

NEWS IN BRIEF

Belt and Road Initiative leads to Tehran-Beijing economic growth: Minister**Economy Desk**

China's Belt and Road Initiative offers many opportunities to develop Iran's infrastructure, including ports and railways, which can facilitate the development of Iran-China economic growth, said minister of industry, mines and trade. Speaking at the Iran-China business conference, Abbas Aliabadi noted that an agreement between Tehran and Beijing has paved the ground for the quick growth of bilateral ties, IRNA reported.

"In 2022, China's non-oil imports from Iran were \$6.35 billion, most of which were petrochemical, mineral and metal products, medicine, agriculture and fisheries."

China's exports to Iran hit \$9.44 billion last year, most of which were electronic, electrical and power plant equipment, transportation, various industrial and metal equipment, chemical products, plastic products, and textiles, the minister added. Aliabadi said Iran has significant experiences in the field of petrochemical and refinery products as well as some technology-based products, which can be attractive to Chinese businessmen.

WB says food inflation shrinks in Iran

The World Bank (WB) in its latest report said food inflation in Iran in the 12-month period to September 22 has dropped to about 37 percent.

In a report on "Inflation of Food in World," the bank pointed to a decrease in food inflation in Iran to 37.4 percent in the year to September 22, 2023, compared to the same period of last year, Tasnim news agency reported.

Also, the food inflation rate in Iran has relatively halved over the past year, as it was 71.4 percent in October 2022.

The price of food products considerably increased in Iran following the removal of the preferential currency set for importing basic goods (staples) into the country but the country has witnessed a declining trend of food inflation since May 2023.

Among countries in the world, Venezuela, Lebanon and Argentina are record-holders of skyrocketing food inflation, the World Bank added.

Iran's petroleum industry requires \$275b of investment: NIOC**Economy Desk**

Iran ranks first in the world in terms of oil and gas reserves, with about 340 billion barrels of crude oil, said the head of the National Iranian Oil Company (NIOC), adding that these valuable reserves require an investment of about \$275 billion in the upstream and downstream sectors. In the upstream sector, we have an investment opportunity of about \$160 billion, to implement about 100 projects related to the development of oil and gas fields, noted Mohsen Khojasteh-Mehr, according to Shana.

The official added that there are investment opportunities of about \$35 billion for

petrochemical projects, and about \$80 billion in the refining sector.

Speaking at a meeting on the sidelines of the 6th China International Import Expo (CIIE) in Shanghai, he noted that Iran's participation in the exhibition indicates the country's widespread economic interactions, especially in the field of energy and international trade.

The exhibition shows the commitment of Iran and China to develop bilateral cooperation and appropriate relations between Iran's domestic market and China's market, Khojasteh-Meh emphasized.

"We are seeking to set up a stable platform at a strategic

level and also create a proper market-based business environment in the international arena."

Trade and business between Iran and China are on an upward trajectory, he said, adding that Iran showed in practice that it has a safe, reliable and stable market in the field of energy trade.

Main actors determine the future of the world's energy, the NIOC head said, adding that in Iran, as one of the main players, opportunities have been provided in the oil industry.

The 6th CIIE kicked off in Shanghai on Sunday and will wrap up on Friday. This is one of the biggest trade fairs in China.

**Technical details of Rasht-Astara railway project under discussion with Russia****Economy Desk**

About 70 percent of the technical issues regarding the Rasht-Astara railway project have been discussed and finalized with Russia, announced Kheirollah Khademi, the managing director of Iran's Construction and Development of Transportation Infrastructures Company (CDTIC).

"An agreement has already

been signed with Russia so that this country will provide us with a government loan for the construction and completion of the Rasht-Astara railway," said the official, according to IRNA.

The agreement includes the general terms of the contract, the employer's requirements, the funding methods, and the project implementation schedule,

Khademi explained.

"After many technical meetings by the experts of the two countries, the railway's blueprint was prepared with special amendments to increase the speed and capacity of the route."

Iran and Russia inked an agreement on May 17 this year on the long-stalled construction of a railway connecting the northern Iranian cities of Rasht and

Astara.

The railway has a key role in the International North-South Transit Corridor (INSTC).

With a total length of 162km, the railway is a crucial element of the INSTC. The corridor integrates road, rail, and sea transportation, facilitating the movement of goods between Russia and India via Iran.

**Iran's oil sales can return to pre-sanctions levels via Venezuelan refineries****Economy Desk**

Iran has the potential to rejuvenate its oil exports to Venezuela by refurbishing the Paraguana refinery and boosting its daily oil exports to the country to a total of 860,000 barrels. Paraguana, Venezuela's

largest refining facility, with a daily capacity of 955,000 barrels, is currently running at about 10% of its total capacity following the closure of two distillation units due to a fire and lack of essential raw materials, according to Fars news agency.

Due to U.S. oil sanctions imposed in 2019, the Venezuelan oil sector has faced technical and engineering limitations, resulting in shutdowns. The situation can provide Iranian engineers with a chance to engage in the revitalization of Venezuela's oil industry, including the restoration of the Paraguana refinery and Iran's oil exports.

Over the past two years, Iran's presence in 17 overseas refineries has been raised. So, it contributes to the revitalization of the partially active extraterritorial refineries by offering technical and engineering services and taking a stake in them. As a result of the revival,

the country then exports its own oil in accordance with the increased capacity.

Among the projects, the reconstruction of the 140,000-barrel El-Palito refinery in Venezuela is in its final stages of completion.

Before the arrival of Iranian engineers, the refinery had a mere 10,000 barrels-per-day capacity. From the beginning of the previous Iranian year (started March 21, 2022) a contract valued at €110 million was inked between the National Iranian Engineering Construction Company and the Venezuelan oil firm.

Two years after the contract was signed, the

El-Palito refinery is now operating at its full capacity, resulting in a daily oil export volume of 100,000 barrels for Iran. The successful execution of this project offers valuable insights for Iran's participation in other refinery reconstruction initiatives in Venezuela, such as the Paraguana refinery.

Currently, the Paraguana crude oil refinery complex in Venezuela, consisting of Cardon refinery, Amuay refinery, and Grande refinery, is running at less than 10% of its potential capacity due to a shortage of technical equipment. By renovating and restoring 90% of this complex's capacity, equivalent to over 860,000 barrels of oil, Iran

could have the capability to export roughly one million barrels of its own oil to Venezuela every day.

Presently, Iran is exporting around 1.2 million barrels, out of its total oil export capacity of 2.2 million barrels, to China. By reviving the Paraguana refinery and increasing Iran's current oil exports to Venezuela by 860,000 barrels, it will raise Iran's total oil exports by approximately one million barrels.

Iran's daily average oil exports to China during the first 10 months of 2023 have reached 1.235 million barrels, marking an 84% increase compared to the same period last year, according to Kpler.

