

Islamic Republic of Iran

Organization for investment economic and technical assistance of Iran

## "Summary of technical-economical prefeasible study"

The name: Soleiman Shah Dam Tourism Complex

Sector:

subsector:

ISIC code:

The owner of:

General Directorate of Cultural Heritage, Tourism, and Handicrafts of Kermanshah Province

Counselor plan:

Razi University

The ADDRESS:

Iran, Kermanshah Province, Sonqor City, Shohada Soleyman Shah Dam

Date of P.F.S:

**Manager of Iran Investment Opportunities  
SHAHRIG Engineering Company**

[shahrig.comwww](http://shahrig.comwww).



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1- Abstract:

## PROJECT PROFILE - SUMMARY SHEET

Project Introduction	
<b>1- Project title:</b> Soleiman Shah Dam Tourism Complex	
<b>2- Sector:</b>	<b>Sub Sector:</b>
<b>3- Products / Services:</b> Tourism Industry: Accommodation - Sports Hall - Boating Site - Restaurant - Café - Camping Area - Cage Fish Farming, and more.	
<b>4- location (address):</b> Iran, Kermanshah Province, Sonqor City, Shohada-e Soleiman Shah Dam.	
<b>Free Zone</b> <input type="checkbox"/>	<b>Economic Special Zone</b> <input type="checkbox"/> <b>Industrial Estate</b> <input type="checkbox"/> <b>Main Land</b> <input checked="" type="checkbox"/>
<p><b>5- Project description:</b> The Soleiman Shah Dam Tourism and Recreational Complex is a unique eco-tourism destination spanning approximately 21 hectares, located near the Soleiman Shah Dam. This complex is thoughtfully designed to leverage the surrounding natural landscapes and environment, providing a lasting and tranquil experience for visitors.</p> <p>Aiming to offer a serene and eco-friendly space for relaxation and leisure, the complex prioritizes environmental preservation and sustainable use of natural resources. It is an ideal destination for nature enthusiasts, fishing aficionados, and those seeking tranquility amidst nature.</p>	

Project Status	
<b>6- Local / internal raw material access :</b> The equipment and consumable materials required for the project can be sourced domestically.	
<b>7- Sale :</b>	
<p><b>- Anticipated local market :</b> The domestic market includes residents (domestic tourists) from nearby cities such as Kermanshah, Sanandaj, Hamedan, and Ilam, as well as tourists from other provinces of Iran.</p> <p><b>- Anticipated export market :</b> Foreign tourists from the Gulf countries, Europe, Asia, and America.</p>	
<b>8 – Project total time (from start of activities to start of commercial operation in years) :</b>	
<b>Schedule</b>	<p><b>Start of activities : 2024</b></p> <p><b>Start of works at site 2026</b></p> <p><b>End of Works : 2026</b></p> <p><b>Start of commercial operation : 2027</b></p>

**9- Project status :**

- Feasibility study available? ☒ Yes ☐ No
- Required land provided? ☒ Yes ☐ No
- Legal permissions (establishment license, foreign currency quota, environment, etc) taken? Yes ☒ No
- Partnership agreement concluding with local /foreign investor? ☒ Yes ☐ No
- Financing agreement concluding? ☒ Yes ☐ No
- Agreement with local /foreign contractor(s) concluding? ☒ Yes ☐ No
- Infrastructural utilities (electricity water supply, telecommunication, fuel, road, etc) procured? Yes ☒ No
- List of know- how, machinery, equipment, as well as seller /builder companies defined? Yes ☒ No
- Purchases agreement machinery, equipment and know-how concluded? ☒ Yes ☐ No

**Financial Table****10- Financial structure :**

Descriptions	Local Currency Required			Foreign Currency Required Million Euro	Total Million Euro
	Million Rials	Rate	Equivalent in Million Euro		
<b>Fix Capital</b>	218.000	508.428	0.43	7.32	7.75
<b>Current Capital</b>	0	508.428	0	0.25	0.25
<b>Total Investment</b>	218.000	508.428	0.43	7.57	8.0

- Value of foreign equipment / machinery - Million Euro
- Value of local equipment / machinery 1.17 Million Euro
- Value of foreign technical know-how - Million Euro
- Value of local technical know-how - Million Euro
- Net present value (NPV): 1.86 Million Euro
- Internal Rate of Return (IRR): 25 %
- Capital Rate of Return: 29.65 %
- Payback Period 5 Year and 7 months

**General Information**11 - Project type : Establishment ☒Expansion and completion ☐**12- Company Profile**

- Name ( Legal/Natural persons ) :
- Company's current activities
- Address :
- Tel :
- E-mail :
- Company's legal structure :

Government ☐Non-Governmental ☐Public non-governmental ☐

Fax :

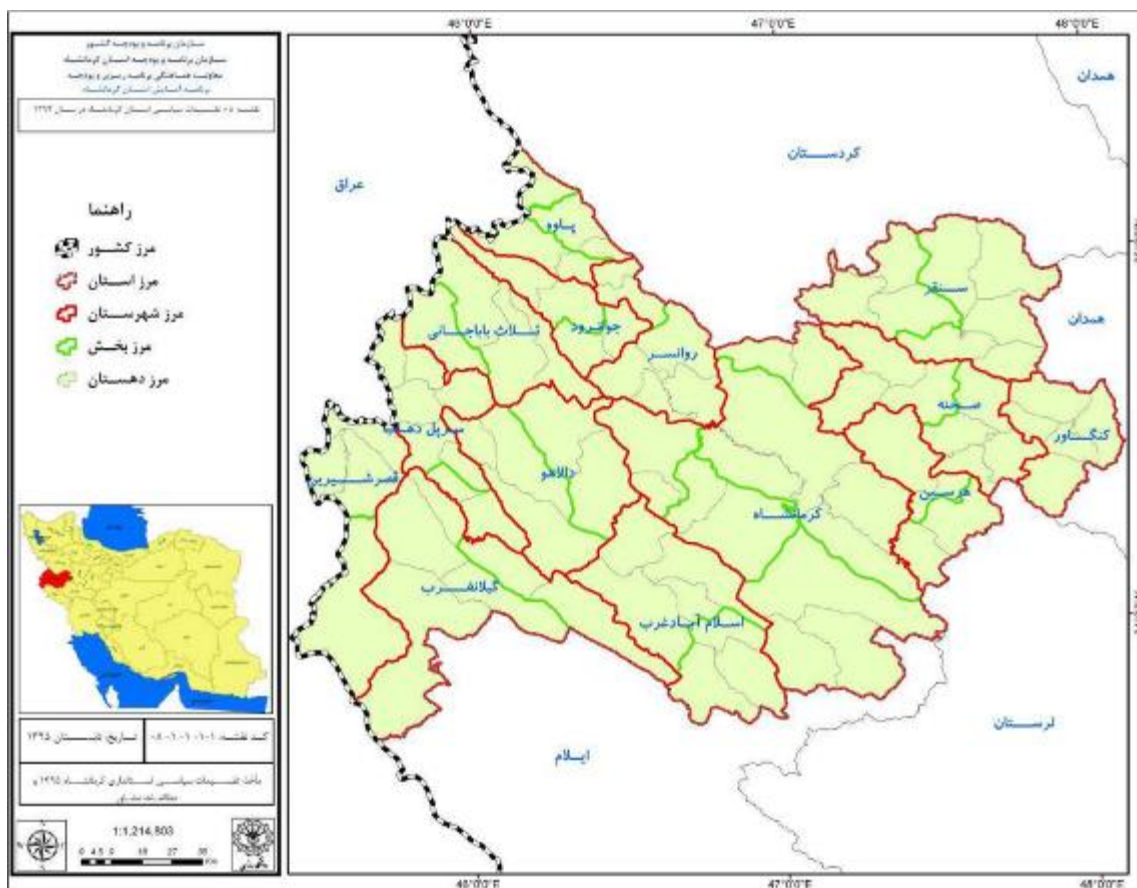
Web Site :

## 2- Project's location:

### 2-1- Kermanshah Province:

Kermanshah Province, with an area of 25,045.4 square kilometers and its capital in the city of Kermanshah, is located in the mid-western region of Iran. It lies between 33°41' to 35°17' northern latitude from the equator and 45°24' to 48°06' eastern longitude from the Greenwich Meridian. The province borders Kurdistan Province to the north, Lorestan and Ilam Provinces to the south, Hamadan Province to the east, and shares a 371-kilometer border with Iraq to the west. Its average elevation above sea level is approximately 1,200 meters. Administratively, Kermanshah Province is divided into 14 counties, 34 districts, 35 cities, and 87 rural districts. Geographically, the province is situated along the north-south axis of the Zagros mountain range, specifically on its western slope. (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022).

Image1 : The Map of Kermanshah Province



Source 1: Kermanshah Province Land Use Planning Document (2018)

**Rainfall and Climate** the average rainfall in different areas of Kermanshah Province varies between 300 and 800 millimeters. Overall, the province's average annual rainfall is approximately 400 to 500 millimeters. Kermanshah Province features four distinct climatic zones: mild winters and hot, dry summers; cold winters and dry summers; semi-arid cool

steppe; and semi-arid warm steppe climates. The province is generally divided into two main regions: warm and cold climates.

**Population and Demographics** According to the latest General Census of Population and Housing conducted in November 2016, the population of Kermanshah Province was 1,952,434, comprising 50.6% men and 49.4% women. With an average annual population growth rate of 0.07% (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022), the population is projected to reach 1,959,277 in 2021, 1,966,144 in 2026, and 1,973,035 in 2031, assuming a constant growth rate.

**Strategic Location** Kermanshah Province is located along the main transportation routes connecting eastern to western and northwestern to southwestern Iran. It serves as a key transit hub for goods and services to Iraq, offering the shortest route to Baghdad, Iraq's capital. Thanks to its strategic border position, Kermanshah Province, especially the city of Kermanshah, attracts millions of Iranian and Iraqi pilgrims traveling to religious destinations such as Karbala, Mashhad, and Qom. Its rich history, culture, arts, and natural attractions present significant potential for investment.

**Special Economic and Free Trade Zones** Special zones are established to stimulate regional economic activity, facilitate international trade, and promote production, processing, and export. These zones encourage domestic and foreign investment, re-export, and goods transfer. With its strategic location neighboring Iraq, Kermanshah Province hosts two special economic and free trade zones in Eslamabad-e Gharb and Qasr-e Shirin counties:

**Zagros Special Economic Zone:** Located near Eslamabad-e Gharb, along the Karbala highway and railway junction, and at the crossroads of Parvizkhan, Mehran, and Khuzestan roads. It benefits from abundant water and mineral resources, making it suitable for investments in industries such as metal, non-metal, chemical, agro-processing, packaging, and warehousing. Investors in this zone face minimal import and export formalities.

**Qasr-e Shirin Free Trade Zone:** This border county, with a population of over 27,000, shares a 186-kilometer border with Iraq, including two official border crossings: Parvizkhan and Khosravi. Economic exchanges, trade, and exports to Iraq's Kurdistan Region and central government occur through these borders. Khosravi border, located 20 kilometers from Qasr-e Shirin, hosts the Middle East's largest international land terminal, while Parvizkhan border, established in 2007, facilitates significant trade with Iraqi Kurdish regions and cities like Sulaymaniyah, Mosul, Khanqin, and Kirkuk<sup>1</sup>.

**Industrial Infrastructure** Kermanshah Province hosts 24 industrial parks covering over 2,000 hectares, most of which are located along main roads and railways. Investors in these parks benefit from simplified licensing processes, affordable land prices with flexible payment options, and in some cases, free land allocation. Industrial parks are exempt from

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<sup>1</sup> - Free Trade Zones and Special Economic Zones News Agency – News Code: 61751- <https://B2n.ir/s96256>

municipal regulations and are equipped with comprehensive infrastructure and facilities, including roads, water, electricity, gas, industrial wastewater systems, telecommunications, internet, fiber optics, insurance offices, banks, medical services, and technological services<sup>۱</sup>.

By the end of 2023, Kermanshah Province had 3,875 registered industrial units with an investment of 923,199 billion IRR, employing 4,246 individuals. In the mining sector, there are 229 operational licenses with 699 million tons of proven reserves, 7,601 billion IRR in investments, and 2,313 employees. The value added by the province's industrial, mining, and trade sectors amounted to 5,424 billion IRR in 2021, ranking 21st among provinces. Key products include petrochemicals, steel, automobiles, gray cement, ceramics, vegetable oil, tomato paste, dairy products, and flour.<sup>۲</sup>

Tourism and Cultural Heritage Kermanshah Province offers unique natural, cultural, and historical attractions, with 50 designated tourism zones for large-scale projects featuring diverse tourist facilities. The province's climatic diversity, distinctive architecture, and 14 target tourism villages create exceptional opportunities for traditional investments. With over 4,000 identified historical sites, 2,200 are nationally registered, and one (Bisotun) is a UNESCO World Heritage site. Sixty handicraft fields actively operate in the province.

Between 2011 and 2023, the number of accommodation facilities in the province increased from 46 to 117, driven mainly by eco-tourism accommodations and tourism complexes, reflecting a growing public interest in various forms of tourism within the province (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022).

From 2006 to 2023, historical monuments and museums in Kermanshah Province recorded 365,579 and 564,866 visitors, respectively. Despite the COVID-19 pandemic in 2019-2021, domestic and foreign visitors to the province's historical and cultural sites increased by 55%. This growth positions Kermanshah as a prominent tourism hub (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022).

Investment Potential Kermanshah Province, with its strategic export position, skilled and affordable labor, well-equipped industrial parks, abundant water and energy resources, and numerous incentives, offers significant opportunities for investment.

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<sup>۱</sup> - Website of the Kermanshah Province Investment Services Center - <https://B2n.ir/p29700>

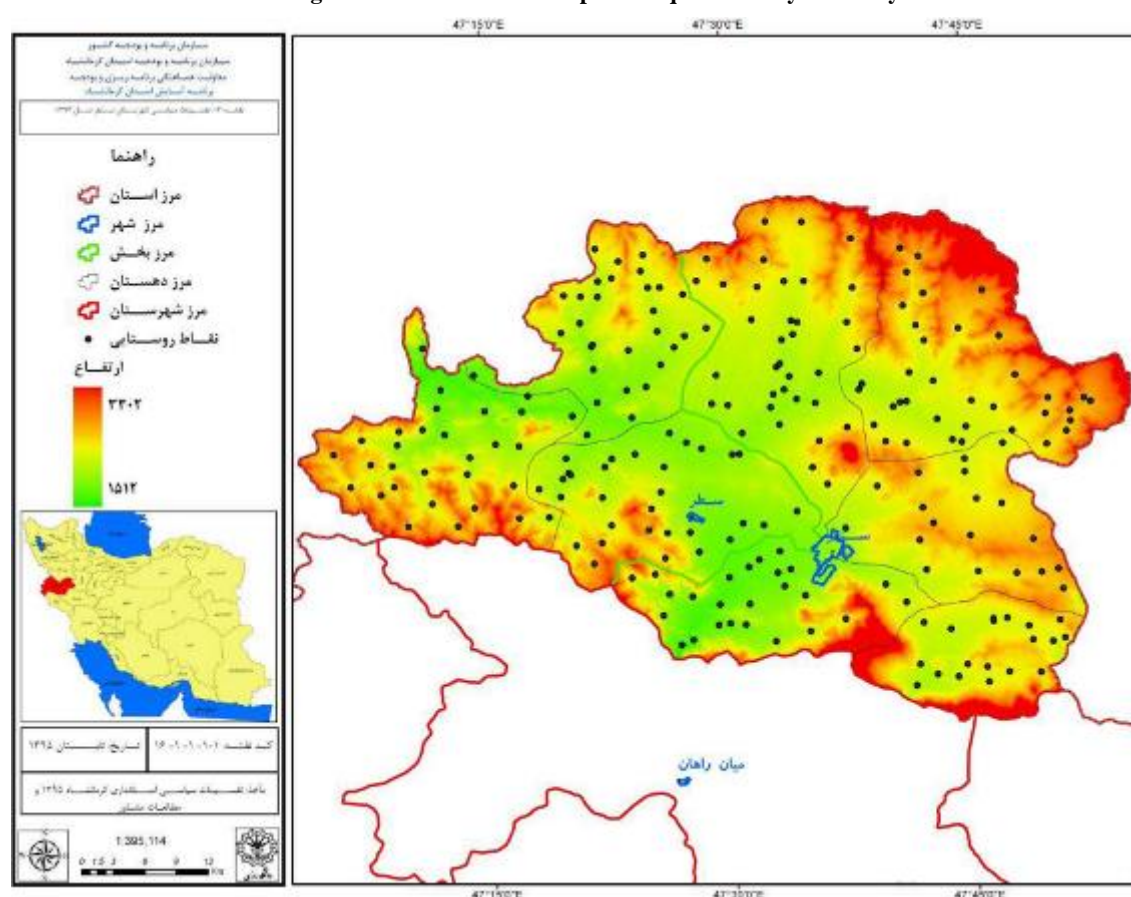
<sup>۲</sup> - Website of the Industry, Mine, and Trade Organization of Kermanshah Province – Provincial Capabilities - <https://ksh.mimt.gov.ir/s/mfacbcF>



## 2-2- Sonqor County

Sonqor County, also known as Sonqor and Kolyai County, is one of the counties in Kermanshah Province, located in the west of Iran. With an area of 2,308.2 square kilometers, Sonqor County accounts for 9.2% of the total area of Kermanshah Province and has an elevation of 1,681 meters above sea level. Geographically, it is situated between 47 degrees and 19 minutes to 47 degrees and 57 minutes east longitude, and between 34 degrees and 44 minutes to 35 degrees and 4 minutes north latitude. The county is located in the northeastern part of Kermanshah Province, bordered to the north and west by Kurdistan Province (Qorveh and Dehgolan counties), to the west by Kamyaran County, to the south by Sahneh and Kangavar counties, and to the east by Hamadan Province (Asadabad County). The county consists of 2 cities, 3 districts, 8 rural districts, and 211 inhabited villages (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022). Its average elevation is about 1,800 meters above sea level.

Image2 : Political Division Map of Sonqor and Kolyai County



Source 2: Kermanshah Province Land Use Planning Document (2018)

The average rainfall in different areas of Sonqor County ranges from 210.5 to 926.5 millimeters, with the overall average rainfall in the county being approximately 511.7 millimeters. Additionally, Sonqor County has a semi-arid and cool steppe climate (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022).



According to the latest population and housing census conducted in November 2016, the population of Sonqor County was 81,661, of which 50.4% were men and 49.6% were women. With an annual population growth rate of 0.07%, the future population of Sonqor County is projected to reach 81,947 in 2021, 82,234 in 2026, and 82,523 in 2031, assuming a constant growth rate (Kermanshah Province Management and Planning Organization, Kermanshah Province Statistical Yearbook, 2022).

Sonqor and Kolyai County is located in a flat plain, surrounded by rivers, meadows, orchards, and forests, with the peaks of its mountains covered in winter snow until late summer. The Sonqor spring, located at the beginning of the Sonqor road towards Bisotun, near the village of Gozneh-Lah, is a place with abundant water and orchards surrounding it, making it a scenic spot for tourists. A park has also been established within the area. The Sonqor spring features a suspension bridge and zip-line. The spring in the village of Golvij, located 15 kilometers southwest of Sonqor, is accessible via the road leading to the city of Satar, then through the villages of Shourabad, Safaiyeh, and several small towns. This spring has crystal-clear water, surrounded by ancient trees that likely hold sacred significance for the locals. The spring, located at the foot of a mountain and overlooking the village, is associated with numerous local legends and stories (field observations and interviews with experts and local communities by the author).

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Among the historical landmarks of Sonqor County is the tomb of Malik, which, based on its architecture -a six-sided brick structure - dates back to the Seljuk period. The shrine of Imamzadeh Ahmad is located in Sonqor. In the past, there were around 150 historical baths in Sonqor County, many of which have been destroyed. Most of the historical baths in Sonqor belong to the Qajar period. Currently, 17 historical baths remain in the county. Eight of these baths, including Deh-Rezvan, Deh-Sheikh, Sardareh Qabadi, Deh-No, Satar, Chirmaleh, Kachgineh, and Khan-Jamal, have been registered as national heritage sites (field observations and interviews with experts and local communities by the author).

## **2-3- Project Location**

The Shohada Soleiman Shah Reservoir Dam (formerly known as the Qomam Village Dam) is located in Kermanshah Province, 102 kilometers from the city of Kermanshah, 12 kilometers from the city of Sonqor, and 2 kilometers from the village of Suleiman Shah, with geographic coordinates of 32°47' east longitude and 34°52' north latitude, on the Gaveh Rud River, a major tributary of the Sirwan River. Among the main objectives of the dam are the provision of drinking water for Sonqor County, with an annual capacity of 5 to 7 million cubic meters, as well as supplying irrigation water for agricultural lands in the Sonqor plain, covering an area of 5,300 hectares. Additionally, the development of recreational and welfare facilities are two other goals of the project, contributing to rural development (Gamasiyab Consulting Engineers, 2003).

The site designated by the Tourism Development Company and the General Directorate of Cultural Heritage, Handicrafts, and Tourism of Kermanshah Province for the implementation of the tourism project, covering an area of approximately eleven hectares as shown in the image below, has been provided to the project implementer by the Kermanshah Tourism Development Company.

Around the site, there are approximately twenty villages or significant settlements within a one to ten-kilometer radius of the project. The site is located directly along the Sonqor-Qorveh road, with 15 villages situated around it. Therefore, the essential infrastructure services, including water, electricity, and gas, allocated to these villages are readily available in optimal conditions for the project. Water and electricity are accessible at the project site, and the nearest gas pipeline is located one kilometer away, near the Hassanabad village. Additionally, the location of the Madian Kooh paragliding flight site, less than eight kilometers from the project, makes it unique for the development of the tourism industry.

It is worth mentioning that, considering the preparation of the proposed site and the availability of appropriate infrastructure and facilities for the implementation of the current project, as well as the agreement and approval of the main stakeholders regarding the project's execution area, the aforementioned site has been designated for studies with the specifications outlined below. The following images show the current status of the project's execution area.

**Image3 : The Exact Location of the Proposed Project Adjacent to the Soleiman shah Dam**



**Source 3: Aerial Photo Slice Extracted from Google Maps by the Researcher**

**Image4 : Project Site Entrance**



**Source 4: On-site Photography by the Researcher**

**Image5 : The current recreational area built at the end of the proposed site, adjacent to the Soleiman shah Dam**



**Source 5: On-site Photography by the Researcher**

Furthermore, with the aim of identifying the strengths, weaknesses, opportunities, and threats within the proposed project's geographical scope, as well as understanding the driving and key advantages of tourism in the project area, the status of the geographical scope has been gathered based on secondary data, observations, interviews, the Provincial Land Use Studies Report (2018), and the Provincial Statistical Yearbook (2022), as outlined below:

**Table 1: Summary of the Current Status of the Proposed Project Area**

<b>actors</b>	<b>Status</b>
<b>Social and Cultural Characteristics</b>	
Religion	Shia
Language	Turkish - Kalhor
Social Structure	Ethnic - Cultural
Ethnic Composition	Homogeneous
<b>Access to Services and Infrastructure</b>	
Access to Services	Minimum distance (within 1 to 5 kilometers)
Communication Network with Adjacent Areas	Sonqor - Kangavar, Sonqor - Sahneh, Sonqor - Bisoton, Sonqor - Qorveh
Communication Outside the Province	Kurdistan (Qorveh - Dehgolan - Mochesh) and Hamadan (Asadabad)
Infrastructure within the Area	With 20 important locations, 15 villages, and two cities within 12 kilometers of the site, access to services is appropriate.
Service Level Score	41.87 out of 100 based on the provincial land use plan (Kermanshah)
<b>Natural Recreation Attractions</b>	
Paragliding Site	Madyan Kooh paragliding site, 8 kilometers away
Forest and Recreation Areas	60-hectare oak forest in Bloutestan village, Sonqor
Mountains and Peaks	Madyan Kooh 8 km away and Dalakhani Mountain 33 km away, with a peak elevation of 3300 meters, and 8 other mountains and peaks
Caves	Historic caves of Khesht and Avza, 30 km away, plus 5 other caves
Waterfalls	Gineshabsand Waterfall in Vermqan village (35 km from Sonqor) – Parishan Waterfall and Badr Waterfall in Chormela village (32 km from Sonqor)
Springs and Reservoirs	Four famous springs and reservoirs between 10 to 45 kilometers away: Sohrab Spring, Gzenahla Spring, Kangershah Spring, and Babagargar Spring
Rivers	Three rivers: Gzenahla, Sonqor Roud, Gavroud, and Dinour
<b>Man-Made Attractions</b>	
Historical	12 km to the Mausoleum of Malek and historical sites of Sonqor, 60 km to historical sites of Bisoton
Cultural	The surrounding natural and rural environment is culturally rich
Religious	First Imamzadeh in Habashi village, 3 km away, and in Sonqor city, 12 km away

**Source 6: Findings by the Researcher Based on Field Observations and Higher Documents**

### **Natural Attractions Status:**

Within the proposed project area, the main natural attraction located within a one-kilometer radius is the Soleiman Shah Dam. This site serves as a key tourism hub, offering a range of recreational activities such as authorized water sports and fishing, situated along the Gavroud River. In addition to the dam, many villages and important sites are visible in the surrounding area.

Two famous mountains, Dalakhani and Madyan Kooh, along with the renowned Dalakhani Peak and the Madyan Kooh Paragliding Site, stand out as significant natural attractions. Additionally, the presence of 15 settled villages nearby further enhances the region's tourism potential.

Overall, **Sonqor County** is abundant in natural attractions, including:

- A forest and recreational area
- Nine mountains and peaks
- Seven caves
- One waterfall
- Four springs and waterholes
- Three rivers

These abundant natural features present a substantial opportunity for tourism development in the proposed project area, offering potential for diverse nature-based experiences. These attractions can be strategically utilized to attract tourists and create memorable tourism experiences, further bolstering the appeal of the area.

### **Status of Cultural and Historical Attractions:**

Within a 1 to 12-kilometer radius of the proposed project area, there are many significant historical and cultural attractions. These include: Imamzadeh Habashi Village, Joq Castle, 15 villages in the vicinity of Deh Soleyman, Koozegaran Village, Historic Qomam Village, Deh Abbas Village, Hasanabad Village, Jub Kabood Sofla Village, Cham Kabood Village, Cheshmeh Bahaddin Village, Sarabsorenabad Village, Khoshyar Village, Heybatollah Village, Kolkoul Village, Maalek Tomb (Maqbarat Malek), Sonqor City, Satr City.

These historical and cultural landmarks can serve as focal points for tourism development. Notably, within Sonqor County, the abundance of non-natural attractions (cultural and historical) is remarkable. This area has one of the highest concentrations of such attractions in the province, second only to Kermanshah County. This diversity of non-natural attractions in the surrounding area, and in Sonqor County, offers a substantial opportunity to attract a wide range of tourists.

Additionally, the project's proximity to the Karbala Road (one-hour drive) offers a significant potential for attracting religious tourism. This accessibility, combined with the variety of cultural and historical sites, enhances the project's appeal to different types of travelers, including those interested in cultural, historical, and religious experiences.

### **Status of Recreational Attractions:**

The project area offers a range of recreational attractions, which include:

**1. Water-related Activities:**

- The Gavroud River and Soleiman shah Dam provide opportunities for water sports such as fishing and recreational activities.

**2. Aerial and Adventure Sports:**

- The **Madyan Kuh Paragliding Site**, located nearby, adds an exciting element for aerial sports and thrill-seekers. This complements other adventure activities such as mountain climbing.

**3. Nature Tourism and Ecotourism:**

- The natural surroundings offer ample opportunities for nature tourism, including camping by the dam, hiking in the surrounding mountains, and stargazing under the open sky.
- The area also presents a chance for cultural tourism through ethnographic experiences and homestays, allowing visitors to engage with local traditions and lifestyle.

**4. Mountain Climbing and Excursions:**

- The Dalakhani Mountain offers potential for extreme mountain climbing, with the possibility of overnight stays in shelters built on the slopes.

**5. Cultural Events and Celebrations:**

- Visitors can also participate in the various local ceremonies, festivals, and special events, providing a unique cultural experience.

In addition, within **Sonqor city**, there is the **old city** itself, a major tourist attraction. The **Maalek Tomb**, dating back to the Ilkhanid period, adds historical value to the area. Furthermore, by the end of 2021, a **601-hectare forest park** had been developed in Sonqor, which can serve as an additional recreational and urban tourism opportunity for the proposed project area.

These diverse recreational options can enhance the overall tourism experience, making the area a versatile destination for various types of travelers.



### **Status of Landscape and View:**

The project area is located on the edge of **Shohada Soleiman Shah Dam**. Access to the area is possible via the main road and a pedestrian pathway, with a distance of just **33 meters** from the main road.

The topography of the area is relatively uniform, consisting of gently sloping hills and valleys, which are currently used for agriculture by the local community.

From a water resources and viewpoint perspective, the site offers a scenic landscape, with views of the river and dam. The area also holds fish farming potential, which plays an important role in the local ecosystem.

The combination of water features, agricultural land, and gentle terrain offers a unique opportunity to create a tourism and recreational environment that emphasizes both natural beauty and local agricultural practices.

**Image6 : View of the Soleiman shah Dam from the Western Side**



**Source 7: On-site Photography by the Researcher**

### Climate (Weather Conditions) at the Project Site:

Given the 12-kilometer distance between the city of Sonqor and the project site and the absence of any significant natural features that would differentiate the conditions of the project site from those at the current meteorological station in Sonqor, the available statistical data has been applied to the project site. Due to the limitations in statistical information, the climate data for Sonqor city is utilized to analyze the average weather conditions at the project site. This data is presented on a monthly basis for the year 2022 (Statistical Yearbook of Kermanshah Province, Organization for Management and Planning of Kermanshah Province, 2022).

**Table 2: Climatic Conditions of the Project Location**

Months	Temperature (Celsius)			Monthly Precipitation (mm)	Relative Humidity (%)	Number of Frost Days	Number of Dusty Days	Maximum Wind Speed (m/s)
	Highest Maximum	Average	Lowest Minimum					
Farvardin (March-April)	27	11.4	-5.6	15.2	41.6	7	8	13.5
Ordibehesht (April-May)	29.1	14.1	0.8	44	48.1	0	14	13
Khordad (May-June)	37.6	20.7	2.7	0	27.5	0	7	10.5
Tir (June-July)	41.7	25.4	8.6	0	19.1	0	5	13
Mordad (July-August)	39.8	27	11.9	0	18.6	0	0	13
Shahrivar (August-September)	35.2	22.7	7.4	0	15.6	0	0	14.5
Mehr (September-October)	32.2	17.9	2.4	0.8	20.6	0	3	13.5
Aban (October-November)	24.8	10.2	-4.4	15.5	43.1	12	0	15.5
Azar (November-December)	17.6	5.3	-7.7	6.6	63.5	20	0	9.5
Dey (December-January)	9.5	-0.8	-18.7	36	72.1	26	0	8
Bahman (January-February)	10.5	-2.5	-18.2	41	71.2	27	0	13

Based on Table 2, it can be concluded that Sonqor County generally has a semi-arid and cool steppe climate. The highest maximum temperature of 41.7°C is recorded in July, while the lowest minimum temperature of -18.7°C occurs in January. The maximum wind speed reaches 23.5 meters per second in March and 8 meters per second in January.

Sonqor is a mountainous area surrounded by ranges of the Zagros Mountains, among which Dalakhani Mountain stands out as one of the most significant and highest peaks. Throughout the year, Dalakhani attracts numerous hikers, rock climbers, photographers, and nature enthusiasts.

Due to its mountainous climate, high precipitation, and fertile pastures and fields, Sonqor boasts lush greenery filled with gardens, orchards, water dams, rivers, and springs. These

natural features make it one of the most visited and tourist-friendly locations in Kermanshah Province.

### **Cultural Practices and Customs:**

The information regarding traditional rituals, cultural ceremonies, and local games has been collected based on secondary data, field observations, and interviews with local residents. Details are summarized in the following table:

**Table 3: Local Customs and Traditions in the Project Area**

No.	Rituals and Traditions	Local Games
1	Sunflower Festival	Gorzan: A combination of play, combat, and chanting using sticks, typically held as part of evening gatherings in small courtyards or outdoors.
2	Khoun-Bast Ceremony (Blood Reconciliation)	
3	Special Religious Ceremonies of Local People	
4	Nowruz and Harvest Celebrations	

**Source 8: Field observations and interviews with local residents conducted by the researcher**

Based on the information derived from the table above, the local customs and traditions, including ceremonies, rituals, and local games, can be considered rich and serve as a significant strength in tourism development. It is also noteworthy that leveraging the potential of these local traditions can enhance tourists' interest and satisfaction, encouraging them to visit and explore the region. These cultural elements can form the foundation for organizing and defining events and festivals aimed at attracting tourists. With a precise schedule and consistent implementation, these events can not only effectively draw domestic and international visitors but also have secondary impacts on the region's culture, economic growth, and social development.

### **Status of Local Handicrafts in the Proposed Project Area:**

Information regarding local handicrafts and souvenirs has been collected based on secondary data, field observations, and interviews with local residents, summarized in the table below:

**Table 4: Key Local Handicrafts in the Project's Geographical Scope**

No.	Key Products	Description
1	Carpets and Rugs	Primarily produced in the Kalayi areas of the county.
2	Sangesari Sunflower Seeds	The abundance and quality of sunflower fields have turned Sonqor into the "Land of Sunflowers."
3	Local Dairy Products	Includes kashk, yogurt, buttermilk, trikhineh, animal butter, and local cheese.

**Source 9: Field observations and interviews with local residents conducted by the researcher**

Based on the data in the table above, the handicrafts in the project area reflect a rich cultural heritage and present a significant opportunity for sustainable tourism development, job creation, and increased local community involvement in the project.

The national and even global reputation of Sanqor's carpets and sunflower seeds can easily be leveraged to organize related events and national festivals on an annual basis at the proposed project site. These events and festivals can serve as powerful tools to attract tourists and ensure the success of the project.

### **Status of Local and Traditional Foods in the Project Area:**

This information pertains to the local dishes and sweets, collected based on secondary data, field observations, and interviews with local people, and is detailed in the table below.

**Table 5: Status of Local and Traditional Foods in the Project Area**

<b>No.</b>	<b>Title</b>	<b>Description</b>
1	Sonqori Kebab	Esma'ili Kebab is one of the signature dishes of the district.
2	Baghie Stew	The name "Baghi Stew" originates from Kermanshah, as this traditional stew was historically made in summer with fruits from orchards by gardeners and farmers, hence the name "Baghi Stew" or "Gardener's Stew."
3	Khorish Khelaat	A delicious and authentic Kermanshah stew made with almond slivers, meat, and saffron.
4	Khorish Kangar	Made with fresh thistles, meat, and local seasonings.
5	Ash Tarkhineh	A dish made with dried yogurt, legumes, and vegetables, suitable for cold days of the year.
6	Ash Shalmin	A local dish made with a mixture of grains and vegetables.
7	Baji Sweets	Baji is made from a mixture of oil and wheat flour, fried, and topped with sugar or powdered sugar.
8	Kak Sweets	Kak is made from very thin layers of dough made from wheat flour, sugar or powdered sugar, eggs, cinnamon, oil, cardamom, and water.
9	Kofteh Rizeh Sweets	A small and delicious local sweet made with flour, syrup, and local spices.

**Source 10: Field observations and interviews with local residents conducted by the researcher**

Field observations by the researcher indicate that, under current conditions, the food sector, particularly the famous Esma'ili Kebab, serves as an attractive feature for drawing domestic tourists. Given that Kermanshah, the only metropolis in the western region of the country, is located approximately 100 kilometers from the project site, a robust and suitable connection can be established through the lens of the local food chain. By leveraging national and international events and festivals held in Kermanshah, it is possible to create a sustainable link and transfer part of these festivals to the proposed project area near Soleyman Shah Dam, further developing the region.

Therefore, based on the information gathered from the above table, the project's execution area can be considered rich in local cuisine, presenting an opportunity to enhance tourist experiences, engage local communities in the tourism initiative, and generate income for both the project and local residents.

### **Socio-Cultural Status:**

This section includes information related to social and psychological security, the quality of the workforce, and the general acceptance of residents regarding the project execution area. The data has been collected based on secondary sources, the Provincial Spatial Planning Study document (2018), the Provincial Statistical Yearbook (2022), as well as direct observations, and is detailed below.

It should be noted that in cases where extracting the status from upstream documents was not feasible, expert opinions were consolidated through interviews or by analyzing dispersed published content on the respective components.

The past few decades have demonstrated that one of the factors hindering development has been the limited participation of people in development plans and programs. Social capital can play a significant role by fostering trust among groups and organizations.

In the economic dimension, social capital significantly impacts economic transactions. Since trust and participation in various groups are crucial variables in economics, mutual trust and trust in institutions play a pivotal role in facilitating processes and norms in this domain. Trust reduces transaction costs, improves economic performance, and lowers the costs of formal controls. Additionally, by emphasizing collective activities, it enhances economic capabilities and increases the success rate.

Therefore, to enrich the scientific understanding of the current socio-cultural status and to determine the present conditions of the project execution area in components related to satisfaction, local participation, and interaction with tourists, the following indicators have been extracted from the Provincial Spatial Planning Study document for Kermanshah Province at the provincial and targeted district levels (Razi University, Kermanshah Provincial Spatial Planning Study; Social Capital Analysis, 2018).

The status of the province and its counties regarding the out-group interaction variable shows a score of 6.6 for the province (on a scale of 3 to 15) and 6.62 for Sonqor County. Overall, this indicates a higher level of interaction in Sonqor County compared to Kermanshah Province. This means that, in terms of interaction capacity, Sonqor County possesses at least the same potential as Kermanshah Province, if not slightly better (ibid.).

The average individual trust index for the province is 13.8 (on a scale of 4 to 20), while for Sonqor County, it is 14.02. This indicates a higher level of trust and trustworthiness in the county compared to the provincial average. In other words, trust based on kinship, social norms, civic engagement, and adherence to civil laws in Sonqor County surpasses the provincial average (ibid.).

The average social participation inclination index for the province is 14.5 (on a scale of 4 to 20), while for Sonqor County, it is 14.96. This reflects a better-than-average participation level in the county. Although approximately 7.5% of the population shows no inclination toward social participation, 30% demonstrate a very high willingness to engage socially.

This index highlights that the core elements of local social participation and cooperation, essential for the project's success in the area, are stronger than the provincial average. Therefore, this indicator can be considered one of the key factors for the project's success (ibid.).

Based on the above assumptions and the consensus among experts regarding the state of social security and satisfaction in the project execution area, the following conclusions can be drawn:

The satisfaction level of local residents regarding the presence of tourists in the project area is high, and they are likely to welcome such events. However, it will be necessary to implement motivational and community-alignment strategies to increase local collaboration in executing the tourism development project.

Regarding tourist satisfaction with the local community, interviews with experts and tourism sector stakeholders indicate a favorable level of satisfaction and reception.

As for the availability of a skilled and affordable workforce, certain factors should be considered as both threats and opportunities. High migration rates, youth unemployment, an aging population in the future, and a decline in rural population are potential threats. On the other hand, an increasing literacy rate and low wages present opportunities within the geographical scope of the project (Razi University, Kermanshah Provincial Spatial Planning Study; Demographic Analysis, 2018).

#### **Information and Advertising Status:**

This section includes data on the status of information dissemination and advertising regarding the area's tourism attractions. In other words, it encompasses information about the level of recognition of the tourism potential of the project execution area among domestic and international tourists.

Due to limitations in accessing secondary information and upstream documents related to advertising and information dissemination for the area's tourism attractions, alternative data sources have been used.

To assess the status of information dissemination for the project execution area, **Google Trends** was utilized to analyze the search volume for keywords related to the area's tourism potential. Additionally, to gain a more detailed understanding of the status, the keyword with the highest search volume within the project execution area was compared to other similar tourism potentials across Iran.

Among the tourism potentials in the **Sonqor region**, four keywords-**Suleiman Shah Dam**, **Jamishan Dam**, **Madian Kouh**, and **Esmaili Kebab**-had reliable data on Google Trends. The following outlines the percentage of search volumes by region over a five-year period<sup>‡</sup> (2019-2024).

The findings indicate that within the project area, the search volume ranking is as follows:

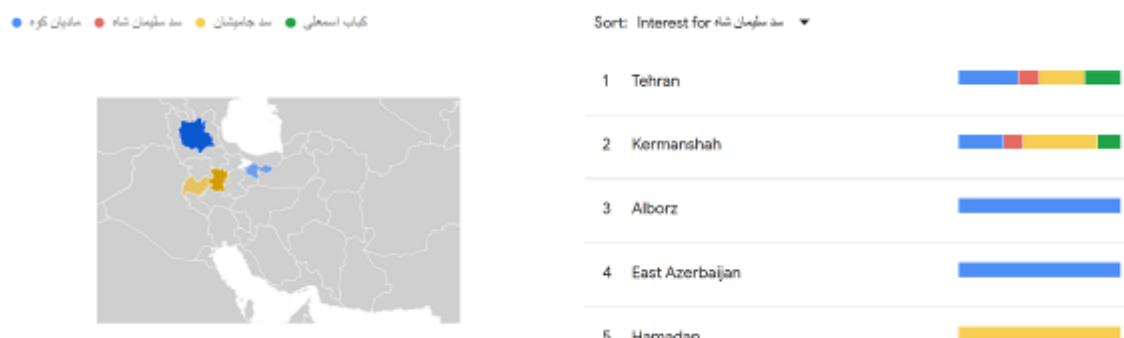
1. **Jamishan Dam**
2. **Madian Kouh**
3. **Esmaili Kebab**
4. **Suleiman Shah Dam**

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<sup>‡</sup> - Output of search volume analysis of keywords on the Google Trends website - <https://B2n.ir/n63231>

At the provincial level, **Suleiman Shah Dam** has the highest search volume, while at the national level (including Tehran, Hamedan, Ilam, and Kermanshah), **Jamishan Dam** ranks highest.

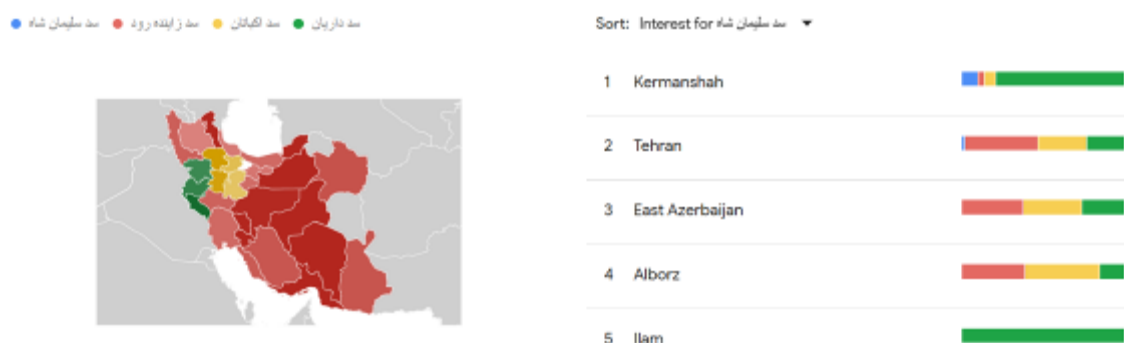
**Image7 : Search Volume for Keywords Related to the Tourism Potentials of the Project Area**



**Source 11: Keyword Analysis Tool - Google Trends**

Below is the search volume for the keyword 'Suleiman Shah Dam' as the project execution area, 'Jamishan Dam' as a tourism potential in the project area (Sonqor city), which has the highest search volume in the neighboring cities of Kermanshah province, compared with the search volume of 'Zayandeh Rud Dam' in Isfahan province, 'Ekbatana Dam' in Hamedan province, and 'Daryan Dam' in Kermanshah province for comparison<sup>Δ</sup>:

**Image8 : Comparison of search volume for keywords related to tourism potentials in the project execution area with other similar potentials in Iran**



**Source 12: Keyword Analysis Tool - Google Trends**

The goal of comparing the search volume for keywords related to tourism potentials in the project execution area with similar cases in other regions of the country is to estimate the relative awareness of tourists about the project area and, consequently, assess the effectiveness of the information dissemination from the project area over past periods (it should be noted that due to filtering and a lack of global data, the analysis of search volumes for keywords at the international level was avoided). Based on the assumptions derived from Figure 10, Suleiman Shah Dam has only been searched in the Kermanshah and Tehran

<sup>Δ</sup> - Output of search volume analysis of keywords on the Google Trends website – Comparison of Suleiman Shah Dam with similar cases in Iran - <https://B2n.ir/t24945>



regions. Also, the keyword "Daryan Dam" has been searched across all western and central provinces, and the keyword "Zayandeh Rud Dam" has been searched across all provinces. Therefore, based on the search volume and regions, it can be inferred that users of Google Search have searched for the evaluated keywords due to news about the project area, viewing clips, travel intentions, and similar reasons. Thus, from the output data of this section, it can be concluded that Suleiman Shah Dam has only been recognized at the provincial level during the 5-year period (2010-2024) and lacks appropriate information dissemination and advertising.

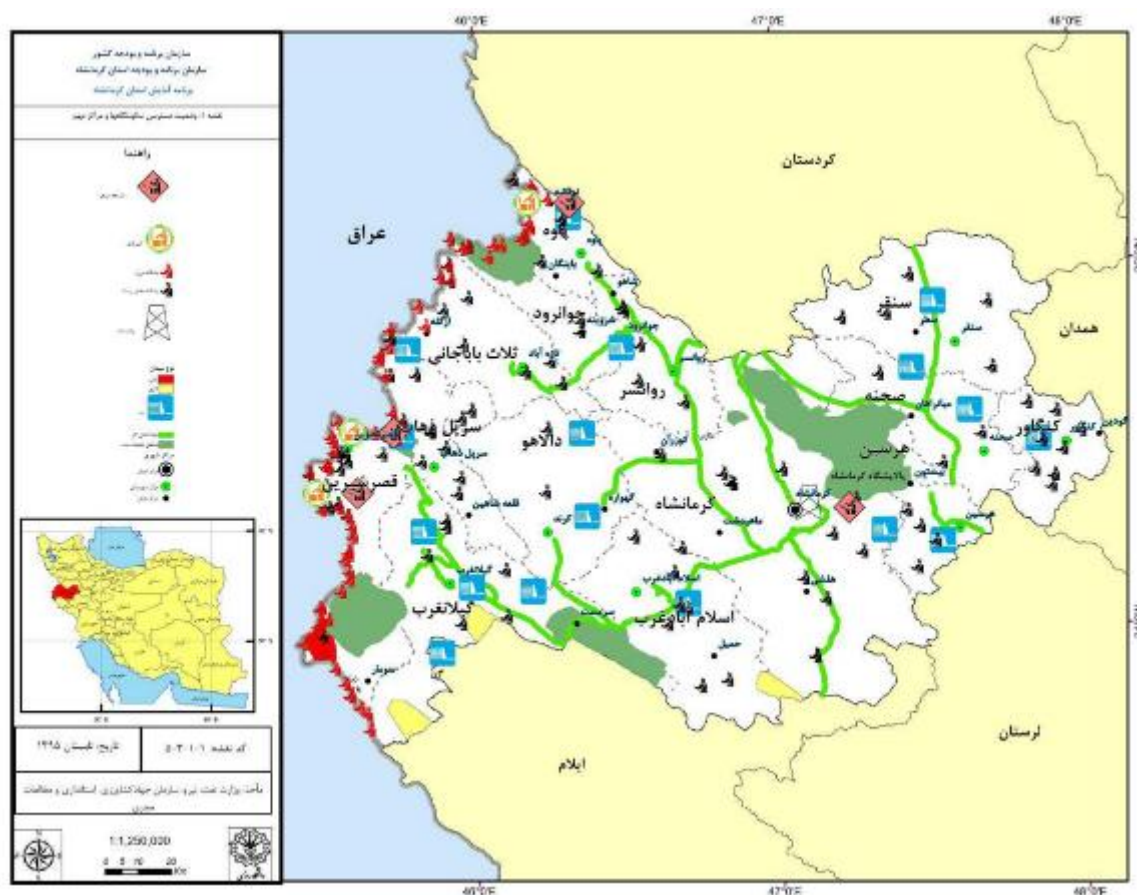
## 2-4-access to the infrastructures

### Transportation status:

This includes information about the communication routes of the project execution area, such as access roads to the project area, public transportation systems, access roads from the project area to surrounding villages, nearby cities, the provincial center, and neighboring provinces, access to urban and rural services, accommodation, recreational and sports centers, and healthcare facilities. This information has been collected based on secondary data, the provincial land-use studies document, and the statistical yearbook of the province (2024) and is provided below.

The image below shows the access map to important centers in Kermanshah Province. As can be seen in the image, the project execution area (Shohada Soleiman Shah Dam) is located in the Sonqor County and is situated along the communication route from Kermanshah to Sanandaj.

Image9 : Map of Access Routes to Important Centers in Kermanshah Province



Source 13: Provincial Land Use Studies 2018

In the table below, the access routes to the project area are provided, broken down by distance and time (by vehicle).

**Table 6: Access roads to the project area.**

No.	Destination	Type and Quality of Access Road	Distance (km)	Travel Time (minutes)
1	Main road Kermanshah – Sonqor – Sanandaj (Sonqor – Qorveh road)	Good / Asphalt	0.04	0.5
2	Hassanabad village	Good / Asphalt	1.4	3
3	Deh Abbas village	Good / Asphalt	5.5	10
4	Soleiman Shah village	Good / Asphalt	10.8	16
5	Kozeh Garan village	Good / Asphalt	12.1	19
6	Deh Soleiman village	Good / Asphalt	3.9	7
7	Satar city	Good / Asphalt	29.9	30
8	Sonqor city	Good / Asphalt	17.6	20
9	Kermanshah city	Good / Asphalt	112	110
10	Qorveh city	Good / Asphalt	86.4	83
11	Sanandaj city	Good / Asphalt	119	122
12	Sahneh city	Good / Asphalt	69	70
13	Hamedan city	Good / Asphalt	110	96
14	Imamzadeh Habashi	Good / Asphalt	6.3	8
15	Soorenabad Health Center	Good / Asphalt	8.3	11
16	Airport	Good / Asphalt	108	95
17	Railway Station	Good / Asphalt	114	102

**Source 14: The calculations by the researcher using Google Maps.**

As a result of the above information, the project area has optimal access to the main road (Sonqor-Sanandaj), with a distance of less than 50 meters from this axis. Additionally, the project area is located less than 10 kilometers away from 5 neighboring villages. Access to Sonqor city and Sattar city is about 12 kilometers in the air, but the road distance is 17.6 kilometers to Sonqor and 29.9 kilometers to Sattar. The project area (and Sonqor city as the project location) has good road connections to the cities of Kermanshah, Hamadan, Qorveh, and Sanandaj, with all distances and travel times being less than 120 kilometers. Access to the airport and railway station from the project area is 108 and 114 kilometers, respectively, and these infrastructure connections are favorable for tourism development. Access to the nearest hospital and police station is about 8 kilometers, which can be considered as an advantage and potential for the project.

#### **Accommodation and Catering Situation:**

The nearest hotel to the project area is located in Sonqor city (according to field observations and the **Kermanshah Provincial Planning and Management Organization, Kermanshah Statistical Yearbook, 2021**). Additionally, during a local visit, several private villas were observed in the project area that could serve as accommodation for tourists, particularly as tourism grows, and the local community can participate in this service. It is also noteworthy that Sonqor and Sattar cities are known for their famous dining halls, which, in line with the potential of the project area (Sonqor, Kermanshah) for local food offerings such as **Kebab Esmaeili** in Sonqor, **Khoresht Khalla**, **Dandeh Kebab**, etc., could be incorporated into the tourism program (local food and culinary events) for travelers. In the following, the number of traditional accommodations rented by the local people within a 10-kilometer radius of the Shohada Soleiman Shah Dam is presented, broken down by villages.

**Table 7: Traditional Accommodations in the Project Area**

No.	Village Name	Number of Traditional and Eco-Lodging Accommodations
1	Darheider	2
2	Kolgah Zaman	1
3	Khonjamal	2
4	Chamakbod	1
5	Chahargah	1
6	Selieman Shah	1
7	Hassanabad	1
8	Deh Selieman	1
9	Job Kabood Selfie and Alia	2

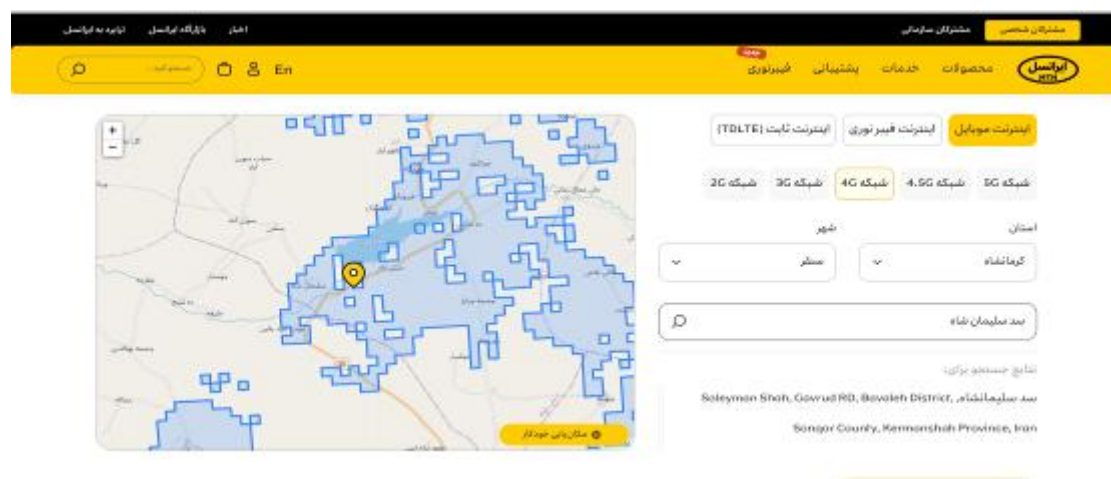
Source 15: Field Research and Google Maps Data Extraction

### Connectivity Status:

In the project area, there is full access to the mobile network and high-speed internet. According to field observations and interviews with local residents, as well as confirmation from the Irancell website, it has been established that the area provides access to high-speed internet, phone calls, and SMS services.

However, it is important to note that fixed-line phone access is currently unavailable within the project area. Despite this, communication can be facilitated through physical lines, network infrastructure, and wireless telephony, as well as via cable networks extending to nearby villages. This indicates that although fixed-line telephony is not currently available, alternative communication methods are in place to support connectivity within the region.

**Image10 : Status of High-Speed Internet Access in the Project Area**



Source 16: Official Website of Irancell Company

### Status of Water, Sewerage, Electricity, and Energy Infrastructure:

This section of the report includes information related to the status of water, sewerage, electricity, and energy infrastructure, which has been gathered through field visits and interviews with local managers. Preliminary investigations indicate that there is currently access to urban electricity in the residential and recreational areas and surrounding villages. Access to urban gas is available in the neighboring villages, and to extend this access to the project area, gas lines need to be drawn from the nearest village. According to local and

provincial authorities, there are no limitations in this regard. Additionally, the associated costs have been considered in the financial calculations. Regarding water access in the project area, it is worth mentioning that since the Shohada Soleiman Shah Dam is responsible for supplying water to the city of Sanandaj, the capacity of the dam can be utilized for supplying water to the tourism complex. The relevant information is provided in the table below:

**Table 8: Infrastructure Status of the Project Area**

No.	Required Infrastructure	Distance to Project Site (km)	Source of Infrastructure
1	Water	Not available - Can use the rural water system from the nearest village and also utilize water from the dam's output	Sanandaj Water Supply Facilities – Dam output (1000 meters to the project)
2	Electricity	Available	Sanandaj Electricity Distribution Network – Dam area
3	Gas	Not available - Can use the rural gas system from the nearest village	Gas pipeline – Hasanabad village (800 meters to the project)
4	Telecommunications	Not available - Can use the cable network from the nearest village	Hasanabad village (800 meters to the project)
5	Main Road	Adjacent to the project (less than 10 meters)	Sanandaj – Qorveh road
6	Secondary Road	Three secondary roads within 5 kilometers of Shohada Soleiman Shah Dam	Local secondary roads: Soleiman Shah, Qomam – Sanandaj, Deh Abbas – Asadabad

**Source 17: Researcher's field visit and interviews with local managers**

To meet the water requirements of the project, it is recommended to utilize large storage tanks and adopt water consumption optimization technologies such as recycling devices and drip irrigation systems. For electricity, the construction of a solar power plant or the use of gas-powered generators can be considered as alternative solutions to provide the required power. In this regard, gas generators have been planned in the project to supply the electricity needs, and this has been incorporated into both the financial and technical calculations. Additionally, for fuel supply, establishing on-site storage tanks and creating infrastructure for the transfer of urban gas can help address the challenges.

## **2-5- SWOT Matrix of the Current Situation**

In this section of the report, in order to summarize the current status and identify the potentials and limitations of the project's implementation area, a SWOT matrix (Strengths, Weaknesses, Opportunities, and Threats) has been used. This matrix considers both the internal environment (including the dam area and Sanandaj County) and the external environment (including Kermanshah province and Iran).

The identified indicators for achieving the successful implementation of the tourism complex project at the Shohada Soleiman Shah Dam include strengths and weaknesses at the internal project level (Shohada Soleiman Shah Dam) and Sanandaj County.

Some of the key driving factors for the project's success include factors such as the landscape and the project's scope, the large area of the proposed site, the high diversity and number of natural, cultural, religious, and historical attractions in Sanandaj County, as well as the potential for handicrafts and traditional foods with national branding. The strategic

location of the project area with access to key routes leading to the provinces of Hamadan, Sanandaj, and Kermanshah, and additionally, the historical story of Sanandaj in trade (a trading center between the provinces of Kermanshah, Sanandaj, and Hamadan with four historical bazaars) can serve as potentials for attracting both domestic and international tourists to the project (Razi University, Kermanshah Province Spatial Planning Study; Analysis of Economic Activity Fields, 2017).

**Table 9: Internal Environment Status of the Project (Strengths and Weaknesses)**

<b>Strengths</b>	<b>Weaknesses</b>
The Shohada Soleiman Shah Dam is located in the center of the county.	Most tourist attractions in the county are located in the southern and southwestern areas.
The dam area offers a peaceful environment both during the day and at night, with untouched, natural landscapes.	The county lacks uniform development in terms of infrastructure, access roads, and spatial distribution, with most facilities located along the Kermanshah-Sanandaj route.
The project area spans 21 hectares, on a flat land with an elevation above the dam's crest.	The access roads in the county lack adequate services and facilities.
High diversity and numerous natural attractions in Sanandaj County (including: pristine forests, high mountains, caves, rivers, unspoiled natural landscapes, rivers and springs, seasonal migration routes, sports attractions such as mountaineering, rock climbing, swimming, medicinal plants, hunting grounds).	The project area and the county have a very weak hotel and accommodation infrastructure.
High diversity and numerous historical and cultural attractions in Sanandaj County (including: ancient city, historical buildings, rural houses, presence of prominent figures from the past, cultural attractions: shrines, and religious sites).	The recreational and sports facilities in the project area are very weak, though they are in a medium condition at the county level.
Unique local customs (including: traditional clothing and dialect, music and dance, handicrafts).	In terms of internal and external group interactions, trust, and social participation, the county is not in an ideal state.
Local and popular traditional food that is favored by tourists.	Skilled and specialized workforce in tourism and related goods and services is insufficient in the county, and the culture of work and entrepreneurship is low.
Recognized and popular handicrafts, such as rug sales (with unique local recognition).	Communication and advertising regarding tourist attractions in the county is very weak.
The county is a high-altitude area with a cold, summer-like climate.	Cooperation among local managers and authorities to support tourism investments is low.
A historical, central trading story (a trading hub between Kermanshah, Sanandaj, and Hamadan with four historical bazaars) and the presence of the natural attraction of Madyan Mountain, which was historically used as a lookout point, and its flat castle that dominates the entire Sanandaj area.	Geographic isolation and moderate access to public transportation networks compared to other counties.
The project area Shohada Soleiman Shah Dam) is located 33 meters from the main Sanandaj-Corveh axis and has good	Extensive migration and high unemployment rates.

Strengths	Weaknesses
access roads, allowing easy and fast transportation to other parts of the county and surrounding cities, villages, and tourist attractions.	
Full access to mobile networks, high-speed internet, water and wastewater facilities, and electricity in the project area (Shohada Soleiman Shah Dam) and the county level.	-
Local communities understand the tourism benefits and are welcoming and ready to host guests.	-

**Source 18: Researcher's findings based on expert interviews and the Provincial Spatial Planning Document (2017).**

In the continuation of the report, the identified indicators of the external environment (at the provincial and national level) are presented in terms of opportunities and threats. Some key factors that can contribute to the success of the project include:

- **Growth of domestic and international tourism** in the province in recent years, which indicates an increasing interest in tourism within the region.
- **Increase in the number of eco-lodges and tourism complexes** in the province in recent years, showing growth in tourism infrastructure and services.
- **Increased interest among tourists** in staying within the project's area of implementation, indicating a growing demand for accommodation and leisure options in the area.

These factors, based on recent studies from Razi University (Spatial Planning of Kermanshah Province, 2017), can create significant opportunities for the successful implementation of the tourism complex project within the Shohada Soleiman Shah Dam area.

**Table 10: Status of the External Environment of the Project (Opportunities and Threats)**

Opportunities	Threats
Growth in the number of domestic and international tourists in the province	Weak publicity and tourism advertising at the provincial and national levels
Growth of eco-lodges and tourism complexes in recent years	Lack of accommodation and sanitary infrastructure in the tourism sector at the provincial level
Increased interest of tourists in staying within the tourism area	Low collaboration from local and provincial authorities in supporting tourism investment
Existence of policies and regulations for attracting, managing, and ensuring investment security	Low production per capita and economic growth
Province's location on the Silk Road, the Royal Road, and the pilgrimage route to the Holy Shrines	Economic sanctions and commercial isolation of Iran
Province's location on the prioritized development axis of Azerbaijan–Khuzestan	-

**Source 19: Findings from the researcher based on expert interviews and the Spatial Planning Document of the Province (2017)**



## 2-6- Stakeholder Requirements

In the tourism project, to create consensus among stakeholders, including managers, staff, adjacent industries, and local communities, and to provide an enjoyable experience for tourists, it is essential to understand their preferences and requirements in the design and planning process. Therefore, the requirements of stakeholders should be extracted, documented, and considered in decision-making. In this section of the report, the output of the process for extracting stakeholder requirements, gathered through the study of higher-level documents (such as the Spatial Planning Document of Kermanshah Province, 2017) and interviews with managers, staff, and the local community, is presented. It should be noted that in some cases, general information about the province is referenced, which does not show significant differences from the district of Sonqor.

Based on information from higher-level documents and interviews with experts and local leaders, the major, intermediate, and minor roles for Sonqor County's project area have been extracted. Identifying the missions and expected capabilities in the project area can help design a tourism approach and business idea that aligns with the broader plans of the province and county, reduces conflicts, and increases productivity (University of Razi, Kermanshah Provincial Spatial Planning Studies; Design and Planning, 2017).

**Table 11: Mission and Roles at Macro, Intermediate, and Micro Levels for Sonqor County**

Functional Classification	Performance Level Elements	Performance Level
<b>Exporting</b>	-	-
<b>Industrial - Mining</b>	Kermanshah - Sonqor axis	Intermediate / Micro
<b>Agriculture</b>	Kermanshah - Sonqor axis	Intermediate
<b>Tourism</b>	Kermanshah - Sonqor axis	Intermediate / Micro
<b>Communication</b>	Road-based	Sonqor - Qorveh axis
<b>Rail-based</b>	-	-
<b>Energy</b>	Electricity	-
<b>Development Centers</b>	Industrial - Mining	Sonqor Industrial Park
<b>Rail Station</b>	-	
<b>Airport</b>	-	
<b>Customs</b>	-	

Source 20: Findings from expert interviews and the Kermanshah Provincial Spatial Planning Document (2017)

Based on the assumptions derived, the following development axes, as outlined in the higher-level documents, are significant for the design and selection of approaches and business ideas:

1. **First Development Axis:** Development of advanced and sustainable agriculture in the region, focusing on uniform expansion with an emphasis on crops, horticulture, fishing, industrial animal husbandry, medicinal plants, and horse breeding industries.
2. **Second Development Axis:** Development of industrial activities in the region as a complementary approach, with a focus on the development and expansion of the Sanandaj – Baula and Sanandaj – Mianrahan corridors, particularly for processing industries.
3. **Third Development Axis:** Development of activities, provision of infrastructure for eco-tourism and rural tourism, emphasizing the tourism capacities of dams, springs, and the food potential of the county. Additionally, the development of infrastructure

and facilities for establishing traditional and industrial carpet clusters in urban centers could play a key role in the establishment and sustainability of these activities.

4. **Fourth Development Axis:** Effectiveness of eco-tourism and rural tourism by planning to create a livable city that is welcoming to both domestic and foreign investors. This includes offering financial services and providing secondary levels of complementary commercial, recreational, and cultural services.
5. **Fifth Development Axis:** Sustainability of tourism activities, considering plans for the sustainable use of natural areas and dams for fish farming, while maintaining and respecting water rights.
6. **Sixth Development Axis:** The spatial disconnection between the Sanandaj region and the rest of the province is one of the barriers and challenges to regional development, which can be overcome by widening the roads connecting Sanandaj to Bisotun and Sanandaj for better regional connectivity.

As a result, based on the assumptions derived from the Provincial Land Use Studies document and the information extracted from interviews with other stakeholders, their preferences and requirements for designing and feasibility testing of the idea and project are outlined as follows:

**Table 12: Stakeholder Requirements**

No.	Requirement	Stakeholder
1	Design of approach and business idea capable of attracting foreign investors	Organizations / Experts
2	The tourism project should promote entrepreneurship in the target area	Experts / Local Community
3	The tourism project should be a driving force for tourism development in the target area	Experts
4	The project should stimulate the growth of the Sonqor – Qorveh axis	Organizations
5	The project should focus on natural attractions, food potential, and traditional carpet and rug production	Organizations

**Source 21: Findings by the researcher based on expert interviews and Provincial Land Use Study document (2017).**

## 2-7-Tourism Industry in the Geographical Scope of the Project:

This section of the report includes information about visitors to museums, historical sites, and foreign tourists staying in hotels, based on secondary data gathered from the Provincial Land Use Study document and the Provincial Statistical Yearbook (1401). It is important to note that due to the limitations in statistical data, provincial-level information has been used. Therefore, to document the current status in other components, interviews with experts and professionals in the tourism industry of the province and district have been utilized.

Year	Museum		Historical Sites			Foreign Tourists Using Hotels
	Tekiyeh Ma'amen ol-Molk and Anthropology Museum	Tekiyeh Beiglerbeigi	Taq-e Bostan	Temple of Anahita	UNESCO World Heritage Site of Bisotun	
1385	15764	0	332608	17207	0	15879
1390	18103	1350	415653	42383	126000	27000
1395	20574	10659	241331	20254	231050	16943
1397	22903	16965	379461	8321	186412	16864
1398	25571	35975	360205	15738	198541	18532
1399	2152	1424	67181	1527	38471	1968
1400	2497	630	187745	4233	64993	11049
1401	20257	13462	342294	16978	171875	28755
Growth Rate	28.5	897.1	2.9	-1.3	36.4	81.08

**Growth Rate** (calculated from the first year with data to the end of 1401)

It should be noted that due to the absence of ticket sales at other provincial attractions, visitor information is not available. According to the data in the table, in 1401 compared to 1385, foreign tourists using hotels have increased by 81.08%. Additionally, the growth rates for visitors to the following attractions were:

- UNESCO World Heritage Site of Bisotun: 3604%
- Temple of Anahita: -1.3%
- Taq-e Bostan: 2.9%
- Tekiyeh Ma'amen ol-Molk: 28.5%.

Furthermore, based on the average annual growth rate of foreign tourist arrivals calculated as 0.98 (according to the data from the Organization for Management and Planning of Kermanshah Province, Statistical Yearbook of Kermanshah Province, 1401), the forecasted number of foreign tourists for Kermanshah Province in 1405 is 316,010, and in 1410, it will be 6,323,161.

Thus, it can be concluded that the province has seen growth in both domestic and foreign tourists, and based on interviews with experts, Kermanshah Province can be considered a tourism hub.

Additionally, the status of major tourism indicators in Kermanshah Province and the county of Sonqor, including the number of accommodations, is provided in the table below.

**Table 13: Major Tourism Indicators of Kermanshah Province**

Kermanshah Province								
Year	Total Accommodations	Hotel	Guesthouse	Apartment Hotel	Pension	Tourism Complex	Traditional Accommodation	Ecotourism Accommodation
1390	46	22	23	1	0	0	0	0
1395	46	26	18	2	0	0	0	0
1401	117	28	20	5	0	14	4	48
Growth Rate (%)	154.3	27.27	11.11	400	0	-	-	-
Sonqor County								
1390	0	0	0	0	0	0	0	0
1395	1	1	0	0	0	0	0	0
1401	2	1	0	0	0	0	0	1

Based on the information in the table, it can be concluded that Kermanshah province experienced significant growth in major tourism indicators from 1390 to 1401, particularly in the areas of tourism complexes and ecotourism accommodations. This increase indicates a growing interest among people to stay in tourist areas within the province, especially in the western part of the province.

Similarly, when examining the major tourism indicators in Sonqor County, a similar conclusion can be drawn. However, when comparing Sonqor County with other counties, particularly with Paveh, it is clear that Sonqor lags behind in attracting tourists for accommodations.

Regarding other aspects of the tourism sector within the project's operational area in Sonqor County, information gathered through interviews with tourism experts and stakeholders can be defined and interpreted as follows:

There is no precise data on the number of tourists within the project area. However, it is important to note that the area around the Shohada Soleiman Shah Dam functions as a regional recreational center (within the province). Most visitors come for fishing and overnight stays. These visitors are interested in camping around the dam for one night. The trend of staying in neighboring villages is increasing due to the area's geographical characteristics. Additionally, renting homes and villas to tourists has become more common in recent years.

### **3- Technical Specifications of plan:**

#### **3-1 –product:**

The tourism project idea for Shohada Soleiman Shah Dam is designed to offer a unique experience that draws attention to its natural beauty, cultural heritage, and peaceful environment. Located in the heart of Sonqor County, this project combines the tranquil atmosphere of the surrounding mountains and plains with the serenity of the dam. The area invites visitors to disconnect from the modern world and reconnect with nature, while also offering a chance to engage with local traditions and history.

#### **Project Narrative:**

The Soleiman Shah Dam tourism project is a destination where visitors can immerse themselves in the natural beauty and cultural richness of Sonqor. The journey begins with a peaceful morning walk, accompanied by the sound of birds and the cool breeze of the highlands, followed by a healthy breakfast. Visitors can enjoy a relaxing hike through the pristine landscapes while learning about the local medicinal plants. The day continues with creative workshops, where visitors express themselves through various art forms, and culminates in a visit to the ancient city, where they learn about the region's rich history. The evening is wrapped up with a traditional local ceremony, featuring music and dance, before retiring for the night in eco-friendly accommodations.

#### **Key Features of the Soleiman Shah Dam Tourism Complex:**

The tourism complex covers approximately 21 hectares and is designed to provide a sustainable, environmentally friendly, and peaceful experience for visitors. The project emphasizes eco-tourism and focuses on preserving the natural environment, offering activities like fishing, nature walks, and cultural exploration. The complex is designed to appeal to freelancers, artists, writers, and those seeking relaxation and spiritual renewal.

#### **Services and Offerings:**

**Accommodations:** The center offers a variety of traditional and modern lodging options, including small two-story suites inspired by the traditional architecture of Sonqor, made from natural materials.

**Daily Programs:** Meditation, yoga, and reflective sessions in peaceful outdoor environments.

**Creative and Innovation Workshops:** Workshops for creativity in writing, painting, music, and crafts, drawing inspiration from the natural and cultural surroundings.

**Cultural Experiences:** Local festivals, art exhibitions, and handicraft markets to promote interaction with the local culture.

**Nature and Cultural Tours:** Guided tours to explore the local natural attractions and cultural sites, including visits to local farms, handicraft workshops, and pristine nature around the dam.

#### **Infrastructure:**

**Accommodation:** Small two-story suites designed with traditional Sonqor architecture, featuring basic amenities such as television, internet, and private bathrooms.

**Dining Services:** A space for preparing and serving fish and local dishes in an outdoor setting, along with an indoor dining area and a rooftop café offering local herbal drinks and food.

**Recreational Services:** A handicraft shopping center, artificial fishing islands, and fish farming in cages.

**Cultural Services:** An outdoor space for local games and music performances to engage visitors with traditional cultural activities.

This tourism project is poised to offer a comprehensive cultural, recreational, and natural experience for tourists, while promoting sustainability and local culture in the heart of Sonqor County.

### 3-2- Project Capacity

The nominal capacity of this tourism complex, based on the regulations for the establishment and operation of a first-class tourism complex (Tourism Deputy of the Ministry of Cultural Heritage, 1399), the available potentials in the plan, and the specifications proposed by experts, includes the provision of 30 double-bed accommodations, 30 four-bed accommodations, and 30 six-bed accommodations with a daily capacity of 360 people. Additionally, the camping area, which includes both tent camping and car camping by the dam, has the capacity for 80 groups and 190 groups per day (calculations made by the researcher based on available space and services offered in similar projects). The complex also includes an aquatic site for fish farming in cages with an annual capacity of 20 tons, artificial fishing islands, and boat cafes, operating in two shifts per day. Furthermore, within the tourist accommodation area, a 1500-meter restaurant, an open-air sports hall, and an indoor water sports hall are provided for guests staying at the complex. Additionally, 37 commercial booths for selling local handicrafts and cultural items are included (calculations made by the researcher based on available space and services in similar projects).

In the design and planning of the Soleiman Shah Dam tourism project, determining the practical capacity is a key component for resource management, cost control, and sustainable operational planning. Therefore, for the first year of operation, the practical capacity is considered to be 40% of the nominal capacity (calculations made by the researcher based on a break-even analysis of the project), and the maximum operational capacity in the long term is set at 80%. This decision was made based on a comprehensive analysis of the limitations, potentialities of the region, and management requirements, which will be explained in detail below.

In the first year of operation, achieving 100% of the nominal capacity of the project is impossible due to various reasons, such as infrastructure limitations, the need for coordination between sectors, and consumer behavior (marketing and branding). Therefore, using 40% of the nominal capacity is a reasonable decision to reduce execution and operational risks in the initial stages of operation. This decision is justified for the following reasons:

- **Time for Coordination and Stabilizing Operations:** Launching large tourism projects requires time to coordinate between management, operational, and support sectors.
- **Reputation Building and Audience Attraction:** In the first year, establishing the project's reputation and attracting tourists will happen gradually. Therefore, forecasting lower capacity at the beginning is more logical.
- **Testing and Optimizing Systems:** Operating at 40% capacity in the first year allows for testing infrastructure and optimizing service and management processes.

In the long term, the maximum operational capacity of the project is set at 80% of the nominal capacity. This decision is also made based on the following considerations:

- **Maintaining Service Quality:** In tourism projects, maintaining service quality and customer experience is highly important. Using full capacity may lead to a reduction in service quality, increased pressure on infrastructure, and reduced guest satisfaction. Setting the ceiling at 80% ensures optimal use of resources while maintaining service quality.
- **Response to Seasonal and Unforeseen Changes:** In the tourism industry, there are always seasonal fluctuations and unforeseen changes in the number of tourists. Leaving 20% of capacity as a margin of safety allows for better management of unexpected conditions.
- **Management and Maintenance Considerations:** There is a need for time to maintain and repair infrastructure and equipment, which prevents the constant use of full nominal capacity.

The decision to set the practical capacity at 40% in the first year and the operational limit at 80% in the long term is based on logical reasons and a realistic analysis of the project's conditions. This decision not only helps with better resource management and risk reduction but also ensures that the project can continue to operate with high-quality services and sustainable management in the long run. Maintaining a balance between optimal utilization and infrastructure and environmental considerations will guarantee the success of the project in ensuring tourist satisfaction and its economic sustainability.

The following tables show the services, capacities, and unit prices of each of the services provided. These details are used for the financial and economic analysis of the project.

**Table 14 :Project Capacity**

No.	Description	Unit	Nominal Capacity	Unit Price (Rial)
1	Accommodation / Double Suite	Units/year	10,950	11,000,000
2	Accommodation / Four-Bed Suite	Units/year	10,950	20,000,000
3	Accommodation / Six-Bed Suite	Units/year	10,950	40,000,000
4	Camping	Group/year	52,250	1,000,000
5	Handicraft Market Booth	Booth/year	37	600,000,000
6	Swimming Pool, Sauna, Jacuzzi	Person/year	131,400	3,500,000
7	Sports Hall	Person/year	131,400	2,500,000
8	Restaurants	Person/year	131,400	7,000,000
9	Coffee Shops	Person/year	131,400	2,000,000
10	Boating Site	Person/year	16,500	3,500,000
11	Fishing Site	Person/year	16,500	3,500,000
12	Fish Farming Site	Kg/year	20,000	1,300,000
13	Boat Cafes	Group/year	29,200	3,500,000
14	Amphitheater	Year	275	50,000,000



### 3-3-project's requirements

#### 3-3-1-Space and infrastructure required

This section includes all the physical infrastructure and services required for the implementation of the project, which must be developed within the designated area.

**Table 15: Space and Infrastructure Required for the Project**

Description	Covered	Open	Area (m <sup>2</sup> )	Notes
Bazaar	2,300	2,000	4,300	Supermarkets, handicrafts and local product stores, warehouse, open parking, open space
Management	1,530	7,470	9,000	Management space, warehouses, public prayer room, public restrooms, central facilities, landscaping
Outdoor Sports	150	1,430	1,580	Futsal and tennis courts
Indoor Sports	2,000	1,240	3,240	Swimming pool, sauna, Jacuzzi, gym room
Amphitheater	0	1,925	1,925	-
Restaurant - Cafe	1,500	2,630	4,130	Restaurant, café, landscaping, tree planting
Security - Fire Fighting	150	300	450	Security, fire-fighting, and parking for relevant vehicles
Block C - 6-bed Suites	1,500	18,250	19,750	30 six-bed suites, green space
Block B - 4-bed Suites	2,100	16,350	18,450	30 four-bed suites, green space
Block A - 2-bed Suites	2,700	14,120	16,820	30 two-bed suites, green space
Car Camping Space	0	38,200	38,200	Levelling, separation, wiring, landscaping
Camping Restaurant	800	1,400	2,200	Restaurant, café, dining area
Camp Management	160	792	952	Security, restrooms, prayer room
Gazebos	0	16,200	16,200	-
Parking and Water Site	0	21,000	21,000	Boat site, artificial island site, fish farming site, parking
Floating Docks				-
Fish Farming in Cages		2,000	Inside Water	-

**Source22 : Attachment file: Technical, financial, and economic calculations of the Soleiman Shah Dam tourism project**

Based on expert opinions and assumptions regarding the space and infrastructure of the project, the land cost is considered as shown in the table below:

**Table 16: Land Cost of the Project**

Description	Area (m <sup>2</sup> )	Price per m <sup>2</sup> (Rial)	Cost (Million Rial)	Completed	Required	Total
Land	218,000	1,000,000	218,000	0	218,000	218,000

The space and infrastructure plans are as shown in the following image.

Image11 : Space and Infrastructure Plans



Source 23: Land Use Mapping by the Researcher in Google Earth Software

Image12 : Space and Infrastructure Plans (Backup Map)



Source 24: Prepared by the Project Technical Team for Pre-Feasibility Study

### 3-3-2-Equipment and machinery

Due to the size of the project, listing all the headings and detailed items related to the required equipment may reduce the effectiveness of the report. Therefore, only the necessary and sufficient information regarding each section and the equipment considered for that section, along with the total cost of the required equipment, is provided below. Additionally, the full details of this section are available in the attached file (Technical, Financial, and Economic Calculations for the Soleiman Shah Dam Tourism Project). It is important to note that all required items can be sourced within the country.

**Table 17: Required Equipment and Machinery for the Project**

No.	Description	Total (Million Rial)	Required Equipment
1	Bazaar Equipment	1,666	Management desk, ergonomic managerial chair, 3-person office sofa set, library, lockable drawers, small conference table (6-person), desktop computer, multifunction printer (print, scan, copy, fax), ...
2	Central Management Space Equipment (Management Office, Warehouse, Prayer Room, Public Restrooms)	36,041	Management desk, ergonomic managerial chair, employee desk, employee chair, reception desk, 3-person office sofa set, library, lockable drawers, small conference table and chairs (6-person), desktop computer, television, multifunction printer (print, scan, copy, fax), telephone, high-speed modem and router, complete stationery set, whiteboard, full catering set (electric kettle, coffee maker, dishes), accounting and financial software, server rack, waiting area sofa and chairs, water cooler, interior decor (flower box, paintings, etc.), ...
3	Outdoor Sports Equipment	18,690	Artificial grass (waterproof and UV resistant), tennis court flooring (asphalt or acrylic), standard futsal goal, tennis net, player benches (with shade), digital score display board, LED projector lighting (500W), futsal ball, tennis ball,
4	Aquatic Sports Hall Equipment	23,162	Pool water filtration pump, sand filter, pool water heater, waterproof LED lights, automatic chlorine dispenser, slip-resistant tiles, pool ladder, lifeguard equipment, dry sauna heater, steam sauna heater, thermowood for sauna, humidity-proof sauna lights, steam sauna water tank, Jacuzzi jet pump, Jacuzzi water heater, waterproof LED lights, automatic chlorine dispenser, treadmill, ...
5	Amphitheater Equipment	19,000	Professional sound system, lighting system, projection screen, video projector, control room, temporary canopy or cover, electrical and generator system, guide boards and signs, video surveillance system (CCTV)
6	Restaurant and Cafe Equipment	48,200	Indoor dining tables and chairs, outdoor dining tables and chairs, bar and cafe counter, reception desk and cash register, industrial oven, industrial grill, industrial stove, industrial dishwasher, standing industrial fridge, industrial freezer, industrial exhaust hood, industrial espresso machine, ...
7	Security and Medical Emergency Equipment	3,585	Monitoring desk, ergonomic office chair, rest bed, monitoring screen, internal communication system (walkie-talkie), warning light, wardrobe,
8	Block C Equipment – 6-Bed Suites	133,050	Luxury double bed, luxury single bed, nightstand, bedside lamp, wardrobe, study table and chair, bedroom curtains, 3+2+1 sofa set, coffee table, 65-inch smart TV, TV stand, living room curtains, 12-meter rug, chandelier, luxury MDF cabinet, ...
9	Block B Equipment – 4-Bed Suites	113,850	Similar to Block C equipment, with fewer beds and smaller space
10	Block A Equipment – 2-Bed Suites	100,650	Similar to Block C equipment, with fewer items and more private space
11	Camping Equipment with Vehicles	4,345	Electrical wiring and connections, electrical outlets and chargers, solar lighting, waste separation bins, wooden tables and benches, camping number signs, guide signs

No.	Description	Total (Million Rial)	Required Equipment
12	Camping Tent Equipment	3,620	Electrical wiring, electrical outlets and USB chargers, solar lighting, portable water tanks, waste separation bins, guide signs, safety and warning boards
13	Camping Restaurant Equipment	14,700	Indoor dining tables and chairs, outdoor dining tables and chairs, bar and cafe counter, reception desk and cash register, industrial oven, industrial grill, industrial stove, industrial dishwasher, standing industrial fridge, industrial freezer, industrial exhaust hood, industrial espresso machine, industrial juice extractor, industrial blender, outdoor lighting system, air conditioning system, dining ware, audiovisual system, landscaping and green space
14	Camping Management Equipment	4,425	Employee desk, employee chair, reception desk, 3-person office sofa set, library, lockable drawers, desktop computer, television, multifunction printer, telephone, high-speed modem and router, complete stationery set, whiteboard, full catering set, accounting and financial software, water cooler, interior decor, ....
15	Parking and Aquatic Site Equipment	67,950	Restaurant boats (8-person), motorboat (12-person), sailboat, boat unloading platform, boat fueling system, boat safety equipment (life jackets, paddles, etc.), artificial island site, hydraulic system for building the artificial island, artificial beach construction equipment,....
Total	592,934		

### 3-3-3- Raw materials and intermediate components

The detailed list of materials and consumables required for the project is extensive and would reduce the effectiveness of the report if included in full. Therefore, in the following section, only the necessary and relevant information about each section and the associated consumables, along with their total cost, is provided. Additionally, the full details of this section are available in the attached file (Technical, Financial, and Economic Calculations of the Soleiman Shah Dam Tourism Project). It should be noted that all required items are available domestically.

**Table 18: List of Raw Materials and Intermediate Parts Required for the Project**

No.	Consumables	Total (Million Rial)	Required Consumables
1	Consumables for the Bazaar Section	1,072	A4 paper, printer toner, office supplies (notebooks, pens, etc.), cleaning materials (management/kitchen/security), tea, coffee, sugar, disposable cups, flashlight, batteries, cleaning tools (brooms, etc.)
2	Consumables for the Management Section	23,503	Printing paper, printer cartridges, pens, markers, office supplies, cleaning materials, paper towels, bottled water, tea and coffee, sugar and candy, electrical consumables (bulbs, etc.), gasoline (for business trips), food for catering
3	Consumables for the Outdoor Sports Field	2,395	Special paint for field lines, futsal balls, tennis balls, futsal net, tennis net, rackets, chalk or special tennis field paint, cleaning tools (broom, brush, etc.), floodlights (lamp replacement), disinfectants, adhesives, minor repair materials, safety nets for field fence
4	Consumables for the Gymnasium	35,981	Water disinfectants (chlorine), salt stones for sauna, disposable towels, perfumes and essences for sauna, locker rooms, and showers, liquid soap, shampoo
5	Consumables for the Amphitheater	6,283	Gel and colored filters for lights, electrical and sound cables and connections, microphones and auxiliary sound equipment, rechargeable batteries for equipment
6	Consumables for the Restaurant and Café	189,683	Rice, red meat (sheep and cow), chicken, fish and shrimp, cooking oil, fresh vegetables, seasonal fruits, bread, dairy products (yogurt, milk, cheese), eggs, coffee, tea, sugar, bottled water, soft drinks and juices, paper towels, disposable tableware, detergents and disinfectants, liquefied gas (propane), salt, spices, and additives, cleaning materials

No.	Consumables	Total (Million Rial)	Required Consumables
7	Consumables for the Security and Medical Section	1,511	First aid kits, surgical masks, disposable gloves, hand sanitizers, cotton and sterile gauze, Band-Aids, examination bed and basic medical equipment, basic medications (pain relievers, antibiotics, etc.), tea, coffee, sugar, paper towels, cleaning materials, LED lamps (annual replacement), security uniform
8	Consumables for the 6-Bed Suites (30 beds per year)	22,565	Cleaning materials (floor and surfaces), liquid soap, shampoo and soap (per bed), paper towels, trash bags, air fresheners, sheets and pillowcases, blankets and bed covers, bath and hand towels, mattresses and pillows, dishwashing liquid, freezer bags, towel napkins, coffee and tea (per bed), sugar, disposable cups and tableware, LED bulbs, batteries for TV and AC remotes, brochures (tourism information)
9	Consumables for the 4-Bed Suites (30 beds per year)	17,536	Cleaning materials (floor and surfaces), liquid soap, shampoo and soap (per bed), paper towels, trash bags, air fresheners, sheets and pillowcases, blankets and bed covers, bath and hand towels, mattresses and pillows, dishwashing liquid, freezer bags, towel napkins, coffee and tea (per bed), sugar, disposable cups and tableware, LED bulbs, batteries for TV and AC remotes, brochures (tourism information)
10	Consumables for the 2-Bed Suites (30 beds per year)	12,507	Cleaning materials (floor and surfaces), liquid soap, shampoo and soap (per bed), paper towels, trash bags, air fresheners, sheets and pillowcases, blankets and bed covers, bath and hand towels, mattresses and pillows, dishwashing liquid, freezer bags, towel napkins, coffee and tea (per bed), sugar, disposable cups and tableware, LED bulbs, batteries for TV and AC remotes, brochures (tourism information)
11	Consumables for the Camp Section	1,779	Electrical wires and cables, LED bulbs, industrial-sized trash bags, trash cans (annual replacement)
12	Consumables for the Camp Restaurant and Cafe	59,276	Rice, red meat (sheep and cow), chicken, fish and shrimp, cooking oil, fresh vegetables, seasonal fruits, bread, dairy products (yogurt, milk, cheese), eggs, coffee, tea, sugar, bottled water, soft drinks and juices, paper towels, disposable tableware, detergents and disinfectants, liquefied gas (propane), salt, spices, and additives, cleaning materials
13	Consumables for the Camp Management Section	2,612	A4 paper, printer toner, office supplies (notebooks, pens, etc.), cleaning materials (management/kitchen/security), tea, coffee, sugar, disposable cups, flashlight, batteries, cleaning tools (brooms, etc.)
14	Consumables for the Water Sports Site	19,032	Engine oil, boat cleaning liquids, disinfectants, industrial cleaning wipes, life jackets, fire extinguisher refills, safety ropes, fishing equipment (rods, threads, hooks), fish food (aquatic foods), fish storage boxes, food storage containers, allergy treatment products for skin care, fish farming equipment (cages), fish food (artificial food), sprinklers and water pumps, disinfectants for water and pools, fish farming tools (nets, hooks, threads), temperature control monitoring systems, fish storage equipment (boxes), water purification chemicals, safety equipment for workers (gloves, jackets, helmets), fishing tours (for visitors), consumables for security, food and drinks for workers
<b>Total</b>		<b>395,733</b>	

### 3-3-4-management and human resources

Designing the organizational structure and defining job positions for the Soleiman Shah Dam Tourism Complex is one of the key factors for the success of this large project. This complex, covering an area of 21,000 square meters with a daily capacity of more than 1,000 people (based on the services and capacity provided, the calculations carried out by the researcher, and the standards and regulations of tourism complexes (Tourism Deputy of the Ministry of Culture and Tourism, 1399)), includes various facilities such as restaurants, accommodation suites, sports halls, campsites, an open-air amphitheater, a boating site, and a fish farming area. To ensure efficient operations and provide high-quality services, a well-defined organizational structure is required, one that clearly defines roles, duties, and work relationships.

In designing this structure, the features and needs of the complex were carefully analyzed. The analysis of existing facilities, the type of services, and the workload of each section provided valuable information for laying the foundation of the organizational structure. For example, the 1,500 and 800-square-meter restaurants require teams for kitchen management, service, and hospitality, while the accommodation suites and campsite need staff for reservation management and providing hospitality services. Furthermore, sections such as security, emergency medical services, landscaping, and parking management are also considered vital units of the complex (calculations based on the regulations, standards, and competitive benchmarking of tourism complexes).

For each section of the complex, specific job titles were defined, which include 29 job titles with specific duties. These positions were designed to cover all operational and managerial needs. Some of these roles include the overall manager of the complex, restaurant supervisors, technical and facilities managers, staff for entertainment and sports sections, and security and medical teams. Each role was determined based on the number of required employees and workload, with a total of 144 employees for the complex. The following information provides details on job titles, positions, number of staff, and wages:

**Table 19 :Classification of Jobs by Skill Level**

No.	Skill Level	Description	Number
1	Specialist	Sports coach, lifeguard, waiter, bartender, nurse, emergency medical services	20
2	Skilled	Management, administrative, and sales sections	57
3	Unskilled	Services (suites), landscapers, waiters, services (restaurants and cafes, etc.), water site workers, security guards	67
<b>Total</b>			<b>144</b>

**Table 20 :Human Resources of the Plan**

<b>No.</b>	<b>Position</b>	<b>Required (Number)</b>	<b>Monthly Salary per Person (Rial)*</b>
1	CEO	1	450,000,000
2	Executive Manager (Operations)	4	260,000,000
3	Financial and Administrative Manager	1	260,000,000
4	Accountant Expert	2	180,000,000
5	Human Resources	1	180,000,000
6	Operations Planning	2	180,000,000
7	Sales Expert	4	220,000,000
8	Marketing Expert	4	220,000,000
9	IT and Information Technology	1	220,000,000
10	Reception and Reservation Officer	6	180,000,000
11	Tour Guide and Guide	4	160,000,000
12	Warehouse Supervisor	1	220,000,000
13	Assistant Warehouse Keeper	3	160,000,000
14	Driver and Logistics	8	160,000,000
15	Purchasing Officer	3	180,000,000
16	Facilities Technician	3	200,000,000
17	Safety and Health	1	160,000,000
18	Sports Coach	4	180,000,000
19	Lifeguard	4	140,000,000
20	Services (Suites)	12	120,000,000
21	Landscaper	6	120,000,000
22	Chef	2	300,000,000
23	Assistant Chef	8	160,000,000
24	Waiter	12	120,000,000
25	Bartender	6	200,000,000
26	Services (Restaurants and Cafes, etc.)	10	120,000,000
27	Nurse and Emergency Medical Services	4	150,000,000
28	Water Site Worker	12	120,000,000
29	Security Guard	15	120,000,000
<b>Total</b>		<b>144</b>	

\*The salary data was extracted from the annual salary report of Job Vision recruitment company and is adjusted according to the location and structure of the project.

## **4- Ownership and legal permission**

### **4-1- ownership of land**

The land intended for the development of the Soleiman Shah Dam Tourism and Recreation Complex, covering an area of approximately 21 hectares, is owned by the Tourism Development Company of the region, as stated by the director of the company and the head of the Department of Cultural Heritage, Tourism, and Handicrafts. According to the provided documents, the land has valid registered titles and there are no legal obstacles preventing its use as a tourism and recreation complex. The location of the land near the dam, along with its natural scenic views, increases its value and has been considered one of the key sites for the development of tourism infrastructure in the region.

### **4-2- Intellectual property and incentives**

In this project, intellectual property and rights refer to the privileges and entitlements granted to the project owners and investors regarding the intellectual assets and innovations associated with the project. The main aspects related to intellectual property and rights are as follows:

- **Design and Branding:** All architectural designs, interior and exterior designs, logos, brands, and the visual identity of the complex are protected under intellectual property laws, with the rights exclusively belonging to the investors and operators of the project. It is also worth noting that the intellectual property of the geographic region, handicrafts, agricultural products, food, rituals, and customs related to the target tourism area are considered socially owned.
- **Innovations and Technologies:** If innovative technologies are used in the project for energy management, environmental protection, or tourism services, the rights related to these technologies must be registered and protected through patents and legal certifications.
- **Exploitation Rights:** Based on the BOT (Build-Operate-Transfer) contract, investors will have exclusive exploitation rights for the facilities and services of the complex for a specified period. These rights include the use of accommodation spaces, recreational areas, restaurants, and other facilities, which are discussed in section 2 of Chapter 8.

### **4-3-legal permission**

According to legal provisions, sending all inter-agency inquiries (water, electricity, gas, environment, natural resources, etc.) and following up to receive their responses for each business license is the responsibility of the primary license issuing authority (the Cultural Heritage, Handicrafts, and Tourism Organization of Kermanshah province). Therefore, the primary issuing authority is required to clearly and precisely announce any necessary documents for obtaining responses to these inquiries on its specialized platform, and to



electronically receive them from the applicant and obtain the response within the specified time frame for issuing the license (Decisions of the Expediency Council, 1380).

Based on the relevant documents for obtaining a foreign investment license on the website of the Investment and Economic and Technical Assistance Organization of Iran, the steps for obtaining a foreign investment license in tourism projects are outlined as follows:

### **Step 1: Identifying and Selecting the Investment Project**

It should be noted that for identifying and selecting projects related to hotel construction and accommodation centers, one can visit the Cultural Heritage, Handicrafts, and Tourism Organization of Iran and the Kermanshah provincial office in person or online, as well as the Investment and Economic and Technical Assistance Organization of Iran and the Kermanshah provincial office.

### **Step 2: Obtaining Activity Licenses from Relevant Executive Agencies**

The license for the establishment of hotel and accommodation center projects is issued by the provincial offices of the Cultural Heritage, Handicrafts, and Tourism Organization. The license issuance time, once all required documents are completed, is a maximum of 75 days, and there is no payment required from the investor. The process for obtaining the license is as follows:

**Table 21 :Steps and Required Documents for Obtaining a Hotel and Tourism Complex Project License**

<b>No.</b>	<b>Description</b>
1	Request for the issuance of the preliminary agreement and uploading by the applicant in the system (my.mcth.ir)
2	Site visit and expert opinion
3	Review of the project in the investment technical committee
4	Issuance of the preliminary agreement
5	Issuance of inquiry letters from relevant agencies
6	Review of inquiry responses
7	Preparation and submission of project plans by the applicant
8	Obtaining and submitting the building permit by the applicant
9	Submission of project implementation timeline by the applicant
10	Issuance of establishment/modification/completion license by the organization
<b>Required Documents</b>	
National ID and birth certificate (if there is an internal partner) - Passport of the foreign investor for individual applicants - Official registration announcement of a foreign company outside the country for legal applicants - Resume of the foreign investor -Technical and economic feasibility study of the project	

### **Step 3: Obtaining a Foreign Investment License**

The foreign investment license is issued by the Investment and Economic and Technical Assistance Organization of Iran. The license issuance time is 22 days from the completion of the required documents, and the validity of the license is 6 months. The conditions and required documents for obtaining the foreign investment license are as follows:

**Table 22 :Conditions and Required Documents for Obtaining a Foreign Investment License**

No.	Description
1	Submission of identity verification documents for the applicant
2	Company registration at the company registration authority for legal applicants
3	Obtaining the preliminary agreement based on the type of project from the Cultural Heritage, Handicrafts, and Tourism Organization of Kermanshah province
4	Submission of the preliminary agreement/building permit/foundation license/operation license/etc., issued by the relevant executive agency for the project
5	Submission of a list of machinery and equipment, detailing specifications, country of manufacture, year of manufacture, unit price, and total price in foreign currency (for cases where part of the foreign investor's investment is in machinery and equipment)
6	Submission of a list of raw materials and spare parts, detailing specifications, country of manufacture, year of manufacture, unit price, and total price in foreign currency (if part of the foreign investor's investment is in raw materials and spare parts)
7	Submission of documentation for determining the value of services (if part of the foreign investor's investment is in technical knowledge, engineering services, or trademarks)
8	Submission of the final signed contract (all pages) between the parties (the draft contract signed by both parties with justifiable reasons for not having the final signature is also acceptable)
9	Submission of the resume of the foreign investor
10	Submission of identity verification documents for the applicant
<b>Required Documents</b>	
National ID (if there is an internal partner) - Birth certificate (if there is an internal partner) -Passport of the foreign investor for individual applicants - Official registration announcement of a foreign company outside the country for legal applicants - Resume of the foreign investor - Partnership contract between the foreign investor and the receiving company - Completion of the application form in the single-window investment portal at <a href="http://www.iisw.ir">www.iisw.ir</a> - Preliminary agreement/building permit/operation license from the relevant ministries (depending on the project) - List of machinery and equipment, detailing specifications, country of manufacture, year of manufacture, unit price, and total price in foreign currency (for cases where part of the foreign investor's investment is in machinery and equipment) - List of raw materials and spare parts, detailing specifications, country of manufacture, year of manufacture, unit price, and total price in foreign currency (if part of the foreign investor's investment is in raw materials and spare parts) - Final signed contract (all pages) between the parties (the draft contract signed by both parties with justifiable reasons for not having the final signature is also acceptable)	

#### **Step 4: Actions after Issuing the Foreign Investment License:**

The actions following the issuance of the foreign investment license include the following:

- 1. Registration of an Iranian company by the foreign investor:** The foreign investor can register an Iranian company with 100% ownership at the Company Registration Office.
- 2. Registration of orders for machinery, equipment, and other investment items:** The foreign investor must obtain a commercial card through the Ministry of Industry, Mine, and Trade and the Chamber of Commerce (if required).
- 3. Issuance of short-term and long-term visas for the foreign investor, managers, and experts:** Issued by the Ministry of Foreign Affairs.
- 4. Issuance of residency visas for the foreign investor, managers, experts, and their immediate family members:** Visa renewals and extensions are handled by the Law Enforcement Force of the Islamic Republic of Iran.
- 5. Issuance of work visas for the foreign investor, managers, and experts:** Visa renewals and extensions are handled by the Ministry of Cooperatives, Labor, and Social Welfare.

6. **Transfer of cash capital by the foreign investor as contribution:** The transfer is confirmed through banking networks in Iran, and the confirmation is submitted to the Investment Organization.
7. **Clearance of any physical capital as foreign investment:** This includes obtaining a customs green card and presenting it to the Investment Organization, issued by the Customs of the Islamic Republic of Iran (if required).

## 5- Market study and Competition

This section of the report aims to evaluate the alignment between supply (the number of available beds in accommodation centers, including tourist complexes, traditional accommodations, and eco-lodges) and demand (the number of domestic tourists). The results of this section can provide a basis for planning the development of accommodation infrastructure in the province, identifying the need for new investments or the improvement of existing services. It is important to note that due to limitations in data within the scope of the project and the target city, the calculations have been carried out for the entire province. To this end, using the statistical yearbook data of the province (2014-2022), the occupancy rates of beds in tourist complexes, traditional accommodations, and eco-lodges have been calculated. The results indicate that in 2022, domestic tourists utilized various other types of accommodations, including tourist complexes, traditional accommodations, and eco-lodges. Therefore, it can be concluded that there is a limitation in accommodation infrastructure within the target area of the project.

The following presents the data from the provincial statistical yearbook (2014-2022) regarding the number of domestic tourists. It is noteworthy that data on domestic tourists (the number of Iranian tourists using the province's accommodations) is available up to 2018, and for the years 2019-2022, the average annual growth rate (calculated by the researcher based on the yearbook data and adjustments for changes in tourist inflows during the COVID-19 period) has been used.

**Table 23: Number of Domestic Tourists and Average Annual Growth Rate**

<b>Year</b>	<b>Domestic Tourists*</b>
2014	91,473
2015	78,600
2016	986,000
2017	691,650
2018	162,694
Average Annual Growth Rate	12%
2019	182,552
2020	36,510
2021	204,824
2022	229,824
2023	257,876
2024	289,353
2025	324,671
2026	364,300
2027	408,766

\*Domestic tourists refer to Iranian tourists staying in the province's accommodations.

Based on the assumptions in the table, the number of domestic tourists using the province's accommodations in 2022 was 229,824. With an annual growth rate of 12%, this number is projected to reach 340,876 by 2026. The following provides information on the accommodation capacities in the province (Statistical Yearbook of Kermanshah Province, 2022).

**Table 24: Number of Accommodations in the Province by Capacity (Beds)**

Year	Total Accommodations	Hotel	Other
2006	0	0	0
2011	2706	230	392
2016	3207	230	412
2018	3569	277	360
2019	3860	300	342
2020	4215	300	342
2021	4285	300	342
2022	4607	300	342

Based on the information in the table and field surveys, the number of beds in tourist complexes, traditional accommodations, and eco-lodges in 2022 was 1,153 beds. Considering an average stay of 4 nights per tourist in the province, the bed occupancy rate is presented in the table below:

**Table 25: Occupancy Rate of Beds in Target Accommodations**

Year	Domestic Tourists	Stay (Person-Nights)	Accommodation Capacity	Occupancy Rate
2019	182,552	4	2,239	89%
2020	36,510	4	2,365	17%
2021	204,824	4	2,559	88%
2022	229,824	4	2,559	98%
2023	257,876	4	2,559	110%
2024	289,353	4	2,559	124%
2025	324,671	4	2,559	139%
2026	364,300	4	2,559	156%
2027	408,766	4	2,559	175%

Based on the assumptions in the table, it can be concluded that the number of domestic tourists exceeds the current and future accommodation capacity by a significant margin, indicating a shortage of beds. This suggests that tourists are likely staying in other types of accommodations, such as lower-quality hotels and informal lodgings.

The following table shows the required accommodation capacity for tourist complexes, traditional accommodations, and eco-lodges, assuming an ideal occupancy rate of 75%:

**Table 26: Required Capacity of Beds in Tourist Complexes, Traditional Accommodations, and Eco-Lodges**

Year	Domestic Tourists	Stay (Person-Nights)	Accommodation Capacity	Occupancy Rate	Desired Occupancy Rate	Required Accommodation Capacity	Capacity Shortfall
2019	182,552	4	2,239	89%	75%	2,667	428
2020	36,510	4	2,365	17%	75%	533	-1,832
2021	204,824	4	2,559	88%	75%	2,993	434
2022	229,824	4	2,559	98%	75%	3,358	799
2023	257,876	4	2,559	110%	75%	3,768	1,209
2024	289,353	4	2,559	124%	75%	4,228	1,669
2025	324,671	4	2,559	139%	75%	4,744	2,185
2026	364,300	4	2,559	156%	75%	5,323	2,764
2027	408,766	4	2,559	175%	75%	5,973	3,414

In conclusion, Kermanshah, as one of the historical and cultural provinces of Iran, has significant potential to attract both domestic and international tourists. However, due to the limitations in adequate accommodation infrastructure, addressing the gap between supply and demand and developing accommodation facilities could lead to increased tourist attraction and a larger share of the province's tourism revenue.

### **5-1- Introduce target market:**

Based on the assumptions derived from the current situation, the tourism potential of the geographical area, the projected specifications for the project's implementation, and interviews with experts, the target market of the project includes both domestic and foreign tourists who are interested in eco-tourism, nature tourism, fishing, and water sports. This market includes families, friend groups, and individuals interested in camping and experiencing outdoor spaces and short-term stays in tourist regions. Additionally, groups interested in activities such as rowing and hiking are also part of the target market. Furthermore, due to the facilities offered in the complex, young couples and artistic groups interested in holding events in natural environments will also be attracted to the project.

In terms of market segmentation, according to the views of experts and professionals in the field, focusing on attracting domestic clients from organizations and companies, as well as affluent domestic tourists and foreign tourists interested in cultural experiences, can ensure the diversity and sustainability of the project's income. These strategies will not only help expand the customer base but also create opportunities for brand growth and recognition at both the national and international levels.

**Foreign Tourists:** This includes tourists from neighboring countries, Europe, and East Asia, who are interested in experiencing the culture and history of Iran.

**Domestic Tourists Interested in Local Environments and Luxury Services:** These tourists seek a unique and distinguished experience in local environments with luxury services. This group mostly consists of affluent or upper-middle-class individuals who are willing to pay more for high-quality services.

**Organizations and Businesses:** One of the key strategies for the project is collaborating with organizations and businesses to offer recreational tourism packages for their employees. These packages can include 3-5 day programs that provide a fun and enriching experience for work groups. This approach will not only increase employee satisfaction, strengthen team morale, and improve productivity in the workplace but also provide a steady and regular income stream for the project.

## 6- Operational Plan and Project Implementation Timeline

The operational plan for the project includes various phases, from the initial construction of infrastructure to the final completion and operation of the project. The project implementation timeline is outlined as follows. It is important to note that within the scope of the project, there are existing infrastructures from previous periods, including 12 usable gazebos, paving and stonework around the gazebos, a 20-square-meter building, and a 1000-square-meter hall, which have been considered in the financial estimations.

**Table 27: Project Implementation Timeline**

Phase	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
<b>Pre-development</b>	Feasibility studies and economic analysis																				
	Preparing maps and architectural design																				
	Obtaining legal and regulatory permits																				
<b>Land Preparation</b>	Land preparation and leveling																				
<b>Initial Construction</b>	Implementing basic infrastructure (water, electricity, gas)																				
	Start constructing suites and accommodation units																				
	Building public spaces (restaurant, marketplace, green areas)																				
<b>Facilities and Equipment</b>	Installing technical and comfort equipment (heating, cooling systems)																				
	Installing security and safety equipment																				
<b>Final Preparation</b>	Final inspection and review																				
	Obtaining operational permits																				
<b>Operation</b>	Equipment setup and preparation for opening																				
	Opening and commencing operations																				

Source 25: Attachment - Technical, Financial, and Economic Calculations for the Selyman Shah Dam Tourism Project

## 7- Financial projection

Based on the assumptions derived from the project specifications, including the project introduction, infrastructure, and project capacities, the following financial information regarding investment costs, production costs, break-even point, economic indicators, etc., is provided. It is important to note that the detailed items, sources, calculation methods, and analyses are included in the attached Excel file (Technical, Financial, and Economic Calculations of the Soleiman Shah Dam Tourism Project). The financial and economic summary of the project is as follows:

**Table 28 :Financial and Economic Summary of the Project**

<b>Title</b>	<b>Amount</b>	<b>Unit</b>
Internal Rate of Return (IRR)	25	Percent
Payback Period	5 Year and 7 months	-
Break-even Production Point	28.90	Percent
Fixed Investment	3,938,988	Million Rial
Working Capital	128,653	Million Rial
Total Investment	4,067,641	Million Rial
Production Costs	1,572,959	Million Rial
Annual Sales	3,080,350	Million Rial
Applicant's Cash Contribution	3,849,641	Million Rial
Applicant's Cash Contribution	8,416,834	USD

Source 26 :Attachment - Technical, Financial, and Economic Calculations for the Selyman Shah Dam Tourism Project

### 7-1- Cost Estimation

Below are the details of investment costs, working capital, and production costs:

**Table 29: Investment Costs of the Project**

<b>No.</b>	<b>Description</b>	<b>Total (Million IRR)</b>	<b>Percentage (%)</b>
1	Land	218,000	6
2	Landscaping	640,086	16
3	Buildings	1,653,230	42
4	Equipment	592,934	15
5	Facilities	194,300	5
6	Vehicles	248,000	6
7	Miscellaneous and Unforeseen (10%)	354,655	9
<b>Total Fixed Assets</b>		<b>3,901,205</b>	<b>100</b>
8	Pre-Operational Costs	36,929	1
<b>Total Fixed Investment Costs</b>		<b>3,938,135</b>	<b>100</b>
9	Working Capital	113,573	3
10	Other Assets	0	0
<b>Total Investment Costs</b>		<b>4,051,708</b>	<b>100</b>

According to the assumptions in Table 29, the largest portion of the investment cost, 42%, is attributed to the building section. Following the buildings, the landscaping and equipment costs account for 16% and 15%, respectively, of the total fixed investment. It should be noted that unforeseen costs are considered 10%, based on optimization and financial calculation norms for pre-feasibility studies.

**Table 30: Production Costs by Fixed and Variable Categories**

No.	Description	Fixed Cost	Percentage	Variable Cost	Percentage	Total Cost (Million IRR)
1	Consumables	0	0	395,733	100	395,733
2	Salaries and Wages	177,676	70	76,147	30	253,823
3	Utilities (Water, Electricity, Fuel, Communications)	9,447	20	37,786	80	47,233
4	Maintenance and Repairs	32,466	20	129,865	80	162,331
5	Marketing and Advertising	30,804	20	123,214	80	154,018
6	Miscellaneous and Unforeseen (6%)	12,158	0	48,631	100	60,788
7	Depreciation	317,049	100	0	0	317,049
<b>Total</b>		<b>579,599</b>		<b>811,376</b>		<b>1,390,975</b>

Based on the assumptions in Table 30, the largest production costs are associated with consumables and salaries and wages. Given the nature of the project and the potential of the geographical area, especially concerning information dissemination and advertising, substantial marketing and advertising activities are required for the project's success. Therefore, marketing and advertising expenses have been set at 154.018 million IRR (5% of total revenue).

## 7-2- Revenue Estimation

Based on the break-even point for production at the nominal capacity (29.80%), and considering expert judgment, the capacity for the first year is estimated to be 40%. Below is the revenue table for the project over five years of operation:

**Table 31: Project Revenues in 5 Years after Start of Operations**

No.	Description	Year 1 (40%)	Year 2 (60%)	Year 3 (70%)	Year 4 (80%)	Year 5 (80%)
1	Double Room Suites	48,180	72,270	84,315	96,360	96,360
2	Quadruple Room Suites	87,600	131,400	153,300	175,200	175,200
3	Six-person Room Suites	175,200	262,800	306,600	350,400	350,400
4	Campsite	20,900	31,350	36,575	41,800	41,800
5	Handicraft Bazaar	8,880	13,320	15,540	17,760	17,760
6	Swimming Pool, Sauna, Jacuzzi	183,960	275,940	321,930	367,920	367,920
7	Sports Hall	131,400	197,100	229,950	262,800	262,800
8	Restaurants	367,920	551,880	643,860	735,840	735,840
9	Cafes	105,120	157,680	183,960	210,240	210,240
10	Boating Site	23,100	34,650	40,425	46,200	46,200
11	Fishing Site	23,100	34,650	40,425	46,200	46,200
12	Fish Farming Site	10,400	15,600	18,200	20,800	20,800
13	Boat Cafes	40,880	61,320	71,540	81,760	81,760
14	Amphitheater	5,500	8,250	9,625	11,000	11,000
<b>Total</b>		<b>1,232,140</b>	<b>1,848,210</b>	<b>2,156,245</b>	<b>2,464,280</b>	<b>2,464,280</b>

The total revenue is projected to grow steadily as the operational capacity increases from 40% in the first year to 80% in the fourth and fifth years. The total revenue for Year 1 is 1,232,140 million IRR, increasing to 2,464,280 million IRR by Year 4 and Year 5.



### 7-3- Project Operation Duration

The duration of the project operation has been determined based on the analysis of the useful life of the facilities, the nature of the project, and the evaluation of NPV (Net Present Value) and IRR (Internal Rate of Return). Since this project is in the tourism sector, the facilities and infrastructure used typically have a high economic useful life. With proper maintenance and updates, these facilities can be operational over long periods.

Given the nature of the project and the stable demand in the tourism industry, the proposed operation period is set to be between **25 to 35 years**, with a discount rate (IRR) of less than 25%. This period was selected considering the following factors:

- **Useful life of the facilities and infrastructure:** Tourism facilities such as hotels, recreational centers, and green spaces generally have a long useful life, which ensures their continued operation over time.
- **BOT contract type:** In Build-Operate-Transfer (BOT) contracts, it is essential to define a period during which the investor can recover the investment and generate profits. A 15 to 30-year period is typically sufficient for the return on investment and to ensure sustainable revenue generation.

### 7-4- Break-even Analysis

The break-even point for this project in the first year, with full capacity, has been calculated considering both operational and non-operational costs. The break-even point for production is **29.80%** and for sales is **29.59%**. Therefore, the minimum required production to balance revenue and costs is **29.80%** of the nominal capacity.

**Table 32: Break-even Point**

<b>Indicator</b>	<b>Value</b>
Total Fixed Costs (FC)	702,173
Total Revenue (TR)	3,080,350
Total Variable Costs (VC)	870,785
Break-even Quantity	156,649
Break-even Value (Million IRR)	911,449
Production at Break-even	29.80%
Sales at Break-even	29.59%

### Sensitivity Analysis:

The sensitivity of the project to various scenarios, such as changes in labor wages, material prices, and average service sales prices, was analyzed. The results indicated that increasing the average service sales price reduces the sales volume at the break-even point, while an increase in wages and raw material prices raises the break-even point.

**Table 33: Break-even Sensitivity**

Parameters	Changes	Break-even Production Percentage
Average Price of Product	+5%	27.99%
	+10%	26.38%
	+20%	23.66%
Unit Variable Costs	+5%	30.25%
	+10%	30.72%
	+20%	31.69%

This analysis demonstrates the project's sensitivity to pricing and cost changes, highlighting the need for careful monitoring of key factors such as material costs and pricing strategies to maintain profitability.

### 7-5- Cost-Benefit Analysis

The profitability indicators for the project over a 20-year period, with discount rates of 15%, 20%, 25%, and 30%, are summarized in the following table. Based on the provided data, it can be concluded that the project is attractive for investment due to the higher present value of total revenue compared to the present value of total costs at different discount rates.

Additionally, the project's Net Present Value (NPV) is positive at discount rates of 15% and 20%, indicating profitability, while at rates of 25% and 30%, the NPV becomes negative, signaling a loss. The Benefit-Cost Ratio (BCR) shows profitability at discount rates of 15% and 20%, but a loss at rates of 25% and 30%. The Internal Rate of Return (IRR) is also acceptable at discount rates of 15% and 20%, but becomes unattractive at higher discount rates (25% and 30%).

**Table 34: Project Profitability Indicators**

Description	15%	20%	25%	30%
Total Present Value of Revenue	11,899,951	8,639,281	6,564,612	5,168,076
Total Present Value of Costs	6,076,625	4,411,587	3,352,172	2,639,041
Net Present Value (NPV)	2,286,247	837,993	-41,673	-599,920
Benefit-Cost Ratio (BCR)	1.49	1.08	0.82	0.65
Internal Rate of Return (IRR)	25%	-	-	-
Return on Investment (ROI)	29.65	-	-	-

## 7-6- Sensitivity Analysis of the Project

The following sensitivity analysis examines the economic return indicators of the project in response to changes in both total costs and revenues at a discount rate of 20%. The impact of a 5%, 10%, and 20% increase in costs and revenues on the project's economic performance is summarized below.

**Table 35: Changes in Performance Indicators with an Increase in Total Production Costs**

Increase in Costs	Net Present Value (NPV)	Benefit-Cost Ratio	Internal Rate of Return (IRR)	Payback Period
5% Increase	816,146	1.09	24.56%	3.37 years
10% Increase	794,300	1.10	24.4%	3.37 years
20% Increase	750,606	1.11	24.1%	3.37 years

- Key Observations:
  - Increasing the total costs by 5%, 10%, and 20% results in a decrease in NPV, but the project remains economically viable with positive NPV in all scenarios.
  - The Benefit-Cost Ratio remains above 1, indicating continued profitability.
  - IRR slightly decreases with the rise in costs, but still remains attractive (above 24%).
  - The Payback Period remains consistent at 3.37 years, meaning the time to recover the investment stays unchanged.

**Table 36: Changes in Performance Indicators with an Increase in Total Revenue**

Increase in Revenues	Net Present Value (NPV)	Benefit-Cost Ratio	Internal Rate of Return (IRR)	Payback Period
5% Increase	1,269,957	1.08	27.02%	3.06 years
10% Increase	1,701,921	1.08	29.3%	2.80 years
20% Increase	2,565,849	1.08	33.7%	2.39 years

- Key Observations:
  - Increasing the total revenue by 5%, 10%, and 20% leads to a significant increase in NPV, which highlights the strong impact of higher revenue on project profitability.
  - The Benefit-Cost Ratio stays constant at 1.08, indicating continued profitability with a slight improvement.
  - IRR increases with the rise in revenue, reaching 33.7% with a 20% increase in revenue, making the project even more attractive to investors.
  - The Payback Period shortens as revenue increases, with the payback period decreasing to 2.39 years for a 20% revenue increase, signaling quicker returns.

## 7-7- Summary of Economic Aspects

The table below provides a summary of the economic aspects of the project. Please note that the Excel file with the calculations is attached.

**Table 37: Summary of the Economic Aspects of the Project**

activity	International Standard Industrial Classification (ISIC Code )	product name	Nominal capacity (unit)
truism	None	Soleiman Shah Dam Tourism Complex	52,058 people per year
Activity duration	Fix investment (million Rials)	Variable investment (million Rials)	Human resources
19 months	3,938,988	128,653	144 people
Internal rate of return (IRR)	Net present value (million Rials)	Owners share (million Rials)	Benefit-cost ratio *B/C
25%	2,286,247	3,849,641	1.96

- **Conclusion:**

The Internal Rate of Return (IRR) of the project is 25%, indicating that the investment is attractive.

The Net Present Value (NPV) is 2,286,247 million IRR, which shows profitability when compared to the project costs.

The Investor Contribution is 3,849,641 million IRR, representing the investor's share of the total project cost.

The Benefit-Cost Ratio (B/C) is 1.96, which means the project generates more benefits than costs, making it a financially viable investment.

Considering these indicators, the project appears to be economically feasible and attractive for investment.

## 7-8- Estimation of Exchange Rate Changes During the Project Execution Period

Currently, the exchange rate is 457,374<sup>†</sup> IRR/USD. Given the economic and political conditions in Iran and the historical trends of the exchange rate, it is clear that this rate will experience significant fluctuations. Past data shows that factors such as economic sanctions, domestic inflation, changes in monetary and fiscal policies, and fluctuations in global markets have greatly impacted the exchange rate.

To conduct a more detailed analysis and predict future exchange rate changes, data from the past 10 years has been reviewed, and the annual growth rate has been calculated (based on data from the Central Bank). This information allows us to formulate various scenarios for exchange rate changes over the next 5 years.

**Table 38: Exchange Rate Changes (USD)**

Year	Exchange Rate (IRR/USD)
1393	12,260
1394	29,630
1395	30,960
1396	32,770
1397	42,000
1398	42,000
1399	42,000
1400	42,000
1401	285,000
1402	420,000
1403	458,131
Annual Growth Rate	43.63%
1404	658,021
1405	945,126
1406	1,357,499
1407	1,949,797
1408	2,800,524

An increase in the exchange rate in a project aiming to attract foreign investment can have various impacts, and whether this increase is positive or negative depends on the nature of the project, the structure of income and costs, and the type of financial contracts. Below is an analysis of the advantages and disadvantages of these exchange rate changes:

- Advantages of Exchange Rate Increase for Foreign Investors:
- Increased purchasing power for foreign investors: If the exchange rate increases, the foreign investor can obtain more IRR for the same amount of foreign currency. This makes the initial investment cost more attractive.
- Relative decrease in operational costs in foreign currency: Local costs paid in IRR (such as labor or certain domestic raw materials) appear cheaper for foreign investors.
- Disadvantages of Exchange Rate Increase:
- Increased risk of exchange rate fluctuations: A high exchange rate may signal to investors that currency fluctuations are high, and managing this risk in Iran could be challenging. This could lead to hesitation in investment.

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<sup>†</sup> - Central Bank website - <https://www.cbi.ir/showitem/29470.aspx>

- Decreased return attractiveness for foreign investors: If the project's return is calculated in foreign currency and the income or profit growth rate cannot compensate for the exchange rate increase, the return in USD or EUR will decrease, making the project less attractive.

In foreign investment projects, an increase in the exchange rate brings both opportunities and threats. If the project can benefit from increased foreign income or a relative decrease in internal costs, the change will be positive. However, if it leads to increased risk and decreased actual returns for foreign investors, it could hinder investment attraction.

Therefore, two cautious scenarios-stable exchange rate and pessimistic exchange rate increase-are analyzed for the foreign investor's contribution and the conversion of equity into foreign currency over the next 5 years. These scenarios are outlined in the table below.

**Table 39: Exchange Rate Change Analysis**

Year	Exchange Rate (IRR/USD)	Special Profit with Stable Exchange Rate	Special Profit in USD	Fixed Investment in USD
1403	458,131	352,548	352,548	8,402,927
Annual Growth Rate	43.63%			
1404	658,021	666,754	464,211	5,850,334
1405	945,126	980,960	475,501	4,073,153
1406	1,357,499	1,295,167	437,095	-
1407	1,949,797	608,487	294,952	-

As observed from the above table, the increase in the exchange rate leads to a decrease in the investor's contribution in the second and third years. Additionally, the special profit of the project over the next 5 years decreases compared to the optimistic scenario and the scenario where the exchange rate remains stable.

## 8- Capital Requirements, Financing Methods, and Guarantees

### 8-1- Foreign Currency Capital Requirements

The foreign investment share in this project amounts to 3,849,641 million rials, which needs to be converted to foreign currencies (euro and dollar) to determine the exact foreign currency resources required. Using the exchange rates of 508,428 rials/euro and 457,374 rials/dollar, the required foreign currency amounts are calculated as 7,571,655 euros and 8,416,834 dollars.

Table 40: Foreign Currency Capital Requirements

Exchange Rate (Euro)	Exchange Rate (Dollar)
508,428	457,374
Share of Foreign Investor (Million Rials)	3,849,641
Required Euros	7,571,655
Required Dollars	8,416,834

### 8-2- Capital Participation and Funding Method

The Soleiman Shah Dam tourism complex project requires significant investment to develop tourism infrastructure and leverage the natural and historical capacities of the region. The project employs a hybrid funding strategy, sourcing part of the capital from domestic resources and the rest through foreign investment. The total estimated project investment is 4,067,641 million rials, with 218,000 million rials allocated for land value, and the remaining 3,849,641 million rials to be funded by foreign investment.

### 8-3- Capital Participation and Funding Method

#### 1. Domestic Participation and Land Value:

A portion of the project's costs, specifically 218,000 million rials, is allocated to land value. This asset can serve as collateral in securing financing, as the land is located near the Soleiman Shah Dam, an area with high tourism potential, which will increase in value over time.

#### 2. Attracting Foreign Investment through a BOT Contract:

The remaining funding will be sourced through foreign investment under a BOT (Build-Operate-Transfer) model. The foreign investor will manage and operate the project for a specified period (15-25 years) before transferring ownership to the government or a local authority. This model ensures that the investor's risk is covered through revenue generation during the operation phase.

## 8-4- Payback Period

The payback period is an approximate method for comparing the economic feasibility of a project, aiming to determine the time it takes for the revenue generated to equal the initial investment costs. The shorter the payback period, the more economical the project. For this project, the payback period has been calculated as 5 Year and 7 months. The Excel data and financial interview methodology details are attached for reference.

## 9- Incentives, Features, and Advantages of the Project

The Soleiman Shah Dam tourism project presents a unique investment opportunity by leveraging the region's natural and cultural assets. The project, with its strategic location and development potential, offers numerous advantages and incentives detailed below.

### Features and Benefits:

- **Strategic Geographic Location:** Located in an area with pristine natural landscapes next to the Soleiman Shah Dam, covering 21 hectares, it serves as a key tourism destination in the province. It's easily accessible via major highways such as Kermanshah-Qorveh-Sanandaj, and Hamadan-Sahneh-Sonqor, offering excellent road connectivity.
- **Diverse Tourism Services:** The project includes various facilities like restaurants, accommodations, sports halls, an open-air amphitheater, boating sites, and fish farming in cages, catering to a wide range of tourist needs.
- **Positive Economic Impact:** The increase in tourist traffic will boost the local economy, develop infrastructure, and improve the quality of life for local residents.

**Investment Incentives:** Investment in Iran's tourism sector, especially in provinces with natural and cultural capacities, presents significant opportunities for both domestic and foreign investors. The Iranian government offers supportive laws and incentives to facilitate and attract investment in this sector (Iran's Expediency Council Regulations, 2001).

**Tax Exemptions:** According to Article 31 of the Competitive Production Removal Act, the income from services such as hotels and licensed accommodation centers is exempt from tax for five years from the start of operations, and for 10 years in less developed areas. This period can be extended by up to three years in industrial and special economic zones.

**Customs Exemptions:** Under Clause "G" of Article 119 of the Customs Law and subsequent amendments, imports of necessary tourism equipment and facilities are exempt from customs duties. This measure aims to reduce the setup and operational costs for tourism projects.

**Bank Loans and Subsidies:** Tourism investors can benefit from special bank loans with interest rate subsidies of up to 8%, aimed at reducing initial project costs and enhancing investment attractiveness.

**Access to Land and Natural Resources:** In accordance with related laws, national lands and forest areas can be made available to investors either at appraised prices or through lease agreements with an option for ownership. Additionally, land-use changes for tourism projects come with special facilities and exemptions regarding fees.



**Free Trade Zone Benefits:** Investing in free trade and industrial zones offers special advantages, such as exemptions from customs duties on imports of equipment and raw materials, free transfer of investment profits, and guaranteed purchase of locally produced products.

**Legal Support and Investment Security:** Foreign investors, upon obtaining a license from Iran's Foreign Investment Board, are entitled to the same rights and protections as domestic investors. These include the ability to resolve disputes through international forums, free transfer of profits and capital, and fast-track decision-making regarding investment applications.

**Tourism-Specific Exemptions and Support:** Under Article 8 of the Iran Tourism and World Tourism Industry Development Act, all tourism facilities are eligible for industry tariff and guideline benefits. This includes exemptions from charges for utilities, insurance services, and other operational costs. Additionally, tourism facilities enjoy tax exemptions for workforce expansion and export of related products.

## 10- References

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