

Tehran, Doha to connect power grids via undersea cable

Economy Desk

The CEO of Tavanir, Iran's state electricity company, announced on Saturday that measures are underway to establish an undersea power connection with Qatar. Mostafa Rajabi-Mashhadi stated that a virtual meeting was held last week, as an in-person meeting is scheduled to take place in Qatar within the next month to finalize technical studies to begin operational work. Talking to ILNA, the official discussed the strategic importance of synchronizing Iran's power grid with Russia and Azerbaijan, noting that Iran currently imports 500 megawatts of electricity from Turkmenistan and Armenia during the winter and has agreements, known as AIR and AGIR, with Azerbaijan and Russia to receive up to 300 megawatts. Rajabi-Mashhadi highlighted that although Iran has never imported electricity from Azerbaijan during the winter, improved political relations now enable electricity exchange among Iran, Russia, and Azerbaijan. He added that the current 300-megawatt exchange could increase to 1,000 megawatts as transmission lines are expanded. The official also mentioned an upcoming trilateral meeting between the energy ministers of Iran, Russia, and Azerbaijan to further develop electrical connections. Regarding Armenia's recent announcement of its ability to increase electricity exports to Iran by 400 megawatts, Rajabi-Mashhadi explained that this would be possible with the completion of Armenia's third transmission line. He noted that the line is 90% complete and represents a significant step in enhancing energy cooperation between the two countries.

Mohammad Ali Rajabi
Cartoonist



Japan to assist in normalizing Iran's FATF status

Economy Desk

The head of Japan's delegation to the Financial Action Task Force (FATF) announced that Tokyo intends to support the process of normalizing Iran's status and helping it exit the list of high-risk countries for money laundering and terrorist financing. According to a report by IRNA on Saturday, Hadi Khani, the secretary of the High Council for the Prevention and Combating of Money Laundering and Terrorist Financing who also heads Iran's Financial Intelligence Unit, met with Mitsutoshi (Toshi) Kajikawa, the deputy vice minister of

affairs at Japan's Ministry of Finance. Toshi also serves as the head of Japan's delegation to FATF and co-chair of the Asia/Pacific Group (APG) on money laundering. The meeting took place on the sidelines of the 41st Eurasian Group (EAG) Plenary Meeting in Indore, India, which was held on November 25-29. During the meeting, Toshi expressed satisfaction with Iran's progress in combating money laundering and terrorist financing. He stated that Japan is committed to helping normalize Iran's status with FATF and will serve as a voice for Iran's efforts among the G7 nations,

which are the founding members of FATF. Both sides also discussed strategies for sharing knowledge and expertise in areas such as cryptocurrency regulation and combating money laundering and terrorist financing. Iran has taken significant steps toward implementing the FATF's action plan, including passing key legislation to align with international standards on anti-money laundering (AML) and countering the financing of terrorism (CFT). Officials have expressed hope that these measures will improve Iran's standing and facilitate its reintegration into the global financial system.



Soil erosion rate over four times global standard: Minister

Economy Desk

Iran's Agriculture Minister Gholamreza Nouri-Qezeljeh warned that the country's soil erosion rate is approximately 16.5 tons per hectare annually—more than four times the global standard, stressing that reversing this trend is essential for ensuring food security. Speaking at the World Soil Day event in Tehran on Saturday, held under the theme of "Caring for Soils: Measure, Monitor, Manage," the minister highlighted the critical role of soil in food production and emphasized that environmental protection, particularly soil conservation, is included in Iran's Constitution. The minister noted that the law on soil protection, passed by Iran's Parliament in 2019, requires widespread public involvement to succeed. "Public awareness and participation are essential to creating a national commitment to protecting our soil," he said. Nouri-Qezeljeh underscored that soil is the foundation of global food security and stated, "There is no alternative to



protecting our soil." The minister went on to say that a coordination headquarters has been established to ensure the enforcement of the law on soil protection. Nouri-Qezeljeh said that Iran ranks first worldwide in soil conservation (in terms of education, awareness, and advocacy), thanks to efforts made in recent years as he expressed optimism about future soil conservation measures in the country. The minister criticized international sanctions for limiting Iran's access to advanced soil protection technologies, saying, "Sanctions have restricted our access to many of the modern technologies necessary for soil conservation."

Iran's Digital Rial explained from A to Z

Economy Desk

The governor of the Central Bank of Iran (CBI) has announced the imminent launch of the Digital Rial, stating that it is currently in the pilot phase. The CBI has entered this field at the right time, said Mohammadreza Farzin, emphasizing that many countries are developing or researching digital currencies to optimize their financial systems. Iran, too, has engaged in the experimental stage, testing the Digital Rial on the Kish Island. The Digital Rial is already being used in several banks, including Bank Melli Iran, Bank Mellat, and Bank Tejarat. Five more banks are expected to join the project soon. Plans for a digital currency began in 2021, following initial studies and approval from Iran's High Council of Money and Credit. The pre-pilot phase started in early 2022, and a limited pilot phase began in mid-2023. By July 2024, the project expanded to a broader experimental phase, integrating two major banks. The Kish Island has become a key testing ground, where banking customers and tourists can use this digital payment tool.

What is Digital Rial?

The Digital Rial is a Central Bank Digital Currency (CBDC) issued by the Central Bank of Iran. Unlike cryptocurrencies, it is fully regulated by the state and serves as an electronic version of the national currency. The Digital Rial aims to improve financial transparency and efficiency while providing a modern alternative to hard cash. It is not intended for investment purposes but rather to replace banknotes. The CBI envisions transforming hard cash into programmable, smart money through the Digital Rial. Users will exchange their cash for Dig-



ital Rial stored in e-wallets. Unlike traditional cryptocurrencies, the Digital Rial is not decentralized but functions on a private, state-controlled blockchain. Benefits of Digital Rial include cost reduction with minimizing costs for printing and distributing banknotes, and financial transparency with enhanced oversight to combat money laundering and corruption. Economic control is another benefit with improved monetary policy execution and inflation management as well as digital economy growth with facilitating e-commerce and digital financial transactions. Sanctions-proofing which provides an alternative to international payment systems and reduces vulnerability to international bans is a main benefit of the Digital Rial. It has also some challenges and concerns of privacy issues as traceable transactions raise concerns about user privacy. Infrastructure needs of Digital Rial requires robust internet access, which may be limited in rural areas and cybersecurity risks which despite high-level security, risks of hacking and fraud remain. Also, centralized control of the CBI could limit user access in specific situations. Adoption barriers is another challenge for the Digital Rial as public skepticism and lack of familiarity with digital finance may slow adoption.

Iran, India, Afghanistan, Uzbekistan discuss transit via Chabahar Port

Facilitating commercial transactions, as well as the transportation and transit of goods from Chabahar Port, have been reviewed in the third joint working group of Iran, India, Afghanistan and Uzbekistan. According to Ports and Maritime Organization of Iran, the third joint working group was held in Mumbai, India, with the presence of Hossein Shahdadi, the deputy director of port and economic affairs of Chabahar Free Zone, IRNA reported.

The participants discussed the capacity and infrastructure of transportation and the obstacles in this field. Presenting the necessary proposals to facilitate commercial transactions through Chabahar was also on the agenda of the meeting as transportation and transit of goods from the southern port were also discussed. Officials from the Ministry of Ports, Shipping and Waterways of India, along with ambassadors of Uz-



bekistan, Afghanistan, and Indian diplomats attended the event.