

ELITE PARS

Law Firm

Legal Update Prepared for
Elite Pars Clients



Introduction

Established in 2019, Elite Pars is a boutique law firm with professional lawyers and legal minds as its core team. Lawyers at Elite Pars render legal advice on a wide range of matters in parallel to dealing with various local, regional and international arbitration and litigation cases.

Elite Pars draws strength from its diversity. We recruit from a wide variety of backgrounds, seeking out the best and those with the highest potential and we invest in their development. Our profound knowledge of assorted legal areas, enables us to efficiently guide our clients through the most complex matters they are facing. Furthermore, our practical experience provides us with insights that help us assist our clients in achieving their legal goals.

In case you have any queries regarding this document or would like to inquire as to how we could serve you best, please feel free to contact our partners Dr. Navid Sato and/or Dr. Nima Nasrollahi via n.sato@elitepars.com and/or n.nasrollahi@elitepars.com.

LEGAL UPDATE: DECEMBER 2022

PROSPECTS OF IRANIAN ECONOMY IN 2023

According to International Monetary Fund (“IMF”), Iran’s Gross Domestic Product (GDP) will reach \$1.7 trillion in 2023 which is a 2% increase compared to 2022. The inflation rate on the other hand, is predicted to be 40 percent and as the same as the previous year. Furthermore, IMF expects that the budget deficit of the Iranian government reaches six % of GDP in 2023, which is 1.8 % higher than that of 2022.

The government’s total revenues and incomes will remain unchanged in the following year. However, the government’s non-oil income will increase from 7.4 % of GDP in 2022 to 7.5 % of GDP in 2023. Additionally, IMF predicts that the Iranian government's gross debt will settle at 31.9 % of the GDP this year. The foreign debt of Iran which was estimated to be 0.5 % in 2022, will remain the same according to the IMF data.

Lastly, as claimed by IMF, Iran's foreign currency reserves will reach \$42.2 billion which is a \$11.4 billion increase compared to Iran’s available foreign currency reserves which is \$30.8 billion in 2022. IMF has announced that Iran's foreign currency reserves are more than \$120 billion, but unfortunately, Iran has access to only a small part of these reserves due to the U.S. sanctions.

INVESTMENT ON NEW TRADE ROUTE BY IRAN AND RUSSIA

As reported by Bloomberg, Iran and Russia are investing around 20 billion USD to build up a trade route that connects eastern edges of Europe to the Indian Ocean. The route includes railway, auto routes and sea navigation (on Caspian Sea and rivers). The aim of this investment is creation of a route to counter the sanctions imposed by the West. As both countries are facing Western sanctions, they are inching closer with joint projects in transportation, oil and gas, and other sectors. Reaching to the Indian Ocean or “the Warm Seas” has always been a priority for Russia, and its importance has now increased with the emerging markets in Eastern Asia. Both Iran and Russia are looking eastward in order to counter the western sanctions. In order to gauge the viability of this route and realization of its intended benefits, one has to wait and see, as we are living in an era of geopolitical instability and shifts.

IRAN IRAQ MUTUAL COOPERATION IN MEDICAL AREAS

Health ministries of Iraq and Iran recently met in Iraqi capital, Baghdad and reached an agreement to boost medical cooperation between the two countries. Iraqi Minister of Health Salih Mahdi Motlab al-Hasnawi and his Iranian counterpart Bahram Einollahi agreed to form a bilateral committee to expand bilateral collaboration on procurement of medicines and medical equipment. Iranian Ambassador to Baghdad Mohammad-Kazem Al Sadeh also participated in the meeting.

This committee will be dedicated to treatment of patients, holding joint medical conferences, and training of medical and healthcare staff. Iranian health ministry officials have also mentioned that the joint committee will also be tasked with paving the way for collaboration of medical universities of the two countries as well as adoption of medical laws in support of healthcare system. Inauguration of branches of Iranian medical universities in the holy city of Karbala in Iraq is on the agenda of the committee.

It is worth mentioning that economic relations between Iran and Iraq are 12 times greater than Iran's economic relations with 27 member countries of the European Union.



Dr. Navid Rahbar Sato

Managing Partner

Dr. Navid Rahbar Sato is a founding partner and the managing director of Elite Pars Law Firm. He is a qualified international and domestic lawyer in the Iranian market with a primary focus on cross border transactions and oil and gas law. With several years of experience, he has extensive comprehension of the national, regional and international commercial legal systems. He also handles litigation and arbitration cases where he sets out the legal strategies and heads the team in the process. He particularly advises clients on energy law, foreign direct investment, incorporation, mergers and acquisitions as well as import and export regulations in the region including sanctions' compliance matters.

Navid holds an SJD from Washington College of Law and is a Vanderbilt LL. M. graduate of NYU School of Law and an International Trade Law LLM graduate of the American University of Washington D.C. He is an assistant professor at Shahid Beheshti University of Tehran. Navid speaks fluent Farsi and English, as well as basic French and Japanese.

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Dr. Nima Nasrollahi Shahri

Partner

Dr. Nima Nasrollahi Shahri is a founding partner at Elite Pars Law Firm and heads the energy, investment law and arbitration practices of the firm. He is a seasoned lawyer in the field of oil and gas and renewable energies and has advised major international oil companies with respect to their participation in Iranian oil and gas projects. He holds a PhD in International Investment Law and has completed the LL. M. program of University of Dundee in Petroleum Law and Policy. He has a long list of Persian and English publications and is currently the director of oil and gas law LL. M. program at the

University of Science and Culture in Tehran where he is now supervising several dissertation theses, mostly related to the same field as well as commercial arbitration. Nima regularly does pro bono educational activities. He speaks Farsi, fluent English and intermediate French and Arabic.

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Elite Pars wishes you a happy new year!



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