جایی که خواهیم بود

TBY talks to Dr. Abdolrahim Kordi, Chairman of the Board & Managing Director of Chabahar Free Trade – Industrial Zone Organization (CFZO), on 25 years in business, competitive advantages, and plans for the future.

BIOGRAPHY
Abdolrahim Kordi was born in 1979 and is an economist specialized in developing economics. He has worked as an expert in country planning and the budget department. He then moved to the private sector, where he worked mainly in the areas of investment and economic consulting. In 2015 he was appointed to the Board of Directors of CFZO and as Deputy Managing Director for Economic and Investment Affairs. In 2016 he was appointed as Chairman of the Board of Directors and Managing Director of the organization.

This year marks the 25th anniversary of CFZO. How do you assess its contribution to the internationalization of Iran over this timespan?

This is indeed the 25th year of CFZO, but we are at a turning point in our existence. In the past, Chabahar was only a free zone with the goal of providing services and infrastructure for the member societies under Chabahar. We supported employment and small businesses in the region; today, the

perspective of Chabahar has truly changed. The Supreme Leader of Iran has prioritized the development of the Mokran shores, a huge project in the region. In addition, the government focuses on development of the east and south of Iran, and Chabahar lies at the crossroads of these two areas. After the lifting of sanctions, the international community can again use Chabahar to connect East Asia to CIS countries and Eastern Europe. In the future, Chabahar will be an increasingly important connection point for the entire world that will link the important markets of South and Central Asia, CIS countries, and Africa.

What are your competitive advantages over other free zones?

The most important free zones today are all active in the Persian Gulf region. However, instability concerns have made investors change their minds and they now seek alternatives. We are the only important free zone outside the Persian Gulf region, which is an important advantage. There are certain free zones in the south of the Gulf of Oman; however, these do not have the market behind them that we have. The main advantage of Chabahar is that it is the easiest, fastest and safest way of connecting CIS countries and Afghanistan to free waters. Traders can benefit from our location and reduce the costs of transportation.

How do you assess plans to improve land transportation routes from Chabahar?

Due to policy changes, the focus for the development of Iran is now on the east of the country. The starting point is Chabahar, and from here connections with Turkmenistan and CIS countries to the north of Iran will be improved. The first step in infrastructural development is the port of Chabahar, which is perhaps the most vital construction project in Iran today. In the last four years the capacity of the port has increased from 2.5 million tons per year to 8.5 million tons currently. In the next 10 years it will reach 85 million tons and become the largest port in the region. The first phase is almost complete and planning is underway for the second phase. For the development of phases three to five, we are negotiating with different companies and countries. The railway link from Chabahar to Zahedan, on the border with Afghanistan, is already 20% completed, and the next step is to link this railway from Zahedan to Mashhad. The whole project will vastly reduce transportation time to CIS countries and, hence, costs. It will change the rules of the game.

What is your outlook for the year ahead?

We concentrate on production line development and seek to complete the chain of products in the different fields that we have focused on. SMEs that are labor and energy intensive in particular have

great prospects for developing production chains in Chabahar, since we have skilled labor and cheap energy. In the next year we expect to complete production chains for petrochemicals, steel, food processing, and especially the fishing industry. Moreover, we expect to make progress with the development of hotels, housing, and entertainment facilities to attract more investors to Chabahar. Rules and regulations within free zones in Iran conform to WTO standards, and there are no adjustments that need to be done. Chabahar is a gateway to four continents and 1.5 billion consumers. Investors also get added value in the form of rebates from customs duties. Investors that export their goods to the mainland can enjoy exemption from customs duties to the added value thereof in the free zone. If they transport their goods via Chabahar they receive discounts on road tolls and cheaper fuel. One of Iran's advantages is the price of energy, and investors seeking markets in this region cannot find a better place than Chabahar in terms of costs. We also plan to develop our infrastructures through PPPs.

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