

منطقه ویژه اقتصادی صنایع انرژی بر پارسیان

P . E . I . S . E . Z

PARSIAN ENERGY INTENSIVE  
INDUSTRIAL SPECIAL ECONOMIC ZONE



Parsian from  
Perspective of Experts

china

Eyeing Parsian

**Parsian**  
**the Largest Hub**  
**of Energy Consuming**  
**Industries**



Parsian, the Gateway  
of Exports to Europe





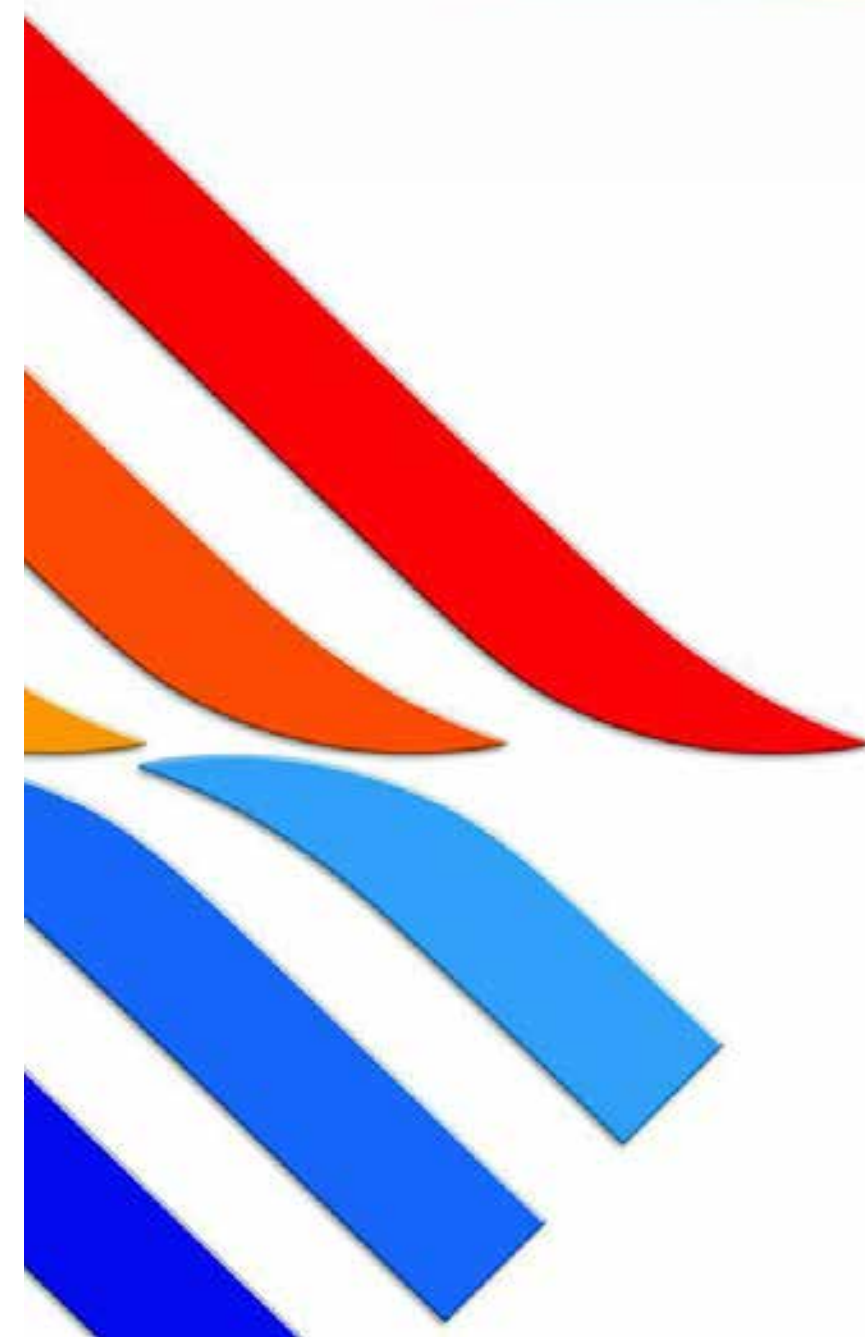
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**A major leap in the IRAN economy**



W W W . P S E Z . i r





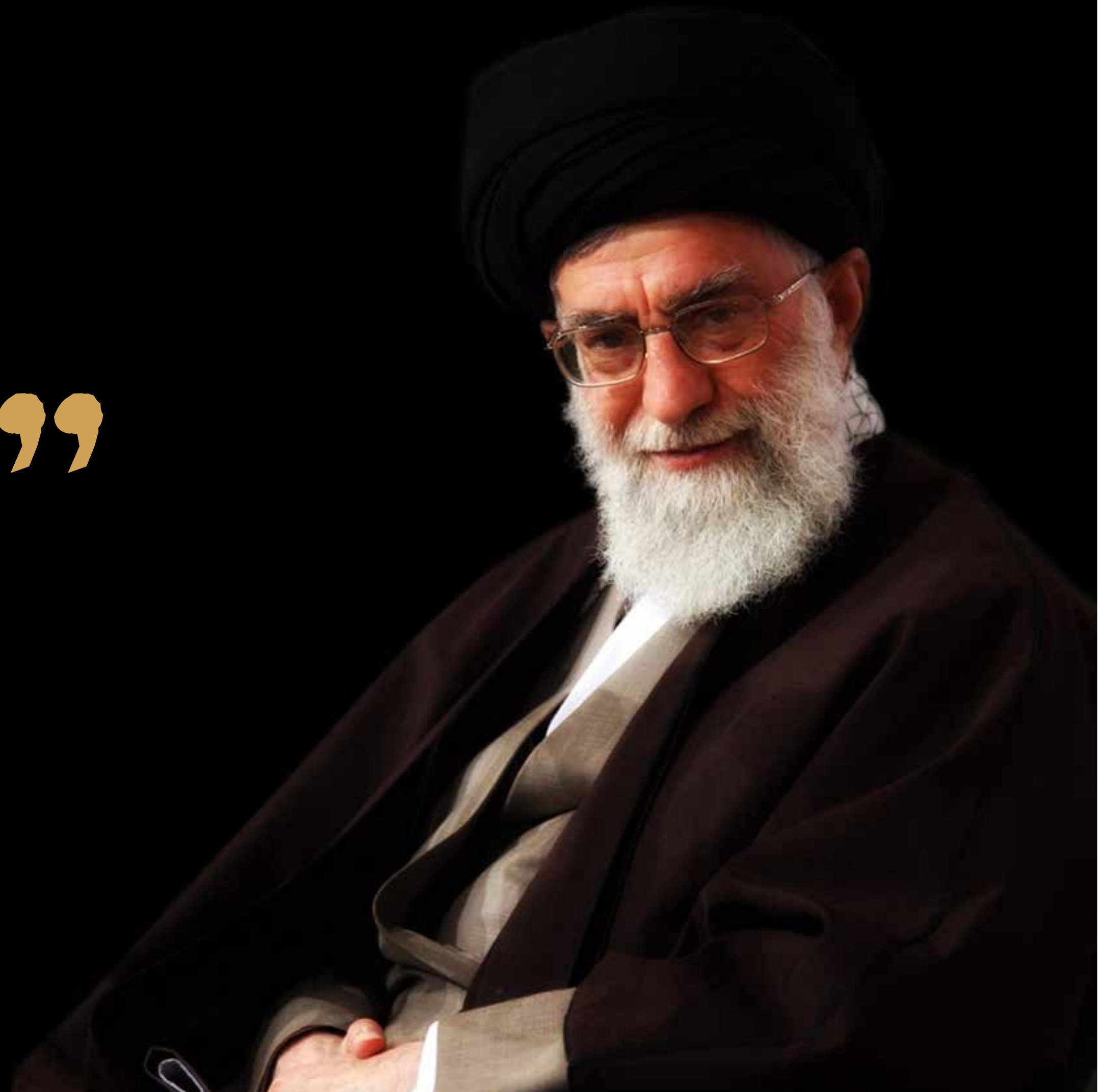
1397 year  
Support for Iranian goods

**The Supreme Leader of  
Islamic Republic of Iran:**

We need the investment  
security issue with the goal of  
boosting investment inside the  
country. Investment security  
needs to be fully taken care  
of so that the wealth available  
to the public can be used  
for progress, advancement,  
entrepreneurship and  
economic growth.

”

“



## President of Iran:

Iran is Ready to Attract Foreign Capitals. Production, employment and economic prosperity that should be created in the country are very important issues and today we are ready to attract domestic and foreign capitals. Iran is ready to accept investment, especially in oil, gas, petrochemical, tourism and mining sectors. Iran is a very secure country where different ethnic groups and religions live in unity and harmony. This country is rich in mineral resources and energy and has a unique geographical location and is ready for investment in oil, gas and petrochemical fields. These factors provide great investment opportunities for foreign countries. In order to attract and facilitate investment, in particular by Iranian entrepreneurs living abroad, various mechanisms have been designed to reassure people of economic security. These mechanisms will help all investors and entrepreneurs benefit from the economic environment of the country within the framework of the laws and regulations of the country. By investing and transferring knowledge and technology and strengthening their ties with their country, all Iranians living abroad, will help build a prosperous and stronger Iran.

”

“







## Editorial By Mohammad Hassan Shahrokhi; Managing Director of Parsian Energy-Intensive Industries Special Economic Zone (PEISEZ)

**Energy-intensive industries are referred to industries in which the share of energy costs in total cost of production is high. Some of these industries are steel, aluminum, petrochemical, power generation, lead, zinc, copper, glass and bricks. Among the above industries, steel, aluminum, petrochemical, power production and cement, which are competitive in global and regional markets, were selected for production on the southern coasts of Iran. For creation of these industries, as far as possible, it has been planned to use direct foreign investment and benefit from modern and best technologies of the world.**

Considering the policy for optimal exploitation of country's oil and gas resources, especially the South Pars gas resources, in the economic/social development plan of the country, special emphasis has been put on production

of processed oil and gas products and reduction of sales of crude products as well as development of energy intensive industries.

In line with the policy of optimal exploitation of the country's oil and gas

resources, especially the South Pars gas resources, in the socio-economic development plans of the country, it has been emphasized on production of processed oil and gas products and reducing the amount of sales in crude

form as well as the development of industries which are placed in the energy consuming industries group.

The use of gas in energy intensive industries does not have the limitations of exporting crude gas while it will also generate added value and create employment. It will create the background for entrance of technology and provide the foundation for formation of downstream industries and attraction of domestic and foreign capitals.

The plan for establishment of energy-intensive industries on the southern coasts of the country is one of the strategies to use gas in the industries in which products can generate an added value several times more than the price of natural gas. Energy-intensive industries are generally capital and intermediary industries and as the upstream industries they can expand the chain of downstream industries in the region and the country. This feature gives importance to energy intensive industries as an effective tool in the field of industrial development and creation of productive employment.

About 60,000 job opportunities can be created with allocating part of South Pars gas resources to



create energy-intensive industries. This is one of the strategies listed in the upstream documents of the country. Considering the household size of 3.6 people for each job opportunity, it becomes possible to lodge about 216,000 people on the southern coasts and through this, part of the marginal areas of the country will exit from the backwardness and this matter will lead to a balanced development and distribution of population in the country.

With the objective of establishing and producing 4 million tons of steel, 18 million tons of petrochemical products, 0.6 million tons of aluminum, 4.3 thousand megawatts of electricity per year and construction of the Parsian Port with an annual capacity of 40 million tons of unloading and loading and desalination plant. PEISEZ will require an investment of over \$37.4 billion in the nongovernmental sector.

Establishment and development of the Special Zone and the launch of energy industries close to the world's largest gas reservoir (South Pars) which could become an attractive industrial-economic hub will provide a suitable and new industrial capacity for the country.

The site of the energy-intensive industries which is located in the vicinity of South Pars (Sites 1 and 2), is one of the unique sites for establishment of upstream and downstream petrochemical industries. The estimated production capacity of petrochemical products is 18 million tons. In addition to the main industries, it is expected that with advent of basic industries, downstream production units of the above industries will be created in the region.

Energy-intensive industries are generally capital and intermediary industries and as the upstream industry can expand the chain of downstream industries in the region and the country. This feature gives importance to energy consuming industries as an effective tool in the field of industrial development and the creation of productive employment.





# Travel to Parsian, with Flavor of Cardamom, Cinnamon and Southern Coffee

**Parsian County is in Hormozgan Province in the south of Iran. The area of this county is 1906 km2 and is located 385km from the center of the province. Parsian has three cities: Parsian, Dashti and Kush-ke-Nar and two rural districts: Markazi and Kush-ke-Nar.**

Based on 2016 census, the population of this county is 50,596. In terms of natural factors, Parsian (Gavbandi) is a plain and surrounded by mountains. Existing underground water resources have provided the conditions for living in this area. Fishing and trade is the occupation of the people living in the most western part of

Hormozgan. The economy of the region is based on agriculture, fishing, animal husbandry, and trade. Agriculture was mainly based on dry farming but in recent years, the discovery of several deep and semi-deep wells has helped the agriculture. Agricultural products such as dates, barley, wheat, vegetables and tobacco

are produced in this region. Fishing and trade have long been the occupation of the people of this region.

**Return of Unsuccessful Immigrants from South of the Persian Gulf**  
Due to deprivation of the region, part of the workforce of this region immigrated to the Arab States of the Persian Gulf

specially UAE, Bahrain, Qatar and Kuwait. Since most of these immigrants were not technically qualified and lacked expertise, they lost their jobs when technology and industry were introduced in these countries. Many immigrants also have low-paid jobs..

Beautiful coasts of Parsain and the cuisine of this region with its variety of local and native dishes have provided the best opportunities for tourism. This city is located next to the magnificent Persian Gulf coasts and its lush plains and magnificent heights are the destination of thousand tourists from all over the country .

## The Unforgettable Taste of Spicy Foods (Cuisine) of Parsian

Various dishes of foods cooked by the native women of this region have satisfied the palates of tourists and this has been motioned in their comments. Southern cuisine has special taste and smell. It is very spicy and the smell of cinnamon, cardamom and southern coffee is very pleasant.

This region has its own specialties such a Ranginak, Legimat, Khonforoush, Givideh and

Halim.

## Gavbandi Renamed Parsian

The reason for changing the name of Gavbandi and renaming it Parsian is its vicinity to the Persian Gulf. Also, the South Pars oil fields help promote the economic, social and cultural life to the region.

## Parsian the Good Neighbor of the World's Largest Gas Field

South Pars Gas Field (called the North Dome in Qatar) is one of the largest independent gas fields of the world which is situated on the common border line of Iran and Qatar in the Persian Gulf and located at 100Km of the southern coasts of Iran. The area of this field is 9700 Km2 and the area in Iran's territory is 3700 Km2.

Common gas field of South Pars with 14.2 trillion cubic meters of in situ gas (equivalent to 8% of all the world's gas reserves and 47% of Iran's known gas reserves), 19 billion barrels of gas condensates, 7.5 billion barrels of crude oil and largest source of Helium, has a special and unique place in the national economy of Iran.

Parsian City has provided one of the best tourism opportunities with a variety of indigenous and local dishes alongside the beautiful beach. This city is located next to the magnificent Persian Gulf coast and has lush plains and magnificent altitudes for thousands of tourists from around the country.







Dr. Mehdi Karbasian (Deputy Minister, Industry, Mine & Trade Ministry)

## Parsian Energy-Intensive Industries Special Economic Zone (PEISEZ) is the Largest Energy Industries Hub in the Country and the Region“

**Deputy Minister at Ministry of Industry, Mine & Trade and Head of the Executive Board of Directors of the Iranian Mines & Mining Industries Development & Renovation Organization (IMIDRO) announced that converting PEISEZ into the largest energy industries hub in the country and the region is IMIDRO's long term plan for the development and prosperity of the PEISEZ and the region in the Next 20 Years.**

Dr. Karbasian, referred to the policies of the Ministry of Industry, Mine & Trade to support investors who invest in PEISEZ and said facilitating the provision of permits required by investors for economic and industrial activities through the creation of a single window in the organization responsible for managing PEISEZ, will provide all services needed by interested investors around the world through visiting the website and applying virtually and also providing the infrastructure needed by investors, such as water and power during construction period, is one of the most important policies in this field. In response to the question about IMIDRO's specific plans for encouraging investors presence in PEISEZ said managing and operations of the infrastructure required for the region to provide the necessary services to investors in planned dates and required for industries with the participation and investment of the private sector specializing in each field (port, water, electricity, etc.) and creating a regulatory system with the participation of all investors in the region for the possibility of controlling and stabilizing the quality, quantity, timing and price of services in the best possible condition are the most important plans.

«IMIDRO Will Provide the Infrastructure Needed by Investors According to the Schedule of the Establishment of the Industry»

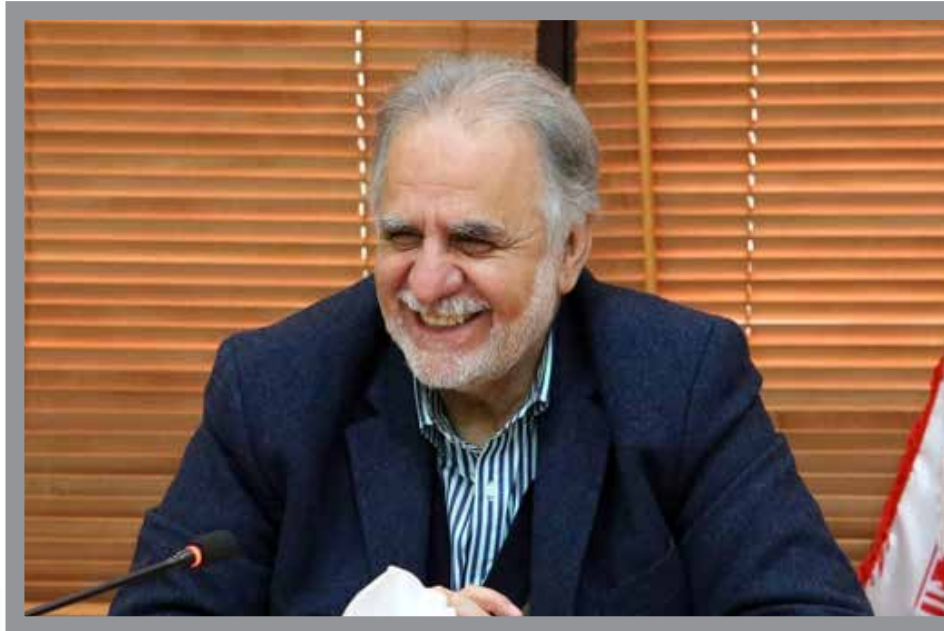
Mr. Karbasian added that IMIDRO will provide the infrastructure needed by investors, including utilities such as water, power and gas during construction and exploitation periods, according to the schedule for the establishment of the industry.

In focusing on the construction of petrochemical complexes in PEISEZ, Dr. Karbasian believes that economic policies and the global market for supply

and demand have always undergone a change and IMIDRO has been trying to revise and update its economic plans based on changes in the global and domestic markets. Therefore, given the changes in the global market, the potential of this region for development of petrochemical industries (proximity to South Pars gas reserves) this change has been created in the comprehensive plan of the region.

He said that the interest of private sector investors will also direct the government policies so that according to the special interests of private sector investors to invest in the petrochemical sector in PEISEZ, IMIDRO has also provided the necessary grounds for development of petrochemical investment in the zone.

He referred to the government's incentive packages for investors in PEISEZ and said the zone is not an exception from other special zones, particularly technical special zones, and any concession which considered



by government for these zones will include PEISEZ as well. Legal incentives of this zone include tax and customs exemptions.

He emphasized that the obtained legal permits for this zone include the special incentives of this zone such as environmental permits, permit for sea allowed boundary, permit for establishment of the customs office, a permit to allocate 20 million cubic meters of natural gas, a permit to construct a port and a permit to settle foreign currency obligations from investors.

Mr. Karbasian also said that the Parsian Port is the first and the largest industrial and mineral port of the country, and stated the port will have 19 jetties with a capacity of 40 million tons of unloading and loading goods per year in final phase.

According to him, at present the launching phase of the port consists of four jetties and unloading and loading capacity of 9 million tons is under construction. The preliminary estimate of the launching phase is 170 million euros.

He said the launch phase of the port began in July 2017, and it is expected that this phase will be completed within 36 months. However, an immediate and urgent plan for the construction of a jetty for dry bulk to meet the needs of the Southern Aluminum Company is underway, which will be operational until September 2018.

Dr. Karbasian assessed the government's and parliament's views positively to support and encourage investors to be present in PEISEZ and said regarding the principles governing the resistive economy, which is the pattern of all decisions of officials in the government and the parliament and due to the geographical location of the PEISEZ which is located in one of the deprived areas of the country and creating employment and economic boom is one of the most urgent needs of the noble and patience people of this part of country,

therefore, giving the priority to industrial projects of this region, based on the export of high value added products and making foreign exchange for the country will be particularly paid attention by the government and the parliament.

He added, for example, raising the budget and credits of this plan in the Management & Planning Organization, as well as providing facilities for obtaining domestic and foreign financing to create infrastructure in this region will be particularly attended to by the government and the parliament.

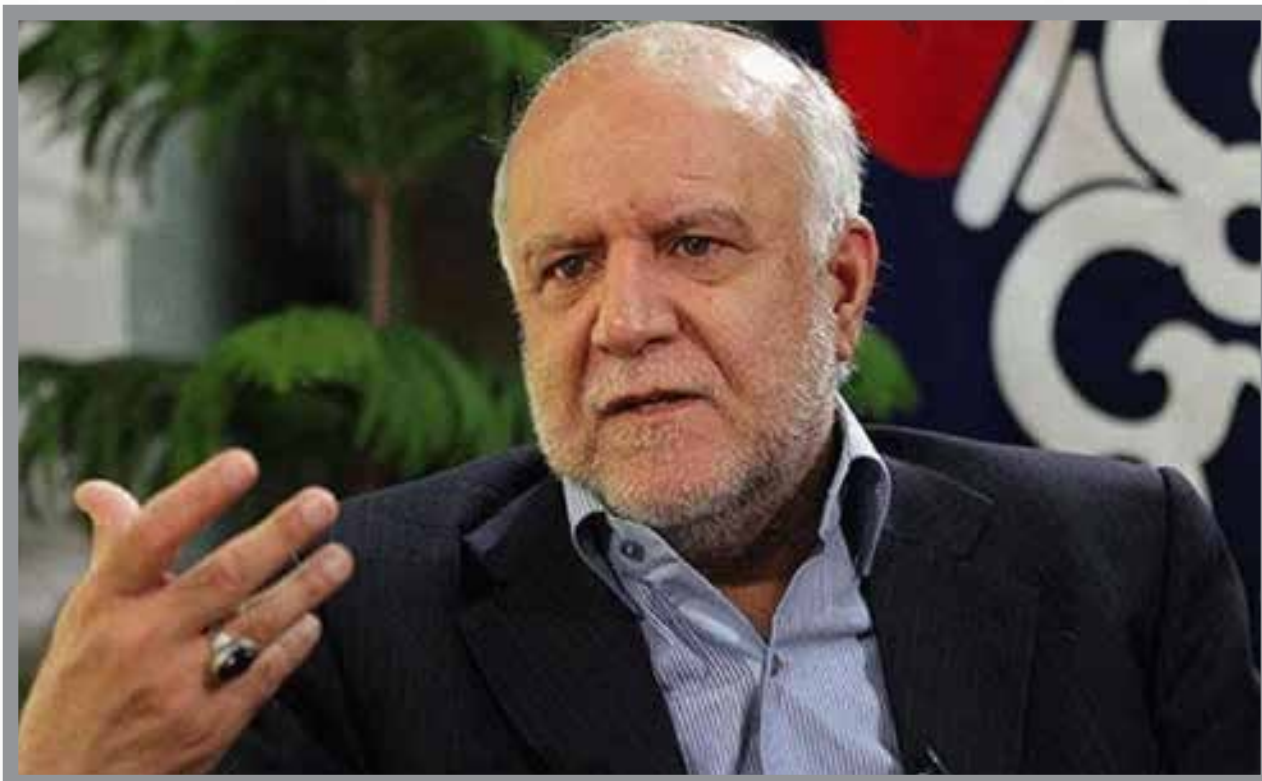
PEISEZ Capacities are Unique

He announced that conversion of PEISEZ into the largest energy-intensive industries hub in the country and region is the long-term IMIDRO plan for the development and prosperity of PEISEZ in the next 20 years and in describing this plan, he said PEISEZ, having more than two thousand hectares of lands loadable for industries, Parsian Port with a final capacity of 40 million tons per year, proximity to South Pars gas reserves and other potentials, has the capability of becoming an energy-intensive industries hub in the country and region. So, IMIDRO is planning to turn the region into the largest center for production of energy-intensive products with long-term planning and providing the required infrastructure.

Mr. Karbasian requested full support of the parliament and the government for the PEISEZ and stated since the objectives and plans of this region are in accordance with the objectives of the 2025 vision document, the overall policies of resistance economic and the 6th National Development Plan, therefore, we ask the parliament and the government for full support in regard to providing legal permits required for the region and provide the grounds for obtaining domestic and foreign financial facilities by increasing the budget and developmental credits of this national plan.

He said the launch phase of the port began in July 2017, and it is expected that this phase will be completed within 36 months. However, an immediate and urgent plan for the construction of a jetty for dry bulk to meet the needs of the Southern Aluminum Company is underway, which will be operational until September 2018.





Oil Minister:

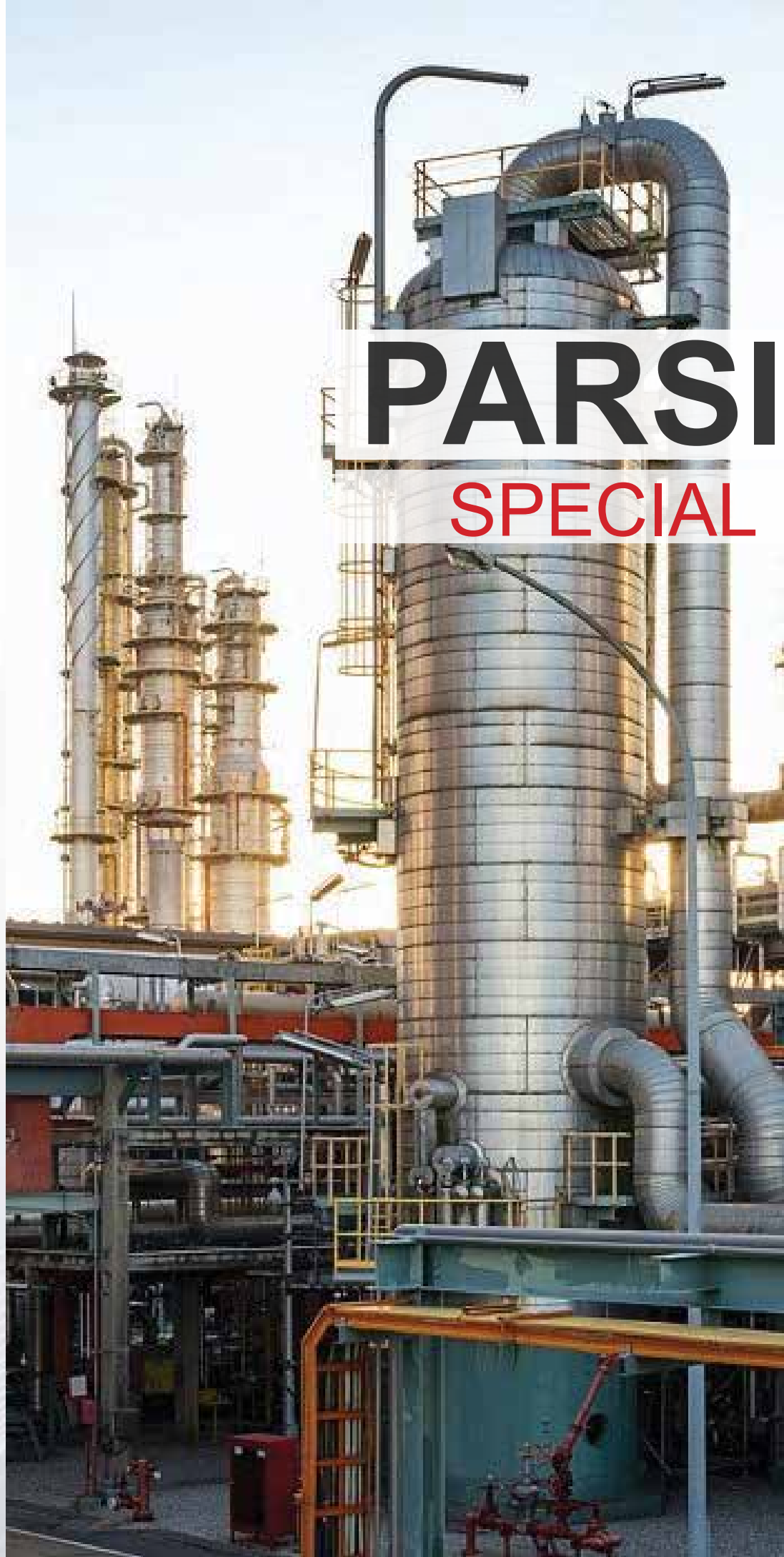
# “Parsian is the Best Region to Invest in the Petrochemical Industry”

**The Minister of Oil pointing that the special economic zone of the Parsian energy-intensive industries is the best region to develop and grow the petrochemical industry, said the Ministry of Oil is interested in investing and supporting investment in the region**

The Minister of Oil pointing that the Parsian energy-intensive industries special economic zone (PEISEZ) is the best region to develop and grow the petrochemical industry, said the Ministry of Oil is interested in investing and supporting investments in the region. Bijan Zanganeh, announced the ministry’s support for development and investment in the region at the meeting on review of the areas of growth and removing investment barriers in PEISEZ which was held with the participation of a number of senior officials of the Ministry of Oil. The Minister of Oil commended the measures taken in PEISEZ and stated: At present, it can be said that PEISEZ has been abandoned from its previous deadlock and it is clear that there have

been positive developments in this area recently. He said that the PEISEZ is the best region for the development and growth of the petrochemical industry, adding: «To this end, the Ministry of Oil is interested in investing and supporting investments in this region.» The Government’s View is to Prevent Selling Crude Zanganeh pointed out that the proximity of PEISEZ to Assalouyeh is a great privilege and it is considered take out as a special zone in the development of petrochemical industry and downstream industries and initially 20 million m3 of feed are allocated to this region per day. He added: The government’s view is to prevent selling crude, and the special zone plays an important role

in the establishment of downstream industries and the conversion of gas and oil to the products needed. There is no problem in supplying feed to petrochemical complexes in PEISEZ. The Oil Minister announced that the provision of gas to this region by the Ministry of Oil will be done and while welcoming the activities of petrochemicals in PEISEZ, he said the development of petrochemical industry is one of the axes that the government has always been pursuing. Zanganeh said the cooperation between the Ministry of Oil and the National Petrochemical Company will continue with the Iranian Mines & Mining Industries Development & Renovation Organization (IMIDRO) to develop and accelerate the work.



# PARSIAN SPECIAL

that the proximity of PEISEZ to Assalouyeh is a great privilege and it is considered as a special zone in the development of petrochemical industry and downstream industries and initially 20 million m3 of feed are allocated to this region per day



# IMIDRO & NPC MoU

An MOU between Iran Mining and Industries Development and Renovation Organization (IMIDRO) and the National Petrochemical Company (NPC) with the aim of organizing petrochemical projects in the Parsian Special Economic Zone of Energy Industries in June 2012, was signed by Dr. Karbassian, Head of Delegation Imidro agent and worker Ms. Shahdadi, CEO of National Petrochemical Company.

Considering the responsibility of the Organization for the Development and Renovation of Mining and Industries of Iran for the management of the special economic zone of the energy industry on the Parsian, as well as the opportunity and potential of this region as one of the future pillars of the country's petrochemical industry, in line with the Ministry of Oil's macro planning and the experience of creating Petrochemical poles such as Mahshahr, Assaluyeh and ... is all to encourage investors in this field. cross out taking into account The letter of notification of the Minister of Oil to the number 2/20 - 137010 dated 1395/03/29 regarding the process of issuing and extending the initial approval of the design Petrochemicals, this Memorandum of Understanding was signed signed by the parties.

Memorandum Objectives

- Organization of construction of petrochemical projects and infrastructure related to these projects in the region
  - Preparation of comprehensive development plan for petrochemical projects and related infrastructure (Master Development Plan).
  - Adopt an identical and coordinated approach to control and monitor petrochemical projects and related infrastructure in the region.
- In this regard, the limits and duties for the parties were determined, which is to be noted briefly as follows:

A) National Petrochemical Company

- Determine the type and capacity of petrochemical projects to be distributed to investors in the region
- Investigating and cooperating with IMIDRO in order to develop a Comprehensive Development Plan (MDP)
- Executing the process of issuing and extending the initial approval of petrochemical projects
- Determination of the current investors of the region
- Control and supervision of physical / financial progress and obligations of the



- operators of petrochemical projects
  - Supervising technology selection and technical knowledge holders
  - Prioritization of petrochemical projects for using domestic and foreign credit lines, National Development Fund and ...
  - Organization for the Development and Modernization of Mining and Industries of Iran (Imidro)
  - Selection of qualified consultant and preparation of the Comprehensive Development Plan (MDP) for the designated range for the construction of petrochemical projects.
  - Preparation and presentation of the implementation plan of the infrastructure required for the regional petrochemical projects
  - Allocation of land to petrochemical projects in accordance with the area and conditions declared by the National Petrochemical Company.
  - Compliance with HSE requirements during construction and operation of petrochemical projects
- In order to supervise the good implementation of the projects , a working group consisting of representatives of the parties was formed, representatives of Iran Mining and Industries and Renovation Organization, Mr. Saghafi, Senior Executive Advisor to the Chairman of the Executive Committee of IMIDRO and Mr. Shahrokhi, Managing Director of Energy Development

- Company of South Pars Industrial Company (The company is representing Development Special Economic Zone of Persian Energy Industries Corp.) and representatives of the National Petrochemical Company, Mr. Afshari, the head of the investment attraction center, and Mr. Sooki, are head of the study of polymer projects.
- The working group meetings are organized on a monthly basis and it can be said that the most important decisions of this working group are as follows:
- Selection of Special Economic Zone of Energy Industries for South Parsian as Working Group Secretary
- Drafting the Code of Practice for the Working Group
- mination of 4 petrochemical projects for implementation in the region, considering the allocation of natural gas to 20 million cubic meters per day to this area.
- Determine the service description of the specialized petrochemical consultant
- Determine the short list of petrochemical consultants to carry out the MDP and ultimately select the consultant for this section
- Track the status of current investors in the region
- Investigating the investment of Iranian-foreign partnerships out of the four schemes outlined in paragraph 3
- Holding an Involvement Call for 3 GTX Projects Submitted by National Petrochemical Company

Item	Projects	Products	Pro- ductio n Rate KTA	Trade Amoun t  KTA Tye	Feed & Fuel		Physical State	Wa- ter 10 <sup>6</sup> m <sup>3</sup> /y	Elec- tricit y (MW)	Area (Ha)
					Amount 10 <sup>6</sup> m <sup>3</sup> /y					
1	Ammonia	Ammonia	680	75	N.G	2.2	Liquid	11	32	40
	/	Urea	1,075	1,075			Solid			
		total	1,755	1,150						
2	1 <sup>th</sup> GTX	Methanol	1,650	0	N.G	5.05	Liquid	12.5	126	75
		Propylene	375	0			Gas			
		Ethylene	270	0			Gas			
		Poly propylene	220	220			Solid			
		Poly Ethylene	200	200			Solid			
		Ethoxylate	60	60			Liquid			
		Polyol	200	200			Liquid			
		Propylene Glycol	20	20			Solid			
		C4 CUT	33	33			Liquid			
		Pyrolysis Gasoline	36	36			Liquid			
		LPG	14	14			Liquid			
		Total	3,078	783						
3	2 <sup>nd</sup> GTX	Methanol	1,650	0	N.G	4.5	Liquid	11	122	60
		Propylene	375	0			Gas			
		Ethylene	270	0			Gas			
		Poly Propylene	370	370			Solid			
		Poly Ethylene	250	250			Solid			
		C4 CUT	33	33			Liquid			
		Pyrolysis Gasoline	36	36			Liquid			
		LPG	14	14			Liquid			
		Total	2,998	703						
4	3 <sup>rd</sup> GTX	Methanol	1,650	0	N.G	5.05	Liquid	12.5	130	65
		Propylene	395	0			Gas			
		Ethylene	250	0			Gas			
		Poly propylene	385	385			Solid			
		Poly Ethylene	200	200			Solid			
		Vinyl Acetate	100	100			Liquid			
		C4 CUT	33	33			Liquid			
		Pyrolysis Gasoline	36	36			Liquid			
		LPG	14	14			Liquid			
		Total	3,063	768						
Total of petrochemical projects			10,894	3,404	-	16.8	-	22	410	240
5	centralized Utility  Desalinate d Water	Elec- tricity	500 MW	500 MW	N.G	4	-	1.5	25	30
		x10 <sup>6</sup> 50 m <sup>3</sup> /y	x10 <sup>6</sup> 50 m <sup>3</sup> /y							
Total					-	20.8	-	48.5	435	270

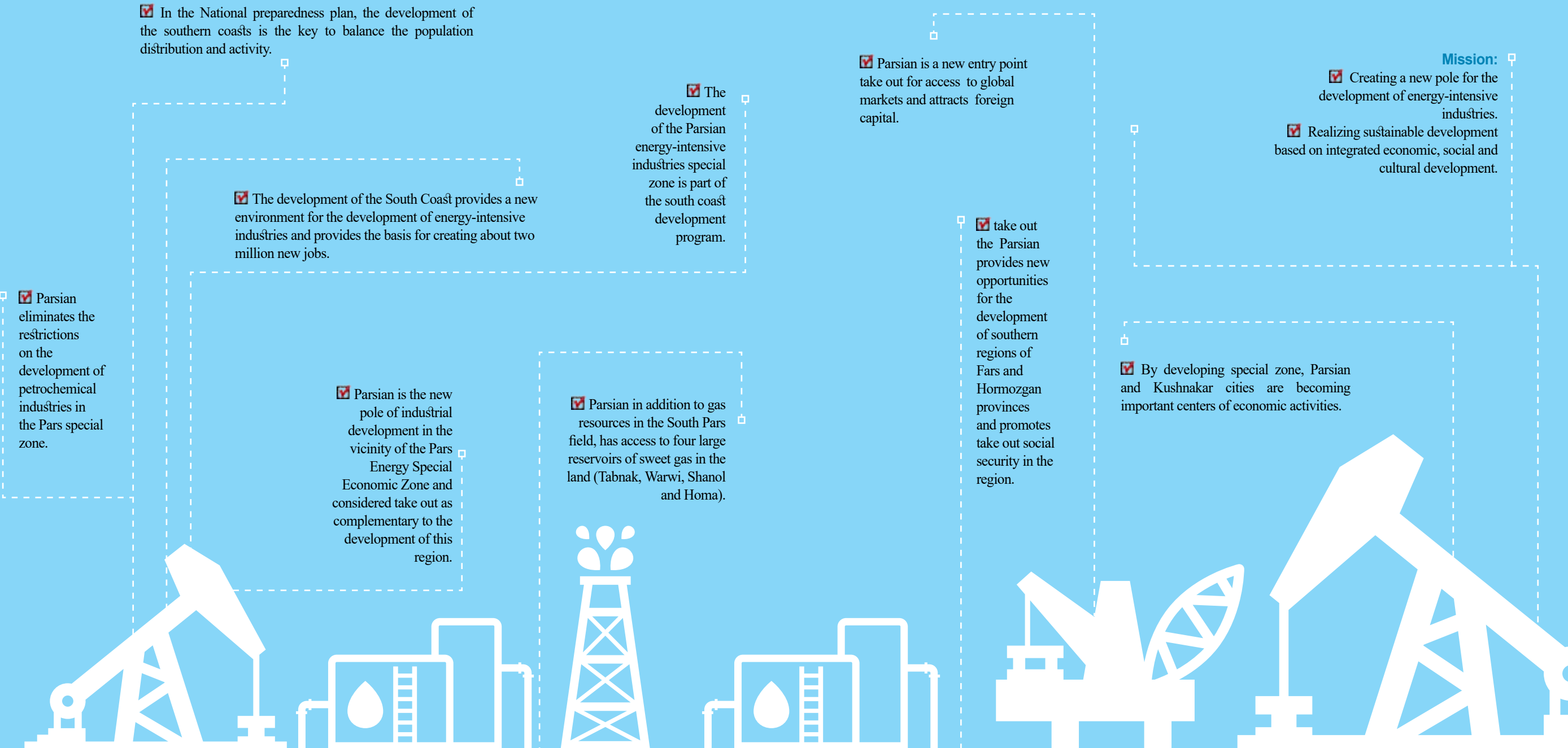


Investigating the investment of Iranian-foreign partnerships out of the four schemes outlined in paragraph 3



Parsian the Petrochemical Development Pole in South of Iran

INFOGRAPHY



60  
Capacity of employment: about 60 thousand people

Port capacity: about 40 million tons  
40

Port capacity: about 40 million tons

The area of the land: about 8300 hectares

300  
The area of the marine site: about 300 hectares

Total area of the region: about 10 thousand hectares  
10



# 1. Development Plan of Parsian Energy-Intensive Industries

Iran is a vast country in south-west Asia that is of high importance due to its particular strategic situation as the East-West link, Silk Road, TRACECA corridor, and as a North-South link (NOSTRAC), as well as neighboring 13 neighboring countries. Since Iran has the largest hydrocarbon reserves and thus has an important place in supplying global energy demands, macroeconomic policies of the country emphasize reasonable use of energy resources and promotion of Iran's position in international markets. Therefore, the policy of developing energy-intensive industries has been included in macro-scale programs of development plans of Iran in order to create added value.

Due to the existence of energy resources in the southern part of the country and the extent of the Persian Gulf and the Sea of Oman coast, which enables access to global markets, there is a unique context for the development of energy-intensive industries in the region. On the other hand, the fundamental role the oil and gas in the development of energy-intensive industries, including petrochemicals, has provided suitable grounds for establishment of these industries in the southern axes of the country. Establishment of energy-intensive industries such as steel, aluminum, power, petrochemicals and cement in these axes results in a balance of development in terms of activity, population and utilization as the core benefits of these regions.

## 1.2 Energy intensive industries

Energy-intensive industries refers to

that group of industries whose share of energy consumption in production costs is higher than other manufacturing factors, including raw materials, workforce, and so forth compared to other industries, and has a determinant role in the final price of their products. Energy-intensive industries are generally basic and intermediate industries, and as the upstream industries, they can be expanded into a supply chain of downstream industries in Iran and the Middle East.

### 1.3 Parsian Energy-Intensive Industries Special Economic Zone (PEISEZ)

PEIZEZ with an area of 9,800 hectares is located 15 km west of Parsian City in Hormozgan Province. The site is also located 20 km from the Persian Gulf International Airport (Assalouyeh) and 43 km from Pars Port. This region is one of the major development poles in the country, which allows for the establishment of

various energy-intensive industries due to its economic, social, political, security, environmental and geographic stance.

#### 1.4 Spatial advantages of Parsian site

Proximity to the South Pars Gas Reserves  
Access to Persian Gulf International  
Airport  
Access to open seas  
Proximity to Pars 1 and 2 Sites  
Utilization of natural and human  
resources in Hormozgan, Bushehr and  
Fars provinces for development

## 1.5 Regional Objectives

- Direct and indirect employment
- Prevention of the sale of crude oil and gas according to the general policies and upstream mandates of Iran
- Manufacturing of products with greater added value
- Optimal and competitive use of the joint gas reserves between Iran and Oatar

Domestic product boom  
Developing regional cooperations by receiving  
raw materials and supplying products abroad

## Policies

Production of 4 million tons of steel per year on 414 hectares of land  
Production of 18 million tons of gas condensates (petrochemical) industries per year on 1398 hectares of land  
Production of 0.6 million tons of aluminum per year on 221 hectares of land  
Production of 3 million tons of alumina per year on 200 hectares of land  
Production of 4.3 thousand megawatts of electricity on 189 hectares of land

## 2. Actions taken in the PEISEZ

## 2.1 Licenses received

Approval of the Minister Cabinet of Iran  
Approval of the Islamic Republic of Iran  
Consultative Assembly (parliament)  
General environmental license for the region  
License for allocation gas from the Ministry of  
Petroleum (20 million m3 per day)  
Authorization to import and export goods  
from the Islamic Republic of Iran Customs  
Administration with the establishment of the  
customs administration of Parsian Special Zone  
Authorization to fulfill currency exchange  
obligations of investors  
Authorization of the Ministry of the Interior for  
marine border of Parsian Port  
Delegation of lands from the Ministry of  
Agriculture Jihad to IMIDRO  
Environmental license of the Parsian Port from  
the Environmental Protection Agency  
Environmental license for water desalination with

a capacity of 280 L/sec from the Environmental Protection Agency  
Permission from the Ports and Maritime Organization of Iran to build Parsian Port

## 2.2 Studies and designs performed

- Site selection studies and master plan of the Special Economic Zone for energy-intensive industries
- Product market studies
- Primary studies and design of the Parsian Port
- Evaluation study of the environmental effect of the entire site
- Review and analysis of the master plan
- Evaluation studies of petrochemical, plant and non-industrial investors
- Provision of a master plan of transportation and traffic studies for the region
- Design of office buildings, entrance gates and special zone roads
- Design and preparation of the service support and industries' site
- Studies and design of the loading terminal
- Studies on the design and preparation of the regional power plant site
- Studies on the design and preparation of green space
- Studies of river engineering and flood control and design of flood walls' structures
- Studies and design of surface water collection system
- Design of gas pressure reduction station and gas distribution within the region

### 2.3 Implemented infrastructures

Implementing more than 58 km of customs fence  
Implementing more than 58 km of road for  
patrols and peripheral roads

Energy-intensive industries refers to that group of industries whose share of energy consumption in production costs is higher than other manufacturing factors, including raw materials, workforce, and so forth compared to other industries, and has a determinant role in the final price of their products. Energy-intensive industries are generally basic and intermediate industries, and as the upstream industries, they can be expanded into a supply chain of downstream industries in Iran and the Middle East.



Construction of a 20-kilometer dual carriageway to connect the north and south sites  
Construction of about 18 km of power distribution network during construction period  
Construction of two reservoirs of water at the northern and southern sites  
Purchasing the right of water supply at 30 L/sec from regional water company  
Purchasing 4 megawatt power for during construction period  
Construction of a green space network of boundaries of passages

### 3. Investing in Parsian

#### 3.1 Investment opportunities in the PEISEZ

Main industries (energy-intensive)  
Manufacturing of petrochemical products  
Production of steel products  
Aluminum production  
Alumina production  
Support projects

1. Combined-cycle power plant
  2. Construction of desalination plant
  3. Parsian Port
- Support-services and downstream projects  
Construction of industrial park of downstream steel, petrochemical and aluminum industries  
Construction of reservoirs and tank farms  
Construction of rail and road terminals  
Construction of an industrial park for small industries  
Construction of technical service and support units  
Construction of hotel and tourism complex

#### General advantages of investment in "Special Zones"

Possibility of importing goods without customs duties and commercial benefits of the Zone  
Customs exemption for import of goods manufactured from the Zone to the mainland in proportion to the value added

and the materials used domestically.  
Possibility of transit and re-export of goods without limitations  
Possibility of domestic and foreign participation and investment  
No barrier to entry and exit of capital  
Tax exemptions (subject to the direct tax code)  
Banking, monetary and currency affairs (subject to the laws of the country)  
Labor regulations and social insurance to recruit foreign nationals (similar to the laws of Free Trade Zones)

#### 3.3 Special advantages of investment in PEISEZ

Fulfillment of exchange obligations  
Ample land to be designed for industries  
Allocation 20 million m3 of natural gas to the Zone's industries  
Proximity to the South Pars Gas Reservoir (within a radius of 50 km)  
Access to open seas and marine shipping lines

Availability of more than 100 million m3 of sweet gas per day  
Access to the existing infrastructure at Pars 1 and 2 sites  
Concurrent capabilities of shore and hinterland using coastal development capacities  
Access to unlimited water resources  
Air infrastructure (easy access to Persian Gulf International Airport)  
Marine infrastructure (plan for establishing Parsian Port with a final capacity in loading and unloading of 40 million tons and facilities of Pars Port.

#### Introduction of the Parsian Port

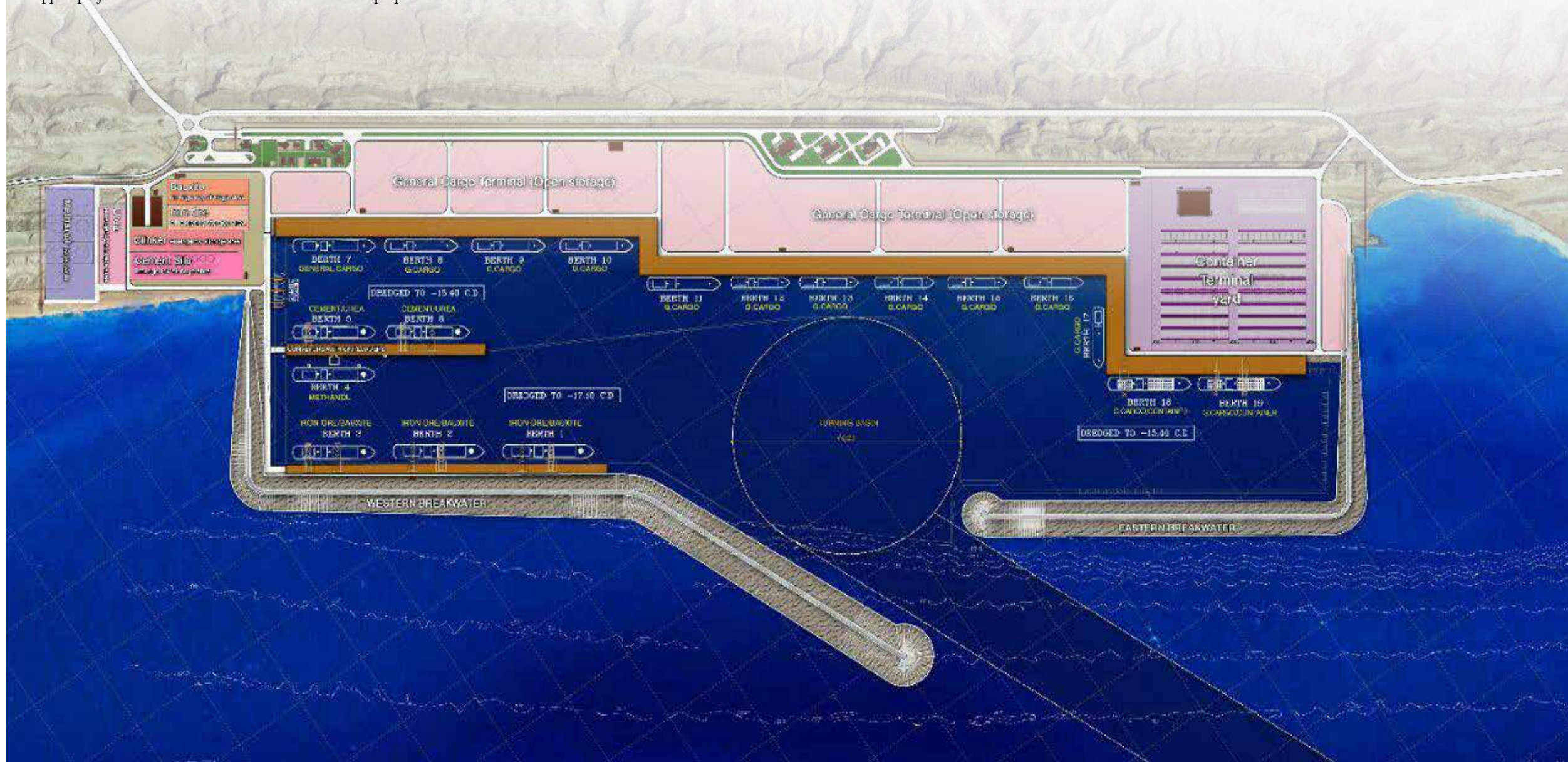
Parsian Port, located in the Parsian energy-Intensive Special Economic Zone is the main gateway for importing raw materials and exporting products from Parsian and Lamerd Special Economic Zones, and will be the first and largest industrial, mining and commercial port in Iran that will meet the

needs for unloading and loading of the four major energy-intensive industries, including petrochemicals, steel, aluminum and cement in Parsian and Lamerd. According to the market and feasibility studies, nominal capacity of the Parsian Port will be about 40 million tons per year in the planning horizon and includes 19 berths for public goods, dry bulk, liquid bulk and container goods. Buoyancy capacity for container goods is 6,000 containers, 70,000 tons of public goods and 100,000 tons dry bulk with a maximum draft depth of 17 meters are considered in the designs.

#### Specifications of the Parsian Port at the launch phase

Operational phase of the launch phase of Parsian Port, which includes 1500 m of the main breakwater and 4 berths with a possibility of loading and unloading of about 9 million tons per year, will be operated according to the schedule by 2021.

Energy-intensive industries refers to that group of industries whose share of energy consumption in production costs is higher than other manufacturing factors, including raw materials, workforce, and so forth compared to other industries, and has a determinant role in the final price of their products. Energy-intensive industries are generally basic and intermediate industries, and as the upstream industries, they can be expanded into a supply chain of downstream industries in Iran and the Middle East.





# Introduction of Parsian Energy-Intensive Industries Special Economic Zone (PEISEZ)

**The energy-intensive industries are referred to industries in which the share of energy costs in total cost of production and its full price is high. Examples include steel, aluminum, petrochemicals, power generation, lead, zinc, copper, glass and bricks. From among the above industries, steel, aluminum, petrochemical, power generation and cement, which compete in the global and regional markets; were selected for production on the southern coast of Iran.**

In line with the policy of optimal exploitation of the country's oil and gas resources, especially the South Pars gas resources in the National Socio-economic Development Plans, production of processed oil and gas products and reduction the amount of crude sales as well as the development of industries which are placed in the energy-intensive industries group have been emphasized. In its resolution titled as "Spatial Studies on Affected Regions of South Pars Gas Reserves," the Cabinet of Ministers in 2005, determined tasks for executive bodies in the field of creating energy-intensive industries in the Persian Gulf region.

In the framework of the above resolution, Ministry of Industry, Mine & Trade (as the authority on industry and mining sector) should take actions in policy-making, planning and execution of the strategy for the development of energy-intensive industries take out has .

The importance of timely execution of this plan is was predicted in the 5th National Development Plan. Use of gas

in energy-intensive industries not only has the limitations as in export of raw gas, but will also create multifaceted benefits by creating more added value, jobs, preparedness to technology entry, the possibility of forming a downstream industries supply chain and attracting domestic and foreign capital.

The idea to identify and establish energy-intensive industries in the impressionable areas of southern Iran gas fields has been a subject of importance from a long time ago. The plan for the establishment of energy-intensive industries on the southern coast of the country is one of the strategies considered to use gas in industries with products products can create added value amounting to several times the price of natural gas.

Serious actions in this field have been taken since the establishment of Pars Special Economic Energy Zone (PSEEZ) in Assalouyeh.

The organized planning has been formed since 2003 in process of compiling and final approval of the 4th National Development Plan.

Energy-intensive industries are generally capital-intensive and intermediary industries and as the upstream industry can expand the chain of downstream industries in the region and the country. This feature gives importance to energy-intensive industries as an effective tool in industrial development and the creation of productive employment.

About 60,000 job opportunities can be created with the allocation of South Pars gas resources to launch energy-intensive industries which is one of the strategies listed in the upstream documents of the country. Considering the household size of 3.6 people for each job opportunity, it becomes possible to lodge about 216,000 people on the southern coasts and through this, part of the marginal areas of the country will also show improvement and this will lead to a balanced development and distribution of population in the country.

Use of gas in industries will raise their trading value 3 to 15 times and it leads to higher income and more employment in the country. Currently allocating 20

million cubic meters of gas per day from South Pars is considered for consumption in the energy-intensive industries but if the development of energy-intensive industries, which is based on the relative advantages of the country, is put in priority in the country, then, It is necessary to increase this 20 million cubic meters of gas and coordinate with the goals of developing the energy-intensive industry in the country.

The macroeconomic policies of the country emphasize the optimal utilization of energy resources. This emphasis is based on the fundamental role of oil and gas resources in supplying the energy needed by various manufacturing sectors and foreign exchange earnings in the country.

Iran has an important place in providing the global energy needs by having a large share of the world's oil and gas reserves (first place in total hydrocarbon reserves of oil and gas). The most important gas reservoir in Iran is the South Pars gas reservoir, which is equivalent to 47% of Iran's gas and 8% of the share of the total proven gas reserves in the world.

Plans for establishment of PEISEZ is based on Agreement No. 40301004 (2005) between the Management & Planning Organization and the Organization of the Development and Renewal of Mining and Mining Industries of Iran as the executive body of this project.

PEISEZ was established with the objective of establishing and producing 4 million tons of steel, 18 million tons of petrochemical products, 0.6 million tons of aluminum, 4.3 thousand megawatts of electricity annually and the construction of the Parsian Port with an annual capacity of 40 million tons (loading and unloading) and desalination plant which will require an investment over \$37.4 billion in the non-governmental sector.

Establishment and development of PEISEZ provides the country with suitable and new industrial capacity in proximity to the world's largest gas reservoir (South Pars) which could become an attractive industrial-economic center. Appropriate depth of sea, suitable habitat, and access to the airport and ground transportation networks have provided very good conditions for the development of PEISEZ.

Determining the quantitative production targets for the zone has been made at this stage by looking at the goals of industrial development in the country. The target can be modified and adapted in order to create and equip the infrastructure, allocate land, and according to the necessity and requirements. The target set for the production of steel in PEISEZ is 4 million tons of steel per year.

The 20-year vision document of the country

has placed the aluminum industry as one of the leading industries in industrial development of the country and has recommended its development in PEISEZ. The target defined for the production of aluminum on the Parsian site is 0.6 million tons per year.

The site of the energy-intensive industries which is located in proximity of Pars Special Economic Energy Zone (PSEEZ - Sites 1 & 2), is one of the excellent sites for establishing the upstream and downstream petrochemical industries. The production capacity of petrochemical products is estimated at 18 million tons. According to the target defined for aluminum production, the capacity of the alumina production plant is estimated at 3 million tons per year. In addition to the main industries, it is expected that with the advent of basic industries, downstream production units of the above industries will be created in the region.

## Special advantages of PEISEZ:

- ✓ Easy access to free waters
  - ✓ Proximity to the world's largest gas resource
  - ✓ Gas refineries in PSEEZ
  - ✓ Easy access to the Persian Gulf International Airport
  - ✓ Port of Parsian project with a final capacity of 40 million tons of unloading and loading
  - ✓ Plan for construction desalination plant
  - ✓ Plan for the construction of a power plant with a capacity of 4.3 thousand MW
- Facilities at PEISEZ include the provision of water, electricity, gas and telecommunications infrastructure by the region, use of customs exemptions, attracting domestic partners for foreign investors, support for obtaining loans through domestic and foreign resources, consultation at all stages of the implementation of the project and carrying out operations for obtaining employment licenses for foreign employees of the investors.

## Benefits and Strengths of PEISEZ

- ✓ Proximity to South Pars gas reservoir (50 km away)
- ✓ Access to shipping lanes
- ✓ The presence of sweet gas in the areas of Tabnak, Shanol, Waravi and Homa in the vicinity of the area
- ✓ Access to infrastructure facilities available at Pars 1 & 2 sites (Assalouyeh)
- ✓ Creation of a new development pole next to Pars 1 & 2 sites
- ✓ Utilization of capacities of Hormozgan, Bushehr and Fars provinces for development
- ✓ Increase both shore and offshore simultaneous capabilities using coastal development capacities
- ✓ Access to water resources

Plans for establishment of PEISEZ is based on Agreement No. 40301004 (2005)) between the Management & Planning Organization and the Organization of the Development and Renewal of Mining and Mining Industries of Iran as the executive body of this project



Governor of Hormozgan

## Parsian energy Intensive Industries Special Economic Zone (PEISEZ) is the Axis of Development

**High Representative of the Government in Hormozgan Province has considered PEISEZ take out as the development axis of West Hormozgan Province due to its very important investment and employment capacities. Dr. Fereydoun Hemmati, the Governor of Hormozgan Province, spoke to the reporter of PEISEZ about the zone and its advantages.**

### Government support for the investors of PEISEZ

**W**hat is the government policy on supporting investors? policies of the Planning & Hope government. In this regard, facilitating the investment process in planning has been taken into consideration and in Hormozgan Province, an investment service center was also activated to expedite the process of issuing investment permits issuing investment permits as fast as two weeks.

### What is your point of view towards PEISEZ?

These measures will also help to improve the investment process in PEISEZ. Parsian City is located in a convenient geographical location close to the important economic zone of Assalouyeh. Given its access to the Persian Gulf, it is considered as the best location to become the hub of energy-intensive industries in the country. The top management of this province fully supports investments in this zone. PEISEZ is a unique industrial and petroleum zone in the country and the Persian Gulf.



### What advice do you have for directors to support PEISEZ?

Easy access to open waters

All directors of related executive organizations are obligated to fulfill their duties regarding the creation of conditions for development of investments in PEISEZ. In addition to the legal duties of institutions and systems, according to the government's policy for development of investment by the private sector, all the executive systems have to invest in Parsian and the performance of systems in this region will be monitored and reviewed.

### How do you assess the capacities of PEISEZ?

PEISEZ is a zone with a lot of potentials for attracting investors in the field of petrochemicals. Creating customs and providing official permit of sea border, access to international waters and its vicinity to neighboring countries in the south of the Persian Gulf, all have provided a good market for the investors to sell products in PEISEZ.

### What special plans do you have to support investment in PEISEZ?

Parsian Port, the largest industrial port in Iran Another support program of the government is construction of a large port in PEISEZ. Construction of 19 jetties will provide a loading and unloading capacity of 40 MT. The construction process of this port is very good; this port will facilitate the export and import of manufactured goods and raw materials.

### Are there special sessions held in the province

### for this area?

Issues and problems of manufacturing and employment in Hormozgan Province are investigated and followed up in various provincial work groups. I have also placed these meetings in top priority. In addition, for important regions such as the Parsian, special sessions will be held as needed in order to accelerate the investment process.

«Port Complex, access to free and international waters, customs, sea border permit and allocation of required feedstock from South Pars are the unique advantages of PEISEZ.»

We will support any action and plan that can help improve the work process in PEISEZ and I personally will review and follow up the issues regarding this important region.

### What plans have been made in this complex in the field of oil and gas?

Petrochemical complexes in Persian do not have a feedstock problem. Fortunately, with the cooperation of the Ministry of Oil, 20 million m3/day of feedstock will be allocated to the petrochemical complexes located in PEISEZ and follow-ups have been made for further facilitation. Hormozgan Gas Company is directly responsible for facilitating the feedstock supply process required by investors in the PEISEZ.

### Conclusion.....

Due to important geographical location of PEISEZ and its unique advantages, the government pays a lot of attention to this zone. All facilities of the province will be used to facilitate investment in the province, especially in PEISEZ.

These measures will also help to improve the investment process in the Parsian energy-intensive industries special zone, Parsian city is located in a convenient geographical location alongside the important economic area of Assalouyeh and given access to the Gulf waters is considered as the best place to become the energy-intensive industries in the country and the top management's view of Hormozgan province is the full support of investments in the Parsian energy-intensive industries special zone.





## Mr. Farshchi (Marine Deputy, Department of Environment) **The Parsian Energy-Intensive industries Special Economic Zone (PEISEZ) does not Have any Problem with Regard to Environmental Issues**

**The Deputy Director of the DoE pointed out that the PEISEZ has been granted the necessary permits at each stage of project and has no problems with permits.**

Mr. Farshchi stated that PEISEZ has submitted assessment and environmental impacts studies to the environmental organization and has no problems in providing assessments and environmental permits.

### **Aqua Plan of Norway (PEISEZ Environmental Consultant)**

Farshchi noted that assessments were carried out for the harbor construction,

and the PEISEZ continued the executive operations with observing the requirements. The Norwegian company has submitted environmental justification plans and appropriate assessments according to European standards to the Iranian DoE.

He added that site selection of PEISEZ has been carried out according to the environmental standards and there are no concerns about the environmental hazards in the region. The management of the PEISEZ

has a good cooperation with the national issues of environment. The selection of foreign consultants in the preparation of environmental assessments indicates the sensitivity of PEISEZ' managers in the field of environment.

### **Location of PEISEZ in Accordance with Environmental Standards**

The DoE Deputy said that the environmental plans of the PEISEZ have been reviewed

with the presence of senior experts from the DoE and Norwegian consultants.

He said construction of any industrial complex in the country requires compliance with the requirements and there is no exception for PEISEZ and fortunately, we have had no problem in this regard.

He emphasized that the cooperation between PEISEZ' managers with the environmental colleagues in Hormozgan Province and in the country is commendable and indicates the sensitivity of the Managing Director of PEISEZ to environmental issues.

Farshchi said the process of development and progress in PEISEZ is carried out step by step, considering the environmental sensitivities, and environmental experts have the required cooperation in this regard.

According to the Deputy, development is required for each region, and development is needed to create jobs and increase people's livelihoods, especially in the south of country, and this development cannot be denied.

However, the preparation of environmental permits is required and fortunately these requirements have been respected in PEISEZ and they have strived to move according to international and European standards.



He added that the selection of Parsian special zone location has been based on the environmental standards and there is no concerns about the environmental hazards in the region. The management of the Parsian special zone has a good cooperation with the environment. The selection of foreign consultants in the preparation of environmental assessments indicates the sensitivity of special zones' managers in the field of environment.



Representative of West Hormozgan Province in Parliament:

## “Parsian Special Zone is the safest area for investors”

**Parsian, Bandarlengeh, Bastak and Kish Island representatives in the Islamic Consultative Assembly focused on the need to create the downstream industries in Assalouyeh in the Parsian Energy-Intensive Industries Special Economic Zone (PEISEZ) and said: The special energy sector for Parsian is the most secure area for domestic and foreign investors.**

Nasser Sharifi answered the questions about the capacities and investment opportunities in PEISEZ and the parliament's view of the region.

**Considering proximity of the World's Largest Gas Reservoir with PEISEZ what are the characteristics of the PEISEZ from your point of view?**

PEISEZ is the most important hub for petrochemical development in Iran and the Persian Gulf region. This region has easy access to free waters, the Persian Gulf International Airport, proximity to the world's largest gas reserves, and gas refineries in the Pars Special Energy Economic Zone (PSEEZ).

**What are the features of this zone?**

The advantages and strengths of the PEISEZ are unique and special and, therefore, the government and the parliament the government and parliament are meticulous about development of activities in this region, which will create widespread employment, economic prosperity and commercial activities for the City of Parsian.

«Foreign and domestic investors can safely invest in PEISEZ and will have the best return on investment.”

PEISEZ is not only an influential zone in Parsian and the province, but can also be an important hub for petrochemical activities in the country.

**What are the plans at the national level for this region?**

Fortunately, the ministries of Industry, Mine & Trade and Oil are well aware of the importance of this region, and hence the good support of the activities of PEISEZ and the management of this zone has been able to take effective measures to develop investments in PEISEZ.



**What did you do as a representative of the people in this regard?**

As the representative of the people of West Hormozgan Province in the parliament, I will be seriously supporting the activities of PEISEZ in pursuit of the resistance economy and job creation for the youth of these regions. We will try to help legislate and allocate funds to this area and to consult on a national level to help boost activities in PEISEZ.

**What are the advantages of the port in this zone?**

The project to build the Parsian Port complex with a final capacity of 40 million tons of loading and unloading is also a major step towards creating the right conditions for investment in PEISEZ and the hinterland.

**Possibility to export directly from PEISEZ to Europe**

Upon completion of the Parsian Port phases at PEISEZ, direct export from the zone to Europe will become possible and export of petrochemical products,

aluminum and other products to Latakia port in Syria and on to Europe will take place. This route is currently being explored by Asian countries.

**What is the solution for the Supreme Leader's mandates?**

The Supreme Leader has made a good case in using the capacity of domestic and foreign capital and securing investments, which should be the light of the way for the authorities. In the year of resistance economy, we need to help the prosperity of the special energy sector of PEISEZ by using the capacities of domestic and foreign investments. The parliament and cross out the government have taken good steps to protect and secure investments. PEISEZ is one of the most exclusive areas of investment in the country, allowing for safe investments.

«Investors in PEISEZ will be able to export their products from PEISEZ to Europe.”

**What are the impacts of customs launch on Parsian special zone boom?**



Establishment of the exclusive customs office at PEISEZ and licensing of maritime border are special advantages at the zone allowing investors the opportunities for import and export of equipment and products.

PEISEZ has a good position for establishment of downstream industries to complement Assalouyeh industries that should be considered in planning for establishment of industries in this zone.

We must strive to prevent sales of crude products by launching such industries and, through the processing and production of the value added products, we will export them through the Parsian Port to other countries

I want all provincial and national officials to show full support for activities in PEISEZ so that both the people of West Hormozgan Province and the whole country will benefit from it.

The Supreme Leader has made a good case in using the capacity of domestic and foreign capital and securing investment in investment, which should be the light of the way for the authorities. We need to help the prosperity of the special energy sector on the Parsian by utilizing the capacities of domestic and foreign investment. Majles and government have taken good steps to support and secure investment. Parsian Special Area is one of the most exclusive areas of investment in the country that investors can safely invest in.





Beginning of Changes in European Policy in the Field of Parsian Petrochemicals:

# Parsian in China's Spotlight

**The issue of tackling environmental challenges is one of the important issues that the world is trying hard to find a solution for. China, as one of the superpowers, has a significant share in environmental pollution. Along with China, Europe is also trying to deal with this issue by taking similar measures.**

However, the issue of eliminating environmental challenges and changing the composition of production and the process of changing the strategies of production by firms on the one hand, as well as changing convergences between producer and consumer countries on the other hand, will lead to developments in the field of industrial production, especially in the field of petrochemicals.

In a recent report which ICIS has prepared on the status of European petrochemical companies, their status has been reviewed and analyzed; it is possible that European petrochemical companies with recent Chinese government actions fail to improve the climate and the probable

change in environmental policies. According to this report, the Chinese have taken measures in their long-term policies. These measures will heavily increase the prices and along various threats, will reduce production. This will seriously jeopardize the situation of the countries which trade with China and supply the raw materials and products of

their production units.

## The Problem of Europeans in Supplying Raw Materials from China

The reason is that with implementation of environmental policies by China, European producers importing raw materials from China will face difficulties and will have to change their production plans. It should be noted, however, that the effectiveness of anti-pollution measures in many key industrial cities of the country, with the aim of improving air quality, has been weakened in December and it increases the likelihood that China will adopt long-term environmental policies. These policies will affect other countries, including member states of EU. The index of air quality is on average rising 15 percent per month and in January, unpleasant conditions are dominant in 28 cities of this country.

Reports indicate that out of 28 cities, 25 cities were located in unhealthy and very unhealthy areas and 3 of those cities were located in the dangerous area. Analysts and experts believe that all of these factors are the main drivers for the increase of price of raw materials in the third quarter of 2017 which resulted in a sudden decline in production. Meanwhile, long-term measures can soon reinforce the price of

the producers. However, for some products these policies in long-term may result in halt in production.

## Iran is the Destination for European and Chinese Investors

On the other hand, reviews show that in many European markets of chemicals materials, export of products to the markets of these countries is declining on a daily basis. This has led the European manufacturers to suffer from scarcity of raw materials and many problems were created in their production lines. In addition, a significant drop in the supply of products in European markets has led to a three-digit increase in prices for some of the most important goods in the first three months, in the market of these countries. All of these issues are of major concerns.

Those who are involved in the European market also point out that lack of supply in Asia is another factor to raise the price of raw materials and the final price of products. While the UBS Bank has reported in its recent report that long-term environmental policies can be useful for the market of electronic cars and it is expected that by 2025, there would be lower costs for these cars (about 21 percent).

“Experts believe that Iran can take advantage

Large investments in this industry can lead to significant assets and added value for many years. But before these investments, waste of natural resources and use of them should be constantly monitored and reviewed. Along the way and in the future this long-term goal will include rules .These regulations in January have led, for example, to a regulation that by 2030 all plastic packages in Europe must be recyclable.



of opportunities that will be created in the field of producing and exporting petrochemical products and gain more share in the European market.”

In this way, the production of these types of cars in the future will increase the consumption of polymer and chemical materials. In this case, either production methods must change and production of products in Europe must be done by methods which create least contamination or, the rate of import of these products from Asian and Middle Eastern countries should increase.

Experts believe that Iran can take advantage of the opportunities created in this field. According to them, the export of petrochemical products to the European market is currently increasing. The variety of supply is not very suitable

for this important market, therefore, manufacturers should take action to change their preferences for exporting products to these markets in the future.

«The year 2050 will show a horizon of significant investment in the world's petrochemical industry and this industry can lead to creation of assets and significant added value for many years».

In another section the ICIS report, points out that, take out although the year 2050 shows a horizon of significant investment in the chemical industry in the world, it adds: Large investments in this industry can lead to significant assets and added value for many years. But before these investments, waste of natural resources and use of them should be constantly monitored and reviewed. Along the way and in the future this long-term goal will

include rules. These regulations in January have led, for example, to a regulation that by 2030 all plastic packages in Europe must be recyclable.

Experts believe that the development consequences of a true circular economy in petrochemical industries where products can be returned to production and recovery chain, there are many environmental challenges and the use of raw fossil materials will be a challenge. By contrast, the principle of linear economy is to rely on limited and renewable resources.

However, in the petrochemical industry, which currently has 90% dependency on gas and oil supplies, in case the use of renewable materials become a challenge, all customers, regulators and shareholders will face many challenges and problems.

Considering the fact that petrochemical industry is based on the use of limited and non-renewable resources and finally non-renewable products will be produced and enter the cycle of nature, in future huge investments in this industry in advanced European countries are made in circular economy and investments take another form. This means that the use of technology and know-how will be considered the principles of work. This is based on the use of renewable materials and finally, renewable products enter the natural cycle with no environmental hazard.

#### A Look to China's Center of Attention

Experts from Iran and foreign countries believe that Parsian Energy-Intensive Industries Special Economic Zone (PEISEZ), with the objective of establishing and producing 4 million tons of steel, 18 million tons of petrochemical products, 0.6 million tons of aluminum, 4.3 thousand megawatts of electricity per year, and construction of the Parsian Port with an annual unloading and loading capacity of 40 million ton and a desalination plant will require an investment of \$37.4 billion in the non-governmental sector. Establishing and developing a special zone

and deploying the energy-intensive industries close to the world's largest gas reservoir (South Pars) will provide the country with a new and suitable industrial capacity which could become an attractive industrial-economic hub. The site of the energy-intensive industries in the vicinity of the South Pars (sites 1 and 2), is one of the best sites for establishing the petrochemical upstream and downstream industries. The production capacity of petrochemical products is estimated at 18 million tons.

Special advantages of PEISEZ are:

- ☑ easy access to free waters, proximity to the world's largest gas resource
- ☑ gas refineries in Pars Special Economic Energy Zone (PSEEZ)
- ☑ easy access to the Persian Gulf International Airport
- ☑ a plan for construction of Parsian Port with the final unloading and loading capacity of 40 million ton
- ☑ a plan for construction of a desalination plant
- ☑ a plan of establishing a power plant with a capacity of 4.3 thousand megawatts



The reason is that with the implementation of the environmental policy of the yellow dragon, European producers who import their raw materials from China will face difficulties and will have to change their production schedule.

