Iran, Pakistan advance toward $10b trade target at economic talks

Neighbors to discuss finalizing free trade deal at joint commission


IRNA

Pakistan's Commerce Minister Jam Kamal Khan (L) speaks at the 10th Joint Economic Commission meeting in Islamabad, Pakistan, as Iran's Industry, Mining and Trade Minister Mohammad Atabak (C) looks on, on Aug. 4, 2026.
IRNA

Economy Desk

Iran and Pakistan opened their 10th Joint Economic Commission meeting on Tuesday in Islamabad as the two neighbors seek to boost bilateral trade to $10 billion from around $3 billion.

Iran's Industry, Mining and Trade Minister Mohammad Atabak said the meeting aims to advance a roadmap agreed by the presidents of the two countries to expand economic and trade cooperation, according to IRNA.

"Fortunately, economic cooperation between the two countries is growing, and given the shared capacities and border cooperation, we expect the 10th meeting of the Iran-Pakistan Joint Economic Commission to facilitate border exchanges, increase trade in goods and help achieve the targets outlined in the roadmap," Atabak said.

The meeting was opened in Islamabad with the participation of a high-level Iranian delegation led by Atabak and Pakistan's Commerce Minister Jam Kamal Khan.

Atabak said his agenda during the three-day visit featured meetings with senior Pakistani officials, including the prime minister and five ministers, to discuss trade, industry and commerce issues and follow up on previous agreements.

He said the joint commission would review agreements and plans approved in earlier meetings to assess progress and address possible obstacles.

In a bilateral meeting with Jam Kamal Khan, Atabak called for follow-up on permits for the transfer and maritime transportation of goods, exemptions from storage fees and the removal of customs and administrative hurdles affecting the clearance and movement of cargo.

"Removing these obstacles will facilitate transit routes through Pakistani ports and strengthen the role of Karachi, Qasim and Gwadar ports in regional trade," Atabak said.

Atabak said expanding economic ties was essential for both countries, adding that their shared border, geographic position and diverse economic capacities made closer relations a necessity.

He said extending trade facilities to all land, air and sea routes, concluding a free trade agreement, establishing direct financial and banking links and reducing administrative restrictions could allow Iran and Pakistan to reach the $10 billion trade target within one year.

He also called the implementation of guidelines for transit of goods from Pakistani ports to Iran an important step in strengthening Pakistan's regional transit role and boosting regional trade.

Iran's southern ports remain under a US naval blockade imposed by President Donald Trump in mid-April, aimed at pressuring Tehran into an agreement after a 40-day US-Israeli war that began in late February. After a pause of several weeks following the signing of an MoU, strikes on Iran's infrastructure resumed in mid-July, and the naval blockade was also reinstated.

Iran has been seeking to diversify logistics routes to counter growing restrictions on trade corridors, redirecting cargo operations to northern ports as well as ports in Pakistan, India and Oman after activity at the United Arab Emirates' Jebel Ali port was disrupted during wartime conditions.

Pakistan's Commerce Minister Jam Kamal Khan said after meeting Atabak that Islamabad was working to overcome all obstacles to economic cooperation and accelerate progress toward the roadmap for increasing bilateral trade to $10 billion.

Pakistan's Commerce Ministry also said on Monday that the two countries would take new steps to strengthen cooperation and advance a free trade agreement during Atabak's visit.

The talks are focused on 19 key areas, including finalizing the Iran-Pakistan free trade agreement, establishing a barter trade mechanism, reviewing existing agreements, addressing transit barriers and facilitating the movement of Iranian containers through Pakistani ports.

The agenda also includes developing border infrastructure at the Rimdan-Gabd border crossing, improving road transport, connecting Pakistan's Gwadar port with Iran's Rimdan border through maritime links, and developing a rail corridor linking the ports of Chabahar and Gwadar.

Other issues include expanding joint industrial production, particularly in textiles, resolving banking and financial problems faced by traders, easing business visa procedures and activating joint border markets.

Iran restores 60 mcm/day of South Pars gas output lost in war, governor says


ISNA

Economy Desk

Iran has restored 60 million cubic meters per day of natural gas production lost after damage to South Pars facilities during the US-Israeli war, and efforts are continuing to recover the remaining capacity, the governor of Bushehr Province said on Monday.

Speaking at a meeting with Interior Minister Eskandar Momeni in Tehran, Arsalan Zare said rapid reconstruction of damaged oil, gas and petrochemical facilities remained one of the southern province's top priorities because continued operations were essential for employment, the country's energy supply and the economy, ISNA reported.

He said reconstruction work was being carried out by Iranian engineers, specialists and technical personnel.

Israeli air strikes 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 the lost gas-processing capacity. Executive Vice President Mohammad Jafar Qaempanah also said last month that the attacks had taken about 230 million cubic meters of Iran's gas production capacity offline and that 100 million cubic meters was expected to be restored within the next few months.

The loss is significant compared with Iran's daily gas production of about 650 million cubic meters and has added to the country's existing gas imbalance.

Iran has remained on a war footing since a US-Israeli coalition launched attacks on Iran on Feb. 28.

The country holds the world's second-largest natural gas reserves. South Pars, which Iran shares with Qatar, is the world's largest natural gas field.

Phase 11 output to hit full capacity in two months

The first production block of South Pars Phase 11 is expected to reach its nameplate production capacity within the next two months, marking a new stage in the development of the strategic project, according to the project's executive.

Keivan Tariqati, head of the South Pars Phase 11 development project, told Shana that 11 wells had already entered production and that drilling, completion and tie-in work on the remaining wells was progressing as planned.

"Based on the current plan, with the completion of drilling operations and the commissioning of the wells under development, the first block of Phase 11 is expected to reach its nameplate capacity of more than 28 million cubic meters of raw gas per day, equivalent to 1 billion cubic feet per day, within the next two months. The project will then enter the production stabilization stage."

The project, being developed by Pars Oil and Gas Company on behalf of the National Iranian Oil Company, is valued at nearly $4 billion. Its ultimate goal is to achieve sustainable production of 2 billion cubic feet per day of raw gas from the strategic section of the shared field.

Under the Phase 11 development plan, the project includes the construction and installation of offshore facilities at two border locations and the drilling of 27 wells. As additional wells gradually come on stream, the project is expected to increase Iran's production capacity from the shared South Pars field and help reduce the country's gas imbalance.

Space cooperation deal to expand satellite applications in NW

IRNA

Economy Desk

Iran Space Research Institute and the Maku Free Zone Organization have signed a cooperation agreement to expand the use of space technologies, commercialize advanced technologies and strengthen scientific, research and industrial cooperation in northwestern Iran.

Under the agreement, the two sides will cooperate on using satellite systems for smart regional management and natural resource monitoring. They will also strengthen scientific and research infrastructure through the institute's laboratory capabilities, facilitate technology transfer between industry, universities and research centers, and support investment in and commercialization of advanced technologies.

The agreement is aimed at creating closer links between scientific institutions, industry and investors in advanced technologies and expanding the role of space technologies in regional development and the knowledge-based economy in the Maku Free Zone, according to IRNA.

The deal was signed at a ceremony attended by the parliamentary affairs deputy of Iran's Ministry of Information and Communications Technology, the chairman and members of the board of directors of the Maku Free Zone Organization, and several lawmakers representing the region.

Moharram Shameli, head of the Institute of Space Propulsion, represented acting chief Nader Makari at the ceremony. Makari said the agreement would help leverage the Maku Free Zone's capabilities for applied space projects and facilitate the transfer of research-based technologies into practical use.

The two sides will also work to develop cooperation between industry, universities and research institutions to transfer technology and train specialized personnel.

The agreement is intended to create conditions for wider use of space technologies in smart management, sustainable development and increasing value-added activities in the Maku Free Zone and northwestern Iran.