
IRANIAN COMPANY KEEN TO INVEST IN ARMENIAN FREE ZONE

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An Iranian company has expressed readiness to invest \$1 million in the construction of infrastructure for a free economic zone Armenia plans to build near the town of Agarak, not far from the border with Iran.

This was announced by the companys CEO Reza Nafez who spoke to Armenian reporters on the sidelines of an Armenian-Iranian business meeting in Yerevan on Friday.

Nafez said his company Rena is ready to secure the delivery of asphalt, concrete and glass for the free zone, ARKA news agency reported.

He also said Armenian and Iranian companies may establish joint ventures in the zone, as raw materials in Iran are quite cheap and they can be processed in Armenia. By purchasing raw materials in Iran, Armenian companies can set up production and packaging on their territory and then export the finished goods to Georgia and member countries of the Eurasian Economic Union, Nafez said, adding that many Armenian companies already buy raw materials from Iran.

The free economic zone Armenia is planning to launch later this year is located near the southern town of Agarak.

According to Armenian government officials, it will create 2,500 new jobs and increase Armenian exports by 30%. The main purpose of the free economic zone is to help boost trade and economic relations with Iran and other regional countries, help the development of Syunik region and position Armenia as a link between Iran and EEU member states and Georgia. The initial investment into the free economic zone is estimated at \$28 million.

Agarak Free Economic Zone will house about 120 companies, which are supposed to earn \$52 million in 10 years. Their products will be exported to Iran and Turkmenistan, as well S EEU and Middle East countries.

In 2016, trade turnover between Armenia and Iran amounted to about \$280 million, of which \$70 million pertained to Armenian exports.