

Market Conditions and Opportunities - In order to succeed in penetrating the market, most foreign companies have local representatives to inform them of potential opportunities and provide after sales services. Also according to a recent Government decree, as from December 22, 1992, only foreign suppliers who have a local representative would be able to sell to Iran. While details of how this decree is going to be executed are not announced yet, it does indicate the importance that the Government attaches in working only with companies that are prepared to make a long term commitment to this market.

Iran has one of the strongest industrial infrastructures among the Middle Eastern countries, and the Government also encourages the local assembly/manufacturing of secondary industry machinery to encourage transfer of technology and know-how.

Trade Fairs and Missions - The First International Fair of Machine Tools will be held in Tehran in November 1993 and may be a good opportunity for interested Canadian companies to gauge market opportunities by participating.

ENVIRONMENTAL EQUIPMENT

Background - Environmental issues are not generally very high on the list of government priorities when compared to the standards of western countries. There are, however, growing signs that with the increasing pollution of Tehran and other major cities, some steps will have to be taken in future to control and improve the situation. The Environmental Protection Organization (EPO) is responsible for monitoring and controlling the level of pollution and factories.

Market Conditions - Market opportunities in the past were limited due to the shortage of foreign exchange. Lack of spare parts meant that most vehicles and factories worked in sub-optimum conditions, polluting the environment in the process.

After the war ended in 1989, Iran embarked on a massive reconstruction and development plan. The main aim of the Government has been to boost the level of local production to the furthest possible extent in order to improve general living conditions and find employment for the growing work force. More recently, Iran has been experiencing hard currency shortages which has seriously affected its development projects and imports.

It is generally believed that environmental issues will only gain the recognition that they deserve when the country has overcome its current economic problems and the population has been educated and been made aware of the dangers of pollution.

Companies interested to introduce their capabilities to EPO may contact the following:
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