

# Envoy: Russia's five-billion-dollar investment in Iran finalized

## Economy Desk

The Iranian ambassador to Moscow announced on Thursday that Russia had finalized a \$5 billion segment of its planned \$8 billion investment in Iran's oil sector, with the remaining contracts progressing towards completion.

"Based on the agreement between the two countries, Russia is set to invest eight billion dollars in Iran's oil projects. To date, nearly five billion dollars of this amount has been finalized, and the remaining contracts are progressing toward finalization," Kazem Jalali was quoted as saying by IRNA.

In a meeting with a group of prominent Russian Iranologists, Jalali elaborated on Russia's investments in Iran's energy and oil sector, emphasizing, "In 2024, Russia was the largest foreign investor in Iran."

Referring to the signing of the Comprehensive Strategic Partnership Treaty between Iran and Russia and the entry into force of the Free Trade Agreement with the Eurasian Economic Union, the Iranian envoy stated, "The relations between the two countries have now been elevated

to the level of strategic relations, and there are high-level exchanges between the officials of the two countries."

## Significant opportunities

He added that, "The entry into force of the Free Trade Agreement with the Eurasian Economic Union, the continuation of negotiations on the project for transferring Russian gas through Iran, the acquisition of 50,000 hectares of land for the construction of the Rasht-Ashtara railway to complete the North-South Transport Corridor (INSTC) and its transfer to Russia for the purpose of commencing geological studies, are among the significant opportunities before the two countries." Jalali cited the development of monetary and banking relations between the two countries as another example of the enhancement of bilateral ties, stressing, "The MIR and Shetab networks have been interconnected, providing the possibility for bank transfers and payments for small-scale trade, Iranian students in Russia, and tourists. This project will be further developed in the future."

## SCO bank 'important step' towards ditching dollar

Also, in an interview with IRNA, Jalali, referring to Iran's proposal regarding the establishment of a joint bank for the member states of the Shanghai Cooperation Organisation (SCO) at the meeting of the Central Bank Governors of the member states in Beijing, described this initiative as "an important step towards de-dollarization and the realization of a multipolar order."

The ambassador described the participation of SCO member states in the process of de-dollarizing the global economy and the use of national currencies or currencies other than the dollar in trade exchanges as effective in this regard.

Jalali also considered the effort to expand trade with SCO member states through the creation of a common market as another step towards the common interests of the members.

The Iranian diplomat further described the development of trade with SCO members within the framework of bilateral or multilateral consultations as important, and regarded the



formation of digital connectivity between national economies as an effective step in this area. The ambassador of Iran to Russia further described the cooperation of SCO members in developing transport and transit infrastructure as im-

portant, stating, "Appropriate investment in this sector can pave the way for the full realization of the member states' capacities within this cooperation framework."

In another part of the interview, Jalali, referring to the

20th anniversary of Iran's presence in the SCO since 2005 as an observer and its full membership since July 2023, emphasized "the important position of the SCO in Iran's regional cooperation within its surrounding sphere."

## BRICS development bank backs Iran's accession bid

### Economy Desk

Head of the BRICS' New Development Bank (NDB) Dilma Rousseff announced her support for Iran's accession to the multilateral financial institution during a meeting with Central Bank of Iran (CBI) Governor Mohammadreza Farzin.

In a Friday meeting in Shanghai, Farzin and Rousseff discussed increasing monetary and banking interactions with BRICS member countries (Brazil, Russia, India, China, and South Africa), IRNA reported. The meeting took place following the meeting of Central Bank governors and economy ministers of the Shanghai Cooperation Organization (SCO) in Beijing, China.

The two sides underscored the role of the BRICS New Development Bank in advancing the goals of developing and emerging economies.

Emphasizing the approval by SCO member states for the establishment of the Shanghai Development Bank, they also pointed to Iran's role and membership in international and regional institutions such as the International Monetary Fund, the World Bank Group, the Islamic Development Bank, and the Asian Infrastructure Investment Bank.

During the meeting Farzin also said, "The Islamic Re-



public of Iran, in addition to its presence on the Executive Board of the International Monetary Fund, chairs one of the groups comprising 8 countries within that institution."

The CBI head, highlighting Iran's favorable economic performance in recent years, referred to Iran's geographical, natural, and human capacities as well as its favorable relations and cooperation with the founding countries of the NDB (India, South Africa, Russia, Brazil, and China).

Farzin expressed Iran's readiness to further strengthen and enhance monetary and banking relations and interactions

with BRICS member countries through the framework of the New Development Bank.

Rousseff also emphasized Iran's economic influence in the region and welcomed the presence of a country with a strong economy in the bank.

"Iran's positive economic indicators and the favorable advantages it possesses will certainly be effective in advancing the objectives of the BRICS New Development Bank," she said.

Farzin invited Rousseff to attend the Asian Clearing Union summit, which will be held in Tehran in the coming months.

## Iran's petchem sector invests \$5b to collect flare gas: Official

### Economy Desk

An official from the National Iranian Petrochemical Company (NIPC) announced a \$5 billion investment by petrochemical companies to collect flare gases in the upstream sector as well as the development of a strategic document for flare gas reduction management.

The Health, Safety, and Environment (HSE) head of the company, emphasizing the petrochemical industry's role in capturing flare gases despite its minor 8-9% share in oil industry flaring pollution (due to maintaining unit safety conditions), stated, "The petrochemical industry has invested approximately \$5 billion to collect upstream flare gases for supplying petrochemical feedstock."

Elaborating on the multi-year flare extinguishment program, Davoud Emadi added that 59 flares in the East Karun region in the northwest

of Iran will be collected following the completion of the flare gas collection project by Bid Boland Persian Gulf Gas Refining, of which 9 flares have been extinguished so far.

Emadi also said necessary groundwork for petrochemical industry investment in collecting flares of the South Pars Gas Complex Company in Asalouyeh, aimed at supplying petrochemical industry feedstock, is underway.

## Full-capacity output as solution to flare reduction

The HSE manager of the NIPC, stressing that part of flaring in petrochemical units results from not operating at full capacity, stated, "If production occurs at maximum capacity, the amount of flaring in these units will be minimized."

Emadi, noting that the strategic document for flare reduction management in the petrochemical industry is being



developed and finalized to minimize flaring in the industry, said, "As a leading industry in complying with emission regulations, this sector has 15 active projects for flaring control and gas recovery aligned with this document on its agenda."

Highlighting the industry's commitments to flare gas collection and environmental protection, he emphasized, "With the completion of the East Karun flare gas collection project by Persian Gulf Bid Boland Gas Refining Company, nearly all commitments of the petrochemical industry in carbon reduction will be fulfilled."

## Electric utility says solar power employed in over 1,200 gov't offices

### Economy Desk

An official with Iran's Power Generation and Distribution Company (Tavanir) announced that more than 1,200 government offices have been equipped with solar energy, stating, "The renewable capacity in these offices will reach 1,645 megawatts."

"To date, 1,239 offices have been equipped with solar energy, reaching a capacity of approximately 26 megawatts," said Reza Kafeeli, the head of Tavanir's Engineering and Grid Operation, adding that the capacity must reach 1,645 megawatts by the end of the project's implementation.

Referring to measures taken to control electricity consumption in offices, Kafeeli remarked, "We have approximately 100,000 administrative and public service buildings nationwide, all of which are equipped with smart

devices enabling remote monitoring of their consumption load."

According to a resolution issued last year, he added, administrative units must reduce their consumption load during working hours (6:00 AM to 1:00 PM) by 30 percent compared to the previous year. After working hours, their consumption must also decrease by 60 percent compared to working hours.

Government offices have been required to source at least 20% of their electricity from renewable energy, with President Masoud Pezeshkian having issued a two-month compliance period for government agencies to install solar panels, effective June 21.

Referring to this mandatory, the Tavanir official added, "This plan is being implemented rigorously."

Additionally, Mohammad Allahdad,



deputy for transmission and foreign trade at Tavanir, announced the commencement of installing solar power plants on the spare land surrounding electrical substations.

Allahdad further said that Tavanir and the Renewable Energy and Energy Efficiency Organization of Iran (SATBA) had reached a resolution, stipulating that, "Renewable power plants will be constructed on the spare land surrounding electrical substations."

The official said the project is initially being funded by government resources, adding that, "In the future, it can be carried out under contracts with the private sector."