and 2' in northern latitude. It shapes a narrow strip on the northern border of the province and the Republic of Nakhjovan and Armenia. The area is 1670.31 square kilometers.

\* The location of the City of Jolfa:

Jolfa city is situated on the south bank of Aras river on the north-west of the county. From the north side, the city is attached to The Independent Republic of Nakhjovan, by Aras river and from the south to the farm lands of "Shoja" and "Haghverdi Abad" villages and the surrounding mountains, from the east to "Ouch Dagh" and "Pilo Dagh" mountains. This city is located on 45° and 38' in longitude and 38° and 56' in latitude. The distance between Jolfa and Tehran is about 750 km.

### **- Investment Attraction and Opportunities**

Aras free-zone has a significant role in the 20-year overview due to the following facts: joint border with the countries of Azerbaijan, Armenia and Nakhjavan independent republic; Connecting lines and roads with Europe and Ghafghaz region, Turkey, Mediterranean region, and being located in international transportation corridors; A significant historical and economical history; appropriate climate; rich water resources; grazing fields and jungles; capabilities for developing tourism in the fields of history, culture, nature and international sports; a high potential for development and growth in industry, mining, agriculture, services, science and education.

Having Tabriz as a strong background and also valuable ecological areas and international caches, and valuable funds for agricultural development, has brought together a situation and condition that with its support Aras can become a region that has a desirable and idealistic health, welfare, food safety and natural environment, along with the fact that it can become an international medical and sanitary center.

Existence of rich mines and creating dependant industries, and being near infrastructure networks, and having the basis for developing new technologies such as biotechnology, nanotechnology and IT, gives the region an ideal condition to boost its potential and contribute to

the economical growth and thus rise to first place in the region for economical, scientific and innovative contributions and developments.

Also the historical centrality for business and trade in the region and high abilities in exporting can be good reasons for international relations if development bases and trading activities are provided along with customs and centers for discharging and mounting goods and cargo.

\* Investment opportunities in Agriculture sector

1. Floriculture in greenhouse complex
2. Agriculture transformative industries and production of fruit nectar concentrate
3. Fish ponds project in Aras River rim
4. Planting and establishing mechanized garden
5. Herbal plants cultivation
6. Sericulture and silk production project
7. export terminal of agriculture productions
8. Flesh solidification
9. construction of slaughterhouse and Production of essence
10. Fruit market of Ghordiyan
11. Industries of dried fruit production
12. Mushroom production
13. Production of flour and bread
14. Production of paper paste from agricultural wastage
15. Production of sapling
16. Apiary
17. Production of animal concentrate
18. Production of aseptic tomato sauce
19. Production of fertilizers from planet waste
20. Production of biological fertilizers, compost and vermicompost.
21. Production of hive

## **Anzali Trade-Industrial Free Zone**

### **-Geographical Location**

Anzali Free Trade-Industrial Zone is a wide area of Bandar Anzali about 3200 hectares and about 8 kilometers of sea border and up to 2 kilometers into the sea, which included industrial ,trade and commercial ,tourism and services sections.

Anzali Free Zone borders line is clear on the Gilan province map. This area is about 23 kilometers on the East of Bandar Anzali.

The Caspian sea is on the north of Free Zone.

The Fatato village and Ghazian of Anzali are on the South.

Anzali lagoon is on the East.

Anzali-xomam highway is on West and North West.

Anzali Free Zone is constituted in 2 separate sections in the west and east of Bandar Anzali, each part has its own specific potentials.

\* Potentials of east part are:

existence of docks, shipping and ports organization and facilities, customs office, industrial city, natural territory and properties, adjacent to Anzali international lagoon.

\* Potentials of west part are:

existence of beautiful natural lands and properties for cultivation of summer crops, less populated area, easy access to beaches and recreation facilities, as well as some rice fields.

### **- Investment Attraction and Opportunities**

#### A) Infrastructures

- \* Construction of small and private warehouses
- \* Setting up of jetties for loading and unloading of cargo goods in line with the development of harbor installations
- \* Construction of electricity power station
- \* Urban public services: hospitals, pharmacies, educational centers ranging from nurseries to universities, vocational schools

#### B) Industry

Easy access to raw materials in Anzali Free Zone and neighboring states make Anzali Free Zone best place for industrial plans.

- \* Steel conversion industries
- \* Sea food industries by taking advantage of the huge resources of the Caspian sea
- \* Mineral processing industries
- \* Agricultural equipments manufacturing industries
- \* Oil , chemical and petrochemical industries
- \* Food , pharmaceutical and hygienic processing industries
- \* Cellulose and wood industries
- \* Extraction of eatable oil seeds from seeds
- \* Electric and electronic products
- \* Textile and garment industries
- \* Leather and shoes manufacturing industries
- \* Floaters and ship manufacturing industries
- \* Car manufacturing

#### C) Trade and commerce

- \* Importation and distribution of commercial goods, raw materials, finished and semi-finished goods, machinery and holding regular exhibitions
- \* Export of goods manufactured in the free zone
- \* Sorting, packing and re-packing, packaging and re-packaging
- \* Transit and re-export of goods

#### D) Services

- \* Establishment of international land, sea and air transportation agencies
- \* Construction of health care centers
- \* Establishment of international universities and educational centers
- \* Establishment of local coach services
- \* Setting up banks ,insurance companies and credits institutions
- \* Establishment of public service departments
- \* Construction of international conference halls
- \* Setting up shopping centers, hotels, residential blocks, office complexes.



#### E) Cultural and touristic activities

\* Creation of resorts, hotels, guesthouses, inns, villas, restaurants, shops, cinemas, theatres, parks, aquatic sports , tourist information centers and recreational complexes

#### **-Advantages of Free Zone**

- \* Existence of port installation, facilities and maritime transportation
- \* On the direction of north-south international corridor of Nostrac which is the 21th century transit corridor of Asia-Europe
- \* Connects Helsinki port (North Europe) via Russia to the north & south ports of the Caspian Sea, then trough Persian Gulf to the south-eastern countries of Asia
- \* Easy access to north & south ports of Europe through Volga River & Volga-Den (bay)
- \* Adjacent to ports of Astrakhan & Lagan in Russia, Kerasnodesk in Turkmenistan, Aktau in Kazakhstan and Baku in Azerbaijan
- \* Existence of access roads to the consumption markets of C.I.S countries
- \* Adjacency to the Rasht international airport
- \* International highway of Anzali – Rasht – Ghazvin
- \* Existence of specialist work force
- \* Adjacency to the vast gas & crude oil of the Caspian Sea
- \* Ghazin – Anzali – Astara railroad
- \* Closeness to Capital of Iran (Tehran about 360 km)
- \* Proximity to 5 power station
- \* Possession of main infrastructures

Among the most important incentives are:

- \* 15 years tax exemption from income and assets
- \* Possibility of % 100 foreign ownership
- \* The possibility of unlimited investment for both Iranian and Foreign nationals
- \* Full protection and guarantee of foreign investment .
- \* Free transfer and repatriation of capital and profits
- \* Flexible banking and monetary system and foreign exchange laws
- \* Liberal import and export regulation possibility of expatriating up to % 10 of the zone's total workforce
- \* Flexible and Simplified labor employment regulations, terms and conditions
- \* No tax and duties for raw materials and machinery imported for productions manufacturing in the zone
- \* Very low charge and easy procedures for re- exported goods
- \* No time limitation for release of cargo in Anzali free zone
- \* Full protection for labor forces, capital investment, company registration and ingoing and outgoing capital .
- \* More charge discount(off) for ships entrance into the Free Zone(even less than % 10)
- \* Easy registration of company ,industrial firm, institute and intellectual ownership in the zone
- \* Possibility of establishing Iranian and foreign branches of banks and credit institutions as well as insurance institutes
- \* Cargo transit and re-export without any limitations
- \* Cargo retailing for foreign or Iranian nationals

- \* Providing land for investors in industrial, trade, tourism and service sections
- \* Proximity to industrial, petrochemical and manufacturing centers
- \* Bank & credit, insurance, customs and other related services agencies network
- \* Modern equipment for loading, unloading and handling of cargo
- \* Active management support

Anzali free zone link between national economy and global economy

The advantages of Anzali free zone

The most active port in the north of Iran with 10 specialized jetties which are able to load and unload up to 6 million tons goods in a year

Presence of Anzali customhouse as the most modern customhouse in Iran

Proximity to the Rasht International Airport with modern navigation system

Easy access to north & south ports of Europe through Volga River & Volga-Den (bay)

Existence of access roads to the consumption markets of C.I.S countries

Adjacency to Capital, industrial, manufacturing and consumption markets

Presence of Anzali international lagoon and beautiful Caspian Sea beaches act as eco-tourism pole of the country with million<sup>3</sup> foreign and domestic tourists

On the direction of north-south international corridor of Nostrac which is transit path between India to Helsinki in the north of Europe, this path is three times shorter in comparison to current Asia path to Europe

Possesses the richest resources of sturgeon fishes as well as processing plants and producing the best caviar of the world

Gilan province as the agricultural axis and garden products, has many of products such as; such as Rice, Citrus fruits, Tea, Olive and Silk

Future scenery

Anzali free zone organization has drastically increased its cooperation with different government and non-government organizations and entities so that at the moment it plays a significant role in administration of province and country. After connection of Anzali to country's railway network and inauguration of Qazvin-Rasht highway, we will witness an evolution in passenger and goods transportation that will flourish the economy of the region.

By implementation of law and regulation of free zones inside Anzali free zone and expanding of cooperation with different organizations and entities we could be hopeful to comprehensive progress and development of region.

Anzali free zone is passing from first generation of free zone to third generation of free zone, during this process Anzali free zone functions have been changed from transportation and re-export of goods to place for processing of goods and services. As a result, Anzali free zone by taking advantages of adjacency to Anzali harbor and jetty, legal advantages and tax exemptions as well as specialized work forces, could be the best place for production and re-production of add value goods for export and re-export to domestic and global markets. This is most important factors for national and region economy progress and development.

By above mentioned potentials and complementation of infrastructure projects in the area, Anzali free zone could see golden era in industry, trade and tourism and ...since Anzali free zone is connection ring between national economy and global economy and trade.

## Arvand Trade-Industrial Free Zone

### **-Geographical Location**

The region, suggested to be considered as the Arvand free zone, consists of 3 zones in an area of 170 square kilometers, is located on the southwestern part of Khuzistan province along the border river, the Arvand River. Iranian & Iraqi border –line where the border customs is located and Abadan refinery constitute the borders on the western – eastern ends of the region. The Arvand River runs from the North West to the southeast, pours into the Persian Gulf after twists and turns on the way and surrounding the Minoo Island. The Arvand River constitutes most of the southern and eastern parts of the Arvand free zone.

Geographical position of Abadan: Abadan has an area of 2652 Square kilometers and lies between 29' 58 min to 30' 20 min on the northern latitude from the equator and 48' 10 min to 48' 56min on the eastern longitude from the Greenwich meridian .this city is located on the southwestern part of khuzistan province and borders the cities of Shadegan and the khorramshahr on the north , the Persian gulf on the east and south and the arvand river on the west.

Geographical position of Khorram shahr: This port city with an area of 1902 square kilometers lies on the southwestern – end of khuzistan plain between 30' 26min 15 sec on the northern latitude and 48' 11min on the eastern longitude from the Greenwich meridian .this city is 6/6 meters above sea level. The distance between the khorramshahr and the other cities including Abadan , Ahwaz and Basra is measured to be 15 , 120 and 54 Kms respectively. It borders Ahwaz on the north, Shadegan on the west and Abadan on the south. The Arvand River, running from west t o the southwest, constitutes the border-line by the city.

Geographical positioin of Minoo Island: Minoo shahr is a district of the port city of Khorramshahr and lies on the southern – end of this city . the arvand river separates the town from the khorramshahr. Minoo Island is located at 48' 12min to 48' 15min on the eastern longitude and 30' 19min to 30' 22min on the northern latitude. Minoo shahr consists of two parts : the western part is regarded as the urban area and the rural part constitutes the southern part of the Island.

### **-Infrastructures**

Road transport: In 2004, the roads in the cities of Abadan and Khorramshahr constituted 20% of roads in Khuzistan province according to the statistics given by the provincial highway department.

The most impotent highways within AFZ:

The Abadan - Khorramshahr highway, 15 km, which ends in Shalmcheh border-line, is one of the most important highways within AFZ

Abadan is an hour drive from Ahwaz through a highway. This highway connects Ahwaz to the port cities of Abadan and Khorramshahr . There is an overhead - high pressure power- line along the highway. It should be noted that the highway is of heavy traffic since this region was regarded as AFZ. khorramshahr is an hour drive from Ahwaz by a main road . Meanwhile, just parts of these roads are bounded by AFZ. Abadan - Khorramshahr main road through which the imported Goods are transferred from port of Imam Khomeiny to the Shalamcheh border-line.

Khorramshahr - Shalamcheh road, 16km, plays an important role in commercial transition of Goods from Shalamcheh border-line to Iraq. By the way, the customs office is also stationed in the area.

Marine transport: At present , there are about 95% of Imports and 85% of Exports in the country are carried out through the ports .considering the spread of Goods Imports & Exports , it is necessary to develop the ports of the country . Having a look at Asian shipping transition as a corridor between East and West, we can find out that Iranian ports are well-positioned for global commerce. In addition, Passing through Iranian territory is by 5000 km shorter than the Suez Canal where is a leading international shipping course between Asia and Europe.

AFZ is one of the most impotent places in the field of marine transport. Because, the important ports, Abadan and Khorramshahr , are located within AFZ. Their distance from some important ports in the country and, at the same time, their strategic positions by the Persian Gulf have attached great importance to this region.

Air transport: Abadan international airport is just minutes from Abadan city (western part) and located by the Arvand River. This airport is one the country's oldest airports which dates back to the years when the Abadan refinery was first built. This airport enjoys state-of -the -art- facilities including air terminal , a 3400 feet long runway ( primary one ) and 2400 feet long runway ( secondary one ) which equipped with the latest aero-navigation systems namely ILS and DVOR .It should be noted that the primary runway used to be 13000 feet long that accommodates gigantic jet aircrafts. This runway has been covered with concrete about 7 meters in thickness. Therefore, cargo planes carrying Goods more than 100 tones can land and take off freely on this runway. During the war, the airport was badly damaged. But, it was rebuilt after the end of war.

In Abadan airport, airlines with regularly- scheduled flights include:

Domestic flights: Asseman, Iran air and Iran air tours

International flights: Phoenix and Kish air

### **-Investment Attraction and Opportunities**

Aims & purposes

- 1- Regional development
- 2- Economic growth and development
- 3- Investments
- 4- National income growth
- 5- Job creation
- 6- Planning out markets, labors and capitals
- 7- An active presence in national & international markets
- 8- Production and export of industrial goods

### **-Industrial Advantages of Free Zone**

AFZ enjoys the following geographical advantages for industrial development:

- Bordering the most important sources of Oil and Gas in the country and, at the same time, in the world.
- An abundance of oil & water-power based energies in the region as a prerequisite for industrial development.

- An abundance of Energy sources and surface waters in the region , make it possible to build water & energy- consuming installations as well as the sugar industry
- The industry in the region dates back to the construction of the Abadan refinery.
- Situated in the heart of natural sources, oil industry, railways and fertile soils.
- The region surrounding AFZ enjoys the sources e.g., water, soil, oil and mines that can be extracted for industrial purposes and create industrial groups.
- Industrial merits for building oil & petrochemical- based by-products industry. Because, the main oil & petrochemical industries are situated in the region.
- AFZ takes advantage of infrastructures e.g. commerce, transportation and port facilities in Bandar Imam Khomeini.
- Basra – Khorramshahr railway is under construction and the plans drawn up for Khorramshahr – Bandar Imam Khomeini – Mahshahr rail way . Thus, the international and national railways are connected for industrial development of AFZ.
- AFZ enjoys a unique geographical position to access the international waters by way of the Persian Gulf and the Oman Sea.
- Air, Railway and Road transports for promoting commerce and industry.
- The strategic position of AFZ to promote commerce and industry with East – Asian countries and the Persian gulf’s littoral states as well as European – Caucasian continent.
- AFZ is bordered by Iraq and this country is importing different types of industrial products during the re-construction period.
- AFZ is just 30 and 15 minutes drive from the strategic port of Basra and Shalamchekh border-line as a point for industrial exports to Iraq respectively.
- AFZ benefits the special laws appropriate for zones, land handover and related investment and infrastructures.
- The site enjoys an underlying base or foundation special for all types of activities.
- The lands are suitable for building industrial units.
- An area sloping gently toward the Persian Gulf.
- This region is not subject to earthquakes.
- An area with certain weather conditions.