

Introduction of South Khotasan Province

1- General and economic information of the province

Row	Topic	Status
۱	Population (census of population and housing 2016)	Total Population: 768897 Urban: 453827 Rural:315071
۲	Total Province	151018 km2
۳	Active population (10 years and more - 2016)	۲۴۲۷۵۲ Persons
۴	Unemployment rate (2019)	6.2 %
۵	Gross domestic product at market price(2018)	117514 billion rials
6	Number of Industrial Estates	9 towns & 23 Industrial regions
7	Number of free and special economic zones	1. Birjand Special Economic Zone with an area of 730 hectares 2.The detached part is in the mill 78 (Mahyarud border) with an area of 100 hectares
8	Number of official customs	two official customs administrations called "Customs of Birjand" and "Customs Mahirood"



2- Geographical and climatic advantages of the province

1. It has two official customs administrations called “Customs of Birjand” and "Customs Mahirood" and 4 active border markets called “Golvardeh”, “Mahirood”, “Yazdan” and “Do koohaneh”.
2. It is located in the gravity center of the eastern transit line of Iran and on the national south- north railroad track.
3. The province is located on Asian highway routes with the possibility of using international investments in the development of the regional transportation network.
4. The province is located on the path of the (international) air transportation with the possibility of air transportation capacity development.
5. There are special economic zones in the city of Birjand, with an area of 730 hectares (at the Capital of the Province) and at the border of Iran and Afghanistan with an area of 100 hectares.
6. The golden opportunity of its neighborhood with Afghanistan's with 331-kilometer shared borderline according to the country's vast consumer market.
7. The possibility of high utilization of renewable energies such as solar, wind, etc. energies
8. The province's location on the Bandar Abbas-Afghanistan transit route and the possibility of establishing a dry commercial port (Dry Port)
9. Having An international airport in Birjand and another airport in Tabas
10. The east pole of culture and University in Iran: Accessibility of needed expertise under the shelter of 14 credible state universities and private institutions, 5 higher education centers with more than 50 thousand students and enormous resources of educated and skillful manpower.

Capabilities and Potentials

Industry

Major industrial units are located in the province capital and most of these units are concentrated in the industrial estates of Birjand. Mineral and agricultural potentials of the region have caused the dominant component of the province's industries to be mineral, food and textile based on products and raw materials in the province. Although the level and extent of mineral and agricultural processing are far from optimal, and the establishment of new industries with the goal of proper use of capacities leads to the creation of value added and appropriate employment.

- Existence of 23 towns and industrial areas in this province, with the lower cost than other places in the country, ready to transfer to the foreign and internal investors
- **The important industrial-mineral units of this province:** different tires, gray cement, ceramic and tile, magnesium oxide, concentrated coal, micronized mineral powders, magnesium ingot, textile, pipe and PE connections, dried fruit packaging, beans and saffron, silica sand, hygienic porcelain, decorative stones, concentrated fruit, print and packing services, and etc. A given opportunity for participation of foreign investors in developing the phases of these units.

Mines:

- South Khorasan is the land of strategic mines with a particular geological texture, provided with estimate mineral resources of more than 4 billion tons.
- 53 kinds of mineral materials with decorative stones and valuable minerals like: Bentonite, Granite, Chromite, Iron, Marble, prismatic Basalt, Copper, Lead, Coal, Gold, Magnesite, Kaoline and Chromium.
- In terms of mineral deposits, the province is ranked sixth in the nation with over ۵۱۵ mines.
- Exporting the valuable mineral products of this province to China, Iraq, Turkey, Armenia, Europe, and Arab countries of Persian Gulf
- The first place in the resources of coal, magnesite, and fireproof industrial soils of Iran with the golden opportunity of making mineral processing units in south Khorasan for foreign investors.

Foreign Business:

- Proximity to international markets: golden opportunity of quick access to the market of the neighbor country, Afghanistan.
- 2 official Customs and 4 border markets at the border of Afghanistan named: Birjand Customs, Mahirood Customs, and border markets of Galudarre, Mahirood, Yazdan, and Dokuhane
- Two special economic zones with the area of 830 acres ready to transfer to the investors, with the possibility of importing goods with the less customs formalities and the transit of imported goods in this region to abroad.

Agriculture:

South Khorasan the heaven of medical herbs, the land of crimson gold (saffron), birthplace of Barberry (crimson ruby of desert) and producible Jujube, processing, packing and exportation

- The first place in Iran and the world in the production of barberry with 98% of the country's production and production of 22 thousand tons annually with an export volume of 300 tons per year to the countries of the United States, Canada, the Netherlands, Australia, the UAE, Jordan, Kuwait and Italy.
- First place in producing Jujube in Iran with the production of 6727 tons (97% of the production in Iran)
- Second place in producing Saffron in terms of quantity and first place in terms of quality of saffron with the annual production of more than 70 tons
- Third place in producing high quality medical herbs of 800 kinds with the annual production of more than 2000 tons.
- Fourth place in producing Cotton with the annual production of 18212 tons.
- Fifth place in producing Pistachio with the annual production of 15574 tons.
- The fifth national place in producing Amaryllis with the annual production of 17 million boughs.
- The eighth national place in producing Almonds with the annual production of 6432 tons.
- The first national place in the numbers of Aqueducts (with 6252 Aqueducts, 3299 deep holes, 2189 wells with the usage of 1206.8 million square meters of water)
- The second national place in the number of camels in moors and the edges of deserts as rich resources of animal genetics with the portion of 20% and 29000 camels.
- The existence of the complete cycle of chicken production in this province

- Privileged in nurturing Cashmere goat, native chicken, Baluchi Sheep, Ostrich and camel
- The possibility of formation and setting up agricultural corporations with regard to the activity of 9 corporations and achieving the first national place in terms of quality and quantity.
- The important products of agricultural units of this province such as the production of animal and bird's feed, breeder chicken, Day-old chicks, laying fat hens, processing of Barberry and pomegranate, and processing and packing of saffron.

Cultural Heritage, Tourism and Handicrafts

South Khorasana cradle of Civilization and culture and one of the poles of Anthropology in Iran having a historical capacity of 3500 years old, religious, cultural and natural capacities in developing the industry of tourism such as:

- More than 1500 identified monuments throughout the province and registration of more than 880 monuments in the list of National Monuments in Iran
- More than 19 historical gardens registered in the National Heritage List
- 10 special tourism zones and 13 target villages along with 5 hydrotherapeutic complexes ready for investment and attracting investors
- 14 museums in the province
- 40 fields of handicraft activities and holding global brands in distributing Iranian hand-woven carpet and its relative exportation and production benefits
- Highest sand hills in the world with an approximate height of 500 meters
- Most beautiful natural structures (built by wind) in the province suitable for sand skiing (suitable for rallies and safaris)
- The darkest place on earth during nights, suitable for amateur astronomy
- The hottest place on earth in Loot Desert.

environment

- South Khorasan has 4 national parks and 3 wildlife shelters containing special flora and fauna and unique nature
- with leopard, gold eagle, Pleske's ground jay, Bustard, mouflon, wild goat and sheep, wolf, and deer

Energy

South Khorasan province has a special place because of using solar energy and wind energy. With a good climate and sunlight and wind, this province has the ability to produce fresh and clean energy in most areas and in most seasons.

In southern Khorasan, the average sunny hours reach 3200 hours and even more, as in some cities of southern Khorasan, including Tabas, the amount of radiation is 481 (calories per square centimeter per day). This range of radiation is also approximately 350 to 481 in the cities of Sarayan, Birjand, Qayin, Bashrooye, Arask, Nehbandan. According to the map of the solar atlas of Iran, the southern Khorasan region has a radiation of 4.5 to 5.2 kWh per day, which has an excellent position to use for solar energy. There are also prerequisites condition for the implementation of wind plans in the province, according to research, the average wind speed in the province reaches 23 km / h, and even in some places to around 33 km / h, which is a very favorable condition for electricity generation. Existing several wind halls in Nehbandan, Qain, Afriz, Kojeh and ChahnooyeFerdows, and TabasMesina in the middle, is the best potential for the implementation of wind farms and solar power stations in the province.

3- Transportation status of the province

□ Aviation

There is an international airport in the province of South Khorasan, in the center of province (Birjand city) and a domestic airport in the city of Tabas. The domestic flights of Birjand International Airport are to Tehran and Mashhad (24 round trips), Tabas Airport to Tehran (4 round trips) and international flights from Birjand International Airport to Jeddah and Najaf (4 round trips). The flight from the airport of the province to other destinations such as Zahedan, Yazd, Isfahan, Kish, and the Emirates is under review. In order to increase the number of flights, there is urgent need to invest in private sectors in the industry.

□ Rail Transport

In the rail and railway section, despite the geopolitical position of the South Khorasan province to transit transport to Afghanistan and Central Asian countries, there are about 315 km of Bafgh-Mashhad railway in Tabas, Boshrooyah and Ferdos, and because the most important factor of development in Southern Khorasan Province, are mineral potential or construction of industries, explanatory, technical and economic studies of the eastern railways project (Zahedan-Birjand-and connecting to the national railway) have been done and the Commission's permission of article 32

has been received and implementation of this important project requires providing financial resources or foreign investment.

□ **Road transport**

South Khorasan province, due to its location in the Chabahar-Zahedan-Birjand-Mashhad-Sarakhs transit route (the Chabahar port in southeastern Iran and Sarakhs in the neighborhood of some CIS countries), as well as locating in the transit route of Bandar Abbas-Afghanistan and the existence of facilities for commercial, industrial, and service links to countries of central Asia and Afghanistan has a lot of potential in the transit of goods. The important corridors of the province include the north-east corridor (Zahedan-Birjand highway, Mashhad highway and Kerman-Dihuk-Ferdows-Bajestan highway) and the East-West corridor (Yazd and Esfahan, Tabas, Dihuk, Birjand, Sarbishe and Mahirud border).

4- Province Investment Opportunities

Most important investment plans and opportunities for South Khorasan as follows:

1. Transferring water from Oman Sea
2. Construction of national railroad in the east from Chabahar to Sarakhs (Zahedan – Birjand – Kalshour part, 737 kilometers long) and expansion of the national eastern transit axis (north – south corridor)
3. Construction of water treatment and purification centers in the province
4. Building highways and making all provincial roads two-way
5. Construction of wind and solar power plants and construction of wind turbine factories
6. Construction of units to process agricultural and livestock products such as barberry, saffron, jujube, medical herbs, fluff and wool
7. Construction of medical herb production complexes
8. Construction of industrial slaughterhouses and complementary industries (packing and canning)
9. Construction of factory farms
10. Factories producing white meat products and food products compatible with the requirements of the Afghan market
11. Construction of factories producing: paper out of calcium carbonate, various types of firebrick, ferroalloy, extraction of magnesium out of dolomite, glass fiber, basalt, silicon metal
12. Construction of mineral processing considering the affluence of minerals in the province: coal, bentonite, limestone, precious and semi-precious stones, perlite, kaolin, silica, decorative stones along with the construction of modern stone cutting factories
13. Partnership in plans to develop tire, cement, tile and ceramics, coke, production of refractory materials, copper cathode, and steel etc.
14. Construction of tourism and desert tourism camps with commercial and accommodation centers
15. Investment in particular tourism zones and target villages for tourism in the province

priority projects of the province in order to provide financial resources through finance

Row	Section	Project Title	The amount of investment	
			Rial (million rials)	Foreign exchange (Million euros)
۱	Infrastructure (Road Construction)	Construction of Zahedan-Birjand Railway and connecting to Mashhad-Bafgh Railways	۳۴۲۴۰۰۰	۸۵۶
۲		Construction of the second link of the Birjand-Nehbandan	۱۶۵۰۰۰۰	-
۳		Construction of the second link of the Khouf-khour-Rahdaran	۱۳۰۰۰۰۰	-
۴		The construction of the second link of Sarbishe-Darh-Mill 78	۱۵۵۰۰۰۰	-
۵		Construction of the eastern ring road of Birjand	۳۵۰۰۰۰	-
۶		Construction of the second ring road of Ferdows	۳۲۰۰۰۰	-
۷	Industry and Mining	Kivertier Development Plan	-	۱۰۰
۸		Facilitation plan of parwadeh Coal Mining Project 4	-	۷۰
۹	Agriculture	Flood management plan and organization and increase productivity in water resources	۹۴۷۰۵۳۰	-
۱۰	Infrastructure (water and sewage)	Water transfer plan from the Oman Sea to the eastern provinces of the country (Sistan and Baluchestan, South Khorasan and KhorasanRazavi)	۴۰۰۰۰۰۰۰	-
۱۱		Water transfer plan from Ahangaran plain to Zirkouh and Qaen cities	-	

Row	Section	Project Title	The amount of investment	
			Rial (million rials)	Foreign exchange (Million euros)
۱۲		Construction of waste water refinery in Sarbisheh city	۱۴۰۰۰۰	
۱۳		Construction of wastewater refinery in Qaen city	۲۰۰۰۰۰	-
۱۴		Construction of wastewater refinery in Ferdows city	۲۰۰۰۰۰	-
۱۵		Modifying the network and exploiting the water distribution network of Qohestan	۲۶۰۰۰	-
۱۶		Construction of wastewater refinery and sewage collection network in Tabasmasina city	۳۰۰۰۰	-
۱۷		Construction of wastewater refinery and sewage collection network in Hajiabad city	۳۶۰۰۰	-
۱۸		Construction of wastewater refinery and sewage collection network in Tabas city	۹۰۰۰۰۰	-

5- Privileges, encouragements and legal facilities in support of foreign investors

- Tax exemption to 100% of the result income of all the agricultural activities
- Tax exemption to 100% of the result income of exportation
- Tax exemption to 100% of the income of production units positioned in the less developed regions for 10 years
- Exemption of the first-hand machinery and equipment, which are imported through the Customs, from paying the dues and taxes
- The possibility of registering an Iranian Company with 100% of foreign investment
- No limitation on the scale and amount of the application of foreign investment
- Receiving a recompense in case of expropriation and nationalization
- Absolute guaranteeing of the non-commercial risks by the government of Iran
- Issuing residential permit of 3 years for foreign investors, managers, and experts
- Having no preferential treatment for internal investors in comparison to the foreign investors

6- Investment Services Center of South Khorasan

This center is a unity club for foreign investment applicants in this province, with the regular and full-time presence of plenipotentiary representatives of Administrations, as a reference of coordination of this province with the organization of Investment and Economical and Technical Aids of Iran and other administrations throughout this province, in order to offer the services for foreign investors through the stages of obtaining the license and running the executive and contextual affairs. Most of the activities and proceedings of this center are the consideration, following up, and focusing on the issues and difficulties of the foreign investment applicants and to inform and provide them with the needed guidance and introducing the economical capacities of this province to these applicants.