

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: FEBRUARY 2025

AI-DRIVEN AND DIGITALIZATION PROJECT ANNOUNCED BY NATIONAL IRANIAN OIL COMPANY TO ENHANCE EFFICIENCY

At the Third National PetroTech Conference held on 23 February 2025, National Iranian Oil Company (NIOC) emphasized the commitment of a prominent national oil company to integrating artificial intelligence, particularly in reservoir management.

It was noted that a neighboring nation has successfully utilized AI for the management of over 25 percent of its oil fields, resulting in an increase in production of at least 80 percent. Optimism was expressed regarding the potential for similar initiatives to be implemented in the country. Despite the challenges and operational hurdles, an increase in oil and gas production over the past six months has been claimed, with crude oil exports reported to remain stable.

A digitalization project is being planned by the company, which will leverage advanced smart technologies. Experts and tech professionals are being invited to share their insights, and a formal announcement for collaboration with knowledge-based companies is expected to be made soon. The importance of international collaboration was also highlighted, with ongoing work mentioned in partnership with an Austrian university to integrate cutting-edge technologies.

Additionally, efforts to improve drilling efficiency are being focused on by the company, with long-term contracts prepared to be signed with firms capable of supplying onshore and offshore drilling rigs.

Currently, an average recovery rate of around 25 percent is reported for oil fields in the southern region, but it has been indicated that significant enhancements could be achieved through advanced technological solutions.

The challenges associated with implementing new technologies were acknowledged, with comments made about the struggles that many innovative firms face in operational execution. To address these issues, oversight of the implementation of these technologies in oil fields and operational test sites will be conducted by the company.

IRANIAN FREE TRADE ZONES EXPERIENCE POSITIVE TRADE BALANCES AMID EVOLVING POLICIES

In a recent report published by the Free Zones High Council, the data reflects an upward trajectory in exports from these trade zones over the specified period. While export figures have seen a notable increase, import patterns have also been influenced by prevailing economic and trade policies.

Total export values from the free trade zones surpassed \$1.085 billion, while imports, excluding machinery, reached approximately \$1.061 billion, resulting in a favorable trade balance of \$24 million. Certain zones have managed to capture a larger segment of international markets.

For instance, the Maku Free Trade Zone has been reported to achieve the highest trade surplus, generating nearly \$169 million in exports alongside \$37 million in imports, leading to a positive balance of \$132 million.

Moreover, the Qeshm Free Trade Zone showcased exports totaling \$257 million against imports of \$143 million, contributing to a surplus of \$113 million. Kish Free Trade Zone also demonstrated significant export figures, attaining surpluses ranging from \$28 million to over \$104 million.

It was noted that imports included a variety of goods such as raw materials, consumer products, and vehicles, with machinery imports excluded from the overall calculations.

Experts suggest that further enhancements to infrastructure, supportive policy implementation, and adjustments to governance frameworks could significantly boost export activity from these trade zones.

IRAN AND BRAZIL COLLABORATE WITHIN BRICS FRAMEWORK

As reported by the Central Bank of Iran (CBI), a significant agreement has been established following discussions between the CBI Deputy Governor and Brazil's Deputy Finance Minister, who currently chairs the BRICS Central Bank Deputies and Finance Ministers Meeting. This meeting took place against the backdrop of the recent BRICS summit in Cape Town, South Africa.

Brazil, in its role as the chair of BRICS, underscored the potential benefits of strengthening financial and banking cooperation among member nations through the use of national currencies. This strategic approach is viewed as a means to enhance the economic engagement of participating countries.

During the conversations, emphasis was placed on leveraging the extensive financial and trade potential existing between Iran and Brazil. The importance of enhancing both bilateral and multilateral monetary and banking collaboration was highlighted, particularly through the frameworks provided by BRICS.

The CBI Deputy Governor noted that the economic and trade capabilities inherent within Iran, Brazil, and other BRICS countries suggest that improved banking and financial cooperation could yield substantial benefits for trade relations in the near future.

The Brazilian Deputy Finance Minister acknowledged the need to fortify bilateral financial ties with Iran. She proposed the exploration of BRICS capabilities to innovate and develop new collaborative mechanisms in the banking and financial sectors, especially in light of the evolving landscape of global finance and banking systems.

Additionally, on the sidelines of the BRICS Central Bank Deputies' Technical Meeting, separate discussions were held with representatives from Russia, India, South Africa, and the United Arab Emirates. Throughout these discussions, Iran's commitment to expanding both bilateral and multilateral monetary and banking cooperation with BRICS members was reaffirmed.



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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