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This is untrue altogether," a Saudi official told the government-controlled Saudi Press Agency. Georges Malbrunot, a journalist with the French daily Le Figaro, claims the comment was made in a June 5 meeting in Riyadh between the king and French Defense Minister Herve Morin. Last month, Saudi Arabia also denied a report by the Times of London that the kingdom was making preparations to allow Israel use of its airspace for a strike on Iranian nuclear facilities.

Turkey to Fulfill Obligations on Tehran Agreement

Turkey will continue to fulfill all commitments on the Tehran agreement, despite the freezing of the negotiating process by Iran and further relations between the West and Tehran, and will do its utmost to realize it, experts said. Turkey will not refuse from participating in a tripartite agreement in any case, because it raises its status, regardless of how Iran will develop relations with the West," president of the Russian Institute for Middle Eastern Studies Yevgeny Satanovsky told Trend via -email. According to the Turkish state news agency Anadolu, earlier this week the Turkish Foreign Ministry spokesman Burak Ozugergin said at a press conference in Ankara that if Iran does not sit at the negotiating table, we will find ourselves in a worse position this time next year. "President Ahmadinejad mentioned August, but we would like the talks to start earlier," he said.

Larijani Blasts U.S., NATO Claims of Democracy in the Region

Majlis Speaker Ali Larijani criticized mottos of the U.S. and NATO, saying that, "their mottos of democracy aim at dominating and changing cultural identity of the region."

Addressing the inauguration ceremony of a gathering on the written heritage shared by Iran and Afghanistan Larijani said, "I am upset because some countries have entered Afghanistan without any specific understanding about the country and they judge it based on their low understanding and many of our problems are because we do not know Afghan's nation."

Commander: U.S. Brought Atrocity to ME

A senior Iranian military official has condemned Western military presence in the Middle East region, accusing world powers of exploiting other nations.

"Undoubtedly, the presence of the Americans and extra-regional powers in the Middle East has only brought death, unlawfulness, atrocity and insecurity for the people of this critical region," IRNA quoted Brigadier General Masoud Jazayeri as saying on Friday. Having institutionalized demagoguery and crime in the nature of their administrations, they have never, even for a second, thought of liberty and humanity," he added.

Ahmadinejad Ridicules U.S. Over Iran Airbus Attack

President Mahmoud Ahmadinejad said the U.S. attack on Iranian airliner in 1988 is a black point in the U.S. liberal democracy ignominious record.

In his message to the 22nd anniversary of the USS Vincennes attack on Iranian passenger airliner in the Persian Gulf, Ahmadinejad said, "the tragic human catastrophe is not an understandable incident, but it is a war against humanity and an eternal shame for organizations claiming they support human rights." He added, the catastrophe was spear-headed by the White House officials which added another black point in the U.S. disgraceful record of liberal democracy. Ahmadinejad commemorated 290 martyrs killed in the attack.

Tehran Fuel Deal "Good Start" for Building Confidence

The Executive Director of the Washington-based Arms Control Association Daryl Kimball said that Tehran Declaration on fuel swap was a "good start for building confidence" between Iran and the West.

Kimball said, " I think the fuel swap is a good starting point for building

confidence and success in the intentions and the follow-through of each side. I think we need to pursue that before the option is lost."He warned that dragging on the Iranian nuclear dispute would make it even more difficult to restore trust between Tehran and the West.

Rafsanjani: U.S. Will Fail in Bullying Iran

Former president and head of the Expediency Council Ayatollah Akbar Hashemi Rafsanjani said yesterday the United States will fail with its policy of "bullying" the Islamic republic with sanctions.

The world arrogance (U.S.) is trying to intimidate countries of the region, so they go along with bullying policies against Iran, but will not succeed in this act," Rafsanjani said at a session of the Expediency Council. Rafsanjani criticized U.S. President Barack Obama's decision to impose new U.S. sanctions against Iran.

Larijani: U.S. Threat Will Cost It Dear

Majlis Speaker Ali Larijani said here on Thursday that U.S. threat against Iran will cost it dearly.

Larijani made the remarks in the emergency meeting of Parliamentary Union of the Organization of the Islamic Conference on Palestine, especially Gaza in Damascus, Syria. He said Iran's nuclear issue could be settled through diplomacy and politics. The Majlis speaker said the U.S. and West think if they step up pressure on Iran, Tehran would stop supporting Palestine. They should understand that such measures have no effect on Iran's political decision."Referring to Iran and Syria's stance on Iraq, he underlined that the two sides favor establishment of a united Iraqi government.

Iran Completes Mig-29 Refurbishment

Iran has successfully renovated one of its "strategic" Mig-29 fighter jets in order to join the country's fighters fleet, an air force commander says.

The refurbishment of the fighter jet was carried out at a military airbase in the northwestern city of Tabriz where the aircraft successfully took off after being grounded for years."All the stages of the fighter's repair and modernization program were conducted by Iranian engineers," IRIB reported Iranian Air Force commander Brigadier General Hassan Shah-Safi as saying on Thursday. Head of the Islamic Republic of Iran Air Force (IRIAF) also noted that the country has, over the past years, made extensive efforts to build the essential spare parts to upgrade the IRIAF fleet and optimize its performance.

Ahmadinejad to Visit Nigeria

Iranian President Mahmoud Ahmadinejad will visit Nigeria this weekend as the West African nation assumes the rotating presidency of the United Nations' security council, an Iranian diplomat said Thursday.

Ahmadinejad's visit to Nigeria comes after the leader made similar visits to Uganda and Zimbabwe in April, as the pariah Middle Eastern nation tries to build alliances against stronger U.N. sanctions over its nuclear program. Khosrow Rezazadeh, Iran's ambassador to Nigeria, on Thursday confirmed Ahmadinejad's planned visit, but declined to offer further details. Nigeria's foreign ministry also declined to tell reporters about Ahmadinejad's plans, though his arrival comes as Nigeria's capital, Abuja, is scheduled to host a conference for a group of developing countries known as the D-8.

Obama Signs "Tough" Iran Sanctions

The U.S. president has signed a bill imposing the toughest sanctions on Iran to date, in a move designed to strike at the Islamic republic's financial and scientific establishment over its alleged nuclear weapons program.

The legislation, signed by Barack Obama on Thursday, aims to choke off Iran's access to refined petroleum imports including gasoline and jet fuel and bans U.S. banks from doing business with foreign banks that provide services to Iran's Revolutionary Guards. "With these sanctions -- along with others -- we are striking at the heart of the Iranian government's ability to fund and develop its nuclear programs," Obama said at a White House ceremony.

Washington Voices Concern Over Tehran-Damascus Ties

The United States voiced concern Thursday over cooperation between Syria and Iran after reports Tehran had sent a radar system that would boost defenses against Israel.

The Wall Street Journal, quoting anonymous Israeli and U.S. officials, reported that Iran last year sent the sophisticated radar that could help the Islamic republic detect an Israeli strike on its nuclear facilities. State Department spokesman Philip Crowley said it was "hard" for the United States to determine whether such a transfer had taken place, but added: "We have concerns about the relationship between Iran and Syria."

Mottaki Announces Iran Views on Resolution 1929

In letters sent to foreign ministers of the Security Council member states, Foreign Minister Manouchehr Mottaki severely criticized those who spearheaded the recent UN Security Council resolution and expressed disappointment over

positive response of other countries to the resolution.

In the letters to his Brazilian and Turkish counterparts, Mottaki as the representative of the Islamic Republic of Iran's government and nation, appreciated the two countries' government and nation for their resistance against political pressure of certain countries and their negative vote to the resolution.

Mottaki Warns EU Against Tougher Sanctions on Iran

Iranian Foreign Minister Manouchehr Mottaki in separate letters to his European counterparts cautioned the EU about the grave consequences of tougher sanctions against Tehran.

Undoubtedly, such a confrontational approach may have dire consequences in the relations between the Islamic Republic of Iran and the European Union," Mottaki said in a copy of the letter to EU foreign ministers obtained by Reuters on Wednesday. The EU's decision "will definitely cause far greater losses for the European Union itself rather than for the Islamic Republic of Iran as this is amply demonstrated in all previous statistics," said the letter, which was received on Tuesday.

Ayat. Kashani: West Not Pleased With Scientific Progress of Muslim States

Tehran substitute Friday prayers leader Ayatollah Mohammad Emami Kashani says western states are well aware of peaceful nature of Iran's nuclear program but the point is they do not wish scientific progress of Muslim states.

They (Westerners) accuse Iran of building nuclear weapons, while the case is the country's program is scientific and industrial in nature; production of nuclear weapons has no room in Iran's nuclear doctrine. They (Westerners) are fully informed of the issue but (the point is they) do not wish Muslim states' progress; they (Westerners) do not favor Islamic dignity and awakening," said Ayatollah Kashani in his second Friday prayers sermon to this week's Friday prayers congregation at Tehran University campus.

Envoy: Iran Still Considering N. Fuel Swap Proposal

Iranian Ambassador to Italy Mohammad Ali Hosseini said that Tehran has not put aside the Turkey-Brazil-Iran agreement on nuclear fuel swap and is still considering it as an option for supplying fuel for the Tehran research reactor.

I do not think Iran would ignore the swap deal proposal; although the feedbacks from different parties must be fully studied and evaluated," Hosseini reiterated. Hosseini made the comment in an interview with the Italian daily 'El Manifesto' in response to the question, "Is Iran still committed to abide by the swap deal signed with Turkey and Brazil?" "By putting forth this scheme the

Islamic Republic of Iran took an effective step forth to prove its good will and to build trust, depriving the other side of the opportunity to seek pretexts and exposing them to another test before the world public opinion where they have to prove their good will

Speaker Meets Turkish, Indonesian, Qatari Counterparts

Iranian Parliament Speaker Ali Larijani held separate meetings with his Turkish, Indonesian and Qatari counterparts on the sidelines of the emergency meeting of the Islamic Inter-Parliamentary Union (IIPU) in Damascus.

During his meeting with Qatari Parliament Speaker Muhammad bin-Mubarak al-Khalifi on Wednesday, Larijani proposed, that the Islamic countries can launch joint assistance aides' caravans for Gaza residents"Forwarding aides' caravans has a long term effect that is breaking the lingering siege of Gaza," he emphasized."That is the practical step that the Islamic countries can take to break that inhumane siege of Gaza," Larijani said.

Saudi Arabia Wants U.S. to Press Iran

American sources tell Lebanese paper US President Barack Obama, Saudi King Abdullah clashed over effectiveness of economic sanctions. 'Riyadh believes there is no guarantee that the current policies will stop Tehran from moving forward with its nuclear program,' says Washington source

Despite what appeared to be a successful meeting between Saudi King Abdullah and U.S. President Barack Obama on Tuesday, it seems there are still a number of disagreements between the two leadersWhile the two announced the "importance of moving forward in securing a Palestinian homeland", Lebanese paper an-Nahar yesterday reported there are still several issues on which the two do not see eye-to-eye, including sanctions on Iran, the situation in Iraq, and the peace process.

Economic news

Iran to Rank 10th in Copper Production

The National Iranian Copper Industry Company managing director said that within four-year time the Islamic Republic will be producing 3.5 percent of the world's copper and rank 10 in this regard.

The Islamic Republic of Iran News Network quoted Ardishir Saad-Mohammadi as saying that Iran possesses 2 billion tons of all discovered copper deposits. He said that Iran produces 220,000 tons of copper cathodes annually which constitute 1.2 percent of the global production of this metal.

Iran Successfully Contains Oil Leak

Authorities in Iran said they have managed to fully contain a leak in a key pipeline in the southern province of Khuzestan and clean the resulted slick in a neighboring Bahmanshir river.

The technical operation of changing the 16-inch crude line, which had eroded and was leaking, was put back into permanent operation circuit," head of Iran's Oil Pipelines and Telecommunications Company (IOPTC) Eskandar Ansari told IRNA. Local boats and divers were employed to spot the exact location of the leak in the bed of Bahmanshir River and, following various tests, the spilled oil was collected by absorbent chemicals and fence booms, he explained.

Industrial Investment Exceeds \$70b

Iranian minister of industries and mines said yesterday that the investment in the industrial and mining sectors during the Fourth Five-Year Economic Development Plan (2005-2010) exceeded 70 billion dollars.

Ali Akbar Mehrabian made the remarks in his address to the National Day of Industry and Mines in Iran in the presence of President Mahmoud Ahmadinejad, a number of parliamentarians and the industrialists. Mehrabian said the figure of investment has been five times higher than that of the country's Third Five-Year Economic Development Plan (2000-2005). Pointing to the new round of sanctions, Mehrabian said "Despite international sanctions, Iran had significant growth in industrial and mineral productions," adding that aggressive countries like the U.S. faced decline in industrial sector.

Iran's Hand-Woven Carpets Top at China Expo

Iran's hand-woven carpets ranked first at China's carpet exhibition, an official in charge of hand-made carpets said yesterday.

Managing Director of Iran's Carpet Company Mohammad Reza Abed told IRNA that Iranian hand-made carpets topped the Shanghai Expo 2010 which was held during June 20-23 in this Chinese major port city. Iranian carpets competed with their counterparts

from Afghanistan, India, Pakistan and China during this year's exhibition, Abed said.

New U.S. Law on Iran May Hurt Japanese Firms

A new American law aimed at ratcheting up financial pressure on Iran could hit a handful of Japanese energy and financial firms.

Reports issued by U.S. researchers attempting to document activity by multinational companies in Iran have named oil-and-gas producer Inpex Corp. and units of Japan's three largest banks—Mitsubishi UFJ Financial Group Inc., Sumitomo Mitsui Financial Group and Mizuho Financial Group Inc.—as doing business that could possibly run afoul of the new U.S. rules. The law would ban any international firms doing business with certain Iranian banks and energy firms from conducting business inside the U.S. Multinationals from a number of countries throughout Europe, Asia and the Middle East could also be affected by the measure, according to the research reports. Once the law takes effect, the U.S. State Department will determine which companies could face penalties under the new rules.

S.Korean Co. Scraps \$1.2b Iran Gas Deal

South Korea's GS Engineering & Construction said on Thursday that it has called off a 1.42 trillion won (\$1.2 billion) gas project in Iran following sanctions on the Middle East nation.

The company said in a filing to a regulatory agency that it had cancelled on Wednesday the contract to sweeten gas from the South Pars field in Iran, signed with the Pars Oil and Gas Company (POGC) last October. South Pars is on the Iranian side of the world's largest known gas reservoir not associated with oil production.

Official: Investment Grows Despite Boycotts

The new UN Security Council sanctions against Iran are ineffective as the volume of transactions in Iran's investment market shows a 10 percent growth since the ratification of the UN resolution, Deputy Minister of Economic Affairs and Finance Behrouz Alishiri said Thursday.

The UNSC adopted new sanctions against the Islamic Republic last month. The sanctions came after US's hard lobbying for new punitive measures against Tehran over its nuclear work. The Iranian official further pointed out that according to the reports released by the International Monetary Fund, foreign investment in Iran has risen from \$900 million in 2007 to \$3 billion in 2009.

Iran Investment Opportunities Confab Opens in Malaysia

A conference on Iran investment opportunities opened on Thursday in Malaysia.

Several high ranking Iranian officials including Deputy Minister of Economic Affairs and Finance Behrouz Alishiri took part in the event. Energy, oil, gas, housing, tourism, and

foodstuff are among the main topics to be addressed during the event. The conference was highly welcomed by Iranian and Malaysian businessmen and trade sectors. Meanwhile, Alishiri said that transactions in Iran's stock market have increased following adoption of the United Nations' latest resolution against Iran. The deputy minister made the remarks on the sidelines of the opening ceremony of the conference.

Iran's Move to Hike Import Duty Hits Rice

Rice prices continue to rule low with Iran's move to raise the import duty adding to the woes of the traders and exporters. The prices of aromatic rice, in particular, are on the downswing.

On Thursday, the prices of Pusa 1121 declined further to about 4.7 dollars a quintal against 6.8-7 dollars during the same period a year ago. Rice prices are under pressure mainly due to lack of demand from the Gulf countries and drop in the dollar. As a result, the warehouses are brimming with stocks.

Iran to Host Int'l Confab on Investment in Transportation Networks

The first international conference on Investment Opportunities in Transportation and Transit in Iran will be held in the near future.

The conference aims to introduce the investment opportunities in the field of transportation in Iran. Organizers said that the conference will study the investment opportunities in transportation networks of Iran, adding that training courses will be held and top articles in the field of transportation will be presented in the event. Meanwhile several specialized exhibitions will also be held during the international conference.

No New Offer for Fuel Swap

Iran's envoy to the International Atomic Energy Agency (IAEA) Ali Asghar Soltanieh said the country has received no new offer for fuel swap.

"We got no new suggestion for nuclear fuel exchange to take part in the UN Security Council meeting," he told al-Alam News Network. President Mahmoud Ahmadinejad said Monday that the country would postpone talks with the 6 major powers to mid August. He said the delay is a punitive measure for the West due to imposition of the 4th round of sanctions against Iran. "We postpone talks with P5+1 to mid August due to their misconduct in imposing resolution against Iran in the UN Security Council and this is a penalty for them to be disciplined and learn the way of talks with Iranian nation."

Syria, Iran to Promote Economic Cooperation

Deputy Prime Minister for Economic Affairs Abdullah al-Dardari on Tuesday discussed with Iranian Assistant First Vice-President for Economic and Scientific Affairs Ali Agha Mohammadi means of beefing up development and economic cooperation between the two countries.

Al-Dardari highlighted the importance of the signed agreements between Syria and Iran, saying that they would be reflected positively on both countries' economy through

carrying out joint industrial and investment projects in the next stage. For his part, Mohammadi called for opening new prospects of cooperation between the two countries to meet the aspirations of the Syrian and Iranian people.

Gazprom Neft Eyes Iran, Cuba Oil Projects

Gazprom Neft, the oil arm of Russian energy firm Gazprom, is looking to expand its foreign operations into oil-rich Cuba and Iran, which are both hindered by trade sanctions.

The company is actively seeking to increase its resource base to meet an ambitious oil output goal of 100,000 million tons a year by 2020, up from around 60,000 million. Gazprom Neft wants to join Petronas' project in Cuba," Gazprom Neft head Alexander Dyukov said during the company's annual shareholders' meeting.

New Oil Field Discovered in Qom

An oil field with production capacity of 100 million barrels of crude oil was discovered in Alborz Oilfield in Qom province, central Iran, announced managing director of Iranian Central Oil Fields Company (ICOFC).

Mahdi Fakour said the new oil well's output will be transferred to Tehran oil refinery. The new oil well is located in a 600 square kilometers area, he said, adding that the ICOFC will start oil well drilling in the current Iranian year (started March 21) to produce 2,000 barrels of oil per day. Alborz oilfield is located in Northern city of Qom. Iran ranks among the world's top three holders of both proven oil and natural gas reserves. Iran is OPEC's second-largest producer and exporter after Saudi Arabia.

Iran to Attend China Investment Exhibition

Iran will attend 14th China International Fair for Investment and Trade (CIFIT) to introduce Iran's investment opportunities and potentials to Chinese traders, said deputy head of Iran-China Joint Chamber of Commerce.

We decided to take part in the event with cooperation of all provinces in a 600 square meters area, Majid Reza Hariri was quoted by IRNA as saying. He added Chinese investment in Iran remained at a low level in comparison to the trade exchange volume between the two countries. Referring to the high economic capability of China, Hariri said we need to make plans for participating in its market. He said Iran-China Joint Chamber of Commerce has a significant role in economic relations between the two countries.

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Supreme Leader Highlights Prominent Role of Artists in Society

Supreme Leader of the Islamic Revolution Ayatollah Seyed Ali Khamenei yesterday praised the significant role of male and female artists in promoting Islamic culture in the society.

A number of officials along with well-known male and female artists yesterday were received by the Supreme Leader of the Islamic Revolution. Radio and Television Organization (IRIB) plays a very prominent role in various sectors mainly in displaying documentary movies and serials, said Ayatollah Khamenei. Radio and Television organization has turned into a center for enlightening of thoughts, said the Supreme Leader, adding that the late Imam Khomeini described IRIB as a 'university'.

8th Int'l Confab on Mosques Planned

The Eighth International Congress on Mosques will be held here from August 8-9 as part of the programs to mark World Mosques Week.

Announcing this, deputy head of the Mosques Affairs Center Hojjatollah Niki-Maleki said that so far some 30 specialized articles have been submitted to the secretariat of the event, of which five pertains to the prayer leaders of famous international mosques. Topics for discussion at the event include lifestyle of Imam Khomeini and Supreme Leader Ayatollah Seyed Ali Khamenei, role of prayer leaders in promoting 'Extra Diligence and Extra Work' and explaining the aspects of 'Extra Diligence and Extra Work' for a Muslim woman, role of mosques in institutionalizing values and confronting superstitions and deviations.

Iranian Robot Unveiled

President Mahmoud Ahmadinejad has unveiled a humanoid robot, Sorena 2, developed by over 20 of Iran's top robotics experts.

The robot was unveiled in a ceremony in Tehran on Thursday, held to mark Iran's "Industry and Mine Day." Over 10,000 man-hours have been put into the new high-tech robot. Sorena 2, which weighs 45 kg and has a height of 1.45 meters, can walk like a human being but at a slower pace. Two years ago, the Sorena 1 robot was developed in Iran.

Quake Hits Southern Iran

An earthquake measuring 3.8 on the Richter scale jolted the town of Jam in Bushehr province, southern Iran, yesterday.

The Seismological center of Bushehr province affiliated to the Geophysics Institute of Tehran University registered the quake at 03:04 hours local time (2234 GMT). The epicenter of the quake was located in an area 52.3 degrees in longitude and 28.3 degrees in latitude. There are yet no reports on the number of possible casualties or damage to properties by the quake.

Political news

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Saudi Arabia denied reports Friday that King Abdullah had said in private that "two states in the region do not deserve to exist: Israel and Iran."

"This is untrue altogether," a Saudi official told the government-controlled Saudi Press Agency. Georges Malbrunot, a journalist with the French daily Le Figaro, claims the comment was made in a June 5 meeting in Riyadh between the king and French Defense Minister Herve Morin.

Last month, Saudi Arabia also denied a report by the Times of London that the kingdom was making preparations to allow Israel use of its airspace for a strike on Iranian nuclear facilities.

King Abdullah met Tuesday with President Obama in an effort to present a united front on Iran's nuclear program and the Israeli-Palestinian peace process.

Saudi Arabia does not have formal diplomatic relations with Israel. In 2002 then-Crown Prince Abdullah spearheaded an initiative unanimously endorsed by the 22-member Arab League that promised Israel an end to the Arab-Israeli conflict in return for a "complete withdrawal" from all territories seized in the 1967 Six-Day War and a "just settlement" to the Palestinian refugee issue.

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"Turkey will not refuse from participating in a tripartite agreement in any case, because it raises its status, regardless of how Iran will develop relations with the West," president of the Russian Institute for Middle Eastern Studies Yevgeny Satanovsky told Trend via -email.

According to the Turkish state news agency Anadolu, earlier this week the Turkish Foreign Ministry spokesman Burak Ozugergin said at a press conference in Ankara that if Iran does not sit at the negotiating table, we will find ourselves in a worse position this time next year. "President Ahmadinejad mentioned August, but we would like the talks to start earlier," he said.

Earlier, Iranian President Mahmoud Ahmadinejad said that Tehran will "punish" the world powers for imposing of the new sanctions, freezing all negotiations on the nuclear issue for two months (by late August), and put forward some conditions to resume the negotiating process.

Satanovsky said that Turkey demonstrates independence in relations with Iran and willingness to sacrifice a large proportion of "confidence" in U.S-Turkish relations and the whole complex of the Turkish-Israeli relations in favor of the alliance Ankara-Tehran.

Larijani Blasts U.S., NATO Claims of Democracy in the Region

Majlis Speaker Ali Larijani criticized mottos of the U.S. and NATO, saying that, "their mottos of democracy aim at dominating and changing cultural identity of the region."

Addressing the inauguration ceremony of a gathering on the written heritage shared by Iran and Afghanistan Larijani said, "I am upset because some countries have entered Afghanistan without any specific understanding about the country and they judge it based on their low understanding and many of our problems are because we do not know Afghan's nation."

"Division in Afghanistan led to many problems which resulted in forming

terrorist groups and paved the way for the foreigners' interference in the country."

Saying that the U.S. political and military measures resulted in continuous violent actions in Afghanistan, Larijani added, "if the U.S. really intends to fight terrorism, why does it attack wedding convoys and shoot civilian Afghans? This is not the way of fighting against terrorism."

"We were well informed that the U.S. has negotiated with terrorists, but it denied the issue. Later their double standard approach in Iraq and Afghanistan was revealed."

He reiterated Iran's view is based on spreading democracy in the region and said that the U.S. democracy which is imposed under the name of "New Middle East" is a mere lie.

He then added, "today, we are witnessing that the U.S. has friendly relations with regional countries which do not enjoy democracy and supports them , while Iran's democracy is denied by them."

Larijani continued, "Iran has always stood by Afghanistan and supported its government and its national assembly and is against any interference in Afghanistan's political and civil issues."

"North Atlantic Treaty Organization (NATO) should have improved political organizations if it had intended to strengthen democracy in the country."

Larijani added, "Iran supports independence in Afghanistan. The developed countries cannot dictate their messages to Afghans."

"We defend the security created by the Afghan people and consider it as their wealth," continued Larijani.

Addressing the Western powers, he said, "you cannot hurt Afghans' reputation with political shifts and threats because a lot of clergymen and educated people live in Afghanistan who have political will and power and are capable of managing their country."

Commander: U.S. Brought Atrocity to ME

A senior Iranian military official has condemned Western military presence in the Middle East region, accusing world powers of exploiting other nations.

"Undoubtedly, the presence of the Americans and extra-regional powers in the Middle East has only brought death, unlawfulness, atrocity and insecurity for

the people of this critical region," IRNA quoted Brigadier General Masoud Jazayeri as saying on Friday.

"Having institutionalized demagoguery and crime in the nature of their administrations, they have never, even for a second, thought of liberty and humanity," he added.

The general further accused world powers of efforts aimed at "all-out domination of the world, enslaving nations and plundering their national sources of wealth."

Recalling the U.S. targeting of an Iranian civilian flight in the summer of 1988, Jazayeri called the incident "a dark spot of disgrace" on the face of the United States.

The move was coordinated to help Iraq at a time when the Iraqi army had resorted to the most savage methods and tactics, including the use of chemical bombs in order to find a way out of the quagmire of war.

Ahmadinejad Ridicules U.S. Over Iran Airbus Attack

President Mahmoud Ahmadinejad said the U.S. attack on Iranian airliner in 1988 is a black point in the U.S. liberal democracy ignominious record.

In his message to the 22nd anniversary of the USS Vincennes attack on Iranian passenger airliner in the Persian Gulf, Ahmadinejad said, "the tragic human catastrophe is not an understandable incident, but it is a war against humanity and an eternal shame for organizations claiming they support human rights."

He added, the catastrophe was spear-headed by the White House officials which added another black point in the U.S. disgraceful record of liberal democracy.

Ahmadinejad commemorated 290 martyrs killed in the attack.

He added criminals of the history will face their unchangeable fate.

On July 3, 1988, the guided missile cruiser USS Vincennes attacked Iran Air Flight 655 destined for Dubai.

290 passengers onboard involving 66 children were all killed.

Tehran Fuel Deal "Good Start" for Building Confidence

The Executive Director of the Washington-based Arms Control Association Daryl Kimball said that Tehran Declaration on fuel swap was a "good start for building confidence" between Iran and the West.

Kimball said, " I think the fuel swap is a good starting point for building confidence and success in the intentions and the follow-through of each side. I think we need to pursue that before the option is lost."

He warned that dragging on the Iranian nuclear dispute would make it even more difficult to restore trust between Tehran and the West.

"I think the longer the crisis goes on, the more difficult it is gonna be to build trust. That's why we are at a critical moment."

Kimball urged both sides to find a compromise in moving forward with the diplomatic process over Iran's nuclear program.

"All sides need to find and pursue creative ways to get the diplomatic process started. Each side says they are interested but each side has not found yet ways to actually put forward practical proposals," the disarmament expert said.

Asked about Iran's deep mistrust of the West in the nuclear impasse, Kimball replied, "What the West has to do, it's important like the fuel swap deal to be pursued and implemented in order to start building confidence in small ways over time."

"I think it's important also for the West to clarify what an appropriate resolution to this crisis is. Because part of what Iranian leaders are struggling with, is the question what do we have to do in order to resolve this crisis, to remove the sanctions, to normalize relations with the West ...," he added.

Kimball pointed out that the so-called '5+1' group (Russia, the U.S., China, France, Britain and Germany) had sent mixed signals about what would eventually satisfy them about Iran's peaceful nuclear intentions.

He went on to say that the West needed to do "a better job of clarifying what is it that Iran must do in order to address the concerns of the P5 plus 1 group."

Kimball said he thought there were "some tensions with the 'P5 plus 1' group about what the appropriate outcome of diplomatic discussions ought to be."

The American scholar urged Iran to return to the negotiation table, saying it would be "helpful."

Iranian President Mahmoud Ahmadinejad announced earlier his country would be ready to resume nuclear talks in late August.

Rafsanjani: U.S. Will Fail in Bullying Iran

Former president and head of the Expediency Council Ayatollah Akbar Hashemi Rafsanjani said yesterday the United States will fail with its policy of "bullying" the Islamic republic with sanctions.

"The world arrogance (U.S.) is trying to intimidate countries of the region, so they go along with bullying policies against Iran, but will not succeed in this act," Rafsanjani said at a session of the Expediency Council.

Rafsanjani criticized U.S. President Barack Obama's decision to impose new U.S. sanctions against Iran.

"It is an overt, bullying action against Iran when the U.S. president officially announces that they are targeting the heart of Iran's nuclear program," the ayatollah said, citing Obama.

Rafsanjani also called for unity among the nation and urged officials to react wisely and avoid hasty decision.

He reiterated so far the unity among officials and people have safeguarded the country against plots.

Larijani: U.S. Threat Will Cost It Dear

Majlis Speaker Ali Larijani said here on Thursday that U.S. threat against Iran will cost it dearly.

Larijani made the remarks in the emergency meeting of Parliamentary Union of the Organization of the Islamic Conference on Palestine, especially Gaza in Damascus, Syria.

He said Iran's nuclear issue could be settled through diplomacy and politics.

The Majlis speaker said the U.S. and West think if they step up pressure on Iran, Tehran would stop supporting Palestine.

"They should understand that such measures have no effect on Iran's political decision."

Referring to Iran and Syria's stance on Iraq, he underlined that the two sides favor establishment of a united Iraqi government.

Larijani in an interview with Syrian newspaper said more extensive talks need to be held with Russia on the S-300 air defense missiles contract.

Larijani made the remark in an interview with the Friday edition of the Damascus-based daily `Al-Watan' when asked about Iran's likely reaction to Russia's continued opposition to delivery of the S-300 missiles under the pretext of the UN Security Council June 9 resolution's banning the delivery.

He said the contract had already been concluded and has nothing to do with recent UNSC anti-Iran resolution. "So, broad talks should be held with Russians to finalize it because the deal is fully defensive."

On the China-Russia agreement to Iran sanctions and Tehran's reaction to the two countries' stances, he said the agreement is tactical and would not result in drastic changes in Iran's relations with the two countries.

He had in a press conference in Damascus already said the new UN sanctions do not ban Russia from delivering sophisticated air defense missiles to Iran as agreed under a 2007 contract.

He said the contract for delivery of the S-300 air defense missiles to Iran was concluded before the UN Security Council approved new sanctions last month.

"The contract for Russian S-300 missiles was concluded before last UN Security Council (resolution). It is an old contract, therefore it has nothing to do with the ... (new) resolution. Moreover, it is a defensive weapon," Larijani said.

The extraordinary session of the Parliamentary Union of the OIC member states (PUOICM) has set the stage for pursuing the UN Goldstone's report on Gaza, Larijani said yesterday.

"The final statement has a different approach to the Palestinian issue compared to past," Larijani added upon return from a trip to Syria.

Larijani also highlighted the meeting's approval for dispatching humanitarian aid to Gaza.

He said the IOC secretariat was assigned to pursue the aid convoy decision.

Larijani also said that he had conferred with Syrian officials about bilateral economic cooperation between the two countries as well as regional developments.

Iran Completes Mig-29 Refurbishment

Iran has successfully renovated one of its "strategic" Mig-29 fighter jets in order to join the country's fighters fleet, an air force commander says.

The refurbishment of the fighter jet was carried out at a military airbase in the

northwestern city of Tabriz where the aircraft successfully took off after being grounded for years.

"All the stages of the fighter's repair and modernization program were conducted by Iranian engineers," IRIB reported Iranian Air Force commander Brigadier General Hassan Shah-Safi as saying on Thursday.

Head of the Islamic Republic of Iran Air Force (IRIAF) also noted that the country has, over the past years, made extensive efforts to build the essential spare parts to upgrade the IRIAF fleet and optimize its performance.

Iran also geared up for the maiden flight of its pilotless trainer aircrafts on June 1 at the re-launching ceremony of the renovated Mig-29.

Ahmadinejad to Visit Nigeria

Iranian President Mahmoud Ahmadinejad will visit Nigeria this weekend as the West African nation assumes the rotating presidency of the United Nations' security council, an Iranian diplomat said Thursday.

Ahmadinejad's visit to Nigeria comes after the leader made similar visits to Uganda and Zimbabwe in April, as the pariah Middle Eastern nation tries to build alliances against stronger U.N. sanctions over its nuclear program.

Khosrow Rezazadeh, Iran's ambassador to Nigeria, on Thursday confirmed Ahmadinejad's planned visit, but declined to offer further details. Nigeria's foreign ministry also declined to tell reporters about Ahmadinejad's plans, though his arrival comes as Nigeria's capital, Abuja, is scheduled to host a conference for a group of developing countries known as the D-8.

Nigeria took over the presidency of the U.N. security council on Thursday. As president, Nigeria's U.N. Ambassador Joy Ogwu will serve as the ceremonial head of the 15-member body. She also will be able to set the council's schedule and lead mediation on any crisis during Nigeria's month-long tenure.

Nigeria last served on the security council in 1994-95.

Obama Signs "Tough" Iran Sanctions

The U.S. president has signed a bill imposing the toughest sanctions on Iran to date, in a move designed to strike at the Islamic republic's financial and scientific establishment over its alleged nuclear weapons program.

The legislation, signed by Barack Obama on Thursday, aims to choke off Iran's access to refined petroleum imports including gasoline and jet fuel and bans U.S. banks from doing business with foreign banks that provide services to

Iran's Revolutionary Guards.

"With these sanctions -- along with others -- we are striking at the heart of the Iranian government's ability to fund and develop its nuclear programs," Obama said at a White House ceremony.

The new sanctions are designed to force foreign firms to choose whether to do business with Iran or the United States.

The unilateral U.S. sanctions were passed in addition to new United Nations Security Council sanctions on Iran, passed last month.

Washington Voices Concern Over Tehran-Damascus Ties

The United States voiced concern Thursday over cooperation between Syria and Iran after reports Tehran had sent a radar system that would boost defenses against Israel.

The Wall Street Journal, quoting anonymous Israeli and U.S. officials, reported that Iran last year sent the sophisticated radar that could help the Islamic republic detect an Israeli strike on its nuclear facilities.

State Department spokesman Philip Crowley said it was "hard" for the United States to determine whether such a transfer had taken place, but added: "We have concerns about the relationship between Iran and Syria."

"We don't believe that Iran's designs for the region are in Syria's best interest," Crowley told reporters.

While acknowledging that all countries "have the right to protect themselves," the spokesman said the reported radar delivery would be of concern due to Syria's relationship with the Lebanese Shiite militia Hezbollah.

"Our concern, obviously, in the case with Syria is the transfer of technology to Hezbollah," Crowley said, noting the issue was "something that we do raise with Syria in our periodic discussions with them."

President Barack Obama's administration has been trying to engage Syria and has asked the Senate to approve the first U.S. ambassador to Damascus in five years.

The appointment has proven controversial in Washington, especially after Israeli President Shimon Peres said this year that Syria was supplying Hezbollah with Scud missiles that could cause major damage on Israeli cities.

But Syria has denied transferring Scuds to Hezbollah and the United States has

not publicly confirmed the allegations.

Mottaki Announces Iran Views on Resolution 1929

In letters sent to foreign ministers of the Security Council member states, Foreign Minister Manouchehr Mottaki severely criticized those who spearheaded the recent UN Security Council resolution and expressed disappointment over positive response of other countries to the resolution.

In the letters to his Brazilian and Turkish counterparts, Mottaki as the representative of the Islamic Republic of Iran's government and nation, appreciated the two countries' government and nation for their resistance against political pressure of certain countries and their negative vote to the resolution.

In the letters, he also announced basic approaches of the Islamic Republic of Iran to the resolution 1929.

Mottaki blasted the U.S. hasty measure to approve an unfair and illegal resolution against the great nation of Iran, saying that, "Tehran declaration had created a positive and constructive climate for talks and opened doors for cooperation, whereas the UN Security Council illogical measure showed the other parties are not enthusiastic about talks and interaction."

The United Nations Security Council which should investigate over urgent issues such as the Zionist regime's attack on the Freedom Flotilla, he said, has put an issue on its agenda which is not urgent and does not consider as a threat to the international peace and security.

Mottaki stressed the peaceful nature of Iran's nuclear drive and that nuclear weapons have no place in IRI's security and defense doctrine and said that, "In Iranian nation's view, approving such resolutions will not only create any problem for peaceful nuclear activities of the country, but also makes the country more firm to expand its peaceful nuclear technology."

Mottaki Warns EU Against Tougher Sanctions on Iran

Iranian Foreign Minister Manouchehr Mottaki in separate letters to his European counterparts cautioned the EU about the grave consequences of tougher sanctions against Tehran.

"Undoubtedly, such a confrontational approach may have dire consequences in the relations between the Islamic Republic of Iran and the European Union," Mottaki said in a copy of the letter to EU foreign ministers obtained by Reuters

on Wednesday.

The EU's decision "will definitely cause far greater losses for the European Union itself rather than for the Islamic Republic of Iran as this is amply demonstrated in all previous statistics," said the letter, which was received on Tuesday.

Mottaki's letter also said the 27-nation bloc "will practically deny itself of the potentially strategic cooperation of a powerful and influential partner in the sensitive region of the Middle East and Persian Gulf."

"Let us hope that the European Union will not succumb to US pressures to march on a wrong path that will only produce everlasting shame before the free-minded nations of the world," he added.

At a European Council summit in Brussels on June 17, EU leaders approved new sanctions against Iran that include a ban on new investment, technical assistance, and technology transfers to Iran's huge oil and gas industry, particularly for refining and liquefied natural gas.

Ayat. Kashani: West Not Pleased With Scientific Progress of Muslim States

Tehran substitute Friday prayers leader Ayatollah Mohammad Emami Kashani says western states are well aware of peaceful nature of Iran's nuclear program but the point is they do not wish scientific progress of Muslim states.

"They (Westerners) accuse Iran of building nuclear weapons, while the case is the country's program is scientific and industrial in nature; production of nuclear weapons has no room in Iran's nuclear doctrine. They (Westerners) are fully informed of the issue but (the point is they) do not wish Muslim states' progress; they (Westerners) do not favor Islamic dignity and awakening," said Ayatollah Kashani in his second Friday prayers sermon to this week's Friday prayers congregation at Tehran University campus.

He recalled Supreme Leader of Islamic Revolution Ayatollah Seyed Ali Khamenei's address to the judiciary officials and university lecturers in which he had called for coordination among the three branches of government.

Ayatollah Kashani said all should join hands and manage country's affairs in the best possible manner, especially under conditions when enemies are leveling allegations against the Islamic Republic system.

On condition of Palestinian people in Gaza and Zionists' pressure on the Muslim people, he said if Muslim states get alert and act on their duties, the land will no longer be occupied by enemies.

Envoy: Iran Still Considering N. Fuel Swap Proposal

TEHRAN (FNA) - Iranian Ambassador to Italy Mohammad Ali Hosseini said that Tehran has not put aside the Turkey-Brazil-Iran agreement on nuclear fuel swap and is still considering it as an option for supplying fuel for the Tehran research reactor.

"I do not think Iran would ignore the swap deal proposal; although the feedbacks from different parties must be fully studied and evaluated," Hosseini reiterated.

Hosseini made the comment in an interview with the Italian daily 'El Manifesto' in response to the question, "Is Iran still committed to abide by the swap deal signed with Turkey and Brazil?"

"By putting forth this scheme the Islamic Republic of Iran took an effective step forth to prove its good will and to build trust, depriving the other side of the opportunity to seek pretexts and exposing them to another test before the world public opinion where they have to prove their good will," he added.

In response to the question whether there still exists any chance for negotiations, he said, "The Islamic Republic of Iran has pursued its natural rights within the framework of the international rules and regulations. Although Iran's good will and steps aimed at trust building have faced the ill intentioned and illegal policies of certain countries, yet we prefer to pursue our rights within the framework of the NPT agreement."

"The Islamic Parliament (Majlis) monitors the international developments entirely, but we believe the path for holding dialogues over significant international issues, such as security, disarmament, economic cooperation, and peaceful cooperation in nuclear field within group commitments is always open," the Iranian diplomat added.

Speaker Meets Turkish, Indonesian, Qatari Counterparts

Iranian Parliament Speaker Ali Larijani held separate meetings with his Turkish, Indonesian and Qatari counterparts on the sidelines of the emergency meeting of the Islamic Inter-Parliamentary Union (IIPU) in Damascus.

During his meeting with Qatari Parliament Speaker Muhammad bin-Mubarak al-Khalifi on Wednesday, Larijani proposed, that the Islamic countries can launch joint assistance aides' caravans for Gaza residents.

"Forwarding aides' caravans has a long term effect that is breaking the lingering siege of Gaza," he emphasized.

"That is the practical step that the Islamic countries can take to break that inhumane siege of Gaza," Larijani said.

Qatar's parliament speaker, too, said in the meeting, "The important point is the seriousness of the countries in forwarding aides for the people of Gaza and some countries, such as Egypt must clarify their stands regarding Gaza and play positive roles respectively."

In a separate meeting with the Indonesian Parliament Speaker Marzouqi Ali, the Iranian official said, "Your visit of Tehran and particularly your participation at the recent Troika were very fruitful."

Addressing his Indonesian counterpart, Larijani added, "A practical and immediate move is needed aimed at forwarding humanitarian aides to Gaza."

The Indonesian parliament speaker, too, reiterated, "We can assist the Palestinian Parliament through the Troika in addition to continuing consultation on forwarding humanitarian aides for the people of Gaza."

In another meeting with his Turkish counterpart Mohammad Ali Shahin, Larijani said, "Turkey is playing a good role in the region."

"Damascus Conference is an appropriate opportunity for taking practical steps aimed at forwarding aides for the oppressed Gaza residents," the Iranian Islamic parliament speaker stressed.

"The Islamic countries must consult the secretariat of the IIPU on way for forwarding their aides to Gaza and harmonize their respective efforts," Larijani added.

The Turkish parliament speaker, too, in the meeting confirmed his Iranian counterpart's remarks, reiterating, "Iran's role is quite significant and effective in the region and we have noticed the point in our visits of Tehran personally, where we have got acquainted with the viewpoints of the Islamic system first hand."

"Our entire efforts at this gathering are aimed at achieving piratical results in forwarding humanitarian aides to Gaza residents," Shahin added.

Saudi Arabia Wants U.S. to Press Iran

American sources tell Lebanese paper US President Barack Obama, Saudi King Abdullah clashed over effectiveness of economic sanctions. 'Riyadh believes there is no guarantee that the current policies will stop Tehran from moving forward with its nuclear program,' says Washington source

Despite what appeared to be a successful meeting between Saudi King Abdullah and U.S. President Barack Obama on Tuesday, it seems there are still a number of disagreements between the two leaders.

While the two announced the "importance of moving forward in securing a Palestinian homeland", Lebanese paper an-Nahar yesterday reported there are still several issues on which the two do not see eye-to-eye, including sanctions on Iran, the situation in Iraq, and the peace process.

A source in Washington told the paper that, "Saudi Arabia is not convinced that the economic sanctions on Iran will bear fruits, and it believes the alternative measures available to the Obama administration must be examined, since there is no guarantee that the current policies will stop Tehran from moving forward with its nuclear program."

Regarding the situation in Iraq, the source said, "A disagreement broke out between the two around the fact that Saudi Arabia is skeptical about the path taken by the prime minister in Baghdad, Nouri al-Maliki, which leans closer to Iran."

According to the report, Abdullah and Obama did not reach an agreement, and the Americans are urging Saudi Arabia to play a diplomatic role in preventing Iran from laying roots in Iraq.

Despite the differences of opinion, the report said Washington and Riyadh were in talks towards the signing of an extensive weapons deal, in which the Saudis are to purchase two squadrons of F-15 fighter jets, as well as maintenance and development services for similar products acquired in the past, at the cost of some \$20 billion.

Economic news

Iran to Rank 10th in Copper Production

The National Iranian Copper Industry Company managing director said that within four-year time the Islamic Republic will be producing 3.5 percent of the world's copper and rank 10 in this regard.

The Islamic Republic of Iran News Network quoted Ardishir Saad-Mohammadi as saying that Iran possesses 2 billion tons of all discovered copper deposits.

He said that Iran produces 220,000 tons of copper cathodes annually which constitute 1.2 percent of the global production of this metal.

Iran Successfully Contains Oil Leak

- Authorities in Iran said they have managed to fully contain a leak in a key pipeline in the southern province of Khuzestan and clean the resulted slick in a neighboring Bahmanshir river.

"The technical operation of changing the 16-inch crude line, which had eroded and was leaking, was put back into permanent operation circuit," head of Iran's Oil Pipelines and Telecommunications Company (IOPTC) Eskandar Ansari told IRNA.

Local boats and divers were employed to spot the exact location of the leak in the bed of Bahmanshir River and, following various tests, the spilled oil was collected by absorbent chemicals and fence booms, he explained.

Ansari described the operation to contain the leak and clean the oil slick from the river surface and surrounding reed bed as cost-effective and quick.

The IOPTC head said the repaired 16-inch line supplies 110 barrels of crude oil per day to the key refinery in the southwestern city of Abadan.

The Abadan Refinery is one of the oldest refineries in the world and accounts for 25 percent of Iran's domestic need for oil products by processing 410 barrels of crude oil per day.

The facility was seriously damaged during the eight-year Iraqi-imposed war against Iran but was repaired and once again operational in the spring of 1989.

Industrial Investment Exceeds \$70b

Iranian minister of industries and mines said yesterday that the investment in the industrial and mining sectors during the Fourth Five-Year Economic Development Plan (2005-2010) exceeded 70 billion dollars.

Ali Akbar Mehrabian made the remarks in his address to the National Day of Industry and Mines in Iran in the presence of President Mahmoud Ahmadinejad, a number of parliamentarians and the industrialists.

Mehrabian said the figure of investment has been five times higher than that of the country's Third Five-Year Economic Development Plan (2000-2005).

Pointing to the new round of sanctions, Mehrabian said "Despite international sanctions, Iran had significant growth in industrial and mineral productions," adding that aggressive

countries like the U.S. faced decline in industrial sector.

Despite recent world recession that caused 23 percent decrease in the global exports in 2009, Iran's exports of mining and industrial products witnessed 15 percent growth in the recession period while the U.S. share in mine and industry production declined 34 percent, he noted

Iran's Hand-Woven Carpets Top at China Expo

Iran's hand-woven carpets ranked first at China's carpet exhibition, an official in charge of hand-made carpets said yesterday.

Managing Director of Iran's Carpet Company Mohammad Reza Abed told IRNA that Iranian hand-made carpets topped the Shanghai Expo 2010 which was held during June 20-23 in this Chinese major port city.

Iranian carpets competed with their counterparts from Afghanistan, India, Pakistan and China during this year's exhibition, Abed said.

The carpets were produced by Iranian weavers in the city of Naeen, in Isfahan province central Iran, said the official.

There is an estimated population of 1.2 million weavers in Iran producing carpets for domestic markets and international export.

In recent times Iranian carpets have come under fierce competition from other countries producing reproductions of the original Iranian designs as well as genuine cheaper substitutes.

Although carpet production is now mostly mechanized, traditional hand woven carpets are still widely found all around the world, and usually have higher prices than their machine woven counterparts due to them being an artistic presentation.

In 2008, Iran's exports of hand-woven carpets were 420 million dollars which account for 30 percent of the world's market

New U.S. Law on Iran May Hurt Japanese Firms

A new American law aimed at ratcheting up financial pressure on Iran could hit a handful of Japanese energy and financial firms.

Reports issued by U.S. researchers attempting to document activity by multinational companies in Iran have named oil-and-gas producer Inpex Corp. and units of Japan's three largest banks—Mitsubishi UFJ Financial Group Inc., Sumitomo Mitsui Financial Group and Mizuho Financial Group Inc.—as doing business that could possibly run afoul

of the new U.S. rules.

The law would ban any international firms doing business with certain Iranian banks and energy firms from conducting business inside the U.S. Multinationals from a number of countries throughout Europe, Asia and the Middle East could also be affected by the measure, according to the research reports. Once the law takes effect, the U.S. State Department will determine which companies could face penalties under the new rules.

The Japanese companies named in the reports said they were studying the law to see whether they would need to make any adjustments to comply with the new rules.

"We are aware that President Obama is expected to sign the bill. We will keep an eye on any impact," Inpex President Toshiaki Kitamura told Dow Jones Newswires Thursday in an interview. He declined to comment further on the U.S. move or discuss the effect it could have on Inpex or its operations.

Inpex has a 10% stake in the Azadegan oil field in southwestern Iran, and has no current plans to sell that holding, Mr. Kitamura said. "We are responsible on our shareholders' behalf for recovering money we had invested," he added.

Inpex was named in an April report by the U.S. Government Accountability Office listing 41 firms from around the world that had commercial activity in Iran's oil, gas and petrochemical sectors from 2005-2009.

Inpex, which engages in extensive global oil-and-gas activities, initially owned a 75% stake in the Azadegan project and was set to be the operator of the field. But in 2006, as the U.S. was stepping up pressure on allies to curb business ties with Iran, the National Iranian Oil Co. took over the bulk of the project's shareholding and operations.

At that time, tension between the U.S. and Iran over the country's uranium processing and nuclear-power development was running high. Some media reports said the Japanese government had responded to U.S. pressure on Inpex's role in Iran. Japan's Ministry of Economy, Trade and Industry is Inpex's largest shareholder, with a 29.4% stake.

Mr. Kitamura declined to put a value on the Iran oil-field investment, but said "it is small compared with other major projects." The Azadegan project was largely shelved in the summer of 2006, when development work hadn't yet started.

S.Korean Co. Scraps \$1.2b Iran Gas Deal

South Korea's GS Engineering & Construction said on Thursday that it has called off a 1.42 trillion won (\$1.2 billion) gas project in Iran following sanctions on the Middle East nation.

The company said in a filing to a regulatory agency that it had cancelled on Wednesday the contract to sweeten gas from the South Pars field in Iran, signed with the Pars Oil and

Gas Company (POGC) last October.

South Pars is on the Iranian side of the world's largest known gas reservoir not associated with oil production.

Official: Investment Grows Despite Boycotts

The new UN Security Council sanctions against Iran are ineffective as the volume of transactions in Iran's investment market shows a 10 percent growth since the ratification of the UN resolution, Deputy Minister of Economic Affairs and Finance Behrouz Alishiri said Thursday.

The UNSC adopted new sanctions against the Islamic Republic last month. The sanctions came after US's hard lobbying for new punitive measures against Tehran over its nuclear work.

The Iranian official further pointed out that according to the reports released by the International Monetary Fund, foreign investment in Iran has risen from \$900 million in 2007 to \$3 billion in 2009.

Alishiri, who is also the Director of the Organization for Investment, Economic and Technical Assistance of Iran, said that cheap energy resources and skillful human force were among the reasons behind foreign investment in the country.

According to Alishiri, Iran's stable economic condition has also attracted foreign investment to the country.

Iran Investment Opportunities Confab Opens in Malaysia

A conference on Iran investment opportunities opened on Thursday in Malaysia.

Several high ranking Iranian officials including Deputy Minister of Economic Affairs and Finance Behrouz Alishiri took part in the event.

Energy, oil, gas, housing, tourism, and foodstuff are among the main topics to be addressed during the event.

The conference was highly welcomed by Iranian and Malaysian businessmen and trade sectors.

Meanwhile, Alishiri said that transactions in Iran's stock market have increased following adoption of the United Nations' latest resolution against Iran.

The deputy minister made the remarks on the sidelines of the opening ceremony of the conference.

Weekly report on Iran

He said since Resolution 1929 was adopted by the U.N. Security Council on June 9, dealing in Iran's stock exchange market has increased by 10 percent.

"The stabilized investment situation in Iran attracts foreign investors," said the official.

He recalled a report by the International Monetary Fund which has said Iran's economy showed a good growth in the Middle East and North African region.

According to the report, the amount of foreign investment in Iran's market has reached 3 billion dollars in 2009 from its 900 million dollars in 2007.

Alishiri added that foreign investors would face no restriction in bringing capitals to Iran and taking their interests outside the country.

He added that proper tax exemptions were designed for foreign investors which would, in some cases, amount to one hundred percent.

Alishiri, who is also the Director of the Organization for Investment, Economic and Technical Assistance of Iran, said that cheap energy resources and skillful human force were among the reasons behind foreign investment in the country.

In another advancement, Director General of Malaysian Industrial Development Authority (MIDA) Datuk Jalilah Baba said on Thursday Malaysian companies are eager to invest in Iran.

On the sidelines of "Iran Investment Opportunities" conference, Jalilah Baba said Iran has suitable grounds for investment adding, "Natural resources, mines, oil, gas and great industrial capacities of Iran have attracted the Malaysian investors."

Pointing to fair grounds for investment in Iran in the fields of building and housing parts, Jalilah Baba said the Malaysian companies are ready to construct hotel and tourism centers in Iran.

He also referred to the vast resources of gas in Iran and called for imports of gas from Iran to Malaysia.

The Malaysian official said the Iranian government has provided suitable grounds for foreign investors in the country and added, "The foreign investors are free from paying taxes in Iranian free trade zones and this is a fair opportunity for them."

Iran's Move to Hike Import Duty Hits Rice

Rice prices continue to rule low with Iran's move to raise the import duty adding to the woes of the traders and exporters. The prices of aromatic rice, in particular, are on the downswing.

Weekly report on Iran

On Thursday, the prices of Pusa 1121 declined further to about 4.7 dollars a quintal against 6.8-7 dollars during the same period a year ago.

Rice prices are under pressure mainly due to lack of demand from the Gulf countries and drop in the dollar. As a result, the warehouses are brimming with stocks.

On the other hand, the ban on non-basmati rice exports is also telling on the prices, affecting the business in Haryana and Punjab.

Pravin Kumar, a rice trader, said slack demand from Iran, Saudi Arabia and United Arab Emirates is affecting the market badly, adding that “Fall in the dollar is also affecting us.”

Kumar said Iran’s decision was hurting exporters, especially in Haryana.

Rajiv Takkar, a rice miller, said that Pusa paddy was purchased between 1.9 and 2.5 dollars a quintal from market last season. Currently, it is ruling at about 1.7-1.8 dollars a quintal.

“The decline will continue as the warehouses are full in the face of low demand and traders are expecting rice production to rebound in this year as well, he said.

However, monsoon holds the key to production and price, millers said

Iran to Host Int’l Confab on Investment in Transportation Networks

The first international conference on Investment Opportunities in Transportation and Transit in Iran will be held in the near future.

The conference aims to introduce the investment opportunities in the field of transportation in Iran.

Organizers said that the conference will study the investment opportunities in transportation networks of Iran, adding that training courses will be held and top articles in the field of transportation will be presented in the event.

Meanwhile several specialized exhibitions will also be held during the international conference.

No New Offer for Fuel Swap

Iran’s envoy to the International Atomic Energy Agency (IAEA) Ali Asghar Soltanieh said the country has received no new offer for fuel swap.

"We got no new suggestion for nuclear fuel exchange to take part in the UN Security Council meeting," he told al-Alam News Network.

President Mahmoud Ahmadinejad said Monday that the country would postpone talks with the 6 major powers to mid August.

He said the delay is a punitive measure for the West due to imposition of the 4th round of sanctions against Iran.

"We postpone talks with P5+1 to mid August due to their misconduct in imposing resolution against Iran in the UN Security Council and this is a penalty for them to be disciplined and learn the way of talks with Iranian nation."

Syria, Iran to Promote Economic Cooperation

Deputy Prime Minister for Economic Affairs Abdullah al-Dardari on Tuesday discussed with Iranian Assistant First Vice-President for Economic and Scientific Affairs Ali Agha Mohammadi means of beefing up development and economic cooperation between the two countries.

Al-Dardari highlighted the importance of the signed agreements between Syria and Iran, saying that they would be reflected positively on both countries' economy through carrying out joint industrial and investment projects in the next stage.

For his part, Mohammadi called for opening new prospects of cooperation between the two countries to meet the aspirations of the Syrian and Iranian people.

During the meeting, several workgroups were formed to review cooperation in various domains, particularly in establishing power plants and a company for manufacturing car body components and spare parts.

The two sides also agreed on establishing new joint companies specialized in investment, real estate, infrastructure and food industries.

The proposed projects cover cooperation in the domains of pharmaceutical and fertilizers industry in addition to transport and banking.

Al-Dardari also discussed with Mohammadi and the accompanying delegation the prospects of investing in Quneitra governorate and the possibility of establishing joint Syrian-Iranian projects.

Al-Dardari pointed out that the two sides discussed several projects in Quneitra governorate, particularly those related to sectors that have relative benefits in the governorate such as the processing of milk and dairy products, canning and packing of vegetables and fruits, generating electricity from wind power, and making solar-powered

water heaters.

For his part, Mohammadi said his visit to Quneitra, which coincides with the anniversary of hoisting the Syrian Arab flag in the liberated city of Quneitra, comes in the framework of the Iranian government's commitment to supporting resistant investment projects.

Mohammadi lauded the economic reforms in Syria which enable investors to establish projects, calling on Iranian businessmen to seize every available opportunity to invest in Syria, particularly in Quneitra governorate which has promising and feasible investment prospects.

Later, al-Dardari, Mohammadi, Governor of Quneitra Riad Hijab and representatives of economic activities were briefed on the investment environment in the governorate and the available investment opportunities in the fields of tourism, real-estate, agriculture, mineral resources and industry.

Gazprom Neft Eyes Iran, Cuba Oil Projects

Gazprom Neft, the oil arm of Russian energy firm Gazprom, is looking to expand its foreign operations into oil-rich Cuba and Iran, which are both hindered by trade sanctions.

The company is actively seeking to increase its resource base to meet an ambitious oil output goal of 100,000 million tons a year by 2020, up from around 60,000 million.

"Gazprom Neft wants to join Petronas' project in Cuba," Gazprom Neft head Alexander Dyukov said during the company's annual shareholders' meeting.

His deputy, Boris Zilbermints, said the firm aimed to clinch a deal in July.

Zilbermints also said the company was keen to conclude preliminary talks to develop the Anran oilfield in Iran by the end of the summer but implementing the deal would depend on the United Nations changing its trade sanctions on the country.

Last November, Gazprom Neft, Russia's fifth-largest oil producer, signed a memorandum of understanding with the National Iranian Oil Co (NIOC) to study the development of another two Iranian oilfields, Azar and Shangule.

Cuba estimates it has 20 billion barrels of oil-abundant in its section of the Gulf of Mexico that abuts the oil-rich U.S. and Mexican zones of the gulf.

Cuba's portion of the Gulf of Mexico has been divided into 59 blocks, of which 17 have been contracted out to companies including Spanish oil giant Repsol and its partners, Malaysia's Petronas, Brazil's Petrobras, Venezuela's PDVSA and PetroVietnam.

Cuba also presents some difficulties for the development of hydrocarbon reserves as the

country falls under a U.S.-imposed trade embargo. The 48-year-old embargo limits the amount of U.S. technology that can be used in oil developments in Cuba.

Gazprom Neft also owns a 20 percent state in a consortium with other Russian producers to develop hydrocarbon deposits in Venezuela.

On Friday, the company signed a production sharing agreement (PSA) for two oil offshore blocks in Equatorial Guinea, the latest country into which the firm has expanded its activity, pledging \$3 billion in investments.

New Oil Field Discovered in Qom

An oil field with production capacity of 100 million barrels of crude oil was discovered in Alborz Oilfield in Qom province, central Iran, announced managing director of Iranian Central Oil Fields Company (ICOFC).

Mahdi Fakour said the new oil well's output will be transferred to Tehran oil refinery.

The new oil well is located in a 600 square kilometers area, he said, adding that the ICOFC will start oil well drilling in the current Iranian year (started March 21) to produce 2,000 barrels of oil per day.

Alborz oilfield is located in Northern city of Qom.

Iran ranks among the world's top three holders of both proven oil and natural gas reserves. Iran is OPEC's second-largest producer and exporter after Saudi Arabia.

Iran to Attend China Investment Exhibition

Iran will attend 14th China International Fair for Investment and Trade (CIFIT) to introduce Iran's investment opportunities and potentials to Chinese traders, said deputy head of Iran-China Joint Chamber of Commerce.

We decided to take part in the event with cooperation of all provinces in a 600 square meters area, Majid Reza Hariri was quoted by IRNA as saying.

He added Chinese investment in Iran remained at a low level in comparison to the trade exchange volume between the two countries.

Referring to the high economic capability of China, Hariri said we need to make plans for participating in its market.

He said Iran-China Joint Chamber of Commerce has a significant role in economic relations between the two countries.

Social news

Supreme Leader Highlights Prominent Role of Artists in Society

Supreme Leader of the Islamic Revolution Ayatollah Seyed Ali Khamenei yesterday praised the significant role of male and female artists in promoting Islamic culture in the society.

A number of officials along with well-known male and female artists yesterday were received by the Supreme Leader of the Islamic Revolution.

Radio and Television Organization (IRIB) plays a very prominent role in various sectors mainly in displaying documentary movies and serials, said Ayatollah Khamenei.

Radio and Television organization has turned into a center for enlightening of thoughts, said the Supreme Leader, adding that the late Imam Khomeini described IRIB as a 'university'.

IRIB can provide people from different walks of life with real teachings which could leave vital impacts on their lives, said the Supreme Leader.

8th Int'l Confab on Mosques Planned

The Eighth International Congress on Mosques will be held here from August 8-9 as part of the programs to mark World Mosques Week.

Announcing this, deputy head of the Mosques Affairs Center Hojjatollah Niki-Maleki said that so far some 30 specialized articles have been submitted to the secretariat of the event, of which five pertains to the prayer leaders of famous international mosques.

Topics for discussion at the event include lifestyle of Imam Khomeini and Supreme Leader Ayatollah Seyyed Ali Khamenei, role of prayer leaders in promoting 'Extra Diligence and Extra Work' and explaining the aspects of 'Extra Diligence and Extra Work' for a Muslim woman, role of mosques in institutionalizing values and confronting superstitions and deviations.

An exhibition of books on mosques and photos of main mosques across the world will also be held on the sidelines of the event, Niki-Maleki said.

Iranian Robot Unveiled

President Mahmoud Ahmadinejad has unveiled a humanoid robot, Sorena 2, developed by over 20 of Iran's top robotics experts.

The robot was unveiled in a ceremony in Tehran on Thursday, held to mark Iran's "Industry and Mine Day."

Weekly report on Iran

Over 10,000 man-hours have been put into the new high-tech robot.

Sorena 2, which weighs 45 kg and has a height of 1.45 meters, can walk like a human being but at a slower pace. Two years ago, the Sorena 1 robot was developed in Iran.

Quake Hits Southern Iran

An earthquake measuring 3.8 on the Richter scale jolted the town of Jam in Bushehr province, southern Iran, yesterday.

The Seismological center of Bushehr province affiliated to the Geophysics Institute of Tehran University registered the quake at 03:04 hours local time (2234 GMT).

The epicenter of the quake was located in an area 52.3 degrees in longitude and 28.3 degrees in latitude.

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