

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: JUNE 2023

46% INCREASE IN TRADE VALUE BETWEEN IRAN AND QATAR IN THE NEW FISCAL YEAR

According to data published by the Islamic Republic of Iran Customs Administration, Iran's trade with Qatar witnessed significant changes in the fiscal year 2022-23, which ended in March. Although there was a decrease of 14% in terms of weight, the trade volume increased by 46% in terms of value. Furthermore, when measured in rials, the value of trade with Qatar experienced an impressive growth of 77%.

This notable surge in trade can be attributed to the substantial increase in Iran's imports from Qatar. Over the course of the last fiscal year, Iran imported goods worth \$84 million from Qatar, positioning Qatar as the 37th largest exporter to Iran during that period. It is worth mentioning that in the fiscal year 2021-22, Qatar held the 66th spot among Iran's exporters, with only \$9 million worth of exports to Iran.

These statistics indicate a remarkable shift in the trade dynamics between Iran and Qatar, highlighting the growing importance of Qatar as a trading partner for Iran. The increase in trade value underscores the significance of the products being imported from Qatar and their contribution to Iran's domestic market. This positive trend indicates a strengthening economic relationship between the two countries and opens up opportunities for further collaboration and growth in the future.

INCREASED PRESENCE OF IRANIAN COMPANIES AT TRADE FAIRS IN RUSSIA

The Director General of Russia's EXPOCENTRE, Alexey Vyalkin, has highlighted a significant increase in the presence of Iranian firms at Russia's business fairs. This development indicates Iran's strong desire to enhance its trade ties with Russia. Vyalkin made these remarks during a preparatory meeting preceding the second edition of the Tehran-Eurasian Economic Union (EAEU) exhibition.

Emphasizing the efforts to strengthen economic cooperation between Iran and Russia, Vyalkin mentioned that both countries have exchanged crucial trade delegations throughout the year. The Speaker of Russia's State Duma, Vyacheslav Volodin, also stated earlier that more than 60% of mutual settlements between Iran and Russia are conducted in rubles and rials. Volodin expressed the importance of actively utilizing national currencies in trade settlements, highlighting ongoing work to implement joint national payment systems. This approach aims to minimize the impact of sanctions and facilitate mutually beneficial cooperation.

Volodin further announced a notable 15% surge in trade between Iran and Russia in 2022, amounting to \$4.6 billion. He emphasized the significance of such growth in the face of sanctions pressure on both countries. To enhance their collaboration, Volodin urged a focus on improving the efficiency of financial and banking sectors, particularly by expanding the use of national currencies in trade exchanges and leveraging the Russian 'Mir' and Iranian 'Shetab' payment systems.

Overall, these developments signify the deepening economic ties between Iran and Russia, evident through increased participation of Iranian firms in Russian trade fairs, the expansion of trade volume, and the mutual efforts to strengthen economic cooperation despite external challenges.

IRAN AND THE EURASIAN ECONOMIC UNION (EAEU) ON THE VERGE OF FINALIZING FREE TRADE DEAL

By the end of this year, it is expected that Iran, Russia, and several other countries will be able to finalize and sign a free trade agreement that covers a significant portion of Eurasia, extending from Eastern Europe to China. Russian Deputy Prime Minister Aleksey Overchuk shared with TASS that they are making progress and have high hopes for the agreement's signing before the year concludes.

Overchuk had previously mentioned in May that the Eurasian Economic Union (EAEU) might reach a free trade zone agreement with Iran earlier than with other nations. Furthermore, Andrey Slepnev, the Trade Minister of the Eurasian Economic Commission (EEC), stated last month that the EAEU and Iran could sign the agreement for a free trade zone as early as this year.

The Eurasian Economic Union was established in 2015 with the joint initiative of the Russian Federation, Kazakhstan, and Belarus. Armenia and Kyrgyzstan later joined the Union. In 2018, Iran and the EAEU reached a preferential trade agreement, which currently applies preferential tariffs to around 862

commodity items. This agreement came into effect on October 27, 2019.

During the previous Iranian calendar year 1400 (ending on March 20, 2022), the trade value between Iran and EAEU members reached \$5.643 billion, indicating a 66% increase compared to the preceding year. Ruhollah Latifi, the former Spokesman of the Islamic Republic of Iran Customs Administration (IRICA), reported that the weight of Iran-EAEU trade during that year exceeded 13.127 million tons, reflecting a 51% increase over the previous year.

Iran's exports to the EAEU amounted to over \$1.170 billion, with a 3.5% increase in weight and a 12% growth in value. These statistics demonstrate the substantial growth and positive trade dynamics between Iran and the EAEU, indicating the potential benefits and importance of the forthcoming free trade agreement.



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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