

Article 1

Regulations in respect of the exportation and importation of goods and the delivery of related services to all exporters and importers and also to those that the application of the law requires their naming, shall be governed by this law, and all laws which are inconsistent with it, are hereby annulled.

Article 2

Exportable and importable goods are classified into the following three categories:

- 1. Permissible goods: with the observance of the relevant criteria, the exportation or importation of these goods shall not require a license.**
- 2. Conditional goods: the exportation or importation of these goods is possible by obtaining a license.**
- 3. Prohibited goods: the exportation or importation of these goods (purchase, sale or consumption) is forbidden under the sacred Islamic Shari'a and or by law.**

Note 1

The Government may, with the observance of the relevant laws and depending on the prevailing exigencies and circumstances, prohibit the exportation or importation of certain goods.

Note 2

The types and specifications of goods falling under any one of the aforesaid three categories shall be set forth by an ordinance to be drawn up by the Ministry of Commerce and approved by the Council of Minister.

Article 3

Engaging in the business of exportation and importation of goods for commercial purposes, requires a commercial card which shall be issued by Iran Chamber of Commerce, Industries and Mines and approved by the Ministry of Commerce.

Note 1

The criterion of determining the commercial nature of goods, as well as the manner of issuing, extending and cancellation of the commercial card shall be in accordance with an ordinance approved by the Council of Ministers.

Note 2

Any dispute which may arise between the applicant of a commercial card and Iran Chamber of Commerce, Industries and Mines shall be referred to the Ministry of Commerce for consideration and final decision.

Note 3

Co-operatives of frontier zone inhabitants; Iranian mariners; hawkers; and workers residing abroad and holding employment records issued by the Ministry of Labour and Social Affairs, shall be exempted from obtaining commercial card.

Article 4

Prior to the end of each year, the Ministry of Commerce, in consultation with the respective organizations and with the Chamber of Commerce, Industries and Mines, shall prepare the general modifications which are to be made to the executive ordinance of this law and to the schedules annexed to the export-import regulations, for the subsequent year as well as specific modifications made in the course of the current year, while incorporating therein the acquired rights, and shall promulgate them for the public knowledge, after the approval of the Council of Ministers.

Note 1

All circular letters and directives to the relevant executing organizations concerning the exportation and importation of goods, shall be communicated exclusively through the Ministry of Commerce.

Article 5

All productive ministries are required to forward to the Ministry of Commerce, not later than the 4th of February (15th of Bahman) of each year, their proposals for the following year concerning the export and import conditions in respect of goods similar to those produced domestically, having taken into account the internal requirements and exigencies of the country.

Note 1

Other relevant organizations and the Chamber of Commerce, Industries and Mines may send in to the Ministry of Commerce, not later than the 4th of February (15th of Bahman) of each year, their proposals in respect of the relevant items, having taken into account the internal requirements and exigencies of the country.

Article 6

Iranian means of transport shall have priority to transport all goods imported into the country. However, the directive pertaining to the use of foreign means of transport whether sea, air, road and rail-way carriers shall be drawn up by the High Council for the Co-ordination of National Transportation, in conformity with the ordinance approved by the Council of Ministers.

Article 7

The Government is required to allocate special premises for the provisional storage of goods needed to repair and equip the country's commercial marine and aircraft fleet.

Note 1

The transit of goods falling under this article from one port of entry to another shall be permissible, with the observance of transit regulations.

Note 2

Such goods shall be exempted from customs duties, commercial benefit tax and any other charges.

Note 3

Those parts of requirements of the aforesaid fleet which can be supplied by domestic sources within the country, shall be exempted from any obligation and export licensing.

Article 8

Importers of various goods, whether governmental or not shall refer

exclusively to the Ministry of Commerce, for licensing their imports and registration of their orders.

Note 1

The import license shall serve also as a clearance permit , and no separate Permit shall be required.

Note 2

Households inhabiting in the frontier zones or their co-operatives, mariners, hawkers and vessel crews importing goods for their personal consumption shall be excluded from the provisions of this Article.

Article 9

The Central Bank of the Islamic Republic of Iran and Iran Customs Administration are required to send to the Ministry of Commerce and other relevant organizations and Iran Chamber of Commerce, Industries and Mines, at least once every three month, statistical statements concerning the letters of credit which have been opened and goods which have been cleared.

Article 10

The government is required to specify the following matters in the executive ordinance concerning border trade exchanges:

1. 1. Localities or the depth of border tracts, residents of which are authorized to engage in border trade business.
2. 2. Types and quantities of goods which may be exported or imported by households residing in border regions or their co-operatives, authorized Iranian workers employed abroad, hawkers residing in frontier zones, mariners and crew members of vessels commuting between the shores of the Islamic Republic of Iran and other countries.
3. 3. The requirements to be met by the aforesaid persons of groups.
4. 4. Conditions for exportation and importation of goods and fulfillment of obligations.

Note 1

Goods imported by households residing in frontier zones or their co-operatives, and by vessel crew members for their own personal consumption shall be exempted from 30 per cent up to a maximum of 100 per cent of customs duties and commercial benefit tax in the case of public provisions, and up to a maximum of 50 per cent of customs duties and commercial benefit tax in the case of home appliances, by the approval of the Council of Ministries.

Note 2

Iranian workers and nationals permissibly employed abroad may import industrial machinery, tools and primary materials needed in the country, within the quantitative thresholds, and taking advantage of such percentage exemptions from commercial benefit tax as may be jointly set by the

Ministry of Commerce, the Ministry of Labour and Social Affairs and the relevant industrial ministry, and approved by the Council of Ministers.

Article 11

The government is authorized to set up border marketplace in any of the frontier zones as may be deemed beneficial, having taken into consideration such priorities as local potentiality, employment generation requirements and the expansion of commercial relation with the respective neighbouring country.

Article 12

The pre-exportation entry of materials and goods as temporary admission, to be incorporated in the production, finishing, processing and packaging of export goods are exempted from all import duties, except those designated as expenses or fees, provided that valid security or promisory note be deposited with the Customs Administration.

Note 1

If the goods which are made of the imported materials and goods under this Article, are not exported within a prescribed period of time, it shall be the duty of the Customs Administration to prosecute the importer, in order to recover the government's rights.

Note 2

Goods subject to this Article are exempted from licenses set forth in the schedules annexed to the Export- Import Regulations.

Note 3

The importer shall not be necessarily bound to export pro se, rather the relevant export certificate issued by the Customs Administration shall be sufficient to relieve the obligation.

Article 13

All exported goods (except crude oil and downstream products thereof which are subject to special regulations) shall be exempted from any obligation or foreign exchange repatriation bond.

Article 14

The sum "difference" collected by the Organization for Consumer and Producer Protection and all funds, except those designated as expenditures and fees, collected by the Customs Administration in respect of any foreign goods, materials, components and parts incorporated in the manufacture, finishing, processing and packaging of export goods, shall be refunded to the exporter in accordance with a directive set forth in the ordinance.

Note 1

If any dispute arises between the exporter and the Customs Administration, the matter shall be referred to a committee composed of representatives from the Ministry of Commerce, the Chamber of Commerce, Industries and Mines, the relevant ministry, the Customs Administration of Iran and the Export Promotion Centre, for final decision.

Note 2

It shall be the duty of the Ministry of Economic Affairs and Finance to open a [treasury] account in the names of the Organization for Consumer and

Producer Protection and the Customs Administration of Iran, from which to finance payments herein provided for. The Ministry shall refund the payments herein referred to, against presentation, by the exporter, of export certificate or the receipt issued by the Organization for Consumer and Producer Protection, after the confirmation of the aforesaid authorities.
Article 15 *

In order to simplify the calculation of collectable funds in respect of any imported goods, the Ministries of Commerce and Economic Affairs and Finance, having regard to the protection of domestic production, are bound to consolidate into a unified heading called "Commercial Benefit", such collectable levies as commercial benefit tax; the "difference" payable to the organization for Consumer and Producer Protection; order registration fee; monopoly right dues; municipal dues; local municipal dues (Co-operation); Red Crescent dues; asphalt dues; airport taxes; port charges; health dues; etc., except sums collectable under customs duties, charges and fees, in respect of each tariff line, at reasonable rates, and to communicate it to the Customs Administration for collection.

Article 16

The manner in which import prices are to be examined for order registration purpose, shall be laid down in an executive ordinance to be approved by the Council of Ministers.

Article 17

In addition to personal effects, an incoming passenger may bring in goods free of customs duties and commercial benefit tax up to such ceiling as may be approved by the Council of Ministers. The clearance of goods falling under this Article shall be permissible, provided that they are of non-commercial nature.

Note 1

The list of goods accompanying incoming passengers shall be prepared and promulgated by the Ministry of Commerce.

Note 2

The provisions of this Article shall be applicable also to passengers arriving in free-trade zones.

Note 3

In addition to personal effects, an outgoing passenger (whether Iranian or foreign national) may take domestic manufactures and products without any restriction, provided, however, that they are not intended for commercial purposes. Outgoing passengers may also take foreign goods up to the ad valorem threshold specified under this Article.

Article 18

The imposition and collection, by provincial and local authorities, of any dues in respect of any export goods and items are prohibited and the perpetrators shall be pursued for legal offense.

Article 19

The government may allocate funds in the annual budgets for the encouragement of export. Such funds shall be dispensed to exporters to enable them to benefit from financial facilities, on the Ministry of Commerce and approval of the Council of Ministers.

*** According to the law amending a number of Articles of the law concerning the third Economic, Social and Cultural Development plan of the I.R. of Iran, and the manner in which duties and other levies are established and collected from producers of goods, providers of services and imported goods, the provisions of this Article have been implicitly repealed.**

Article 20*

As of the beginning of the year 1373 (21 March 1994), the government shall be required to collect from importers in non-governmental sectors who import goods for commercial purposes, an additional levy of 1 per cent of the total customs duties and commercial benefit tax as an "especial charge", in respect of any imported goods. Funds collected thereby shall be credited to the country's general revenue account. Each year 100 per cent of funds so credited to the general revenue account shall be included in the annual budget law and allocated to the relevant executive organizations, with the approval of the Council of Ministers, to be used for the encouragement and expansion of non-oil exports, commissioning of the Export Guarantee Fund, organizing business training and promotional programmes, in accordance with the executive ordinance of this law.

Article 21

In order to support domestic products and to formulate the country's trade policy, the Council of Ministers, having regard to the interests of consumers, shall draw up the legislative bill on customs duties in respect of any imported goods, and on the amendment of Article 37 of the Customs Affairs Law, and shall submit them, within two months from the approval date of this law, to the Islamic Consultative Assembly for approval.

Article 22

In order to safeguard the Iranian carpet industry and to provide an appropriate ground for its protection on the world markets, the Ministry of Commerce is required to prevent, as of the beginning of the year 1374 (21 March 1995), carpets of over 30 knot count from being exported without an identification card. As of the above if I mentioned date, the Chambers of Commerce, industries and Mines shall be required, upon the request of the exporter, to issue Identification card as a mandatory requirement, and prior to the said date as an encouragement.

Article 23

It shall be the duty of the Ministry of Commerce to draw up the executive ordinance of this law within one month from the date of its communication, and to have it approved by the Council of Ministers.

Article 24

The Ministry of Commerce shall be responsible for the orderly enforcement of this law and the executive ordinance thereof.

The above Act, composed of twenty-four Articles and twenty-five Notes, was enacted in the open sitting of the Islamic Consultative Assembly on Sunday 26 September 1993 (4th of Mehr, 1372) and ratified by the Council of Guardians on 3 October 1993

(11 th of Mehr 1372).

*** According to the law amending a number of Articles of the law concerning the third Economic, Social and Cultural Development plan of the I.R. of Iran, and the manner in which duties and other levies are established and collected from producers of goods, providers of services and imported goods, the provisions of this Article have been implicitly repealed.**