

ELITE PARS



Law Firm



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: MAY 2023

IRAN-IRAQ MOU ON SHALAMCHEH-BASRA RAILWAY

It has almost been two decades since Iran and Iraq are having continuous negotiations concerning the construction of the Shalamcheh-Basra railway in order to facilitate the transportation of travelers and to improve the mutual commercial relationships between the two countries. Even though the two countries had signed an MOU for the construction of the Shalamcheh-Basra railway in the Iranian calendar year 1390 (March 2011 - March 2012), the project is not yet commenced and has faced several difficulties. This pause was mostly because of lack of funds in Iraq and legal restrictions on providing access to land for Iran.

Eventually, on 07 May 2023, an MOU to officially start this project was signed by the heads of the railways of Iran and Iraq at the place of the Iranian embassy in Baghdad.

In an extensive meeting which lasted for around 6 hours, the parties discussed important details of the project such as the exact route of the railway line from Shalamcheh to the Arvand River and from the river to the relevant train station, the step-by-step schedule of the construction of the Shalamcheh-Basra railway line, including the timing of mine removal operations, the timing of the infrastructure and paving of the railway line from Shalamcheh to Arvand river, performing basic studies, etc.

By launching the Shalamcheh-Basra railway line, Iran will be connected to Jordan, Syria, and other neighboring countries in addition to

Iraq. This project is 32 km long and has an 880-meter lift bridge.

According to Seyed Miad Salehi, the head of the Islamic Republic of Iran Railways (known as RAI), if all the obligations of the Iraq side are fully performed, the operation period of the project is expected to commence within the next 2 years.

In spite of the former obstacles this project has faced, currently, the governments of the two countries seem quite determined to construct this railroad, which is described as a strategic event in the West Asia region.

IRAN AND INDONESIA; NEW HORIZONS TO PURSUE BY SIGNING THE PREFERENTIAL TRADE AGREEMENT

Following the official invitation of Indonesian President Joko Widodo, the president of Iran, Ebrahim Raisi will visit Jakarta between May 22 and 24 to expand the economic, political, and cultural relations between the two countries. As reported by the Indonesian Trade Ministry, Jakarta and Tehran have entered the final phases of their comprehensive negotiations on signing a bilateral trade agreement.

Iran and Indonesia had also been previously engaged in mutual commercial relations. Last year, the bilateral trade value between the two countries increased more than 23 percent which amounts to \$257.2 million. Indonesia has exported some major goods to Iran such as motorcycles, vehicle parts, fatty acid industrial monocarboxylates, and wood fiber while Iran's shipments to Indonesia as its counterpart mainly include dates, grapes, carbonates, and vegetable alkaloids.

Now, with Ebrahim Raisi's trip to Jakarta, it is highly expected that the Indonesia–Iran Preferential Trade Agreement (II-PTA) will be officially signed and the two countries will soon increase their mutual relations even more and enjoy the tremendous benefits resulting from the execution of this agreement.

A helpful mechanism discussed in the previous negotiations between Iran and Indonesia was a provision based on which the two countries will be entitled to pay for goods and services shipped by the other side in kind instead of making payment with money. Such a provision can increasingly promote the flow of trade between Iran and Indonesia in spite of the existing obstacles in securing common-used currencies in international trade, such as US dollars.

According to Ronny Prasetyo Yuliantoro, Indonesian Ambassador to Tehran, who has shown great interest in concluding the Preferential Trade Agreement, by signing the agreement, Iran will also be able to use Indonesia as a hub for marketing and exporting its products to the ASEAN countries and develop its commercial transactions with the countries of this region.

IRAN AND OMAN SOLIDIFYING FOUR COMPREHENSIVE AGREEMENTS TO FOSTER ECONOMIC AND ENERGY COOPERATION

In a significant development, Iran and Oman held high-level talks on May 28th to explore opportunities for advancing their economic ties. Led by Iranian President Ebrahim Raisi and the Omani sultan, the discussions aimed

to promote commerce between the two neighboring countries in the Persian Gulf.

During the productive meeting, four crucial agreements were signed, encompassing various areas of cooperation. These agreements focused on economic collaboration, investment, cooperation in free trade zones, and energy, reflecting the shared commitment to deepening their partnership.

President Raisi highlighted the evolving nature of Iran-Oman relations, which have expanded from trade to the investment level. The historical role of Oman as a key mediator between Iran and the West in times of regional volatility was also acknowledged. Just last week, Oman played a pivotal role in facilitating prisoner exchanges between Belgium and Iran through diplomatic channels.

Moreover, Oman's recent efforts in hosting talks between Iran and its regional rival, Saudi Arabia, resulted in a groundbreaking agreement to resume diplomatic relations after a seven-year rift. This underscores Oman's crucial role as a facilitator of dialogue and reconciliation in the region.

President Raisi emphasized the immense potential for cooperation between Iran and Oman across multiple sectors, including industry, trade, communications, defense and security, transportation, financial exchanges, and energy. Both nations recognize the importance of finalizing the establishment of a support fund to foster joint investments, a key point of discussion during their negotiations.

As the Omani ruler's visit to the Iranian capital continues, investment, oil, and gas-related matters will take center stage, demonstrating the significance attached to these areas by both parties.

While the volume of trade exchanges has witnessed a noteworthy doubling, it is acknowledged that there is still progress to be made in achieving the desired level of relations between Iran and Oman. The leaders of both nations are keenly aware of the untapped potential and are committed to further strengthening their bilateral and regional ties.



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.

Email: n.sato@elitepars.com



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.

Email: n.nasrollahi@elitepars.com



CONTACT US:

Tel. +98 21 22 01 6586

Fax. +98 21 22 01 8928

Email: Info@elitepars.com

www.elitepars.com

ADDRESS:

Second floor, 42 Soltani (Sayeh) St. Nelson
Mandela Ave. Tehran. 1967733818