

China-Iran, Iran-China container trains relaunched



China-Iran and Iran-China container trains were relaunched in the Aprin Dry Port, located in Islamshahr, southwestern Tehran on Sunday.

The formal ceremony was attended by Head of the Islamic Republic of Iran Railways (RAI) Mi'ad Salehi, the Deputy Ambassador of Kazakhstan, the Ambassador of Turkmenistan, IRNA reported.

Salehi described Iran as a fast and safe way to transport consignments from China to the European Union. During the inauguration ceremony, the first phase of the China-Iran-Europe railway corridor was put into operation.

The container trains will travel via friendly and neighboring countries of Kazakhstan and Turkmenistan, bound for China, said Salehi.

The Chinese container train headed to Iran around 10 days ago, the RAI chief said, adding that the trains will be exchanged at the Incheh Boroun Border Terminal.

Iran enters into several monetary pacts as part of de-dollarization policy

Economic Desk

Iran's Acting president Mohammad Mokhber said on Sunday that the country has struck monetary agreements with several countries in line with its de-dollarization policy.

While initially encountering significant challenges in the current government's foreign interactions, we successfully negotiated monetary agreements with multiple countries. These agreements will play a crucial role in decreasing the dependency on dollar transactions in the country's economic activities, he told the annual meeting of the general assembly of the Central Bank of Iran (CBI).

"With the improvement of the country's regional and international interactions, a suitable ground has been created for attracting foreign investment in Iran, but the importance and necessity of this issue should not lead to neglecting the attraction of domestic investments," he said. Addressing the conference, CBI Governor Mohammad Reza Farzin referred to the country's five-percent growth rate in the past year, adding, "With the measures taken, the growth rate of liquidity, money supply, and monetary base has bounced back to long-term trends with a downward trajectory, and consumer and producer inflation has been controlled with a consistent decreasing trend."

"According to preliminary information from the Central Bank, the



Iran's Acting President Mohammad Mokhber addresses the annual meeting of the general assembly of the Central Bank of Iran (CBI) in Tehran on July 21, 2024.
● ASGHAR KHAMSEH/IRNA

Gini coefficient reached its lowest level in the past decade at 0.3614 last year," Farzin said. He said that, "Foreign exchange market management has been carried out in a way that the lowest level of exchange rate fluctuations in recent years was recorded last year."

The CBI head also said that economic growth at constant prices excluding oil reached 3.6%, which after a period of low growth, shows the government's success in implementing economic programs.

Referring to the World Bank's report on the economic growth of regional countries in 2023, he stated, "The 5-percent economic growth of the country in the past year indicates the highest growth among regional countries, which despite shocks resulting from regional military and security developments, managed to achieve significant economic growth." Farzin said the bank provided \$68.329 billion last year and \$19.794 billion from March 20 to July 13 this year, the required

foreign exchange for the country. Farzin said that the CBI supplied \$68.329 billion last year and \$19.794 billion from March 20 to July 13 this year, meeting the country's foreign exchange needs. "This allocation and provision of foreign exchange has been done in the shortest possible time with the coordination of relevant ministries and organizations, which made economic actors more confident to engage in their commercial and business activities," he added.

Pointing to the increasing trend of the country's foreign exchange reserves, Farzin said, "With monetary and banking diplomacy and increasing oil and gas revenues, both the quantity and quality of the country's foreign exchange reserves have increased, and contrary to incorrect criticisms and statements, the CBI has never used the country's foreign exchange reserves and currency distribution to regulate the exchange market, including in the current period."

Pension harmonization plan ...

The primary goal is to increase retirees' pensions to at least 90% of the current year's minimum wage compared to their initial pensions. The measure is particularly important for those who have faced greater financial difficulties in recent years. The plan is being pursued in various stages, with serious efforts being underway. The deputy for Insurance and the Social Security Organization has announced that new harmonization directives will be issued soon. It is expected that with the full implementation of this plan in the coming months, positive impacts on retirees' living conditions will be observed. Additionally, this initiative can help alleviate financial problems and improve the quality of life for this age group. However, insufficient funding could delay the implementation of the program and reduce service quality. Lack of adequate financial resources pressures project managers into making tough decisions that may ultimately prevent achieving the initial goals. Overcoming this challenge requires careful planning and transparency regarding available financial resources, as well as attracting investors and financial supporters. Bureaucracy is another serious obstacle in the path of pension harmonization. Complex administrative processes and the need to obtain multiple permits can take ample time and resources from executive teams. This issue not only negatively impacts project costs but can also affect team morale.

To improve sustainable development plans, establishing stable financial resources is crucial. These financial resources can be secured through innovative financial mechanisms such as social investments and leveraging local resources. For example, utilizing local capacities like small investors and local institutions can be beneficial. This approach not only helps finance projects but also reduces dependence on foreign aid. Furthermore, continuous and predictable funding enables institutions to execute their plans with greater confidence. Therefore, investing in sustainable projects and garnering financial support from the private sector can be an effective strategy in this context.

Chinese firms seek safe investment in Iran: *Envoy*

Economic Desk

Chinese Ambassador to Iran Cong Peiwu has announced that Chinese firms are interested to invest in Iran providing that a transparent and secure atmosphere is ensured.

In a meeting with the Iranian media delegation that recently traveled to China's Qinghai Province, the ambassador stated that Chinese companies are eager to invest in Iran, however, they seek a transparent and stable investment environment. The presence of these companies in Iran benefits not only China but also Iran, he added.

Peiwu also said that Iran's participation in Chinese ex-

hibitions is reaching record levels, and large Chinese companies are actively participating in various Iranian exhibitions, such as those focused on oil and auto parts.

The envoy emphasized the role of private companies, stating that during China's modernization process, the country's Open-Door policy is becoming more expansive, creating greater opportunities for the relations between the two countries. He added that for several consecutive years, China has been Iran's largest trading partner and is one of the most important destinations for Iranian exports. The volume of trade between China and Iran

exceeds the trade volume Iran has with all European countries combined.

Peiwu said that the comprehensive 25-year cooperation document between Iran and China could play a positive role in the relations of the two countries, a role that will become evident in the near future. The two sides signed the landmark 25-year partnership agreement in March 2021 in a bid to strengthen their long-standing economic and political alliance. The deal sets the outlines of Sino-Iranian cooperation in political, cultural, security, defense, regional, and international domains for the period in question. Referring to the collabora-

tion between the two countries under this comprehensive strategic document, the ambassador said that Chinese President Xi Jinping, in his congratulatory message to Iran's newly elected President Massoud Pezeshkian, explicitly expressed a desire to work with Iran and deepen the comprehensive partnership between the two countries. The Iranian president-elect welcomed this and outlined Iran's foreign policy, emphasizing that he cherishes the traditional friendship between the two countries. Peiwu commented on the fate of the 25-year agreement following Donald Trump's ascension to power in the United States, stating,

"We are always opposed to some Americans using China's relationship with Iran as a pretext during the electoral process." He emphasized the need for strong confidence in facing external challenges and the importance of executing plans. The envoy believes that through joint efforts between China and the new government in Iran, a bright outlook for this program can be achieved. Peiwu noted that cooperation between the two countries on regional and international issues has increased, allowing them to continue their collaboration within the frameworks of the Shanghai Cooperation Organization and BRICS.

Parts of Iran-India deal on Chabahar Port made confidential: *Official*

Head of Iran's Ports and Maritime Organization said parts of a new agreement with India to develop the southeastern port of Chabahar have been made confidential in a bid to avoid problems that could be caused by US sanctions. "The contract with the Indian operator is not confidential but we have made some of its aspects confidential," Ali Akbar Safaei told ILNA on Saturday. Safaei made the comments days after a press conference where he refused to

publicize details about the future activities of the Indian operator in Chabahar, Press TV reported. He said the possibility exists that India may come under pressure by the US if details of the contract on Chabahar are disclosed to the media. Iran and India signed a deal in May under which the India Ports Global (IPGL) company is allowed to develop and control Chabahar for 10 years. Chabahar is located on Iran's coast along the Sea of Oman and is the country's only

ocean port. It is regarded as a major trade link between the Indian Ocean and Afghanistan and landlocked countries in the Central Asia region. India seeks to develop Chabahar as a rival to the Chinese-funded Pakistani Gwadar and Karachi ports. The IPGL has already invested \$85m on gantry cranes in Chabahar under a previous agreement whereby it was supposed to provide some \$250m in investment. That comes as the new agreement has raised the

value of investment by the Indian side to \$370m. Iran has its own plants to develop other terminals in Chabahar while it has invest-

ed hundreds of millions on building a railway between the port and the provincial capital of Zahedan near the border with Afghanistan.

