

INDIAN TEA ASSOCIATION



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TO : ALL TEA COMPANIES

Report on the Indian Tea Delegation's Visit Tehran & Shiraz, Iran over 22nd to 27th February 2015

A 18-Member Indian Tea Delegation comprising Producers & Merchant Exporters and Scientists visited Tehran and Shiraz over 22nd to 27th February 2015 under the leadership of Mr Rajani Ranjan Rashmi, Addl Secretary (Plantations), Ministry of Commerce & Industry, Government of India.

The delegation with the help of the Indian Embassy, Tehran Union of Merchants and Distributors of Tea / Iran Tea Association has had useful discussions with the Ministry of Health, ISIRI, Customs, Tehran Chamber of Commerce and Iran-Iraq Chamber. Delegates also met Buyers at two Interactive Sessions at Tehran and Shiraz during their visit.

A copy of the Report on this visit prepared by the ITA Secretariat is enclosed for members' information.


M Das Gupta
Secretary General

Encl: As stated

Copy to:-
1. Chairman, Tea Board of India
2. Chairman, TRA
3. All Members of the Delegation

SP:EXP-WANA:Iran15

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Report on the Indian Tea Delegation to Tehran & Shiraz, Iran over 22nd to 27th February 2015

Iran is an important market for the Indian tea industry. India exports a sizeable quantity of mainly Assam Orthodox Tea every year to Iran. India signed an MoU in 2013 for 30 mkg for next 3 years and exchanged delegations during 2013 & 2014. Although exports crossed 22 mkg in 2013, it declined to 18 mkg during 2014

During 2014, the Indian tea faced several challenges/apprehensions in Iran in respect of quality, pesticide issues, etc. To redress this apprehension, Tea Board invited & hosted a Technical team from the Ministry of Health, Iran in October 2014. The team inspected two Testing Laboratories and several Packaging Units. The team mentioned that Iran was in the process of changing its ISIRI standards and advised Tea Board to issue Quality and Health Certificates for all consignments. In January 2015 information was received about three amended standards through unofficial channel. It was, however, not clear whether these Standards were currently/from which date applicable or was there any other version. There was also apprehension about various enlisted pesticides & their MRLs. It was therefore necessitated to meet the Health Ministry & other departments at an early date.

ITA approached Tea Board for mounting a Technical-Trade delegation to Iran. Considering the importance of the visit the Chairman, Tea Board suggested that the delegation should be lead by the Additional Secretary (Plantations), Ministry of Commerce, GoI. Indian Tea Association (ITA) coordinated this visit with the help of the Union of Merchants and Distributors of Tea / Iran Tea Association and Indian Embassy in Tehran.

Under the leadership of Mr Rajani Ranjan Reshmi, Addl Secretary (Plantations), MoC, GoI a 18-member delegation comprising producer & merchant exporters and scientists visited Tehran and Shiraz over 22nd to 27th February 2015. Composition of the delegation was as follows :

	Name	Designation	Organisation
1	Rajani Ranjan Rashmi	Addl Secretary (Plantations)	Ministry of Commerce & Industry, Government of India
2	George Jenner	Director Tea Promotion	Tea Board of India, Dubai
3	Biswajit Bera	Director Tea Research	Tea Board of India, Kolkata
4	Azam Monem	Vice Chairman, ITA Director Marketing, MRIL	McLeod Russel India Ltd
5	Shiv Bhasin	Sr General Manager Marketing	Goodricke Group Limited
6	R Venkatraman	General Manager Marketing	McLeod Russel India Ltd
7	Sanjoy Mukherjee	General Manager Marketing	Tea Group Exports
8	Iftikhar Alam	Manager (Tea Exports & Marketing)	M.K. Shah Exports limited
9	Jaydeep H Shah	Executive	
10	S B Shah	Managing Director	Shah Brothers Tea & Industries Ltd
11	Sangeeta Kichlu	President Marketing	Assam Company India Ltd
12	Irshad Rehman	Manager Marketing	
13	Anish S Bhansali	Partner	Bhansali & Company
14	Saurav Bansal	Executive Director - Tea Exports	New tea Company Ltd
15	Mohit Agarwal	Director	Asian Tea Co. Pvt Ltd
16	Dikshit C Arya	Director	Aquarious Marketing Pvt Ltd
17	Anoop K Barooah	Chief Scientist	Tocklai Centre, Tea Research Association
18	Sujit Patra	Addl Secretary	Indian Tea Association

The delegation had 6 meetings over 2-days with the Tehran Chamber of Commerce (TCCIMA), Food & Drug Organisation under Ministry of Health, Medication & Medical Education, Standards & Industrial Research Institute

(ISIRI), Iran-Iraq Joint Council, Customs, Iran Trade Promotion Organization (ITPO) in Tehran and had two Interactive Sessions with the Tea Traders, Packeters & Importers in Tehran and Shiraz.

At all meetings the Addl Secretary, MoC, Gol underscored the historical & deep cultural, trading ties between India and Iran, which had strengthened with the passage of time. India had supported Iran at crucial times. India regards Iran as an important market of high quality Orthodox teas. Indian tea producers were ready to produce more Orthodox tea to service the Iran tea market. Some adverse publicity regarding pesticide residues in Indian tea had caused apprehension about the quality of Indian tea. These were ill-founded and conveyed factually incorrect positions. Regulatory environment in India was strong & robust and Iran should not have any apprehensions over the Quality or Food Standard aspects of Indian Teas. India was ready to share all details of regulatory practices and welcomed Iran scientists & regulators to India to check all that were being pursued. Tea Industry comes under the Ministry of Commerce, Gol but follows rules & regulations as specified by various Ministries such as Health and Agriculture. The Ministry of Commerce, Gol was committed to provide full disclosure of all relevant information. India had already shared all details of regulatory practices with the Iran Technical team in October 2014. Tea Board had implemented the Plant Protection Code (PPC) making mandatory for all tea gardens to follow a strict regime of usage of specified chemicals from 1st January 2015. All producers were now mandatorily required to provide a declaration confirming adherence to the PPC.

All delegates met at the Indian Embassy with Mr Sushmit Biswas, Counsellor(E&C) and his colleagues to review the issues. The Embassy arranged meetings with various authorities of the Iran Government and it was decided that only select delegates would be present at each of these meetings.

Meeting with Tehran Chamber of Commerce, Industries, Mines & Agriculture (TCCIMA) at 11AM on 23.02.2015

H.E Mr Ebrahim Bahadorani, Secretary General and HE Dr Md Reza Bakhtiari, Deputy for International Affairs welcomed the delegation. They emphasized importance of doing business with India. They stated that last year some reports alleged over quality of Indian tea, which was taken to Majlis. However, any concerned issue could be resolved through mutual discussion. They submitted the following :

- TCCIMA was the biggest Association in Iran. 70% of total Iran trade was being handled by the Association
- India & Iran had already agreed on JV on Ports, Railway, Power Plants
- Port Chabahar, a new Port, would extend opportunity to reach faster to CIS & European countries
- The Association had mounted 3 delegations to India and hosted many delegations last year
- Indian delegation may think of visiting Iran during June/July when quality teas could be available & showcased
- Both Indian Ambassador in Tehran and Iranian Ambassador in New Delhi were experienced and help boosting bilateral trade growth – USD 14 billion as a result of efforts, which expected to grow more to achieve USD 20 billion in the near future
- India could utilize the service of the Iran-Iraq Joint Chamber of Commerce to access Iraq.



The Indian delegation was represented by the Addl Secretary-MoC, Counsellor, DTP-Dubai, Vice Chairman-ITA, Addl Secretary-ITA & Mr Mohit Agarwal. The Addl Secretary, MoC and Vice Chairman, ITA mentioned that –

- Alleged report on the quality of Indian tea was malicious & ill-founded.
- In 2013 ITA signed an MoU with the Iran Tea Association for 30 mkg.
- Banking arrangement for Re-Rial trade was working to the satisfaction of the trade
- Shortly meeting MoH, ISIRI, Customs to address certain problem areas like -
 - Clarification on tea standards & their applicability
 - Delay in clearance of Indian tea cargo at the Bander Abbas Port
 - Realistic fixation of minimum customs valuation for Indian tea
 - Short shipment issue on certain genuine causes & refund of import duty to importers
 - Delay & requirement of various medical tests towards issuing Visa
- Meeting with the Iran-Iraq Jt Chamber may give an opportunity to access vast Iraq tea market.

TCCIMA observed that it would take up the issues with respective departments. Over USD 7 billion was lying and this should be utilized.

Meeting with Ministry of Health at 3 PM on 23.02.2015

All delegates attended the meeting. The Health Ministry was led by HE Dr Hedayat Hosseini, General Director for Supervision & Evaluation of Food & Beverages and accompanied by Dr.(Ms) Maryam Amiramadhi, Head Department of Contaminant for Laboratory Research Centre, Dr.(Ms) Solmaz Choubaki, Expert in Food & Drug Department and some other officials. Dr Choubaki made a PPT presentation, salient points of which were :

- Acknowledgement of India's role in supplying sizeable quantity tea to Iran
- 56 health licenses issued to Indian tea exporters for import of tea from India
- Documents required for issuance of health license :
 - Plant & Product Master File (PMF)
 - Certificate of free sale
 - Factory identification
 - Certificate of analysis in accordance with national standards
 - Food Safety Management System Standards Certification (ISO22000, GMP, HACCP, etc.)
 - Standards of Tea : Specification of Black Tea : Standard No. 623(3rd Rev) & 17070,
MRL of Pesticides : Standard No. 13118-A(1st Amendment No. 1)
- Compliance of these standards is mandatory & applicable for all tea from any country
- Requirement of updated list of used pesticide
- Valid Tea Board Certificate confirming the Food Safety & GMP from March 2015.

Dr Dinarvand explained that his department was ready to assist Indian tea exports to Iran.



Exchanging pleasantries the Addl Secretary, MoC, Gol mentioned that –

- This delegation comprised of exporters who export to Iran along with two experienced tea scientists
- India maintained rigorous regime to maintain quality through PPC, FSSAI, etc.
- Some parameters under ISIRI Standard were stringent compared to international standards and required to be eased through exchange of views & field trial data. In the interim period Iran should adopt CODEX standards.
- Considering the climatic conditions prevailing in tea growing regions, India had recommended only CIB approved chemicals, adopted PPC for strict adherence to quality norms and broadly followed Codex/EC norms/limits.
- India had generated field trial data and sharing the same at the FAO-IGG, EC levels.
- Health Ministry should consider random testing of consignments to avoid huge cost & time of tea exports.
- Tea Board had enlisted 4 NABL accredited laboratories after due diligence to check all parameters as desired by the Health Ministry, Iran and would be issuing Certificates as per the directive from 22/3/15.
- Request for formation of a small Joint Technical Committee to address all issues of mutual interests/benefits.

Two Indian scientists – Dr A K Barooah & Dr B Bera – thereafter placed their following observations –

- ISIRI 623 (3rd Revision) & 10768 (First Rev) - dealing with Characteristics in regard to the Physical, Organoleptic of Infusion liquor, Chemical, Metal Contaminants and Microbiological parameters of Black Tea & Green Tea – were in line with the Indian Standards and hence in general had no issue
- However limits for Arsenic (0.15 mg/kg), Mercury (0.02 mg/kg), Lead (1 kg/kg) and Cadmium (0.1 mg/kg) were much lower and could be brought in line with Indian FSSAI Standards
- ISIRI 13118-A (First Amendment No.1) – lists Pesticide MRLs for 11 chemicals. Out of these only 8 were relevant to Indian tea and 6 were of concern for reliable pest management under tea growing conditions in India and called for review. These were Propargite, Chlorpyrifos, Etoxazole, Thiamethoxam, Cypermethrin and Dicofof
- There were CODEX MRLs for these 6 compounds in Tea based on proper evaluation of field trial from different countries and risk assessment. Codex MRLs should be adopted till such time realistic MRLs were fixed in Iran towards ensuring smooth tea trade
- Another list of 283 compounds was in circulation. Out of these only a few compounds were being used in Tea in India. It was therefore not necessary to go for tests of all chemicals as this would be costly and time consuming.

Dr Hosseini clarified that –

- The standards were set as per the demand of the domestic industry after considering per capita consumption of all food items in the food basket
- Iran Health Ministry was agreeable to random testing of consignments
- Tea Board certificates should be made available on-line
- Health Ministry was ready to cooperate with the Indian Govt and would not do anything which could damage trade relationship between two countries
- Health Ministry was ready for a Joint Technical Committee towards sorting out all issues.

A Joint Technical Committee (JTC) thereafter was thereafter formed and assigned to meet next day. Dr Barooah, Dr Bera, Mr S Patra & Mr R Venkatraman from Indian side were nominated in the JTC.

Interactive Session & BSM at the Hotel Laleh on Monday, 23/2/15 at 6 PM

In the evening of 23rd February 2015 there was an Interactive Session and a one-to-one Buyer-Seller-Meet at the Hotel Laleh. The event was organised by Mr Mahmoud Reza Movasagghi, a Tea Board appointee Advisor (M/s M B Movasagghi Business & Publishing Centre) and coordinated by Addl Secretary, ITA. The Interactive Session was attended by representatives from the Customs, Tehran Chamber of Commerce and around 65 representatives from Iran Tea Association. From the Indian Embassy the Counsellor and other Embassy officials also attended the Session.



- DTP Dubai presented an overview of the Tea Board role on tea promotion, quality check etc.
- Addl Secretary (Plantations), MoC in his Opening Address emphasized on the quality & safety of Indian tea, its export spread over 70 countries. He touched on PPC, FSSAI and rigorous quality checks followed in India. He suggested for branding of Gold Standard of Indian tea in Iran.
- Mr Hamid Reza Movassaghi, Chairman of the Board, The Union of Merchants and Distributors of Tea in his Key Note Address appreciated India's initiatives and emphasized on the quality. He observed that Indian tea was very much sought after in Iran and there was ample opportunity to increase India's share and unit value realization. He mentioned that Iran imports about 85 mkg of tea to cater to 120 mkg domestic demand every year. He, however, stated that in spite of all efforts 3 Indian companies had supplied bad teas in 2014, not conforming to Iran quality standards, and had drawn scrutiny from MoH resulting in bad image of Indian teas. He strongly advised that Tea Board and ITA should be extremely cautious to see all exporters follow stringent quality norms. He also suggested that India should take some promotion activities in Iran on a sustained basis in order to compete with competitors.
- Counsellor (E&C), Indian Embassy, Tehran observed on the Embassy's role towards India-Iran trade. He mentioned that any aggrieved Iran/India tea company could approach the Embassy towards redressing their problem. In the last few years trade between two countries had crossed USD 12 billion and likely to touch USD 20 billion in the next few years. Indian companies were investing in Iran through JVs.
- Vice-Chairman, ITA in his Summing Up touched on seasonality, grades, quality aspects of Indian tea. He also emphasized on tea research activities in India and assured the gathering of quality Indian tea to Iran consumers. He further stated that the tea trade should take full advantage of the stabilized Rupee-Rial mechanism. He thanked the Union of Merchants and Distributors of Tea, Indian Embassy, Tea Board for giving opportunity to Indian tea exporters to interact with various Iran Government organizations and tea importers/pickers.

There was one-to-one Buyer-Seller-Meet before & after the Interactive Session. A Dinner was hosted by Tea Board.

Meeting with Iran Standards & Industrial Research Institute (ISIRI) on Tuesday, 24/2/15 at 8.30 AM

H.E. Ms. Nayerh Pirouzbakht, President, ISIRI chaired the meeting which was also attended by Ms (Dr) Abu Ali, DG-Supervision & Maintenance of Standards, Ms (Dr) F Erfania, Dy DG Int'l Affairs, Ms (Dr) Nurvash, Research Director-InCharge Int'l Relationship and other colleagues. Indian delegation was led by the Addl Secretary, MoC. He was accompanied by the Counsellor, Vice Chairman & Addl Secretary ITA, Dr Barooah, Dr Bera, Ms Kichlu, Mr Bhansali & Mr Venkatraman.



President, ISIRI welcoming the delegates described about the role of ISIRI. She mentioned that ISIRI was member of 11 international organisations like ISO, EC, Codex and had signed MoU with 40 countries.

Addl Secretary, MoC & his team submitted issues & suggestions similar to those submitted to the Health Ministry. ISIRI was requested that until MRLs of all chemicals were established Iran should accept Codex MRLs for concerned chemicals. India was most eager to follow ISIRI standard, but needed time.

Dr Barooah & Dr Bera mentioned that TRA generates field, factory & laboratory data for fixing MRLs. These could be shared with ISIRI. When data was not available, India follows international standard. In the Standard-13118-A MRLs for 2 were stringent and ISIRI should follow Codex MRLs. In another proposed Standard, out of 285 compounds, most were not used in India. Only 24 compounds out of 285 compounds were being used in Tea. It would be unrealistic & costly if tests were required for all compounds. Vice Chairman ITA mentioned that Organoleptic tests were subjective and usually checked by buyers/sellers to see the parameters within limit. Results vary on water used for same tea.

President, ISIRI observed that tea consumption in Iran is high and same international standards could not be adopted. In Iran tea standards were being followed since 1968 and amended thrice considering per capita consumption, food basket, etc. **Considering India's request & growing conditions ISIRI was ready to review the MRLs and set up a Joint Working Group (JWG). However, India's proposal covering list of pesticides should be submitted first in writing before any such review.**

Dr Barooah & Dr Bera from India and Dr (Ms) Pirouzbakht & Dr (Ms) Abu Ali from Iran were nominated to the JWG.

Meeting with the Iran-Iraq Chamber of Commerce on Tuesday, 24/2/15 at 9.30 AM

The same Indian team (which met ISIRI) met Dr J Sanjabi Shirazi, Secretary General of the Iran-Iraq Chamber, Industries, Mines & Agriculture in the ISIRI building. After exchanging pleasantries the Addl Secretary, MoC stated that –

- The Indian team was on the mission of exploring opportunities of doing business with Iran with which India has had long standing relationship. India exports over 20 mkg of high quality tea to Iran every year
- India produces different grades of tea and could service any import demand
- There was huge potential in neighbouring countries. India wanted to take help of the Iran-Iraq Chamber to enter in to these countries
- India did not have any trade & banking channel with Iraq, where India used to export over 40 mkg of tea few years back.



Dr Shirazi, Secretary General observed that –

- His Chamber also carries responsibility for trade in Syria & Afghanistan
- Iraq prefers strong tea, imports lot of tea (70 mkg) and Sugar for its 30 million population
- Iraq prefer Sri Lanka & Indian teas
- Some Indian tea at present enters Iraq through neighbouring countries & Dubai

- Price is the most determinant factor leaving quality in the 2nd place. Colour, packing, taste factors come later
- Governmental Department (Ministry of Commerce, Iraq) purchases food items.
- Strategy should be to register own brand in Iraq through some Iraq/Iran partner
- Existing distribution network all over Iraq could be utilised
- Point of Entry should be thoroughly checked as there were two such PoE – Qurdeshi part & Arab part:

Qurdeshi Part	Federal Society, independent from other places	
Arab Part	Central Part	Baghdad – Rich people
	Southern Part	Syria side, culturally different
	Outside Part	Karbala, between two rivers, tourist place
	Western Part	Dominated by terrorist groups – could not be entered through Iran

- Better to get Iranian partner and enter through Qurdeshian border through which around 700 trucks enter everyday
- Many Iraqi buyers are now looking for quality tea although many goods had not any defined quality standard (standard not updated since 1957)
- Develop own standard and negotiate with buyer
- There were presently 5 companies dealing with Iraq : Beruvivotia BV (French), TUV, Multi Control, SGS, Kotechna (recruited by Iraqi Govt)
- There were two ways to enter Iraq through Iran :
 - Joint distribution offices with smart action plan. Enter through Khurdistan Central provinces, then switch to Southern part
 - Agreement between India & Iraq Governments. Create one credit line – supplier or buyer credit enabling one Iraqi buyer to purchase tea.
- Indian Embassies' role in Iran & Iraq quite important.
- Without understanding Iraq market it would be dangerous to enter the market. Iran-Iraq Chamber was ready to assist Indian companies with support of logistics, distribution network, etc once the Indian Embassy officially approaches his Chamber.

While thanking the Secretary General the Addl Secretary, MoC requested for all information by mail in order to study & enter the Iraq market.

Meeting with Customs at Central Head Quarter of IRI Customs Office on Tuesday, 24/2/15 at 10.30 AM

The entire delegation along with the Counsellor(E&C), Indian Embassy met the Customs Officials led by HE Mr Naderi, Vice President of Customs Techno Affairs and accompanied by HE Mr Sisheh Chiha, DG-Int'l Cooperation Dept, HE Mr Esfandari, DG-Evaluation & Determination Office, Dr Ahmad Parahan, Head of Bilateral Cooperation Committee, International Corporation Department and Mr Amir Khan, Sr Customs Officer.



Welcoming the delegates HE Mr Naderi stated that –

- Customs valuation had been periodically reviewed
- Tea Board of India was supposed to regularly send weekly data on tea prices which was not done
- Date of Proforma Invoice very important to ascertain minimum customs valuation
- Both sides should be proactive and sort out all problems through mutual discussions at the Govt level.

The Addl Secretary, MoC presented an overview of the bilateral tea trade and briefed about meetings with MoH, ISIRI, etc. He assisted by the Vice Chairman, ITA submitted the following :

- Iran imports 40% of its requirement from India every year. Customs cooperation was required to import more Indian tea
- North Indian tea had has seasonal variations – upto July high price and after July declined price
- Importers suffer due to short shipment which could occur due to some genuine causes like damage of cargo and should not be subject to penalty. Customs should provide certificate to importers for refund

- Tea Board would provide every month average price of teas in 5 different heads as popular in Iran) with 10% tolerance – Barooti (FBOP,GBOP), Kalami (TGfOP), Shikashite (STG1), Darjeeling (Whole Leaf), Assam CTC (BOP, PF, PD) and South Indian Orthodox (Broken).
- ITA would liaise with a broking firm to get prices of the above categories and Tea Board would accordingly send to the International Cooperation Department of Customs & Indian Embassy directly every month.

Customs officials observed that –

- Interested to see more information/documents to defend importers and were ready to consider short shipment provided all evidence were submitted by importer
- It would not physically investigate all consignments as prior clearance was provided by the MoH
- Any complain could be routed through the Indian Embassy
- Any cargo could be directly exported to Iraq through Iran (not through other countries).

While thanking the Customs the Addl Secretary, MoC assured regularly submission of tea price data through Tea Board and requested to assist Indian tea exporters & importers in order to boost tea imports from India in to Iran.

Indian Embassy hosted the Lunch at the Embassy on 25th February 2015 for the delegates. ITA complimented & thanked Mr Sushmit Biswas, Counsellor(E&C) for this gesture. Post lunch Technical Group proceeded for Technical Group meeting at FDCL and some delegates visited Iran Trade Promotion Organization office.

Meeting of the Joint Technical Group at Food & Drug Control Laboratory (FDCL) on Tuesday, 24/2/15 at 2.30 PM

As decided the JTG met at the FDCL. Dr.(Ms) Maryam Amiramadhi, Dr.(Ms) Solmaz Choubaki and Dr (Ms) Forough Zekavati, Head Laboratory were nominated from Iran and initiated discussions.



Dr Barooah & Dr Bera submitted issues regarding ISIRI 13118-A issued in January 2015 and May 2013. They mentioned that while MRL assessment was based on field trial data and food basket, an important fact to be considered was that tea is taken only after brewing. Residues detected in dry tea, were not found in brewed tea in same strength. Iranians take 5 cups (2gms of tea in each cup) on an average every day. Using the available data, potential risk assessment could be carried out for Iranian consumers which will help fix realistic MRLs in tea.

Iran representatives observed that Iran was concerned about Indian teas for the following reasons –

- High pesticide application to combat pests, may be, arising from weather conditions
- Recent media reports of detection of banned pesticides like DDT
- Arsenic used to control malaria.

Indian representatives responded that –

- Due to congenial climatic conditions pest pressure is more in India necessitating judicious use of pesticides.
- DDT is not used in agriculture in India, has only a limited use in public health.
- Presence of traces of DDT could be due to extraneous sources
- Under PPC there were 33 pesticides and the list had been reviewed periodically.
- Each tea manufacture provides declaration under PPC at the time of selling.
- Tea Board inspectors regularly check purchase & stocks of pesticides at the garden level.
- Arsenic is not used to control malaria in India.

Dr.(Ms) Maryam Amiramadhi stated that –

- ISIRI and Agriculture Ministries jointly fix MRLs
- Currently there were 285 chemicals with certain MRLs for some pesticides and uniform levels (0.05 mg/kg) for other chemicals
- Every country fixes MRLs considering its own conditions
- Exporters should declare names of pesticides used/present in each consignment.

Responding to a query that ISIRI 13118 (May 2013) should not be applicable as this had been revised to January 2015 amendment, she said that Director General would be able to respond to this.

As it was learnt from the discussion that it was ISIRI which fixes MRLs and the Ministry of Commerce implements the same. The meeting ended with a promise to continue discussions as it was felt that any sharing of field trial data in future would be more appropriate with the joint working group with ISIRI.

Meeting with Iran Trade Promotion Organization (ITPO) at Sahid Chamran Express on Tuesday, 24/2/15 at 5 PM

HE Eng. Vali Afkhami, Vice Minister & President of ITPO, HE Mr Mojtaba Mousavian, DG Foreign Trade (Asia & Oceania) and HE Mr Seyed Abbas Hosseini, Director General, Import-Export Regulations, Ministry of Industry, Mines & Trade welcomed the delegation.

Addl Secretary, MoC introduced the fellow members and explained about the purpose of the visit and raised the following issues :

- Permission of Import (PI) : long time period for obtaining the PI from the MoH & MoC, which had a valid period of generally one month. Due to this delay validity of the import permission becomes invalid. Buyer had to again take up with the exporter for revalidation of the PI. The process delays shipment.
- Opening of LC : Importer submits Ministry approved PI to the bank for fund allocation. On obtaining Central bank's allocation, LC is opened in favour of the beneficiary by the bank. Earlier the LC could be established within a month but now it takes 3 months or more. Again this delays shipment & export proceeds.

After discussions ITPO representatives observed that -

- They would recommend to MoH and MoC to ensure that Proforma Invoices were stamped without delay and the validity of the PIs be increased to 3 months from the current 1 month.
- Delay in opening LC's was due to the long queue in Banks especially since Turkey and China were also now part of a barter trade with Iran.

HE Afkhami requested the Indian delegation to visit Lahijan and assist the Iranian tea industries in improving their tea processing technology and reduce the Indian customs duty from 100 per cent. He also requested the tea delegation to invest in Iran through joint ventures.

Addl Secretary, MoC invited Iran tea manufactures' team to visit Assam and requested for suggestions where all could cooperate towards improvement of Iran tea.

Visit to Shiraz : Interactive Session & BSM at Hotel Chamran On 25th February at 5 PM

On 25th February the delegation visited Shiraz and participated at an Interactive Session & BSM at the Hotel Chamran.



Welcoming all buyers/pickers at the Interactive Session –

- Counsellor (E&C), Indian Embassy briefly presented the purpose of this visit and Indian Embassy's role for furthering bilateral trade between India & Iran
- Ms Sangeeta Kichlu & Mr S Patra presented overview of the Indian tea industry covering production, export, consumption, generic promotion, etc.
- Dr B Bera, Director (Research), Tea Board presented Tea Board's regulatory role with an emphasize for adherence to quality & food safety standards
- HE Mr Namazian, Chairman, Whole Food Association welcomed the delegation and recalled Iran's outstanding relationship with India. He hoped that Indian tea would get bigger share in Shiraz province and his Association would extend all possible cooperation towards this end.

- Mr Nosrathi, Promoter of M/s Senik Packaging Unit in Shiraz briefly gave his company's perspective of tea packaging.

At the end all the delegates expressed satisfaction over the arrangements and conduct of meetings in Tehran over two days. All hoped that Indian scientists would be able to convince ISIRI and MoH with all research data and Indian exporters would be able to overcome the pesticide issue at an early date. The Addl Secretary, MoC extended invitation to the MoH, ISIRI, Union of Merchants and Distributors of Tea / Iran Tea Association to visit India and its plantations.

Addl Secretary (Plantations), MoC as well as all delegates expressed gratitude to the Indian Embassy officials for their active role towards promoting Indian tea in Iran and promptly taking up the concerned issues with the respective Ministries of the Iran Government.

Vice Chairman, ITA stressed for higher Orthodox production and maintenance of strict quality regime so that no Indian tea exporter could compromise the Iran market.

Delegates thanked the DTP Dubai for active role towards assisting exporters and Mr Mahmoud Reza Movassaghi for his concerted efforts towards making all arrangements for this visit.

Addl Secretary (Plantations), MoC and delegates expressed their gratitude to the ITA for useful guidance and proactively coordinating this delegation.



S Patra
Addl Secretary

28.2.2015
SP/exp-imp:wana:Iran 2015