Iran's trade with BRICS members reaches $60b

Economy Desk

Iran's trade turnover with BRICS member countries amounted to $60 billion last year.

The figure was announced by the Deputy Head of Iran's Trade Promotion Organization (TPO) Mohammad-Sadeq Qannadzadeh, according to IRNA.

"Iran exported $23 billion worth of goods to BRICS member countries last year, while importing $37 billion worth of goods from member countries of the group," he said.

Qannadzadeh added that despite sanctions imposed on Iran and problems in transportation, freight and air services arising from the US-Israeli war on the country, Iran has maintained economic exchanges with BRICS member countries.

The official said Iran should use the opportunities offered by BRICS members to expand trade relations and establish cooperation on projects covering trade, freight transportation, payments and investment.

He added that Iran could also expand cooperation with BRICS members in transit, trade facilitation, customs, coordination on standards and payment mechanisms.

Qannadzadeh said there was room to expand the use of local currencies in bilateral trade between member countries, noting that this practice could contribute to the development of broader financial mechanisms among BRICS members.

BRICS accounts for a significant share of Iran's foreign trade, he said, adding that despite the large volume of trade, the full potential of Iran's membership in the group has yet to be realized in the country's economy.

"Iran's membership in organizations such as BRICS, the Shanghai Cooperation Organization and the Organization of Islamic Cooperation needs to translate into tangible economic cooperation rather than political participation," he said.

According to Qannadzadeh, Iran can create new avenues to sustain its foreign trade and reduce international restrictions and pressure by expanding trade relations with major economic powers despite the restrictions resulting from sanctions.

BRICS is an intergovernmental organization established in 2006. In addition to the original five members, namely Brazil, Russia, India, China and South Africa, the group currently includes Egypt, Ethiopia, Iran, and the UAE as members. Saudi Arabia's accession to the organization remains shrouded in ambiguity.

IRNA

Tehran offers joint agricultural projects, tech exchange to Dushanbe

Economy Desk

The Iranian deputy minister of industry, mine and trade, in a meeting with the first deputy minister of agriculture of Tajikistan, emphasized the development of economic and commercial cooperation in the agricultural sector as well as technology export between the two countries as it "leads to the strengthening of relations".

According to IRNA, during his trip to Tajikistan, Mohammad-Sadeq Mofatteh met with Nur Ali Mohammadullah and expressed the readiness of Iranian companies to supply agricultural tools and machinery, plant pesticides, chemical fertilizers, irrigation equipment, livestock medicine and vaccines, and equipment required for animal husbandry and poultry farming.

"Proposals have been presented for providing the possibility of equal benefit for Iranian producers and joint producers from the offered facilities, which we hope will be taken into consideration," he announced.


IRNA

The deputy minister of industry, mine and trade noted that in the field of investment and joint production, a specific project for the production and assembly of tractors and agricultural machinery in Tajikistan with the participation of the TajIran company has been defined, adding that Iran has "the possibility of developing the export of these products to regional markets".

"We are also ready for cooperation with Tajikistan, from supplying and purchasing cotton to processing, spinning, weaving and production of final products, with the aim of export to third markets."

The development of greenhouse, cold storage, packaging and processing industry projects with the use of technical and engineering services were other areas of possible cooperation the deputy minister highlighted in the meeting.

Mofatteh, referring to the creation of an export terminal and a logistics center for agricultural products, stated, "For the gathering, packaging, processing and exporting of Iranian and Tajik products, better use of customs and tax exemptions has been envisioned."

The possibility of creating a joint production unit for livestock and poultry medicines, after assessing the market and receiving feedback from the Ministry of Agriculture of Tajikistan and private sector activists, was emphasized as well.

Mofatteh and Mohammadullah also considered the capacities for livestock breeding and poultry transfer and establishing communication between Iranian companies and the livestock breeding center of Tajikistan.

Japan follows US in raising interest rates

Japan's central bank has increased interest rates to a fresh 31-year high as it attempts to combat global inflation linked to the US war on Iran.

The Bank of Japan (BoJ) voted to raise its target interest rate from 1% to 1.25%, the highest level since 1995, The Guardian reported.

The move meant the BoJ joined the US Federal Reserve and the European Central Bank in tightening monetary policy this month, as central banks attempt to curb the impact of rising prices, linked to the conflict in the Middle East.

The Bank of England on Thursday voted to leave UK interest rates on hold at 3.75% but warned they could soon rise amid the fallout from the Iran war.

The BoJ policy committee's vote to raise rates was not unanimous — with two of the nine board members dissenting against the increase.

Kazuo Ueda, the governor of the BoJ, would not rule out the possibility of back-to-back rate rises by the bank's policy committee.

"That depends on how price conditions develop," he said.


The Bank of Japan headquarters in Tokyo
KIM KYUNG-HOON/REUTERS

"There could be various possibilities. We shouldn't rule anything out. We're at a phase where we need to look at various data carefully. But that doesn't mean we can move slowly. We will analyse data carefully and take timely action as needed."

The BoJ's policy committee meets eight times a year, roughly once every six weeks, and Ueda said there is no set plan for the timing of any future potential increases in the rate.

"As for the pace of future rate hikes, we don't have any pre-set idea in mind such as once every three months," he said. "We will determine at each policy meeting how best to ensure underlying inflation stabilises at 2%."

The BoJ has been raising rates since 2024, when it lifted its base rate out of negative territory. It has been under pressure to raise borrowing costs as the yen weakened steadily against the dollar this year. The Japanese currency weakened more than 1% against the dollar late last week.

Freight, passenger transit back to normal at Iraqi borders: *Businessman*

By Sadeq Dehqan
Staff writer

INTERVIEW

The temporary closure of certain border crossings between Iran and Iraq following a security incident created concerns in recent days regarding the process of trade exchanges between the two countries, particularly the transfer of perishable goods.


Mostafa Mousavi

The Shalamcheh border, which is considered among the most important land gateways for trade between Iran and Iraq, faced restrictions and a halt in activity for approximately two days; a matter that caused congestion in the border area and the stoppage of a number of consignments. Concurrent with the dissemination of news regarding the closure of the Shalamcheh and Chazzabeh borders, speculations and rumors were also raised concerning the cause of this closure, and some even attributed it to political decisions and regional developments.

According to Mostafa Mousavi, the head of the Khorramshahr Chamber of Commerce, a significant portion of the goods exchanged through these borders consists of food products and perishable items, and a halt of several days can cause damage to these consignments and impose losses on producers and exporters.

With the return of activity at the Iran-Iraq border to normal conditions, Mousavi said during an exclusive interview with Iran Daily that there is no restriction at those border crossings at the moment, and the process of trade exchanges continues.

Regardless of whether in the future, for any security, executive, or other reason, a decision is made for restriction or halt of activity at the border, he said that prior notification can prevent damage to consignments because a portion of the goods transiting through Shalamcheh are perishable, and a sudden halt of the border can create problems for their owners.

"During the period in which the border was closed due to that incident, a degree of congestion of goods occurred. However, since Tuesday, with the cooperation of the Iranian border regiment and the Iraqi side, Iraqi trucks entered, and the loading operations were carried out gradually."

The head of the Khorramshahr Chamber of Commerce continued that conditions have improved considerably, and activities have become lighter and almost routine.

Regarding the position of Shalamcheh in trade exchanges between Iran and Iraq, Mousavi also stated that the two countries have several important borders, among which there also Mehran, Khosravi and other border gateways, but all those borders are important in bilateral trade.

"After the Parvizkhan border, Shalamcheh is among the borders that have considerable trade activity, and a high volume of trucks and trade consignments transit through this route."

The businessman added that on average, approximately 450 to 600 trucks cross the Shalamcheh border daily.

Mousavi once again stressed that if a restriction is to be created at the border, it is better that, to the extent possible, prior notification or warning exist so that economic actors and owners of goods can plan for their consignments.

Reiterating the vulnerability of perishable goods under a halt in border activities, he explained that one of the important problems at land borders is the shortage of cold storage infrastructure.

The head of the Khorramshahr Chamber of Commerce added that in the event of the halt becoming prolonged, greater damage is imposed on the owners of the goods.

For the development of the required infrastructure, he maintained, "the private sector must enter, and the public sector must also provide the necessary groundwork and facilities for the expansion of this infrastructure."