

IN THE NAME OF GOD

**MINUTES  
OF THE FOURTH SESSION OF THE IRANIAN-RUSSIAN  
WORKING GROUP FOR INDUSTRIAL COOPERATION  
OF THE PERMANENT IRANIAN -RUSSIAN COMMISSION  
FOR TRADE AND ECONOMIC COOPERATION**

Astrakhan

October 26, 2017

On October 26, 2017, the Russian Federation (Astrakhan) hosted the 4<sup>th</sup> meeting of the Iranian-Russian Working Group for Industrial Cooperation of the Permanent Iranian-Russian Commission for Trade and Economic Cooperation (hereinafter - the Working Group).

the Iranian delegation was headed by Deputy Minister of Industry, Mines and Trade of the Islamic Republic of Iran M. Khosrowtaj and The Russian delegation was headed by the Deputy Minister of Industry and Trade of the Russian Federation G.V. Kalamanov,

The Parties agreed to further strengthen of Iranian- Russian industrial cooperation.

The Parties agreed to further develop Roadmap for 2016-2020 between the Ministry of Industry Mines and Trade of the Islamic Republic of Iran and the Ministry of industry and trade of the Russian Federation

**1. Aircraft Industry**

1.1 The Russian Party noted the interest of Russian Helicopters, JSC in the cooperation with state bodies and private air companies of Iran in terms of supplying civil helicopter and organization its after-sale service.

The Russian Party noted the readiness to discuss different areas of cooperation, including supplying new helicopters based on various financing schemes, training of flight technical personnel, organization of supplying spare parts and documentation.

1.2 The Parties recommended for Russian Helicopters, JSC and The Industrial Development & Renovation Organization of Iran to conduct negotiations with a view to determining further steps to develop cooperation within the Memorandum of Understanding signed between the companies.

### **1. Mine and Metallurgical Industry**

2.1 The Iranian Party noted the interest and readiness of the Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO) to make a joint sub-working group for Mines, Mining and Metallurgical Industries to develop mutual cooperation in order to realize and implement different projects. The Iranian Party suggested the following projects to be considered and discussed under the metallurgical sub working group:

1- Kohnoj Titanium Project to produce 130/000 tons of titanium concentrate and 70/000 tons of slag annually with 260 million Euro investments

2- Petroleum Coke project to produce 172/000 tons of Petroleum Coke and Refinery products annually with 929 million Euro investments.

3- Zarshoran Gold project with capacity of 5 tons annually Gold production annually with 40 million Euro investment

4- Persian Gulf Alumina Project to produce 800/000 tons of Alumina Powder annually with 938 million Euro Investment

5- Guinea Bauxite Mine Project to produce 5 million tons of Bauxite

annually with 715 million Euro investment

The Iranian Party will send additional information about these projects to the Ministry of industry of Russia and trade of the Russian Federation through diplomatic channels as soon as possible.

2.2 The Russian Party noted the interest of PAO Severstal in supplying of rolled steel to I.R.Iran. The Iranian Party noted that PAO Severstal had already supplied slabs, hot-rolled and cold-rolled products, galvanized and dynamo steel to more than twenty clients from I.R.Iran.

2.3 The Russian Party informed about the interest of JSC "VO "Tyazhpromexport" to participate in the development of the Iranian metallurgy sector through building new metallurgical ironworks operating using Romelt technology, as well as reconstruction, renovation and expansion of existing production facilities.

2.4 The Iranian Party noted the readiness of the Iranian Mines and Mining Industries Development and Renovation Organization to develop cooperation with Russian companies in the field of joint production and/or know-how transfer on graphite electrodes, exploration and discovery of natural resources in the joint production of aluminium and steel.

2.5 The Iranian Party informed about the readiness of Esfahan Steel Co. to purchase equipment and spare parts for the development of iron melt lines, as well as hard coal if a commercial loan is provided.

### **3. Building Materials Industry**

3.1 Both Parties agreed to establish a sub-group for development of cooperation in the building materials industry within the framework of the Working group in order to expand cooperation in the building materials industry. Both parties agreed to discuss within the framework of this sub-

group the issues related to building materials.

Both Parties agreed to exchange the list of participants and determine the dates of the first meeting of sub-group up to the end of April 2018 through diplomatic channels.

#### **4. Power Engineering**

4.1 The Russian Party noted the interest of PJSC "Power Machines" to participate in the construction projects in energy sector of I.R.IRAN.

4.2 The Parties agreed to clarify the list of prospective projects (Sahand TPP Project, Shahid Mohammad Montazeri TPP Modernization Project, Ramin TPP, MontazerGaem TPP, Bender-Abbas TPP, Tabriz TPP Construction Project, Desulfurization Systems Installation Projects Shazad, ShahidRajai, Ramin, ShahidSalimi (Neka), Hydroelectric Plant Construction Project, Substation Construction Projects and Power Transmission Line Construction Projects) as well as determine the source of their financing.

4.3 The Parties welcome the joint technological cooperation in localization of megawatt scale Wind turbines and high- performance solar panels in the field of renewable energy between the General Secretary of Energy Technology council of Vice Presidency for Science and Technology and the Russian determined organizations.

#### **5. Equipment of Oil and Gas Industry**

5.1 The Parties support the further development of cooperation between United Engine Corporation (UEC), JSC, and Oil Turbo Compressor in the field of the gas pumping plants (GPP) supplies on the basis of the Gas-turbine engine AL-31ST with subsequent localization of production of this equipment in the Islamic Republic of Iran by using export financing instruments.

## **6. Automotive and Railway Industry**

6.1 Research and Production Corporation United Wagon Company (RPCUWC), PJSC, and the Ministry of Industry, Mines and Trade of Iran emphasized the need to implement agreements reached earlier in the contract on the construction of wagons, including the issuance of licenses for the import of 1,100 ready-made freight wagons as part of the project of product localization in Iran and 4900 freight wagons in PLB at the same time according to the schedule of the contract.

6.2 The Russian party informed that JSC Research and Production Corporation "Uralvagonzavod" is interested in further cooperation with Iranian companies for localization and transferring technology of freight wagons by using Russian Finance in I.R.IRAN.

6.3 According to the Shareholders Agreement dated July 31st 2017, and Wagon Pars Takeover Agreement (1&2) dated 25th July and 11th December 2017, Industrial Development and Renovation Organization of I.R.Iran (IDRO) and Transmashholding (TMH) of Russia agreed to conduct the joint activity on Rolling Stock Projects (with emphasis on metro cars project) in I.R.Iran and the Middle East on exclusive basis through maximize the localization and transferring the necessary technology to I.R.Iran. TMH and IDRO are committed to takeover Wagon Pars manufacture for their joint projects.

The parties support the previous agreement regarding the implementation of the IDRO-TMH joint project by using Russian commercial credit.

6.4 MAPNA Group is interested in the cooperation with Locotech Global Trading LLC of the Russian Federation in projects of overhaul and modernization of diesel-electric locomotives by using Russian financing.

The parties welcomed and noted the cooperation of Russian companies with MAPNA Group Company for implementation of electric railway projects (EPCF Projects) in I.R.Iran and join manufacturing and localization of rolling stock.

6.5 The Parties welcomed the joint work of PJSC KAMAZ and Taymaz Khodro Azarbaijan to resume cooperation according to the conditions of the signed contract.

6.6 The Russian party noted that UAZ LLC expected to undergo the additional certification as soon as possible that was requested by Tavan Khodro Jey co., at the end of January 2018.

UAZ LLC and Tavan khodro Company regarding to previous contract will continue their cooperation until establishing production and assembly line in I.R.Iran by using Russian export financial instruments.

6.7 Russian Party informed about the interest of the other Russian companies in cooperation with Iranian partners in the field of automotive industry.

6.8 The Iranian Party noted the interest of Iran Khodro in establishing cooperation with Russian automakers, including in implementing the project on complete knocked-down assembly of its new models in Russia.

## **7. Radioelectronic Industry**

7.1 The Russian Party informed Iranian party about JSC Concern "Almaz-Antey" interest to develop cooperation in the modernization of the technical means of the Iranian air navigation system, in the field of Russian modern air traffic control systems, communications equipment, navigation and surveillance systems, complexes, etc. to I.R.Iran

7.2 The Russian Party noted the willingness of Azimut JSC to participate in projects for equipping with the means of air traffic management, navigation, surveillance and communication of civil airfields on the territory of the Islamic Republic of Iran.

7.3 The Iranian Party will assist in organizing negotiations for Russian companies on the two mentioned issues above in the Islamic Republic of Iran.

### **8. Chemical and Cellulose Industry**

8.1 The Iranian Party informed about the readiness of petrochemical companies to establish cooperation with Russian companies in export of petrochemical products.

The Parties agreed to exchange information on petrochemical projects.

8.2 The Iranian Party took note of the information of the Russian Party regarding the interest of Kuibyshev Azot PJSC to export caprolactam and nylon to the Islamic Republic of Iran. The Iranian Party expressed the readiness to export various types of paints and coatings used in industry, construction and automobile and any kind of putty to the Russian Federation.

8.3 The Russian Party informed about the interest of Uralplast, LLC, in organizing the joint production of chemical reagents for the oil and gas complex used in the extraction, transportation and refining of oil and oil products on the territory of the Islamic Republic of Iran.

8.4 The Russian company Shebekinskaya Industrialnaya Khimiya, LLC, expressed the willingness to cooperate with Iranian companies in the field of chemical materials for the leather and fur industry, as well as reagents and drilling fluids for the oil and gas industry.

8.5 The Iranian Party took note of the information of the NGO "Union of Plastic Processing Plants" regarding the interest of Russian plastics processors in purchasing Iranian petrochemical products for its further processing.

8.6 The Russian Party expressed the interest of Halo Polymer, JSC, in providing the required volumes of difluorochloromethane and polytetrafluoroethylene to the Iranian organizations. The Iranian Party (Trade Promotion Organization) undertook to assist HaloPolymer, JSC in the search for potential partners.

8.7 The Iranian Party took note the information of the Russian Party regarding the procedure for registration of pesticides and agrochemicals and undertook to send the necessary information to Shchelkovo Agrohim, JSC.

8.8 The Iranian Party Proposes to establish a sub-group within the framework of the Working Group to expand cooperation for the supply of raw materials including wood (logs, round wood and chips) and pulp (bleached and unbleached) required for Iranian wood and paper industrial sector.

The Iranian party informed about the readiness to initiate cooperation in order to facilitate the import of wood with bark to I.R.Iran through knowledge transfer regarding the global regulations of quarantine and antiseptic procedures for the import of the last mentioned.

The Iranian party noted the interest of "Association of I.R.Iran wood Industries Employers" in:

Readiness to import a minimum volume of 2 million m<sup>3</sup> per annum wood from Russia including round wood, logs and chips, the latter mainly of Birch specie, half of which not to be processed.



Long term rent of 100,000 hectare forest within Russian territory in close proximity to Iran with suitable growth and productivity condition.

Acquiring a land area of 20 Hectare in the Port of Astrakhan in order to set up a wood processing unit.

The Iranian Party informed about the interest of "I.R.Iran Paper & Board Manufacturers Syndicate" in purchasing 150,000 tones of long and short fiber pulp.

The Iranian Party noted the readiness of "I.R.Iran Cardboard and Sheet Industrial Managers Association" to purchase 50,000 tones of bleached and unbleached kraftliner paper.

8.9 The Iranian Party is interested in the transferring of Know-how for the production of chemical pesticides by the Russian Party in the form of cooperation with the private sector. The Russian Party is ready to introduce AO Avgust company for possible cooperation in the field of chemical plant protection products.

## **9. Agricultural Machinery and Food Industry**

9.1 The Parties noted that Rostselmash Combine Plant, LLC and Dehghan Varz Agri Machinery Co. agreed to organize the assembly of combine harvesters of the 3<sup>rd</sup> and 4<sup>th</sup> class at the production facilities of Dehghan Varz Agricultural Machinery Co.

9.2 The Parties welcomed the agreements of SKESS Corporation, LLC and Kaveh Port and Marine Services Company to continue the implementation of the project for the supply and installation of equipment for two silos with a total capacity of 200,000 tons in I.R.Iran.

## 10. Pharmaceutical industry

10.1 The Parties welcomed cooperation between Russian company "SIA Active Pharmaceutical Ingredients" (SIA API LLC) and Iranian Holding Danesh Kimiya Pharmed Co. (DAKPHA) regarding implementation of projects concerning localization of Iranian active pharmaceutical ingredients (API) and finished dosage forms on the territory of the Russian Federation.

The Iranian Party noted the DAKPHA's readiness to meet and train specialists of PAO Pharmsintez (Saint Petersburg), a partner of SIA API LLC in these projects, in April—May, 2018 for the implementation of previously scheduled transfer of know-how and production technologies and quality control analysis of Capecitabine, Nitizinin, Bozentan and Deferasirox pharmaceutical ingredients.

10.2 The Parties consider previous agreement concerning registration and sales of Russian Diaskintest® medication produced by GENERIUM Joint-Stock Company (Russia) (recombinant standard reconstitution allergen of tuberculosis) in I.R.Iran.

The Iranian Party informed that the medication has been successfully registered in I.R.Iran and a complex of necessary measures for the purpose of future usage of the medication in I.R.Iran is being taken now.

The Parties will consider the possibility of transfer of the medication production technology of Diaskintest® on the territory of the Islamic Republic of Iran.

The Iranian Party expressed its readiness to transfer production technologies of Russian High-Tech pharmaceuticals, Russian GENERIUM JSC and Iranian BioSun Pharmed Co. entered into the Memorandum of understanding for cooperating in the area of biopharmaceutical products.

The parties agreed to develop long-term and mutually profitable cooperation in these areas.

10.3 The Iranian company Pooyesh Darou biopharmaceutical expresses its readiness and capability for manufacturing and transferring technology of recombinant and High-Tech medicines including: Growth Hormone, Erythropoietin and Triptorelin with Russian companies on the territory of the Russian Federation.

10.4 The Iranian Party informed that CinnaGen Pharmaceutical Group is capable to perform technology transfer of biologic medicines, such as monoclonal antibody, recombinant protein and High-Tech medicines from early to late stages of technology also as they have managed to obtain Russian GMP, they are ready to export them as finished products to Russia.

## **11. Other Areas of Cooperation**

11.1 The Parties welcomed the participation of Iranian companies in the implementation of infrastructure projects in the territory of the Special Economic Zone "Lotos" in the Astrakhan Region.

11.2 The Iranian Party requested the Russian Party to support purchase of Iranian goods by Russian retail chain and the Iranian Party will invite Russian delegation of chain stores managers.

11.3 Both Parties expressed hope with the opening of the Iranian business house in Astrakhan and expressed their interest for the establishment of a permanent Iranian marketing centre in Moscow.

11.4 Both Parties agreed to take further steps for developing banking relations.

11.5. The Iranian Party is interested to get more space and capacity in the port of Astrakhan to unload Iranian ships and building of multi-purpose

terminals for Iranian goods. The Russian Party is ready to consider these issues and inform the Iranian Party about the results.

11.6 The Parties, while expressing their satisfaction with the negotiations of the temporary preferential trade agreement with the Eurasian Economic Union, urged acceleration of the final agreement.

11.7 Both Parties welcome opening of arbitration centers by chambers of commerce of two countries.

11.8 The Iranian Party announced the interest to attract Russian investors for establishing a company specialized in packaging of agricultural and food export products in accordance with the Russian standards and regulations.

11.9 The Iranian Party informed about the interest to develop cooperation in the field of Halal export products from Iran and to establish Halal Office in Moscow.

11.10 The Iranian Party proposed to consider the possibility of concluding an Agreement on the transition to settlements between countries in national currencies with the Russian Party.

11.11 The Parties agreed to consider in the forthcoming action plan on the use of World Skills standards in training system items regarding the development of human resources of high-tech companies, including:

a) Joint work on the involvement of industrial enterprises from both countries in participation in industry and corporate Competitions based on World Skills standards;

b) Joint activities on the expansion of the number of Eurasian enterprises participating in World Skills Hi-tech Competition.

c) Joint work on the development of a coherent agenda regarding the request for skill development in new and transforming professions and the

implementation of proactive staff training programs;

d) Joint activities on the comparability and recognition of skills to develop technological cooperation between the economies of both countries;

e) The Iranian Party to consider joining the macro regional cooperation World Skills Eurasia.

The Parties agreed to specify the venue and the date for the 5<sup>th</sup> session of the Working Group through diplomatic channels.

The minutes of the 4<sup>th</sup> session of the Working Group is signed in two equal copies, each in English.

**Chairman**  
**of the Iranian part of the**  
**Working Group, Deputy Minister**  
**of Industry, Mines and Trade of the**  
**Islamic Republic of Iran**

  
**M. Khosrowtaj**

**Chairman**  
**of the Russian part of the**  
**Working Group, Deputy**  
**Minister of Industry and Trade**  
**of the Russian Federation**

  
**G. Kalamonov**