

Non-oil exports to Russia up by 12%



Economy Desk

Iran's non-oil exports to Russia posted a considerable rise, with a 12% surge in value and a 20% jump in weight during the first six months of the Iranian calendar year (March 20 - September 21), compared to the same period last year, the Islamic Republic Customs Administration (IRCA) said on Sunday.

The IRCA latest figures showed that Iran's non-oil exports to Russia raked in \$494 million and tipped the scales at 1.3 million metric tons in first half of the year, IRNA reported. Greenhouse pepper, polystyrene, and unshelled pistachios were as the top export earners, accounting for 5.9%, 5.8%, and 4.9% of the total export value during the time-span.

The IRCA report also pointed out that the Astara customs office in the northwest handled 32% of the total exports which made it the busiest customs point for trade with Russia.

Meanwhile, foreign transit from Russia picked up steam, with a 17% increase weight-wise in the first half, totaling 526,000 metric tons. However, transit to Russia has taken a hit, plummeting 18% to 56,000 metric tons during the same period.

Iran censures US sanctions on energy sector as 'ransom' to Israel

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Iran's Foreign Ministry spokesman condemned on Sunday the new round of US sanctions targeting the country's oil industry as a "ransom" to the Israeli regime following the Islamic Republic's retaliatory operation against the occupied territories earlier in the month.

Esmail Baghaei said in a statement that the bans are "illegal and unjustified" after the US Treasury Department slapped Iran with a spate of new sanctions on a number of companies in the country's oil and petrochemical industry as a response to Tehran's October 1 attack against Tel Aviv.

Baghaei underscored Iran's missile operation as a legal action under international law and in line with the exercise of the inherent right of self-defense.

The Foreign Ministry spokesman censured the US move to impose sanctions against several companies and ships over what Washington claimed to be involve-

ment in the transfer of Iranian oil products, and termed it as a "form of ransom to the rogue Israeli regime."

"Imposing sanctions against the Islamic Republic of Iran under the guise of supporting the Zionist regime, besides creating the international responsibility for the US government, will make the occupying regime more aggressive to continue killing innocents and pose a threat to the peace and security of the region and the world," he said.

"The US regime's addiction to the policy of threats and maximum pressure against the Iranian people will not affect the will of the Islamic Republic of Iran to defend its sovereignty, territorial integrity, national interests, and its citizens against any violation and foreign aggression," Baghaei added.

The US Treasury Department on Friday designated 10 companies and 17 vessels as blocked property, claiming they were involved in shipments of Iranian oil and petrochemical products.



Esmail Baghaei

The department said that the sanctions are designed to intensify financial pressure on Iran, including by limiting its ability to earn the energy revenue it uses to help resistance movements across West Asia.

On October 1, Iran launched a barrage of missiles toward the Zionist entity's military intelligence and spying bases over the regime's recent acts of aggression. Dubbed Operation True Prom-

ise 2, the daring attack came in response to the regime's assassinations of Hamas's chief Ismail Haniyeh, Hezbollah's leader Sayyed Hassan Nasrallah, and IRGC commander Abbas Nilforoushan.

Domestic firm raises output at Jufeyr oilfield



Oil production has further increased in an Iranian oilfield where a domestic company has been in charge of develop-

ment works for the past couple of years, Press TV reported. CEO of Pasargad Energy Development Company (PEDC) said

on Saturday that the firm had launched a sixth well at Jufeyr oilfield in Iran's southwestern province of Khuzestan.

Ahmad Mohammadi said that the new well will increase oil production at Jufeyr by 3,000 barrels per day (bpd).

Mohammadi said production from the new well will increase by another 1,000 bpd in the very near future, adding that the technicians were working to stabilize output from the well.

He said the company had mostly relied on equipment sourced from domestic suppliers to make the well oper-

ational.

The increase in production at Jufeyr comes more than seven months after the PEDC, a subsidiary of Iran's Bank Pasargad, started pumping 50,000 bpd of oil from the field.

Jufeyr is located just 30 kilometers from Azadegan, the largest of several oil reserves to the west of Karun River which are shared between Iran and Iraq.

Iran has introduced plans to ramp up output from oilfields shared with Iraq as the Arab country continues to invest heavily on its side of the oil reserve.

The expansion of production at Jufeyr comes amid Iran's growing efforts to rely more on domestic technology and know-how to develop its giant petroleum industry amid sanctions that restrict the presence of foreign companies in the sector.

Domestic contractors have been in charge of development works at oil and gas fields across Iran, especially in the oil-rich Khuzestan and in various phases of the South Pars, the world's largest gas field which straddles the Iran-Qatar maritime border in the Persian Gulf.

Biden's sanctions on ...

The monthly jump indicated that those sanctions were whatsoever able to stem the flow of Iranian crude.

The latest round of bans is unlikely to put the brakes on Iran's oil sales and is expected to suffer a similar fate for a string of reasons. According to former Iranian oil minister Javad Owji, Iran delivers crude oil and condensate to 17 countries, including clients in Europe. However, China appears to be the largest buyer, accounting for more than 90% of Iran's exports.

Small, private refineries in eastern China, known as "teapots," are the main customers of Iranian oil. The teapots stepped in to fill the gap left by China's state-owned energy giants, which had dropped out of the Iranian oil trade in 2018, fearing US reprisals in the wake of sanctions on the Iranian petroleum industry. The tiny refineries operate outside of the US financial

jurisdiction and have nothing to do with it. Therefore, they are unfazed by the threat of US penalties. Moreover, the generous discounts that Iran offers to its oil buyers - although a few dollars per barrel according to Iranian officials - always tempt them to take on the risk in order to benefit from Iran's relatively cheap oil. According to Tanker Trackers, a website focused on the oil trade at sea, around 400 vessels, known as the "ghost fleet" are involved in carrying Iranian fuel to its customers to circumvent the illegal sanctions. How can the US blacklisting of 23 of them interrupt the Iranian oil business?

Moreover, the penalties levied on non-complying tankers are limited to a two-year ban on entering US ports, which cannot be a major deterrent given that many of these vessels are already operating outside of the US sphere of influence. In fact, since Russia and Venezuela, two of the

world's largest oil producers, are also subject to US sanctions, there are millions of barrels of sanctioned oil available for transportation every day, ensuring that the so-called "ghost fleet" will always have a steady supply of oil to deliver and will never sit idle.

Let's assume that the US is genuine in cracking down on tankers carrying Iranian oil. If this is the case, the US faces a daunting task in identifying ghost tankers as they often switch off their transponders to go unnoticed. That's why they are also called the "dark fleet." They go dark by turning off the automatic identification systems (AIS), which provide locations of vessels, to avoid being tracked.

To throw anyone off their trail, dark vessels also often offload their Iranian crude onto another tanker in the middle of the ocean to blend it with that ship's cargo to conceal its origin. The ship-to-ship tactic usually takes place off the United Arab

Emirates, Oman, Malaysia, and Singapore.

It can be inferred that the Biden administration is only going through the motions with its sanctions and is just trying to give the impression that it is tough on Iran while actually having no intention of seriously blocking the country's "illicit" oil trade.

The loss of Iranian oil from the market in an election year when Biden's Vice President Kamala Harris is going to lock horns with the architect of Iranian oil sanctions, Donald Trump, could lead to a spike in oil and by extension a hike in gasoline prices in the US. This is the last thing the Democratic camp wants, as it is highly unpopular with American voters and could cost them a significant number of votes on November 5.

It is no surprise that Biden came out strongly against the idea of Israel striking Iran's oil infrastructure in retaliation for the October 1 missile attack.

Gov't to double tax exemption for small businesses

Economy Desk

The Iranian government plans to double income tax exemption for small businesses, Economy Minister Abdolnaser Hemmati said on Sunday.

Hemmati wrote on his X

account that small businesses with an annual income of 2 billion rials (around \$3,330) would be exempted from paying taxes in the coming Persian calendar year stating on March 21, 2025.

The new threshold will be

included in the next year's budget plan which will become law once it clears Parliament. Hemmati said the tax break was a fulfillment of President Masoud Pezeshkian's campaign promise to shore up small businesses.

Mohammad Ali Rajabi
Cartoonist

