## Iran to improve rank in Oman exports

Economy Desk

In the first specialized meeting of the Agriculture and Food Industries Commission of the Iran-Oman Joint Chamber of Commerce, which was held with the participation of managers from more than 60 active companies in the field of exports and imports to Oman, Iran will enhance its export ranking to Oman by the end of the Iranian calendar year (March 19).

Oman's import value in recent years has exceeded $30 billion and, according to the World Trade Organization (WTO) statistics, despite Iran's geographical proximity, the country holds the tenth position in exports to Oman, according to ISNA.

Food product exports are among the items that have the highest value and profitability for Oman, and soft customs regulations in Oman and the freedom of currency exchange have made exports to the country appealing for traders and merchants, said Neseredin Eslami-fard, the head of the Agriculture and Food Industries Commission of the Chamber of Commerce of Iran and Oman.

Oman serves as a bridge between the Arabian Peninsula, East Asia, India, and the Persian Gulf, and due to the favorable political, economic, and religious and cultural ties between the two countries, which have a deep historical background, Iranian traders can seize the golden opportunity in Oman for exports to the country and to African and Arab nations.

# Exports growth to narrow trade deficit in H2: *MPs*

By Sadeq Dehqan
*Staff writer*

Economic experts believe that although the reasons for the deficit in Iran's trade balance in the first seven months of the current Iranian calendar year (starting March 21) should be probed from various aspects, the trade deficit can be compensated in the second half of the current year.

Released figures by the Islamic Republic of Iran Customs Administration (IRICA) show that the country's foreign trade reached $64.4 billion in the seven months to October 22 with a deficit of $7.7 billion. The country's seven-month non-oil trade stands at 100.4 million tons, with a 23.7% rise in weight terms and a 6.2% increase in value terms, year on year.

Iran exported 79.5 million tons of non-oil commodities worth $28.3 billion from March 21 to October 22, IRICA data showed. The seven-month non-oil export indicates a rise of over 29% in terms of weight, and a drop of less than 1% in terms of value, year on year.

A sum of 20.9 million tons of non-oil goods worth $36 billion were imported to the country during the period, with a 6.2% growth in weight terms and a 12.6% increase in value, compared to the same period in the previous year.

The latest figures suggest a gap of more than 27% between exports and imports.

Liquefied natural gas, liquefied propane, and liquefied butane were the top exported commodities to various countries, especially China, Iraq, the UAE, Turkey, and India as the main destinations of Iran's non-oil exports.

In the meantime, what has been questionable for economic experts and been met with reactions is the several billion dollars of discrepancy in the value of exports and imports and the country's trade balance deficit of $7.7 billion.

Hojatollah Firouzi, a member of the Industries and Mines Committee of the Iranian Parliament, told Iran Daily reporter that the figures calculated by the government for the current year's budget bill regarding the sale price of oil and oil derivatives were seemingly not achieved, which were also influential in reducing the country's exports value.

On the other hand, if we look at the country's trade statistics in the past years, we will notice that the government's export revenues in the second half of the year have always been higher than that of the first half, he said.

"In the countries that have been successful in the field of export, the private sector has a greater role. I think we do not have the proper view of the private sector of the country. In words, we emphasize the private sector a lot, but in practice, our support of it is not good."

The MP noted: "Our regulations concerning import and export change every year, and therefore, our private sector cannot ground its plans for production and export on it. The export of some products may even be stopped at once with the introduction of new regulations. This harms the private sector and, in turn, the country's exports and forex earnings."

Talking to Iran Daily, Shahbaz Hasanpour Biglari, another member of the Parliament's Plan and Budget Committee, described the country's trade balance deficit as unfortunate and said a number of lawmakers have asked the speaker of the Parliament to invite the relevant officials to discuss the problem.

"We should first listen to whatever the officials have to say to the Parliament, and then, after holding detailed talks with experts, we lawmakers should inform the people," he said.

Ramezanali Sangdovini, another MP, also maintained: We need to expand our economic diplomacy to develop our trade and export, which have been given priority by the incumbent government.

That is why we joined the BRICS, the Shanghai Cooperation Organization, and the Eurasian Union and planned economic cooperation with regional, Latin American, and even African countries, but some other mechanisms are needed to achieve better results, he explained.

"Another thing that confined our exports is that the consumption of some products, including oil products and gasoline, is high in our country, and therefore we could not export as needed."

The next point of great importance is that Iranian traders and producers have done their job, added the lawmaker, but "part of their export income has not yet returned due to sanctions and banking problems." If we take these calculations into account, the country's trade balance will certainly be positive, he stressed.

Rahim Zare, yet another member of the Plan and Budget Committee, told Iran Daily that in addition to the amount of exports and imports, the amount of smuggling should also be taken into account.

"If we add the amount of goods smuggled into the country to the amount of imports, the trade deficit will increase," he said, describing this as the first point that should be considered.

Iran's target is to claim one percent of the total world trade, a quarter of which, according to the current figures, has been achieved due to various obstacles to export, economic and trade sanctions, and difficulty in transferring forex to the country, the MP noted.

# Minister puts daily crude output at 3.4m barrels

Economy Desk

Iranian Oil Minister Javad Owji on Wednesday announced that Iran's oil production has reached 3.4 million barrels per day (bpd).

Speaking to reporters on the sidelines of the weekly cabinet session, the minister said the country's oil output amounted to 2.2m bpd when the incumbent administration took office two years ago, according to Shana.

The figure has now soared to 3.4m bpd thanks to the Oil Ministry's measures over the past 24 months, he mentioned.

Given the ministry's plans and investments in onshore and offshore fields, domestic oil output will hopefully increase, Owji added.

Statistics showed a 19.8 percent economic growth for the oil and gas industry in the spring of 2023, recalled the minister, harboring hope that the upward trend will continue.

## Rise in OPEC output

OPEC oil output has risen for a third straight month in October, a Reuters survey found on Tuesday, led by increases in Nigeria and Angola and despite ongoing cuts by Saudi Arabia and other members of the wider OPEC+ alliance to support the market.

The Organization of the Petroleum Exporting Countries has pumped 27.9 million barrels per day (bpd), the survey found, up by 180,000 bpd from September. Production in August had risen for the first time since February.

The steady rise in OPEC output is largely being driven by a small number of producers managing to overcome internal or external factors that have curbed supply.

Nigeria boosted exports in October without any major disruption to shipments, according to shipping data and sources in the survey, increasing output by 50,000 bpd.

The country is targeting a further recovery by next year. Angola also boosted exports in October, the survey found.

## Highest production of Iran

Smaller increases came from Iraq and Iran. Tehran's output edged up to 3.17 million bpd, the survey found. This is the highest since 2018, the year Washington re-imposed sanctions on Iran, according to Reuters' surveys and OPEC figures. Analysts have said the higher Iranian exports appear to be the result of Iran's success in evading US sanctions.

There was no immediate boost in Venezuela's production, sources in the survey said. OPEC+ sources expect the production recovery to be gradual. Output from the 10 OPEC members that are subject to OPEC+ supply cut agreements rose by 150,000 bpd, the survey found.

Saudi Arabia and other Persian Gulf members maintained strong compliance with agreed cutbacks and extra voluntary reductions.

Saudi Arabia kept the October and September output close to nine million bpd, the survey found. The country in September extended a voluntary one million bpd output cut until the end of the year to provide extra support for the market.

# Global trade preparing for de-dollarization

By Reza Abesh Ahmadlou
*Staff writer*

The US dollar has enjoyed a privileged status since the end of World War II when the Bretton Woods system established it as the anchor of the international monetary system. However, in recent years, some countries have challenged the dollar's dominance and sought to diversify their currency reserves and trade settlements.

De-dollarization refers to the process of reducing the reliance on the US dollar as the dominant reserve currency and medium of exchange in the global economy.

One of the main drivers of de-dollarization is the BRICS bloc, which originally consisted of Brazil, Russia, India, China, and South Africa. These five emerging economies account for about 40% of the world's population and 25% of the world's GDP. They have expressed their dissatisfaction with the US dollar's role in the global financial system and its use as a tool for exerting economic and political pressure by the US government.

The BRICS countries have taken various steps to reduce their dependence on the dollar and promote their own currencies. For example, they have established the New Development Bank and the Contingent Reserve Arrangement to provide alternative sources of financing and liquidity for their members.

They have also increased their bilateral and multilateral trade and investment in local currencies, especially between China and Russia. They have advocated for the inclusion of their currencies in the Special Drawing Rights basket of the International Monetary Fund, which is a supplementary reserve asset that can be exchanged for hard currencies.

In addition, some BRICS leaders have proposed the creation of a common currency for the bloc, as a way to further enhance their economic integration and cooperation. However, this idea faces many challenges and obstacles, such as the different levels of development, inflation, exchange rates, fiscal policies, monetary policies, and political systems among the BRICS countries.

Another factor that has contributed to de-dollarization is the failure of sanctions against Iran, as a new member of the BRICS, in achieving their intended objectives. The US has imposed various sanctions on Iran since 1979, mainly over its nuclear program. However, Iran has maintained that its nuclear program is peaceful and has refused to comply with the demands of the UN Security Council to suspend its uranium enrichment activities.

The restrictions have pushed Iran to seek alternative ways to circumvent the sanctions and preserve its economic ties with other countries. For instance, Iran has resorted to bartering oil for goods and services, using intermediaries and front companies, conducting transactions in local currencies or cryptocurrencies, and developing its domestic industries and technologies.

Moreover, Iran has found support from some of its allies and partners, such as China, Russia, Turkey, and India, who have continued to trade with Iran despite the US sanctions.

These countries have also opposed the US's unilateral withdrawal from the 2015 Joint Comprehensive Plan of Action (JCPOA), which was a multilateral agreement that lifted some sanctions on Iran in exchange for limits on its nuclear program. They have also tried to salvage the deal by creating a mechanism to facilitate trade with Iran without using the US dollar or US-controlled financial institutions.