



सत्यमेव जयते  
**Embassy of India**  
**Tehran**



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# MONTHLY COMMERCIAL REPORT

## **Important news reports related to Iran**

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### ***Bilateral Trade***

#### **1) Iranian exports to India increased by 9% YoY in 7 Months**

According to Ministry of Commerce and Industry's latest data, the total trade between the two countries from January to July 2023 stood at \$1.171 billion. During the period, Iran's exports registered an increase of a 9% YoY and stood at \$393 million. India's exports to Iran during the same period registered a decline of 37% YoY and reached \$778 million. Key products exported from India to Iran during this period included rice, fresh fruits, and tea, with respective values of \$539 million, \$30 million, and \$18 million. In return, Iran exported oil products, raw materials for paint production, and various types of fresh fruits to India during the same period.

#### **2) Cost of container shipping to Chabahar reduced significantly: Official**

The Director General of Sistan-Baluchestan Province's Ports and Maritime Department on 10 October 2023, without disclosing the exact figures stated that operationalization of direct shipping lines to Chabahar port has reduced the container shipping costs “significantly”. He attributed the reduction in prices to collaboration of Chabahar port with ports in India and China.

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### ***Iran's Economy***

#### **1) Iran stands at 90th position in IMF economic growth rankings**

According to the latest annual report “Global Economic Outlook” released by the International Monetary Fund (IMF), Iran moved up 10 positions in the world's economic growth ranking and stood at 90th among 191 countries. The report estimated a 2.97% economic growth for Iran in 2023. In the year 2022, Iran had ranked 100th in the global ranking of economic growth. According to the report, Iran's growth in the current year has surpassed countries such as the UK, the Netherlands, Hungary, Romania, Republic of Azerbaijan, and Bosnia and Herzegovina in the ranking.

## **2) Iran registered economic growth of 5.8% in first six months of 2023: CBI**

During a meeting of Central Bank Heads and Ministers from the Middle East, North Africa, Afghanistan, and Pakistan (MENAP) region held on 15 October 2023 in Morocco, the Governor-General of the Central Bank of Iran (CBI), Mohammadreza Farzin stated that Iran's economy experienced an average growth rate of 5.8% during the first six months of 2023. He added that in the year 2022, Iran registered a growth rate of 6.7% in investments. He further stated that in response to external influences, Iran has adopted a policy package aimed at economic stabilization, with a primary focus on addressing inflation and supporting vulnerable households.

## **3) Iran's foreign currency deposits exceed \$20bn in 6 months: BIS**

According to the Bank for International Settlements (BIS) latest report, Iran's foreign exchange deposits exceeded \$20 billion in the first half of 2023. As per the report, out of the total \$20 billion, more than \$11.49 billion were held in foreign banks, with \$9.214 billion in Euros and \$465 million in USD. The report also stated that Iran's total financial relations with 44 foreign banks in the first half of 2023 reached \$21.85 billion, representing a 5% YoY growth.

## **4) Annual inflation rate in Iran falls by 0.6%: SCI**

According to the Statistical Center of Iran (SCI), the average inflation rate in Iran for the 12 month period ending on October 22, 2023, stood at 45.5%, reflecting a decline of 0.6% YoY. As per SCI, the point-to-point inflation rate for the 7th month (September – October, 2023) was 39.2%, indicating that families paid an average of 39.2% more for the same package of goods and services compared to the same month in the previous year. According to the International Monetary Fund (IMF), Iran's inflation, which was reported to be 49% in 2022, is expected to decrease to 42% in 2023 and further decline to 30 percent in 2024.

## **5) Iran's average crude oil production increases**

The Spokesperson for the Iranian Oil, Gas and Petrochemical Products Exporters' Union, Seyed Hamid Hosseini on 29 October 2023 said that Iran's oil production has increased to 3.4 million barrels per day (bpd) under the current administration. He added that in order to increase the oil output to 4.2 million bpd, Iran needs an average investment of \$25 per oil barrel. He further added that the production from the "Sepehr" and "Jofeir" oilfields has contributed an additional 40,000 barrels to the current production capacity.

Separately, according to data intelligence firm Kpler, Iran's oil exports to China reached a record high of over 1.8 million barrels per day in the month of October, 2023 making Iran the largest oil exporter to China after Russia.

### **6) Iran's tea output hits 13-year record**

The Head of Iranian Tea Organization, Habib Jahansaz, said that Iran has achieved a 13-year record in tea production, with a total of 149,310 tons produced in the current year, indicating an increase of 29% YoY. Reportedly, Iran exports tea to 23 countries including Uzbekistan, Germany, the UAE, Canada, Ukraine, the Netherlands, Pakistan, and India.

### **7) Iran 23rd biggest maritime power in world: UNCTAD**

According to a latest report by the United Nations Conference on Trade and Development (UNCTAD), Iran's shipping fleet capacity stands at 19.3 million tons, making it as the 23rd biggest maritime trade power globally. As per the report, in the year 2022 Iran had a total of 253 ships where the cargo carrying capacity of Iran's shipping fleet exceeded 19.3 million tons.

### **8) Iran's accessible foreign exchange reserves to reach \$21 Billion in 2023: IMF**

According to the latest report released by the International Monetary Fund (IMF), Iran's accessible foreign exchange reserves are expected to reach over \$21 billion by the end of 2023, indicating a \$1.6 billion increase from the previous year. Furthermore, the IMF forecasts that Iran's accessible foreign exchange resources will further rise to \$24.3 billion by 2024. Earlier in the year 2021, the IMF had reported Iran's total foreign exchange reserves to be at \$122 billion.

### **9) Vehicle production in Iran increases by 23% YoY in 6 months**

According to Iranian Ministry of Industry, Mining, and Trade, Iran produced more than 643,000 vehicles in the first six months of the current Iranian calendar year, registering a growth of 23% YoY. During this period, Iranian auto manufacturers produced 545,180 passenger cars.

### **10) Iran's petrochemical output to increase to 78 million tons by March 2024: NPC Chief**

The Iranian Deputy Oil Minister and Chief of National Petrochemical Company (NPC), Morteza Shahmirzaei on 15 October 2023 said that Iran is on track to produce around 78 million tons of petrochemicals by the end of the current Iranian calendar year, (March, 2024). He added that Iran produced approximately 35 million tons of petrochemical products during the first six months of the current Iranian calendar year. [Tasnim News]

### **11) Luxembourg releases \$1.7 billion of Iranian assets: Report**

According to local media reports, Luxembourg on 28 September, 2023 released \$1.7 billion worth of frozen Iranian assets. These assets were seized in Luxembourg's Clearstream Banking Institute in the year 2020. This release follows the Supreme Court of Luxembourg's ruling directing authorities to release Iranian foreign exchange resources.

### **12) Iran's crude extraction increases to 3.1 mbd in September 2023**

According to Reuters surveys and separate figures from OPEC, Iran extracted 3.15 million barrels per day (mbd) of crude oil in the month of September this year marking the highest production level since 2018 when US re-imposed sanctions on Iran. Analysts believe that Iran's success in evading US sanctions has contributed to the increase in its oil exports.

### **13) Iran discovers four new oil and gas fields: Javad Owji**

Iran's Oil Minister, Javad Owji on 04 October 2023 announced the discovery of four new oil and gas fields in different provinces of Iran. The newly-discovered fields include the Cheshm-e-Shoor gas field in Khorasan Razavi province, the Ilkan or Irkan oil field in Golestan province, and the Tangu and Gonaveh oil fields in Bushehr province. He further claimed that Iran ranks number one in oil exploration compared to other countries in the region, such as Saudi Arabia, Kuwait, UAE, and Qatar. [irna.ir]

### **14) Iran's tea leaves production increases by 42% YoY**

The Head of the Tea Organization of Iran, Habib Jahansaz on 04 October 2023 said that the production of green tea leaves in Gilan and Mazandaran provinces in northern Iran has registered an increase of 42% YoY in the current year. He attributed the boost in production to several factors, including the implementation of appropriate pricing

policies for green tea leaves by Iran's economy council, which saw a 60% increase this year and significant increases in the past two years. He added that a total of 133,180 metric tons of green tea leaves were harvested in Gilan and Mazandaran provinces and purchased by 169 factories.

### **15) Iran finalizes plan for construction of 15 GW solar power plants**

Iran's First Vice President, Mohammad Mokhber, on 05 October 2023 said that a comprehensive plan to generate 15 GW of electricity in Iran has been finalized. He added that the plan aims to address Iran's energy imbalance while reducing the consumption of liquid fuel in thermal power plants. He further added that the plan, after being approved by the Economic Council, will be implemented by the private sector in three phases. The total investment for the plan is estimated at \$8.3 billion.

### **16) Iran to transfer 2.4 bcm of water from Sea of Oman to Iranian hinterland**

During a Cabinet meeting chaired by President Ebrahim Raisi on 11 October 2023, Iran's Minister of Industry, Mine, and Trade, Abbas Aliabadi, announced the initiation of the plan to transfer 2.4 billion cubic meters of water from the Sea of Oman to the provinces of Sistan and Balouchestan, South Khorasan, and Khorasan Razavi. Reportedly, the water conveyance pipeline for this project will stretch over 1,800 kilometers and feature 19 pumping stations, along with a 12-kilometer tunnel to facilitate the transport of pressurized water.

### **17) Iran aims to invest \$5 billion in renewable energy projects**

A member of the Board of Directors of the National Development Fund of Iran (NDF), Alireza Mirmohammad-Sadeqi on 16 October 2023 said that NDF is planning to allocate \$5 billion for the construction of renewable energy plants in Iran. He added that the NDF has previously supported 46 power plant projects with a total capacity of 7.2 gigawatts and that in order to facilitate the construction of power plants within Iran's industrial sector, NDF will sign a tripartite memorandum of understanding with the Ministry of Energy and SATBA.

### **18) Iran starts construction of new reactor unit at Bushehr nuclear power plant**

The Head of Iran's Atomic Energy Organization, Mohammad Eslami on 08 October 2023 stated that Iran has begun the construction of the reactor wall of unit 2 of the Bushehr

nuclear power plant and obstacles have been removed to allow faster implementation of units 2 and 3. He added that over 1.8 billion euros has been allocated to the project and domestic companies have been contracted to produce parts and equipment. He further said that the project is expected to be completed in under 5 years.

### **19) Iran to open a new free zone at border with Iraqi Kurdistan**

According to the Secretary of Iran's Free Zones High Council, Hojatollah Abdolmaleki, the Baneh-Marivan Free Zone, located on the border with Iraq's Kurdistan Region, is set to be opened in the coming weeks. He added that the Baneh-Marivan Free Zone has received legal approval and it's board of directors has been appointed by the Cabinet.

### **20) Iran begins crude oil extraction from Sepehr-Jofeir Oilfield**

According to reports, Iran has commenced pumping of 21,000 barrels per day of crude oil from the Sepehr-Jofeir Oilfield in the southwestern province of Khuzestan. The oil is delivered to the processing unit of the West Karoun Refinery. The Sepehr-Jofeir Oilfield, spanning 352 square kilometers, is situated east of the Azadegan Oilfield and west of the Karun River. It is known as Iran's deepest and most pressurized oilfield. Further as per reports, the oil field is capable of producing 110,000 barrels of oil per day. The total investment required for completing all phases of the project is estimated at \$2.8 billion, with \$440 million allocated for the first phase.

### **21) Iran to establish an AI Research Center in agricultural sector: Deputy Minister**

The Iranian Deputy Minister of Agriculture and also the Head of Agricultural Research, Education, and Extension Organization (AREEO), Khayyam Nekouei, on 22 October 2023 said that an Artificial Intelligence (AI) Research Center will be established in Tehran with the goal of upgrading the Agricultural Biotechnology Research Institute to the Modern Agricultural Technologies Research Institute. He further stated that the Artificial Intelligence Research Center is expected to bring about considerable development in the future of the agricultural sector of Iran.

### **22) Iran to construct 9 petrochemical parks to boost production: CEO**

The Chief Executive of the Persian Gulf Petrochemical Industries Company (PGPIC), Abdolali Aliaskari on 22 October 2023 said that PGPIC plans to build nine petrochemical parks in various locations, including Chabahar, Jask, Sirik, Parsian, Naiband, Assaluyeh,

Dashtestan, Genaveh, Deylam, Omidieh, and the Arvand Free Zone. He added that the construction of these parks requires an investment of \$5.5 billion and once operational, they are expected to produce 4.65 million tons of petrochemicals annually, generating \$6.9 billion in foreign exchange.

### **23) Iran's renewable electricity power plants' capacity increases to 1,088 MW**

According to the latest data released by Iranian Energy Ministry, Iran's total energy generation capacity from renewable power plants has increased to 1,088 megawatts. According to the data, during the first half of the current Iranian calendar year (21 March to 22 September, 2023), these renewable and clean energy sources produced 234 million kiloVolt-hours (kV/h), which resulted in the avoidance of 131,000 tons of greenhouse gas emissions.

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## ***Foreign Trade, Investment and Infrastructure***

### **1) Iran cheapest and safest path for international exchanges: President Raisi**

The President of Iran, Ebrahim Raisi during his visit to the Fars province on 12 October 2023 inaugurated the new Isfahan-Shiraz highway. In his address, he laid emphasis on Iran's strategic role as a safe and cost-effective route for international trade from north to south and east to west. He further highlighted the vital role this newly inaugurated Isfahan-Shiraz highway could play in completing the International North-South Transport Corridor (INSTC).

### **2) Iran attracted \$8.7 Billion in foreign investment under current administration: Ehsan Khandouzi**

Iran's Minister of Economic Affairs and Finance, Seyed Ehsan Khandouzi, on 11 October 2023 stated that under the current Raisi administration Iran has been able to attract over \$8.7 billion in Foreign Direct Investment (FDI). He added that Ministry of Economic Affairs and Finance, in collaboration with the Organization for Investment Economic and Technical Assistance of Iran (OIETAI), has secured this amount of foreign investment within a span of 2 years.



### **3) Iran to allow 1,000 electric cars on road by next month: Deputy Minister**

According to the Deputy Minister of Industry, Mine, and Trade for General Industries, Manouchehr Manteghi, Iran is aiming to develop and produce localized electric vehicles in collaboration with knowledge-based companies and domestic auto manufacturers by 2025. He added that as part of this endeavor, around 1,000 electric cars will be joining Iran's transportation fleet in the month of November 2023. He further added that Iran is also working on establishing the necessary infrastructure for electric vehicles, with 15 stations equipped with 78 charging devices already operational across the country.

### **4) Iran's foreign trade reaches \$64 Billion in 7 months**

According to the latest data released by the Islamic Republic of Iran Customs Administration (IRICA), the value of Iran's foreign trade in the first seven months of the current Iranian calendar year (21 March to 22 September 2023) stood at \$64.4 billion, registering an increase of 6.2% YoY in terms of value. During the period, Iran exported 79.5 million tons of non-oil goods valued at \$28.3 billion while its non-oil goods imports stood at \$36 billion. Additionally, the petrochemicals valued at \$12.3 billion were also exported from Iran during this period.

### **5) Iranian textile exports increase by 6% in six months**

According to the Director General of Iran's Ministry of Industry, Mine, and Trade for clothing and textile affairs, Mohsen Gorji, Iran has registered a 6% increase in the export of clothing and textile products during the first six months of the current Iranian calendar year (21 March and 22 September, 2023). He added that Iran exported clothing, garment, and textile products worth \$368 million during this period.

### **6) Iran's exports food and agricultural products worth \$2.4 billion in 6 months**

The spokesperson of the Trade Promotion Commission of Iran's House of Industry, Mine, and Trade, Seyed Rouhollah Latifi on 24 October 2023 stated that Iran exported approximately 5.3 million tons of agricultural, livestock, fisheries, and food products having a total value of \$2.428 billion in the first six months of the current Iranian calendar year registering an increase of 21% YoY in terms of value. He further added Iran exported a total of 7.67 million tons of non-oil goods during this time.

### **7) Iran's steel exports increase by 25% in 6 months: IMIDRO**

According to the Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO), Iran's steel exports increased by 25.6% in the first six months of the current Iranian calendar year. During this period, major steel production companies in Iran produced 15.422 million tons of semi-finished steel products, including steel ingots such as billets, blooms, and slabs. Further as per data, the production of iron beams, rebars, and various types of iron sheets stood at 11.112 million tons during the period under consideration.

### **8) Iran exports pistachios worth \$137 million in six months**

According to the latest data released by Islamic Republic of Iran Customs Administration (IRICA), during the first six months of the current Iranian year (21 March to 22 September, 2023), Iran exported 20,000 metric tons pistachio worth \$137 million reflecting an increase of 7% YoY. As per the data the primary destinations for Iran's pistachio exports were Russia, Germany, the United Arab Emirates (UAE), India, and Kyrgyzstan, which collectively received 57.7% of the total value of Iran's pistachio exports.

### **9) Iran exports \$2.3 billion of petrochemicals in 6 Months**

The Chairman of the Board of Directors of the Iranian Oil, Gas, and Petrochemical Products' Exporters Union, Ahmad Ma'roufkhani on 17 October 2023 said that Iran exported approximately \$2.3 billion worth of oil products, including bitumen, hydrocarbons, and lubricants, to overseas markets during the first six months (March – September 2023) of the current Iranian calendar year. During this period, Iran's overall exports stood approximately \$22 billion while it imported \$30 billion worth of products during the same time frame.

### **10) Transit of goods via Iran increases by 13% YoY in 6 months**

The Director General of the Iranian Ministry of Roads and Urban Development for Commercialization Affairs, Amin Tarfa, stated that the transit of goods through Iran's land and territory during the first six months (March – September, 2023) of the current Iranian calendar year has increased by 13% YoY . He added that, during this period approximately 6.530 million tons of products transited through Iran. Out of these goods, approximately 2.330 million tons of goods were oil products while 3.550 million tons were non-oil goods.

### **11) Nakhchivan railway to pass through Iran: Azeri president**

The President of Azerbaijan, Ilham Aliyev on 10 October 2023 announced that an agreement between Tehran and Baku to facilitate the construction of the Nakhchivan railway line through Iran has been agreed upon. He made this announcement during the 27th meeting of the Council of Ministers of the Economic Cooperation Organization (ECO). During the meeting, Iranian and Azerbaijani officials, including Deputy for Economic Diplomacy Mehdi Safari and Minister of Foreign Affairs Jeyhun Bayramov, also discussed the implementation of the International North-South Transport Corridor and the connection of roads between the Zangezur Economic Region and the Nakhchivan Autonomous Republic.

### **12) Loading, unloading of goods in Iranian ports increase by 3%**

According to the latest data released by the Ports and Maritime Organization (PMO) of Iran, the loading and unloading of goods in the Iran's ports has registered a growth of 3% YoY the first six months of the current Iranian calendar year (21 March - 22 September, 2023). As per the data, a total of 111,806,313 tons of commodities were loaded and unloaded during this period.

### **13) Iranian exports to its neighbors increase by 6% YoY**

According to the Director General of the West Asian Office of the Trade Promotion Organization of Iran (TPOI), Farzad Piltan, Iran's exports to West Asian countries during the first six months of the current Iranian calendar year (21 March to 22 September, 2023) registered an increase of 6% YoY and stood at \$10 billion. During the period, Iraq emerged as the largest importer, followed by the UAE and Turkey.

### **14) EU exports to Iran decline by 10% YoY in 7 Months: Eurostat**

According to the latest report released by Eurostat, the total value of trade exchanges between Iran and the 27 European Union (EU) countries during the first seven months of 2023, stood at €2.678 billion, indicating a decline of 10% YoY. During this period, EU countries exported more than €2.2 billion worth of products to Iran. While Iran exported goods worth €475 million to EU countries.

### **15) Iran and SCO's member states trade reaches \$21 billion in 6 months**

According to the latest data, the value of Iran's trade with member countries of SCO reached \$21.7 billion in the first half of the current Iranian calendar year (21 March - 22

September, 2023), registering an increase of 10% YoY in terms of value. During this period, Iran exported 31 million tons of non-oil products, worth over \$10 billion to these member countries while it imported over 5 million tons of non-oil goods, valued more than \$11 billion, from SCO member states. As per data, China was the leading importer of Iranian products followed by India, Pakistan, Afghanistan, and Russia. [Tehran Times]

#### **16) Iran - EAEU to sign FTA by year-end: TPOI**

The Adviser to the Trade Promotion Organization of Iran (TPOI) for International Affairs, Mirhadi Seyyedi on 24 October 2023 said that the Free Trade Agreement (FTA) between Iran and the member states of the Eurasian Economic Union (EAEU) is likely to be signed by the end of 2023 following the conclusion of the 2nd Eurasia EXPO 2023.

#### **17) Iran aiming to buy shares in the BRICS Bank**

Iran's Deputy Foreign Minister for Economic Diplomacy, Mehdi Safari, on 21 October 2023 said that Iran is interested in acquiring shares in the BRICS Bank as it would enable Iran to access loans from the bank to support the export of techno-engineering services. He further laid focus on Iran's readiness to export non-oil products and provide techno-engineering services to member countries of BRICS and the SCO.

#### **18) Iran imported over 7 tons of gold in 6 months: IRICA**

According to the latest data released by Islamic Republic of Iran Customs Administration (IRICA), during the first half of the current Iranian calendar year (March to September, 2023), Iran imported a total of 7.45 tons of standard gold ingots, worth \$475.590 million. As per data, these gold ingot imports accounted for 1.6 percent of the country's total imports, ranking Iran as the 8th among major importer of gold.

#### **19) Iran to Buy 791 wagons from China**

The Head of the Cultural and Social Commission of the Islamic City Council of Tehran, Narges Madanipour recently said that the Mayor of Tehran is on a trip to China to sign an agreement for the purchase of 791 train wagons. He added that during this trip, an important achievement was made as Beijing transferred the technology for manufacturing the train drive system (bogie) to Tehran Wagon Manufacturing Company.

## **20) Iran-China trade reaches \$10 billion in 9 months**

According to a report from China's Customs, the bilateral trade between China and Iran during the first nine months of 2023, (January to September, 2023) reached \$10.7 billion, representing a decline of 12% YoY. During the period, the value of Chinese exports to Iran stood at \$7.5 billion while China imported goods worth \$3.290 billion from Iran.

## **21) Iran signs contracts for exporting cars to Russia and Belarus**

The Iranian Deputy Foreign Minister for Economic Diplomacy Affairs, Mehdi Safari on 21 October 2023 announced that Iran has signed contracts to export domestically manufactured cars to Russia and Belarus. He further emphasized that domestic industry generate foreign exchange not only through traditional exports but also by exporting technical and engineering services, “a focus endorsed by President Ebrahim Raisi”. He also expressed Iran's readiness to export non-oil products and technical-engineering services to member states of the Shanghai Cooperation Organization (SCO) and the BRICS group of emerging economies.

## **22) Iran and Russia activate €1 billion credit line to increase exports**

According to the CEO of the Export Guarantee Fund of Iran (EGFI), Amir Borhani Naeini, a €1 billion credit line has been activated between Tehran and Moscow for exporting goods to Russia. He added that this credit line was established in 2022 with the Russian Agency for Export Credit and Investment Insurance (EXIAR) and became operational in 2023. Reportedly, EGFI has already issued approximately €30 million in insurance policies for goods exported to Russia in the month of October. Russian companies have utilized approximately €10 million of the credit line, and it is expected that half of its value will be used in 2023.

## **23) Iran, Russia discuss joint production of vehicles and automotive parts**

The Iranian Deputy Minister of Industry, Mine and Trade for the General Industries Manouchehr Manteghi and General Director of Russia's Federal State Unitary Enterprise NAMI Fedor Nazarov, on 08 October 2023 held a meeting in Tehran. During the meeting, both sides emphasized on enhancing bilateral collaboration in the automotive industry and also discussed plans for cooperation in vehicle testing and production in Tehran. Representatives from Iran's major auto manufacturers, Iran Khodro Industrial Group (IKCO) and SAIPA Automotive Group were also present during the meeting. During the meeting, focus was also laid on meeting European standards for Iranian

vehicles, reducing export costs to Russia, and improving competitiveness in the Russian market.

#### **24) Iran, Russia carrying out 90% of bilateral trade in national currencies**

The Head of Russia's Federation Council Committee on the Budget and Financial Markets, Anatoly Artamonov on 03 October 2023 said that the share of national currencies in commercial transactions between Russia and Iran has increased to 90%. He added that this shift towards using national currencies in bilateral trade is the result of an agreement between the central banks of Iran and Russia.

#### **25) Russia's VTB Bank expresses interest to open a branch in Amirabad port**

According to reports, the officials from Russia's VTB Bank on 03 October 2023 visited Amirabad Port in northern Iran to conduct feasibility studies for developing and investing in the port, as well as establishing a new credit line and banking services. The officials expressed Bank's interest in commissioning a branch office in Iran's free and special economic zones and also highlighted the significance of utilizing the Ro-Ro rail wharf in Amirabad Port to enhance the exchange of goods within the International North-South Transport Corridor (INSTC), which connects various countries through the rail and maritime routes.

#### **26) Iran and Belarus sign three cooperation agreements in Agricultural Sector**

The Iranian Minister of Agriculture and Jihad, Mohammad Ali Nikbakht, during his visit to Belarus on 18 October 2023 said that Iran and Belarus have signed three cooperation agreements in the areas of forestry, veterinary medicine, and animal husbandry. He also highlighted the potential for both countries to enhance their relations, particularly in trade, economics, forestry, and animal husbandry. Belarus plays a crucial role in supplying potash fertilizer to Iran, while Iran exports various agricultural and horticultural products, including fresh fruits, vegetables, dried nuts, and citrus fruits to Belarus.

#### **27) Turkmenistan to export gas to Iraq under swap deal with Iran**

The Deputy CEO of Turkmengaz, Myrat Archayev, during the Turkmenistan Oil and Gas International Conference in Ashgabat stated that Turkmenistan plans to supply Iraq with

nine billion cubic meters of natural gas annually through a swap agreement involving Iran. He added that negotiations between Iraq and Turkmenistan for the purchase of gas took place in August 2023. He further added that Iraq is interested in signing a 5-year contract with Turkmenistan for the purchase of natural gas. Currently, Turkmenistan is engaged in a gas swap arrangement with the Republic of Azerbaijan through Iran. The Iranian oil officials estimate that they receive around 4.5 million cubic meters of gas per day from Turkmenistan.

### **28) Iran and Armenia sign a contract to construct part of INSTC in Armenia**

The Iranian Minister of Roads and Urban Development, Mehrdad Bazrpash, on 24 October 2023, met with the Prime Minister of Armenia, Nikol Pashinyan. During the meeting, both sides held discussions on enhancing bilateral trade to \$3 billion. Both sides also signed contract for the construction of the Agarak-Kajaran route as part of Tranche 4 of the International North-South Transit Corridor (INSTC) in the Armenian territory. Reportedly, the \$210 million construction project will be funded by Armenia.

### **29) Iranian Minister of Roads and Urban Developments holds telephonic call with his Qatari counterpart**

Iran's Minister of Roads and Urban Development, Mehrdad Bazrpash on 15 October 2023 held telephonic conversation with Qatar's Minister of Transport, Jassim bin Saif bin Ahmed Al Sulaiti. During the call, Bazrpash expressed Iranian support for Qatar's membership in the International North-South Transport Corridor (INSTC). Both sides also discussed enhancing bilateral trade, economic, and transportation ties. They also discussed the possibility of holding an international meeting with transport ministers from the corridor in Tehran in the near future.

### **30) Exports from the US to Iran increase by 17% YoY**

According to the latest report from the US Bureau of Statistics, the total value of trade between Iran and the US during the first eight months of the year 2023 (January - August) stood at \$33.4 million, indicating an increase of 1% YoY. As per the data, during this period, US exported \$32.7 million worth of goods to Iran (up by 17% YoY) while Iran exported \$0.7 million worth of non-oil goods to the United States (down by 86% YoY).

### **31) Iranian exports to Iraq reach \$4.5 billion in six months**

As per the latest data released by the Islamic Republic of Iran Customs Administration (IRICA), Iran exported approximately \$4.5 billion worth of non-oil goods to Iraq in the first six months of the current Iranian calendar year (March – September, 2023). During this period, Iraq stood as the second-largest destination for Iranian non-oil exports as it accounted for 18.2% of Iran's total non-oil product exports.

### **32) Iran-Oman Annual Trade Exchanges Up 23% in 6 Months: Commercial Attache**

The Commercial Attache of Iran's Embassy in the Sultanate of Oman, Mehrdad Fallah Orimi on 11 October 2023 said that in the first six months of the current Iranian calendar year (21 March – 21 September, 2023), Iran exported \$635 million worth of non-oil products to Oman, registering an increase of 16% YoY. He further added that during this period, the value of bilateral trade between Iran and Oman has increased by 23% YoY.

### **33) Iran aiming to expand its economic ties with African countries**

During the 12th meeting of the Headquarters for Coordination of Foreign Economic Relations on 02 October 2023 in Tehran, Iran's Deputy Foreign Minister for Economic Diplomacy, Mehdi Safari, urged for the establishment of joint commissions between Iran and African countries, specifically South Africa and Tanzania, to enhance economic & trade ties and to facilitate the implementation of agreements and promote bilateral economic cooperation. During the meeting discussions were held on the future visits by Iranian President Ebrahim Raisi to South Africa and Tanzania. [irna.ir]

### **34) UK exports to Iran reach \$40 Million in 7 Months**

According to the latest report from the UK Department of Trade and Industry (DTI), in the first seven months of 2023, the total bilateral trade between the UK and Iran reached £44 million (\$53 million), reflecting an increase of 10% YoY. As per report, the United Kingdom exported \$40 million worth of non-oil products to Iran in the first seven months of 2023, representing a growth of 14% YoY while the UK's imported £11 million (\$13 million) worth of non-oil products from Iran.

### **35) Iran, Venezuela, Syria sign a tripartite oil refinery deal**

The Deputy Oil Minister Jalil Sarari on 25 September 2023 said that Iran, Venezuela, and Syria have signed an MoU to construct a new oil refinery in Syria's Homs Governorate



with a capacity of 140,000 barrels per day. The project is set to move into the financing and construction phase soon. Reportedly, in the past Iranian engineers also repaired the existing Homs refinery and in Venezuela, Iranian teams are involved in repairing and expanding the El Palito oil refinery, and efforts are underway to restore the Paraguana Refining Center.

### **36) NIGC Importing Gas from Turkmenistan: Official**

The Head of the National Iranian Gas Company (NIGC), Saeed Aghli on 30 September, 2023 said that Iran is currently importing 7.5 million cubic meters of gas from Turkmenistan. He added that 93% of the fuel used in the country's power plants for electricity generation is supplied by the NIGC. He further added that that gas swaps with Turkmenistan will occur based on the Republic of Azerbaijan's requests.

### **37) Iran-Turkey trade reaches \$3.5 Billion in 8 Months: TURKSTAT**

According to the Turkish Statistical Institute (TURKSTAT), during the first eight months of the current Iranian calendar year, the value of bilateral trade between Iran and Turkey registered a decline of 19% YoY and stood at approximately \$3.5 billion. During this period, Turkey's exports to Iran totaled over \$1.946 billion while Iran exported non-oil products worth \$1.544 billion to Turkey.

## *Trends in Bilateral trade and investment*

### i. Bilateral Trade (in million USD)

|  | Export | Import | Total  | Exports<br>% Change | Imports<br>% Change |
|--|--------|--------|--------|---------------------|---------------------|
| Iran's monthly non-oil trade with India<br>(September 2023)<br>Source: DoC, India  | 49.25  | 38.06  | 87.31  | -60.80              | -42.69              |
| Iran's cumulative non-oil trade with India<br>(April 2023 to August 2023)<br>Source: DoC, India  | 536.68 | 277.77 | 814.45 | -46.34              | -9.10               |
| Iran's non-oil global trade<br>(September 2023)<br>Source: Islamic Republic of Iran Customs<br>Administration                          | 4,802  | 6,255  | 11,057 | 44.33               | 43.26               |
| Iran's cumulative non-oil global trade<br>(April 2023 to September 2023)<br>Source: Islamic Republic of Iran Customs<br>Administration | 24,144 | 30,443 | 54,587 | -2.62               | 11.62               |

### ii. India's top 10 exports to Iran (in million USD)

| SI No. | Commodity (HS code)  | Period         | Total (mn \$) | % Growth   | % share in total export |
|--------|--|----------------|---------------|------------|-------------------------|
| 1      | Meal of soyabean, solvent extracted (defatted) variety (23040030)            | September 2023 | 20.04         |            | 40.69                   |
| 2      | Bananas, fresh (08039010)  | September 2023 | 4.80          | 108.40     | 9.74                    |
| 3      | Basmati Rice (10063020)  | September 2023 | 4.65          | -93.03     | 9.44                    |
| 4      | Other mixture of odofirous substance of a kind used in food/drink industries | September 2023 | 2.21          | 552,425.00 | 4.48                    |
| 5      | Tea black in packet > 3kg but <= 20 kg (09024010)                            | September 2023 | 1.42          | -44.71     | 2.88                    |
| 6      | Copra (12030000)   | September      | 0.83          | 1,320.58   | 1.68                    |

| SI No.                                       | Commodity (HS code)   | Period         | Total (mn \$) | % Growth | % share in total export |
|--|---|----------------|---------------|----------|-------------------------|
|  |   | 2023           |               |          |                         |
| 7  | Kernels, H.P.S. (12024210)  | September 2023 | 0.79          | 41.09    | 1.60                    |
| 8  | Other salts and esters of citric acid (29181590)  | September 2023 | 0.75          | 173.26   | 1.52                    |
| 9  | Other medicine put up for retail sale n.e.s. (30049099)   | September 2023 | 0.66          | 179.51   | 1.34                    |
| 10   | Polypeptide hormones, protein hormones and glycoprotein hormones, their derivatives and structural analogues (29371900) | September 2023 | 0.55          |          | 1.11                    |
| <b>Source: Department of Commerce, India</b> |   |                |               |          |                         |

iii. Iran's top 10 imports from the World (in million USD)

| SI No.   | Commodity  | HS Code  | Period         | Total | % share in total import |
|--|--|----------|----------------|-------|-------------------------|
| 1  | Raw gold (including gold plated with platinum) for non-monetary purposes | 71081200 | September 2023 | 476   | 7.60                    |
| 2  | Crude soybean oil  | 15071000 | September 2023 | 311   | 4.97                    |
| 3  | Other smartphones  | 75171390 | September 2023 | 270   | 4.31                    |
| 4  | Animal corn  | 10059010 | September 2023 | 224   | 3.58                    |
| 5  | Soya beans, whether or not broken  | 12019010 | September 2023 | 223   | 3.56                    |
| 6  | Separate parts for the production of 8703 series passenger cars          | 98870312 | September 2023 | 177   | 2.82                    |
| 7  | Barley, except seed  | 10039000 | September 2023 | 143   | 2.28                    |
| 8  | Sunflower seed, safflower or cotton seed oil and their fractions         | 15121100 | September 2023 | 123   | 1.96                    |
| 9  | Whole whitened rice, even polished or polished                           | 10063020 | September 2023 | 83    | 1.32                    |
| 10   | Ordinary wheat   | 10019920 | September 2023 | 71    | 1.13                    |
| <b>Source: Islamic Republic of Iran Customs Administration</b> |  |          |                |       |                         |

iv. India's top 10 imports from Iran (in million USD)

| SI No. | Commodity (HS code)                              | Period         | Total (mn \$) | Percentage Growth (%) | % share in total Imports |
|--------|--|----------------|---------------|-----------------------|--------------------------|
| 1      | Saturated methanol (methyl alcohol) (2905110)    | September 2023 | 17.47         | -38.85                | 45.90                    |
| 2      | Petroleum bitumen (27132000)                     | September 2023 | 9.79          | 230.09                | 25.72                    |
| 3      | Cement clinkers (25231000)                       | September 2023 | 1.73          |                       | 4.54                     |
| 4      | Liquified propane (27111200)                     | September 2023 | 1.42          | -65.38                | 3.73                     |
| 5      | Liquified butanes (27111300)                     | September 2023 | 1.22          | -76.81                | 3.20                     |
| 6      | Dry dates soft (khayzur or wet dates) (08041020) | September 2023 | 1.13          | -47.29                | 2.96                     |
| 7      | Shelled almonds fresh or dried (08021200)        | September 2023 | 0.91          | -56.99                | 2.39                     |
| 8      | Calcined plasters (25202010)                     | September 2023 | 0.63          | 7.16                  | 1.65                     |
| 9      | In shell (08025100)                              | September 2023 | 0.42          | -78.08                | 2.89                     |
| 10     | Asafoetida (13019013)                            | September 2023 | 0.39          | 1,151.61              | 1.02                     |

Source: Department of Commerce, India

v. Iran's top 10 exports to world (in million USD)

| SI No. | Commodity  | HS Code  | Period         | Total | % share in total export |
|--------|--|----------|----------------|-------|-------------------------|
| 1      | Natural gas  | 27111190 | September 2023 | 717   | 14.93                   |
| 2      | Petroleum bitumen  | 27132000 | September 2023 | 212   | 4.41                    |
| 3      | Methanol   | 29051100 | September 2023 | 199   | 4.14                    |
| 4      | Other urea even in water soluble form                                | 31021090 | September 2023 | 171   | 3.56                    |
| 5      | Ingots, iron, non  | 72061000 | September 2023 | 167   | 3.47                    |
| 6      | Other petroleum gases and gaseous hydrocarbons in liquefied form not | 27111990 | September 2023 | 166   | 3.45                    |

| SI No.   | Commodity   | HS Code  | Period         | Total | % share in total export |
|--|---|----------|----------------|-------|-------------------------|
|  | mentioned in containers of one thousand cubic centimeters and more  |          |                |       |                         |
| 7  | Other liquefied butane  | 27111390 | September 2023 | 164   | 3.41                    |
| 8  | Semi-finished products of iron or unalloyed steel with a square or rectangular cross-section whose width is less than twice its thickness with a thickness of more than 200mm | 72071290 | September 2023 | 90    | 1.87                    |
| 9  | Bars, rods, iron  | 72142000 | September 2023 | 65    | 1.35                    |
| 10   | Liquefied: Propane  | 27111290 | September 2023 | 64    | 1.33                    |
| <b>Source: Islamic Republic of Iran Customs Administration</b> |   |          |                |       |                         |

vi. Potential products of exports for India

| SI No. | HS Codes | Description  | Rationale  |
|--------|----------|--|--|
| 1      | 85171210 | Mobile phones  | These are amongst the top import items in Iran with high percentage of growth which can be capitalized by Indian exporters |
| 2      | 98870312 | Of a domestic manufacture from 20 percent to 30 percent excluding Tires                      |  |
| 3      | 84862000 | Machines and devices for manufacturing semiconductor devices, electronic integrated circuits |  |

### Market Access

- i. Alerts on tariff changes, non-tariff barriers (SPS/TBT measures, import and export procedures/restrictions/prohibitions/licensing etc); trade policy developments:

| SI No. | Notification no. and dated or other references | Details | Effective from |
|--------|--|---------|----------------|
| 1      | NA   |         |                |

- ii. Alerts on Trade Defense Measures taken by Iran (safeguards including special safeguards, antidumping, CVD or Anti-subsidy)

| SI No. | Notification no. and dated or other references | Details of products/sectors affected (including HS codes) | Effective from |
|--------|--|---|----------------|
|        | NA   |   |                |

iii. Details of seminar/conference/trade fairs/BSM organized (whether or not supported by MAI funds)

| SI No. | Particulars of trade fair, dates etc   | Number of participants from India | Feedback received |
|--------|--|-----------------------------------|-------------------|
| 1      | A B2B meeting between the Indian and Iranian textile companies was organised on 15 October 2023 on the sidelines of the IRANTEX 2023. The meeting was attended by 15 Indian companies and 10 Iranian companies. The officials from India-Iran Business Council also participated in the meeting. | 25                                | Positive          |

iv. Total trade enquiries received

| Sr.          | Month       | Enquiries received (2023-24) |
|--------------|-------------|------------------------------|
| 1.           | April 2023  | 73                           |
| 2.           | May 2023    | 61                           |
| 3.           | June 2023   | 61                           |
| 4.           | July 2023   | 49                           |
| 5            | August 2023 | 110                          |
| 6            | September   | 67                           |
| 7            | October     | 84                           |
| <b>Total</b> |             | <b>421</b>                   |