

President remotely launches two oil pipelines, 722 industrial projects

Economy Desk

Iranian President Masoud Pezeshkian on Friday inaugurated via video conference two strategic oil projects along with 722 small and medium-sized industrial schemes under the Ministry of Industry, Mine and Trade, on the sixth day of Government Week.

The two major oil and infrastructure projects include the 455-kilometer Bandar Abbas-Rafsanjan petroleum products pipeline and the 340-kilometer Sabzab-Rey sour crude oil pipeline, IRNA reported.

Pezeshkian said the projects would "cut costs, improve efficiency, reduce environmental pollution and road hazards, curb fuel smuggling, and boost national resilience in energy security."

Most of Iran's oil is produced in the south while demand is concentrated in the north, making new pipelines critical for reliable energy supply. Truck transport is fuel-intensive, polluting and prone to accidents, whereas pipelines provide a

faster and safer alternative. Under Iran's Seventh National Development Plan, about 2,300 kilometers of petroleum product pipelines and more than 600 kilometers of crude oil pipelines will be completed, requiring a total investment of about 130 million euros.

The Bandar Abbas-Rafsanjan petroleum pipeline, inaugurated on Friday, was built at a cost of about 400 million euros and spans 455 kilometers. It includes a 26-inch pipeline, three pumping stations, a storage terminal, 100 kilometers of power lines and three substations.

In its first phase, it is transporting 13 million liters of product per day, with capacity expected to rise to 48 million liters by year-end. Once fully operational, it will eliminate the daily use of 1,600 oil tankers, saving 60 trillion rials in fuel.

The Sabzab-Rey sour crude oil pipeline, launched with an investment of about 330 million euros, consists of a 102-kilometer 30-inch pipeline, a 239-kilometer 26-inch pipeline, five

pumping stations, two balance tanks, 43 kilometers of power lines, and four substations.

In its initial phase, the 102-kilometer Sabzab-Tangeh Fanni section, with a capacity of 450,000 barrels per day, has begun operating. Other sections, stretching 239 kilometers from Tangeh Fanni to Shazand and with a capacity of 300,000 barrels per day, are set to be completed by March, 2026.

The project will for the first time enable the transfer of sour crude from the northern Dezful oil fields to supply the Imam Khomeini refinery in Shazand, and later the Tehran refinery, boosting refined product output. Officials said the project also marked the first domestic production of 30-inch pipes under 10 millimeters thick meeting the NACE standard for high-sulfur, highly corrosive crude.

More than 95% of equipment used in the projects was domestically manufactured. The two projects created 3,000 direct and 7,000 indirect jobs.

At the same ceremony, Pezesh-



President Masoud Pezeshkian (L) orders the official launch of the first phase of Sabzab-Shazand crude oil pipeline on August 29, 2025. **president.ir**

Another 134 previously inactive units were reactivated in more than 70 industrial towns in 20 provinces at a cost of 24 trillion rials, creating 1,919 direct jobs, with the potential to rise to 3,795.

Deputy FM says forex reserves 'immune' to new sanctions



Economy Desk

Iran's deputy foreign minister for economic diplomacy said on Friday that the country's foreign exchange reserves and trade structure are designed to withstand the impact of new Western sanctions.

Hamid Qanbari said Iran had changed the way it handled its forex reserves prior to the latest rounds of sanctions.

"In the past we kept our foreign exchange resources in official accounts at banks, but due to US sanctions and even before the European Union sanctions, we decided to change this method. Today reserves are maintained in mechanisms that are immune to sanctions,

and this approach continues," ISNA quoted Qanbari as saying.

He added that both Iranian exporters and importers have adapted to sanctions conditions. "Exporters know how to receive their money under sanctions, and importers know how to make foreign payments," Qanbari said, adding that current trade will not be disrupted by what he called "first-generation sanctions."

Britain, France and Germany on Thursday triggered a 30-day process to reimpose UN sanctions on Iran, accusing Tehran of violating the 2015 nuclear deal. The accord, known as the JCPOA, limited Iran's nuclear program in exchange for sanctions relief, with a

"snapback" mechanism allowing penalties to return if breached. The E3 warned for weeks that sanctions could be restored before the pact expires in October. Iran called the move "unjustified, illegal, and lacking any legal basis."

Qanbari said Iran's current economic structure, particularly in foreign reserves and trade, limits the impact of the latest measures. "The Islamic Republic of Iran will continue its path to neutralize external pressures," he said.

He acknowledged that sanctions affect the economy but said their consequences vary. "Some argue that just as Iran's economy was damaged by sanctions in the past, it will suffer the same today. I am not saying sanctions are ineffective, but I must emphasize that not all sanctions have the same effect," he said.

According to Qanbari, Iran faces different kinds of sanctions — symbolic measures, paralyzing sanctions, targeted restrictions, and those that directly affect ordinary people or specific sectors of the economy. "Therefore, they cannot be assessed at the same level," he said.

Iran, Russia push Rasht-Astara railway as missing link in INSTC



Economy Desk

Iran's ambassador to Moscow, Kazem Jalali, on Thursday met Russian Transport Minister Andrei Nikitin to discuss transport cooperation, including the Rasht-Astara railway and plans for a Caspian Sea cruise line, Iran's Embassy said.

The talks, attended by Russia's Transport Ministry officials, highlighted the need to speed up work on the Rasht-Astara line, described as the missing link in the western branch of the International North-South Transport Corridor (INSTC). The railway would connect Russia, Azerbaijan and Iran and handle at least 15 million tons of freight annually, IRNA reported.

Meanwhile, Nikitin said road freight transport between the two countries grew 12.8% in 2024 and is expanding rapidly, Russia's TASS news agency reported. The talks also covered ways to increase cargo flows along the INSTC, develop multimodal transport with integrated rail and maritime tariffs, and explore the launch of a cruise shipping line between Caspian Sea ports.

The Russian Transport Ministry also noted positive trends in air travel.

Aeroflot resumed Moscow-Tehran flights on Aug. 6, 2025, while Iran's Mahan Air operates routes between Tehran and Moscow and between Tehran and Grozny.

Iran-China trade ...

One way forward lies in the use of non-dollar currencies. Settlements in Chinese yuan, UAE dirham, Russian ruble, or Indian rupee can largely neutralize dollar-based sanctions. A successful example is the Iran-China agreement to conduct oil transactions in yuan via China's domestic payment system, Cross-Border Interbank Payment System (CIPS).

Another option is the expansion of bar-

ter trade, which reduces the need for currency transfers. Under this system, oil and petrochemical exports can be exchanged directly for Chinese machinery, equipment, and goods.

Strengthening bilateral currency swap agreements and enabling direct rial-yuan settlements without the dollar is also among the practical tools for easing trade. This approach is already in place between China and several Asian countries, including Russia and Paki-

stan.

Using smaller regional Chinese banks can also help facilitate trade, as unlike major state-owned banks—which are under heavy pressure from sanctions—smaller banks face fewer restrictions and are more willing to engage in non-dollar transactions. The establishment of joint Iran-China financial channels could also prove useful, similar to Europe's INSTEX mechanism, but based on local currencies and designed

specifically for infrastructure projects. Currently, over 80% of global trade is carried out in dollars and euros. Yet China, by launching the CIPS, is seeking to wean itself off reliance on the dollar.

Iran, in navigating trade under sanctions, can benefit from using the yuan or other regional currencies. This reduces the risk of US tracking and freezing of funds, cuts transaction costs, and enhances Iran's leverage to sell oil at reduced discounts.

Major transportation expo opens as gov't prioritizes transit infrastructure growth

Five new aircraft join national fleet



Economy Desk

Iran opened its sixth International Exhibition of Transportation, Logistics and Related Industries on Thursday with the participation of 105 domestic and foreign companies, as President Masoud Pezeshkian's government places "special attention on the transport and logistics sector, particularly in rail and air."

On the sidelines of the exhibition, Masoumeh Aqapour, the president's economic adviser, said measures were underway to modernize the air fleet and boost non-oil exports, with five new aircraft recently joining the country's fleet.

She added that the Economic Council had approved projects to procure new locomotives, while maritime transport — "as one of the pillars of a sea-based economy" — was also receiving attention through new policies on ports and shipbuilding.

The exhibition, held at Tehran's International Fairground for four days, covers six themes, including the five modes of transport, digital and technological logistics, logistics resilience and crisis management, integrated and multimodal transport, sustainable and agile supply chains, and innovation, governance and policymaking.

The event features innovation and advanced technology sections, a technology experience area, a business interaction hub, export and international engagement platforms, training workshops, media and documentation hubs, as well as expert panels.

An "innovation stage" will also showcase the latest industry breakthroughs both from participants and external invitees.

According to Sodaif Beykzadeh, acting head of Iran International Exhibition Company, "This year's expo, with participation from rail, air, and maritime transport representatives and logistics firms, has seen significant growth compared with previous editions."

He said that the logistics sector is a key infrastructure that improves the supply chain and can provide a basis for economic growth.



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