# **Business and politics in Muslim world**

# Weekly report on Iran

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#### **Summary**

# Leader: Unified Nation to Stun World Arrogance on Feb 11

Supreme Leader of the Islamic Revolution and the Commander in Chief of Armed Forces Ayatollah Seyyed Ali Khamenei said yesterday that the unified Iranian nation will stun the global arrogance on February 11 rallies marking Islamic Revolution anniversary.

### **Bushehr Plant Running After One More Test**

Iran's atomic chief says the long awaited launch of the Bushehr nuclear power plant in the South of the country will be complete after one more test.

#### Iran Informs IAEA of 20% Enriched Uranium Production

Iran's Permanent Representative to the International Atomic Energy Agency (IAEA) Ali Asghar Soltaniyeh said yesterday that Iran has officially informed IAEA of its intention to produce 20 percent enriched uranium to meet its required nuclear fuel.

#### First Home-Made One-Man Aircraft Unveiled

Iran's first home-built twin-engine one-man was unveiled yesterday in the presence of Defense Minister Brigadier General Ahmad Vahidi.

# Iran to Unveil Air Defense as Strong as S300

Iran will soon unveil a domestically-made air defense system with at least the same capability as Russia's S-300 anti-aircraft hardware, an Iranian air force commander was quoted as saying yesterday.

# 6-Year Sentence for Former Deputy FM

A court has sentenced a former deputy foreign minister to six years in prison after convicting him of security charges, ISNA reported.

#### Balli Unit Settles With U.S. Over Iran Aircraft

A unit of Balli Group plc, the UK company which claims to be one of the world's largest privately held commodity traders, pleaded guilty on Friday to criminal charges that it illegally exported a commercial Boeing 747 from the U.S. to Iran.

#### **Merkel Moves Closer to Iran Sanctions**

German Chancellor Angela Merkel is willing to take a tougher stance towards Iran over its nuclear program, her spokesman, Ulrich Wilhelm, told a Berlin news conference Monday.

### MP: Sanctions Help Iran Progress in N. Technology

Sanctions against Iran have encouraged Tehran to expand and reinvigorate its nuclear technology, a prominent legislator said yesterday, warning that those states supporting and imposing sanctions on Iran will have to face grave consequences of their actions in future.

### Italy says embassy in Iran 'attacked' by Basij militia

Around 100 members of Iran's pro-government Basij militia tried to attack Italy's embassy in Tehran on Tuesday, Italian Foreign Minister Franco Frattini said.

## Israeli PM urges "crippling" sanctions against Iran

Israeli Prime Minister Benjamin Netanyahu on Tuesday called for immediate and "crippling" sanctions against Iran, as Tehran began enriching uranium to higher levels in defiance of the international community.

# Britain rejects claims of interfering in Iran

Britain's ambassador to Tehran, Simon Gass, denied claims that London had been interfering in Iran's internal affairs and warned against calls to downgrade diplomatic ties, the British Foreign Office said on Monday.

# Press group decries 'unprecedented' arrests in Iran

Reporters Without Borders on Tuesday condemned the continued arrests of journalists and bloggers in Iran, saying 65 were now behind bars.

# China calls for agreement on Iran nuclear fuel deal

China on Tuesday called for increased diplomatic efforts on a nuclear fuel deal between Iran and major powers, after Tehran said it had stepped up its enrichment of uranium.

#### **US** wants Iran sanctions at UN within weeks

The United States hopes the United Nations Security Council will approve a new sanctions resolution against Iran within weeks, the US Defense Department said on Tuesday.

# IAEA concerned by Iran plans to boost uranium enrichment

The United Nations' nuclear watchdog said on Monday it fears Iran's plans to enrich uranium to 20 percent will damage efforts to salvage a nuclear fuel deal between Tehran and Western powers.

### Khamenei says anniversary will stun Iran's "enemies"

Iran's supreme leader Ayatollah Ali Khamenei said on Monday that the 31st anniversary of the Islamic revolution, on 11 February, would stun the country's enemies.

# US, EU condemn Iran human rights violations

The United States and the European Union on Monday condemned the "continuing human rights violations" in Iran since the disputed presidential election last June, and voiced concern over a possible further violence in the coming days.

### Iran says nuclear power plant one test away from startup

Iran's atomic chief said on Monday that the long awaiting launch of the country's first nuclear power plant in the southern city of Bushehr will be carried out after one more test.

#### French FM accuses Iran of "blackmail

French Foreign Minister Bernard Kouchner on Monday said Iran's announced plans to enrich its uranium to 20 percent for use in its medical reactor amount to "blackmail".

# US, France to press for new Iran sanctions

The United States and France said on Monday that the international community must impose new sanctions against Iran due to its intransigence over its nuclear program.

# Iran says notified IAEA of uranium enrichment plans

Iran's envoy to International Atomic Energy Agency, Ali Asghar Soltanieh, said on Monday that Tehran has formally notified the agency of its plans to step up its nuclear program, prompting strong international criticism.

# Iran launches production line for "advanced" drones

Iranian Defense Minister Ahmad Vahidi on Monday opened two production lines for the manufacture of "advanced" unmanned aircraft or drones, the Fars news agency reported.

# Iran arrests seven linked to CIA – agency

Iran said on Sunday it had arrested seven people, including some allegedly hired by the US Central Intelligence Agency, accused of fomenting unrest after the disputed presidential election last June, the official IRNA news agency reported.

# Six powers discuss efforts on Iran nuclear standoff

Senior diplomats from six major powers spoke by phone on Friday to discuss their efforts to curb Iran's controversial nuclear program, the U.S. State Department said

# China says Iran nuclear standoff at "crucial stage

China on Friday renewed its call for patience and more diplomatic efforts with Iran to address the standoff over Tehran's nuclear ambitions.

### Russia urges Iran to act constructively in nuclear row

Russia's Foreign Minister Sergei Lavrov said on Friday that he would meet his Iranian counterpart on the sidelines of an international conference in Munich in the hope of a breakthrough over Tehran's nuclear program.

### Germany says Iran stalling nuclear negotiations

German Foreign Minister Guido Westerwelle on Friday criticized Iran's approach in nuclear negotiations with the West, accusing Tehran of stalling for time.

#### Palin Pushes Obama To Attack Iran

US neoconservative darling Sarah Palin said she thinks President Barack Obama should declare war on Iran. The one-time Republican vice presidential candidate said in an interview with Fox News on Sunday that Obama should play the war card if he wants to get re-elected in 2012.

#### Turkish FM Plans to Visit Iran for Nuclear Talks

Turkish Foreign Minister Ahmet Davutoglu is expected to pay a visit to Iran for nuclear talks, the semi-official Anatolia news agency reported yesterday.

#### **Iran Starts 20% Uranium Enrichment**

Iran yesterday began enriching uranium to a level of 20 percent at its Natanz enrichment facility under the surveillance of inspectors from the UN nuclear watchdog.

# Ahmadinejad says Iran can enrich uranium to 80 percent

Iranian President Mahmoud Ahmadinejad announced on Thursday that Tehran had produced a first batch of 20 percent enriched uranium, adding that the country was now able to enrich uranium to more than 80 percent purity.

# France decries attack on its embassy in Iran

France on Wednesday condemned an attack on its embassy in Tehran by pro-government supporters, who threw stones at the mission.

# Brazil FM calls for more dialogue on Iran nuclear row

Brazil's Foreign Minister Celso Amorim on Tuesday cautioned world powers against a new round of United Nations sanctions against Iran, urging increased dialogue to resolve the nuclear standoff.

# IAEA obligated to supply nuclear fuel

Foreign Ministry spokesman Ramin Mehmanparast said that the International Atomic Energy Agency (IAEA) is legally obligated to supply nuclear fuel to its members if requested.

### US senators target human rights abusers in Iran

A bipartisan group of US Senators plan to introduce a bill on Thursday which would impose sanctions and visa bans against Iranian officials complicit in human rights abuses in the Islamic Republic.

#### EU Parliament slams Nokia Siemens role in Iran

Members of the European Parliament on Wednesday criticized Nokia Siemens for providing censorship and surveillance systems to Iran.

#### **Economic News**

### **Mass Production of Advanced Unmanned Bombers Begins**

Iran on Monday inaugurated the production line of two home-made Unmanned Aerial Vehicles (UAVs) with bombing and reconnaissance capabilities.

#### Iran's FDI to Reach \$2b

Iran has absorbed \$1.7 billion of foreign direct investment (FDI) in the first 10 months of the current Iranian fiscal year (started March 20, 2009), head of Iran Foreign Investment Organization said.

# **Exports to Afghanistan on Rise**

Iran's non-oil exports to Afghanistan has increased 56 percent during the first 9 months of the current Iranian fiscal year (started March 20, 2009), a Trade Promotion Organization official said.

# Iran Continues to Import Fuel From RIL

Iran said it continues to import fuel from Reliance Industries, a statement that flies in the face of the claims by Mukesh Ambani firm that it had since last year stopped selling gasoline to the Islamic nation in an apparent bid to escape U.S. sanctions.

# 6 Petrochemical Projects Open at Assaluyeh

Six major petrochemical projects, worth \$2 billion were inaugurated here in the presence of first vice president Mohammad-Reza Rahimi and Oil Minister Gholamhossein Nozari at Assaluyeh

# China set to pass EU as Iran's largest trading partner

China is set to overtake the European Union as Iran's largest trading partner, the Financial Times newspaper reported on Tuesday.

# Great potential to boost Pak-Iran economic ties: Pak Minister

There is a great potential to boost Pak-Iran economic ties and both the countries could take advantage of their expertise in many sectors, Pakistani Minister for Finance Shaukat Tarin has said

# Ahmadinejad: Iran to turn into world's 12th major economic power

President Mahmoud Ahmadinejad said here Thursday that Iran will in the near future turn into world's 12th economic power in the world.

# Special port for petrochemical exports inaugurated in SW Iran

Iran's first special port for exporting petrochemical products was inaugurated in this southwestern city Tuesday by First Vice-President Mohammad-Reza Rahimi.

# Iran-Armenia trade center planned

The establishment of Iran-Armenia trade center will pave the way for exchange of goods and services between both countries.

### Social News

# Human Rights Watch says rights abuses mounting in Iran

Iran's crackdown on dissidents since last June's disputed presidential election is "even broader and the abuses more flagrant than previously reported", Human Rights Watch said in a new report released on Wednesday.

# Google says Iran limits access to Gmail service

Google said on Wednesday that Iranian users are having trouble accessing its Gmail email service, apparently as a result of censorship.

"We have heard from users in Iran that they are having trouble accessing Gmail," Google said in a statement, according to AFP.

# Iran's Ebadi presses UN to take action on Iran violence

Iranian Noble Peace Prize laureate Shirin Ebadi on Wednesday pressed the United Nations Human Rights Council to take a stand against the Iranian government's violent crackdown on protesters.

Political News

### **Leader: Unified Nation to Stun World Arrogance on Feb 11**

Addressing a group of commanders and personnel of the army air force who met the Supreme Leader to mark the occasion, Ayatollah Khamenei said the allegiance reaffirmed to late Imam Khomeini by a group of air force personnel on February 8, 1979 was great political event registered in the history of the country.

The Islamic Revolution managed to administer justice and promulgate the divine religion thanks to the vigilance and resistance of the Iranian nation, said the Supreme Leader.

The enemies of the Islamic Revolution including the global arrogance and the Zionists are unable to understand the spiritual nature of the Islamic Revolution and that is why they are now masterminding various plots as well as propaganda campaigns to tarnish the image of this revolution but to no avail, said the Supreme Leader.

There is no any system like the Islamic Revolution which has faced such a large scale propaganda, political and economic pressures and sanctions, pointed out Ayatollah Khamenei.

The Islamic Revolution is determined to resist all these pressures and the US, the Zionists and other bullying powers will not be able to shake the pillars of the Islamic Revolution through political and economic means, threats or intimidation, Ayatollah Khamenei underlined.

The secret of the Islamic Revolution lies in the trust of people in God Almighty, said the Supreme Leader, adding that whenever they feel danger they take to the streets without any notification as they did on December 30.

The enemies did their best to play down the December 30 event but they finally had to confess to mass participation of people in the streets in support of the Islamic Revolution, pointed out the Supreme Leader.

The enemies of the Islamic Revolution try to resort to various ploys such as human rights or democracy to find fault with the Islamic Revolution but they are ignorant of the fact that world public opinion only make fun of them, said Ayatollah Khamenei.

World public opinion has expressed its outrage and anger at the heads of global arrogance which indicates that nobody believes their mottos in favor of human rights or democracy, said the Supreme Leader.

The so-called advocates of human rights have ignored the most basic human rights in their prisons and officially trample upon the rights of their own nations which is a source of shame for them, Ayatollah Khamenei said.

They establish brotherly relations with the most brutal regimes in the Middle East region and North Africa under the guise of democracy to deceive world nations, said Ayatollah Khamenei.

They blame Iran for lack of democracy and ignore the fact the some 80 percent of people took part in the country's presidential elections which approves the legitimacy of the Islamic system, said the Supreme leader.

The Islamic Republic of Iran has made significant scientific progress in various fields such as defense, sciences, nuclear energy and laser in the past 30 years, said the Supreme Leader.

Ayatollah Khamenei said that unity of the Iranian people is a thorn in the eyes of the enemies, referring to the post-presidential election events in Iran during which the enemies tried in vain to sow seeds of discords among unified Iranian nation.

The Iranian people are determined to proceed in the path of God in order to remain independent, Ayatollah Khamenei said.

By the grace to God, the unified Iranian people once again will rush to the scene on February 11 marking the 31st victory anniversary of the Islamic Revolution to stun the global arrogance including the US, Britain and the Zionists.

The Iranian nation is to conquer the peaks of success in all fields, Ayatollah Khamenei underlined.

On development and progress of the army air force, the Supreme Leader advised the air force personnel to take their leading and powerfully demonstrate the strength of the Iranian nation, underlined the Supreme Leader.

Prior to the Supreme Leader's remarks the commander of the army air force Brigadier General Hassan Shah-Safi briefed Ayatollah Khamenei on the activities of his force in various fields.

# **Bushehr Plant Running After One More Test**

We have successfully completed a test known as the 'metallic sphere' and are now contemplating the warm water test in order to get the power plant open and running," Ali Akbar Salehi said on Monday.

"After the mentioned tests we will be able to load nuclear fuel to the core of the reactor," he added.

According to the Bushehr project manager, Mahmoud Jafari, preparations for the warm water test will take about 50 days due to the vastness of the project area.

In January 1978, Germany's Kraftwerk Union, which according to a contract was obliged to complete Iran's Bushehr nuclear reactor, stopped work on the project with one reactor 50 percent complete and the other reactor 85 percent finished.

The Bushehr plant was originally scheduled to be completed in 1999 but the work has repeatedly been postponed.

#### **Iran Informs IAEA of 20% Enriched Uranium Production**

In an exclusive interview with IRNA, he said Iran has invited IAEA inspectors in an official letter addressed to the body as the country is obliged to carry out its nuclear activities under IAEA supervision.

It is about eight months that Tehran has officially informed the IAEA director general of its decision to provide fuel for Tehran's research center.

It is also about four months that the two sides have been in talks in Vienna, he pointed out.

There is no doubt that due to humanitarian issues as well as the need of patients for radioisotopes, it is not possible to further prolong the issue, he said.

Iran has provided an opportunity for industrialized countries, he said adding that those countries are expected to seize the opportunity and that confrontation would change into cooperation and understanding.

#### First Home-Made One-Man Aircraft Unveiled

Speaking to reporters on the sidelines of the unveiling ceremony, the minister said that the 'Faez' (Victor) aircraft was completely built by experts of the ministry's space industries.

The ceremony was held on the occasion of the 31st victory anniversary of Iran's Islamic Revolution.

The 175-kilogram composites aircraft would travel a 1,500 km distance in three hours and with a maximum speed of 240 km per hour, Vahidi said.

He added that the plane is also capable of landing both in water and on the ground carrying various logistic, medical and postal cargos.

Faez has successfully passed all test flights, said the minister, adding that the aircraft had the ability to be upgraded to a double-person aircraft.

The brigadier general also inaugurated the production line for two home-built advanced drones of Ra'd (Thunder) and 'Nazeer' (Warner).

Vahidi said that the drones were designed to carry out patrolling, surveillance and fighting operations with high accuracy.

# Iran to Unveil Air Defense as Strong as S300

In the near future, a new locally-made air defense system will be unveiled by the country's experts and scientists which is as powerful as the S-300 missile defense system, or even stronger," Heshmatollah Kassiri told IRNA.

# 6-Year Sentence for Former Deputy FM

Monday's ISNA agency report quotes Mohsen Aminzadeh's defense lawyer Abbas Shiri as saying his client was convicted of conspiring to "disturb security" and spreading propaganda against the Islamic establishment.

Aminzadeh served during former president Mohammad Khatami's time in office between 1997 and 2005. He is among the most senior former officials in a group of more 100 people on trial since August.

#### Balli Unit Settles With U.S. Over Iran Aircraft

Under a plea agreement with the Justice Department, Balli Aviation will pay \$15m in criminal and civil fines and be placed on corporate probation. The penalty marks one of the largest fines paid for an export violation.

According to its website, Balli Group is headquartered in the UK and has sales exceeding \$1bn. It is run by chairman Vahid Alaghband, and joint chief executives Nasser Alaghband and Hossein Adle. Lord Lamont, who served as chancellor of the exchequer under Prime Minister John Major, is named on its website as a non-executive director.

Under the terms of the plea deal, both Balli Aviation and Balli Group were denied export privileges for five years, though the Justice Department said the penalty would be suspended if no more export violations occurred and the groups paid the civil penalty.

#### **Merkel Moves Closer to Iran Sanctions**

We will be monitoring very closely the steps of the Iranian government in the next few days, and depending on what happens will then go on the path towards increasing the pressure," he said in reference to economic sanctions against Iran.

Wilhelm said recent statements by Teheran figures showed that Iran was unwilling to agree to proposals from the International Atomic Energy Agency (IAEA).

# **MP: Sanctions Help Iran Progress in N. Technology**

Even those countries which seek to impose sanctions against Iran are afraid of the inefficiency of this lever and Iran's reaction," member of the parliament's National Security and Foreign Policy Commission Heshmatollah Falahatpisheh told FNA.

"Even some pragmatics who oppose Iran's progress in the nuclear field are now arguing for the recognition of Iran as a nuclear power and start of interaction with Tehran based on this very reality," Falahatpisheh added.

Referring to the US officials' attempts to integrate accusations against Iran in a bid to continue the sanctions policy against the country, he reiterated that Iran's achievements have shown that the country's nuclear program has now reached the point of no return and the western states should accept this reality.

The West had in the past imposed sanctions on Iran as preemptive measures but Iran's progress in the nuclear field has now made such measures grow pale and become futile, the lawmaker stressed.

#### Italy says embassy in Iran 'attacked' by Basij militia

Around 100 members of Iran's pro-government Basij militia tried to attack Italy's embassy in Tehran on Tuesday, Italian Foreign Minister Franco Frattini said.

Speaking at a Senate hearing in Rome, Frattini said that the Basij members dressed as civilians and tried to assault the embassy, shouting "Death to Italy" and "Death to [Italian

The attackers had hurled stones at the embassy but caused no serious damage, Frattini said, adding that Iranian police intervened to "stop a full-blown assault".

The foreign minister said similar incidents had occurred at the French and Dutch embassies in Tehran.

"Contacts are under way at the European level" to reach a consensus on sending a "signal of strong concern" over the incidents, he said, according to AFP.

Iran's Fars news agency said pro-government students had protested outside the French and Italian embassies, calling for reducing diplomatic relations with those countries. But there were no reports of violence or attempts by the students to attack the embassies.

Frattini said Italy had cancelled its attendance at ceremonies in Tehran on Thursday marking the 31st anniversary of the Islamic revolution, reports AFP.

In Jerusalem last week, Berlusconi pledged Italy's strong support for Israel and urged "effective sanctions" against Iran over its nuclear program.

# Israeli PM urges "crippling" sanctions against Iran

Israeli Prime Minister Benjamin Netanyahu on Tuesday called for immediate and "crippling" sanctions against Iran, as Tehran began enriching uranium to higher levels in defiance of the international community.

"Iran is racing forward to produce nuclear weapons ... I believe that what is required right now is tough action by the international community," Netanyahu told a gathering of European diplomats in Jerusalem, according to the Haaretz newspaper.

"This means not moderate sanctions, or watered-down sanctions. This means crippling sanctions and these sanctions must be applied right now," he added.

On Tuesday, Iran announced it had started the process of enriching uranium to 20 percent purity, defying numerous United Nations Security Council resolutions calling for a halt to such work.

The move provoked fresh calls by the West for new sanctions against Iran, and Russia said the stepped-up enrichment program raised doubts about Tehran's nuclear intentions.

On Tuesday, Iran's Foreign Ministry spokesperson, Ramin Mehmanparast, said it was "wrong" of the world powers to seek a new UN sanctions resolution.

"These actions will not help to get out of the deadlock. They [the West] will create problems and limitations for themselves and their companies. They are completely mistaken if they think our people will back down even one step from their rights with these actions," he said, according to the semi-official ISNA news agency.

Netanyahu also urged the European diplomats to condemn an "outrageous" statement by Iranian supreme leader Ayatollah Ali Khamenei, who said on Sunday that the destruction of Israel was "imminent".

"Israel expects all responsible governments, including all those represented here, to forcefully condemn these outrageous statements. But I think what is required is a lot more than words," the prime minister was quoted as saying by AFP.

### Britain rejects claims of interfering in Iran

Britain's ambassador to Tehran, Simon Gass, denied claims that London had been interfering in Iran's internal affairs and warned against calls to downgrade diplomatic ties, the British Foreign Office said on Monday.

The Foreign Office published an open letter from Gass to Alaeddin Boroudjerdi, chairman of the Iranian parliament's National Security and Foreign Policy Commission, in response to recent calls by some Iranian lawmakers to cut ties with Britain.

Iranian officials have repeatedly accused Western powers, including Britain, of stoking the unrest that followed Iran's disputed presidential election last June.

Gass said any decision by parliament to downgrade relations with London "would be regrettable", reports Reuters.

He also branded as "entirely untrue" claims that Britain or its embassy in Tehran was interfering in Iran's internal affairs.

"The wild allegations reported in some newspapers, for example that British embassy employees bribed demonstrators with pound notes, are simply absurd," added the British ambassador, according to AFP.

Gass further said that Britain would continue to comment where it saw evidence that Iran was not respecting international agreements on human rights that it had ratified.

The letter comes amid a spike in tension between Tehran and the West over Iran's nuclear program, which Western powers suspect is aimed at developing nuclear arms. Iran says the program is entirely peaceful.

# Press group decries 'unprecedented' arrests in Iran

Reporters Without Borders on Tuesday condemned the continued arrests of journalists and bloggers in Iran, saying 65 were now behind bars.

"This is a figure that is without precedent since Reporters Without Borders was created in 1985," the Paris-based press freedom organization said in a statement.

At least eight journalists were arrested in the last two days and are being detained in unknown locations, it said.

Reporters Without Borders further said that it has not received news of several other journalists and bloggers who were also reportedly arrested in recent days.

Last week, the press organization wrote to the United Nations' human rights chief, voicing concern about the situation in Iran.

It also wrote to the foreign ministers of the European Union's 27 member-states, urging them to recall their ambassadors from Tehran "to protest against the arbitrary repression

of government opponents, denounce the judicial farce of the Stalinist-style show trials and publicly express your concern about the imminent risk of executions."

Reporters Without Borders further criticized the disruption of Internet and text messaging services across Iran.

"The measures appear to be part of a concerted effort by the authorities to prevent opposition protests during the Islamic Revolution's 31st anniversary celebrations on 11 February," it said.

### China calls for agreement on Iran nuclear fuel deal

China on Tuesday called for increased diplomatic efforts on a nuclear fuel deal between Iran and major powers, after Tehran said it had stepped up its enrichment of uranium.

On Monday, Iran notified the International Atomic Energy Agency about its plans to start enriching its uranium to 20 percent, provoking fresh warnings by Western powers of new sanctions.

"We expect and back all sides to reach an early agreement on the IAEA-raised draft proposal regarding the Tehran research reactor, which will help solve the issue," Chinese Foreign Ministry spokesman Ma Zhaoxu said, according to the Xinhua news agency.

The deal brokered by the United Nations' nuclear watchdog envisages Iran being supplied with nuclear fuel for the research reactor in exchange for its low-enriched uranium.

But Iran insists that not all its low-enriched uranium be shipped out at one time.

"China hopes all relevant parties will step up diplomatic efforts and make progress in dialogue and negotiations," said Ma.

Earlier today, Iran said it remains open to more talks on the fuel exchange deal, despite its move to enrich uranium from the current 3.5 percent level to 20 percent.

#### US wants Iran sanctions at UN within weeks

The United States hopes the United Nations Security Council will approve a new sanctions resolution against Iran within weeks, the US Defense Department said on Tuesday.

Pentagon spokesperson Geoff Morrell told reporters that Defense Secretary Robert Gates spoke to leaders in Turkey, Italy and France about the "urgent need" to move forward on sanctions as soon as possible, reports Reuters.

Morrell said Gates, who visited Paris this week, believed sanctions could be in place "in weeks, not months".

On Monday, Gates met French President Nicolas Sarkozy, and the two men agreed to push for "strong" sanctions against Iran, after Tehran announced it would step up its uranium enrichment, reports AFP.

Asked in an interview with Fox News on Monday night about getting China and Russia to back a new sanctions resolution, Gates said: "It is always a negotiating process and we're just at the beginning of it."

Gates said he was "optimistic" that world powers would agree on a new round of sanctions, noting that the UN Security Council has passed three previous sanctions resolutions against Tehran.

France holds the chair of the Security Council this month, opening a potential window of opportunity to push through a resolution.

### IAEA concerned by Iran plans to boost uranium enrichment

The United Nations' nuclear watchdog said on Monday it fears Iran's plans to enrich uranium to 20 percent will damage efforts to salvage a nuclear fuel deal between Tehran and Western powers.

International Atomic Energy Agency spokesperson, Gill Tudor, confirmed that Iran had notified the agency of its intentions to begin enriching uranium to a higher level at its plant in the central city of Natanz.

"IAEA Director-General Yukiya Amano noted with concern this decision, as it may affect, in particular, ongoing international efforts to ensure the availability of nuclear fuel for the Tehran Research Reactor," she said in a statement.

Amano "reiterated the agency's readiness to play an intermediary role on the issue of the Tehran Research Reactor."

On Sunday, Iranian President Mahmoud Ahmadinejad ordered the country's atomic organization to start the higher enrichment process, to produce nuclear fuel for a medical reactor in Tehran.

Iran earlier appeared ready to exchange its low-enriched uranium for 20 percent uranium, under a deal brokered by the IAEA.

The move has raised fears that Tehran is moving closer to weapons-grade uranium.

# Khamenei says anniversary will stun Iran's "enemies"

Iran's supreme leader Ayatollah Ali Khamenei said on Monday that the 31st anniversary of the Islamic revolution, on 11 February, would stun the country's enemies.

Addressing a gathering of air force personnel, Khamenei warned anti-government protesters not to take to the streets again this week, as expected, and denounced them as "counter-revolutionaries".

"The Iranian nation will shock all of the [world's] arrogants, including America, Britain and the Zionists, with its unity on 22 Bahman [11 February]," the Iranian leader said.

Iranian authorities have warned that anti-government protesters will be firmly confronted if they take to the streets again.

Despite such warnings in the past, street protests have continued sporadically in the eight months following the disputed presidential election, which triggered one of the worst crises facing the Islamic Republic since it was founded.

Pro-reform leaders Mir Hossein Mousavi and Mehdi Karroubi have called on their supporters to peacefully attend the nationwide rallies on Thursday, raising the prospect of new clashes with the security forces.

Khamenei said the opposition was not a part of the Iranian people.

"Those who have stood against the greatness of the Iranian nation in the election are not part of the people; rather, they clearly are counter-revolutionary individuals or individuals who, because of their own ignorance and obstinacy, carried out counter-revolutionary acts and they have no ties to the majority of the people," he said.

Khamenei told the air force personnel that "the most important aim of the sedition after the election was to create a rift within the Iranian nation."

However, it was unable to do so, and the nation's unity remained "a thorn in the enemy's eyes".

Iran has blamed the post-election unrest on foreign governments – particularly the United States, Britain and Israel.

# US, EU condemn Iran human rights violations

The United States and the European Union on Monday condemned the "continuing human rights violations" in Iran since the disputed presidential election last June, and voiced concern over a possible further violence in the coming days.

In a joint statement, Washington and the EU called on the Iranian government to live up to its international human rights obligations and "end abuses against its own people."

"The large scale detentions and mass trials, the threatened execution of protestors, the intimidation of family members of those detained and the continuing denial to its citizens of the right to peaceful expression are contrary to human rights norms," the statement said.

Security forces and protesters have repeatedly clashed since the disputed election. Many protesters have been detained and put on trial.

Supporters of the pro-reform movement are expected to take to the streets on 11 February, when Iran marks the 31st anniversary of the Islamic revolution.

The U.S. and the EU said they are "particularly concerned by the potential for further violence and repression during the coming days, especially around the anniversary of the Islamic Republic's founding on 11 February."

The Iranian authorities have warned that anti-government protesters will be firmly confronted.

Tensions in Iran are still high after violent demonstrations during the Shiite holy day of Ashura in December, when eight protesters were killed and hundreds of people were arrested.

The joint statement further called on Iran to release those arrested for "exercising their rights" and to hold accountable those who have committed the abuses.

### Iran says nuclear power plant one test away from startup

Iran's atomic chief said on Monday that the long awaiting launch of the country's first nuclear power plant in the southern city of Bushehr will be carried out after one more test.

Ali Akbar Salehi told the Fars news agency that the plant had passed an array of tests in the last few months, and that the metal core test was the latest test accomplished.

"Only one test, named 'warm water test', remains until the startup of the power plant and after that, we will inject the nuclear fuel to the core of the reactor," Salehi said.

According to the project's manager, preparations for the warm water test will take about 50 days, reports the state-run Press TV network.

Last month, Salehi announced that the Bushehr power plant will come online by this autumn.

Work on the Bushehr plant began in 1974 by the German firm Siemens, but was disrupted by Iran's 1979 Islamic revolution and the 1980-88 Iran-Iraq war.

Russia took over building the 1,000 megawatt power plant in 1995, but the one billion dollar project has been beset by delays.

Moscow says the plant is purely civilian and cannot be used for any weapons program.

#### French FM accuses Iran of "blackmail

French Foreign Minister Bernard Kouchner on Monday said Iran's announced plans to enrich its uranium to 20 percent for use in its medical reactor amount to "blackmail".

Iran's announcement on Sunday raised fears that Tehran is moving closer to weapons-grade uranium.

"This is real blackmail ... it's very negative," Kouchner told reporters in Paris, according to Reuters.

He said that the announcement, which came days after Iran appeared ready to accept a United Nations-brokered nuclear fuel deal, showed the need for new international sanctions.

However, permanent UN Security Council member China was yet to be convinced of the need for sanctions, Kouchner added.

At the same time, the French foreign minister told reporters that he did not believe Iran had the ability to enrich uranium to 20 percent.

The Iranians "do not know how to make fuel" for their existing medical reactor, Kouchner was quoted as saying by AFP.

However, nuclear experts told AFP that Iran has the technology to enrich uranium to higher levels, but that Tehran would unlikely be able to turn the uranium into the fuel rods to put in a reactor.

Iran would be better able to secure such fuel more quickly through a deal with the West, the experts noted.

# US, France to press for new Iran sanctions

The United States and France said on Monday that the international community must impose new sanctions against Iran due to its intransigence over its nuclear program.

French Defense Minister Herve Morin said he and his American counterpart, Robert Gates, were in "complete agreement" on the need for new measures, reports AFP.

"It will unfortunately be necessary to launch a dialogue with the international community that will lead to new sanctions if Iran does not stop its [nuclear] programs," Morin told reporters at a joint news conference with Gates in Paris.

Gates said that major powers must still seek a peaceful resolution to the nuclear standoff.

"The only path that is left to us at this point, it seems to me, is that pressure track, but it will require all of the international community to work together," he said, according to Reuters.

China, a veto-wielding member of the UN Security Council, has long been opposed to imposing sanctions against Iran, its second biggest supplier of oil and a close ally.

Gates's aides had earlier said that Washington would ask Paris to submit a sanctions motion at the United Nations Security Council. France currently holds the rotating chair of the council.

On Sunday, Iran further heightened tensions with the West by announcing plans to start enriching uranium to 20 percent, from the 3.5 percent it makes now, for a medical reactor in Tehran.

Tehran also said it would build 10 new uranium enrichment plants – a claim greeted with skepticism from experts.

Iran is already under three rounds of UN Security Council sanctions for refusing to halt its uranium enrichment program.

# Iran says notified IAEA of uranium enrichment plans

Iran's envoy to International Atomic Energy Agency, Ali Asghar Soltanieh, said on Monday that Tehran has formally notified the agency of its plans to step up its nuclear program, prompting strong international criticism.

Soltanieh said that Iran told the United Nations' nuclear watchdog that it would start enriching uranium to 20 percent at its main uranium enrichment plant in the central city of Natanz.

"In this letter, the agency's inspectors were invited to be present at the site [Natanz], because the Islamic Republic of Iran will carry out all its nuclear activities under the agency's supervision," Soltanieh told the official IRNA news agency.

On Sunday night, Iran's atomic chief, Ali Akbar Salehi, announced that Iran would begin enriching uranium to 20 percent from Tuesday, from the 3.5 percent it makes now, and that 10 new uranium enrichment plants would be built.

His announcement came just hours after he was ordered by Iranian President Mahmoud Ahmadinejad to start the higher enrichment process, to produce nuclear fuel for a medical reactor in Tehran.

The move has raised fears that Tehran is moving closer to weapons-grade uranium.

An atomic bomb would require uranium enriched to at least 90 percent, but experts say achieving 20 percent is a key step towards weapons-grade, reports the BBC.

Experts expressed doubt that Iran has the technical ability to launch 10 new enrichment plants in the near future, noting that UN sanctions would make it harder for Tehran to obtain crucial components.

Iran earlier appeared ready to exchange its low-enriched uranium for 20 percent uranium, under a UN-brokered deal.

Salehi said on Sunday night that Iran would halt the higher enrichment program if it could import the nuclear fuel for the Tehran reactor.

US Defense Secretary Robert Gates on Sunday called for mounting "international pressure on Iran", while Britain said the announcement was a "matter of serious concern", reports AFP.

Australia branded the move a "serious provocation" and Germany said today that the move was a further sign that Iran is not cooperating with the international community.

Russia, a close ally of Iran, called on Iran to send its uranium abroad for higher enrichment, in line with the UN-brokered deal.

### Iran launches production line for "advanced" drones

Iranian Defense Minister Ahmad Vahidi on Monday opened two production lines for the manufacture of "advanced" unmanned aircraft or drones, the Fars news agency reported.

"These aircrafts are able to carry out surveillance, detection and assaults with high precision and a long range," the report said.

The two types of drones are named Ra'd [thunder] and Nazir. No other details were provided.

Iran also announced that it would soon deploy a home-built missile air defense system which would be better than the advanced Russian S-300 system, which has been ordered by Tehran but yet to be delivered by Moscow.

Senior air force commander, General Heshmatollah Kasiri, told the official IRNA news agency that the Iranian system's capabilities would match or be superior to those of the S-300 system.

At the same time, he criticized Russia for not delivering the S-300 missiles for "unacceptable reasons".

Both the United States and Israel have expressed concern over the possible delivery of the S-300 to Iran, which would significantly strengthen the country's air defenses.

Iran has in the past week been announcing a number of technological and military achievements in the run up to the 31st anniversary of the Islamic revolution on 11 February.

# Iran arrests seven linked to CIA – agency

Iran said on Sunday it had arrested seven people, including some allegedly hired by the US Central Intelligence Agency, accused of fomenting unrest after the disputed presidential election last June, the official IRNA news agency reported.

"Seven people organizationally connected to the counter-revolution satellite stations and the Zionist media and elements of the sedition were identified and arrested," IRNA quoted an Intelligence Ministry statement as saying.

It said the detainees, who were not named, were linked to the U.S.-backed Farsi-language radio station, Radio Farda, and had received training in Dubai and Istanbul.

"A number of them were officially hired by the US intelligence agency," the statement said.

The detainees were reportedly trained in disrupting public order, spreading rumors and conducting sabotage, the report said, adding that they played an important role in the post-election "riots", particularly on the Shiite holy day of Ashura, which fell on 27 December.

Eight people were killed and hundreds arrested in clashes between security forces and anti-government protesters on that day.

IRNA said that the Prague-based Radio Farda "belongs to the CIA and conducted activities in line with the goals of this intelligence agency."

Radio Farda's director, Armand Mostofi, told CNN on Sunday that it has no employees in Iran.

The latest arrests were reported before possible new anti-government protests on 11 February, when Iran marks the 31st anniversary of the Islamic revolution.

The Iranian authorities have warned that anti-government protesters will be firmly confronted.

# Six powers discuss efforts on Iran nuclear standoff

Senior diplomats from six major powers spoke by phone on Friday to discuss their efforts to curb Iran's controversial nuclear program, the U.S. State Department said.

Assistant Secretary of State for Public Affairs Philip Crowley told reporters that the diplomats discussed "both the pressure track and the negotiation track", reports Reuters.

Crowley said US Undersecretary of State William Burns and diplomats from Britain, France, Germany, Russia and China also discussed comments by Iranian President Mahmoud Ahmadinejad in regards to a nuclear fuel deal with the West.

"They took stock of the recent comments by Iran but also continued to evaluate potential actions on the pressure track," Crowley was quoted as saying by AFP.

On Tuesday, Ahmadinejad said Iran was ready to send its low-enriched uranium abroad to be further enriched into fuel for a medical reactor in Tehran.

The comments signaled a major shift in the Iranian position, since Iranian officials had for months said they were unwilling to export the uranium without simultaneously receiving the fuel in exchange.

Earlier on Friday, a Chinese diplomat at the United Nations said that the six powers should explore whether Iran really wants to accept the nuclear fuel deal.

Asked if the six diplomats had reached any agreement on new sanctions against Iran – something China has resisted – Crowley said: "That wasn't the intent of the call ... they had a detailed discussion of where we are in the process and shared ideas on both tracks."

China is strongly resisting calls for sanctions, saying there is still room for diplomacy.

Crowley said that China was represented in the conference call by its assistant secretary of state for arms control, a level of representation he said Washington was satisfied with.

# China says Iran nuclear standoff at "crucial stage

China on Friday renewed its call for patience and more diplomatic efforts with Iran to address the standoff over Tehran's nuclear ambitions.

Speaking at the Munich Security Conference, Chinese Foreign Minister Yang Jiechi said that the nuclear standoff and international efforts to resolve it has reached a "crucial stage", reports AFP.

He said that the parties concerned should "step up diplomatic efforts, stay patient and adopt a more flexible, pragmatic and proactive policy."

The purpose is to seek a "long-term and proper solution", the Chinese foreign minister added.

The United States and its allies have been pressing for more sanctions against Iran over its nuclear program, which they suspect has a military aim. Tehran insists its nuclear program has entirely peaceful purposes.

On Thursday, the Chinese foreign minister said that threatening more sanctions against Iran was counterproductive.

### Russia urges Iran to act constructively in nuclear row

Russia's Foreign Minister Sergei Lavrov said on Friday that he would meet his Iranian counterpart on the sidelines of an international conference in Munich in the hope of a breakthrough over Tehran's nuclear program.

Lavrov said he would urge Tehran to cooperate with the International Atomic Energy Agency (IAEA), when he meets Iranian Foreign Minister Manouchehr Mottaki, on the sidelines of the Munich Security Conference, which starts later on Friday.

"I will try to present to him in all clarity the position of the 3+3 about the necessity for Iran to answer the IAEA's questions and convince us of the exclusively peaceful nature of the Iranian nuclear program," Lavrov said, according to AFP.

Lavrov was speaking at a joint news conference in Berlin with German Foreign Minister Guido Westerwelle and was referring to the six world powers working on the Iranian nuclear dossier.

Russia, a veto-wielding member of the United Nations Security Council, has traditionally opposed economic sanctions against Iran over its nuclear program.

But Lavrov signaled that Moscow may be ready to take a tougher stance on Tehran.

"In certain situations, if we do not see a constructive response on the part of Iran, we will probably have to discuss this issue within the UN Security Council," Lavrov was quoted as saying by Reuters, adding he still hoped to find a diplomatic solution.

Iran faces a possible fourth round of UN Security Council sanctions over its uranium enrichment program, which Western nations suspect is aimed to develop an atomic bomb.

Tehran denies this and says its nuclear program is only for civilian purposes.

### Germany says Iran stalling nuclear negotiations

German Foreign Minister Guido Westerwelle on Friday criticized Iran's approach in nuclear negotiations with the West, accusing Tehran of stalling for time.

"For the past two years, Iran has repeatedly bluffed and played tricks," Westerwelle told Deutschlandfunk radio, according to Reuters.

"It has played for time and of course we in the international community cannot accept a nuclear-armed Iran," he added.

The German foreign minister said that Iran would be judged by its actions and not by its words, warning Tehran of further sanctions if it did not return to negotiations with world powers.

On Thursday, China – one of the six powers working on the Iranian nuclear dossier – voiced strong opposition to new sanctions against Tehran, calling for more dialogue.

Westerwelle asserted that a nuclear-armed Iran would be threat to the entire international community and would spark a nuclear arms race.

Western powers suspect Iran is using the guise of a civilian nuclear energy program to develop a nuclear weapons capability. Tehran denies the charge.

#### Palin Pushes Obama To Attack Iran

US neoconservative darling Sarah Palin said she thinks President Barack Obama should declare war on Iran. The one-time Republican vice presidential candidate said in an interview with Fox News on Sunday that Obama should play the war card if he wants to get re-elected in 2012. "Say he decided to declare war on Iran or decided really to come out and do whatever he

could to support Israel, which I would like him to do," she said on Sunday. The military attack "changes the dynamics in what we can assume is going to happen between now and three years," Palin added, pointing to western claims that Iran would be able develop a nuclear bomb within The former Alaskan governor also noted that she does not think the US president would re-elected be he today. The US, which claims Iran is secretly pursuing a military nuclear program, has repeatedly threatened the Islamic Republic with war to force Tehran into halting its atomic activities. War drums are being beaten as new reports show that the Israeli navy has dispatched two missiles Reports say two Israeli warships passed through the Suez Canal on Thursday and are expected to reach Iran's southern waters in the Persian Gulf within the next four days. Egyptian maritime sources leaked the details to Yediot Ahronot on Saturday, adding that Cairo has adopted tight security measures to ensure the safe passage of the Israeli ships through the canal. A report released by the US Office of Naval Intelligence in December has confirmed that if Israel decides to bomb Tehran's nuclear sites, Iran's naval modernization and maritime capabilities have reached a point where it can seal off the Strait of Hormuz, through which supplies nearly 40 percent of the world's oil pass. "Given the importance of the Strait, disrupting traffic flow or even threatening to do so effective tool for Iran," said the intelligence may "[World economies would suffer] a serious impact from a sustained closure of the Strait of Hormuz due to greatly reduced supplies of crude oil, petroleum supplies and (liquefied natural gas)," ONI said.

#### Turkish FM Plans to Visit Iran for Nuclear Talks

Davutoglu said his office is working to arrange for him to visit Tehran today or after a two-day trip to Kazakhstan on Feb. 10-12.

Speaking at a press conference following his talks with Thorbjorn Jagland, secretary general of the Council of Europe (COE), in the Turkish capital of Ankara, Davutoglu said that he would go to Iran after Tehran announced it started enriching uranium to 20 percent on Tuesday.

On Iran's enrichment of uranium, Davutoglu said that he was not pessimistic about the issue, believing that there was still a common ground.

Davutoglu said that he talked with Iranian Foreign Minister Manouchehr Mottaki by telephone Tuesday morning about the issue, adding that he wanted to meet with the Iranian president, Mottaki and other officials.

#### **Iran Starts 20% Uranium Enrichment**

The move comes after President Mahmoud Ahmadinejad tasked the Atomic Energy Organization of Iran (AEOI) with enriching uranium to 20 percent in order to meet the demands of the country's cancer patients.

Iran has earlier informed the International Atomic Energy Agency (IAEA) that it would start enriching uranium to 20 percent on Tuesday in the presence of the inspectors and observers from the agency.

Iran needs 120 kg (264 lb) of 20 percent-enriched uranium to fuel the Tehran research reactor, which produces medical isotopes for cancer patients and is soon to run out of fuel.

The Tehran research reactor, which produces 20 different kinds of radio-medicine for cancer patients, runs on 20 percent-enriched U-235.

The AEOI Director Ali-Akbar Salehi yesterday confirmed the beginning of uranium enrichment to 20 percent purity level at Natanz plant.

"The enrichment started on Tuesday in a separate cascade from the production line that enriches uranium in Natanz," Salehi told the Islamic Republic News Agency.

"We opened a new cascade, called S8, in Natanz which is more on a lab scale," he said.

The top nuclear official said that doors are still open for talks with Iran about nuclear fuel swap.

"The beginning of the enrichment is not tantamount to the end of interaction and negotiations on a UN-brokered proposal on fuel swap," he said.

"The Islamic Republic of Iran is still ready to continue cooperation if the negotiation parties act wisely and end wasting time," Salehi underlined

# Ahmadinejad says Iran can enrich uranium to 80 percent

Iranian President Mahmoud Ahmadinejad announced on Thursday that Tehran had produced a first batch of 20 percent enriched uranium, adding that the country was now able to enrich uranium to more than 80 percent purity.

Speaking before a huge crowd at Tehran's Azadi [Freedom] Square on the anniversary of the 1979 Islamic revolution, the hardline president further said Iran would soon triple output of 20 percent uranium.

Iran further raised tensions with Western powers on Tuesday, saying it had begun work on enriching uranium to 20 percent, which it says is for a medical reactor in Tehran.

Experts say the move is a key step towards weapons-grade uranium.

"Why do they [world powers] think that the production of 20 percent [uranium] is a big deal? Right now in Natanz [enrichment facility] we have the capability to enrich at over 20 percent, at over 80 percent. But because we don't need it, we don't do it," Ahmadinejad said.

Repeating an earlier assertion, the president said Iran is "a nuclear nation".

Ahmadinejad further rejected Western accusations that Iran is seeking a nuclear bomb, insisting that the country has nothing to hide.

"When we say we will not build [an atomic bomb], it means we will not build it because we don't believe in having it. If we want to build it, we are brave enough to say it," he said in a speech broadcast live on state television.

Brushing aside Western threats of tougher sanctions, Ahmadinejad said Iran would soon increase its uranium output.

"We are making and storing several kilos of uranium in Natanz every day and in the near future, God willing, our daily production will be tripled," the president told the crowd of hundreds of thousands.

Iran moved to boost its enrichment after the collapse of efforts to agree to a fuel swap deal with the West, under which Iran would have sent most of its low-enriched uranium abroad in return for fuel rods for a medical reactor in Tehran.

On Tuesday, US President Barack Obama said Iran's refusal to accept the draft deal suggested Tehran was intent on trying to build nuclear weapons, despite its insistence that its atomic activities are entirely peaceful.

Ahmadinejad said Iran was ready to buy the fuel "without preconditions" from any country, including the United States.

"We have no problems; you have problems with us becoming nuclear; you must reform yourselves," he said.

### France decries attack on its embassy in Iran

France on Wednesday condemned an attack on its embassy in Tehran by pro-government supporters, who threw stones at the mission.

Protesters supporting the Iranian government demonstrated outside several European embassies in Tehran on Tuesday, and threw stones at those of Italy and France, diplomats said, according to AFP.

Rome and Paris have joined Washington in calling for tough new sanctions against Tehran over its nuclear program, which Western powers suspect has a military aim.

"These events are unspeakable, we condemn them with the utmost firmness," French Foreign Ministry spokesperson, Bernard Valero, told reporters.

Meanwhile, Iran's embassy in Paris was sprayed with green graffiti on Tuesday night by supporters of the Green movement, which says that the Iranian presidential election last June was rigged.

They wrote "where is my vote?" and "down with the dictator" on the outside walls of the embassy, reports Reuters.

A video of the graffiti attack was posted on YouTube.

Police said the graffiti was spotted in the early hours of Wednesday and had been scrubbed clean by mid-morning.

### Brazil FM calls for more dialogue on Iran nuclear row

Brazil's Foreign Minister Celso Amorim on Tuesday cautioned world powers against a new round of United Nations sanctions against Iran, urging increased dialogue to resolve the nuclear standoff.

The remarks came as Iran announced that it has begun enriching uranium to a higher level, defying numerous UN resolutions demanding a halt to such work.

"We don't believe that sanctions will prove effective," Amorim told reporters in Brasilia, according to AFP.

Tighter economic sanctions against Iran would hurt the general population, the foreign minister said.

Amorim suggested that International Atomic Energy Agency Director-General Yukiya Amano should go to Tehran to address problems over its nuclear program, including a nuclear fuel exchange deal with the West.

Brazil's chief diplomat reiterated that it was against Iran acquiring nuclear arms, but stressed Tehran's right to a peaceful nuclear energy program.

"We want to reach certainty [on Iran's program] through dialogue and peaceful means," Amorim said, according to Reuters.

Iran insists its nuclear program is peaceful, but Western powers suspect Tehran is seeking a nuclear weapons capability.

Brazil enjoys good relations with Iran, and hosted a visit by Iranian President Mahmoud Ahmadinejad last year. Brazil's President Luiz Inacio Lula da Silva is due to travel to Tehran in May.

On Tuesday, US President Barack Obama said that a push for new UN sanctions against Iran was moving along fairly quickly and should be completed in the next few weeks.

# IAEA obligated to supply nuclear fuel

"Agency's obligation to supply (member countries with) nuclear fuel is obvious," he told reporters Tuesday during a press conference. However, he added that the IAEA should not allow certain countries to change the legal procedures in regard to Iran.

The remarks by the spokesman came as Iran started nuclear enrichment to 20 percent after the IAEA and the major powers failed to respond to Iran's request for nuclear fuel to run its research reactor that produces medical isotopes.

Mehmanparast said the step is in line with Iran's peaceful nuclear activities.

The IAEA member states, which have signed the nuclear Non-Proliferation Treaty, have the right to enrichment and Iran's decision to produce 20 percent enriched nuclear fuel falls within this category, he explained.

Asked about the pending proposal for nuclear fuel swap deal between Iran and the major powers, Mehmanparast said whenever the nuclear partners announce their readiness to provide nuclear fuel for the Tehran reactor "we can make the nuclear fuel swap operational."

Iran's main concern is to obtain nuclear fuel for the Tehran research reactor, as hospitals and patients are desperately in need of radioisotopes produced in the center, he noted.

The official said the Western political approach towards Iran's medical research reactor is annoying, adding that the issue should not be used as a tool to pressure Iran.

On Monday, Ali Asghar Soltanieh, the Iranian envoy to the International Atomic Energy Agency, formally notified the UN body of Tehran's decision on 20 percent enrichment of its nuclear stock under the supervision of IAEA inspectors.

Earlier, Iranian President Mahmoud Ahmadinejad had ordered the Atomic Energy Organization of Iran (AEOI) to begin the production of higher enriched uranium for the medical

Iran officially requested the IAEA on June 2, 2009 to supply nuclear fuel for the Tehran research reactor. Later, Iran put forward the proposal for a simultaneous exchange of fuel in two stages on Iran's soil, but Tehran has not received any official response to its logical and technical proposal yet. –

# US senators target human rights abusers in Iran

A bipartisan group of US Senators plan to introduce a bill on Thursday which would impose sanctions and visa bans against Iranian officials complicit in human rights abuses in the Islamic Republic.

The legislation, authored by Republican Senator John McCain and Independent Senator Joe Lieberman, is timed to coincide with the anniversary of Iran's 1979 Islamic revolution.

A bipartisan group of senators will co-sponsor the legislation, the Wall Street Journal reported.

The bill would call on President Barack Obama to produce a list of people in Iran who have committed human rights abuses against Iranian citizens.

Those on the list would be subject to a variety of sanctions, including visa bans to curtail travel and asset freezes, according to AFP.

"Bottom line, this is a targeted measure against the oppressors of the Iranian people," McCain spokesperson Brooke Buchanan was quoted as saying by AFP.

The bill reflects a growing movement in the U.S. and abroad to shift the focus of economic sanctions toward those responsible for human rights abuses, not just those involved in Iran's nuclear program.

#### EU Parliament slams Nokia Siemens role in Iran

Members of the European Parliament on Wednesday criticized Nokia Siemens for providing censorship and surveillance systems to Iran.

Nokia Siemens, a joint venture between Finnish telecom giant Nokia and the German industrial group Siemens, insists that it has not provided anything to Iran that is not completely standard in other countries around the world.

In a resolution adopted on Wednesday, the European Parliament said that by providing the technology to Iran, Nokia Siemens was "instrumental to [the] persecution and arrests of Iranian dissidents".

The resolution further called on European Union institutions to immediately "ban the export of surveillance technology by European companies to governments and countries such as Iran."

Nokia Siemens said the technology it has provided Iran cannot be used for the monitoring or censorship of Internet traffic.

"The implication that we have provided censorship technology is wrong," a Nokia Siemens spokesman said, according to the London-based online tech publication, The Register. "We will be clarifying any inaccuracy in their understanding of our business in Iran with the European Parliament."

#### **Economic News**

## **Mass Production of Advanced Unmanned Bombers Begins**

The two hi-tech drones named 'Ra'd' (Thunder) and 'Nazir' (Harbinger) are capable of conducting long-range reconnaissance, patrolling, assault and bombing missions with high precision.

Ra'd which is a UAV of choice for assault and bombing missions has the capability to destroy the specified targets with high pinpoint precision.

Experts believe that once the UAV enters the scene of aerial missions, it would enhance the reconnaissance, patrolling and defensive power of the Islamic Republic of Iran's Armed Force.

Iran has recently made good progress in the air industry and has succeeded in gaining the technical know-how for producing stealth aircraft and drones.

Iran successfully tested a home-made radar-evading UAV with bombing capabilities in June. Also in 2008, the country's Defense Industries launched production lines of two well-known home-made fighter jets, namely Saeqeh (Thunderbolt) and Azarakhsh (Lightening).

Last March, Iran started construction of a plant in the northern province of Mazandaran to mass produce Unmanned Aerial Vehicles (UAVs).

Hamed Saeedi, Managing Director of Farnas Aerospace Company in charge of the project, said that his company has been dealing with designing and manufacturing UAVs and reconnaissance and pilot training drones for the last 9 years.

"We plan to manufacture UAVs, including unmanned choppers and drones, at this site" he said, referring to the plant in Mazandaran province.

Regarding specifications of the UAVs to be produced by the plant, Saeedi noted, "Drones will be of the tactical type, with a short range of 400 to 500 meters flying altitude which cannot be detected by radio waves as they will be stealth aircraft."

He singled out detection and control of contraband trafficking on land and in the sea and assistance in firefighting operations, specially in the woods as among other advantages of the UAVs to be manufactured in the plant.

#### Iran's FDI to Reach \$2b

Announcing the above, Behrooz Alishiri said that the figure will reach \$2 billion by the end of the year (March 20, 2010).

He said that the FDI made in Iran this year shows 30 percent growth over the last year.

Iran sets to absorb \$12 billion of FDI by the end of its 5th Development Plan (starting in 2010 and ending in 2015), he added.

### **Exports to Afghanistan on Rise**

Iran has exported \$709 million of various products to Afghanistan from March to December 2009, Amir Talebi said adding that the exports "are on rise."

Iran is one of major exporters of foodstuffs, construction materials and machineries to Afghanistan, Talebi said.

He said that Iran-Afghanistan joint economic commission will hold second meeting within next few months.

Iran and Afghanistan also tend to establish a joint chamber of commerce in Kabul in the near future, he added.

### **Iran Continues to Import Fuel From RIL**

From our point of view, Reliance stopping gasoline exports to Iran is not correct," Iranian Ambassador to India Seyed Mehdi Nabizadeh told reporters here.

Reliance till 2008 mostly sold gasoline (petrol) to Iran, and late last year sources close to the company claimed that it had since April 2009 completely stopped shipments from its twin refineries at Jamnagar in Gujarat to that country.

When contacted today, Reliance spokesperson declined comments.

The U.S. is seeking to restrict gasoline supplies from refiners to Iran over its suspected nuclear weapons program.

# 6 Petrochemical Projects Open at Assaluyeh

The nominal capacity of projects is 3.14 million tons a year.

The schemes were inaugurated on the eve of the anniversary of the 31st Islamic Revolution's victory which is marked in the country each year on ten-day dawn February 1-11.

The projects account for a major part of the petrochemical sector.

The projects will create 1,600 jobs directly and 20,000 jobs indirectly in the province.

Assaluyeh is located on the shores of the Persian Gulf some 270 km southwest of the provincial capital of Bushehr. It is best known as the site for the land-based facilities of the huge petrochemical sector of Iran Pars Special Economic and Energy Zone.

# China set to pass EU as Iran's largest trading partner

China is set to overtake the European Union as Iran's largest trading partner, the Financial Times newspaper reported on Tuesday.

The growing business ties between the two countries underline Beijing's reluctance to agree to further economic sanctions against Tehran over its controversial nuclear program.

Iran's announcement today that it has started to enrich uranium to higher levels prompted fresh calls by Western powers for a fourth round of United Nations Security Council sanctions against Tehran.

While Russia has appeared to move closer to backing further measures, China has not.

According to the London-based daily, official figures say Iran's trade with the European Union in 2008 totaled 35 billion dollars, compared with 29 billion dollars with China.

However, much of Iran's trade with the United Arab Emirates consists of goods channeled to or from China.

Majid-Reza Hariri, deputy head of the Iran-China Chamber of Commerce, said that transshipments to China accounted for more than half of Iran's \$15 billion trade with the UAE.

When this is taken into account, China's trade with Iran totals at least \$36.5 billion, meaning Beijing has overtaken the EU as Tehran's largest trading partner.

The daily noted that no definite conclusion is possible since it is unclear how much of Iran's trade with Europe is channeled through the UAE.

# Great potential to boost Pak-Iran economic ties: Pak Minister

There is a great potential to boost Pak-Iran economic ties and both the countries could take advantage of their expertise in many sectors, Pakistani Minister for Finance Shaukat Tarin has said.

Talking to IRNA at the reception at Iranian embassy to mark the 31st anniversary of Islamic Revolution's victory, the minister said that political relationship between Iran and Pakistan is much stronger than the economic ties.

"I think that the two-way trade is no more than 6 to 7 billion dollars and we can easily raise it to 10 billion dollars in next five years", he added.

Shaukat Tarin said that he has been talking with his Iranian counterpart to find ways to enhance bilateral economic relations.

"I think the major area in which we can cooperate with Iran is the Iran-Pakistan gas pipeline project", the minister viewed.

Shaukat Tarin opined that Pakistan should get more and more gas from Iran.

"After the completion of the gas pipeline project we should also think about the electricity which Iran is offering us", he said

The finance minister opined that Pakistan could take advantage of Iran's experience in the field of mining. "I think we have lots of reserves and Iran can help us", he believed.

Shaukat Tarin was of the view that Iran can also use the expertise of Pakistan mostly in textile sector. "We can export textiles to Iran and leather goods along with many other things", he said.

The finance minister stressed the need to enhance Pak-Iran cooperation in the banking sector.

"We have good banking sector on services side and telecom sector and I think we can help one another", he suggested.

# Ahmadinejad: Iran to turn into world's 12th major economic power

President Mahmoud Ahmadinejad said here Thursday that Iran will in the near future turn into world's 12th economic power in the world.

Economically speaking, Iran is now the world's 17th economic power. Once the target-based subsidy plan, the Constitution Principle 44 and other projects are implemented, Iran will stand the world's 12th economic power," said President Ahmadinejad in ceremonies marking the 31st anniversary of the Islamic Revolution's triumph.

He said 20,000 billion rials have been invested in Assaluyeh and other petrochemical projects and Iran has now turned into a workshop.

He added that 65,000 poor villages and dozens of shanty towns were deprived of basic welfare and economic facilities but are now in a favorable standard of living and almost all villagers are provided with oil and gas.

"I proudly announce that celebrations for power supply to all villages, housing more than 20 families, will be held in the near future."

He said such a brilliant progress is observed in other sectors, including the scientific, cultural, sports and artistic fields. "Iran is now in peaks and high altitudes of progress. Iran has gained astronomical scientific progress.

"Under God's grace, Iran is now a superpower in the region. They (the West) know that they will do nothing unless through Iran's assistance. They need more us than we do."

# Iran-Armenia trade center planned

The establishment of Iran-Armenia trade center will pave the way for exchange of goods and services between both countries.

Announcing this, deputy minister of commerce, Babak Afqahi told the International Conference to Introduce Trade and Investment Opportunities in Armenia Tuesday that the center will help boost exchanges between the two countries.

Stating that trade exchanges worth \$200 million between the two countries in 2008 is not acceptable, he further noted that the figure is meager compared to the volume of exchanges with other neighboring states.

One of the strategies of Iran is to increase its economic exchanges with its neighbors, Afqahi, who also doubles as the head of Iran's Trade Development Center said, noting that's for the same reason that Armenia is of significant priority for Iran in this respect.

He also expressed Iranian companies' readiness to open a new era of cooperation with that country.

Iran is prepared to make available different technologies to that country, he noted..

International Conference to Introduce Trade and Investment Opportunities in Armenia is to end in Islamic Republic of Iran Broadcasting's (IRIB) Conferences Hall on Wednesday.

Special port for petrochemical exports inaugurated in SW Iran

Iran's first special port for exporting petrochemical products was inaugurated in this southwestern city Tuesday by First Vice-President Mohammad-Reza Rahimi.

Rahimi arrived in the Pars Special Economic Energy Zone Tuesday morning to inaugurate six large petrochemical projects on the occasion of the 31st victory anniversary of the Islamic Revolution in Iran.

The special port is constructed by Iranian experts with a budget of 864 million dollars. It has a loading capacity of 35 million tons per year.

### **Human Rights Watch says rights abuses mounting in Iran**

Iran's crackdown on dissidents since last June's disputed presidential election is "even broader and the abuses more flagrant than previously reported", Human Rights Watch said in a new report released on Wednesday.

The 19-page report documents "widespread human rights abuses, including extra-judicial killings; rapes and torture; violations of the rights to freedom of assembly and expression; and thousands of arbitrary arrests and detentions," the New York-based group said in a statement.

The report was based on extensive phone interviews and e-mail correspondence with protesters, journalists, human rights defenders and the families of detained political figures.

It was released on the eve of celebrations in Iran to mark the anniversary of the 1979 Islamic revolution.

Joe Stork, deputy Middle East director at Human Rights Watch, said the Iranian government is trying to use the anniversary celebrations "to deflect attention from its human rights violations."

"Instead, it should use the occasion to finally hold the abusers accountable," he said.

An unnamed former detainee at the Kahrizak detention center outside Tehran told the rights group that guards there set up fake executions and beat prisoners who asked for water or to use the toilet.

The prisoner also recounted in detail how he was kicked in the stomach until he threw up blood and then sodomized until he passed out.

The government "has neither ended its crackdown nor held those responsible to account," said the report.

Still, the "campaigns of intimidation" have not silenced the government's critics, said Stork.

"It's time for them to end their repressive tactics and guarantee citizens the right to express dissent," he said.

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# Google says Iran limits access to Gmail service

Google said on Wednesday that Iranian users are having trouble accessing its Gmail email service, apparently as a result of censorship.

"We have heard from users in Iran that they are having trouble accessing Gmail," Google said in a statement, according to AFP.

"We can confirm a sharp drop in traffic and we have looked at our own networks and found that they are working properly," the statement added.

The statement came shortly after the Wall Street Journal reported that Iran's telecommunications agency had announced a permanent suspension of Gmail service and planned to launch a national e-mail service for the nation's population.

Google did not comment on the threat of a permanent ban of Gmail in Iran, but indicated that the service had been subjected to official blocking, reports the Financial Times newspaper.

The US State Department said on Wednesday that it could not confirm the suspension of Gmail, but said any efforts by the Iranian government to keep information from Iranians would fail.

"The Iranian government seems determined to deny its citizens access to information [and] the ability to express themselves freely, network and share ideas," US Assistant Secretary of State for Public Affairs Philip Crowley told reporters, according to Reuters.

"Virtual walls won't work in the 21st century any better than physical walls worked in the 20th century," he added.

# Iran's Ebadi presses UN to take action on Iran violence

Iranian Noble Peace Prize laureate Shirin Ebadi on Wednesday pressed the United Nations Human Rights Council to take a stand against the Iranian government's violent crackdown on protesters.

In an open letter to the 47-member council and UN Higher Commissioner for Human Rights Navi Pillay, Ebadi warned that Iran faced a "catastrophe" if the crackdown was not halted.

"A recurrence of the recent months' events, the continuation of the repressive policies and the killing of defenseless people could bring about a catastrophe that may undermine peace and security in Iran, if not in the entire region," she said, according to Reuters.

The letter came on the eve of the anniversary of the 1979 Islamic revolution. Pro-reform leaders have called their supporters to take to the streets on Thursday, and the authorities have vowed to crack down hard on any anti-government protests.

Ebadi said the patience and tolerance of Iranians was not limitless and urged the council to persuade the Iranian government to change course and allow UN human rights investigators to enter the country.

"How much longer do you believe that you could urge young people to remain calm? The patience and tolerance of Iranian people, however high, is not infinite," she wrote, according to AFP.

Earlier on Wednesday, Iran's police chief announced the arrests of several people he said were preparing to disrupt the state-sanctioned rallies.

The council in Geneva is due to hold a debate on Iran's human rights policies on 15 February, as part of a regular review process.