

Restoration Sector in Iran



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An Overview of Iran's Historic Places

Iran is a historical country and one of world's oldest civilizations. According to the UNESCO last updated data in 2023, Iran has 26 cultural and natural world heritage sites. Based on the figures released by the Ministry of Cultural Heritage, Tourism, and Handicrafts (MCHT) of Iran, it is estimated that over one million places with historical and cultural heritage value has been identified in Iran. MCHT of Iran reports that only about 35000 historical sites have so far been officially registered by the Government as "National Heritage Sites" which means that just merely over 3.5% of Iran's historic places have been officially registered. The sites which have not been registered are obviously subject to decay, looting, and illicit excavations.

The location of Iran's historic places are quite diverse. Many are located in Iran's more than 1200 cities. A large quantity of them are located in rural areas; while many are located in the natural environment and hinterlands as abandoned ruins. Many of the historic places are privately owned; making it quite difficult for the government to have them preserved and safeguarded. Amongst the National Registered sites, some are owned by the government, and some by the private sector. However, based on the law for the preservation of national heritage sites, intervening in the sites (even in the privately owned sites) are subject to strict limitations and regulations. In general, it is estimated that more than 80% of historic places in Iran need some sort of urgent restoration. However, our research in the past 3 years have shown that due to limited resources, there are currently about 500 nationally registered historical sites under restoration in Iran.

The entire annual budget of the Ministry of Cultural Heritage, Tourism, and Handicrafts (i.e. from 21 March 2023 to 20 March 2024) is nearly 68¹ million Euros. The annual budget of the 'Cultural Heritage Sector' in the mentioned period is nearly 34 million Euros; of which about 7 million Euros is directly committed by the government for the restoration projects.

MCTH is the central entity responsible for identification and registration of heritage sites. It acts as the focal entity for coordinating the restoration process of these sites.

Public Sector Institutes in the Restoration Sector

There are a number of institutes and organizations which are funded by the public sector which have specialized deputyships and units dedicated to research and management of restoration projects:

1. **The Fund for Development of Handicrafts and Handmade Carpet and Revitalization and Utilization of Historic and Cultural Places:** This fund is directly affiliated with and defined under the umbrella of the Ministry of Cultural Heritage, Tourism, and Handicrafts. As obvious in its name, the fund mainly focuses in two distinct subjects: 1. Promotion and development of handicrafts with special focus on handmade carpets, and 2. Revitalization and utilization of historic and cultural places. In the following pages, we will highlight some of the activities and available opportunities of this fund. Our focus would be on the second mission (revitalization and utilization of historic and cultural places). The organization of

¹ Through this report the exchange rate is calculated based on 09 April 2023, 1Euro = 445,384 IRR (website: <http://www.sanarate.ir>)

this fund has special units dedicated to Public Relations, International Affairs, Planning, Programming, and Coordination, Technical and Executive Management, Investment and Economic Management, Marketing, Logistics, Administrative, and Legal units (website: <https://chre.ir>).

2. **Research Institute of Cultural Heritage and Tourism:** This institute is also affiliated with the Ministry of Cultural Heritage, Tourism, and Handicrafts. It has an annual budget of about 3 million Euros. It has a 'research deputy', a 'technology and applicability deputy', 'inspection, assessment, and project control deputy', 'financial administration and management development deputy', and a 'preservation and restoration research unit' and a 'historical buildings and urban fabric research unit' dedicated to restoration projects (website: <https://richt.ir/en/home>).
3. **Iranology Foundation:** Iranology Foundation is directly affiliated and funded by the Office of the President of the Islamic Republic of Iran. Amongst its various research units, a specialized unit is dedicated to "Preservation and Restoration of Cultural Heritage" (website: <https://www.iranology.ir>).
4. **Vice-Presidency of Science and Technology:** The Vice-Presidency of Science and Technology is a public entity under the office of the President of Islamic Republic of Iran. It has a specialized center under the title of "International Affairs and Technological Exchange Center". One of the contributions of this Vice-Presidency to Iran's cultural heritage is the development of 3D-Scanning and Planning. Iran has entered the 3D technology domain with the aim to use it for restoration of ancient historical sites. The Ministry of Cultural Heritage, Tourism, and Handicrafts and Iran's Vice Presidency for Science and Technology have collaborated with the National Museum of Iran on a project focusing on 3D scanning of historical monuments with the ultimate aim to create 3D printed replicas or in some cases undertake restoration of the monuments. The Vice Presidency has created a sub-division called "Advanced Manufacturing and Materials Technologies Development" to foster the development and implementation of this technology (website: <https://isti.ir>).

Partners from the Financial Sector

Several restoration projects are either fully funded or co-funded by partners from the financial sector. In recent years, the most active partners in the financial sector for restoration projects were:

1. **Tourism Bank:** Tourism Bank is a private bank founded in 2010 in Iran with special focus on investment in the tourism sector. It has invested in the renovation and preservations of several cultural heritage sites including the 'Grand Hotel of Qazvin' and 'Vakil Caranesaray in kerman'.
2. **Ayandeh Bank:** Ayandeh Bank is a private bank founded in 2012. In the past few years, it has closely worked with the government and has invested in the development of cultural heritage sites with special focus on the rehabilitation and development of museums.
3. **Shahr Bank:** Shahr Bank (City Bank) is a private bank founded in 2009 by the Municipality of Tehran. Currently, its stakeholders are 8 major Iranian Metropolises. The bank supports

urban projects including the regeneration of old urban fabric and renovation and restoration of buildings with historical importance.

4. **SEMEGA:** Listed on Tehran OTC market², “Iran Cultural Heritage and Tourism Investment Group (SEMEGA)” is the first specialized tourism holding company in Iran. Restoration and reconstruction of monuments are amongst the core missions of this entity.

Universities and Academic Partners

Restoration projects in Iran often follow traditional knowhow and skills. However, some of the universities in Iran have attempted to play a more scientific and academic role in the restoration process. Iranian universities have actively contributed to restoration of historical sites of national importance. The existence of several historical sites in Iran and the conservation and restoration requirements that go along with these sites has necessitated the inclusion of appropriate planned education programs for architectural restoration. Universities are responsible for conducting research into a historical site’s history and architectural design. Volunteers are sent to sites for archaeological studies and assisting in restoration work in coordination with the Ministry of Cultural Heritage, Tourism, and Handicrafts. Currently, universities with active curriculums in the fields of restoration of cultural heritage sites are:

- University of Tehran
- Shahid Beheshti University of Tehran
- Iran University of Science and Technology, Tehran
- Tehran University of Arts
- Imam Khomeini International University, Qazvin
- Isfahan University
- Isfahan University of Arts
- Shiraz University of Arts
- Bam Azad University
- Hakim Sabzevari University, Sabzevar
- Semnan University
- Urumieh University
- Bahonar University of Kerman
- Jundishapur University of Dezful

The Private Sector and the Cooperatives Sector

Based on Iran’s Constitution, the National Economy is divided under three categories: The Public Sector Economy, The Private Sector Economy, and the Cooperatives Sector Economy. Unfortunately, the Cooperatives Sector does not play an active role in the restoration projects. Although “The Cooperatives Development Bank” is the financial arm of Iran’s cooperatives sector, yet most of its investment is focused on the development of handicrafts in rural areas.

² <http://www.tsetmc.com/loader.aspx?ParTree=151311&i=46741025610365786>

However, The Private Sector in Iran has an active role in the enhancement and development of tourism sector including the restoration of cultural heritage sites and buildings, construction of hotels and restoration of old structures and their transformation into boutique hotels. There is no official statistics of the quantity of investment from the private sector in tourism and cultural heritage, but the government seeks 21 billion dollars of investment from the private sector in the period of 2019-2024.

A recommended way to connect to the active stakeholders and investors in the tourism sector of Iran is through “Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA)” which is simply known as “Iran Chamber of Commerce”. This Chamber was founded in 1883 and has more than 30.000 members. Its main goal is to create a sustainable connection between the private sector, parliament, the government, and international entities. The Chamber has a specialized Commission dedicated to “Tourism and Related Businesses”.

International Partners

Throughout history, international partners have also played a key role in the restoration of places with historic and cultural value in Iran. Italy, Germany, Japan, and France have been more active in this regard.

Italy

- The Italian Institute for Middle and Far East (IsMEO) has in place a restoration programme since the 1960s for the conservation and preservation of historical sites in the region. In Iran, IsMEO started with the Persepolis palace and the religious sites in Isfahan.
- Over the years, teams of Italian experts from institutions such as University of Padova and Italian Ministry of Culture have collaborated with Iran for restoration projects such as Bam Citadel and palace of Cyrus the Great.
- In March 2015, a Memorandum of Understanding was signed between Iran and Italy for cultural cooperation. It covers activities such as cultural events, archaeological excavations, and restoration of heritage sites and monuments in Iran.
- In the past few years, Iranian experts have participated in person and online in the event of “Italy Restoration Week” organized by “assorestauro” (Italian Association for Architecture, art, and urban restoration) which could facilitate the transfer of knowledge and knowhow between the individuals and enterprises active in the restoration sector of both countries.

Germany

- Institutions from Germany provided vital assistance in restoring Bam Citadel and its surrounding area.
- The Sistani House located near the Citadel was restored by the Dresden University of Technology in Germany. The Kassel University-Germany was involved in restoring and improving the resistance of the adobe walls of the Citadel.
- In recent years, a team of German experts have been collaborating on the restoration of “Rab-e-Rashidi” historic complex in the Province of East Azerbaijan.

- A team from the University of Bochum have also recently collaborated with Iran on studies on the historic salt mine near Zanjan.

Japan

- Japan has provided assistance to Iran for large-scale restorations, most notably the Bam Citadel restoration. Japan provided the funds for the UNESCO grant of USD 220 million and provided the material and construction equipment along with engineering consultants to carry out the restoration work.
- Taiyo Consultants, a Japan-based engineering consulting firm, provided the design study report for carrying out restoration on Bam Citadel and its surrounding buildings.
- The University of Mei was involved in the restoration on the Bazaar surrounding Bam Citadel.

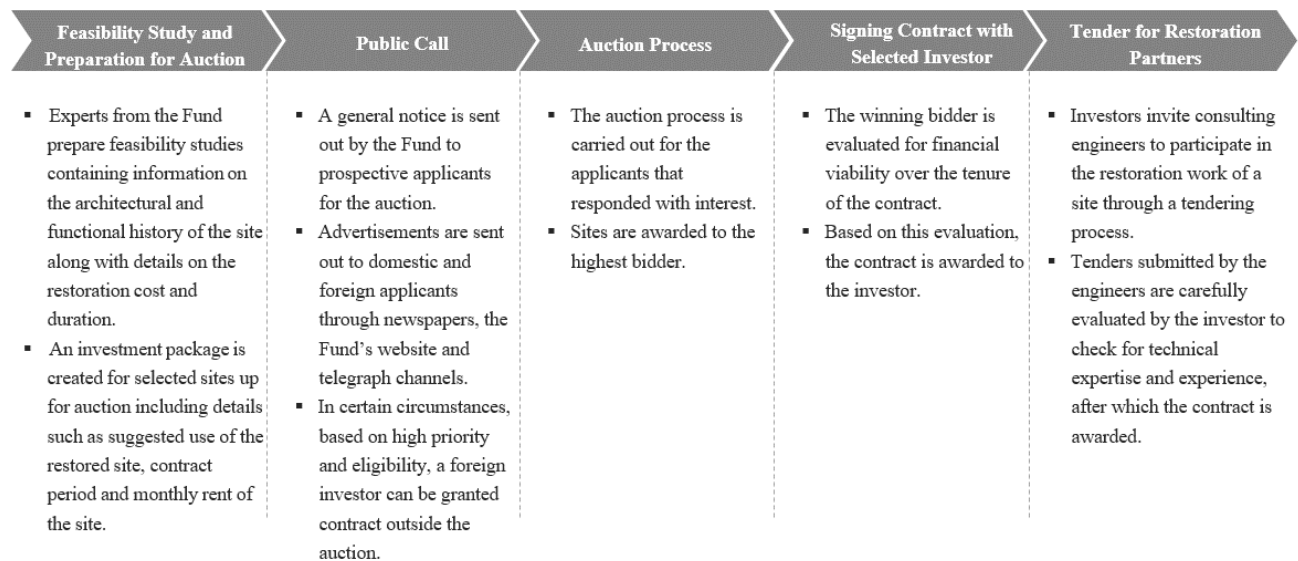
France

- France provided assistance in the form of the International Centre for Earthen Architecture (CRAterre), which was involved in the restoration of one of the gates at Bam Citadel.

Revival Fund

As mentioned before, one of the most important, instrumental, and effective institutes in the restoration sector in Iran in the recent years has been “The Fund for Development of Handicrafts and Handmade Carpet and Revitalization and Utilization of Historic and Cultural Places”; which is often referred to as the “**Revival Fund**”. The Revival Fund was defined by the Ministry of Cultural Heritage, Tourism, and Handicrafts as a tool to enhance public participation and absorb investment from the private sector for the restoration of historical and cultural heritage sites. The fund is a mechanism to form Public-Private Partnerships (PPP) based on which the ministry assigns certain projects and invites potential bidders through a public call. The projects are then transferred to the highest bidder who is tasked to restore the project under the supervision of the ministry and in return is privileged to run the facility for a long period with relatively low rental rates.

Figure 1. Public –Private Partnership in Restoration Projects

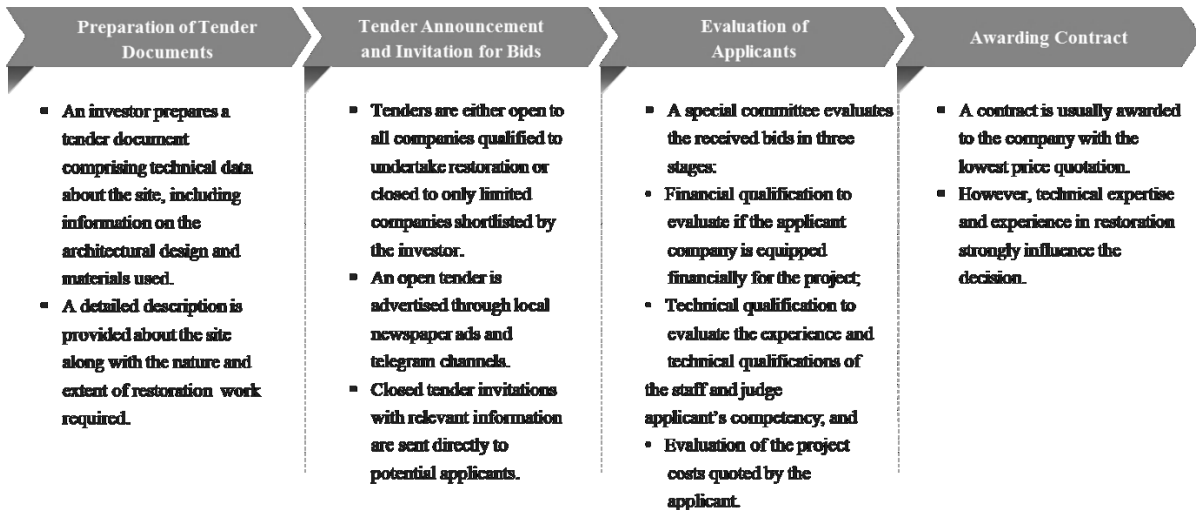


Source: The Fund for Development of Handicrafts and Handmade Carpet and Revitalization and Utilization of Historic and Cultural Places

Tender Process in Revival Fund

Investors invite Architects and Consulting Firms (Architecture and Engineering) to partake in the tendering process for restoration contracts based on the following procedure. The timeline for a tendering process for awarding a restoration contract is usually 1–3 months. A contract is usually awarded to the lowest bidder; however, qualification and experience are also considered.

Figure 2. Tender Process in Revival Fund



Source: The Fund for Development of Handicrafts and Handmade Carpet and Revitalization and Utilization of Historic and Cultural Places

Restoration Partners in Revival Fund

- **Architects:** Architects or architectural design studios are responsible for creating a new design that incorporates modern elements such as power sources and light fittings into the traditional architectural design of the buildings.
- **Local Masons:** These are local professionals who possess knowledge of construction techniques that have been prevalent in the region for centuries. Architects collaborate with them to utilize their expertise in using locally sourced materials to restore buildings.
- **Consulting Engineers/Contractors:** Consulting engineers are responsible for supervising the construction activities associated with a restoration project. They are required to be qualified by MCTH and the Fund through documents reflecting expertise and past experience in restoration projects.
- **Equipment Suppliers:** Equipment suppliers are companies that supply equipment and material for the restoration project. Equipment includes scaffolding, construction machinery, diggers, loaders, forklifts and transportation vehicles.

Best Practices of the “Revival Fund”

The Public Private Partnership mechanism of the Revival Fund has so far produced a number of Best Practices and has proved to be an effective method for the restoration of historic places. In

the following pages, we would have a brief look at a number of best practices produced by the Revival Fund (all the pictures has been taken from the website of the revival fund):



Saad Al-Saltaneh Caravanserai

Location: Qazvin, Province of Qazvin

Investor: Renovation and Restoration Organization of Qazvin (Municipal entity)

Function: Historic Complex, Event Center

Investment Budget: 3.000.000 US \$

Restoration Period: 2009-2011

Contract Duration: 28 years

Job Creation: 350 jobs



Mostofi Mansion

Location: Shushtar, Province of Khuzestan

Investor: Mr. Roozbeh Salman

Function: Tourist Attraction & Gallery

Investment Budget: 50.000 US \$

Restoration Period: 2009-2010

Contract Duration: 11 years

Job Creation: 15 jobs



Namir (Sadri) Palace and Garden
Location: Taft, Province of Yazd
Investor: Moshir Yazd Private Company
Function: Tourism Attraction
Investment Budget: 300.000 US \$
Restoration Period: 2009-2011
Contract Duration: 22 years
Job Creation: 15 jobs



Shapuri Mansion
Location: Shiraz, Province of Fars
Investor: withheld
Function: Restaurant
Investment Budget: 300.000 US \$
Restoration Period: 2009-2012
Contract Duration: 27 years
Job Creation: 20 jobs



Ameriha Mansion

Location: Kashan, Province of Isfahan

Investor: Ezam Construction Investment Company
(Private Sector)

Function: Boutique Hotel & Restaurant

Investment Budget: 850.000 US \$

Restoration Period: 2011-2013

Contract Duration: 59 years

Job Creation: 40 jobs



Laleh Hotel

Location: Yazd, Province of Yazd

Investor: Irvan Kavir Yazd Private Company

Function: Boutique Hotel

Investment Budget: withheld

Restoration Period: 2015-2017

Contract Duration: 5 years (extended)

Job Creation: 30 jobs



Najafi Mansion

Location: Babol, Province of Mazandaran
Investor: Atieh sazan toseh gardeshgari eghlim pars Company
Function: Cultural Services
Investment Budget: 13.500 US \$
Restoration Period: 2022
Contract Duration: 12 years (extended)
Job Creation: 5 jobs



Kazerunian Mansion

Location: Shiraz, Province of Fars
Investor: Hojjatollah Sakhaie zadeh
Function: Accommodation
Investment Budget: 20.000 US \$
Restoration Period: 2022
Contract Duration: 12 years
Job Creation: 5 jobs



Rende kosh Mansion

Location: Kermanshah, Province of Kermanshah
Investor: Meysam Moniei
Function: Accommodation and Cultural Services
Investment Budget: 24.000 US \$
Restoration Period: 2022
Contract Duration: 14 years
Job Creation: 5 jobs

Investment Opportunities with the Revival Fund

Currently, the following projects are ready for investment with the Revival Fund Mechanism.



Kordasht Complex

Location: Jolfa, East Azerbaijan Province

Historical Period: Safavid Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation, Cultural Services and Health care



Guijeh Beel Caravanserai

Location: Ahar, East Azerbaijan Province

Historical Period: Safavid Period

Available Infrastructures: Road, Water

Proposed Function: Road Service Tourist Center



Ghaelublagh Caravanserai

Location: Meshkin shahr, Ardabil Province

Historical Period: Safavid Period

Available Infrastructures: Road

Proposed Function: Road Service Tourist Center



Kohneh Si Castle

Location: Meshkin shahr, Ardabil Province

Historical Period: Sasanid Period

Available Infrastructures: Road

Proposed Function: Accommodation



Monemian House

Location: Isfahan, Isfahan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Cultural Services



Bahraminejad House

Location: Isfahan, Isfahan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Cultural Services



Rafiei House

Location: Boushehr, Buoshehr Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Gas, Electricity

Proposed Function: Accommodation, Cultural Services



Yadollahi House

Location: Isfahan, Isfahan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



Malik Mansoor Khan Shabankare Castle

Location: Dashtestan, Boushehr Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Cultural Services



Aghakhan Liravi Castle

Location: Bandar deilam, Buoshehr Province

Historical Period: Qajar Period

Available Infrastructures: Road

Proposed Function: Accommodation and Cultural Services



Borazjan Caravanserai

Location: Borazjan, Buoshehr Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



Pol Moshir Caravanserai

Location: Fahlian, Boushehr Province

Historical Period: Qajar Period

Available Infrastructures: Road, Electricity

Proposed Function: Road Service Tourist Center



Haj Raies Bathroom

Location: Torbat-e Heydarieh, Khorasan Razavi Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Cultural Services



Dalki Caravanserai

Location: Dashtestan, Buoshehr Province

Historical Period: Qajar Period

Available Infrastructures: None

Proposed Function: Accommodation and Cultural Services



Mehr Caravanserai

Location: Sabzevar to Shahrus Road, Razavi Khorasan Province

Historical Period: Safavid Period

Available Infrastructures: Road

Proposed Function: Accommodation and Cultural Services



Zaafaraniyeh Caravanserai

Location: Near Sabzevar, Razavi Khorasan Province

Historical Period: Safavid Period

Available Infrastructures: Road

Proposed Function: Road Services Tourist Center



Spakho Atashkadeh Temple

Location: Maneh, North Khorasan Province

Historical Period: Sasanian Period

Available Infrastructures: None

Proposed Function: Cultural Services



Salar Bathroom

Location: Soltanieh, Zanjan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Cultural Services



Chalbi Oghlou Complex

Location: Soltanieh, Zanjan Province

Historical Period: Ilkhani Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



Aouj Caravanserai

Location: Ahar, East Azarbaijan Province

Historical Period: Safavid Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



Kharzan Caravanserai

Location: Kohin, Qazvin Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



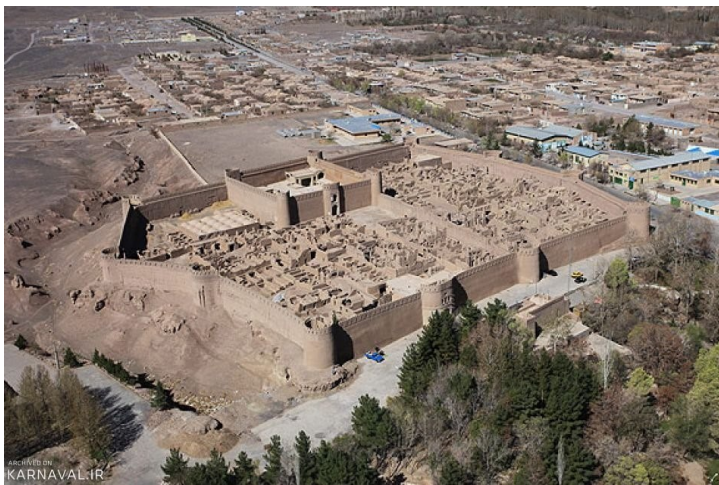
Hajib Caravanserai

Location: Boienzahra, Qazvin Province

Historical Period: Safavid Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



Raien Citadel

Location: Raien, Kerman Province

Historical Period: Sasanid Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Accommodation and Cultural Services



Orshidrai House

Location: Kerman, Kerman Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Cultural Services



Bang Tavakoli House

Location: Ahar, East Azarbaijan Province

Historical Period: Qajar Period

Available Infrastructures: Road

Proposed Function: Accommodation and Cultural Services



Bahadorolmolk House

Location: Bordsir, Kerman Province

Historical Period: Qajar Period

Available Infrastructures: Road

Proposed Function: Accommodation and Cultural Services



Mousakhani House

Location: Shahrabak, Kerman Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Accommodation and Cultural Center



Fakhriaver House

Location: Raver, Kerman Province

Historical Period: Pahlavi Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Accommodation and Cultural Services



Haj Akhound House

Location: Kermanshah, Kermanshah Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Restaurant



Azadi House

Location: Sayahkol, Gilan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Tourism Services



Abolghasemi House

Location: Khoramabad, Lorestan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Restaurant



Gousheh Caravanserai

Location: Khoramabad, Lorestan Province

Historical Period: Safavid Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Accommodation and Cultural Services



Shafahi Amoli House

Location: Amol, Mazandaran Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Restaurant



Ebadi House

Location: Amol, Mazandaran Province

Historical Period: Pahlavi Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Restaurant



Ghaleh Bathroom

Location: Hamedan, Hamedan Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity, Gas

Proposed Function: Cultural Services



Dehdasht Caravanserai

Location: Yazd, Yazd Province

Historical Period: Qajar Period

Available Infrastructures: Road, Water, Electricity

Proposed Function: Restaurant

References

- Ministry of Cultural Heritage, Tourism, and Handicrafts
- Fund for Development of Handicrafts and Handmade Carpet and Revitalization and Utilization of Historic and Cultural Places
- Research Institute of Cultural Heritage and Tourism
- Vice-Presidency of Science and Technology
- Tourism Bank
- Ayandeh Bank
- Shahr Bank
- SEMEGA



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