Business and politics in Muslim world

Weekly report on Iran
Report # 110

7th March 2010 to 14th March 2010
Presentation Date: 17th March 2010

M Rashid

Political Front

•	Summery	03
•	Iran Starts Mass-Production of Nasr 1 Cruise Missiles	10
•	Iran, Qatar to Build Joint Plant	11
•	China Reiterates Stance on Diplomatic Solution to Iran's N.	
	Issue	12
•	Islamabad Denies Pakistani Nationality of Rigi	12
•	Ugandan President to Visit Iran in 2 Months	
•	Iran Likely to Hold Rigi's Trial Openly	
•	Ahmadinejad: Capitalism Defeated by Global Financial Cris	
•	Iran signs security deals with three Gulf states	
•	Iran says it has started cruise missile production	
•	Brazilian Minister Hails Iran's Scientific Progress	
•	Foreign forces should leave Afghanistan: Ahmadinejad	
•	Containing Iran	20
•	Gulf states wary of sanctions against Iran, nukes	22
•	A Nuclear Iran: The only way to make Israel serious about	
	Middle East peace?	24
•	Ahmadinejad: US will allow end of Israel	
•	Euro-MP accuses Iran of rigging Iraqi vote	
•	Nobel laureate urges political, not economic, sanctions on Ira	
•	Iran lawmakers attack govt budget plan, see soaring inflation	
•	Iran parliament approves Ahmadinejad budget	

Economic Front

•	"Iran Ready to Export Gas to Bahrain, Oman31
•	Uruguay Keen to Expand Ties with Iran32
•	Official Urges Establishment of Direct Link between Iranian,
	Russian Ports33
•	Steel Output, Export on Rise34
•	Iran, Iraq to Set up Joint Free Trade Zone34
•	Abadan gas oil exports to Iraq exceed 320m liters35
•	Abadan gas on exports to fraq exceed 320m fiters
•	Facing new sanctions, Iran admits oil shortages35
•	Iran faces steep gasoline troubles37
•	Reliance sold gasoline to Iran in 2009, India says39
Social	front
•	Several Tremors Jolt Iran on Monday39
•	Police Disband 2 Drug Gangs in Western Iran40
•	Iran Reports 12-Time Increase in Drugs' Seizure at Airports41
•	Iran to Launch Middle East's Largest Anti-Cancer Drug
	Production Plant42
•	Police Seize 4 Tons of Drugs in Southeastern Iran42
•	i once beize + tons of Diugs in boundatelli itan
•	Iran Plans to Develop Five Oil, Gas Fields43
•	Villagers threatening Achaemenid tomb in southern Iran Who
	Is44
•	Waging War Against God In Iran?45
-	TIMETER TIME LEGISLING GOVERN AND ALMER TOURS STORES TOURS OF THE PROPERTY OF

•	Iran: Students urge university president to help release their
	peers47

Summary

Iran Starts Mass-Production of Nasr 1 Cruise Missiles

The Iranian Defense Ministry started mass-production of Nasr 1 (Victory 1) cruise missiles on Sunday

1 production line at the defense ministry's Aerospace Industries Organization.

"Nasr 1 missile is a cruise missile capable of destroying 3-ton weighted vessels," Iranian Interior Minister Brigadier General Ahmad Vahidi said at a ceremony to inaugurate Nasr

Iran, Qatar to Build Joint Plant

Iran and Qatar are slated to build a joint electric-board manufacturing plant in the next three months

The announcement was made during a meeting between Governor General of Iran's southern province of Bushehr Abutaleb Shaffeqat and Qatari Minister of State for International Cooperation and Conferences Khalid Bin Mohammad.

China Reiterates Stance on Diplomatic Solution to Iran's N. Issue

Chinese Foreign Minister Yang Jiechi on Sunday renewed his country's support for a negotiated solution to Iran's nuclear issue, saying that sanctions cannot alter Tehran's plans for further nuclear progress.

Islamabad Denies Pakistani Nationality of Rigi

Pakistan's National Database and Registration Authority (NADRA) announced that the Pakistani ID-card of the ringleader of the Jundollah terrorist group, Abdolmalek Rigi, is fake, dismissing earlier media reports that Rigi was a Pakistani citizen

Sources said that the Iranian Foreign Ministry had sent a letter of protest to Islamabad after a NADRA-issued card was retrieved from Rigi during his capture in Iran late February.

Ugandan President to Visit Iran in 2 Months

Ugandan President Yoweri Kaguta Museveni is due to visit Tehran in May to explore ways to accelerate expansion and promotion of ties between the two countries in meetings with Iranian officials.

Iran Likely to Hold Rigi's Trial Openly

Iran's Prosecutor General Gholam Hossein Mohseni Ejei said that the judiciary officials are mulling over holding the trial of ringleader of the Jundollah terrorist group, Abdolmalek Rigi, openly due to the Iranian peoples' demand.

Ahmadinejad: Capitalism Defeated by Global Financial Crisis

Iranian President Mahmoud Ahmadinejad in a meeting with mines and industries ministers of the eight developing Islamic countries (D8) reiterated that the recent economic meltdown in the world defeated capitalism.

Iran signs security deals with three Gulf states

The agreements includes several clauses as part of joint defence, the minister was quoted as telling Al Jazeera television station.

Manama: Iran has signed security agreements with three Gulf countries, the country's defence minister, Ahmad Vahidi said.

Iran says it has started cruise missile production

Iran said Sunday it has launched a new production line of highly accurate, short range cruise missiles, which would add a new element to the country's already imposing arsenal.

Brazilian Minister Hails Iran's Scientific Progress

Brazilian Minister of Science and Technology Sergio Machado Rezende lauded Iranian scientists for their progress and achievements in different fields of science and technology.

Foreign forces should leave Afghanistan: Ahmadinejad

Foreign forces should leave Afghanistan, Iranian President Mahmoud Ahmadinejad said in Kabul on Wednesday.

'Caspian Sea states reach consensus on over 70% of sea's legal regime' Iranian Foreign Ministry spokesman Ramin Mehmanparast stated on Wednesday that the five Caspian Sea states have reached a consensus on over 70 percent of the Caspian Sea legal regime

Containing Iran

The president is trapped between an angry Congress and a stubborn China

HE HAS missed his own deadlines, he may not have enough votes and even if the measure passes it is likely to be a watered-down affair. That is the position in which Barack Obama finds himself not only on health reform but also in his efforts to prevent Iran from acquiring a bomb.

Gulf states wary of sanctions against Iran, nuke

Arab Gulf does not want a nuclear Iran, but also fears impact of sanctions, strikes agaisnt Tehran. Gulf states are worried about Iran going nuclear, but equally fret about a dangerous confrontation that could arise from more sanctions and military threats against Tehran, analysts say.

A Nuclear Iran: The only way to make Israel serious about Middle East peace?

What is more important? Is it Middle East peace or ensuring Iran does not acquire nuclear weapons? One is something that everyone wants and the other is what no one wants, so what is more important should be very clear.

Ahmadinejad: US will allow end of Israel

ISRAEL will soon be annihilated, Iranian President Mahmoud Ahmadinejad told his nation on Thursday. The despot claimed that America and Europe no longer had any use for the Jewish state - which would leave the way clear for its destruction.

Euro-MP accuses Iran of rigging Iraqi vot

The point-man for European Parliament relations with Iraq accused on Thursday top Iraqi electoral commission figures of rigging the election at Iran's behest.

Nobel laureate urges political, not economic, sanctions on Iran

Iranian human rights lawyer Shirin Ebadi for her courageous efforts for democracy and human rights, especially for the rights of women and children

Iran parliament approves Ahmadinejad budget

Iran's parliament approved President Mahmoud Ahmadinejad's 2010/11 budget on Monday, state radio reported, but some lawmakers attacked the plan, saying planned cuts in subsidies could spark runaway inflation.

Economic Front

" Iran Ready to Export Gas to Bahrain, Oman

Iran on Saturday announced its preparedness to supply gas to Bahrain and Oman after holding negotiations with the officials of the two Persian Gulf Arab states. onsidering the results of the meetings and negotiations with Bahraini and Omani officials, I believe that in case the demanding sides announce the final and definite views, Iran will be ready to export gas to the two aforementioned countries," Deputy Oil Minister Hojjatollah Qanimifard told FNA.

Uruguay Keen to Expand Ties with Iran

New Uruguayan President Jose Mujica voiced his country's willingness to use Iran's scientific and industrial developments and advancements.

Speaking at a meeting with Iran's visiting Minister of Cooperatives Mohammad Abbasi in Monte Video on Friday, Mujica stressed that his country attaches great importance to its relations with independent countries, such as Iran.

Official Urges Establishment of Direct Link between Iranian, Russian Ports

Head of Russia's Federal Agency of Sea and River Transport Alexander Davidenko called for the establishment of a direct marine-rail link between his country's Makhach-Kala port and Iran's port of Amirabad.

Steel Output, Export on Rise

Iran's crude steel output and export increased remarkably in the current Iranian calendar year.

Iran has produced 9,753,104 tons of steel during the first 11 months of the current Iranian year (started March 20, 2009) showing 3 percent growth over the same period last year.

Iran, Iraq to Set up Joint Free Trade Zone

Iran and Iraq are due to form a joint free trade zone in the near future to further promote economic cooperation between the two neighboring countries, an Iranian official announced on Monday.

Abadan gas oil exports to Iraq exceed 320m liters

Some 322.9 million liters of gas oil have been exported to Iraq via Abadan from March 20, 2009 to March 6, 2010.

During the period some 920,000 liters of gas oil were exported daily to Najaf and Baghdad power plants, SHANA News Agency reported on Wednesday.

Facing new sanctions, Iran admits oil shortages

A senior Iranian oil official said Sunday that increased gasoline rationing imposed late last year has failed to reduce domestic demand, an acknowledgment that reflects the OPEC nation's economic struggles as it faces possible new sanctions.

Iran faces steep gasoline troubles

Senior oil official says increased gasoline rationing imposed late last year has failed to reduce domestic demand.

A senior Iranian oil official said Sunday that stiffer gasoline rationing imposed late last year has failed to reduce domestic demand, an acknowledgment that reflects the OPEC nation's economic struggles as it faces possible new sanctions.

Reliance sold gasoline to Iran in 2009, India says

Reliance Industries Ltd., operator of the world's largest refining complex, sold gasoline to Iran in April and May of last year, India's government said.

Reliance was the only Indian company to sell the fuel to the Middle Eastern nation, Jitin Prasada, junior oil minister, said in a written reply to the upper house of parliament in New Delhi on March 9.

Social front

Several Tremors Jolt Iran on Monday

Four consecutive tremors hit the different parts of Iran's southern province of Fars on Monday, while another quake jolted a bordering province in the eastern parts of the country.

Police Disband 2 Drug Gangs in Western Iran

Iran's law enforcement police squads disbanded two major rings involved in drugtrafficking activities in two days of operations in the country's western province of Lorestan, a provincial police chief announced on Sunday.

Iran Reports 12-Time Increase in Drugs' Seizure at Airports

Iranian officials announced that the country's airport police have seized 737kg of drugs in the current Iranian year (ending March 20) which shows a 12-time hike.

Iran to Launch Middle East's Largest Anti-Cancer Drug Production Plant

Iranian President Mahmoud Ahmadinejad is due to inaugurate the Middle East's biggest anti-cancer drug production factory in the northern city of Rasht on Wednesday.

Police Seize 4 Tons of Drugs in Southeastern Iran

Iran's law enforcement police squads have seized over 4 tons of illicit drugs in the city of Saravan in the country's southeastern province of Sistan and Balouchestan during the last month, a provincial police commander announced on Monday.

Iran Plans to Develop Five Oil, Gas Fields

An Iranian oil official announced on Tuesday that the country plans to start drilling in a number of recently found oil and gas fields, mentioning that five oil and gas fields have been discovered in the country during the current (Iranian) year.

Villagers threatening Achaemenid tomb in southern Iran

Construction by local residents has imperiled an ancient structure, believed to be the tomb of Cyrus I, the Achaemenid king and son of Teispes and grandfather of Cyrus II the Great, near the village of Tang-e Eram in Bushehr Province.

Who Is Waging War Against God In Iran?

A supporter of Iranian presidential candidate Mir Hossein Musavi in Tehran, May 2009

How did Mohammad Amin Valian, a 20-year-old student from Damghan, land in the Islamic Revolutionary Guard Corps' (IRGC) infamous Special Detention Center No. 209 of Tehran's Evin Prison?

Iran: Students urge university president to help release their peers

Two thousand students of Sharif University have written a letter to Saeed Sohrabpour, President of Sharif University, urging him to demand the release of their peers, Mehdi Kelari, Kohyar Godarzi and Tara Sepehrifar.

Detail Report

Political News

Iran Starts Mass-Production of Nasr 1 Cruise Missiles

The Iranian Defense Ministry started mass-production of Nasr 1 (Victory 1) cruise missiles on Sunday.



"Nasr 1 missile is a cruise missile capable of destroying 3-ton weighted vessels," Iranian Interior Minister Brigadier General Ahmad Vahidi said at a ceremony to inaugurate Nasr 1 production line at the defense ministry's Aerospace Industries Organization.

Vahidi also said that Nasr 1 is a short-range coast-to-sea and sea-to-sea missile which could be fired from coasts and all types of vessels.

He announced that his ministry plans to enhance tactical capabilities of the missile, saying the missile will soon be equipped with the capability to be fired from choppers and submarines.

The minister stressed that once the Army's Navy and the Islamic Revolution Guards Corps (IRGC) naval forces come in possession of these mass-produced cruise missiles, the Islamic Republic of Iran's naval defense capability would experience an outstanding jump

In December 2008, The Iranian naval forces successfully test-fired the surface-to-surface Nasr 1 in the final stage of Unity 87 wargames in the Persian Gulf waters.

The surface-to-surface Nasr-1 missile was fired from a warship and hit its target at a distance of 30 km (19 miles) and destroyed it. It was the first test of the new missile.

The Unity 87 wargames started on December 2, 2008 for a six-day military exercise with over 60 warships as well as fighter jets, unmanned aerial vehicles, torpedoes, light and heavy submarines and gunboats.

Iran, Qatar to Build Joint Plant

Iran and Qatar are slated to build a joint electric-board manufacturing plant in the next three months.



The announcement was made during a meeting between Governor General of Iran's southern province of Bushehr Abutaleb Shaffeqat and Qatari Minister of State for International Cooperation and Conferences Khalid Bin Mohammad.

At the meeting, the Qatari side stressed his country's preparedness to expand cooperation with Iran, specially in economic fields.

"Accordingly, we have prepared the preliminaries to build an Iran-Qatar joint plant which will manufacture electric boards on a 30,000 s/m area," al-Atiyah, who is also Qatar's acting Minister of Business and Commerce, added.

"The plant will be ready for operation within the next three months," he continued.

The official also announced that a Qatari economic delegation is due to visit Bushehr province soon to study investment opportunities in the province.

He underlined that Qatar is ready to expand economic cooperation with Iran in all potentials grounds, and added, "We will start cooperation with Bushehr province and will, then, expand them to the other Iranian provinces."

Shaffeqat, for his part, reminded his province's abundant potentials and capacities for attracting investment, and called on Qatari capital holders to invest in Bushehr province.

The Iranian official also proposed that a joint market be set up in Doha and Bushehr in a bid to increase exchanges between the two sides' traders.

China Reiterates Stance on Diplomatic Solution to Iran's N. Issue

Chinese Foreign Minister Yang Jiechi on Sunday renewed his country's support for a negotiated solution to Iran's nuclear issue, saying that sanctions cannot alter Tehran's plans for further nuclear progress.

"As everyone knows, pressure and sanctions are not the fundamental way forward to resolving the Iran nuclear issue, and cannot fundamentally solve this issue," Jiechi told a news conference on the sidelines of China's annual parliament.

"Frankly speaking, there are some difficulties surrounding efforts to settle the Iranian nuclear issue at present, but we don't think diplomatic efforts have been exhausted," he said.

China and Russia called for diplomatic negotiations as the best way to achieve a peaceful settlement of the differences over Tehran's nuclear program.

Washington and other western powers want China to approve a proposed United Nations resolution imposing new sanctions on Tehran. Beijing has previously resisted calls for harsh sanctions against Iran.

China is one of the five permanent UN Security Council members, each holding the power to veto resolutions.

Washington and its Western allies accuse Iran of trying to develop nuclear weapons under the cover of a civilian nuclear program, while they have never presented any corroborative document to substantiate their allegations. Iran denies the charges and insists that its nuclear program is for peaceful purposes only.

Tehran stresses that the country has always pursued a civilian path to provide power to the growing number of Iranian population, whose fossil fuel would eventually run dry.

Despite the rules enshrined in the Non-Proliferation Treaty (NPT) entitling every member state, including Iran, to the right of uranium enrichment, Tehran is now under three rounds of UN Security Council sanctions for turning down West's illegitimate calls to give up its right of uranium enrichment.

Tehran has dismissed West's demands as politically tainted and illogical, stressing that sanctions and pressures merely consolidate Iranians' national resolve to continue the path.

Islamabad Denies Pakistani Nationality of Rigi

Pakistan's National Database and Registration Authority (NADRA) announced that the Pakistani ID-card of the ringleader of the Jundollah terrorist group, Abdolmalek Rigi, is fake, dismissing earlier media reports that Rigi was a Pakistani citizen



Sources said that the Iranian Foreign Ministry had sent a letter of protest to Islamabad after a NADRA-issued card was retrieved from Rigi during his capture in Iran late February.

The Iranian Foreign Ministry protested at Islamabad for issuing a Pakistani ID-card for Rigi, saying it showed the country's cooperation with the terrorist gang.

While NADRA said Rigi has forged the mentioned document, Pakistan's state-run TV underlined the ID-card was original and issued by the Pakistani department.

A press release by Pakistan's interior ministry said Rigi's brother, Abdolhamid, an Iranian also has a fake Pakistani identity card.

Iranian authorities had earlier presented evidence to Islamabad that showed links between Pakistani intelligence services and the Jundollah terrorist group and called on Pakistani officials to capture and extradite Rigi to Tehran based on a mutual security agreement signed between the two neighboring countries.

The documents were based on the confessions made by Abdolhamid who is currently in prison in Iran.

Rigi, a well-known gang leader whose group has already staged several terrorist operations in southeastern Iran, has long been chased by the Iranian troops.

Jundollah is responsible for several terrorist operations which killed tens of citizens and security forces. In 2007, Jundollah kidnapped 30 people in Sistan and Balouchestan province. They were freed during a Pakistani police operation after abductors took them to the country.

Jundollah claimed responsibility the same year for an attack on an Islamic Revolution Guards Corps (IRGC) bus in which 11 IRGC personnel were killed.

In its latest crime in October, the Pakistan-based terrorist group, which is closely affiliated with the notorious al-Qaeda organization, claimed responsibility for a deadly attack in the southeastern Sistan and Balouchestan province which killed 42 people among them a group of senior military commanders, including Lieutenant Commander of the IRGC ground force Brigadier General Nourali Shoushtari.

Ugandan President to Visit Iran in 2 Months

Ugandan President Yoweri Kaguta Museveni is due to visit Tehran in May to explore ways to accelerate expansion and promotion of ties between the two countries in meetings with Iranian officials.



Museveni confirmed his upcoming visit to Tehran in a meeting with Iranian Foreign Minister Manouchehr Mottaki in Kampala on Friday.

Mottaki paid a daylong visit to Uganda on Friday to discuss bilateral ties as well as regional and international developments.

While in Kampala, Mottaki also held meetings with high-ranking Ugandan officials, including Museveni during which the latter expressed the hope that he would be able to meet Iranian President Mahmoud Ahmadinejad in Tehran in the near future.

During the meeting, Mottaki referred to the good potentials for cooperation between the two countries, and viewed the upcoming visit by Museveni to Iran as a turning point in the political relations and a new chapter in the promotion of bilateral ties between the two countries.

"The Islamic Republic of Iran is ready to expand and deepen its mutual and multilateral cooperation with Kampala" as a move to further strengthen its look-to-Africa policy, Mottaki

He also stressed the necessity for accelerating materialization of bilateral agreements in a bid to expand economic relations.

Mottaki arrived in Kampala on Friday to begin a two-leg African tour of Uganda and Kenya.

Iranian President Mahmoud Ahmadinejad's administration has striven hard to maximize relations with the African continent.

Ahmadinejad said after a three-nation African tour on February 23, 2009 which took him to Djibouti, Kenya and Comoros, that expanding Tehran's relations with the African countries sets a priority in Iran's foreign policy.

Iran Likely to Hold Rigi's Trial Openly

Iran's Prosecutor General Gholam Hossein Mohseni Ejei said that the judiciary officials are mulling over holding the trial of ringleader of the Jundollah terrorist group, Abdolmalek Rigi, openly due to the Iranian peoples' demand.

Addressing a press conference late Thursday, Ejeie said regarding the scale of crimes, committed by Rigi and the group under his command, including massacre of innocent people east of Iran, and also his affiliation to enemies' intelligence organs, his trial goes on and more research on him will continue.

He said the terrorist was arrested alive inside Iran at no cost thanks to complicated and unprecedented efforts of the intelligence and security forces.

"The unique measures of the Intelligence Ministry forces are manifestation of their power, strength, dignity and power," he added.

Iran announced in late February that it had arrested Abdolmalek Rigi after intensive and long term intelligence and security operations.

Rigi said after his arrest that he was traveling to Bishkek to meet a high-ranking US official at a nearby military base.

He stated that they were going to discuss new terrorist attacks on Iranian territory.

Jundollah is responsible for several other terrorist operations which killed tens of citizens and security forces. In 2007, Jundollah kidnapped 30 people in Sistan and Balouchestan province. They were freed during a Pakistani police operation after abductors took them to the country.

Jundollah claimed responsibility the same year for an attack on an Islamic Revolution Guards Corps (IRGC) bus in which 11 IRGC personnel were killed.

In its latest crime in October, the Pakistan-based terrorist group, closely affiliated with the notorious al-Qaeda organization, claimed responsibility for a deadly attack in the southeastern Sistan and Balouchestan province which killed 42 people among them a group of senior military commanders, including Lieutenant Commander of the Islamic Revolution Guards Corps (IRGC) ground force Brigadier General Nourali Shoushtari.

Ahmadinejad: Capitalism Defeated by Global Financial Crisis

Iranian President Mahmoud Ahmadinejad in a meeting with mines and industries ministers of the eight developing Islamic countries (D8) reiterated that the recent economic meltdown in the world defeated capitalism.

The mechanism of capitalism seeks to empty pockets of nations in favor of the world's capitalism, Ahmadinejad said in Tehran on Tuesday evening, adding the recent global economic meltdown defeated the concept of capitalism and the domineering system.

He then added if D8 member stand behind each other, they will be released from capitalism domination and they can pave the way for the release of other nations.

Ahmadinejad meanwhile offered that the D8 members drop dollar in their economic deals.

He also said that the D8 members can become independent if they use their potentials through cooperation.

"D8 members hold massive and various potentials and we can become independent if the potentials are used through cooperation of the countries, member states can also enhance cooperation on trade and industry," Ahmadinejad said.

Iran signs security deals with three Gulf states

The agreements includes several clauses as part of joint defence, the minister was quoted as telling Al Jazeera television station.

Manama: Iran has signed security agreements with three Gulf countries, the country's defence minister, Ahmad Vahidi said.

The Iranian minister said that the bilateral pacts with Qatar, Oman and Kuwait stipulated that these states will not allow their territories to be used for attacks against either Iran or any of the other signatories.

The agreements includes several clauses as part of joint defence, the minister was quoted as telling Al Jazeera television station.

Kuwaiti military sources told *Al Rai* daily that Kuwait did not sign a direct military agreement with Tehran as stated by Vahidi.

"Kuwait is invariably committed politically and militarily not to allow its soil to be used to attack other countries," the unnamed sources told *Al Rai*.

The agreement comes at a time when Western countries are pushing for fresh sanctions over the Islamic Republic's controversial nuclear programme.

A Western proposal for sanctions includes a call for restricting new Iranian banks abroad and urges "vigilance" against the Islamic Republic's central bank, diplomats said.

Russian pilots asked to leave

In another development, Iran has given Russian commercial pilots working in the Islamic Republic two months to leave the country as it has no need for them, Transport Minister Hamid Behbahani was quoted as saying.

The move is a further sign of strains between Iran and Russia, which has indicated it could back sanctions against Tehran over its nuclear work. Iran has also voiced frustration over Moscow's failure to deliver a defence missile system.

Iran says it has started cruise missile production

Iran said Sunday it has launched a new production line of highly accurate, short range cruise missiles, which would add a new element to the country's already imposing arsenal.

Gen. Ahmad Vahidi told Iranian state TV that the cruise missile, called Nasr 1, would be capable of destroying targets up to 3,000 tons in size.

The minister said the missile can be launched from the surface but would eventually be modified to be fired from helicopters and submarines.

The world is already concerned about Iran's military capabilities, especially the implications of its nuclear program. The U.S. and some of its allies, as well as the International Atomic Energy Agency, say Iran is apparently trying to produce nuclear weapons, a charge Iran denies.

The West is considering stiffer sanctions against Iran to try to force it to halt uranium enrichment, a process that has civilian uses but can be also used for nuclear arms if the uranium is enriched over 90 percent.

Iran also has an array of missiles from short to medium range that could hit targets including Israel, U.S. military bases in the region and much of Europe.

Iran frequently makes announcements about new advances in military technology that cannot be independently verified.

Gen. Vahidi said the production of the cruise missiles, which took two years to develop, showed that sanctions on Iran have failed. He said the cruise missiles would strengthen Iran's naval power.

Cruise missiles are highly advanced, usually subsonic rocket-powered weapons that can hug the ground and hit targets with great precision. U.S. forces used large numbers of cruise missiles in its attack on Baghdad in 2002. Most were launched from warships in the Persian Gulf.

The state TV showed a video of boxes in a warehouse containing several missiles. It also showed footage of Iran's cruise missile test in 2007. That missile was apparently imported.

Iran began a military self-sufficiency program in 1992, under which it produces a large range of weapons, including tanks, missiles, jet fighters, unmanned drone aircraft and torpedoes.

Brazilian Minister Hails Iran's Scientific Progress

Brazilian Minister of Science and Technology Sergio Machado Rezende lauded Iranian scientists for their progress and achievements in different fields of science and technology.



"In this trip I observed Iran's scientific activities closely and I should say that Iran has made good technological and scientific progresses in nanotechnology, biotechnology, communication and information technology and policy-making in science and technology," Rezende said on the sidelines of a ceremony to ink a Memorandum of Understanding (MoU) on mutual cooperation in scientific and technological fields on Monday.

Noting that both Iran and Brazil have good experts in all the aforementioned fields, he expressed the hope that partnership and cooperation among the two countries' experts would lead to their further progress and advancement.

Rezende also pointed to the upcoming visit by Brazilian President Luiz Inacio Lula da Silva to Iran on May 16, and said that his country plans to dispatch several delegations of Brazilian researchers to Iran after Inacio's trip in a bid to pursue cooperation with Tehran.

Foreign forces should leave Afghanistan: Ahmadinejad

Foreign forces should leave Afghanistan, Iranian President Mahmoud Ahmadinejad said in Kabul on Wednesday.

"The hegemonistic powers should leave the region. Regional countries know much better how to establish their own peace and security and make progress... The enemies and domineering powers are prepared to spend hundreds of billions of dollars to achieve their inhumane objectives," he noted.

During the visit, Ahmadinejad held talks with Afghan President Hamid Karzai at the presidential palace in Kabul.

The Iranian president lamented that the Afghan nation has endured hardships for many years, saying the foreign forces are hindering Afghanistan's efforts to make progress and attain

prosperity.

He said the best way to fight terrorists was not on the battlefield but through the use of intelligence, which does not result in the death of troops or civilians.

Ahmadinejad was asked to respond to comments made by U.S. Defense Secretary Robert Gates in which he accused Tehran of "playing a double game" by trying to maintain a good relationship with Kabul while hampering the efforts of U.S. and NATO troops by supporting

the

Taliban.

In response, the Iranian president said the United States is the one playing a "double game" in Afghanistan and is actually fighting terrorists it created itself and once supported.

President Karzai said he was happy to see Iran's achievements in various fields and said the Islamic Republic serves as a role model for Afghanistan.

"We are very optimistic that our brother nation of Iran will work with us to bring peace and security to Afghanistan so that both our countries will be secure," Karzai said.

The two presidents also discussed bilateral and international issues and called for the expansion of the two countries' ties in all areas.

Ahmadinejad was originally scheduled to visit Kabul on Monday but the trip was postponed to Wednesday.

'Caspian Sea states reach consensus on over 70% of sea's legal regime' Iranian Foreign Ministry spokesman Ramin Mehmanparast stated on Wednesday that the five Caspian Sea states have reached a consensus on over 70 percent of the Caspian Sea legal regime.

The five littoral countries, (Russia, Iran, Kazakhstan, Azerbaijan, and Turkmenistan) have reached agreement on security issues and the campaigns against extremism and illegal drugs, Mehmanparast told the Mehr News Agency on Wednesday.

He also said that the foreign ministers of the five countries will hold a meeting in the near future to discuss important issues about the legal regime of the Caspian Sea

Iranian missiles no threat to U.S., Europe, says Lavrov 10 March 2010 | 17:40 | FOCUS News Agency

Moscow. Iran currently has no missiles capable of striking Europe and the U.S., Russian Foreign Minister Sergei Lavrov said on Wednesday, RIA Novosti reports. "It is evident that Iran currently poses no threat to the U.S. and European countries... At the moment, Iran has no missiles capable of striking Europe, let alone the U.S., and is unlikely to develop [such missiles] in the foreseeable future," Lavrov said. Romania and Bulgaria are in talks with the U.S. to host elements of U.S. missile defense system on its soil, which the U.S. says are designed as protection against "current and emerging ballistic missile threats The planned deployment of U.S. interceptor missiles in the Black Sea region has triggered fierce criticism from Western powers suspect Iran of running a nuclear program, aimed at making weapons. claims it needs enriched uranium for civilian energy The U.S. stepped up calls for fresh harsher sanctions against the Islamic Republic after Tehran had begun enriching uranium to 20%. Russia, a veto-wielding Security Council member, had earlier opposed sanctions but said after Iran's move that it might support the initiative.

Containing Iran

The president is trapped between an angry Congress and a stubborn China

HE HAS missed his own deadlines, he may not have enough votes and even if the measure passes it is likely to be a watered-down affair. That is the position in which Barack Obama finds himself not only on health reform but also in his efforts to prevent Iran from acquiring a bomb.

As with health care, Mr Obama entered office with a bold idea. He would break with his predecessor and extend the hand of friendship to Iran. If Iran failed to grasp it or to come clean about its nuclear activities, the world would know whom to blame for the continuing enmity between the two countries. That would enable the UN Security

Council to impose a fourth lot of economic sanctions-"crippling" ones this time-that would force the ayatollahs to comply with their nuclear obligations.

Mr Obama's offer to engage got off to a good start. In Geneva last October the Iranians seemed to promise to ship most of their nuclear stockpile to Russia for a while, allaying fears that they could soon enrich enough uranium for a bomb. Later they reneged-but in doing so they upset Russia, making it more receptive to the American-led push for new sanctions.

China, however, remains to be convinced. Two American officials-Jeff Bader from the White House and Jim Steinberg from the State Department-have just visited Beijing to press for a new resolution. America is in a hurry. It wants action in the Security Council before Lebanon (where Iranian influence is strong) takes up the chairmanship in May and a distracting Nuclear Non-Proliferation Treaty (NPT) review conference starts in New York.

A senior administration official claims that Mr Bader and Mr Steinberg had "good discussions" in Beijing: like America, China has an interest in a stable Persian Gulf and does not want a nuclear-armed Iran. But diplomats from other Western countries report the Chinese as saying they oppose new sanctions so long as there is "even a 1% chance" of further dialogue (an illusion the Iranians are masters at conveying). And although China has an aversion to using its veto alone in the Security Council, its growing self-confidence as a great power suggests that it might do so now. Even if China relents, it will probably make sure that any new sanctions approved by the UN are far from crippling.

At the same time as he prods the stubborn mule that is China, however, Mr Obama is also struggling to curb the angry stallion that is Congress. Anti-Iranian sentiment on Capitol Hill was already inflamed by the Holocaust-denying rhetoric of President Mahmoud Ahmadinejad but has reached fever-pitch since the regime's clampdown since June on the pro-democracy green movement.

Democrats and Republicans alike are champing to tighten America's own sanctions on Iran. The White House has been pleading for time-first to give engagement a chance and lately to avoid complicating efforts in the Security Council. Now the Hill's patience has run out.

Although the White House denies that it is out of sync with Congress, Kenneth Katzman of the Congressional Research Service said this week that Congress was in a "ferment" to find "every which way" to squeeze the Iranians. The pressure is bipartisan: sponsors of sanctions resolutions include John McCain, a Republican senator, and Howard Berman, a House Democrat. One pair of bills would punish all firms, including foreign ones, that sell petrol or refining equipment to Iran (Iran is short of refining capacity). Other proposals range from targeting individuals involved in human-rights abuses to making regime change official policy.

Blunt instruments like this could shatter Mr Obama's careful efforts to corral foreign allies and show Iranians that America is worried about their regime's nuclear delinquencies, not hostile to Iran itself. But Mr Obama faces a tricky calculation. Some State Department advisers tell him that too much pressure will provoke Iran to retaliate in Afghanistan (which Mr Ahmadinejad visited this week), with troubling consequences for the war on which the fate of his presidency may ultimately hang. But even friendly pollsters such as Stanley Greenberg and James Carville are picking up signs that the president is becoming vulnerable on national-security issues. Sarah Palin has helpfully urged him to "toughen up" and declare war on Iran.

On health reform, the Democrats may yet summon the votes they need in Congress to snatch victory out of defeat. The same could happen in the Security Council with Iran. But what then? Having promised new sanctions if engagement failed, imposing them has become both a political necessity for Mr Obama and one of the few ways short of war the world can apply pressure to Iran. Even so, few policymakers in Washington expect sanctions alone to end the regime's nuclear ambitions. Some of America's Iran-watchers are therefore advocating a longer game.

Karim Sadjapour of the Carnegie Endowment for International Peace has been dusting down the article George Kennan wrote from Moscow under the pseudonym X in 1947, calling for "patient but firm and vigilant containment" of the Soviet Union. One unintended consequence of Mr Obama's extended hand was the rise in Iran of a resilient democracy movement. Better now to encourage the opposition and wait for the regime to implode, says Mr Sadjapour (he doesn't expect to have to wait 40 years), than to concentrate only on the centrifuges spinning in Natanz. Mr Obama might think so, too-if only he could live with the idea of Iran going nuclear on his watch.

Gulf states wary of sanctions against Iran, nukes

Arab Gulf does not want a nuclear Iran, but also fears impact of sanctions, strikes agaisnt Tehran. Gulf states are worried about Iran going nuclear, but equally fret about a dangerous confrontation that could arise from more sanctions and military threats against Tehran, analysts say.

US Defence Secretary Robert Gates was in the Gulf Wednesday and Thursday seeking support for a new round of UN sanctions to press Tehran to halt its drive to acquire nuclear weapons capability.

Gates was only the latest of several high level US visitors, including Secretary of State Hillary Clinton and Energy Secretary Steven Chu, who have pounded the path to Riyadh to sell Saudi leaders on more pressure on Tehran.

But Saudis and other Gulf states remain dubious about heightened economic sanctions against Tehran.

"We have a shared interest in preventing Iran from becoming a nuclear power," said Mustafa Alani, research director at the Gulf Research Centre, a Dubai think-tank.

However, he said, "We don't recognise economic sanctions as going to change the Iranians' mind."

"If there are sanctions, it will accelerate their nuclear programme."

Gulf states support is crucial, both to put real economic pressure on Iran -- through trade and financial measures -- and to ensure no disruption to global energy needs by a possible cutoff of Iranian oil exports.

With their internationally crucial oil production facilities lining the western banks of the Gulf, along with other vulnerable infrastructure like power and water stations, Saudi Arabia and the other Gulf states are also most vulnerable to any outbreak of hostilities.

"They don't want to confront (Iran) because they are on the front line," said Shahram Chubin, a nuclear policy specialist at the Carnegie Endowment for International peace in Washington.

The Saudis have avoided getting on board with Washington's sanctions drive.

But the Saudis have also repeatedly said they have a spare oil production capacity of four million barrels a day -- more than 40 percent above current output -- that could replace interrupted Iranian oil exports.

Other Gulf states, notably the United Arab Emirates, are also reported to have promised to up oil production if the markets need it.

Saudis support but still distrust the US approach, thinking it will simply provoke Tehran, said Chubin.

"I think they are sceptical about US ability to marshall adequate support for sanctions," he said.

But, he added, "They want it both ways, they don't want to be identified with US policy."

The Gulf states will go along if they think Washington is truly committed, he added. "Dubai and the others will do it if the US convinces them it is serious," he said.

US credibility on the issue took a blow in the past week when the New York Times reported that Washington has awarded more than 107 billion dollars in payments to foreign and US companies doing business in Iran despite existing US sanctions.

The Gulf states have offered few of their own ideas publicly except to pursue negotiations.

"More important to us is the Iranian intervention in Arab affairs," said Mansour al-Mansour, head of the Centre

A Nuclear Iran: The only way to make Israel serious about Middle East peace?

What is more important? Is it Middle East peace or ensuring Iran does not acquire nuclear weapons? One is something that everyone wants and the other is what no one wants, so what is more important should be very clear.

However, it appears that Israeli intransigence is leading the world towards what no one wants, an Iranian nuclear bomb; which ironically might be the only thing that could give the world what everyone wants; Middle East peace.

Israel announced the construction of new settlements in East Jerusalem during US Vice President Joe Biden's visit to Israel. If this is not a slap in the face of the USA, the biggest supporter of Israel, financially, politically and militarily, then what is? If this is the response Israel is showing towards US efforts to resume talks with the Palestinians, is there any hope for talks, leave alone a settlement of the Middle East conflict?

These are the questions on everyone's mind today, or should be; especially in the minds of those Israeli's who wish to have peace in their region. An Israeli student made a very pertinent statement to Vice President Biden when he addressed the Tel Aviv University on Thursday. He said that a majority of Israeli's wanted peace with the Palestinians and were opposed to settlement building in East Jerusalem but the majority view was being hijacked by powerful minority groups with strong links to friends and finances abroad. The student's statement seemed to indicate that even the US President and the US government were hostage to these minority groups with influential friends in high places.

The inevitable alternative to peace, as a consequence of Israeli intransigence will be an unstable future for present and future generations of Israeli's, besides a life of misery for Palestinians. Israeli's will continue to live amongst regular rocket fire, kidnappings, suicide bombings, small scale military incursions, resulting in their fortifying their country with more walls, barbed wire and many other security measures. Israeli's who venture out of their cocoon will not be safe either as militants from enemy country's who surround them will be waiting to demonstrate their anger by hurting them and even killing them.

If this is the life Israeli's wish for themselves and their children, they could continue to thumb their noses to the UN, the USA, Arab countries and the rest of the world, continue with building settlements in East Jerusalem, and not negotiate a settlement with the Palestinians and other nations like Syria with whom there is an ongoing state of war.

If the power of the Israeli minority that the Tel Aviv university student referred to prevails and the status quo continues, it is unlikely that neither Israeli's nor Palestinians will see the emergence of two States that the USA is advocating, nor will they see peace.

It appears that this impasse can only be broken by a balancing of power in the region, not a conventional military balancing of power, as it will be almost impossible to match Israel's conventional military might and capability. The only way Israel and its powerful minority interests could be made to listen would be through the emergence of another power hostile to Israel, in this case Iran, acquiring a tool that only Israel has in the region; the dreaded nuclear bomb. By holding that as a bargaining tool to bring Israel to the negotiating table, the world maybe able to enforce a moratorium on housing constructions in East Jerusalem and force Israel to the negotiating table based on terms acceptable to the Palestinians as well.

Ironically, the Nation that the Western world is trying to consign to Pariah status could very likely be country that in fact might bring peace to the Middle East.

This development, the emergence of Iran as a Nation that possesses the nuclear bomb is unwelcome and dangerous, and it should not be encouraged. However, unfortunately and sadly, this development might have its own silver lining, a kind of black or reverse logic if one may call it that, in that it might force Israel to negotiate a just settlement with Palestine and Syria.

What is more important? Is it Middle East peace or ensuring Iran does not acquire nuclear weapons? One is something that everyone wants and the other is what no one wants, so what is more important should be very clear. However, it appears that Israeli intransigence is leading the world towards what no one wants, an Iranian nuclear bomb; which ironically might be the only thing that could give the world what everyone wants; Middle East peace

This ironical and ridiculous situation need not arise if Israel could only be more accommodating and in the first instance enforce their own moratorium on settlement building in East Jerusalem, the most contentious issue that is holding up talks between Israeli and Palestine leaders.

This would lead to the resumption of negotiations with the Palestinians, and hopefully a lasting Middle East settlement. No doubt this will not be possible unless the Palestinians as well the Israeli's as well as other key countries like Syria and Iran also compromise on their positions for the bigger goal of peace in the region.

But no one will get to this stage unless they commence negotiations. A two State solution based on Israel's right to exist, and a deal on land that Israel has acquired and occupied by force, and an eventual agreement on East Jerusalem are corner stones for working out a solution, and where compromises from all sides will be required to achieve the elusive settlement.

If a majority of Israeli's wants peace, it is a great pity that a minority is holding out against it.

for Strategic Studies, a government-linked think-tank in Riyadh.

Ahmadinejad: US will allow end of Israel

ISRAEL will soon be annihilated, Iranian President Mahmoud Ahmadinejad told his nation on Thursday. The despot claimed that America and Europe no longer had any use for the Jewish state - which would leave the way clear for its destruction.

Speaking to supporters in southern Iran, Ahmadinejad said that Israel, a foreign presence and a "Western prodigy" in the region, had "reached the end of its road".

He stated that Israel was not as useful for "its masters" (America and Europe) as it was at its inception.

Calling Jews who emigrated to Israel before or after 1948 "the most criminal people in the world," he stated that it was now clear that there was no regime more hated than Israel.

"They think in their underdeveloped minds that if they launch another war against Lebanon or Syria it might help them survive a little longer," he said.

"I am telling them that you are in a situation now that more aggressions or wars will not save you."

Echoing a Wednesday speech in which he accused the US of creating the terrorist movement it now seeks to defeat in Afghanistan, Ahmadinejad said NATO forces were deploying troops to the region intending to "seize the oil in Iraq and the Persian Gulf".

He warned: "I must tell you that the young generation of the Middle East will cut your hands off from the oil reserves of the Persian Gulf."

He also claimed that the Palestinians and the nations of the Middle East will be rid of a "bad omen" once Israel is annihilated.

Euro-MP accuses Iran of rigging Iraqi vote

The point-man for European Parliament relations with Iraq accused on Thursday top Iraqi electoral commission figures of rigging the election at Iran's behest.

"I understand that very high officials from the Iraqi Electoral Commission have been caught cheating by entering false data on the election computer," said British conservative MEP Struan Stevenson in a statement.

He said they had been "caught red-handed attempting to manipulate the election results in favour of the incumbent Prime Minister Nouri Al-Maliki," in "blatant attempts" to "defraud the Iraqi people".

President of the EU parliament's delegation for relations with Iraq, Stevenson claimed the actions he was referring to were "clearly indicative" of an election campaign that "has included murder, intimidation, blackmail and fraud."

That campaign bore "all the hallmarks of being inspired, financed and managed by Tehran," he underlined, referring to neighbouring Iran.

Stevenson added that he had contacted the Special Representative of the UN Secretary-General for Iraq in Baghdad, warning that "every hour that passes simply provides more opportunities for fraud."

Iraqi Prime Minister Nuri al-Maliki was in a tight contest to keep his job as he vied with ex-premier Iyad Allawi, initial election results from four of the country's 18 provinces showed Thursday.

The preliminary figures, which were announced once 30 percent of votes had been counted in the southern provinces of Najaf and Babil, put Maliki's State of Law Alliance first and the Iraqi National Alliance (INA), a coalition led by Shiite religious groups, in second place.

The INA said in a statement that it was concerned over "signs of intentions to change the election results."

Stevenson's statement was issued to AFP by his personal representatives and not by his political grouping at the parliament, but he added that his claims had "caused great consternation in Strasbourg," France, where the parliament is in session.

Complete results are expected to be announced on March 18 and the final ones -- after any appeals are dealt with -- will come at the end of the month.

Text and Picture Copyright 2010 AFP. All other Copyright 2010 EUbusiness Ltd. All rights reserved. This material is intended solely for personal use. Any other reproduction, publication or redistribution of this material without the written agreement of the copyright owner is strictly forbidden and any breach of copyright will be considered actionable.

Nobel laureate urges political, not economic, sanctions on Iran

Iranian human rights lawyer Shirin Ebadi for her courageous efforts for democracy and human rights, especially for the rights of women and children

Iranian lawyer Shirin Ebadi is urging political, rather than economic sanctions against Iran to spare the general population from hardship and isolation on top of human rights abuses.

"We don't want a wall around Iran," Ebadi, the 2003 Nobel Peace Prize laureate, said in an interview. "We don't want to isolate Iran."

Ebadi was weighing in on the international debate over the possibility members of the United Nations Security Council will toughen existing sanctions in an effort to arrest Iran's nuclear development.

An example of a political sanction she proposed was a visa ban on Iranian government and military officials.

Ebadi has been in self-imposed exile from Iran since June 10, when colleagues told her she would be more effective outside the country in drawing attention to political repression at home.

"I was in Spain," she recalled. "I travelled to Spain the day before the elections to participate in a three-day conference. After the conference ended I wanted to go back but everything had changed.

"Many of my colleagues had been arrested. Foreign journalists had been expelled. People on the streets had been killed. Most of my colleagues who hadn't been arrested were living in hiding. They urged me not to return because I could be more effective outside Iran."

She went to the United Nations for meetings with Secretary General Ban Ki-moon and UN High Commissioner for Human Rights Navi Pillay. Since then, she's been on the road campaigning against executions, arrests and travel bans on Iranians for all but three weeks, when she took a rest at her daughter's home in London, U.K.

"The minister of intelligence constantly threatens my husband and my family, telling them that they will find me wherever I am," Ebadi said.

Her husband Javad, an engineer, was arrested and jailed for a few days and is barred from leaving the country. Her sister Noushin, a dentistry professor, was jailed for three weeks.

"Neither of them is involved in any political activities," she said. They were arrested "just to pressure me." In addition, her Nobel Prize medal was temporarily confiscated along with other personal belongings and the government closed her and her husband's bank accounts.

"It is a dire situation. My conditions are not good," Ebadi said. "Unfortunately, in Iran people are living far worse."

Ebadi has campaigned mostly in Europe and the United States and is in Canada this week under the sponsorship of the Nobel Women's Initiative, an organization established by six women peace prize laureates in 2006 to promote women's rights.

She is scheduled to speak in Montreal, where she has a special attachment. Ebadi represented the family of Zahra Kazemi, the Montreal photojournalist who was tortured and killed in an Iranian prison in 2003.

Earlier this week Quebec Superior Court heard final arguments in a civil suit Kazemi's son, Stephan, brought against Iran to try to get compensation and his mother's body repatriated.

Ebadi said the court in Iran refused to hear from witnesses she had lined up and the lawsuit in Iran "came to a standstill."

Iran parliament approves Ahmadinejad budget

Iran's parliament approved President Mahmoud Ahmadinejad's 2010/11 budget on Monday, state radio reported, but some lawmakers attacked the plan, saying planned cuts subsidies could spark runawav "It was approved," speaker Ali Larijani said. The Mehr news agency said 151 deputies out of 290 approved the outlines of the budget after making some amendments. Larijani said 226 members were present A senior official has said the government projects revenues of 596 trillion rials (about \$59.6 billion) in fiscal 2010/11, which will result in a \$6 billion deficit. That includes plans to phase out costly subsidies on food and energy during fiscal 2010/11 -- which begins March 21 -- which the government has already said will add 15 percentage points to its average inflation forecast of 10 percent in 2010/11. Analysts estimate the cuts could send inflation spiralling back to 30 percent or more and lead repeat of rioting seen 2007. "Do we have any solution to curb the inflationary impact of this plan to solve the people's problems?" moderate MP Mostafa Kavakebian said during Monday's debate on the budget in parliament, broadcast on state radio. "According to government officials, the inflation rate in the next year will reach 25 while experts believe it will be higher than Inflation currently stands at 8.9 percent but is on the rise again after coming down from nearly 30 percent since late 2008. "The government and the parliament spent days on this budget bill ... and were aiming at decreasing its inflationary impact as well as increasing the rate of economic growth in the best possible manner," government representative Ebrahim Azizi said in a speech before the voting took place.

SOCIAL PROGRAMMES

Iran is the world's fifth-largest crude exporter but while oil prices have surged Iran's economy has slowed as a result of the global economic downtown, political isolation and sanctions over its nuclear energy programme. Analysts estimate it probably will have grown just 0.5 percent in the year ending March 2010. Prominent lawmaker Ahmad Tavakoli said government plans to distribute oil revenues

directly to social programmes for the poorer sectors of the population -- a move intended to soften the subsidy cuts -- could backfire if the oil price "What if the oil income falls and the government cannot pay the pre-planned cash to the people?" he said. "The inflationary impact of this budget is dangerous as experts believe the inflation rate might 50 A senior official has said the budget is based on an oil price of \$60 per barrel, higher than per barrel. On Monday, the oil price vear's \$37.5 topped \$82. Iranian media reported last week that a parliamentary committee had questioned the government's calculation of \$40 billion savings through subsidy cuts, saying \$20 billion Critics accuse Ahmadinejad of squandering windfall oil revenues Iran earned when crude prices soared in the first half of 2008, leaving the country more vulnerable now that it faces possible additional U.N. sanctions over its nuclear programme.

Iran lawmakers attack govt budget plan, see soaring inflation

Iranian lawkers on Monday attacked President Mahmoud Ahmadinejad's proposed budget for 2010/11, saying planned cuts on food and energy subsidies could set off inflation and trigger Ahmadinejad hopes to save money by phasing out a costly subsidy programme in fiscal 2010/11, which begins on March 21. However the government has already said cutting food and energy subsidies will add 15 percentage points to its average inflation forecast of 2010/11. percent Analysts estimate the cuts could send inflation spiralling back to 30 percent or more and repeat of rioting seen "Do we have any solution to curb the inflationary impact of this plan to solve the people's problems?" moderate MP Mostafa Kavakebian said in a debate on the budget in parliament Monday, broadcast state on on "According to government officials, the inflation rate in the next year will reach 25 than while experts believe it will higher be this Inflation currently stands at 8.9 percent but is on the rise again after coming down from nearly 30 percent 2008. A senior official has said the government projects revenues of 596 trillion rials (about \$59.6 billion) in 2010/11 -- including the planned subsidy cuts -- which will result in a \$6 billion deficit. Iran is the world's fifth-largest crude exporter but while oil prices have surged Iran's economy has slowed as a result of the global economic downtown, policital isolation and sanctions over its nuclear energy programme. Analysts estimate it probably will have 0.5 percent in the vear ending March Prominent lawmaker Ahmad Tavakoli said government plans to distribute oil revenues directly to social programmes for the poorer sectors of the population -- a move intended to soften the subsidy cuts -- could backfire if the oil price "What if the oil income falls and the government cannot pay the pre-planned cash to the people?" he said. "The inflationary impact of this budget is dangerous as experts believe might reach A senior official has said the budget is based on an oil price of \$60 per barrel, higher than

last year's \$37.5 per barrel. On Monday, the oil price topped \$82. Parliament is expected to vote later on Monday on the budget but it was not clear if Ahmadinejad would get an easy ride. He has made surprise appearances at the assembly in the past persuade the body to approve legislation. Iranian media reported last week that a parliamentary committee had questioned the government's calculation of \$40 billion savings through subsidy cuts, saying \$20 billion more Critics accuse Ahmadinejad of squandering windfall oil revenues Iran earned when crude prices soared in the first half of 2008, leaving the country more vulnerable now that it

Economic News

" Iran Ready to Export Gas to Bahrain, Oman

faces possible additional U.N. sanctions over its nuclear programme.

Iran on Saturday announced its preparedness to supply gas to Bahrain and Oman after holding negotiations with the officials of the two Persian Gulf Arab states. onsidering the results of the meetings and negotiations with Bahraini and Omani officials, I believe that in case the demanding sides announce the final and definite views, Iran will be ready to export gas to the two aforementioned countries," Deputy Oil Minister Hojjatollah Qanimifard told FNA.

Qanimifard also reiterated that Iran, as one side of the contract for exporting gas to Oman has already informed the Omani officials of its preparedness to materialize all issues agreed between the two countries in this regard.

On Iran's gas exports to Bahrain, he said that the issue was discussed in recent talks among Iranian, Russian and Bahraini oil and energy ministers in Doha.

"With the agreements attained thus far and with conducting the studies agreed by the two sides of the deal, we can finalize the agreements at the earliest and implement the project," Qanimifard said.

Tehran and Manama officials discussed export of Iran's gas to the Arab country during a visit by a Bahraini delegation to Tehran in early February.

The delegation, headed by Bahraini Deputy Oil Minister Faisal Al-Mahrous held the fifth round of technical talks on the export of Iran's gas to the country.

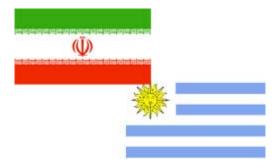
Iranian officials had said in February 2009 that despite reports that Manama had suspended talks with Tehran, Iran and Bahrain would continue negotiations on the natural gas deal.

Bahrain's Foreign Minister Sheikh Khaled bin Ahmad Al Khalifa also dismissed rumors about the alleged halt in Tehran-Manama negotiations for buying Iran's natural Gas.

"The agreement for transferring Iranian gas to Bahrain enjoys a long background and negotiations between the two sides' delegations are underway in accordance with the premeditated schedule," Sheikh Khaled told reporters in Manama at the time.

Uruguay Keen to Expand Ties with Iran

New Uruguayan President Jose Mujica voiced his country's willingness to use Iran's scientific and industrial developments and advancements.



Speaking at a meeting with Iran's visiting Minister of Cooperatives Mohammad Abbasi in Monte Video on Friday, Mujica stressed that his country attaches great importance to its relations with independent countries, such as Iran.

The Uruguayan president also announced that he would visit Tehran in the near future.

"Uruguay is an exporter of agricultural products and we wish to boost cooperation with the Islamic Republic of Iran in this field," Mujica added.

The Iranian minister, for his part, felicitated Mujica's election and conveyed the Iranian President's message of congratulations to him.

Abbasi also reminded ongoing pressures on the Iranian nation by the West, and stated, "Unity among world nations, including the Iranian and the Uruguayan nations can annul the effects of such pressures."

Abbasi Traveled to Uruguay to participate at the oath taking ceremony of President Mujica, held in Monte Video last Monday.

Mujica, 74, who was sworn into office earlier in the day, is the second left-wing president of Uruguay. He won a presidential run-off with 53 percent of the vote in November 2009.

Mujica is a former member of a guerrilla group who spent 14 years in prison and was released in 1985 when democracy was restored to Uruguay after a 17-year dictatorship.

The fresh development of relations between Iran and Uruguay came as the US Secretary of State Hillary Clinton began her trip to Latin America by attending the Monday inauguration of Uruguayan President Jose Mujica.

On Wednesday, Brazilian President Luiz Inacio Lula da Silva stressed the necessity for finding a diplomatic solution to Iran's nuclear issue, shrugging off Washington's call for harsher sanctions against Tehran.

The US is seeking to impose a new round of sanctions, targeting certain high-ranking officials from Iran's Islamic Revolution Guards Corps and some of its affiliated companies. Russia and China have voiced strong opposition to any new measures.

Washington and its allies accuse Tehran of pursuing a military nuclear program. The International Atomic Energy Agency (IAEA), however, has repeatedly said that it has found no evidence supporting the allegation.

The IAEA has conducted numerous inspections of Iran's nuclear facilities, confirming the non-diversion of nuclear materials in country's functional and under-construction plants.

Official Urges Establishment of Direct Link between Iranian, Russian Ports

Head of Russia's Federal Agency of Sea and River Transport Alexander Davidenko called for the establishment of a direct marine-rail link between his country's Makhach-Kala port and Iran's port of Amirabad.



Speaking at the forth session of Iran-Russia workgroup on transportation between the two countries, Davidenko reiterated, "Different issues were discussed during the previous sessions, (yet) the Russian side attaches much importance to the development of transportation cooperation."

He also called for holding a joint meeting among the Caspian Sea littoral states in Alia port, and also stressed the need for setting up an association of sailing companies in the Caspian Sea.

The Russian side also proposed that the agreement for the recognition of ship licenses is put into action.

Steel Output, Export on Rise

Iran's crude steel output and export increased remarkably in the current Iranian calendar year.

Iran has produced 9,753,104 tons of steel during the first 11 months of the current Iranian year (started March 20, 2009) showing 3 percent growth over the same period last year.

The country has also exported 1,061,316 tons of steel valued at \$476.8 million showing 103 percent growth compared to the last year.

Iran, Iraq to Set up Joint Free Trade Zone

Iran and Iraq are due to form a joint free trade zone in the near future to further promote economic cooperation between the two neighboring countries, an Iranian official announced on Monday.

The Iranian side in a meeting with Iraqi officials offered the initiative for starting a joint free trade zone, and that the proposal was welcomed by the Iraqi side, Khouzestan province's chief MP Mostafa Matourzadeh told FNA.

"The existence of a joint free trade zone between Iran and Iraq will facilitate transit of goods," Matourzadeh further explained.

He pointed out that a number of plans have also been proposed to form a joint industrial zone at the two countries' common borders.

"The industrial zone between the two countries will cause development and growth of products and will also help attract foreign investments in the industrial sector," Matourzadeh added.

Iran and Iraq have enjoyed growing ties ever since the overthrow of the former Iraqi dictator, Saddam Hussein, during the 2003 US invasion of the Muslim country.

Chairman of Iran's Expediency Council Akbar Hashemi Rafsanjani had informed in April that impediments to the expansion of Iran-Iraq ties had been removed and the two nations could promote cooperation to further bolster bilateral ties.

Iran is due to inaugurate a trade center in the northern Iraqi city of Soleimaniyeh by the end of March, an instance of growing ties and cooperation between the two Muslim nations.

"With the inauguration of Iran's trade center in Iraq by the end of the (Iranian) year (March 20), exporters can use Iran's transit facilities and potentials to send their commodities to Iraq," Secretary-General of Iran's Chamber of Cooperatives Hossein Rahmaninia told FNA in January.

Abadan gas oil exports to Iraq exceed 320m liters

Some 322.9 million liters of gas oil have been exported to Iraq via Abadan from March 20, 2009 to March 6, 2010.

During the period some 920,000 liters of gas oil were exported daily to Najaf and Baghdad power plants, SHANA News Agency reported on Wednesday.

Iran exported some 188 million liters of kerosene and 286 million liters of gas oil to Iraq in the past calendar year (ended March 19, 2009)

Facing new sanctions, Iran admits oil shortages

A senior Iranian oil official said Sunday that increased gasoline rationing imposed late last year has failed to reduce domestic demand, an acknowledgment that reflects the OPEC nation's economic struggles as it faces possible new sanctions.

Farid Ameri, the head of Iran's National Distribution Oil Products Company, said gasoline consumption had remained unchanged this year despite a 20 percent cut in fuel rations since December.

"To meet the shortage, we need to import 22 million liters per day of gasoline and nine million liters of gasoil per day," Ameri was quoted as saying on Shana, the Oil Ministry's Web site.

The remarks highlight the challenges confronting President Mahmoud Ahmadinejad's hard-line government as it struggles to rein in soaring fuel costs while also grappling with the possibility of new sanctions that could further hammer the country's faltering economy.

Since December, Iranian drivers have had an 80 liter allotment of gasoline per month at a subsidized price of 1,000 rials - or about 10 cents per liter. Any volume over that costs roughly four-times the subsided price.

Previously, each car received 100 liters per month.

Iran is home to the world's second largest proven reserves of conventional crude and produces about 4.2 million barrels of oil per day. But a lack of refining capacity means that it produces roughly 44 million liters of gasoline per day - around only two-thirds of

its of daily demand. Tehran must import more than 5 million gallons to meet its daily needs.

The imports, coupled with the subsidy program, are a heavy drain on the state budget, which relies on oil sales for around 80 percent of its revenues.

Iran's parliament has approved a bill submitted by Ahmadinejad aimed at phasing out the subsidies and distributing the money directly to the neediest Iranians - a populist measure which some analysts say will only serve to sharply boost inflation that some analysts say is already hovering around 20 percent. Official reports put the inflation at about 12 percent.

U.S. sanctions - in place for years because of what Washington says is Iran's support for terrorism - have limited foreign investments in the country. Their most pronounced impact, however, has been to keep U.S. oil companies out of the country and discourage other Western firms from investing as well, hampering Iran's access to funds and technology it sorely needs to upgrade its dilapidated oil sector.

Iran says it needs some \$200 billion over the next five years to revamp the sector and boost production.

Western powers are pushing for a fresh round of sanctions against Iran in response to Tehran's defiance over its nuclear program. The threat makes it even less likely that Western firms will invest in the country, and Tehran has been courting Chinese and Russian companies instead.

The two nations - both veto-wielding members of the United Nations Security Council - have been the most resistant to calls for additional sanctions. Analysts say they are also wary of investing too heavily in Iran at present.

Iran insists its nuclear program is for peaceful purposes, while the U.S. and its allies maintain it aims to develop nuclear weapons.

U.S. lawmakers are also looking to slap new sanctions on Iran aimed at penalizing companies that sell fuel to the Islamic republic. The move, which was approved last year by the House of Representatives, could seriously hamper Tehran's ability to secure sorely-needed fuel imports.

Iran has been stepping up efforts to boost its domestic refining capacity.

On Saturday, the semiofficial Mehr news agency reported that Tehran had selected partners for five new refineries under construction. The report, which carried no attribution, said Malaysia's Petrofield would get a 40 percent stake in the Pars Petrofield refinery while an Indonesian company would get a 15 percent stake in the Persian Gulf Star, or Setareh, refinery.

A day earlier, the head of Iran's state-owned North Drilling Company, Hedayatollah Khademi, told Shana that the country had signed a \$143 million contract to buy an oil rig from China and that Iran would likely purchase two more rigs.

China imports about 700,000 barrels per day of crude from Iran, and Chinese companies have partnered with Tehran to develop the 17 billion barrel Yadavaran oil field. In other indications of growing oil links between the two countries, Iran replaced French energy giant Total with China's CNPC to develop one of the phases of the massive South Pars gas field.

Iran faces steep gasoline troubles

Senior oil official says increased gasoline rationing imposed late last year has failed to reduce domestic demand.

A senior Iranian oil official said Sunday that stiffer gasoline rationing imposed late last year has failed to reduce domestic demand, an acknowledgment that reflects the OPEC nation's economic struggles as it faces possible new sanctions.

Farid Ameri, the head of Iran's National Distribution Oil Products Company, said gasoline consumption had remained unchanged this year despite a 20 percent cut in fuel rations since December.

"To meet the shortage, we need to import 22 million liters per day (5.8 million gallons) of gasoline and nine million liters (2.38 million gallons) of gas oil per day," Ameri was quoted as saying on Shana, the Oil Ministry's Web site.

The remarks highlight the challenges confronting President Mahmoud Ahmadinejad's hardline government as it struggles to rein in soaring fuel costs while also grappling with the possibility of new sanctions that could further hammer the country's faltering economy.

Since December, Iranian drivers have had an 80 liter (21.13 gallon) allotment of gasoline per month at a subsidized price of 1,000 rials — or about 10 cents per liter. Any volume over that costs roughly four-times the subsided price. Previously, each car received 100 liters per month.

Iran is home to the world's second largest proven reserves of conventional crude and produces about 4.2 million barrels of oil per day. But a lack of refining capacity means that it produces roughly 44 million liters (11.63 million gallons) of gasoline per day — around only two-thirds of its of daily demand. Teheran must import more than 5 million gallons to meet its daily needs.

The imports, coupled with the subsidy program, are a heavy drain on the state budget,

which relies on oil sales for around 80 percent of its revenues.

Iran's parliament has approved a bill submitted by Ahmadinejad aimed at phasing out the subsidies and distributing the money directly to the neediest Iranians — a populist measure which some analysts say will only serve to sharply boost inflation that some analysts say is already hovering around 20 percent. Official reports put the inflation at about 12 percent.

US sanctions — in place for years because of what Washington says is Iran's support for terrorism — have limited foreign investments in the country. Their most pronounced impact, however, has been to keep US oil companies out of the country and discourage other Western firms from investing as well, hampering Iran's access to funds and technology it sorely needs to upgrade its dilapidated oil sector.

Iran says it needs some \$200 billion over the next five years to revamp the sector and boost production.

Western powers are pushing for a fresh round of sanctions against Iran in response to Teheran's defiance over its nuclear program. The threat makes it even less likely that Western firms will invest in the country, and Teheran has been courting Chinese and Russian companies instead.

The two nations — both veto-wielding members of the United Nations Security Council — have been the most resistant to calls for additional sanctions. Analysts say they are also wary of investing too heavily in Iran at present.

Iran insists its nuclear program is for peaceful purposes, while the US and its allies maintain it aims to develop nuclear weapons.

US lawmakers are also looking to slap new sanctions on Iran aimed at penalizing companies that sell fuel to the Islamic republic. The move, which was approved last year by the House of Representatives, could seriously hamper Teheran's ability to secure sorely-needed fuel imports.

Iran has been stepping up efforts to boost its domestic refining capacity.

On Saturday, the semiofficial Mehr news agency reported that Teheran had selected partners for five new refineries under construction. The report, which carried no attribution, said Malaysia's Petrofield would get a 40 percent stake in the Pars Petrofield refinery while an Indonesian company would get a 15 percent stake in the Persian Gulf Star, or Setareh, refinery.

A day earlier, the head of Iran's state-owned North Drilling Company, Hedayatollah Khademi, told Shana that the country had signed a \$143 million contract to buy an oil rig from China and that Iran would likely purchase two more rigs.

China imports about 700,000 barrels per day of crude from Iran, and Chinese companies

have partnered with Teheran to develop the 17 billion barrel Yadavaran oil field. In other indications of growing oil links between the two countries, Iran replaced French energy giant Total with China's CNPC to develop one of the phases of the massive South Pars gas field.

Reliance sold gasoline to Iran in 2009, India says

Reliance Industries Ltd., operator of the world's largest refining complex, sold gasoline to Iran in April and May of last year, India's government said.

Reliance was the only Indian company to sell the fuel to the Middle Eastern nation, Jitin Prasada, junior oil minister, said in a written reply to the upper house of parliament in New Delhi on March 9.

The Mumbai-based refiner stopped selling fuels to Iran in May last year, Reliance said Feb. 9. National Iranian Oil Co. buys gasoline from Reliance, Seifollah Jashnsaz, managing director of the National Iranian Oil Company, said in December.

The U.S. Senate in January passed legislation to impose sanctions on companies investing in Iran's energy sector or selling fuels to the country, holder of the world's second-largest crude oil reserves. The sanctions were aimed at blocking Iran's nuclear programs.

The U.S. hasn't raised the matter of Reliance selling fuels to Iran, Prasada said. India has told the U.S. that sanctions on Iran were counter-productive, the minister said.

Iran imports fuels from Reliance, the Press Trust of India reported Feb. 9, citing Mehdi Nabizadeh, Iran's ambassador to India.

Social News

Several Tremors Jolt Iran on Monday

Four consecutive tremors hit the different parts of Iran's southern province of Fars on Monday, while another quake jolted a bordering province in the eastern parts of the country.

A report by the Geophysics Institute of Tehran University said that the slight tremors in Fars measured 3.2, 2.6, 1.6 and 3.6 on the Richter scale.

The report also said that the Seismological network of the institute registered the mild quakes in the southern province at 07:11, 07:46, 10.54 and 11:42 hours local time (0341, 0416, 0724 and 0812 GMT), respectively.

The tremors were epicentered in an area 51.4, 53.8, 51.3 and 51.4 degrees in longitude and 29.7, 28.4, 29.9 and 29.7 degrees in latitude, respectively, it added.

Iran is criss-crossed with fault lines and is regularly hit by earthquakes, experiencing at least one slight tremor every day on average.

Also on Monday, an earthquake measuring 3.3 on the Richter scale jolted the town of Sar bisheh in Iran's eastern province of South Khorassan.

The Seismological network of the Geophysics Institute of Tehran University registered the quake at 07:54 hours local time (0424 GMT).

The epicenter of the quake was located in an area 59.5 degrees in longitude and 32.4 degrees in latitude.

There are yet no reports on the number of possible casualties or damage to properties by the quake in South Khorassan province.

Police Disband 2 Drug Gangs in Western Iran

Iran's law enforcement police squads disbanded two major rings involved in drugtrafficking activities in two days of operations in the country's western province of Lorestan, a provincial police chief announced on Sunday.

"Two drug rings have been disbanded in Lorestan during the past 48 hours," Commander of Lorestan's Law Enforcement Police General Hossein Rahimi told FNA.

He added that the anti-narcotic police squads of Lorestan province also discovered and seized 157 kg of different types of illicit drugs from the two rings.

"Seven people were arrested in this regard and handed to the judiciary authorities," Rahimi added.

He added that 157 kg of opium was seized from the first gang of traffickers while 129 heroin packages together with 1.570 kg of Crack were discovered and taken from the second band.

Iran leads international efforts in fighting drug networks and narcotic traffickers.

According to the statistical figures released by the UN, Iran ranks first among the world countries in preventing entry of drugs and decreasing demand for narcotics.

The United Nations credits Iran with the seizure of 80 percent of the opium netted around the world.

Iran Reports 12-Time Increase in Drugs' Seizure at Airports

Iranian officials announced that the country's airport police have seized 737kg of drugs in the current Iranian year (ending March 20) which shows a 12-time hike.

"Iranian airport police have seized a total of 737 kilograms of various kinds of drugs in the country's airports this year," Iran's Airport Police Chief Brigadier General Nabiollah Heidari said.

"There has been a twelvefold increase in comparison to last year's figures which was just 63 kilograms," he added.

According to General Heidari, the seized drugs included 472 kilograms of crystal meth, most of which was discovered at Imam Khomeini International Airport (IKIA).

"Some 4,898 people involved in drug smuggling have also been arrested at Iranian airports this year," he went on to say.

"Airport police are to equip the country's airports with 10 body scanners which will help in uncovering drugs and nabbing smugglers," he asserted.

The anti-drug squads of the Iranian Law Enforcement Police have intensified their countrywide campaign against drug-trafficking through staging long-term systematic operations in recent months.

The Iranian anti-narcotic police have always staged periodic, but short-term, operations against drug traffickers and dealers, but latest reports - which among others indicate an improved and systematic dissemination of information - reveal that the world's most forefront and dedicated anti-narcotic force (as UN drug-campaign assessments put it) have embarked on a long-term countrywide plan to crack down on the drug trade since the beginning of the current Iranian year (starting on March 20).

Commander of the anti-drug squad of Iran's Law Enforcement Police announced early January that the country's police forces have discovered 340 tons of different types of illicit drugs during the first 9 months of the current Iranian year.

According to the statistical figures released by the UN, Iran ranks first among the world countries in preventing entry of drugs and decreasing demand for narcotics.

In November, Iran's DCH announced that the country would seal all its borders within two years to control drugs smuggling.

Each year, the government spends hundreds of millions of dollars erecting barriers along the borders with Pakistan and Afghanistan and pumping resources into checkpoints. Officials said the battle against drug addiction and trafficking costs Iran US\$1 billion a year.

According to the UNODC, these days, 93 percent of the world's opium is produced in the neighboring Afghanistan, 60 per cent of which is destined for the EU and specially US markets, and the main transit route is Iran, where the country's dedicated police squad risk their lives to make the most discoveries of drug cargoes, disband drug-trafficking gangs and organizations and much more in a bid to rescue not only the Iranian youth but also all those living in Europe and the US.

Iran to Launch Middle East's Largest Anti-Cancer Drug Production Plant

Iranian President Mahmoud Ahmadinejad is due to inaugurate the Middle East's biggest anti-cancer drug production factory in the northern city of Rasht on Wednesday.

"The unit will produce different kinds of anti-cancer drugs and this will cause a decrease in the price of cancer medication for patients and it creates hope for the community of cancer patients," Mohammad Hossein Asqarian, the Head of Industries and Mines Organization of Gilan province in northern Iran, told FNA on Tuesday.

Asqarian pointed out that a chemotherapy unit has been established on a \$4.5bln funding in Rasht's Industrial Town, and assured that the unit produces no biological pollution.

"The unit will produce the drugs in cooperation with a pioneering European company," he added.

Police Seize 4 Tons of Drugs in Southeastern Iran

Iran's law enforcement police squads have seized over 4 tons of illicit drugs in the city of Saravan in the country's southeastern province of Sistan and Balouchestan during the last month, a provincial police commander announced on Monday.

"Month-long efforts by Saravan law enforcement police forces to stop trafficking of narcotics to Iran and clean the city from drug dealers have led to the discovery of 4,093 kg of different types of traditional and industrial drugs," Saravan's Police Chief Mohammad Ali Kazzemi told reporters.

The commander added that the police have arrested 7 major drug traffickers during the period and handed them to the judiciary authorities.

The anti-drug squads of the Iranian Law Enforcement Police have intensified their

countrywide campaign against drug-trafficking through staging long-term systematic operations in recent months.

Iran lies on a major drug route between Afghanistan and Europe, as well as the Persian Gulf states. Since the 1979 Islamic Revolution, the Iranian police have lost more than 3500 of their personnel in the country's combat against narcotics.

During the past Iranian year (ended on March 20,) Iran seized more than 1,000 tons of opium smuggled from Afghanistan, the largest producer of opium poppy in the world.

According to official estimates, Iran's battle against drugs cost the country around \$1 billion annually. Strategies pursued by Tehran include digging canals, building barriers and installing barbed wire to seal the country's borders, specially in the East.

Iran has also established a central database and strengthened police-judiciary cooperation in a new effort to combat organized crime.

Sistan and Balouchestan province, where Iran, Pakistan and Afghanistan come together, has porous borders, where bandits and drug traffickers operate despite frequent entanglements and intense efforts of the Iranian law enforcement police.

Iran Plans to Develop Five Oil, Gas Fields

An Iranian oil official announced on Tuesday that the country plans to start drilling in a number of recently found oil and gas fields, mentioning that five oil and gas fields have been discovered in the country during the current (Iranian) year.

"During the current (Iranian) year (ends on March 20), the discovery (operations) in the five oil and gas fields of Sosangerd, Sepid Baqoun, Soummar and Halegan has been accomplished and the drilling phases of a number of other fields have been put on the agenda," the National Iranian Oil Company (NIOC) Director for Exploration, Seyed Mahmoud Mohadess, told FNA.

He said that assessment estimates of the operations carried out by his department have produced positive results, adding that estimate of costs have shown that the discovery operations for each field required 30 to 40 million Dollars of funding.

Mohadess also underlined the need for boosting activities and investments in exploration and drilling operations in a bid to maintain Iran's stand in global oil economy and illustrating a bright future for the oil sector.

Earlier in February, Iranian Oil Minister Seyed Masoud Mir-Kazzemi announced that two giant oil and gas fields have been found in southern and western Iran.

Mir-Kazzemi said that the oil field is located in Soummar, east of Naftshahr, in the western Kermanshah province.

He said that the filed has 475 million barrels of oil reserves, of which 70 million barrels are recoverable.

"We have estimated a \$5-billion revenue for this oil field," Mir-Kazzemi announced.

Regarding the newly-discovered gas field, the minister said that it is located in Halegan about 73 km north of the Persian Gulf port of Assalouyeh.

Villagers threatening Achaemenid tomb in southern Iran

Construction by local residents has imperiled an ancient structure, believed to be the tomb of Cyrus I, the Achaemenid king and son of Teispes and grandfather of Cyrus II the Great, near the village of Tang-e Eram in Bushehr Province.

Experts have demarcated a 100-meter perimeter for the site, which was registered on the National Heritage List in 1997, the Persian service of the Mehr News Agency reported on Wednesday.

Any construction done on this perimeter is illegal, however, construction of buildings has increased in the vicinity of the boundary.

The first breach of the site's perimeter was done by the regional electrical supplier when they installed a power line some 4 meters from the tomb a few years ago.

Known as Gur-Dokhtar by the local people, the site was discovered in 1960 by Belgian archaeologist Louis Vandenberg, who believed the tomb belonged to Cyrus I.

In addition, a number of experts have said that Mandane, mother of Cyrus the Great, is buried at the site, but other scholars believe that the tomb belongs to Atossa, the daughter of Cyrus.

Built of 24 pieces of stone, the structure is very similar in architecture to the tomb of Cyrus the Great at Pasargadae in Fars Province. However, it is several times smaller than the Cyrus Tomb.

The tomb is 4.5 meters in height and contains a small pool.

A team of Iranian experts led by Hassan Rahsaz conducted a series of restoration efforts on the structure in early 2000's.

Who Is Waging War Against God In Iran?

A supporter of Iranian presidential candidate Mir Hossein Musavi in Tehran, May 2009

How did Mohammad Amin Valian, a 20-year-old student from Damghan, land in the Islamic Revolutionary Guard Corps' (IRGC) infamous Special Detention Center No. 209 of Tehran's Evin Prison?

Valian comes from a religious family and is a member of his university's reformist Islamic Students' Association. In late December, on the Ashura remembrance day, he heeded a call by the opposition to go into the streets and join the city's Green Movement supporters chanting "Death to the dictator!"

Ashura evolved into a broad show of power by the opposition, which has been demonstrating sporadically since the disputed June 2009 presidential election. On that day, hundreds of thousands took to the streets in Tehran and other cities. The IRGC and the Basij militia attacked the crowds and beat and dispersed demonstrators. About 10 were killed and a few hundred were arrested.

Supreme Leader Ayatollah Ali Khamenei reacted in panic and gave his final (although still implicit) approval for the authorities to suppress any individual or group opposition "to protect the Islamic system." His executors in government and the security forces were more direct in restating the supreme leader's message: Anybody opposing the leader or the government is a "mohareb, a person "waging war against God."

And a mohareb, in their interpretation, deserves death.

Valian was not fighting against God. In fact, how could a person "wage war against God" anyway? But in a country dominated by the absolute authority of an unelected clerical supreme leader, God is the government, and protesting against the government is the same as waging a war against God. Those who chant "death to the dictator" -- implying the supreme leader -- must be stopped, even if it means handing down death sentences.

Valian wasn't arrested on Ashura. He returned home and went back to his studies. But a week later, a group of fellow university students -- members of the Basij militia -- distributed a photo that they claimed showed Valian demonstrating with a stone in his hand. They called for him to be punished, and on January 12, he was hustled away from his home and taken to Tehran.

No one -- not even his parents -- could find out where Valian was taken or whether any

legal proceedings had been opened against him. After repeated inquiries, his family was told he was "being detained in a special location." No one would be allowed to visit him. He was not allowed to choose a lawyer.

On January 25, the Tehran Judiciary announced that five more individuals had been sentenced to death in connection with the Ashura protests. They did not release the names of the condemned, but Iranian opposition sources were soon reporting that one of them was Mohammad Amin Valian from Damghan.

On March 2, the Judiciary finally announced that Valian had been convicted and sentenced to death and that an appeals court had upheld his sentence. He was accused of throwing stones at security forces at the Ashura demonstrations -- waging war against God. In justifying its action, the court referred to a speech by Grand Ayatollah Naser Makarem Shirazi in which he purportedly said that all "desecrators of Ashura" and "protesters against the Islamic regime" are "mohareb" and deserve death. The Judiciary statement said Valian "could be executed at any time."

Opposition Ayatollah Yusef Sane'i reacted quickly. He issued a religious ruling (fatwa) saying that participating in demonstrations alone is not equivalent to "waging war against God," but rather it is "mandatory for Muslims to oppose injustice." Another opposition cleric, Ayatollah Asadollah Bayat Zanjani, stated that it is not protesters but "those who attack people and bludgeon them" who should be considered mohareb.

Regime Split

Even some conservative clerics reacted negatively to the Judiciary's ruling. Makarem Shirazi denied issuing the statement that the Judiciary cited, going on record as saying: "We have never issued [the alleged fatwa] against such people [the protesters]." He accused "some people" of "using this and other tactics to weaken the institution of marja [religious sources of reference]."

In the wake of this development, the attorney general of the Public and Revolutionary Courts announced that the ruling of the appeals court "is not final," contradicting an earlier official announcement. A lawyer hired by Valian's family told an Iranian news agency that "the case has not yet been sent to the appeals court."

The guessing game goes on. Will Valian be executed? Nobody knows.

Following the supreme leader's December speech calling for an end to the "war against God," regime supporters turned up the volume of their rhetoric. They began insisting the regime is in danger and that the moharebs must be shown no mercy. Ayatollah Ahmad Khatami, a member of the powerful Assembly of Experts, called on the government, Judiciary, and security forces to persecute ever single mohareb in the country.

Ahmad Khatami, like Ayatollah Mohammad Taghi Mesbah Yazdi (also on the Assembly of Experts) and Ayatollah Ahmad Jannati (of the Guardians Council), is among those

who really pull the strings in Iran. They all believe that the supreme leader of the Islamic republic is acting in the absence and on the behalf of the 12th Imam Mahdi, who Shi'ite Muslims believe went into hiding in the 9th century and who will return to bring global justice to earth. Ayatollah Yazdi has reportedly said: "The Islamic republic and the [supreme] leader's authority does not stem from the people or from popular votes, but from a divine mission from God and the Hidden Imam."

No wonder they feel no compunction against detaining people for weeks without informing their families or allowing them access to lawyers. No wonder they are satisfied with farcical and self-serving legal processes.

I asked a friend of mine, a lawyer living in Tehran, about the Valian case. "Political cases like this are extremely sensitive," he told me. "Fatwas back and forth. But people's lives ultimately depend on those who are in power. They set the tone at the very top and the Judiciary executes their policies."

In Iran, the tone has been set. Valian and dozens of others are in legal limbo and could be executed at any moment without due process or the opportunity to defend themselves. They can be tortured until they confess their "crimes." In the name of God.

Iran: Students urge university president to help release their peers

Two thousand students of Sharif University have written a letter to Saeed Sohrabpour, President of Sharif University, urging him to demand the release of their peers, Mehdi Kelari, Kohyar Godarzi and Tara Sepehrifar.

The students criticize the "silence and diplomacy" of university officials in the matter saying: "Rather than reacting against the recent events, we have witnessed a complete surrender to outside institutions on behalf of the University which has led to disciplinary sentences being issued by University officials against the students."

Kohyar Godarzi is an aeronautics student who has been arrested since end of December 2009. Tara Sepehrifar is a chemical engineering student who has been detained since February 10.

She is also secretary-general of the university's Islamic Association and according to the letter, she played "a significant role in calming the agitated atmosphere of the university in the post-election events."

Mehdi Kelari is another chemical engineering student and he has been sentenced to two and a half years in prison.

Sharif University of Technology

The students write: "On the first day when we entered the university, we believed that we could take advantage of this sacred place in order to step toward the prosperity and freedom of our beloved Iran. But the recent events have proved that reality is far from those ideals."

In continuation, the signatories express their support for the path taken by their imprisoned peers and maintain that reports about their condition in captivity are very disturbing.

The students evoke the image of the president of the university as a father to all the students and appeal to his responsibility to protest against the harsh treatment of his students, which according to the letter, are akin to his children.