

Aref in Almaty: Iran aims to act as effective, reliable partner in region

EAEU members urged to develop joint digital products, AI tools

Economy Desk

First Vice President Mohammad Reza Aref described Iran's observer status in the Eurasian Economic Union (EAEU) as another step toward deepening mutual economic relations and emphasized that this status promises effective participation in the activities of this important economic institution in the region. Speaking at the EAEU Prime Ministers' Meeting in Almaty on Friday, Aref stated that Iran's economic diplomacy increasingly values regional and multilateral mechanisms. He expressed Iran's readiness to expand cooperation in key areas such as energy, new technologies, transit and transportation. Representing Iran for the first time as an observer country, Aref announced that Iran is prepared to support trade interactions within the framework of a free trade agreement. "This includes establishing an Iran-EAEU corridor, providing necessary facilities to streamline trade among the six member countries, and enhancing the transit capacities of southern

ports in the Persian Gulf and the Sea of Oman to connect landlocked member states to global markets."

Also, speaking at the "Almaty Digital 2025" conference on Friday morning, Aref proposed connecting communication infrastructures, integrating digital economy regulations, and collaborating on shared platforms. He also emphasized combatting unilateralism in the digital domain, advancing artificial intelligence, and developing joint digital products and AI tools to leverage the capabilities of EAEU members.

The VP stressed that now is the time for Iran and regional countries to lay the foundations for a new digital and industrial era through unity and cooperation. Aref expressed hope that such meetings would mark the beginning of a new chapter in digital and technology-driven cooperation within the Eurasian Economic Union, leading to further growth and prosperity in this and other sectors. On Thursday evening, during his visit to Kazakhstan, Aref participated in a consultation session

with Iranian business leaders and economic activists in Kazakhstan. He emphasized that in the realm of foreign policy and economic diplomacy, there is no alternative but to engage in significant regional unions and agreements.

Aref stated, "We have concluded that alongside bilateral relations, we must actively participate in regional unions."

Expansion on ties with EAEU states

Earlier on Friday, Aref met with Kyrgyzstan's Prime Minister Akylbek Japarov, highlighting the extensive economic, commercial, and transportation relations between Iran and Kyrgyzstan. He called for serious cooperation in science and technology and emphasized the need to activate the joint cooperation commission between the two countries.

Aref noted that the presence of Iran and Kyrgyzstan in regional organizations such as the Shanghai Cooperation Organization, ECO, and the Eurasian Economic Union provides an excellent opportunity to deepen bilateral relations.



Japarov, for his part, reiterated Kyrgyzstan's commitment to strengthening friendly ties with Iran and expressed readiness for constructive dialogue at all levels.

On Thursday evening, Aref met with Belarusian Prime Minister Roman Golovchenko, stressing the importance of using regional and international forums like the EAEU to enhance trade and economic cooperation, particularly among private sectors.

He emphasized Iran's desire to strengthen comprehensive relations with countries sharing political, cultural, and historical commonalities.

Golovchenko for his part, highlighted the successful joint cooperation commission between Iran and Belarus and the need to elevate trade volumes to match the high level of political relations.

During his visit to Kazakhstan, Aref also met with Kazakh Prime

Minister Alikhan Smailov, emphasizing the cultural and civilizational ties between the two countries and the need to enhance economic and commercial cooperation. He invited Smailov to attend the Caspian Summit in Tehran late in February.

Aref also highlighted Iran's advancements in information technology, expressing readiness to share experiences in emerging technologies with neighboring countries.

Speaker: Development of steel, copper industries to diversify national economy



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Parliament Speaker Mohammad Baqer Qalibaf emphasized the need to support the development of steel and copper industries to move Iran away from a single-product economy. However, he cautioned that planning must ensure energy balance, as energy shortages are detrimental to both producers and the public, IRNA reported. Speaking on Thursday at the inauguration ceremony of two development projects of alloy steel in central province of Yazd, Qalibaf noted that establishing and developing industries like alloy steel requires significant effort, but their benefits to the country are undeniable.

He praised the role of skilled labor forces and technology-based companies in utilizing domestic capacities to bring these plants and other units into operation. Qalibaf pointed out that Iran's use of coal for electricity production is nearly zero, compared to the global average of 33%. Additionally, 68% of Iran's steel exports consist of crude steel, far above the global average of 15%. The Parliament speaker stressed that development must not come

at the expense of the environment, noting that some cities in Yazd province rank among the most polluted in the country. He warned that the growing technological gap between Iran's industries and global standards could soon render many domestic products unexportable. Qalibaf acknowledged the legislative efforts of the Parliament in areas such as financing and energy sector reforms to better utilize domestic capacities.

The Alloy Steel Company of Yazd, located 25 kilometers northwest of Yazd, has a production capacity of 700,000 to 1 million tons of steel ingots and alloy billets. The 300-hectare facility, equipped with advanced technology including a 100-ton electric arc furnace and a continuous casting station, was constructed with an investment of 185 million euros which created 800 direct jobs.

Steel industry reaches 2025 target

Meanwhile, Industry, Mine, and Trade Minister Mohammad Atabak announced that Iran's steel industry has achieved its 2025 goals, marking a significant milestone. Speaking Thursday at the inau-

guration of projects in the Gol Gohar mining and industrial region in Sirjan, Atabak noted that Iran once produced less than 2 million tons of steel annually, without a complete industrial chain. Today, the industry has reached international standards, thanks to the dedication of producers across the country, even in remote and challenging areas.

Atabak emphasized that the only sustainable revenue for the country comes from production within the economic cycle.

The minister pointed out that one of the newly launched projects, a 183-megawatt power plant, will help address energy imbalances not only for Gol Gohar but also for the country.

He said President Masoud Pezeshkian holds two to three meetings weekly to address energy shortages and promote the construction of power plants, particularly solar facilities.

Atabak noted that Kerman Province has significant advantages beyond its active mines, including rare elements that could further boost exploration efforts.

He urged large companies like Gol Gohar to invest in small- and medium-sized industries, emphasizing that economic growth and job creation in downstream industries must be strengthened. Outsourcing, he added, could help generate wealth in the vast southern province.

Gol Gohar has recently made strides in deep-earth exploration, uncovering new elements that could benefit both Kerman and the country.

Atabak concluded by stressing the importance of leveraging Iran's mining advantages to support small industries and foster economic development.

Renewables push gathers steam in Iran via financing packages

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In recent years, a lack of funding for renewable energy projects has been a major barrier to the expansion of renewable energy. With the introduction of foreign and local currency financing packages, investors are expected to enter this lucrative sector with more confidence.

Given the severe energy shortages, the government has placed renewed focus on renewable energy development. President Masoud Pezeshkian has repeatedly emphasized the importance of overcoming obstacles in this sector during various meetings, IRNA wrote.

Recently, the president highlighted in a meeting on overcoming obstacles to renewable power plants that the government's primary goal is to achieve a level of electricity generation capacity that can effectively manage peak demand during the summer months of the coming year.

Pezeshkian further suggested that the best way to implement this plan is by forming a consortium led by the Renewable Energy and Energy Efficiency Organization (SATBA) at the Ministry of Energy, in partnership with financial and banking institutions, and all parties interested in constructing both large and small solar power plants. This consortium would coordinate the bulk purchase of solar panels.

The president also emphasized that the consortium would source the most up-to-date and cost-effective power plant panels and equipment with the highest quality, distributing them among contractors to ensure projects are completed as quickly and efficiently as possible.

Plans for 12,000 MW of solar power plants

In this regard, Energy Minister Abbas Aliabadi, during a recent visit by Iran's Leader to an exhibition showcasing the private sector's capabilities, highlighted the ministry's efforts to maximize private sector involvement in renewable energy development.

He noted that Iran Renewable Energy Association-related companies had signed contracts with the Ministry of Energy to build 12,000 megawatts of solar power plants. Aliabadi added that approximately 2,400 megawatts of the 12,000-megawatt solar capacity is expected to be operational by next summer, and with contributions from other producers, the total renewable energy production capacity will reach 5,000 megawatts by that time.

He also outlined the government's plan to generate 30,000 megawatts of renewable energy over the next four years, which is expected to save 11 billion cubic meters of fuel annually and reduce foreign currency costs by \$7.5 billion.

Clean energy financing package

One of the main concerns raised by industry actors was securing financing. Recently, the Central Bank of Iran took steps to address this issue.

In collaboration with the Ministry of Energy and the National Development Fund, the Central Bank has issued a financing package to facilitate the 30,000-megawatt renewable energy capacity expansion.

The package includes measures to ease collateral requirements and streamline currency allocation for paying debts related to importing renewable power plant equipment.



This move has closed the door to excuses for delays in renewable energy development, leaving only the commitment of industry actors to move forward.

Under the new package, the CBI is tasked with facilitating the approval of priority projects, ensuring access to foreign finance for renewable power plants.

The National Development Fund (NDF) will provide both foreign and local currency loans, up to \$5 billion over four years, through various financial arrangements, including agent agreements and bond issuances in Iran's currency exchange market.

Investors with sufficient local currency for renewable energy projects will be prioritized for foreign currency allocation to import approved equipment (as certified by SATBA) within the Ministry of Industry, Mine, and Trade's foreign currency budget.

Moreover, bank loans for renewable energy projects will be available through 2026, with exemptions from regulatory and supervisory rules, including major debt and related-party restrictions, with the approval of the CBI. Even non-oil exporters are allowed to import renewable power plant equipment under the regulations of Article 8 of the foreign currency repatriation law to meet their own energy needs.

Additionally, the country's banking network is authorized to issue investment certificates and use supply chain financing tools to secure funds for renewable energy projects if approved by SATBA.