

## Iran's FM: Iran's water rights issue could impact ties with Kabul

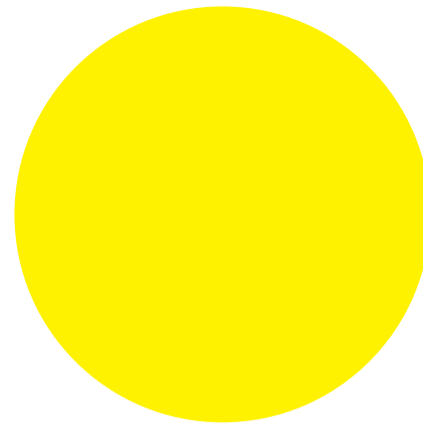


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## Arab League welcomes Syria back into bloc

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# Iran Daily

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Iranian President Ebrahim Raisi (L) and Russian President Vladimir Putin (on the screen) attend via video conference the signing ceremony of an agreement to construct the final part in the International North-South Transport Corridor in Tehran on May 17, 2023. [president.ir](#)

## Iran, Russia ink \$1.6b deal to complete major transport network

### Economy Desk

Iran and Russia on Wednesday signed an agreement to undertake the construction of an Iranian railway line, marking the completion of the embryonic International North-South Transport Corridor (INSTC). President Ebrahim Raisi and his Russian counterpart, Vladimir Putin, oversaw the signing ceremony via video-link, with the event taking place in Tehran. The INSTC, a comprehensive transportation net-

work encompassing maritime, rail, and road routes, spans a vast distance of approximately 7,200 kilometers, connecting Russia, Azerbaijan, Iran, and India. Iranian Transport Minister Mehrdad Bazrpash and his Russian counterpart Vitaly Savelyev affixed their signatures to the deal, which carries a price tag of \$1.6 billion. The agreement entails a collaborative effort between Russia and Iran in constructing the 164-kilometer railroad that connects the Astara border crossing, serving

as the gateway between Iran and Azerbaijan, with the northern Iranian city of Rasht. Raisi told the signing ceremony that the INSTC will boost regional trade, saying, "Today, with the determination that exists... this big project is taking shape." He said there was "great potential" in ties with Russia, calling the latest agreement "an important strategic step on the path of cooperation" between Iran and Russia. Putin praised the "obvious

economic benefits" for both Moscow and Tehran in the form of new jobs and investments. "The unique North-South transport artery, of which the Rasht-Astara railway will become a part, will help to significantly diversify global traffic flows," Putin said. The final segment of the INSTC is the Rasht-Astara railway, a pivotal component that Russia believes holds the potential to rival the Suez Canal as a prominent global trade route. The railway, running along

the Caspian Sea coast, will facilitate the linkage between Russian ports situated along the Baltic Sea and Iranian ports located in the Sea of Oman and the Persian Gulf. Bazrpash said the process of construction of the Rasht-Astara railway – the INSTC's only missing link – "has started and we will finalize it within the next three years". Kremlin spokesman Dmitry Peskov said the transport corridor was "mutually beneficial" to all concerned states.

## Missing link of North-South Corridor



By Gholam-Reza Marhaba  
Iranian MP representing Astara

### EXCLUSIVE

Iran's exceptional geographical location has perpetually remained a key asset throughout its history. Iran's strategic position at the crossroads of global trade, serving as a pivotal link between the Far East, Southeast Asia, the Western Hemisphere, and the Northern Hemisphere has bestowed upon it a distinctive standing. Nonetheless, fully capitalizing on this historical and providential advantage necessitates the establishment of requisite infrastructural foundations. Among these indispensable infrastruc-

tures, the railway system emerges as a pivotal element capable of materializing Iran's immense transit potential, thereby yielding multifarious economic, political, and cultural benefits for the Iranian nation. The recent signing of the construction deal for the Rasht-Astara railway, supervised by the presidents of Iran and Russia, heralds the completion of the International North-South Transport Corridor (INSTC). This corridor seamlessly interconnects countries spanning the Eastern and Southern regions of the world, encompassing China, India, and even Japan, with their counterparts in the Western and Northern Hemispheres.

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## Iran-UK trade value triples in 2022



The British Department of Trade and Industry (DTI) has released a report highlighting the significant increase in trade between Iran and Britain following Brexit. In 2022, the bilateral trade value reached an impressive £696 million, marking a 72-percent growth compared to the previous year. The report sheds light on the positive impact of Brexit on trade relations between Iran and the United Kingdom. Despite initial concerns surround-

ing the UK's withdrawal from the European Union, the value of trade exchanges between the two countries has tripled. Over the past three years, trade between the two countries has experienced consistent growth. The value of trade exchanges soared from £191 million in 2020 to £405 million in 2021, ultimately reaching a record high of £696 million in 2022. This substantial increase reflects a thriving trade relationship between the two nations.



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## Iranian benefactor: Charity work inspiring, exhilarating

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## Iran, Venezuela cooperation in book publishing promotes cultural exchanges

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## Russia's VTB bank opens office in Iran

### Economy Desk

Russia's second-largest financial institution, VTB, has opened a representative office in Iran, an Iranian official said on Wednesday. The development strengthens the increasing economic partnership between the two nations that have endeavored to mitigate the impact of Western sanctions. Alireza Peyman-pak, the head of Iran's Trade Promotion Organization, said that the state-owned VTB,

ranking as Russia's second most prominent lender, will employ the office for foreign currency transfers. "This is the first Russian bank that has a direct presence in Iran and it will facilitate transferring part of the foreign exchange earnings from the trust network to the banking network and thus promoting trade transparency," he added. The establishment of VTB's representative office arises from the shared objective of Moscow and Tehran to enhance their trade and

transaction capabilities amid constraints imposed by Western sanctions. VTB, among several key Russian banks, fell victim to sanctions imposed by the United States, the United Kingdom, and the European Union due to Russia's war in Ukraine. Consequently, the lender has been prohibited from utilizing the SWIFT international financial messaging service. Since Iran has been disconnected from SWIFT since 2018, bolstering ties with the country has become in-

creasingly critical for Russia. Last year, VTB incurred a substantial loss of \$7.7 billion, with Western sanctions disproportionately targeting Russia's financial sector. The two nations have already established connectivity between their inter-bank communication and transfer systems, with Tehran making plans to accept Russia's Mir payment cards – an alternative to Visa and MasterCard. In their pursuit of closer economic integration,



Tehran and Moscow have sought to counterbalance the repercussions of Western sanctions. Their collaborative initiatives encompass a broad spectrum of projects, including oil swaps, railways, and arms deals.