

# COUNTRY PROFILE: Iran

## Official Name: Islamic Republic of Iran



### Country Context

Iran's economy is a mixture of central planning, state ownership of oil and other large enterprises, village agriculture, and small-scale private trading and service ventures. Iran has abundant petroleum and natural gas resources, large agricultural, manufacturing and services sectors and a well-educated population. Approximately 85% of Iran's industry is state-owned. Iran's economic and political prospects have deteriorated significantly since the beginning of 2001, primarily because of the escalating confrontation between hard-line conservatives and liberal reformists that coincided with the run-up to the recent presidential elections. President Khatami easily won re-election for a second term in power, and his mandate for reform was strengthened by the magnitude of his victory. The greater political and economic openness urged by Khatami would help develop the institutional structures of government that have been absent under previous regimes. Nevertheless, as the fiscal cushion created by last year's windfall oil revenues evaporates, it will become more difficult to move forward with economic reforms.

### General Description

<b>Total Area (Sq Km)</b>	1,648,000
<b>Capital</b>	Tehran
<b>Other Principal Cities</b>	Mashad, Isfahan, Tabriz, Shiraz, Ahvaz
<b>Official Languages</b>	Farsi
<b>Literacy Rate</b>	Male: 78.4%, Female: 65.8%
<b>National Currency</b>	Rial
<b>Noon in Toronto (EST)</b>	8:30pm in Tehran
<b>Daylight Savings Time</b>	Yes, from late March to late September

### Demographic Information (2001)

<b>Population (mil)</b>	69.1
<b>Population Growth</b>	2.0%
<b>Life Expectancy(2000)</b>	69.7 Years at Birth
<b>Age Distribution (2000)</b>	0-14 Years: 34% 15-64 Years: 61% 65+ Years: 5%
<b>Size of Middle Class (mil)</b>	9.7
<b>GDP per Capita (Nominal US\$ PPP)</b>	5,086

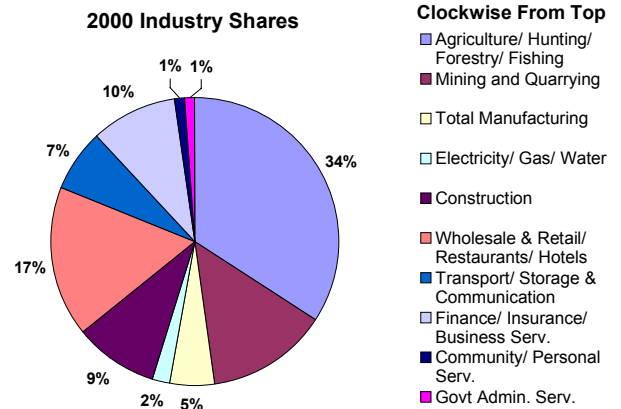
### Economic Information (historical & forecast)

	2000	2001	2002
<b>Gross Domestic Product (1997 US\$ PPP, bil)</b>	331.4	334.0	347.3
<b>Real GDP Growth</b>	4.1%	0.8%	4.0%
<b>Import Forecast</b>	18.3%	-7.3%	9.3%
<b>CPI Inflation</b>	35.4%	27.3%	17.5%
<b>Unemployment Rate</b>	18.1%	21.7%	24.9%
<b>Exchange Rate (Local Currency per US\$)</b>	10,670	11,314	11,772

### Political System

<b>Type of Government</b>	Theocratic Republic
<b>Country Leader</b>	President Mohammad Khatami
<b>Governing Party</b>	Unofficial alliance: Islamic Iran Participation Front (IIPF)

### Economic Structure



<b>Industry Growth Rates</b>	2000	2001	2002
Agriculture/Hunting/Forestry/Fishing	4.6%	4.4%	5.0%
Mining and Quarrying	4.5%	3.7%	3.8%
Total Manufacturing	10.5%	3.6%	3.9%
Electricity/Gas/Water	6.4%	6.1%	6.0%
Construction	5.9%	5.9%	4.6%
Wholesale & Retail/Restaurants/Hotels	3.4%	2.8%	3.2%
Transport/Storage & Communication	5.6%	5.2%	5.2%
Finance/Insurance/Business Services	6.7%	6.3%	6.2%
Community/Social/Personal Services	5.7%	5.2%	4.5%
Government Admin. Services	5.7%	5.1%	4.3%

### Business Practices

#### Visa, Passport and Other Requirements

Passport: Required

Tourist Visa: Required

Business Visa: Required

Other Requirements: Travellers must present a yellow fever vaccination certificate.

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**Travel Advisory:** Canadians should be proceed with caution when travelling to the areas of Kerman and the Sistan-Baluchistan provinces. There have been a few instances of foreign kidnappings in the areas. Canadians should also note that travelling in sensitive border areas might draw attention from local security forces or might be unsafe. Please contact the Department of Foreign Affairs and International Trade (DFAIT) before travelling.

For information regarding health risks, please contact the Department of Foreign Affairs and International Trade (DFAIT) before travelling. See contact information below.

### Business Holidays

Fixed Holidays:

- Feb. 11 - Revolution Day
- Mar. 20 - Day of Nationalization of the Oil Industry
- Mar. 21-25 - Noruz
- Apr. 1 - Islamic Republic Day
- Apr. 2 - Public Outing Day (Sizdah-bedar)
- Jun. 4 - Demise of Imam Khomeini

Moveable Holidays:

Muslim Holidays

(As Muslim holidays are based on the country's sighting of the lunar phases, the dates may vary by a few days.)

- May 22, 2001 - Death of the Prophet
- Jun. 4, 2001 and May 25, 2002 - Prophet's Birthday
- Oct. 15, 2001 - Lailat al Miraj (Ascent of the Prophet)
- Nov. 17, 2001 - Ramadan Begins
- Dec. 16, 2001 - Eid Al Fitr (End of Ramadan; 3-4 days)
- Feb. 23, 2002 - Eid Al Adha (Festival of Sacrifice; 3-4 days)
- Mar. 15, 2002 - Islamic New Year (Hijra)
- Mar. 24, 2002 - Ashoura
- Oct. 1, 2001 - Birth of Imam Ali
- Nov. 1, 2001 - Birth of Imam Mahdi
- Dec. 7, 2001 - Martyrdom of Imam Ali

### Normal Business Hours

Business Hours: 8:00am-4:00pm, Sat.-Wed.; some 9:00am-12:00pm, Thurs.

Banking Hours: 8:30am-4:00pm, Sat.-Wed.; 8:30am-12:00pm, Thurs.

Government Hours: 8:00am-2:00pm, Sat.-Wed.; 8:00am-1:00pm, Thurs.

Retail Hours: 9:00am-1:00pm and 4:00pm-8:00pm, Sat.-Thurs.

Notes: Based on the Muslim prayer schedule, restaurants and shops may close for approximately one-half hour, five times a day.

### Relevant Business or Cultural Practices

Exchanging business cards is normally restricted to senior people. Punctuality should be respected. Women can do business with men, however, women and men should not shake hands or have physical contact in public.

Business relations in Iran are highly personal in nature and several preliminary meetings may be required to develop the trust necessary to continue discussions.

Social amenities are important; generally business will not be addressed until there are inquiries about one's health and family, as well as other small talk. The exchanging of gifts is not uncommon in business dealings. Usually pens, pins, books or small souvenirs of either your company or of Canada are appreciated.

English is widely used in business and government circles.

Standard attire for men is a conservative suit, with long-sleeved shirts. Iranian men, particularly government workers, do not wear ties. Women in public must be modestly dressed. Even though standards tend to be less strict for Western visitors than for locals, modest dress is still required by law and by social custom.

### Advisory

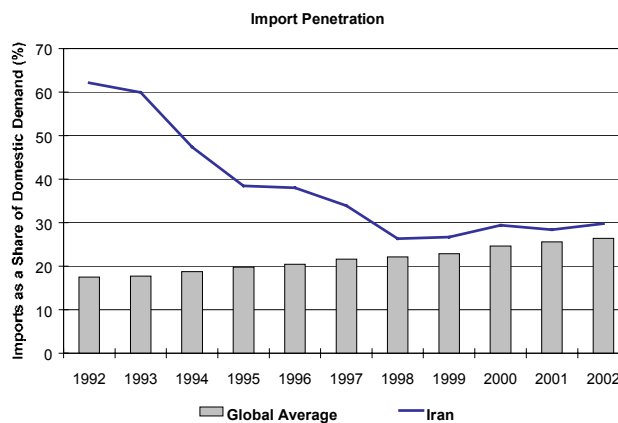
It is important to respect the laws and customs of Islam when travelling to Iran—especially relating to dress, behaviour, and the prohibition of drugs and alcohol. Women should also note what is considered appropriate dress—such as wearing a headscarf.

### Trade Policy

Most Canadian goods being exported to Iran do not require an export permit. However, where exports involve sensitive technologies or possible military applications, exporters should consult the Department's Export Control list on the Internet at [www.dfait-maeci.gc.ca](http://www.dfait-maeci.gc.ca) or call the Export Controls Division. Because the United States has an embargo against Iran, Canada does not allow the re-export of US-origin goods from Canada to Iran. Companies who wish to export goods to Iran that have American content should contact the Export Controls division to see about obtaining an export permit.

The United States has eased the implementation of the Iran-Libya Sanctions Act (ILSA), effectively removing the threat of punitive sanctions on companies that invest in Iran's energy industry. There is strong international opposition to third-country sanctions.

Import penetration in Iran has dropped significantly from the early 1990s. It will continue to remain below 30% in the near-term—which is still above the global average.



### Financing

**Export Development Corporation (EDC)** offers a full range of export credit and insurance services to assist Canadian exporters of all sizes. To assist the unique needs of Canada's small and medium sized companies, EDC's SME Financial Services Team focuses on finding fast and simple financing solutions that can help smaller Canadian exporters capitalise on opportunities. They can be reached at 1-800-850-9626.

**Letters of Credit:** For Canadian exporters who are receiving payment for their export sales via irrevocable letters of credit (ILCs), EDC's Documentary Credits Insurance policy (DCI) supports exporters through insurance policies issued to financial institutions (policyholders).

The DCI policy insures against non-payment by the foreign bank thereby allowing financial institutions to process ILCs in markets where they may have limited appetite or are unwilling to take the risk on their own account. This facilitates ILC confirmations and the advancement of funds to the exporter. The DCI policy does not cover losses involving non-payment as a result of documentary disputes between the policyholder and foreign banks.

By reducing the risk of non-payment, the DCI coverage for the exporter's bank can help Canadian companies expand their business and sell into more markets. It allows exporters to spend more time on business development while their bank, as the policyholder, handles most of the administrative work. It improves an exporter's cash flow, as the bank may be prepared to discount ILCs knowing that payments are EDC insured. Also, the bank may be more favourably inclined to confirm ILCs received from the foreign buyer's bank.

Exporters can find out more details by contacting their bank's trade finance operation or the EDC at [www.edc.ca](http://www.edc.ca); toll free at 1-888-332-0971; or by fax 1-613-598-3055.

Canadian Commercial Corporation (CCC) can facilitate access to commercial sources of pre-shipment financing for export sales

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through the Progress Payment Program (PPP) for small and medium-sized enterprises (SMEs).

This program, offered jointly with 19 Canadian financial institutions is designed to overcome a common difficulty for smaller exporters in accessing working capital for their export contract. Most lenders have had the frustrating experience of having to turn down a good client who simply does not meet all their criteria on a particular export project. The result can be a lost customer for a financial institution and a missed export sale for you. CCC's Progress Payment Program bridges that gap.

For further information and to find out if your company is eligible for the Progress Payment Program please call 1-800-748-8191 or send an e-mail to [info@ccc.ca](mailto:info@ccc.ca).

### Contact Information

#### Ontario Exports Inc.

Phone: 416 314-8200  
Toll Free: 1-877 468-7233 (Ontario Only)  
Fax: 416 314-8222  
Email: [trade.officer@edt.gov.on.ca](mailto:trade.officer@edt.gov.on.ca)  
Website: <http://www.ontario-canada.com/trade>

#### Embassy of Iran in Canada

Phone: (613) 235-5105, 852-3043  
Fax: (613) 238-0379

#### Department of Foreign Affairs and International Trade

Phone: 1-800-267-6788

## Trade Profile: Iran

### Canada — Iran Trade Statistics

Food and forest products (primarily grains, soybeans and paper products) account for a substantial portion of Canada's exports to Iran. Large swings in Iran's imports of these commodities therefore have a significant impact on Canada's trade. Recently, Canadian exports grew from \$539 million in 1999 to \$656 million in 2000. Despite the gain, Ontario's exports fell by over half, from \$36 million in 1999 to \$16 million in 2000. Further opportunities exist for Ontario exporters of manufactured goods, which follow more stable import patterns in Iran.

#### Iran Imports

##### Top 30 Imported Products

(C\$ million)

Product Name (SITC)	1998	1999	Average Annual Growth 1994-99 (%)	Canada's Market Share (%)
<b>Total Imports</b>	<b>21,786.4</b>	<b>19,194.2</b>	<b>8.1</b>	<b>3.2</b>
674-Universals, Plates and Sheets, of Iron or Steel	1,057.5	914.4	34.2	0.0
0412-Other Wheat (Including Spelt) and Meslin, Unmilled	403.8	817.5	20.4	47.9
7361-Metal Cutting Machine-Tools	547.7	809.3	24.2	0.0
4232-Soya Bean Oil	821.5	689.9	15.1	0.0
7849-Other Parts & Accessories of Motor Vehicles	975.8	533.1	21.4	0.0
0422-Rice Semi-Milled or Wholly Milled, Broken	299.9	519.0	37.1	0.0
7284-Machinery & Appliances For Specialized Particular Industries	587.4	496.6	-1.1	0.8
793-Ships, Boats and Floating Structures	211.1	466.4	32.2	0.0
9310-Special Transactions & Commodities, Not Classified To Kind	532.9	432.9	-0.6	0.2
583-Polymerization and Copolymerization Products	414.9	375.9	21.2	0.1
5417-Pharmaceuticals (Incl Veterinary Medicaments)	264.2	342.0	18.2	1.0
5989-Chemical Products and Preparations, n.e.s.	427.8	329.7	4.4	0.2
716-Rotating Electric Plant and Parts	237.3	294.1	24.5	0.0
7649-Parts of Telecommunications Equipment Apparatus	668.6	279.1	3.2	0.0
772-Electrical Appliances Such As Switches, Relays, Fuses, Plugs etc	356.6	275.0	-1.8	0.0
7247-Machinery For Washing, Cleaning, Drying, Bleaching Textiles	442.6	260.5	7.6	0.0
712-Steam & Other Vapour Power Units, Steam Engines	201.2	241.1	41.3	0.0
776-Semiconductors, Transistors, & Thermionic Tubes	202.7	219.2	49.4	0.0
266-Synthetic Fibres Suitable For Spinning	217.6	217.0	4.4	0.0
7492-Taps, Cocks, Valves etc For Pipes, Tanks, Vats etc	364.0	216.3	-0.3	1.2
714-Engines & Motors, Non-Electric	210.0	214.1	13.6	0.6
3341-Motor Spirit and Other Light Oils	13.5	184.3	27.1	0.0
7371-Converters, Ladles, Ingot Moulds and Casting Machinery	184.1	181.5	20.1	0.0
7139-Parts of Internal Combustion Piston Engines for Propelling Vehicles	197.4	174.2	18.0	0.2
6415-Paper and Paperboard, In Rolls or Sheets, n.e.s.	139.6	173.5	17.1	0.0
591-Disinfectants, Insecticides, Fungicides, Weed Killers	107.3	172.5	0.4	0.0
6732-Bars & Rods, of Iron/Steel; Hollow Mining Drill St.	85.4	171.9	62.4	0.0
0612-Refined Sugars and Other Products of Refined Beet/Cane	127.3	171.2	-8.0	0.0
743-Pumps & Compressors, Fans & Blowers, Centrifuges	178.3	170.9	1.8	0.1
8748-Electrical Measuring, Checking, Analysing Instruments	307.6	166.1	2.1	1.1

Source: Statistics Canada World Trade Database

- ◆ Imports fell in 1999 from the previous year, but remain above 1994 levels for a healthy average annual growth rate of 8.1% per year.
- ◆ Food imports continue to be volatile, but are consistent in their appearance among the top 30 import products. Wheat, soya bean oil, rice, and sugars were all imported to Iran in large measures in 1999. Canada supplies nearly half of Iran's wheat imports. As wheat imports doubled in 1999 from the previous year, Canada's total import market share in Iran rose again from 1.9% in 1998 to 3.2% in 1999.
- ◆ Iran's top imports are rounded out by a variety of industrial materials and equipment.

## Trade Profile: Iran

### Iran Imports

#### Fastest Growing Products

(C\$ million)

Product Name (SITC)	1998	1999	Average Annual Growth 1994-99 (%)	Canada's Market Share (%)
<b>Total Imports</b>	<b>21,786.4</b>	<b>19,194.2</b>	<b>8.1</b>	<b>3.2</b>
776-Semiconductors, Transistors, & Thermionic Tubes	202.7	219.2	49.4	0.0
712-Steam & Other Vapour Power Units, Steam Engines	201.2	241.1	41.3	0.0
0422-Rice Semi-Milled or Wholly Milled, Broken	299.9	519.0	37.1	0.0
674-Universals, Plates and Sheets, of Iron or Steel	1,057.5	914.4	34.2	0.0
793-Ships, Boats and Floating Structures	211.1	466.4	32.2	0.0
716-Rotating Electric Plant and Parts	237.3	294.1	24.5	0.0
7361-Metal Cutting Machine-Tools	547.7	809.3	24.2	0.0
7849-Other Parts & Accessories of Motor Vehicles	975.8	533.1	21.4	0.0
583-Polymerization and Copolymerization Products	414.9	375.9	21.2	0.1
0412-Other Wheat (Including Spelt) and Meslin, Unmilled	403.8	817.5	20.4	47.9
5417-Pharmaceuticals (Incl Veterinary Medicaments)	264.2	342.0	18.2	1.0
4232-Soya Bean Oil	821.5	689.9	15.1	0.0
714-Engines & Motors, Non-Electric	210.0	214.1	13.6	0.6
7247-Machinery For Washing, Cleaning, Drying, Bleaching Textiles	442.6	260.5	7.6	0.0
266-Synthetic Fibres Suitable For Spinning	217.6	217.0	4.4	0.0
5989-Chemical Products and Preparations, n.e.s.	427.8	329.7	4.4	0.2
7649-Parts of Telecommunications Equipment Apparatus	668.6	279.1	3.2	0.0

Source: Statistics Canada World Trade Database

- ◆ Transportation and information technology equipment are again among the fastest growing imports.
- ◆ As well, many industrial materials are among the more rapidly growing imports: iron and steel products, machine tools, and chemicals.

## Trade Profile: Iran

### Iran Imports Top 30 Import Suppliers (C\$ million)

Country Name	1998	1999	Average Annual Growth 1994-99 (%)
<b>Total Imports</b>	<b>21,786.4</b>	<b>19,194.2</b>	<b>8.1</b>
Germany	2,890.8	2,320.7	-0.2
Italy	1,939.4	1,519.8	7.2
F.S.U.	1,382.3	1,311.9	367.1
South Korea	1,213.1	1,294.9	29.5
France	980.1	1,169.4	-0.9
United Arab Emirates	1,124.9	1,142.0	--
Belgium-Luxembourg	1,415.6	1,018.2	20.6
China	835.2	957.9	21.4
Brazil	842.0	911.3	27.7
Japan	1,382.7	775.4	-9.4
United Kingdom	1,034.0	728.1	2.2
Canada	318.5	607.8	4.9
Spain	628.3	516.8	21.0
Switzerland	491.6	484.2	13.7
Austria	443.1	464.8	5.4
Turkey	434.4	343.0	-1.6
Thailand	235.8	317.2	27.6
Netherlands	476.3	252.7	-3.9
India	236.6	244.2	2.7
Argentina	893.9	229.2	-7.2
Sweden	246.9	209.6	17.1
Singapore	186.2	206.5	18.8
Australia	182.3	179.1	-15.6
Taiwan	206.0	164.7	--
Oman	228.1	162.2	-1.9
Malaysia	134.4	159.8	13.7
Indonesia	55.5	115.4	22.3
Denmark	87.5	108.3	-1.9
Finland	123.4	105.8	-5.3
South Africa	89.1	83.6	5.0

Source: Statistics Canada World Trade Database

- ◆ Japan declined in importance as an import supplier in 1999, with the FSU taking its place. South Korea retained its fourth position that it catapulted into in 1998.
- ◆ Canada's slow but steady export growth to Iran resulted in it gaining in rank as a supplier, from 17<sup>th</sup> in 1998 to 12<sup>th</sup> in 1999.

## Trade Profile: Iran

### Iran Exports Top 30 Export Markets (C\$ million)

Country Name	1998	1999	Average Annual Growth 1994-99 (%)
<b>Total Exports</b>	<b>20,493.6</b>	<b>30,917.1</b>	<b>6.1</b>
Areas nes	1,531.1	6,629.8	--
Japan	3,574.9	4,600.6	4.1
Italy	1,921.5	2,359.6	11.0
South Korea	1,434.6	2,136.1	4.1
India	630.6	1,593.9	16.9
France	1,118.2	1,307.1	-1.6
South Africa	12.8	1,036.0	123.1
Philippines	829.1	1,019.7	60.0
Turkey	707.6	1,009.0	1.3
United Arab Emirates	806.4	935.9	--
China	756.7	897.0	29.3
Germany	759.4	791.5	-6.8
F.S.U.	682.2	771.4	324.0
Spain	710.6	754.7	-2.9
Netherlands	594.6	698.9	-12.4
Greece	943.5	607.1	-2.7
Singapore	543.3	521.7	-8.3
Morocco	155.3	365.7	6.5
Portugal	311.2	360.7	-6.1
Sweden	327.9	337.5	5.1
Canada	192.4	187.8	10.0
Iraq	46.6	153.8	--
Taiwan	92.9	152.8	--
Switzerland	76.0	129.8	8.0
Kuwait	94.8	123.4	0.6
Sri Lanka	2.1	111.8	-2.1
Tanzania	118.9	102.5	--
Belgium-Luxembourg	57.2	100.7	-0.6
Madagascar	66.2	97.7	26.6
Saudi Arabia	85.9	85.6	-1.7

Source: Statistics Canada World Trade Database

- ◆ Lack of reliable data again clouds a large portion of Iranian exports, but not to the same degree. Japan, Italy, and South Korea again emerge as the largest identifiable trading partners for Iranian exports.
- ◆ Iranian exports grew at an average annual rate of 6% per year over the past five years, with many countries recording much faster rates of growth as a destination.

## Trade Profile: Iran

### Canadian Exports to Iran

#### Top Products

(C\$ million)

Product Name (HS 4 digit)	1999	2000	Average Annual Growth 1995-00 (%)	Percentage from Ontario (%)
<b>Total Canadian Exports</b>	<b>538.9</b>	<b>655.8</b>	<b>8.8</b>	<b>2.4</b>
1001-Wheat and Meslin	346.3	539.9	8.4	0.0
1201-Soybeans	68.2	33.9	--	0.0
4703-Chemical Woodpulp, Soda or Sulfate, Not Dissolving Grades	18.5	20.8	92.8	0.0
1003-Barley	0.0	10.2	--	0.0
1514-Rapeseed, Colza or Mustard Oil etc	0.0	5.4	--	0.0
0713-Leguminous Vegetables, Dried, Shelled	0.0	4.8	33.4	0.4
4804-Kraft Paper & Paperboard, Uncoated n.e.s., Rolls etc	3.2	2.9	2.7	0.7
2309-Preparations Used In Animal Feeding	0.7	2.6	--	99.4
2701-Coal; Briquettes etc.	0.0	2.4	--	0.0
8479-Machines etc Having Individual Functions n.e.s., Parts	2.8	2.3	-15.7	1.2
8607-Parts of Railway or Tramway Locomotives or Rolling Stock	0.5	1.9	174.6	0.0
3004-Pharmaceuticals n.e.s., in Mixtures or Not, In Dosage etc Form	2.1	1.5	-9.5	53.3
8504-Electric Transformers, Static Converters & Inductors	2.1	1.5	58.7	98.7
8409-Parts For Combustion Piston Engines	0.3	1.4	62.7	0.0
3917-Tubes, Pipes & Hoses & Their Fittings, of Plastics	0.0	1.3	13.3	100.0
3002-Human Blood; Animal Blood; Antisera, Vaccines etc	0.0	1.3	16.0	42.2
8531-Electric Sound or Visual Signaling Apparatus, Parts	0.0	1.3	121.8	0.3
8515-Electric, Laser or Other Light or Photon Beam etc	0.0	1.3	14.3	100.0
4801-Newsprint, In Rolls or Sheets	1.1	1.2	--	0.0
9022-X-Ray etc Apparatus; Tubes, Panels, Screen etc, Parts	0.1	1.1	47.7	100.0
8413-Pumps For Liquids; Liquid Elevators; Parts Thereof	0.4	1.1	-9.8	43.4
8431-Parts For Machinery of Headings 8425 To 8430	0.8	1.0	23.1	0.0
0511-Animal Products n.e.s.; Dead Animals, Inedible etc.	0.4	0.9	23.4	95.5
3822-Composite Diagnostic/Lab Reagents, Excl Pharmaceutical	0.5	0.8	--	0.0
9806-Settlers' Personal and Household Effects	0.5	0.8	--	8.5
8546-Electrical Insulators of Any Material	0.0	0.8	--	100.0
7409-Copper Plates, Sheets & Strip, > 0.15mm Thick	0.0	0.7	--	100.0
8536-Electrical Apparatus For Switching etc, < 1000 V	0.0	0.7	-1.3	45.7
8481-Taps, Cocks, Valves etc For Pipes, Tanks etc, Parts	0.4	0.6	-11.0	0.9
3824-Binders For Foundry Molds; Chemical Products etc n.e.s.	0.1	0.5	--	0.0

Source: Statistics Canada

- ◆ The top three Canadian exports to Iran, which consist of wheat, soybeans, and woodpulp account for over 90% of total Canadian exports. However, Ontario does not supply any of the top five export commodities.
- ◆ The key export sectors for 2000 were agricultural, paper, and electrical machinery.

## Trade Profile: Iran

### Ontario Exports to Iran

#### Top Products

(C\$ million)

Product Name (HS 4 digit)	1999	2000	Average Annual Growth 1995-00 (%)	Percentage of Canadian Total (%)
<b>Total Ontario Exports</b>	<b>36.5</b>	<b>15.6</b>	<b>-20.8</b>	<b>2.4</b>
2309-Preparations Used In Animal Feeding	0.7	2.6	--	99.4
8504-Electric Transformers, Static Converters & Inductors	2.1	1.5	59.8	98.7
3917-Tubes, Pipes & Hoses & Their Fittings, of Plastics	0.0	1.3	13.3	100.0
8515-Electric, Laser or Other Light or Photon Beam etc	0.0	1.3	14.3	100.0
9022-X-Ray etc Apparatus; Tubes, Panels, Screen etc, Parts	0.1	1.1	47.7	100.0
0511-Animal Products n.e.s.; Dead Animals, Inedible etc.	0.4	0.9	22.3	95.5
3004-Pharmaceuticals n.e.s., in Mixtures or Not, In Dosage etc Form	2.0	0.8	-19.7	53.3
8546-Electrical Insulators of Any Material	0.0	0.8	--	100.0
7409-Copper Plates, Sheets & Strip, > 0.15mm Thick	0.0	0.7	--	100.0
3002-Human Blood; Animal Blood; Antisera, Vaccines etc	0.0	0.6	100.5	42.2
8413-Pumps For Liquids; Liquid Elevators; Parts Thereof	0.1	0.5	-1.7	43.4
7223-Wire of Stainless Steel	0.0	0.4	--	100.0
9030-Oscilloscopes, Spectrum Analyzers etc, Parts etc	0.0	0.3	--	79.2
2844-Radioactive Chemical Elements & Isotopes etc.	0.0	0.3	--	100.0
8536-Electrical Apparatus For Switching etc, < 1000 V	0.0	0.3	-15.6	45.7
8471-Computers; Magnetic or Optical Readers etc	0.0	0.3	--	100.0
0404-Whey & Milk Products n.e.s.	0.0	0.3	--	100.0
9002-Optical Elements, Mounted; Parts & Accessories	0.0	0.2	--	100.0
9027-Instruments etc For Physical Analysis etc; Microtome; Parts	0.2	0.2	--	99.9
8517-Electric Apparatus For Line Telephony etc, Parts	0.0	0.2	84.3	100.0
9901-Low Value Transactions and Confidential Commodities	0.3	0.2	353.2	32.4
8447-Machines, Knitting, Stitch-Bond, Lace, Net etc.	0.0	0.1	--	100.0
8503-Parts of Electric Motors, Generators & Sets	0.0	0.1	43.3	77.1
8445-Machines For Preparing Textile Fibers & Yarns	0.0	0.1	--	100.0
8526-Radar Apparatus, Radio Navigational Aid & Remote Control Apparatus	0.0	0.1	--	100.0
9806-Settlers' Personal and Household Effects	0.1	0.1	--	8.5

Source: Statistics Canada

- ◆ The year 2000 was a grim one for Ontario exports to Iran. Total Ontario exports fell by more than 57% from \$36.5 million in 1999 to \$15.6 million in 2000.
- ◆ Exports declined at an average annual rate of 20.8% during 1995-2000. Pharmaceuticals declined at approximately 1%-point less than this rate.

## Trade Profile: Iran

### Ontario Imports from Iran

#### Top Products

(C\$ million)

Product Name (HS 4 digit)	1999	2000	Average Annual Growth 1995-00 (%)	Percentage of Canadian Total (%)
<b>Total Ontario Imports</b>	<b>40.1</b>	<b>41.5</b>	<b>8.7</b>	<b>33.8</b>
5701-Carpets & Other Textile Floor Coverings, Knotted	19.0	14.9	5.6	77.6
0802-Nuts n.e.s., Fresh or Dried	5.9	8.0	13.5	88.7
0806-Grapes, Fresh or Dried	5.2	6.7	58.3	51.4
0804-Dates, Figs, Pineapples, Avocados etc, Fr or Dried	2.6	1.8	10.0	51.9
2933-Heterocyclic Compounds, Nitrogen Hetero-Atoms Only	1.4	1.7	-2.8	100.0
9706-Antiques of An Age Exceeding One Hundred Years	0.3	1.5	90.7	98.6
1604-Prepared or Preserved Fish; Caviar & Caviar Substitutes	0.3	1.1	60.7	98.7
8710-Tank & Other Armored Fight Vehicles, Motorized; and Parts	0.0	0.5	--	100.0
8541-Semiconductor Devices; Light-Emitting Diodes etc, Parts	0.0	0.4	95.2	91.6
6908-Glazed Ceramic Flugs & Paving, Hearth Tiles, etc	0.4	0.3	89.6	72.9
2001-Vegetables, Fruit, Nuts etc, Prepared or Preserved By Vinegar etc	0.1	0.3	29.5	93.4
5702-Carpets & Other Textile Floor Coverings, Woven, Not Tufted etc	0.1	0.3	22.4	81.3
2803-Carbon, n.e.s. (Including Carbon Black)	0.2	0.3	--	41.0
6802-Worked Monument etc Stone & Articles n.e.s.; Granules etc	0.1	0.2	--	66.6
3002-Human Blood; Animal Blood; Antisera, Vaccines etc	0.0	0.2	--	100.0
9018-Medical, Surgical, Dental or Veterinary Instruments, Parts	0.0	0.2	173.2	99.7
0813-Fruit Dried n.e.s.; Mixtures of Nuts or Dried Fruit	0.0	0.2	76.4	88.6
8479-Machines etc Having Individual Functions n.e.s., Parts	0.0	0.2	161.0	25.1
0810-Fruit n.e.s., Fresh	0.1	0.2	130.8	68.7
2008-Fruit, Nuts etc Prepared or Preserved n.e.s.	0.1	0.1	170.8	53.0
3501-Casein, Caseinates and Other Casein Derivatives	0.0	0.1	--	17.5
9403-Furniture n.e.s. and Parts Thereof	0.1	0.1	26.0	94.8
8104-Magnesium & Articles Thereof, Incl Waste & Scrap	0.0	0.1	--	100.0
0910-Ginger, Saffron, Turmeric, Thyme, Bay Leaves etc.	0.1	0.1	34.7	55.1
8525-Transmission Apparatus For Radiotelephony etc; TV Camera etc	0.2	0.1	26.8	96.9
7320-Springs & Leaves For Springs, Iron or Steel	0.4	0.1	-16.8	100.0
7013-Glassware For Table, Kitchen, Toilet etc Use n.e.s.	0.1	0.1	17.5	47.4
3004-Pharmaceuticals n.e.s., in Mixtures or Not, In Dosage etc Form	0.0	0.1	-42.0	100.0
0409-Honey, Natural	0.0	0.1	70.5	97.6
9814-Goods incl Containers, Once Released & Accounted and Returned etc	0.0	0.1	--	85.9

Source: Statistics Canada

- ◆ The leading Ontario imports from Iran in 2000 were carpets, nuts, and fresh or dried fruit. These exports comprise almost 80% of total Ontario imports.
- ◆ Medical instruments and preserved fruit and nuts are the fastest growing imported commodities from Iran.

## Appendix

### Methodology

In these market assessments, the trade tables reported for each country are derived from two different data sources. The first four tables use data from the World Trade Analyzer (WTA), distributed by Statistics Canada. The most recent data available in this source is used. For some countries, no data is available from the World Trade Analyzer and therefore these first four tables are not included. Data in the WTA is primarily sourced from the national statistics of an importing country. The commodities used in these data are Standard International Transportation Codes (SITC). The last three tables, detailing Canada's and Ontario's trade with a country, use data collected by Statistics Canada. All data from this source are collected from Canadian sources. These tables also report 1999 and 2000 data, and use the Harmonised System (HS) of commodity codes. The numbers and nomenclature of these coding systems differ somewhat, but similarities between the two coding systems are usually evident. Information on the HS codes and descriptions can be found at <http://www.statcan.ca/english/Subjects/Standard/scg/scg.htm>.

Trade between two countries can be measured from either the importing country or the exporting country. In theory the trade data should be the same regardless from which country trade is measured. That is, Country X's imports from Country Y should equal Country Y's exports to Country X. However, in practice, these two data series are rarely equal because of statistical reporting errors. Import statistics are usually collected more rigorously because import duties and value-added taxes are applied to these items. Fewer countries employ export duties. Another source of statistical error is trade that is transhipped through a third country. The transhipped country may mistakenly be reported as the origin for an import, rather than the original source. A third source of discrepancy in valuing trade data is that some goods are valued as free on board (FOB) basis, while other reporting agencies use a cost insurance and freight (CIF) valuation basis. Due to different methodologies being used by the different sources in Tables 1-4 and Tables 5-7, equivalent data series in these tables may not report exactly equal trade data.

Readers may note that some of commodities listed in Table 1 (Country's Top 30 Imported Products), which report a rapid growth rate, are not present in Table 2 (Country Imports-Fastest Growing Products). Due to the nature of growth rate calculations, products with very small import values can display extreme growth values. The Fastest Growing Products table was therefore restricted to only those commodities which represent at least 1% of total imports to the country in 1999.

World regional tables differ slightly from country tables. In place of an export market table, there is an additional Import Supplier table, which excludes countries from within the region as import markets. Additionally, the Fastest Growing Products table includes all goods which represent at least 0.5% of total imports to the region in 1999.

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