

NEWS IN BRIEF

Iran's gas exports to Iraq up



FARS – Iraq has increased its gas imports from Iran to 30-40m m³/d (1.06-1.41b cfd) this month, up from 10m m³/d (350m cfd) earlier this year, according to Ali Ahmed, CEO of Iraq's Ministry of Electricity's Central Electricity Generation Company.

Without Iranian gas and electricity supplies, Iraq would suffer even more crippling blackouts than it already does, but supplies have been increasingly unreliable due to Iran's own rising demand.

First Republic prepares to be placed under receivership



REUTERS – The US Federal Deposit Insurance Corporation (FDIC) is preparing to place First Republic Bank (FRC.N) under receivership imminently, a person familiar with the matter said on Friday, sending shares of the lender down nearly 50% in extended trading.

The US banking regulator decided the troubled regional lender's position has deteriorated and there is no more time to pursue a rescue through the private sector.

Ukraine protests Polish curbs on farm imports



● **REUTERS**

AFP – Ukraine on Saturday said it had formally protested to Poland and the EU on "unacceptable" bans by Warsaw on Ukrainian agricultural produce transiting through its territory.

Several countries bordering Ukraine — including its main ally Poland — imposed temporary trade barriers on Ukrainian grain and other goods after protests from local farmers following a slump in prices.

Hoveyzeh refinery to add 500 mcf/d of gas

President allocated \$140m for Khuzestan's progress

Economic Desk

Iranian President Ebrahim Raeisi announced the allocation of more than \$140 million for the progress and prosperity of Khuzestan province during his two-day visit to the province.

On Friday evening at a press conference at the end of his visit, the president said that more than 200 plans were passed by the cabinet for the province in the first round of visits, according to president.ir.

Citing employment as one of the most important demands of the people of Khuzestan, he said, "The government is trying to take advantage of the province's capacities and pay attention to the agricultural and tourism economy, as well as strengthening trade relations with Arab countries, which have increased fivefold in this government."

Referring to the projects inaugurated during the past two days, President Raeisi maintained, "As a result of some of these projects, more than 300 megawatts of electricity

entered the national grid, which will be increased to 500 megawatts in the next phase."

The president added, "With the development of the Hoveyzeh refinery, in particular, 160 megawatts of electricity were added to the electricity grid, and 250 million cubic feet of gas per day, which was previously burned in torches before the eyes of the people of Khuzestan, entered the gas network."

Earlier, Raeisi promised that in the next few months, the refinery will contribute 500 million cubic feet of gas per day. 97,000 barrels of natural gas including 7,318 metric tons of natural gas liquids (NGLs) and 6,649 metric tons of sweet gas and 41 metric tons of solid sulfur are produced in the Persian Gulf Hoveyzeh Gas Refinery per day, IRNA reported.

By implementation of the environmental Persian Gulf project inaugurated by President Raeisi on Friday, West Karun Power Plant's flare gas is collected and recovered, so the project will not only create billions of dollars



of wealth but also reduce CO₂ production by 15 million metric tons.

The big project also leads to tackling and controlling air pollution in Ahvaz, the center of Khuzestan province.

Activities in the Persian Gulf Hoveyzeh Gas Refinery and Persian Gulf Bidboland Gas Refinery, both located in Khuzestan, will help Iran fulfill 70% of

its environmental commitments to international conventions including Paris and Geneva.

Raeisi reassured that his government has tried to eliminate vulnerability to corruption by creating appropriate monitoring mechanisms such as integrated financial, customs, and commercial systems. The President emphasized, "All the managers

and executive bodies are vulnerable to corruption, but we do not consider corruption to be limited to abusing people's wealth. We consider inefficiencies and inabilities as the basis of corruption, and it will definitely be dealt with."

Raeisi called on the media to help monitor the implementation of the government's provincial plans.



Persian Gulf Hoveyzeh Gas Refinery, now a major asset to Iran's gas and electricity networks, spent its last days of being inactive in April 26, 2023.

● **ALI MOAREF/IRNA**

Transit through INSTC corridor more than quadruples



The International North-South Transit Corridor (INSTC) has witnessed a 360% growth in transit after its marine route became operational by Khazar Sea Shipping Lines Company (KSSL), KSSL managing director said. Kambiz Jahanbani further elaborated on the company's potential, noting that transit vessels supplied to customers by the KSSL, which is a subsidiary of the Islamic Republic of Iran Shipping Line (IRISL), are more than what is demanded, IRNA wrote.

He said that the transit cargos are smoothly loaded and transited at Iranian northern ports.

The official added that Iran is fully prepared to carry out the multimodal transit of cargos from Asia and the regional countries to Russia and the Commonwealth of Independent States (CIS) nations.

Jahanbani noted that Khazar Sea Shipping Lines Company is ready to provide all modes of transport in the entire INSTC corridor.

Iran, Uzbekistan discuss joint free economic zones

Economic Desk

The Secretary of Iran's Free Zones High Council discussed the establishment of a joint free zone with the Uzbek officials overseeing the free and special economic zones of the country. Hojatollah Abdolmaleki said that developing economic relations, helping investors use the capacities of the other country, expanding exports, and transferring technology are among the goals that the high council follows in establishing a free zone with

Uzbekistan, Mehr News Agency reported.

He made the remarks at an international investment meeting in Uzbekistan, which was held with the participation of the president and other high-ranking officials of Uzbekistan as well as heads of international and regional financial organizations and institutions. After visiting several free and special zones in Uzbekistan, the Iranian economic official discussed using the potentials of both countries for investment and trade.



● **FARS**

Iran's pharmaceutical industry diagnosed with fatal US sanctions

To address the issue of the paucity of medicines in the market, **Page 1 >** Bandpei said, officials from the Health Ministry, insurance organizations, Planning and Budget Organization, security institutions, Central Bank, and producers themselves, recently held a comprehensive meeting. The meeting aimed to find a solution to the scarcity of essential drugs in the market and devise a strategy to tackle the debilitating impact of the sanctions on the country's pharmaceutical industry.

High cost of raw materials Bandpei pointed to mandatory drug pricing, saying such method can only be enforced when the price of medicine being manufactured is reasonably close to the actual market price. If the authorities aim to regulate the market through

mandated pricing, then it is imperative that such pricing aligns with the realities on the ground. The lawmaker shed light on one of the reasons cited by producers for the decline in production, namely, the high cost of raw materials. Once the subsidized foreign currency allocated to them runs out, the producers are forced to import raw materials at the prevailing rates of the unofficial market, thereby increasing the finished product price. According to Bandpei, the solution to this predicament entails the government's allocation of preferential forex and greater subsidies for the import of raw materials by producers.

'Darou-Yar' (Medicine Aid) Scheme

Furthermore, to ensure that the final consumer receives the drug at a reasonable price, the distribution of drugs to

consumers should be managed through the "Darou-Yar" (Medicine Aid) scheme. Under this initiative, the difference between the actual cost and the subsidized price is covered by insurance organizations, and the end consumer only pays the subsidized price. The Darou-Yar plan, which was established based on the budget law of the last Iranian calendar year and implemented through a presidential decree, directly subsidizes the final consumer of the drug. Bandpei expounded that medicine, as an essential commodity for all eras and generations, should be approached by considering both the producer's needs and the consumer's capacity to afford pharmaceutical expenses. He emphasized that to secure the producer's interests while safeguarding the public from incurring further

harm, the government should allocate the difference between the subsidized forex rates and free-market rates to insurance organizations, and monitor the process.

Self-sufficiency in drug production

Regarding the country's self-sufficiency in drug production, the MP stated that the fluctuations in the pharmaceutical market make it difficult to determine the extent of self-sufficiency and the need for imports. The harsh conditions of the US embargo have caused many producers to halt production, making it challenging to ascertain the ratio of domestically produced drugs to imported ones. Previously, it was estimated that 97% of the country's pharmaceutical needs were domestically produced and only 3% were



● **IRNA**

imported. However, the current situation has led to a scarcity of several essential drugs, such as cold medicine, which has been produced domestically for six decades. This highlights the urgent need for the Iranian government to take measures to address the issues facing the pharmaceutical industry and ensure that the healthcare needs of its citizens are met.