

# IRAN HAS HUGE POTENTIAL FOR BIZAV, BUT HURDLES REMAIN

News / Business aviation



The lifting of nuclear-related sanctions on Iran earlier this year won't have immediate benefits for business aviation, since air transport is being opened up first, speakers said at Aeropodium's Iran Aviation Conference in London on Monday. However, private charter flights could possibly be permitted at the same time as airline flights from Western countries.

Axon Aviation partner and CEO Kurosh Tehranchian told attendees that the country has "lots of high-net-worth individuals. Although there is no reliable number it is clearly in the thousands. There is a large base of millionaires and billionaires and you can see this from the types of cars and houses there. You can see the wealth, and the way to travel this way [by business aviation] will certainly be there."

**He added that there are a few business jets in Iran—mainly old Dassault Falcons—that are regulated by the country’s civil aviation organization. “The main regulations are there, and they are not dissimilar to the FAA regulations,” Tehranchian said. He compared the country to Brazil, which has “poor road and rail infrastructure and as a result has become the number-one fleet of business jets outside the U.S.” He described Iran as “the biggest aviation market opportunity in the world and a virtually virgin territory for many aviation services.”**

Tehranchian said most airports are in the major population centers in northwest Iran, but industry is spread throughout the country. The west has oil, the center petrochemical, the east iron and copper mines and the south fisheries, cotton mills and steel manufacturing. “So there is a need for corporate aviation. Business is everywhere,” said Tehranchian, meaning not necessarily where the airlines fly, with most international traffic using Tehran Imam Khomeini International Airport.

He added, “There is charter business in Iran, and some people are using it a lot. And the opportunity for building FBOs/MROs around Iran is tremendous.”

As for opening up to international operators, Tom J. Whalen of Whalen Law Associates said, “My understanding is that business aircraft can’t be sold [into Iran].”

José Eduardo Costas, v-p marketing and sales for Embraer Executive Jets, said the forecast GDP growth for Iran is 4.1 percent and said the country has only around 21 business jets “for a country of over 80 million people, and with all those resources and wealth.” He added that the oldest business jet in the country is a 47-year-old Lockheed JetStar, and the youngest is a 12-year-old Dassault Falcon 2000. “So clearly there’s a big potential.” He said Embraer is forecasting this fleet could grow to more than 50 aircraft by 2035, and the opening up to international traffic could significantly boost the country’s business aviation traffic.

For now, he said, “The formal answer from the U.S. Office of Foreign Assets Control is that corporate aviation is out. But it is not clear whether a charter aircraft can be considered to be commercial passenger transport. It needs to be more clear. Nobody is yet flying in Iran, apart from local aircraft.”

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