

## Iran Market Report



### Visit to Iran – February 2006 Richard Truscott

#### Purpose of Visit:

- To scope the market
- To meet current and potential contacts
- To promote UK ELT

#### Key Facts

<b>Population:</b>	70 million
<b>Capital:</b>	Tehran (estimates vary between 10 & 14 m); other major cities: Mashhad, Esfahan, Tabriz, Shiraz
<b>Language:</b>	Farsi / Persian, some English
<b>Main exports:</b>	Oil & gas, carpets, agricultural products
<b>GNI per capita:</b>	\$2,300
<b>Currency</b>	10 Rials = 1 toman £1 = 15,600 rials at time of visit

#### Market Overview

##### Political & Economic Situation

Iran is OPEC's second largest oil producer, after Saudi Arabia, and has around 9% of the world's known oil reserves. It also has the world's second largest natural gas reserves. Oil and gas account for around 80% of exports.

Following the Islamic revolution in 1979, Iran experienced nearly two decades of strict conservative rule under Supreme Leaders Ayatollahs Khomeini and, from 1989, Khamenei. In 1997 the reformist President Khatami swept to power with 70% of the popular vote. He was re-elected in 2001 but the reformist agenda was blocked by opposition from powerful conservatives in the government and the judiciary and failed to deliver on its promises. June 2005 saw the election of Mahmoud Ahmadinejad, former mayor of Tehran and a hardline conservative. He is the first non-cleric president for 24 years.

Ahmadinejad is seen as less interested in the economy and more focused on religious revolutionary affairs, quoted as looking to "purify" the system and prepare for the second

coming of the Mahdi. The business climate is currently uncertain. The stock market has dropped since the election and investment is believed to be down. Economic growth was around 5% in 2005 but inflation and unemployment rates are running at approximately 15%. With 70% of the Iranian population under the age of 35, and 40% under the age of 16, the aim is to reduce unemployment for current and future generations of young Iranians.

Despite good growth over recent years, per capita income is still not at the level of pre-revolution days. The economy is "statist", typically with strong central control administering large projects, not always efficiently. However, the private sector is large, dynamic and growing at 25% of the domestic economy.

The eight year war with Iraq in the 1980s prevented investment in Iranian industry and saw the country's wealth plummet. A technology gap exists throughout the economy, despite the high levels of education in Iran. The government recognises the need to diversify the economy from its dependence on oil and gas and sees the need to import goods and services. The Oil Ministry is not alone in recognising the need to develop education and training, including English language competence.

### **Culture**

Tehran is surprisingly liberal in comparison with some of its Arab neighbours. The headscarf is worn by women in public, by law, but there was no evidence of the burka. Women are free to drive and work in mixed environments. Street signs are in Farsi and English and some knowledge of English is relatively widespread. The British Embassy had been attacked by crowds throwing stones, Molotov cocktails and, reportedly, nail bombs for several days prior to my visit. Nonetheless I walked for several hours in Tehran, not only unmolested but frankly unnoticed. The greatest threat to life lies in Tehran's notorious traffic. The British Council reports that over 20,000 people are killed every year on Iran's roads. Certainly courage has to be screwed to the sticking point and beyond when crossing the street but of more relevance is that appointments should be timed to allow for considerable delays in arrival. The expectation of Iranians is that British people always arrive punctually.

The visit was made as part of a trade mission arranged by LCCI (London Chamber of Commerce and Industry) and supported by UKTI. This facilitated both gaining a visa to enter Iran and the level and seriousness of contacts that were made. The political situation in February 06 was, and continues to be unstable against the backdrop of Iran's nuclear policy. An MEA mission was cancelled in autumn of 05 but the advice from the British authorities in Tehran was to go ahead with the LCCI mission. It was remarked upon by Iranians during the visit that it was a good time to visit. Iranians are likely to remember the people who stick with them through the difficult times and the relative lack of alternative British trade presence enabled contacts to be made at relatively senior levels.

Iranians are overwhelmingly hospitable and welcome foreign nationals. On the other hand, the attitude to Britain is ambivalent. UK nationals are well regarded but Britain is viewed with a degree of suspicion for its role in Iran prior to the revolution. The USA is not present in Iran, either diplomatically or commercially. Some of the anti-US feeling is therefore transferred by default to the "Little Satan" though this does not fully explain the attitude towards Britain which derives from several decades of British policy in the country and the wider region.

ELT

### **Demand**

There is large-scale and widespread demand for English. Mission events organised for the Anglo Iran Chamber of Commerce and the Tehran Chamber of Commerce as well as the mission reception hosted by the Embassy pointed to an overwhelming demand for ELT. Some of this, inevitably, is unrealistic and frequent requests were made for large numbers of trained native speakers to teach in Tehran in the mushrooming private ELT schools. Local pay and conditions allied to the political situation make this highly unlikely. At the other end of the scale, serious proposals at senior levels were made for language training both in Iran and in the UK.

The main issue might not be to locate the demand for ELT but to:

- reduce the scale of the demand to a manageable size
- deliver programmes at least in part outside Iran
- overcome the political and bureaucratic hurdles

The last of these is likely to be the hardest to predict and achieve.

Michael Willson, Director of the British Council in Iran, is of the view that in relevant sectors there is sufficient money to finance study in the UK but he called into question the willingness to make such commitments. There is a reluctance to treat ELT seriously at senior levels and, for example, arrangements in universities for English training are typically ad hoc. Other conversations pointed to a situation where a number of senior managers of state institutions are looking to see in which direction the political situation will advance. The country's new president is unlikely to champion either the study of English or study abroad programmes and political imperatives may act to block such programmes, despite the need for English skills in particular being fully recognised within industry.

The most promising areas for English UK members are likely to be in the fields of:

- teacher training – training the trainer
- general English delivered in a business context
- pre-sessional English, particularly IELTS training at pre-Masters / PhD levels

Reference will be made throughout this report to the requirement for very large scale language training for various sectors of industry. I visited Tehran for 4 full days. It is inevitable that similar demand exists throughout many other institutions in Tehran and in the country as a whole.

If members are looking to open a centre in Iran, Michael Willson advises that they ensure that any Iranian partner is well connected and to minimise the risk to their investment. An Iranian-owned institution is subject to much less scrutiny than foreign-owned ventures.

### English UK Statistics

Student weeks *	Total	Adult	Junior	General English	Business & Professional	English Plus	Other ESP	One-to-One
<b>2005</b>	5756	5412	344	5396	30	229	91	10
<b>2004</b>	5557	5009	548	4797	123	524	95	18
<b>2003</b>	3320	2975	345	3013	38	186	71	11

*\* Data relates to the private sector only and is derived from the quarterly reports provided by members to ARELS / English UK. The number of returns per year varies - the data is not on a "like for like" basis.*

It should be borne in mind that the number of Iranian students at HE in the UK is significant. The figures in the table above do not include ELT provision at university member centres.

### The British Council

The British Council in Iran reopened in October 2001 after an absence of more than 20 years. The offices are located on a gated Embassy compound to the north of the city and visitors are screened for security purposes. The Council is prevented from operating a teaching centre in Iran but it can and does take part in associated activity such as seminars, in-company training and teacher training workshops. Michael Willson would be keen to work with English UK members looking to provide ELT programmes for Iranian institutions, particularly in projects which require in-country training.

The Council offices house a well-staffed information centre which is a valuable and popular source of information for Iranian would-be students. It also operates as a very popular IELTS examining centre. During the period of the visit, representatives from two UK universities arrived in Tehran to give presentations to potential Iranian students, facilitated by the Council.

Future plans include:

- developing a “professional teachers’ association”
- opening a Supported Open Learning Centre to allow students to attend in a self-help context, using textbooks and facilities supported by one or two teaching supervisors
- continuing and extending the successful “Go for English” CD-Rom series of ELT material with Farsi wraparound

I am very grateful to Michael Willson and his staff for their invaluable assistance provided to me both prior to and during my visit to Tehran.

### **British Council Knowledge and Information Section**

Approximately 200 enquiries per week are received, of which around 50 are for ELT courses. The remainder comprise undergraduate and postgraduate queries. Most enquirers have done some research and have a reasonable idea of what they are looking for.

#### *Young Learners*

A number of requests for summer courses for children aged 7-13 but complicated by the frequent insistence that parents accompany the children to the UK and are on hand during the course itself.

#### *Adults*

Aged between 25 – 35, particularly requesting IELTS courses, teacher training and Business English which is becoming more commonly required by employers. Trinity and Cambridge main suite qualifications rank relatively low but between 1000 and 1500 take the IELTS test every month at the Council. It is estimated that the vast majority of IELTS applicants have a level of between 4.0 and 5.0. IELTS is particularly popular for emigration purposes to Canada.

Location: The first choice is inevitably London  
 Budget: Relatively realistic expectations of spending £8-10K plus fees p.a.  
 Course length: Typically 4 – 6 months

Counsellors reported an increasing interest in courses which include work experience.

There was very little knowledge of courses at FE colleges.

There is a perception that the introduction of a points-based system for visas will make it more difficult to get a visa to study in the UK.

#### *Knowledge and Information Section Staff*

*Saiideh Lorpari Zanganeh, Anahita Namdari, Behnush Ghassemi Tari*

### **Visa Section**

Due to reasons both of security and time, it was not possible to meet with the visa section at the embassy in Tehran. Email correspondence is ongoing to identify possible issues and will be added to this report when complete.

### **Meetings**

#### **NIORDC - National Iranian Oil Refining & Distribution Company**

##### **Mr Saadatnia, Chief of General Training**

NIORDC is responsible for downstream processes in the Ministry of Oil and comprises a number of companies. Mr Saadatnia is responsible for training requirements for all the sub-companies and oversees four training departments for approximately 30,000 employees. He is familiar with UK ELT having studied at Regent School in London.

Training requirements: ELT & ICDL

#### ELT

General training + technical, management and evaluation

The aim is to focus on training for 7-8,000 employees to achieve English competency at an intermediate level. General English for all with possibly some specialisation for some: e.g. negotiating skills for managers; technical language for technicians.

### Training Trainers

ELT is provided in the training departments by local staff. A requirement for train the trainer programmes to take place in Tehran. Course to last three months.

### Outcome

To provide Mr Saadatnia with outline proposals for various programmes. Worked up proposals to be put to tender for English UK members. Tenders to include a visit to the UK by Mr Saadatnia and a colleague to assess shortlisted centres.

### **Kish Language Institute** **Mr Oskuei, Managing Director**

Kish is a network of private language schools, self-funding but government-affiliated. It is the biggest such in Iran (the other being the Iran Language Institute) and was established in 1990. 67 branches throughout the country enrol around 300,000 students per annum on courses of English, French, Spanish and German. 900 teachers are employed, 95% of whom teach English. The curriculum is based on CUP's "True to Life" course books and students are aged from 15 years. In 2005 a Young Learners element was introduced based on OUP material.

Mr Oskuei is responsible for the entire network, as far as could be ascertained.

### Teacher Training

Teachers are eligible for an entry interview with a TOEFL score of 550 or above. Those who pass interview join the teacher training centre. Kish has 10 teacher trainers. Training courses include 36 hours of basic communication skills + teaching practice. Focus is on delivering the four main skills plus sub-skills such as grammar and vocabulary. Teaching performance to peers is assessed to complete the course.

### Trainers

Trainers are selected on criteria which include:

- at least 5,000 hours teaching
- teaching at all levels for at least 5 years
- written examination
- interview

There is no in-service training for the trainers.

Outcomes:

### Train the trainer

Outline proposals required for both full-time and part-time training courses to be delivered in Tehran. Full-time would be for a maximum of 1 month for 10 – 12 trainees. Tender process following honing of the proposal. Selection followed by electronic needs analysis. Final needs analysis to take place over 2 or 3 days in Iran. Kish will be able to facilitate the visa process for trainers to go to Iran but any contract would be signed through Eshtigh Publishing, a private company which could expedite matters more quickly.

### Study in the UK

Kish has never considered acting as an agency for students to study ELT in the UK. Information to be provided to go to the Board of Directors for consideration.

### **Petroleum University of Technology (PUT)** **Mr Emamzadeh, Dean of School & Graduate Studies of Management**

The School is one of 3 faculties at PUT which is affiliated to the Ministry of Petroleum. In academic terms the School reports to the Minister. It offers Masters programmes only and has around 300 students. Postgraduate study is in upstream, instrumentation & control and management. The language of instruction is English. The other 2 faculties are based in south Iran and have 1200 students between them. Mr Emamzadeh took his PhD at the University of Wales, Aberystwyth.

Preparation programmes are offered to enter English-medium studies but there are issues with MBA and management students getting them to the required level of language proficiency. Entry levels in IELTS are:

Technical engineering programmes	5.5 / 6.0
Management (MBA)	7.0

The current programme for MBA students is for 4-5 months of ELT and GMAT preparation. Students typically attain 6.0 but fall short of the 7.0. The British Council has been asked to help to make the programmes more effective for MBA candidates but there is scope for UK institutions to assist with the proviso that any provision would have to be in Tehran or possibly in Dubai. Management students are allowed 10 months to complete their MBA in Canada (HEC in Montreal) so are not permitted extra time abroad.

Great demand for a course in technical report writing for the whole Oil and Gas industry.

#### Summary of requirements

Trainer to work for 4 months in 2007 with Iranian trainers

Train the trainer for 4 weeks

Technical report writing specialist

#### **Aryanpour School of Culture and Education**

Mr M.H. Aryanpour, Chief Executive

Aryanpour is claimed to be the first private language school in Tehran, founded in 1988. The premises are impressive. The organisation is divided into Aryanpour College and Aryanpour Institute.

The College recruits students through the Ministry of Higher Education and has three areas of operation: ELT, simultaneous translation and document translation. The number of 450 students at the time of my visit is likely to double in March/April.

The Institute is licensed by the Ministry of Culture to teach English. Provision is at all levels to students aged from 20. Provision for younger students needs a licence from the Ministry of Education which is problematic. 40 classrooms house 3,200 students in winter rising to 5,000 in summer. Mainly general English is mixed with some ESP for Iran's Central Bank, the WHO etc. Business English is becoming more popular.

Mr Aryanpour is planning to apply to become an independent testing centre for Cambridge exams. The CELTA was offered in 2005 with another course planned for April 2006. The Institute is the only centre in Iran offering CELTA. Mr Aryanpour would be very interested in CELTA trainers for the courses at the Institute. The aim is to have all teaching staff CELTA-trained. Of the current 100 teachers, 9 hold the qualification.

"The UK is becoming more popular with Iranian students" and Mr Aryanpour might be interested in acting as an agent but is very wary of damaging the school's good reputation if things were to go less than well. I agreed to send an outline typical "terms and conditions" of acting as an agent for further consideration.

#### **Cavendish College**

Mr Izaddoost and Mr Modarres, International Officer

Cavendish College is part of Cavendish College London, accredited by BAC. There are 15 centres in Iran of which 10 are in Tehran. Established in 1994 it has 1,000 students of which 700 study English.

Students for the UK are typically sent to Cavendish College London but Mr Izaddoost maintained that they could work with other centres and are particularly looking for links to universities with science, engineering and business degrees.

Contact: [izaddoostms@cavendish-iran.com](mailto:izaddoostms@cavendish-iran.com)

## **SAIPA**

### **Mr Payman Bayat, Training Manager**

SAIPA is the second largest car manufacturer in the Middle East, employing 75,000 people in 85 companies and producing 1200 vehicles per day. Mr Bayat is responsible for all the training requirements for all the companies.

Mr Bayat's requirements are not, at first glance, easily addressed. He is looking to train around 10% of the workforce in English for managers and engineers. Oral and aural skills only are required and delivery of any course must be in Iran. Age group is 30 – 45 with the target group comprising

Elementary English	6,000
Pre-intermediate	1,000
Intermediate/Upper	500

Many methods have been tried in the past but the managers to be trained "are busy people and have no time to study". He is therefore looking for a new method. The requirement is for tailor-made courses for each level, relevant to age, experience, culture and the context of SAIPA employees.

It is possible that an approach might best be made to offer a consultancy to establish the best method of training for SAIPA. Any members wishing to offer their services should email Mr Bayat.

Contact: P\_Bayat@hotmail.com

## **National Iranian Oil Company (NIOC)**

### **Mr F Bakhtiari, Manager Central Training**

Mr Bakhtiari is an important man. He is responsible for the training requirements for the whole of the NIOC. Currently the company has links with and sends employees for training to local and international universities including Canada, Australia, France and the UK. It has its own language training centre in Iran.

A very useful brief meeting led to a request for a proposal for 100 top NIOC managers to be trained in English in a business context. The request has been passed to Business English UK and negotiations are ongoing.