

# Over 80% of Iran-Russia trade now settled in local currencies, says Russian official



## Economy Desk

More than 80% of trade between Iran and Russia is now being conducted in national currencies, the rial and the ruble, reflecting expanding financial cooperation between the two countries, Alexey Lojenko, head of the Russia-Iran Business Council, said at a Mon-

day meeting in Tehran. At a joint meeting of business representatives from the two countries, Lojenko said the council is pursuing strategic bilateral cooperation, prioritizing joint projects in advanced technologies, telecommunications, medicine, and cybersecurity, Mehr reported.

"The increase in trade volume between Russia and Iran is of special importance to us," he said. Russia mainly exports grains, timber, oilseeds, chemicals, aluminum, coal, and steel to Iran, while Iran supplies spare parts, energy products, ceramics, cement, and agricultural goods to Russia, according to the of-

ficial. About 60% of total trade between the two countries, he added, consists of agricultural products. Emphasizing the need to remove trade barriers, Lojenko said that one of the council's main tasks is to "simplify regulations within the framework of the Eurasian Economic Union" and to amend cumbersome laws that currently hinder the realization of the full potential of Iran-Russia trade. Representatives from Russia's ministries of industry, economy, and agriculture attended the meeting, along with customs officials. He invited Iranian business leaders to hold direct meetings with Russian officials and noted that "the presence of representatives from Russian and Iranian banks at this meeting can further facilitate banking and financial cooperation."

"We are working seriously to eliminate legal barriers so that trade between Iran and Russia can achieve genuine growth," the official said.

## Trade potential seen at \$15b

In a related comment to Tasnim

news agency, Lojenko said bilateral trade could rise to between \$10 billion and \$15 billion if proper conditions are established in banking infrastructure, transport links, and the harmonization of technical and trade standards — a goal he described as both "realistic and attainable."

According to the Trade Promotion Organization of Iran, the country's trade with Russia during the first five months of the current Iranian year, which began on March 21, has been on a sharp upward trajectory, with exports approaching the \$1 billion mark — a year-on-year increase of more than 30%.

In another sign of growing economic and trade cooperation, banks in Russia have started processing letters of credit (LCs) issued by Iranian banks.

Central Bank of Iran's deputy governor for foreign exchange operations, Alireza Gachpazadeh, said on Sunday that two banks in Russia had agreed to accept Iranian-issued LCs to help facilitate trade between Iran and Russia. He said a third Russian bank may follow suit and start processing LCs issued by Iranian banks in the near future.

## Industry ministry targets 50% solar supply for industrial parks

### Economy Desk

Iran's industry ministry plans to supply 50% of electricity for its industrial parks from solar energy, Reza Ansari, CEO of Iran's Industrial Towns Company said on Monday, highlighting efforts to secure stable power for the country's industrial sector.

Ansari, who doubles as deputy minister of Industry, Mine and Trade, said that one of the main challenges facing Iranian industry is ensuring reliable electricity. During the summer, some industrial parks experienced power outages up to three days per week, leading to roughly a 10% increase in production costs, which was ultimately passed on to consumers, he said.

Ansari noted that while the Ministry of Energy is legally responsible for electricity provision, the Ministry of Industry has actively supported the initiative.

"To date, more than 1,200 megawatts of solar energy have been installed within industrial parks and on the rooftops of industrial units, of which 120 megawatts are currently operational. The goal is to expand solar power capacity to 2,000 megawatts in the coming years," Ansari said.

He explained that, at peak consumption of around 4,000 megawatts, half of the electricity used by industrial parks will eventually be supplied by solar energy, enhancing grid stability and preventing losses caused by power outages.

As recently confirmed by the Supreme Energy Council, the share of government offices in renewable power supply has increased from 20% to 40%.

Under the Seventh National Development Plan, Iran aims to add 12,000 MW of new renewable capacity over five years, with President Masoud Pezeshkian's administration having set a more ambitious goal of 30,000 MW within four years.

## TPO to form task forces for top partners to boost trade diplomacy

### Economy Desk

Head of the Trade Promotion Organization (TPO) announced on Monday that the agency plans to establish dedicated task forces for the country's top 20 trading partners to develop roadmaps aimed at expanding exports and strengthening trade diplomacy. Speaking at the 6th session of the "Seven Days with Export" forums, Mohammad Ali Dehqan Dehnavi emphasized that every trade delegation abroad must be backed by "precise planning" and clear objectives, Mehr reported. He said the working groups will coordinate with joint chambers of commerce and commercial attachés to draw up detailed trade strategies. "Successful countries view commercial diplomacy as a key instrument of economic development, with their heads of state personally involved in major trade nego-

tiations," he said, adding that Iran is currently in talks with five to six countries to sign preferential and free trade agreements.

"A significant portion of Iran's political relations now revolves around trade," the deputy minister of Industry, Mine and Trade noted. Dehnavi also highlighted President Masoud Pezeshkian's strong emphasis on using foreign visits to expand trade and exports, stressing that the Foreign Ministry is actively pursuing this policy. "Chambers of commerce can play an effective role in realizing this goal, and closer cooperation between them will help boost non-oil exports," he said. The deputy minister further noted that private-sector representatives have played a visible role in advancing Iran's trade diplomacy, adding that business forums held during the president's visits have led to new cooperation

agreements. "Expectations of the private sector from the Foreign Ministry, the Industry Ministry, and the Trade Promotion Organization must be clearly defined to make Iran's economic cooperation with target countries more effective," Dehnavi said. He also underlined that Iranian ambassadors will be evaluated based on the progress of the country's exports, saying, "Export performance is one of the main criteria for assessing their mission."

## Trade centers lagging behind

Addressing the status of Iran's overseas trade centers, Dehnavi said many of them have yet to mature and nearly half have not been renewed, calling on the private sector to propose plans to enhance their performance. Earlier this month, Amir Roshanbakhsh Qanbari, deputy for the Promotion of Interna-



tional Businesses at the TPO, said Iran once had about 57 trade centers abroad, but the number has now fallen to 27, adding that the country currently has 19 commercial attachés, with plans to raise the number to around 25. Trade centers serve as support hubs to promote their respected country's export capabilities, identify target markets, connect business

communities, and facilitate the export of goods and services.

Commercial attachés also act as official trade representatives, gathering market intelligence, following up on economic agreements, and directly assisting exporters. Such initiatives form a vital bridge linking a country's public and private sectors with global markets.

## Iran nuclear case ...

If international sanctions lose their effectiveness, what would be the strategy of Iran, Russia, and China to counter US secondary sanctions?

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The overextension of US sanctions and Washington's excessive reliance on this tool will gradually blunt their edge. The more countries are placed under such measures, the greater the likelihood of an emerging anti-sanctions front, making it harder for the US to achieve its desired foreign policy outcomes. This expansion also increases the chances of creating independent financial mechanisms detached from Western systems, while eroding the legal, moral, and conventional legitimacy of sanctions themselves.

To curb the effects of secondary sanctions, developing such independent financial and economic frameworks is essential. Some progress has been made, but more work lies ahead. In the long run, if Washington continues to lean on coercive policies, it will only push other nations toward strengthening these parallel systems. This could, over time, take the sting out of secondary sanctions.

In the short term, sanctions may prompt countries to team up to circumvent them. However, a more comprehensive and institutional approach is needed to build sustainable, independent financial mechanisms. The idea has been discussed before, but only recently has it gained serious traction among several states. If the US persists with its pressure tactics, it might corner its adversaries in the short term, but in the long run, such moves could backfire, threatening Washington's own strategic interests by accelerating the rise of alternative, non-Western economic systems.

## Deputy FM calls for proactive strategy in BRICS, SCO to unlock membership benefits



Kazem Gharibabadi  
IRNA

### Economy Desk

Iran's Deputy Foreign Minister for Legal and International Affairs Kazem Gharibabadi on Monday called for a clear and proactive strategy to take full advantage of the country's memberships in the BRICS group and the Shanghai Cooperation Organization (SCO), stressing that waiting for initiatives from their secretariats would limit Iran's potential gains. Speaking at the first meeting of the "Headquarters for Coordination of SCO and BRICS Affairs," Gharibabadi said every govern-

ment body should define specific goals and projects to pursue within the two organizations, IRNA reported.

"We should not wait to see what events or meetings are announced by the secretariats. Instead, an annual plan should be drawn up from the beginning of each year," he said, urging ministries to prepare such plans for the remaining five months of the current Iranian year. He underlined that Iran faces unilateralism and "unjust, illegal sanctions," and that leveraging multilateral institutions like BRICS and the SCO could help

counter such pressures.

"What can help us demonstrate that the world is no longer under the dominance of a few countries and that there are abundant opportunities elsewhere is precisely the effective use of these organizations' capacities," he added. Iran officially became a full member of BRICS on January 1, 2024. The bloc includes five major emerging economies, namely Brazil, Russia, India, China, and South Africa. The country also joined the SCO as a full member in September 2022 during the organization's summit hosted by Uzbekistan.