

Iran seeks foreign partnerships to boost auto industry

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Iran's president on Tuesday called for foreign partnerships to boost the country's car industry and said the sector must be privatized to improve its competitiveness.

President Hassan Rouhani told a car industry conference in a nationally broadcast speech that partnerships with international carmakers offer quick way to improve the industry's technology and safety.

"There is a shortcut ... We have to start partnerships with prominent world carmakers. We will reach to the optimum point in technology, protecting the environment, saving energy and safety," Rouhani said.

He said partnerships with foreign carmakers will serve the best interests of all sides, and increasing the competitiveness of the local market can only help strengthen the industry.

"The government will never be a good manager in industry, including the car industry. The sector should be completely privatized and competitive," he said. "The partnership will drive us ahead."

But he also warned that plan would mean removing government protections of the domestic car market such as prohibitions or heavy tariffs on imported vehicles. Rouhani said the days of the state-sponsored auto monopoly must end.

"To close the doors and at the same time impose the products of one or

two car factories on the people, while saying these are your only choices whether you like it or not, is not an acceptable logic," he said.

Iran's 50-year-old [car industry](#) produces about 900,000 cars annually. The country hopes to increase the number to 3 million by 2025.

France's Peugeot-Citroen last month announced a joint venture with automaker Iran Khodro to make 200,000 cars a year outside Tehran. The French carmaker was heavily involved in Iran's auto industry before nuclear-related sanctions were imposed.

In Iran, a country of 80 million people, road accidents annually claim nearly 17,000 lives, which many blame on lax safety standards.

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