

Iran seeks to gain observer status at Eurasian Economic Union



Iran submitted a request to gain the status of an observer state at the Eurasian Economic Union (EAEU), Kazinform News Agency quoted the EAEU's press service. Iran's request to gain observer status at the Eurasian Economic Union was considered at the EAEU headquarters, the statement read.

The consultations were held on August 19 via videoconferencing under the chairmanship of EEC Minister in Charge for Integration and Macroeconomics Sergey Glazyev.

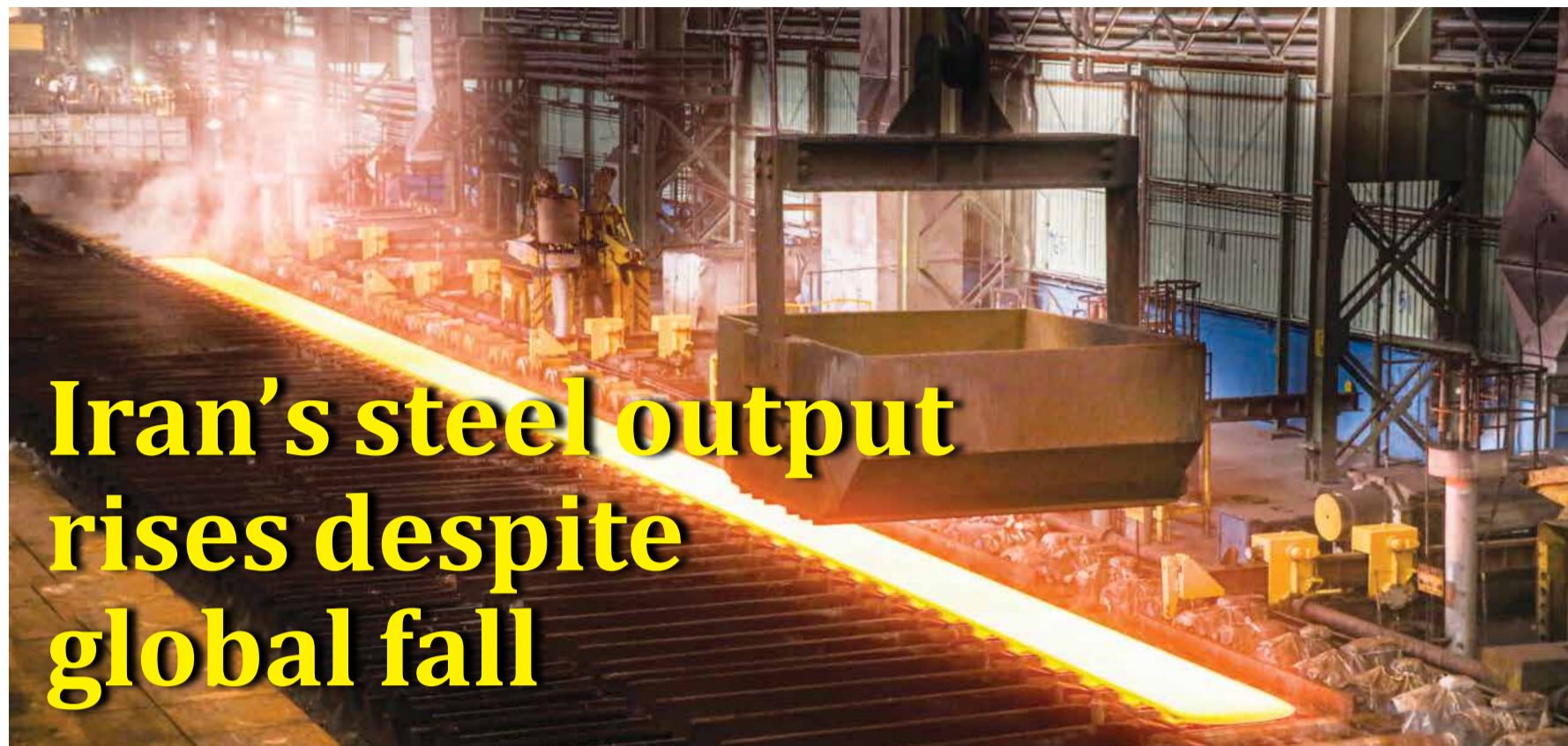
Deputy foreign ministers represented the EAEU member states. The Iranian delegation was led by the Director General for Multilateral Economic Cooperation, Ministry of Foreign Affairs of the Islamic Republic of Iran Jalaleddin Alavi Sabzevari.

Those present noted the progressive development of trade and economic cooperation between the EAEU member states and Iran and hailed the country's initiative to get observer status at the EAEU by the Resolution on the Observer State.

The decision on granting the observer status is taken by the EAEU Heads of State at the meeting of the Supreme Eurasian Economic Council. The council convenes at least once a year. The last meeting took place on May 8, 2024.

A free trade agreement between the EAEU member states and Iran was signed last year on the sidelines of the meeting of the council in Saint Petersburg.

Moldova, Uzbekistan and Cuba were granted observer status at the EAEU.



Iran's steel output rises despite global fall

Iran's steel output rose in the seven months to July despite a global fall in production and despite power cuts imposed on steel producers in the country this summer. Figures released by the World Steel Association ([worldsteel](http://worldsteel.org)) showed that Iran had produced 18.4 million metric tons (mt) of raw steel in January-July, up 2.9% from the same period last year,

Press TV reported.

Iran remained the 10th largest steel supplier in the world in the seven months to July, the figures showed, which also indicated that total steel output by seven major steel producing nations of the world had dropped by 0.7% over the same period.

The increased Iranian steel output comes despite the fact that in-

dustries in the country have been grappling with reduced electricity supplies in recent months.

The Iranian Energy Ministry cut power supplies to major steel mills in mid-summer as it was facing rising demand for cooling in the country's household sector. That has caused concerns across an industry which has thrived in recent years by increasing its ex-

ports and creating more jobs.

Worldsteel figures, which partly relies on data supplied by Iran's state metals and mining company IMIDRO, showed that Iran's steel output had dropped by 18.7% year on year in July to reach 1.8 million mt.

However, the output accounted for nearly a half or 48.6% of the total steel production in the West

Asia region which includes Iran and seven Arab steel producing countries.

The fall in Iran's steel output in July was the largest recorded among 71 steel producing countries, according to the worldsteel data which showed that Brazil had reported a 11.6% rise in production in the same month, the largest among all producers.

Araghchi's reality check ...

This brings to light, more than ever, the prediction [Page 1 >](#) made by former foreign minister Mohammad Javad Zarif, who, in the final days of his term in 2021, told reporters: "If these gentlemen can get two pages of an agreement down on paper, I will bow to them and kiss their hands."

Now, one can say with more conviction that it would have been for the best if the JCPOA had been resuscitated during the final months of Rouhani's administration through talks with Joe Biden's administration, and if the interactions between Iran and the US under Donald Trump's presidency had borne fruit, Trump would not pull the plug on the

JCPOA in 2018.

It is also important to note that the Conservatives and Raisi's administration, during their three years at the helm (2021-2024), not only did not cast the JCPOA aside but also tried to bring it back from the dead, albeit to no avail, and they could not even come up with a replacement. While the Conservatives were successful in doing damage to the JCPOA, they fell short of coming up with a bare-minimum alternative plan.

Araghchi's straight talk about the "impossibility of reviving the JCPOA" will have the following implications and takeaways:

Knowing the real deal and what the future holds for the JCPOA is, in and of itself,

an achievement, especially in Iranian society, where people are often kept in the dark about the simplest and most obvious issues, let alone complex foreign policy matters that are shrouded in ambiguity and subject to various and conflicting information, making it unlikely even for those involved in foreign policy to have a clear picture of the situation.

Giving people the straight scoop about the country's crucial and destiny-making issues is the first step in the right direction toward deciding on the next steps.

Being aware of the reality of the JCPOA stops people from beating a dead horse and opens the way for seeking other solutions.

Getting the issue of key sanc-

tions against Iran off the ground hinges on resolving the nuclear issue. The nuclear issue, in turn, can be resolved through negotiations, which have proven successful in the past but were ultimately thrown a spanner in the works. Now, with the knowledge of the JCPOA's fate, new and up-to-date negotiations should be resumed. However, given the fate of the JCPOA, any new agreement with the US is expected to run into strange challenges and difficulties. Nonetheless, the prospect of entering into new negotiations for a new agreement is a step in the right direction. Developments in Iran, such as drawing various red lines and blocking the path to reviving the JCPOA through the parliament's nuclear law, along with external developments, including Trump's withdrawal from

the JCPOA and his pressure, the Ukraine and Gaza conflicts, and the US election, have pushed the issue of resolving Iran's nuclear program down the list of priorities for global powers. These developments have also brought the revival and functionality of the JCPOA to a grinding halt.

The JCPOA, in its current bare-minimum form, has three upsides for Iran. First off, it stops current EU sanctions dead in their tracks and keeps any new sanctions by the EU against Iran from kicking in. Secondly, it does the same for UN Security Council sanctions against Iran. And thirdly, during the Biden administration, it established a relative ceasefire between Iran and the US on certain issues. For example, the US held off on fully enforcing oil sanctions against Iran to let Iran's oil

exports to China go ahead. On top of that, many unilateral sanctions imposed by other countries against Iran in connection with Tehran's nuclear program were suspended following the JCPOA and are still suspended. Any new nuclear agreement between Iran and the US should tick these three boxes, at the very least.

Nevertheless, Iran is facing severe sanctions, and getting these sanctions lifted is one of Iran's top priorities, even if it is not a priority for the region, Europe, or the US. Araghchi has said, "If we can get the sanctions lifted, we will not put it off for even an hour."

Getting new negotiations off the ground based on a new plan for a new agreement, with the aim of resolving the nuclear issue and lifting related sanctions, is a priority that needs to be addressed today rather than tomorrow.

Iran registers major increase in agricultural exports

Iran's customs office (IRICA) figures show the country's agricultural exports rose significantly in the five months to late August compared to the same period last year.

IRICA figures published on Saturday showed that Iran had exported \$1.453 billion worth of agricultural products in the five months to August 21, up by 33% from the same period in 2023, Press TV wrote.

The figures showed that shipments had increased by 22% in volume terms to reach 2.657 million metric tons (mt) over the April-August period. Pistachio topped the list of main Iranian agricultural products exports with some \$352 million worth of shipments, followed by tomatoes at \$177 million and apples at \$111 million, showed the figures.

The IRICA said that greenhouse-grown pepper, orange, pistachio, apple and lettuce ship-

ments had shown the highest rise in exports in April-August compared to the same period last year. That came against a 53% drop in the exports of saffron from Iran, it said, adding that exports of various types of peach and watermelon had also declined by around 15%. Iran has seen a significant increase in its agricultural exports in recent years thanks to a more generous government support for the sector and the difference between prices of crops in local and regional markets.

Higher exports have led to increased activity and more jobs in Iran's agriculture sector while it has also led to better development for the country's rural regions.

Government figures released in July showed that Iran's agricultural output had reached 131 million mt by the end of the calendar year to March 20, up from 110 million mt reported in the previous year. According to statistics, agricul-

tural products account for 32% of overall Iranian exports. Almost 80% of the country's rural population makes a living through agriculture. This means Iran enjoys a very suitable capacity for the production and export of agricultural products.

Exporting agricultural and livestock items is one of the most profitable types of business with a high profit margin.

Last year, Iran exported \$6.2 billion worth of agricultural products, 31.5% of which went to Iraq, 11.9% to the United Arab Emirates and 8.3% to Russia. Pakistan, Afghanistan, India, China, Turkey, Turkmenistan and Azerbaijan ranked next, where more than 83% of Iran's export goods headed to these 10 countries.

According to the Research Institute for Planning, Agricultural Economy and Rural Development, the average value of each kilo of agricultural export goods rose by

10.3% from 67 cents in 2022 to 74 cents in 2023, while the figure for imported goods fell by 4.5% from 73 cents to 70 cents during the same period.

Watermelons, apples, tomatoes, potatoes, garlic and onions were the five main export items in terms of weight and pistachios, apples, dates, tomatoes and milk powder were the five main export items in terms of value last year. Agricultural products, along with oil, caviar, hand-woven carpets, were once key Iranian export items. But a multilayered sanctions regime imposed over years has taken a toll on long-distance exports mostly destined for the US and Europe.

As a result, the export of traditional Persian rugs from Iran, a market which once exceeded \$2 billion, has plummeted, so has the sales of pistachios, the popular nibble which was once Iran's main export commodity outside the oil

sector, earning it more than \$1 billion once and providing many people with jobs in an arid area such as the southeastern province of Kerman. The delicacy had even its customers in the United States where it was allowed along with Iranian caviar, saffron and carpets for limited business. But in what was characterized as a pistachio war, the US government settled for a 300 percent tariff on Iranian pistachio imports back in 1986, which helped American growers dominate the local market and then turn their attention to Iran's clients elsewhere.

The situation has left Iran to chart out its presence in the neighboring markets. Some of the most important agricultural and horticultural products of Iran for export to neighboring markets are oranges, raisin, citrus fruits and vegetables, high-quality kiwifruit, potatoes, peanuts, rice, dates and grapes. Iranian honey, pomegranates,

carrots, cucumbers and olives have also a legion of customers in neighboring countries and beyond. Iran's climatic conditions and geographical location allow it to produce a variety of high-quality agricultural products, which in addition to providing for foreign exchange earnings enable the country to improve its food security and economic resilience limits. What is needed now is to move towards the specialization of all selected products with relative export advantage. In other words, Iran has to set out long-term plans for promotion of its exports in the world market.

Given the export capacities of Iran's agriculture sector, the country is best advised to initiate long-term contracts for continuous production and export policies and their implementation in the target markets in order to increase the export share of its selected agricultural products.