Strategic corridor initiative launched to link Iran to Central Asia, China

Economy Desk

Iran, Afghanistan and Tajikistan have launched operational cooperation to establish a direct transport corridor linking Iran to Tajikistan through Afghanistan, marking the first practical step toward creating a faster, safer and more economical route connecting Iran to Central Asia and China, Iran's deputy roads minister said.

"Creating this corridor could play an important role in expanding regional trade" Reza Akbari, head of Iran's Road Maintenance and Transportation Organization, said on the sidelines of a meeting on the initiative in the northeastern Iranian city of Mashhad, ILNA reported on Thursday.

Akbari said Iran and Tajikistan are currently connected through Turkmenistan, adding that the meeting aimed to examine and operationalize the Afghan route as a complementary and more economical corridor for cargo transportation.

He said the three countries agreed to conduct a pilot shipment from Iran to Tajikistan via Afghanistan to assess actual transportation costs, transit times and potential operational challenges. The results will be used to evaluate the route's economic viability and prepare implementation plans.

Tajikistan has welcomed the proposal, Akbari said.

"This route will facilitate Tajikistan's access to open waters, the Persian Gulf and the Sea of Oman, while expanding the country's trade opportunities. Afghanistan, by serving as a transit country, will also benefit from the corridor's economic, transit and infrastructure development opportunities," he said.

The meeting also discussed road and transport infrastructure development in Afghanistan, upgrading border terminals, simplifying customs procedures, standardizing transport documents, digitalizing processes and establishing a single trade window among the three countries, Akbari said.

He said the participants agreed on a joint memorandum recognizing the corridor as a priority area of trilateral cooperation.

"A comprehensive cooperation document will also be prepared to define the corridor's infrastructure, technical, software, legal and operational framework," he said.

Akbari said the three border crossings between Iran and Afghanistan — Dogharoun, Milak and Mahirud — could be connected to the proposed corridor, adding that the advantages and capacities of each route were under technical review.

IRNA

South Pars maintenance drive targets stable winter gas supply after refinery damage

SHANA

Economy Desk

Pars Oil and Gas Company is carrying out an intensive turnaround program at 20 offshore platforms in the South Pars gas field to help ensure a stable natural gas supply during the winter after recent conflicts damaged part of the country's gas-processing infrastructure, a senior official at the company said on Friday.

Alireza Sarmadi, the company's production and operations manager, told IRNA that damage to several gas refineries during two recent conflicts had made maximum readiness of the offshore platforms for the cold season a top priority.

Iran came under a 12-day Israeli attack in June 2025 and a US-Israeli war that began in late February 2026.

The maintenance campaign began in mid-April and is expected to conclude in September, Sarmadi said.

It is aimed at minimizing production downtime while carrying out technical inspections, repairing rotating and process equipment, and calibrating control systems to ensure the reliability of the facilities.

Sarmadi said this year's turnaround program differs from previous years because the maintenance schedule has been compressed due to operational constraints caused by the recent conflicts.

"Because processing capacity at the damaged refineries remains limited, prolonged shutdowns of the offshore platforms are not possible," he said. "As a result, the maintenance schedule has been tightened, while procurement of strategic parts has been managed through domestic manufacturers."

Sarmadi said logistical constraints, particularly restrictions on helicopter flights, had added to the challenges.

An Israeli air strike in March damaged several gas-processing facilities along the coast of Bushehr Province.

Oil Minister Mohsen Paknejad said in June that Iran had restored about 30 million cubic meters of gas-processing capacity lost during the US-Israeli war.

South Pars, which Iran shares with Qatar, accounts for 70% of the country's natural gas supply and provides 40% of the feedstock required for gasoline production.

Sarmadi said part of the damaged refinery capacity had returned to production, but a full recovery would not be possible in the short term.

He said maintaining the stability of the gas network during the winter would require not only maximum readiness of production platforms but also efficient gas consumption by end-users.

Iran's pipeline gas exports rise about 3% in 2025 to 15.4 bcm, EI reports

Economy Desk

A section of the Iran-Turkey natural gas pipeline is seen near the border between the two countries.

AFP

Iran exported 15.4 billion cubic meters (bcm) of natural gas via pipeline in 2025, up about 3% from a year earlier, according to the latest Statistical Review of World Energy published by the Energy Institute.

The figures, cited by Tasnim news agency, showed Iran exported about 15 bcm of pipeline gas in 2024.

Iran, which holds the world's second-largest natural gas reserves after Russia at around 34 trillion cubic meters, shipped 7.4 bcm of gas to Turkey and 7.5 bcm to Iraq in 2025, its two largest export markets.

The country also exported 0.5 bcm of natural gas to the former Soviet republics during the year.

Iran's high-pressure natural gas transmission network measured about 41,000 kilometers as of May 2025, making it the world's fourth-largest by network length and the largest in the Middle East.

Norway was the world's largest pipeline gas exporter in 2025, with exports totaling 115 bcm. Russia exported 101 bcm, followed by the United States with 94 bcm, Canada with 87 bcm, Turkmenistan with 37 bcm, Algeria with 32 bcm, Azerbaijan with 23 bcm and Qatar with 19 bcm.

Iran could become sixth-largest steel producer with policy reforms, industry chief says

Economy Desk

Iran has the potential to become the world's sixth-largest steel producer if policy reforms are implemented, the head of the Iranian Steel Producers Association said, citing the country's untapped production capacity despite energy shortages and recent war-related damage.

Iran currently ranks as the world's 10th-largest steel producer with annual output of about 32 million metric tons, Bahram Sobhani told IRNA.

"If we set aside the recent attacks on some strategic steel facilities, our production potential is much greater than the current level. With policy reforms, Iran has the potential to reach sixth place globally," he said.

Sobhani said Iran was moving toward its long-term target of 55 million metric tons of annual steelmaking capacity, but actual production had remained above 30 million tons despite significant capacity expansion because of unstable fuel and energy supplies.

The country's two largest steelmakers, Mobarakeh Steel Company and Khuzestan Steel Company, were damaged during the US-Israeli war that began in late February. Parliamentary officials have since said reconstruction at Mobarakeh is progressing much faster than initially expected. Iran's Steel Association also said last month the country was expected to retain its position as the world's 10th-largest steel producer despite losing about 30% of its production capacity in the attacks.

IRNA

Sobhani said the steel industry accounts for 5.1% of Iran's gross domestic product, supports 8% of direct and indirect employment, and generated about 15% of the country's non-oil exports last year.

He added, however, that companies' profit margins had fallen sharply, from 33% to 6%, over the past five years.

"Part of the profits has been reinvested to increase capital and finance internal development so companies can withstand market fluctuations, but under the current energy supply conditions there is no guarantee of future profitability."

Energy shortages take toll

Sobhani said disruptions in electricity and natural gas supplies had caused an estimated $18 billion in lost revenue across Iran's steel value chain over the past five years.

"Our energy system faces a recurring crisis. Whenever natural gas is available, we face electricity shortages, and vice versa. This imbalance has severely disrupted the production of intermediate and finished steel products," he said.

He said Iran had the potential to produce more than 40 million metric tons of steel during peak production periods while domestic demand stood at about 20 million tons, leaving another 20 million tons available for export.

"But because of energy constraints, we lose about $10 billion in export potential," he said.

Sobhani warned that shutdowns at strategic steel plants would directly affect downstream industries, including automakers and household appliance manufacturers.

He also called for changes to electricity pricing on Iran's energy exchange, saying power accounts for about 30% of steel production costs and that uncontrolled price fluctuations could threaten the industry's profitability and output.

He proposed setting aside dedicated trading sessions with controlled electricity prices for energy-intensive industries such as steel to reduce excessive market volatility.

Learning from history

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Economic development, trade, and engagement among nations are fundamental values, but historical experience shows that these values endure only when they are coupled with the preservation of independence, credible deterrence, and cooperation among sovereign states. History has repeatedly demonstrated that whenever a gap emerges between economic power and national security, the conditions become ripe for domination and intervention by stronger powers.

Each BRICS member represents a great and ancient civilization—civilizations that, throughout history, expanded culture, knowledge, trade, and wealth creation without relying on colonialism or the plunder of other nations. This is also the philosophy underpinning BRICS itself: strengthening multilateralism, advancing balanced development, fostering mutual respect, and promoting a fairer international economic and political order.

At the Hyderabad meeting, the central focus was cooperation on the future of labor, skills development, support for the workforce, and the advancement of social justice. Yet these objectives cannot be achieved in a world engulfed by war, sanctions, insecurity, and instability. Sustainable development is meaningless without lasting peace, and productive employment can only take shape in an environment of security and international cooperation.

Against this backdrop, perhaps one of the most important questions facing BRICS today is how its member states can establish more effective mechanisms for dialogue, mediation, and peacebuilding in times of crisis and conflict. If BRICS aspires to play a meaningful role in shaping the architecture of the emerging global order, it must strengthen not only its economic cooperation but also its capacity to safeguard stability, security, and shared development.

For all its historical grandeur, Hyderabad serves as a reminder that civilizations flourish when tolerance, trade, knowledge, and security go hand in hand. Today, the aspirations of our nations remain the same: prosperity, peace, decent work, and a life lived with human dignity—an aspiration whose realization depends, more than ever, on cooperation and trust among the world's independent nations.