Iran keeps China, Turkey, Iraq routes open as four others canceled under US sanctions

Economy Desk

Flights between Iran and China, Turkey and Iraq's Najaf continued Wednesday as new US sanctions targeting Iran's aviation sector took effect, while flights to Baghdad, Oman, Azerbaijan and Tbilisi were canceled, the head of Imam Khomeini International Airport City said.

Ramin Kashef-Azar, speaking to IRNA, said Iranian airlines were continuing to operate international flights despite the latest US pressure on the country's aviation sector.

"Flights to Iraq through Najaf airport are continuing without interruption, but Baghdad airport is currently not providing services to Iranian flights," he said.

The developments followed an Iraqi decision to suspend Iranian flights to Baghdad from Wednesday after the US threatened sanctions against airports servicing Iranian carriers, according to sources cited by Reuters.

Kashef-Azar also said flights to China were operating normally according to schedule.

Flight-tracking website Flightradar24 showed that a Mahan Air aircraft that departed Tehran landed in southern China on Wednesday. Mahan Air flight 093 landed in Guangzhou at 4:39 p.m. local time (0839 GMT), according to the website.

IRNA

Yerevan flights continue, two canceled

Flight schedules also showed that several Iranian airlines continued to operate on the Yerevan-Tehran route.

At Yerevan's Zvartnots International Airport, aircraft operated by Iranian airlines Caspian Airlines and Fly Kish departed for Tehran on Wednesday. Two of the six scheduled flights from Yerevan to Tehran were canceled, according to the airport's flight information.

Flight schedules at Imam Khomeini International Airport also showed several Iranian airlines operating flights to and from Turkey.

Kashef-Azar said that, apart from Mahan Air, which faces restrictions on flights to Turkey, other Iranian airlines were continuing to operate flights to several Turkish destinations, including Istanbul, Ankara, Gazipasa and Izmir.

"At present, with the exception of Mahan Air, which is facing restrictions on flights to Turkey, other Iranian airlines are operating flights to various destinations in the country without any problems," he said.

He added that because foreign airlines had not returned to Iran since the start of the US-Israeli war at the end of February, Iranian carriers including Qeshm Air, Taban Airlines, Sepehran Airlines and Varesh Airlines were handling passenger traffic from neighboring countries and other destinations.

"Flights to the country of China are also operating without any problems, and flight schedules to this country are being carried out according to the timetable," Kashef-Azar said.

"The Civil Aviation Organization is continuously negotiating with aviation authorities in other countries to ensure that Iranian airlines can operate international flights with the fewest possible restrictions," he added.

The flights came as Washington moved to tighten pressure on Iran's aviation sector. On Sept. 8, the US Treasury Department sanctioned 27 Iranian airlines as part of a broader campaign announced on Aug. 24, warning that foreign companies supporting Iran's aviation industry could face sanctions and restrictions on access to the US financial system.

US Treasury Secretary Scott Bessent said on Monday that Washington would seek to shut down Iranian airlines worldwide from Sept. 23 by threatening secondary sanctions against foreign aviation service providers that continue working with them.

He said companies could risk access to the US dollar system if they fuel Iranian aircraft, provide landing services or sell tickets for Iranian carriers.

South Pars restores half of war-damaged gas capacity

SHANA

Economy Desk

Iran has restored about 50% of the gas production capacity damaged at its South Pars field during the 40-day US-Israeli war that began on Feb. 28, a deputy oil minister said, as the country works to repair the damage ahead of winter.

Ahmad Zeraatkar told Fars news agency that some damaged units had been brought back online ahead of schedule as part of a program launched after the attacks on South Pars facilities in March.

"With the measures taken, about 50% of the damaged capacity had returned to service by Sept. 22, and production in this part has resumed," he said.

He did not give a figure for the volume of capacity restored. Oil Minister Mohsen Paknejad, however, told Parliament's Energy Commission on Tuesday that Iran had recovered 100 million cubic meters of gas processing capacity after four gas refineries were taken offline.

Zeraatkar said four domestic financing projects had been launched as part of one of the country's largest financing arrangements, with reconstruction work now under way.

"The planned capacity restoration program has been achieved, and all the planned measures will be completed before the start of winter," he added.

According to the National Iranian Gas Company (NIGC), damage to gas industry facilities during the war was extensive, with nearly 7,924 cases recorded.

Attacks on four South Pars gas refineries in March reduced gas production capacity by about 230 million cubic meters.

Paknejad said the four refineries going offline had resulted in the loss of about 230 million cubic meters of gas processing capacity. Efforts to use spare capacity at other refineries had allowed Iran to recover nearly 100 million cubic meters of that loss, he said.

"However, a shortfall of more than 120 million cubic meters remains and will be added to this year's gas imbalance, requiring the development and implementation of precise and specific management mechanisms," he said.

According to NIGC, Iran's gas industry had already been facing a daily shortfall of about 300 million cubic meters before the war.

Iran has about 34 trillion cubic meters of proven natural gas reserves, making it the world's second-largest holder of gas reserves after Russia. The country accounts for about 17% of global proven gas reserves.

Despite its vast reserves, a significant portion of Iran's gas potential remains undeveloped because of sanctions-related constraints and insufficient investment.

Chamber chief urges export plan for medicinal plants, organic products

Economy Desk

The head of Iran's Chamber of Commerce, Industries, Mines and Agriculture criticized the lack of attention to the country's medicinal plants and organic products, calling for serious planning to boost exports and build global brands.

Samad Hassanzadeh, speaking at an international conference on the development of production and exports of Damask rose, organic medicinal plants and related products, said Iran had so far failed to make proper use of its significant potential in the sector or build suitable brands for its products in global markets, Tasnim news agency reported.

"Unfortunately, we have so far been unable to properly capitalize on the country's valuable resources and potential and establish suitable brands for these products in global markets," he said.

"Damask rose is one of the few products that has managed, to some extent, to put Iran among the world's producers of aromatic plants," he added.

For years, various programs have been carried out in areas such as Kashan to cultivate Damask roses, produce rosewater and manufacture other products derived from the plant, creating opportunities for the country, Hassanzadeh said.

IRNA

But Damask rose is not Iran's only potential in the sector, he said, adding that the country has other valuable plants that could be used to create added value and expand exports.

Low productivity compared with rivals

Iran has 60,000 hectares under Damask rose cultivation, 12 times the area in Turkey and Bulgaria, its global competitors, said Parviz Kheirkhah, a member of Iran's Rose and Rosewater Association, according to ISNA.

Economic productivity per hectare is about $2,000 in Iran, compared with $12,000 in Turkey, Kheirkhah said, describing the figures as a serious warning for industry players and policymakers.

Regional potential, value chains

Hassanzadeh also pointed to production potential in different parts of Iran, saying South Khorasan produces products such as jujube and barberry as well as various medicinal plants. The slopes of Mount Sahand, Ardabil, Azerbaijan and other parts of the country also have significant potential in medicinal plants, he said.

"If we can connect these products through production and value chains, very good opportunities will emerge to create added value, develop related industries and increase the country's export revenues," Hassanzadeh said.

Organic products as an export opportunity

Hassanzadeh said organic fruits and plants were being sold at high prices in global markets and that organic certification had become an important brand in the international market.

Products with organic certification, particularly in agriculture and medicinal plants, command higher prices in global markets than many conventional products, he said, adding that this could provide an important export opportunity for Iran.

He criticized the lack of attention to the sector in Iran, saying authorities had failed to develop adequate and coordinated plans to make use of its potential.

Sanctions and other restrictions had also prevented Iran in recent years from establishing an adequate presence in global markets and introducing its products internationally as it should, he said.

Call for greater presence in int'l markets

Hassanzadeh stressed the need to introduce Iranian products at international markets, exhibitions and specialized seminars and to build global brands for them.

He cited saffron as an example, saying he had recently heard that Turkey, despite producing saffron on a very limited scale, had sought to register a global saffron brand in international organizations.

Iran is one of the world's largest saffron producers and the product has long been known by Iran's name, he said.

A lack of government support and planning, along with some neglect by Iranians themselves, had prevented the country from making proper use of these resources and potential, Hassanzadeh said.