

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: OCTOBER 2025

IRAN EXPANDS EXPORTS OF TECHNICAL AND ENGINEERING SERVICES TO IRAQ

In the first half of the current Iranian calendar year (March 21–September 22, 2025), Iran exported approximately USD 128 million worth of technical and engineering services to Iraq. Industry observers emphasize that this figure reflects a significant growth potential, with previous annual exports ranging between USD 300–400 million.

Efforts are underway to enhance Iran's capacity in the technical and engineering sector, aiming to capitalize on regional market demand and prevent competitor entry. Iraq's infrastructure projects, including numerous engineering and development initiatives, represent substantial opportunities for Iranian expertise. Knowledge-based technical services and engineering solutions remain areas with high growth potential.

To facilitate progress, a tripartite memorandum of cooperation was recently signed by Iran's Trade Promotion Organization (TPO), the Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA), and the Association of Exporters of Technical and Engineering Services. This framework establishes a joint committee to streamline export procedures, coordinate with financial institutions, and support contractors in regional projects.

Technical and engineering service exports are considered a strategic driver of sustainable economic development. By providing know-how, project management, and engineering

solutions, these services foster dependency in target markets while generating wealth and supporting regional development.

With coordinated institutional cooperation, strengthened legal frameworks, and targeted economic diplomacy, Iran is positioning itself to restore and expand its leadership in the regional technical and engineering services market, aiming for a potential target of USD 6 billion in annual exports.

IRAN–UZBEKISTAN TRADE TARGETS \$2 BILLION

Bilateral trade between Iran and Uzbekistan reached approximately USD 500 million in the previous year, with both countries pursuing a target of USD 2 billion annually. Recent exchanges between trade delegations have strengthened economic ties and identified opportunities across sectors including construction, petrochemicals, food, agriculture, and building materials.

Senior officials from both countries have emphasized the importance of enhancing transport and transit infrastructure, improving banking connectivity, reducing customs tariffs, and establishing direct commercial links to support expanded trade. The establishment of Uzbekistan's Trade House in Tehran is expected to facilitate ongoing commercial cooperation and investment opportunities.

A preferential trade agreement under negotiation is anticipated to further elevate bilateral trade volumes. Joint working groups are actively reviewing private sector capacities, investment opportunities, and

regulatory alignment to ensure smooth implementation and market integration.

Iranian and Uzbek stakeholders have highlighted the strategic advantage of Iran as a regional corridor connecting Central Asia to international markets, as well as the cultural, historical, and economic foundations that facilitate long-term cooperation. By coordinating public and private sector efforts, both countries aim to create a structured and sustainable framework for economic growth and regional trade integration.

LEGAL REFORM OF FREE TRADE AND SPECIAL ECONOMIC ZONES AFTER THREE DECADES

In a recent policy forum focused on investment and economic development in Iran's free trade and special economic zones, authorities announced the completion of a comprehensive legal reform package—finalized after thirty-two years—to modernize the operational framework of these zones and restore their original economic purpose.

This reform process, which followed extensive expert consultation and multiple joint sessions with representatives of the free zones, aims to address long-standing structural challenges. Key subjects reviewed include the application of value-added tax, the mechanism for returning collected taxes to the respective zone authorities, and several regulatory inconsistencies that previously limited the competitiveness of these regions. The updated legal framework is designed to equip the free zones with clear, predictable, and

incentive-driven regulations aligned with international standards for investment hubs.

The new policy direction emphasizes a return to the foundational objectives of free trade zones: facilitating investment, easing trade flows, and supporting export-oriented production. Decision-makers have underscored that free zones have the capacity to serve as strategic gateways for national economic growth by offering streamlined regulatory environments, targeted incentives, and improved infrastructure for business operations.

Several operational improvements have already been implemented as part of this broader reform agenda. Restrictions on vehicle imports into free zones—previously a major obstacle for investors and residents—have been lifted, enabling smoother logistics and commercial activity within these areas. The issue of double value-added taxation, which had imposed additional burdens on businesses, has also been resolved. Additionally, foreign exchange allocation for production units within free zones has been facilitated through coordinated efforts with financial authorities, eliminating the prolonged waiting periods previously reported by businesses.

Further measures are under review, including the removal of restrictions on importing vehicles above certain engine capacities. Legislative bodies are currently assessing these proposals, which—if approved—would

enhance the commercial environment and improve consumer access within the zones.

The reform initiative signals the beginning of a renewed phase of economic revitalization for free trade zones across the country. By aligning regulatory frameworks, strengthening financial mechanisms, and reaffirming support for private-sector participation, the new policies aim to restore investor confidence and position these zones as dynamic drivers of regional development and international commerce.

IRAN–TURKEY TRADE REACHES \$3.56 BILLION IN EIGHT MONTHS, WITH STRATEGIC INITIATIVES UNDERWAY

During the first eight months of the current Iranian calendar year, bilateral trade between Iran and Turkey reached approximately USD 3.56 billion, reflecting steady growth and robust economic engagement across multiple sectors. Both countries continue to identify avenues to expand trade in industrial goods, agricultural products, consumer commodities, and technology-driven services, reinforcing long-term commercial ties.

Authorities have underscored the importance of enhancing cross-border logistics, streamlining customs processes, and developing transport infrastructure to facilitate the movement of goods efficiently. Investments in joint transport corridors, warehousing facilities, and digital trade platforms are expected to reduce operational costs and improve predictability for exporters and importers.

Financial and banking channels are being strengthened to support trade finance and reduce transactional delays. Stakeholders are exploring mechanisms to simplify cross-border payments, provide credit support for exporters, and offer structured financial instruments to mitigate commercial risks. Such measures aim to create a more secure and transparent trade environment, fostering confidence among regional and international investors.

Strategic collaboration also includes industrial partnerships, joint investment projects, and regulatory alignment to remove barriers for exporters and facilitate long-term market access. Both countries recognize the potential of leveraging complementary industrial capacities, technological expertise, and regional market positions to enhance trade volumes and diversify export portfolios.

The trade framework is further supported by legal and institutional coordination, including adherence to bilateral trade agreements, preferential tariffs on selected commodities, and harmonized standards for industrial and agricultural goods. These initiatives create a sustainable foundation for non-oil trade, supporting broader economic resilience and regional integration.

By aligning infrastructure development, regulatory facilitation, and private sector engagement, Iran and Turkey are positioning themselves to achieve a more resilient and mutually beneficial trade relationship. This approach not only aims to increase annual trade volumes but also strengthens the framework for investment, knowledge



transfer, and economic diplomacy in the region. The current trajectory suggests potential for further expansion in the coming years, particularly in high-value goods, industrial cooperation, and technology-driven sectors.



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