

# Iran, Azerbaijan discuss rail, energy, Caspian oil cooperation

## 17th joint economic commission kicks off in Baku

### Economy Desk

Iran's Minister of Roads and Urban Development Farzaneh Sadegh Malvajerd met Azerbaijan's President Ilham Aliyev in Baku on Monday to discuss new rail infrastructure, shared oil fields, transport cooperation, new border facilities and energy collaboration ahead of the 17th Iran-Azerbaijan Joint Commission on Economic Cooperation.

According to IRNA, Sadegh Malvajerd met Aliyev before the commission's meeting, emphasizing the importance of bilateral relations and outlining key priorities for economic cooperation, which the Azerbaijani president also underscored. Expanding transport cooperation, particularly strengthening regional connectivity and transit corridors, was among the main topics. The sides also discussed boosting energy cooperation, putting new border infrastructure into operation and constructing new rail links between the two countries.

They exchanged views on joint oil fields in the Caspian Sea and methods of extracting resources from them, as well as on ex-



Iran's Minister of Roads and Urban Development Farzaneh Sadegh Malvajerd (3rd L) meets Azerbaijan's President Ilham Aliyev (3rd R) in Baku on February 23, 2026.   
● IRNA

panding bilateral and multilateral regional cooperation with neighboring countries in transport and energy sectors. The meeting stressed that the outcomes of discussions within the framework of the 17th joint economic commission should be finalized and that new agreements between the two countries should be drafted and signed.

During the talks, Aliyev thanked Iranian President Masoud Pezeshkian for his message and welcomed the expansion of bilateral relations. "Projects implemented jointly by Iran and Azerbaijan will provide extensive opportunities for both countries and the region," he said.

Specialized and expert-level sessions of the commission began in Baku with the participation of specialists from both countries in transport, energy, oil and power. The meetings



are being held on Sunday and Monday, co-chaired by Sadegh Malvajerd and Azerbaijan's Deputy Prime Minister Shahin Mustafayev as heads of the two sides' commissions.

Amin Taraffo, head of the international affairs department at Iran's Ministry of Roads and Urban Development, said, "Development of transport cooperation, completion of border infrastructure and expansion of cultural interactions are among the most important axes of this assembly, and final agreements

will be signed in the form of a memorandum by the heads of the two countries' commissions."

"In this meeting, the two sides will negotiate on all areas of bilateral cooperation, and programs and capacities that should be realized and developed between the two countries by next year will be discussed and exchanged," he added.

"At the end of this assembly, the summary of negotiations and agreements reached in economic, cultural and other areas

of cooperation will be signed in the framework of a final memorandum by the heads of the joint commissions of the two countries," Taraffo said.

He noted that cooperation between Tehran and Baku has been expanding over the past year and a half.

"Border infrastructure between Iran and Azerbaijan, both in the rail and road sectors, is developing and transforming, and this trend can play an important role in facilitating trade exchanges," he said.

## Gov't moves closer to currency reform as CBI backs four-zero slash



### Economy Desk

The Central Bank of Iran (CBI) has approved a draft regulation to remove four zeros from the national currency, with implementation set to begin after final approval by the government.

According to the ILNA, the CBI's high council endorsed the draft executive bylaw for the plan, which must now be ratified by the cabinet before taking effect.

The draft sets out definitions and requirements for the preparation phase, including redesigning and testing systems, software and hardware by relevant institutions, holding training courses and introducing dual price labeling.

Under the proposal, authorities will publicly announce the start of the transition period at least four months in advance. During that phase, both currency units will circulate simultaneously. Guidelines and procedures for updating banking services and aligning figures for the two currency units will be drafted after cabinet approval of the bylaw.

## Aras Free Trade Zone emerging as industrial, export and tourism hub



### Economy Desk

Iran's Aras Free Trade Zone has seen the inauguration of 22 development, industrial, and tourism projects, approval of dozens of major investment plans, and signing of strategic memorandums of understanding over the past month, which signals the region's transition into a production, export, and tourism hub in the country's

northwest.

The zone's development strategy emphasizes infrastructure, industrialization, and the expansion of modern services.

According to ILNA, the past month was particularly dynamic for the Aras Free Zone Organization, ranging from the commissioning of multi-trillion-rial projects to the approval of 67 investment plans valued at 100 trillion rials (approximately \$62.5

million) by the zone's economic commission. The area is consolidating a new identity as a production-oriented, export-driven region underpinned by modern infrastructure.

The most significant milestone was the inauguration of 22 projects commissioned by President Masoud Pezeshkian, covering industrial units, service infrastructure, and tourism initiatives, which officials say will create substantial direct and indirect employment.

Industrial projects included the launch of a brake pad manufacturing company and a textile company, reflecting a focus on completing production chains and reducing import dependency. In tourism, the opening of a hotel expands the region's accommodation capacity.

Simultaneously, construction began on the widening and upgrading of the road to Silgerd village, highlighting attention to access infrastructure and connecting peripheral areas with Aras's economic core, a move expected to reduce logistics and

transportation costs.

Among the notable developments, the approval of 67 investment plans over the past 10 months could, if implemented, transform the region's production structure. This level of investment underscores Aras's shift from attracting small-scale capital to hosting large-scale, driving projects. Regional managers emphasize consolidating the zone's industrial and production-oriented position, aiming to make Aras a northwest industrial hub and a bridge connecting domestic production to regional markets.

Regulatory announcements on warehouse organization and enforcement discipline also indicate policymakers' efforts to improve transparency and efficiency in supply chains and trade.

### Cooperation with CIS

The zone's recent activities also included initiatives beyond physical development. Officials proposed "readiness to redefine Iran's economic cooperation

with CIS countries," reflecting a cross-border perspective that leverages Aras's strategic location near Armenia and access to the Eurasian market to enhance non-oil exports.

A memorandum of understanding for developing digital infrastructure and industrial marketing represents another step toward smartening services and facilitating producers' access to markets, which could boost enterprise productivity and reduce transaction costs.

In tourism, the launch of a credit card for visitors illustrates innovative financial tools to stimulate demand and increase tourist retention. Local festivals and cultural events further strengthen Aras's brand as a tourism destination, gradually solidifying its position among northwest Iran's destinations. Overall, Aras Free Zone is advancing on three parallel tracks: developing infrastructure and projects, deepening industrialization and attracting major investments, and enhancing tourism with innovative services.

## Five new coastal cities in development; Tis in Chabahar set for investment: Deputy min

### Economy Desk

Iran is prioritizing the development of five new coastal cities - Tis, Central Makoran, Makoran, Khalij-e Fars and Kushk - as part of a strategic plan to create economic and sea-based urban settlements, the country's Deputy Minister of Roads and Urban Development, Shahrnam Maleki, said on Monday. Tis city in Chabahar Port in the southeast has entered its development phase and is prepared to attract developers and investors.

According to IRNA, Maleki detailed the government's macro

approach to balanced territorial development, noting a special focus on planning new coastal and border cities in line with the country's updated spatial planning guidelines. He described the efforts as a strategic step toward achieving sustainable development, strengthening spatial convergence, and enhancing the resilience of new settlements.

"In the new approach, coastal and border cities have been defined as drivers of regional development, strengthening spatial security, economic prosperity, and increasing cross-border interactions, and their planning is

carried out based on upstream spatial planning documents and environmental, social, and economic considerations," Maleki said.

"The plan for the spatial structure of new coastal settlements for the four southern provinces, with the aim of creating an integrated, balanced, and coordinated development pattern along the coastal strip, is being prepared and has now reached the final stages for approval after expert review and inter-sectoral coordination."

"In this plan, issues such as optimal population distribution, link-

ing housing and activity, protecting natural resources and coasts, developing the sea-based economy, improving quality of life, and increasing resilience against natural hazards have been specially considered, and efforts have been made to shape new coastal cities as examples of smart and sustainable development," he added.

Maleki underlined that within the framework of developing new coastal settlements with an economic and sea-based approach, the new cities of Tis in Sistan and Baluchestan Province, Central Makoran, Makoran, Khalij-e Fars and Kushk in Hormozgan



Province are in the execution priority, and among these, the new city of Tis in Chabahar Port is ready to attract developers to serve as the country's first new coastal city hosting specialists and investors in the field of urban development.

## Non-oil transit at Bushehr Port jumps 385%: PMO



### Economy Desk

Non-oil transit and cabotage at Bushehr Port have recorded significant growth since the start of the current Iranian year on March 21, according to Iran's Ports and Maritime Organization (PMO).

The organization said non-oil transit through the port rose 385% year-on-year to 6,500 tons from the beginning of the year to date, the Islamic Republic News Agency (IRNA) reported on Monday.

Non-oil cabotage at the port increased 100% over the same period to 1,700 tons, while oil cabotage totaled 120,000 tons, marking a 17% rise.