

Iran, Russia, Azerbaijan discuss regional gas cooperation

NIGC proposes seasonal gas, electricity swaps to strengthen energy ties



CEO of the National Iranian Gas Company (NIGC) Saeed Tavakoli (C) attends a specialized session of the eighth Russian Energy Week international forum in Moscow, Russia, on October 16, 2026. ● IRNA

Economy Desk

Iran, Russia and Azerbaijan discussed regional energy cooperation, including the use of existing pipelines, seasonal gas and electricity swaps, and new energy corridors, at a meeting in Moscow on Friday, IRNA reported. The talks also examined the potential impact of a 2024 Iran-Russia memorandum on Russian gas supplies to Iran and its implications for peace and security

in the South Caucasus. The discussions brought together officials from Iran, Russia, Azerbaijan, Armenia and Georgia under the 3+3 regional framework. Speaking at a specialized session of the eighth Russian Energy Week international forum on Friday, Saeed Tavakoli, Iran's deputy oil minister and CEO of the National Iranian Gas Company (NIGC), highlighted Iran's substantial natural gas resources, electricity

generation capacity and extensive gas network, comprising 41,000 kilometers of transmission pipelines and 480,000 kilometers of distribution pipelines. He described Iran's geographical position, connecting major energy production and consumption centers, as a distinct advantage for gas swaps and transit. Referring to the 2024 memorandum between Tehran and Moscow on Russian gas supplies to Iran, Tavakoli said the first priority should be to use

existing infrastructure, noting that the region already had the necessary pipeline networks. Closer coordination, he added, would help countries make better use of those facilities. Under a 30-year deal signed between NIGC and Russian energy giant Gazprom, Iran is expected to receive up to 55 billion cubic meters of gas annually through a new pipeline that Moscow plans to build across the Caspian Sea. Iranian officials have said the supplies would help address domestic gas shortages, strengthen the country's export capacity on a sustainable basis and establish Iran as a regional gas hub. Iran holds the world's second-largest natural gas reserves after Russia, with about 34 trillion cubic meters. Tavakoli also proposed seasonal exchanges of gas and electricity, saying countries could trade energy at specific times of the year to meet demand and help strengthen regional peace and stability.

Russian Deputy Energy Minister Roman Marshavin said details of the Iran-Russia gas supply agreement, which envisages transit through Azerbaijan, were still being discussed behind closed doors. He suggested that regional countries share their energy strategies through 2050 to develop a common approach to energy security. Elshad Nasirov, deputy vice president of Azerbaijan's state energy company SOCAR, supported the proposal, saying it could be implemented with limited investment by repairing existing pipelines and upgrading compression facilities. He also expressed hope that Tehran and Moscow would resolve outstanding issues and turn the memorandum into a formal contract. Armenian officials expressed readiness to expand energy cooperation, while Georgian analyst Archil Sikharulidze said political differences and pressure from the United States and Europe were hindering Georgia's participation in the 3+3 framework. The eighth Russian Energy Week international forum opened in Moscow on Wednesday with a message from Russian President Vladimir Putin. The event focuses on the development of the fuel and energy sector, interregional cooperation and international partnerships in the energy industry.

Iran exports \$250 million in goods to Tajikistan in seven months

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Iran exported about \$249.97 million worth of goods to Tajikistan in the first seven months of 2026, accounting for 4.1% of the Central Asian country's imports, Iran's commercial attaché in Tajikistan, Amir Fakhrian, said, according to IRNA. Tajikistan's total foreign trade reached about \$7.94 billion during the period, up 42.3% from a year earlier, according to the country's statistics agency, Fakhrian said, as reported by IRNA. Tajikistan's exports totaled about \$1.78 billion, while imports exceeded \$6.16 billion.



Fakhrian said the country's demand for industrial goods, machinery, food and agricultural products, and construction materials offered opportunities for Iranian companies to expand their presence in the market. He said stronger cooperation between private-sector businesses, bilateral trade meetings, the

identification of reliable business partners, and improved transport and logistics infrastructure could help increase Iran's non-oil exports and diversify its export portfolio. Food and agricultural products, construction materials, industrial machinery and equipment, mining industries, and technical and engineering services were among the areas with potential for expanded trade ties, he added. Fakhrian said closer direct links between Iranian and Tajik companies and consistent follow-up on trade agreements could help strengthen Iran's position in the Tajik market and expand bilateral economic relations.

Riyadh could tap ...

Given Saudi Arabia's expanding defense cooperation with Pakistan and Turkey, how effective could these security arrangements be in managing tensions with the Yemeni forces? Could greater reliance on defense pacts and military arrangements help contain the crisis, or might it instead heighten security competition and further complicate the regional landscape?

Saudi Arabia's expanding defense cooperation with Pakistan and Turkey should be viewed in the context of Riyadh's efforts to diversify its security partners, strengthen its deterrence capabilities and reduce its vulnerability to regional threats. Such cooperation could prove effective in areas including intelligence sharing, military training, defense industry development, air defense capabilities and operational capacity. However, it is important to recognize that greater military strength does not necessarily translate into a greater ability to resolve crises. In the case of Yemen, the issue is not

simply one of military superiority. It involves a range of political, geographical, social and security factors that cannot be managed through defense arrangements alone. Even if Saudi Arabia's military cooperation with Pakistan and Turkey strengthens its deterrence, the question remains whether this added capability could persuade the Yemeni forces to accept a political agreement or merely encourage them to bolster their capacity to resist and expand the scope of their operations. From this perspective, exclusive reliance on defense pacts could have a dual effect. On the one hand, raising the costs of military action for the opposing side could help prevent certain clashes. On the other, the emergence of rival military coalitions and an expanding arms race could intensify the region's security dilemma. Under such circumstances, each actor may view its own actions as defensive and necessary, while the other side interprets those same moves as a threat to its security. The result would be growing mistrust

and less room for diplomatic maneuver. More importantly, Saudi Arabia's defense cooperation with Pakistan and Turkey should not necessarily be interpreted as evidence of a clearly defined operational alliance against the Yemeni forces or Iran. The nature of this cooperation, the extent of mutual commitments and the parties' willingness to become involved in an actual crisis are all decisive factors that must be assessed separately. My overall assessment is that military deterrence can complement diplomacy, but it cannot replace it. Lasting security in West Asia will be possible only when regional countries move away from exclusive reliance on military alliances and toward arrangements in which one country's security is not secured at the expense of another's. For Saudi Arabia, Iran and other regional actors, combining proportionate deterrence with active diplomacy and inclusive dialogue would be less costly and more sustainable than entering a cycle of escalating military competition.

Steel industry maintains output despite war damage, export barriers: Association

Economy Desk

Iran's steel industry has localized more than 90% of its production chain, enabling it to maintain operations despite war damage, sanctions and export restrictions, Alireza Ebrahimi, a member of the Iranian Steel Producers Association, said on Saturday, according to IRNA. Speaking at a meeting on the latest state of steel production, Ebrahimi said domestic capabilities had made the industry largely self-sufficient, allowing local manufacturers to produce even complex components and equipment. Only about 5% of specialized components used in control systems and instrumentation remain dependent on foreign suppliers, he said, adding that these components have long service lives and do not require frequent replacement. The industry relies mainly on domestic raw materials, with iron ore sourced almost entirely from local mines. A small share of the coal or coke it needs is imported because domestic production falls short in volume and quality, Ebrahimi said. Alternative supply routes and the use of gas have helped offset these shortages and maintain production, he added. Claiming that the war and sanctions have caused no damage would be an exaggeration, but the steel industry remains alive and its economic activity continues steadily, Ebrahimi said.



The country's two largest steelmakers, Mobarakeh Steel Company and Khuzestan Steel Company, sustained damage during the 40-day US-Israeli war that began in late February. The conflict has disrupted steel production and exports through damage to industrial facilities, logistical constraints and energy shortages. Iran's aviation sector has also faced new US sanctions, while maritime trade from the south has been subject to a US naval blockade. Iran, long among the world's top 10 crude steel producers, dropped out of the ranking in June after Vietnam increased output by 27.5% year over year to 2.6 million metric tons, according to Steel Radar. Iran's annual steel production capacity has previously been reported at more than 30 million metric tons. Ebrahimi said steel exports had continued despite restrictions on shipping and export routes, as well as longstanding financial and banking sanctions. The industry has faced severe banking restrictions for more than 20 years, disrupting trade flows, complicating risk management between buyers

and sellers, and limiting access to letters of credit (LCs), he said. Despite these constraints, a strong domestic trading network has developed to manage export transactions. Although shipments have declined to some extent, exports have not stopped, and alternative routes are being developed, he added.

Production capacity exceeds 40m tons

Ebrahimi said investment of more than \$7 billion across the mining and steel value chain had helped push Iran's annual steel production capacity above 40 million metric tons. The investment has supported the development of more than 40 major industrial complexes and created opportunities for direct employment, he said. Bahram Sobhani, head of the Iranian Steel Producers Association, recently told IRIB that Iran's steel production was expected to reach 26 million to 27 million metric tons this year, below an earlier forecast of 30 million tons. He cited the naval blockade, war-related damage and transportation restrictions as factors disrupting production and exports.