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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 2025

IRAN LAUNCHES MARITIME DEVELOPMENT ORGANIZATION TO OPTIMIZE MARITIME POTENTIAL

The development of a maritime economy, also known as blue economy, requires the optimal utilization of marine resources and economic opportunities to drive economic growth. While the potential of the marine economy is well-recognized in developed countries, in Iran, it accounts for only 2.5% of the country's gross domestic product (GDP). This figure encompasses all related activities, including fisheries, shipbuilding, offshore oil and gas, ports, and maritime transport. However, according to the country's macro-policies, this share is targeted to increase to 16%, requiring a 582% growth in the volume of activity over the next decade. This necessity underscores the critical importance of attracting financial resources and private sector investment.

Furthermore, Key factors such as investment in maritime transport industries, logistics, and the upgrading of port generations hold significant importance in the marine-based economy.

Considering the paramount importance of the marine economy, there was a clear need for a comprehensive document to guide policymaking and coordinate all relevant entities to collaborate in the maritime sector. The newly developed program, titled the "Executive Plan for Realizing Maritime Economic Policies," was established in accordance with the legal obligations outlined

in the Law on Permanent Provisions of the Country's Development Programs.

Over the past few months, expert and technical opinions have been received by the secretariat of this organization, and steps have been taken toward establishing the Maritime Development Organization.

This organization will undertake a governance role to coordinate and harmonize efforts among departments, with the aim of achieving objectives such as forward-thinking, addressing global competition and emerging maritime trends, and developing the country's maritime infrastructure through the creation of a unified roadmap aligned with the country's higher-level documents.

EURASIAN ECONOMIC UNION FORMED NEW TRADE STRATEGY WITH IRAN

The new framework for executing the free trade agreement between the five members of the Eurasian Economic Union (EEU) and Iran is established to develop direct cooperation between businesses in the EEU and Iran.

The Free Trade Agreement drives exceptional opportunities for economic actors to gain access to the free markets of both parties. Additionally, this framework establishes new channels for interaction and mutual understanding of rules and commercial practices in order to address critical issues faced by the EEU and Iran in their economic partnerships.

This strategy helps entrepreneurs in both parties to interact actively instead of hindering one another, resulting in a boost to



their initiatives and potential concerning foreign trade and access to a united market with a population of 250 million. In this regard, the EEU considers this new trade strategy a significant step in commercial collaboration with Iran.

Also, the current challenges with the EEU were discussed by Iran. First, the importance of finding practical solutions for establishing a joint mechanism between Iran and member countries for issuing certificates of origin and creating a system for issuing electronic certificates of origin was emphasized. Furthermore, logistic and transport problems, lack of mutual standards, difficulties in accessing updated commercial information, and linguistic disparities were also discussed.

To address the above-mentioned issues, nine solutions were suggested by Iran, including holding specialized meetings and training courses, strengthening logistics and transportation, coordinating and mutually recognizing standards, creating a shared commercial information platform, supporting networking and marketing, providing financial and advisory facilities, training and capacity building, strict implementation and simplification of rules of origin, and establishing a mechanism for resolving trade disputes.

The next assembly of the EEU will be held in Belarus in August with the participation of Iranian merchants.

29TH INTERNATIONAL OIL, GAS & PETROCHEMICAL EXHIBITION: OPENING NEW DOORS FOR INVESTORS

The oil industry is known as a main pillar of economic development. New flows in this sector require appropriate steps from Iran. In this regard, the 29th International Oil, Gas & Petrochemical Expo took place between 8 and 11 May to attract new capital for the revival of the oil industry.

More than 150 foreign companies and agencies from 14 countries actively participated in this exhibition. Their presence highlighted the growing importance of this area and underscored Iran's prominent role in the Energy Value Chain as well as its leadership in the strategic sectors of the oil industry.

The key motto of this exhibition was "Investment in the Oil Industry: A Guarantee for Economic Growth and Development," reflecting Iran's main policy regarding the oil industry. Hence, the 29th edition of the exhibition aimed to showcase opportunities for investment in oil and gas fields, exploration schemes, optimization projects, cutting-edge technologies, innovative capabilities within the Oil and Gas Value Chain, and to foster engagement with foreign investors.

Additionally, this year's exhibition hosted several conferences, workshops, and seminars concerning knowledge-based companies, startups, universities, and technology parks. In addition, new Iranian

equipment and products were also unveiled for the first time in these sessions.

Another initiative of this exhibition was activating an AI-powered online platform, a new opportunity that transformed the event into a global exhibition, enabling foreign visitors to engage with the organizers remotely.

It is significant to note that the 29th International Oil, Gas & Petrochemical Expo served as a symbolic link between the production sector, technology, investment, and economic diplomacy within Iran's strategic oil industry.

GOVERNMENT GUARANTEES ARE ISSUED TO SUPPORT PRIVATE SECTOR EXTERNAL FINANCING SCHEMES

In order to enforce Article 28 of Production and Infrastructure Financing Act enacted in 2024, the Ministry of Economic Affairs and Finance (MEFA) is authorized to issue government guarantees to enable foreign financing for private-sector economic projects. This measure not only covers domestic projects, but also supports exporters, international contractors, and Iranian investors active abroad.

To benefit from this support mechanism, MEFA has been authorized to back private sector projects subject to specific conditions, including verification of the project's technical and economic merits and obtaining credible guarantees from applicants to mitigate financial risks.

This measure has several consequences. Firstly, it reduces foreign investment risk by enhancing the credibility of private sector

projects through government guarantees. Through this measure, the projects' attractiveness to international financial institutions and investors' confidence in financial partnerships improve and perceived risk premiums for international financing decrease.

Also, it promotes foreign investment by Iranian entities for technology transfer and market penetration since it boosts Iran's economic engagement internationally. Furthermore, it enables financing for large-scale projects without pressure on the national budget, while simultaneously boosting job creation and GDP growth through economic initiatives.

This decision is a major step toward reducing reliance on government budgets and empowering the private sector to attract foreign investment. With proper utilization of this mechanism, the private sector could become the driving engine of Iran's economy despite sanctions and financial constraints.



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 sanction 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

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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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