

as a regional hub by developing such infrastructure. Right now, Oman lacks these facilities in most of its ports since it hasn't set its sights on this goal in its long-term strategies. The only true hub is the Duqm Special Economic Zone, which, thanks to its prime location by the Arabian Sea and near Ras Markaz energy

facilities, was designed as an energy hub. Salalah Port also plays its part as a transshipment port and could become the point where Iranian goods hook up with African markets. Sohar Port, meanwhile, is mainly for supplying raw materials and exporting products from local factories, such as alu-

minum plants. So, the kind of infrastructure seen in Jebel Ali isn't yet in place for Oman to become a regional goods hub, though some energy sector plans are underway.

**What are the prospects for expanding Iran-Oman economic cooperation if international conditions improve and**

**sanctions are lifted?** Given the excellent political ties between Iran and Oman, there has always been a degree of flexibility in economic relations. Oman has, in some areas, turned a blind eye to sanction pressures and kept up cooperation, though the details can't be discussed here. Still, Omani officials, like those elsewhere,

are waiting for international conditions to improve and sanctions to be lifted so they can make the most of their longstanding friendship with Iran, step up their presence in the Iranian market, and broaden economic engagement.

*The article first appeared in Persian on Tasnim news agency.*

# Iran, Turkey on track for \$30b trade

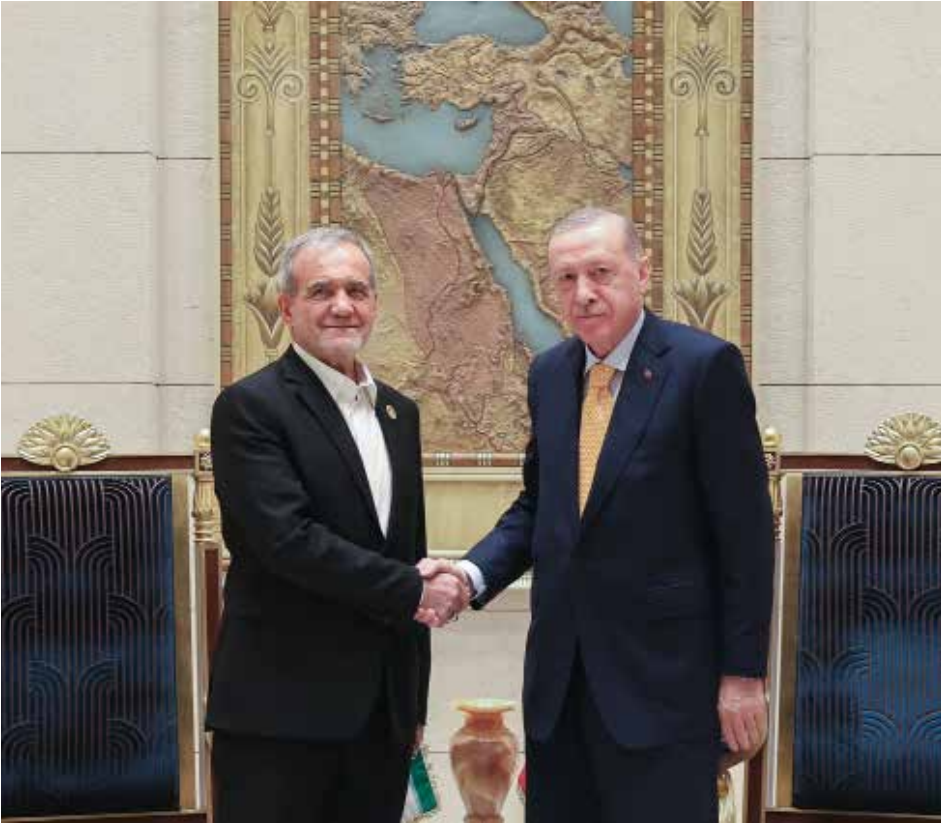
## PERSPECTIVE

Trade and economic relations between Iran and Turkey have picked up steam in recent years, maintaining a dynamic and upward trajectory despite regional and international challenges. Turkey, with its robust economy, access to European and Asian markets, and pivotal role in energy and goods transit, has emerged as a key trading partner for Iran. The abolition of visa requirements since 1964, geographic proximity, and joint membership in organizations such as ECO and OIC have further shored up these ties. Despite international sanctions and regional rivalries, both nations have set their sights on boosting bilateral trade to \$30 billion in the coming years, a target that underscores the vast potential for economic cooperation. A review of trade trends reveals that since the 1970s — when trade volume between Iran and Turkey stood at \$1.5 billion — figures climbed to \$10 billion in the 2000s. In 2012, bilateral trade hit \$12 billion, but after the United States pulled out of the JCPOA in 2018, trade slumped to as low as

\$5.5 billion in 2019. Nevertheless, since 2022, trade between Iran and Turkey has bounced back, and by 2024, bilateral exchanges reached \$8.1 billion. Turkey's exports to Iran have centered on industrial goods, machinery, household appliances, and food products, while its imports from Iran have consisted mainly of energy (natural gas and crude oil), petrochemicals, and basic metals. Thus, Iran is primarily seen as an exporter of raw materials (petrochemicals and metals), while Turkey is regarded as a supplier of industrial goods. According to experts, Iran and Turkey, in addition to leveraging their shared borders and trade cooperation, stand to benefit from joint gas pipelines, exhibitions, and new contracts in energy and transit, all of which point to significant potential for expanding ties. Within this context, both countries, through long-term agreements — most recently at the 29th Iran-Turkey Joint Economic Commission — have mapped out plans to ramp up trade to \$30 billion annually. This goal is within reach, provided banking barriers are done away with, transport is streamlined, and local

currencies are used in transactions. In the short term (through the end of 2025), trade is expected to hover between \$8–10 billion, with a focus on petrochemicals, machinery, and transit. A key takeaway in Iran-Turkey relations is their mutual dependence: Iran needs Turkish machinery and textiles, while Turkey relies on Iranian gas and petrochemicals. To date, Turkey has poured approximately \$2.5 billion into Iran, including \$800 million in textiles, \$700 million in construction, and \$600 million in energy. Iran, for its part, has invested around \$600 million in Turkey's transit and transportation projects. All things considered, given the geopolitical standing of both nations and their shared economic interests, strengthening bilateral relations could go a long way toward ensuring regional stability, energy security, and sustainable economic growth in Western Asia. Achieving this will hinge on a shared commitment to clear up obstacles, build trust, and carry out joint action plans.

*The article first appeared in Persian on Mehr news agency.*



Iranian President Masoud Pezeshkian (L) shakes hands with his Turkish counterpart, Recep Tayyip Erdogan, in a meeting on the sidelines of the 11th summit of the D-8 organization on December 19, 2024. [president.ir](https://president.ir)

# Iraq's import tariff hike not aimed at Iran

## PERSPECTIVE

In recent days, reports have cropped up across various media outlets and social networks, claiming that the Iraqi government has slapped hefty tariffs on Iranian exports. Some economic actors further claimed that this move has thrown a wrench into the trade flow between the two countries, even bringing some shipments to a standstill at the borders. However, the Iran Trade Promotion Organization has pushed back against claims that these tariffs are solely targeting Iranian goods, clarifying that Iraq's actions fall in line with its policies to support domestic production. These tariffs, it was stated, are being rolled out for all countries, depending on the type of product and Iraq's production capacity. Farzad Piltan, advisor to the head of the Iran Trade Promotion Organization and his assistant for international affairs, spelled out the dimensions of the issue and the options available to Iranian exporters. Piltan noted that Iraq backs up its domestic producers by raising import tariffs on goods that can be produced locally. This policy covers a wide range of products, including plasticware, disposable goods, and agricultural products. For agricultural goods, tariff support is phased in seasonally, and this measure is meant to be supportive rather than restrictive. He went on to stress that during periods when Iraqi domestic production is sufficient, similar foreign goods are hit with high tariffs or even a temporary import ban.

### Tariffs fluid, tied to Iraq's production capacity

Citing the experiences of some Iranian exporters who have recently run into higher tariffs at the Iraqi border, Piltan explained that exporters sometimes find themselves facing sudden tariff hikes. However, these increases are applied across the board and are not unique to Iran. For instance, an exporter of chocolate also came up against this issue. The advisor further emphasized that Iraq's import tariffs vary depending on the product, its domestic production rate, and its market share. For example, if a product is fully produced in Iraq, the import tariff may go up significantly. But if only 30% of the market demand is met domestically, the Iraqi government sets a lower tariff to allow the rest to be covered by imports.

### Advice to exporters

He also pointed out that one of Iraq's goals is to draw in foreign investment. Iraq is encouraging foreign exporters, including Iranians, to shift from pure export to investing and producing within Iraq. This approach can drive down costs and allow investors to take advantage of the incentives offered by the Iraqi government. Piltan stated that Iranian companies wishing to hold onto the Iraqi market can branch out by pursuing joint production, technology transfer, or setting up production units inside Iraq. These strategies not only cut tariff costs but also shore up bilateral economic ties.

### Tariff hikes, import bans nothing new

Abdolamir Rabihavi, director general of the West Asia Office at the Iran Trade

Promotion Organization, emphasized that Iran's approach has always been based on engagement, dialogue, and following up through Iraq's Ministry of Trade. "After the necessary reviews, the issue is passed on to Iranian producers and exporters so they can make informed decisions about their business activities," he added. It is worth noting that officials at the Trade Promotion Organization have underscored that the Iraqi market remains a top export priority for Iran. Economic actors can capitalize on opportunities by investing directly, forming joint ventures, or setting up agencies and factories in Iraq, thereby driving down expenses and benefiting from the legal support of the Iraqi government.

*The article first appeared in Persian on Mehr news agency.*



[tatatradingco.com](https://tatatradingco.com)



One of Iraq's goals is to draw in foreign investment. Iraq is encouraging foreign exporters, including Iranians, to shift from pure export to investing and producing within Iraq. This approach can drive down costs and allow investors to take advantage of the incentives offered by the Iraqi government.