

NEWS IN BRIEF

CBI: Iran's annual economic growth at 4%

IRNA - The Central Bank of Iran announced on Monday that the realization of 4% economic growth in the Iranian year of 1401 (ended March 20) indicates the growth of economic activities across the country. The growth of GDP in all quarters of 1401 had an upward trend, such that from the first quarter to the end of the fourth quarter, the economic growth rate of the country was 1.9%, 3.9%, 4.9% and 5.3%, respectively.

IMF working on digital currency platform

AFP - The International Monetary Fund (IMF) is working on a platform for central bank digital currencies (CBDCs) to enable transactions between countries, IMF Managing Director Kristalina Georgieva said on Monday. "CBDCs should not be fragmented national propositions... To have more efficient and fairer transactions we need systems that connect countries: we need interoperability," Georgieva told a conference attended by African central banks in Rabat, Morocco.

Britain launches preferential trade scheme

CNBC - Britain on Monday begun implementing a preferential trading scheme with 65 poor and developing countries to replace similar arrangements in place when the country was a member of the European Union, according to a statement. The Developing Countries Trading Scheme (DCTS) removes or reduces tariffs and simplifies trading rules, the UK's Department of Trade and Business said in a statement.

Russia says regional free trade pact with Iran possible by yearend

A free trade zone agreement between Iran, Russia and several countries that cover the vast Eurasian region spreading from the borders of Eastern Europe to Western China is possible by the end of the year, Russia's TASS news agency reported on Monday. Russian Deputy Prime Minister Alexei Overchuk told the state TASS agency in an interview that talks between the Eurasian Economic Union - which comprises Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia - and Iran are in their final stages. "We are moving forward," Overchuk said. "We very much hope that such an agreement can be signed by the end of the year." Both the region and Iran have taken on additional significance for the Kremlin after imposing sanctions on Russia.

Russian-Iranian commodity turnover rose 20% in 2022, according to government data, two-thirds the overall growth rate Moscow saw with China, another key partner with whom Russia has expanded political and economic alliance in the past two years. The regional agreement with Iran would replace and expand an interim pact that already provides a reduction in customs duties on hundreds of categories of goods. In November 2022, Russia started swapping oil products with Iran and in March, Tehran said it counts on "huge volumes" of both oil and gas swaps with Moscow. Overchuk also told TASS that negotiations among the Eurasian Economic Union countries on creating a common gas market continue.



TASS



Iran's Deputy Oil Minister for International Affairs and Trade Ahmad Asadzadeh (2nd R) and Uzbekistan's First Deputy Minister of Energy Azim Akhmedkhadjiev (3rd L) discuss Tehran-Tashkent cooperation in energy sector in a meeting attended by officials from both sides in Tehran on June 19, 2023.

SHANA

Tehran, Tashkent agree on energy roadmap

A roadmap for cooperation between Iran and Uzbekistan in oil, gas, and petrochemical industry was outlined in Tehran on Monday. During the visit of Uzbekistan's President Shavkat Mirziyoyev and his accompanying delegation to Tehran, the two sides prepared the roadmap to im-

plement a memorandum of understanding (MoU) the two countries signed on September 14, 2022, Shana reported. Iran's Deputy Oil Minister for International Affairs and Trade Ahmad Asadzadeh and Uzbekistan's First Deputy Minister of Energy Azim Akhmedkhadjiev explored all avenues to re-

move obstacles in the way of the memorandum. The two officials also discussed cooperation in downstream and upstream sectors of the oil and gas industry, as well as scientific and training programs, deciding to form a joint working group to follow up on the agreements reached between the two

countries' ministries of oil and energy on bilateral oil, gas and petrochemical cooperation. A joint statement and 10 cooperation documents were signed between the two countries in the presence of Iran's President Ebrahim Raisi and his Uzbek counterpart Mirziyoyev on Sunday.

Iranian oil output grows 10% in two-year time

Iran's oil production has grown by 10 percent since President Ebrahim Raisi took office, announced the deputy governor of the Central Bank of Iran (CBI) for economic affairs.

Talking on the details of economic growth in recent years, Mohammad Shirijian revealed the continued two-digit growth in oil production, Tasnim news agency reported.

As the average investment growth in the 2010s was -6.9 percent, the figure hit 6.7 percent in 2022, which shows that taking advantage of domestic capacities and talents has been effective in economic growth. Shirijian also put the economic growth in 2021 at 4.5 percent.

The CBI official also said that economic growth in the agricultural sector rose from -2.6 percent in 2021 to 1.1 percent in 2022.

Regarding the growth rate of the mining and mineral sector, Shirijian said it rose from 1.1 percent in 2021 to 6.5 percent in 2022.

Iran's crude exports and oil output in 2023 have reached record highs since the country came under US sanctions more than five years ago, according to Reuters and Bloomberg reports.

The Friday report by Reuters said Iranian crude shipments continued to rise in 2023 with higher shipments to China, Syria and Venezuela. The report quoted consultants, shipping data, and a source familiar with the matter.



SHANA

A large chunk of Iran's crude oil goes to China which is the world's major importer of energy. Several European customers including Germany, Spain, and Bulgaria also imported oil from Iran.

Iran has not released official figures about its oil exports over the past years amid efforts to evade Washington's illegal sanctions.

The United States, under former president Donald Trump, abandoned the nuclear deal, formally known as the Joint Comprehensive Plan of Action (JCPOA), in May 2018 and reinstated unilateral sanctions that the agreement had lifted.

Tehran's oil exports have been limited since May 2018. However, the exports have risen steadily during the term of current US President Joe Biden.

The crude exports exceeded 1.5 million barrels per day (bpd) in May, the highest monthly rate since 2018, Reuters reported quoting Kpler, a major international tanker-tracking service.

Iran's economic diplomacy ...

These negotiations resulted in over 370 signed documents, with a strong emphasis on the economic sector, strengthening ties with various countries. Notably, approximately 100 Iranian exporting companies were introduced to foreign representatives, facilitating business transactions on their behalf.

Through active engagement in international negotiations, Iran's government has made significant strides towards economic development, fostering trade relations, and expanding export opportunities.

The Iranian Chamber of Commerce has established offices in select countries to facilitate economic consultations and connect Iranian entrepreneurs with international economic actors, with a focus on neighboring countries. Economic advisors and experts have been deployed to embassies' economic departments to strengthen ties further. Efforts to activate and formalize Rimdan and Pishin marketplaces with Pakistan are underway, along with discussions for new border bazaars with Turkey. Memoranda of understanding have been signed with the Kurdistan Region of Iraq to reopen the Yazdan bazaar with Afghanistan. These measures demonstrate the government's commitment to enhancing economic cooperation.

To address sanctions and promote exports, the government has utilized business prospects and improved institutional capabilities in sectors such as Post Bank and the petrochemical industry. Strategic products and investment opportunities have been explored in various countries, leading to signif-

icant progress in fulfilling presidential commitments. In 1401, trade volume exceeded \$100 billion, with 122.056 million tons of goods valued at \$53.166 billion being traded in 2022. While the weight of goods traded decreased by approximately 15% compared to the previous year, the value increased by 9.7%. A positive trade balance of \$19 billion was achieved across 84 countries.

In an effort to strengthen economic diplomacy, joint economic commissions with China and Iraq were established, setting the stage for improved exchanges and market access. The Iranian government prioritized expanding trade with neighboring countries, leading to the finalization of significant agreements and memoranda of understanding (MoUs). These included collaborations with insurance companies from neighboring countries, Russian companies RNRC and VSK INSURANCE HOUSE, as well as various governments, such as Russia, Turkmenistan, Uzbekistan, China, Thailand, Turkey, Cuba, Zimbabwe, Venezuela, Oman, Ghana, and Pakistan, in matters concerning customs affairs.

The current Iranian government has consistently prioritized enhancing trade relationships, particularly with neighboring nations, as a means to mitigate the impact of sanctions. They have diligently pursued their objectives outlined in a comprehensive plan during their two-year tenure. These efforts serve as a foundation for future endeavors and provide a clear vision for upcoming months, reflecting the government's determination to bolster the country's economy through increased international engagement.