

US refuses waiver over IP gas pipeline

The Pakistan-Iran gas pipeline project has reportedly been delayed as the US has expressed concern about the project and refused to waive the sanctions imposed on Iran. According to local sources, Pakistan has approached the US for a waiver to resume the Iran-Pak gas pipeline project, but the US refused to give any concession. Washington has also expressed its concern about this project, arnews.tv reported. The project began in 2013, but several deadlines have already been missed, with Islamabad citing the threat of US economic sanctions. There was a deadline of March this year to complete Pakistan's part of the gas pipeline project, and if Pakistan does not start the project by March, it would have to pay a fine of \$18 billion. Sources claimed that after the United States' refusal, Pakistan has made it clear to Iran that Pakistan wants to complete this project, but due to the sanctions, this project cannot be completed. Pakistan asked Iran to extend the March deadline in view of the current situation.

According to the agreement, Iran has prepared a 700-mile-long pipeline for its part, while in Pakistan, a 500-mile-long pipeline has been prepared and will go to Balochistan and Sindh. Pakistan's Energy Minister Muhammad Ali said work on 80 kilometers of the pipeline in the Pakistani territory would be carried out, adding that it would take around 1.5 years to complete the pipeline project in the Pakistani territory.

Twelve dams in Iran hold over 75% of water capacity

Twelve dams in Iran currently hold over 75% of their water capacity, with 46% of the total capacity filled since the start of the new water year (Sept. 23, 2023, to Sept. 21, 2024), according to the latest data. The water inflow to the dams until March 2 amounts to 11.68 billion cubic meters, marking a 12% decrease from last year's 13.3 billion cubic meters, ISNA reported. Moreover, the water outflow from the dams' reservoirs on this date is noted at 10.5 billion cubic meters, reflecting a 21% increase from the previous year's 8.71 billion cubic meters. Currently, the reservoirs hold 22.88 billion cubic meters of water, which is 3% less than last year, resulting in 46% of total capacity filled.

Iran-Syria Joint Chamber of Commerce:

ICB approves establishing Iran-Syria joint bank

Economy Desk

The Central Bank of Iran has approved the establishment of a joint bank with Syria, said the vice president of the Iran-Syria Joint Chamber of Commerce on Sunday. Announcing this during a conference introducing opportunities to access the Syrian market, Ali Asghar Zebardast emphasized that agreements between Iran and Syria are made by the governments, and executed by the private sector, IRNA reported. By outlining the obstacles to enhancing trade between the two countries, he pointed out that the primary challenge lies in financial transactions. The official said that the Central Bank of Iran has approved the establishment of a joint bank, adding, "Syria's bank should cooperate more in this regard, and we hope that the necessary instructions are given by the authorities".

Meanwhile, the head of the West Asia Office of the International Trade Centre said the establishment of the joint bank is currently going through its initial stages, following the joint committee meeting held two months ago. Expert work will be carried out in the coming months and information will be provided, Abdolmir Reyhavi said, according to ISNA. He expressed hope that the joint bank will start its work next Iranian year, which begins on March 20. According to the official, Iran's trade volume with Syria is very low; to the extent that the trade between the two countries was equivalent to \$245 million in the past Iranian year. He said that the country's target for next year is to export at least \$500 million to Syria. In the first 10 months of this year (began on March 21, 2023), the trade exchanges between the two countries included \$120



million in Iranian exports, and \$34 million in imports. However, this trade volume is not satisfactory for Iran,

Reyhavi said. Referring to the Free Trade Agreement signed in 2012, he said that the agreement

will pave the way for the development of trade between the two countries, adding that the establish-

ment of a joint bank in Syria is one of the facilities that will be available to traders.

Prioritizing North-South project, crucial for Iran amid rapidly reshaped corridors



By Zohreh Qanadi
Staff writer

PERSPECTIVE

The giant and fast-growing economies of Asia, notably China and India, need to expand trade links to the West. At the G20 summit in New Delhi in September, India announced the India-Middle East-Europe Corridor (IMEC). Backed by the US, EU, and Middle Eastern countries such as Saudi Arabia, IMEC is a proposed ship and rail corridor that would connect India, the world's fifth-largest economy, to the Middle East and Europe. The corridor offers an alternative trans-regional commercial transportation route to the International North-South Transit Corridor (INSTC) based in Chabahar. Instead of Chabahar in the southeast of Iran, the ports of the UAE - India's third-largest trading partner - would act as the Indian Ocean connectivity hub. From Mumbai, Indian goods shipped via this multi-modal route could arrive on the European mainland in as little as 10 days, 40 percent faster than via the Suez Canal maritime route. The Arab-Mediterranean corridor connects the western shores of India (ports of Mumbai and Jawaharlal Nehru), Jebel Ali Port (UAE), Saudi Arabia, Jordan, Haifa Port (Israeli occupation regime), and Piraeus Port (Greece) to

Europe via the Mediterranean Sea. The architecture of this new connection has its roots in the normalization of diplomatic ties between the United Arab Emirates and Israel in 2020, or the Abraham Accords, which has led to their rail connection through Saudi Arabia and Jordan. Saudi Arabia has already committed to investing \$20 billion in IMEC, much of it

itary forces supporting war-torn Palestinians. The project's future is now somewhat uncertain, but the participation of Arab countries in the Persian Gulf region to establish an independent land route for Israel to secure its commercial routes from Houthi attacks in the Bab el-Mandeb Strait has brought its land route components closer to being operational. And India also is deter-

mined to activate this ambitious venture. Iran, strategically positioned at the crossroads between Europe and Asia, with its access to open seas, stands to gain significantly. Given the proposal of the IMEC, it is crucial for Iran to prioritize activating the North-South corridor, emphasizing the impor-

less, sanctions impede government funding for the North-South corridor infrastructure, notably Chabahar port. To tackle this, adopting public-private partnerships and involving the non-governmental sector, especially through joint-stock public projects, could be a viable policy.

The International North-South Transport Corridor passing through Iran saves nearly two weeks of travel time and is also an alternative to the traditional deep-sea Suez Canal route. It is the focus of geostrategic and economic diplomacy, primarily for India, Russia, and Iran. Even so, India turns its gaze to the new Arab-Med corridor instead of INSTC. It should be mentioned that the US anti-Iran sanctions have remained a major factor behind the country's exclusion from the trade crossings. The commercial-geostrategic importance of the Chabahar port crossing to the trade crossings. After the withdrawal of the US from the Joint Comprehensive Plan of Action (JCPOA), commonly known as the Iran nuclear deal, the development process of the port and railway routes leading to Afghanistan were disrupted. To be fair, the policies cannot be seen as anything other than meeting the countries' geopolitical and geoeconomic needs. States strive to establish the shortest, fastest, and most cost-effective routes, addressing both economic and political considerations. Uncertainties caused by the sanctions as well as India's extensive economic ties with the UAE, Saudi Arabia, Jordan, and Israel, and their economic integration into the global economy have been effective in India's preference.

But with Russia, more than ever, in confrontation with the West, and with the European transport networks getting closed off, the North-South corridor is also essential for Moscow to expand its trade network. Iran should grasp this opportunity. Iran-Russia cooperation on building a new North-South trade route is an example of this effort. Furthermore, the Iranian government must acknowledge that the Chabahar port project still holds priority over ITEC. As highlighted by Iranian economic expert Mehdi Karimi's analysis on ISNA, "While the Arab-Mediterranean corridor provides India access to European markets without passing through Iran, Azerbaijan, and Russia, it fails to address all of India's economic concerns and needs. Central Asian countries, with their developing economies, emerge as fitting trade destinations for India." Conversely, the conflict between Russia and Ukraine and Western sanctions against Moscow have driven Russia towards new markets, with China, India, and Iran leading the way. The strategic advantage of the transit route through Iran for India to reach the markets of Central Asia, Russia, Afghanistan, and the South Caucasus is undeniable. India's concerns are eased by Iran's sole oceanic port, the port of Chabahar.



on the rail network. However, it seems that IMEC's fate is now tied to how the five-month Gaza war develops, given the level of cooperation the project would require between Israel and Arab states. The war has halted progress on IMEC, along with attacks on vessels in the Red Sea by Yemen's mil-

itary forces supporting war-torn Palestinians. The project's future is now somewhat uncertain, but the participation of Arab countries in the Persian Gulf region to establish an independent land route for Israel to secure its commercial routes from Houthi attacks in the Bab el-Mandeb Strait has brought its land route components closer to being operational. And India also is deter-

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