

# Iran raps US revocation of oil waivers as 'flagrant violation' of MoU

## Economy Desk

Iran's Foreign Ministry on Wednesday strongly condemned the US move to revoke a temporarily sanctions waiver for Iranian oil sales as a breach of a memorandum of understanding signed between Washington and Tehran, warning that the US would bear responsibility for the consequences of a breach of the agreement.

The ministry said in a statement early on Wednesday that the United States' move to constitute a "flagrant violation" of Clause 10 of the memorandum of understanding that ended the recent war.

According to IRNA, the statement said that less than 20 days after the signing of the Islamabad memorandum, the cancellation of the general license issued on June 21 was "another sign of the US ruling body's bad faith, instability, and unreliability."

It added that over the past 20 days, the United States, either directly or through actions by Israel against Lebanon, had re-

peatedly committed both minor and major violations of various provisions of the memorandum. The ministry said Iran had acted in "complete good faith" since signing the June 18 memorandum, using all available means to fulfill its commitments under the agreement.

"Despite this, the US government, in line with its long-standing practice, has sought to justify its own violations with various pretexts while simultaneously breaching its commitments," the statement said.

According to Reuters, the US Treasury on Tuesday re-imposed sanctions on Iranian oil as a US official said alleged Iranian attacks on vessels in the Strait of Hormuz were "wholly unacceptable" and would have consequences.

The ministry warned of the consequences of US treaty violations and said Iran would take any measures it deemed necessary to protect its national interests and national security.

Iran's Deputy Foreign Minister for Legal and International Affairs, Kazem Gharibabadi,

also warned on Tuesday that Tehran would take "firm measures" to safeguard its national interests and national security in response to "successive US violations of the Pakistan-mediated memorandum of understanding between Tehran and Washington."

In a post on X following reports that Washington had revoked the sanctions waiver, Gharibabadi said the decision constituted a "flagrant violation" of Clause 10 of the understanding, while the renewed actions amounted to a "serious violation" of the memorandum's first and second provisions.

The US Treasury had authorized Iranian oil sales until August 21 last month as part of the fragile agreement between Tehran and Washington. Tuesday's decision shortened that wind-down period, setting a new expiration date of July 17.

The Treasury Department's Office of Foreign Assets Control (OFAC) withdrew General License X, issued on June 21, and replaced it with a narrower authorization, General License X1,

which allows a wind-down period for transactions until July 17 but prohibits any new purchases or loading of Iranian-origin crude oil and petroleum products from July 7.

Iranian officials have not claimed responsibility for reports that three tankers were struck by unknown projectiles in and near the Strait of Hormuz in recent days.

Under the agreement with the United States, Iran had pledged safe passage for ships through the Strait of Hormuz. Tehran has said vessels should instead use a northern route under Iranian control rather than a route along Oman's coast protected by the US Navy.

A US official said negotiators continued to work in good faith toward a final agreement with Iran despite the latest escalation. Another US official, speaking on condition of anonymity, said preliminary indications suggested Iran had fired at three commercial vessels, according to Reuters.

The Strait of Hormuz, a narrow waterway between Iran



REUTERS

and Oman, is one of the world's most important energy chokepoints. Before the 40-day US-Israeli war against Iran that began on February 28, about one-fifth of global oil and liquefied natural gas shipments passed through the strategic strait each day.

Any prolonged disruption could drive up energy prices and increase pressure on consumers and governments already grap-

pling with higher fuel costs. Oil exports remain a key source of revenue for Iran, generating billions of dollars in hard currency that help finance government spending and support an economy weakened by years of US sanctions. Despite the restrictions, Tehran has expanded oil shipments in recent years, largely to China, making crude exports one of its most important economic lifelines.

## Kazakh logistics hub at Iran's port to bolster regional supply chains



ISNA

## Economy Desk

A \$25 million agreement between Iran and Kazakhstan to build a logistics terminal at Iran's Shahid Rajaei Port marks a strategic step toward redefining Iran's role in regional and international supply chains, the head of the Iran Feed Industry Association said.

"The agreement is not merely a port contract," Majid Movafiq Qadiri, who is also a member of the Iran Chamber of Commerce's board of representatives, told IRNA. Kazakhstan signed the \$25

million agreement in June to develop a logistics hub at Iran's Shahid Rajaei Port, which Iranian officials say will support the International North-South Transport Corridor (INSTC). Qadiri said implementation of the project would strengthen the eastern branch of the INSTC and further cement Iran's position as a bridge linking Central Asia to open seas.

Under the agreement, Kazakhstan will build a dedicated logistics terminal at Shahid Rajaei Port in the south of Iran to manage

grain exports, containerized cargo and transit shipments, he said.

In return, Iran will gain access to dedicated infrastructure and berths at Kazakhstan's Aktau and Kuryk ports on the Caspian Sea, he added.

Regarding the agreement's impact on bilateral trade, Qadiri said the targets were "highly significant."

He said the corridor's transport capacity is planned to increase from about 3.5 million metric tons to 20 million metric tons annually, while bilateral trade is projected to rise from around \$500 million to \$3 billion.

Achieving those goals would create a competitive, reliable and sustainable trade route linking Iran, Central Asia and global markets, he said.

Qadiri said Kazakhstan, as one of the region's major producers of grains and oilseeds, could help improve access to raw materials for Iran's livestock, poultry and aquaculture feed industry through the agreement.

He said shorter transport

times, lower logistics costs, greater supply security and more diversified import routes would be among the key benefits of the cooperation, ultimately improving the competitiveness of Iranian feed producers and reducing the cost of domestic protein production.

The agreement's impact extends well beyond the feed industry, Qadiri said, adding that it would strengthen Iran's position as a regional transit hub, support the development of related industries, encourage investment in port and logistics infrastructure, create added value and expand exports of technical and commercial services.

He said the process would contribute to the national economy while enhancing the position of Iran's livestock, poultry and aquaculture feed industry within regional supply chains.

Bilateral trade currently stands at about \$400 million and could rise two to three times following the project, according to Kazakh officials.

## Tehran, Islamabad seek stronger IT ties, joint technology zone

## Economy Desk

Iran and Pakistan agreed to expand cooperation in information technology, artificial intelligence and cybersecurity, with Tehran proposing the creation of a joint technology zone that was "very well received" by Pakistani officials, Iran's deputy telecommunications minister said on Wednesday.

Mohammad Mohsen Sadr, who heads Iran's Information Technology Organization, met with Pakistan's Minister of Information Technology and Telecommunications Shaza Fatima Khawaja on the sidelines of the Global Dialogue on AI Governance in Geneva, he said in a post on X. "During this meeting, areas for expanding cooperation between Iran and Pakistan in IT, e-government, artificial intelligence, digital economy, cybersecurity and innovation ecosystem development were discussed," Sadr wrote. He added that he had proposed establishing a joint technology zone, which was met with strong interest from the Pakistani side.

"I believe strengthening technological cooperation among regional countries can pave the way for a more connected, smarter and more prosperous future for nations," Sadr said.

Sadr also held talks with Oman's deputy telecommunications minister on the sidelines of the Geneva conference, discussing cooperation in e-government,



artificial intelligence, digital economy, communications infrastructure and broader technology interactions, he said.

"Iran and Oman have valuable capacities to deepen digital cooperation and create joint opportunities on the path toward the future of the digital economy," Sadr wrote.

Sadr also addressed a workshop on artificial intelligence and the government digital ecosystem held Tuesday at the headquarters of the International Telecommunication Union (ITU) in Geneva.

The workshop, which featured speakers from the UN Department of Economic and Social Affairs (UNDESA), the ITU's development sector and university academics, was "very well received" by participants, Sadr said.

The Global Dialogue on AI Governance, hosted by the ITU, brings together government officials, technology experts and industry representatives to discuss frameworks for regulating and managing the rapid development of artificial intelligence technologies.

## End of Iran-US ...

Therefore, even if Trump did not initially insist that the MOU had come to an end, an escalating crisis could ultimately place him on a path toward formally declaring its termination. The end of that understanding would, in effect, amount to a declaration of war.

**How will the latest developments affect the role and effectiveness of mediators? Can countries such as Qatar continue to play a meaningful role in facilitating dialogue, particularly after the attack on one of its vessels and Doha's critical response?**

Mediators generally begin their work

under difficult circumstances and strive to bring disputes to a conclusion. Pakistan and Qatar have already demonstrated this. Despite the considerable distance between the positions of Iran and the United States, the two countries succeeded in bringing them closer together.

However, every country has its own capacity. Qatar has traditionally maintained good relations with Iran and has played constructive roles in mediation efforts. If it feels that its efforts are not being appreciated or that it is being treated unfairly, it will undoubtedly withdraw. The withdrawal of such mediators would be a serious warning sign

of a possible confrontation between Iran and the United States.

The parties to the dispute should not deprive themselves of the opportunity that mediators provide without taking into account the potentially negative consequences they may face in the future. Mediation is an important opportunity to prevent crises from escalating and an equally important mechanism for resolving them.

If mediators conclude that their efforts are producing no results, they may choose to step away from the negotiation process. In their absence, misunderstandings are more likely to increase, tensions may intensify, and the

crisis could expand further.

**If diplomacy comes to a halt, what are the most likely scenarios for Iran-US relations? Is there still room to manage tensions?**

Tension management remains possible to some extent, but it cannot continue indefinitely. If diplomacy ultimately fails, the consequence will be confrontation. Such confrontations could remain confined to the Persian Gulf and the Gulf of Oman, or they could spill over into the territory of Iran and the Persian Gulf states.

What is certain is that no one knows how resilient Iran would be under such

pressure, or how resilient the global economy would prove in the face of higher oil prices and the wider economic pressures that would follow.

Ultimately, both sides must abandon the belief that they hold the upper hand or can decisively dictate the outcome. These are mental constructs. What actually unfolds on the ground may differ significantly from what decision-makers in either Tehran or Washington expect. When perceptions diverge from operational realities, decision-makers may find themselves drawn into a course of action whose outcome brings nothing but loss and damage to their own countries.