

U.S. Bans European Banks From Funding Investment in Iran



European banks fear to be fined like BNP Paribas, Crédit Agricole and Societe Generale Bank Jordan by the U.S.

LONDON (aawsat) – European banks' sources have revealed that abundant funding projects and deals in Iran were thwarted during the past months due to the Office of Foreign Assets Control (OFAC) because these operations violate the imposed sanctions on a number of Iranian parties classified on the black lists. These sanctions were imposed

before the nuclear agreement between Iran and the P5+1 (U.S., Russia, China, France and Germany) and they forbid any U.S. individual, company, banks, organizations or institutions of dealing with any party on the black list.

A French banker said, "We have abolished certain operations because we fear expensive fines simi-

lar to these imposed on BNP Paribas, Crédit Agricole and Societe Generale Bank Jordan, reaching up to \$15 billion. Some German banks were also fined including: Commerzbank and Deutsche Bank AG."

In a related matter, a German banker revealed that "most of the business visits by German, French and Swiss delegations to Tehran since the lift of sanctions went in vain. There is a serious concern among huge western banks because they don't want to take the risk."

He added that some board members of a European bank were shocked by banning them from travelling to the U.S. and failed to know the reasons behind this decision.

On the political level, the presidency of Donald Trump represented an additional shock to European bankers, "several plans were suspended until the vision is clear on how strict Trump will go in closing in on Tehran."

Total Waiting for U.S. Decision on Iran: Official

TEHRAN (Tasnim) – Iranian Deputy Oil Minister for International Affairs Amir Hossein Zamaninia said that in order to sign a cooperation agreement with the Islamic Republic, the French energy giant Total is waiting for the U.S. decision on anti-Iran sanctions.

The French company is willing to cooperate with Iran in the development of phase 11 of the South Pars gas field and other oil and gas projects of the country, the deputy minister said.

However, Total has announced that it is waiting for a final decision by the U.S. about Iran, he added, referring to Washington's new economic sanctions against Tehran.

The Iranian oil official also pointed to the increase of oil exports after the July 2015 nuclear deal between Iran and world powers, saying that the exports have doubled.

In the last months of the current Iranian year (which will end March 20), Iran exported 2.639 million



barrels of oil and gas condensates, Zamaninia said.

Total is negotiating with Iran on cooperation in the development of the South Pars gas field, which is located in the Persian Gulf along the maritime border between Iran and Qatar.

On February 9, chief executive of the French oil major said Total

plans to make a final investment decision on a \$2 billion gas project in Iran by the summer, but the decision hinges on the renewal of U.S. sanctions waivers.

Patrick Pouyanne said South Pars 11 will be among a couple of projects to be approved by the company to start by the summer if nothing is modified regarding the sanctions.

Minister: Iran Is Kazakhstan's Key Investment Partner

TEHRAN (Dispatches) – Kazakh Investment Minister Kassymbek Zhenis Mahmudovich has described Iran as his country's strategic trade ally.

"Iran is Kazakhstan's key partner," the Kazakh investment minister said in a meeting with Deputy Governor of Central Bank

of Iran Gholamali Kamyab in Astana.

Kamyab pointed to the creation of needed mechanisms to broaden the trade relations between the two countries, and said, "The two countries should conduct their trade transactions in their national currencies."

The two sides discussed boosting banking cooperation and investment opportunities.

During Iranian President Hassan Rouhani's visit to Astana in January, the Iranian and Kazakh presidents had laid emphasis on removal of banking problems between the two countries.

IME Monthly Trade Exceeds \$1bn

TEHRAN (Fars) – The Iran Mercantile Exchange (IME) on Saturday announced that around \$1,045mn of various commodities weighting over 1,943,000 tons were traded in its domestic trading and exports halls in February.

The IME said that nearly 1,115,000 tons of different oil and petrochemical commodities with the total value of \$556mn were traded in last month.

90,000 tons of agricultural products worth \$45mn were also traded in agricultural trading halls of the IME in January.

The IME added that 727,000 tons of metal and mineral products worth more than \$442mn were traded in

its domestic and export halls in the last month.



India Explores Rail Link With Iran, Turkey

TEHRAN (Press TV) – India is weighing the possibility of establishing a rail freight service which would connect the country to Iran and Turkey, New Delhi-based media say.

The project is expected to bring about a major boost to trade and economic development of the Asia Pacific region, also involving Bangladesh, Bhutan, Nepal, Pakistan and Afghanistan.

The ambitious plan, covering about 6,000 kilometers, could significantly reduce currently high tariff and non-tariff costs in trade between these countries.

For the start, Indian Railways will organize a meeting of South Asian railway heads involved in the project on March 15-16, India's leading business website the Hindu Business Line reported.

The UN Economic and Social Commission for Asia and the Pacific (ESCAP) has been promoting the project for years through holding various conferences and carrying out feasibility studies on rail network between the countries.

ESCAP has identified Dhaka-Kolkata-Delhi-Amritsar-Lahore-Islamabad-Zahedan-Tehran-Istanbul as the possible rail route, according to a senior Indian Railway Ministry official. The route has the strategic



advantage of connecting the capitals of these countries.

According to the report, a demonstration container train between Bangladesh and India has been planned in the first quarter of 2017-18.

The project is apparently part of the International North-South Transport Corridor (NSTC) formalized among India, Iran and Russia in 2000 to link the Subcontinent and the Middle East to the Caucasus, Central Asia and Europe.

The ship, road and rail route would connect India's Mumbai to the Iranian port of Bandar Abbas and further to Moscow and St. Petersburg in Russia before stretching to northern Europe and Scandinavia.

Besides Iran, India and Russia, countries that are on board to integrate into the transit network include Armenia, Azerbaijan, Belarus, Kyrgyzstan, Kazakhstan, Ukraine, Turkey, Tajikistan, Oman, Syria and Bulgaria.

Dry runs of the route were conducted in 2014, from Mumbai to Baku and Astrakhan via Bandar Abbas. According to Iranian Foreign Minister Mohammad Javad Zarif, the countries were discussing the "final details" of the project.

The NSTC opens a window for alignment with Silk Road Economic Belt pushed by China to establish new trade and transport links with Central Asia and Europe and provide a counterbalance to U.S. "pivot" to Asia.

'Russian Car Manufacturer Seeking to Enter Iranian Market'

TEHRAN (Press TV) – A Russian trade website says a leading automobile manufacturer is set to establish an assembly line in Iran in 2018.

According to the website (Russianconstruction.com) the project will be jointly undertaken by the Iranian company Tavan Khodro Jey Co with the two sides are expected to assemble UAZ Patriot, UAZ Pickup and UAZ Cargo.

Iranian officials have not yet commented on the report.

As part of its larger plan to expand its presence in foreign markets, UAZ is also seeking to launch a similar project in Egypt in 2018, the website noted.

UAZ's Export Director, Andrey Dorofeyev said no Egyptian partner has yet expressed its readiness to take part in the project.

Vietnam is another target market for UAZ. The company plans to establish a joint venture in the Asian country by the end of this year.

Dorofeyev said Vietnam's car industry is experiencing an economic boom adding, at present, UAZ exports cars to Vietnam to meet the country's defense needs



UAZ is a company with 75-year experience, strong reputation and competitive products.

but the trend is going to change in the near future with UAZ entering Vietnam's commercial vehicle market.

Based in Ulyanovsk, UAZ produces off-road vehicles, buses and trucks.

UAZ is best known for the UAZ-469 utility vehicle which is widely used as a military vehicle around the world. The Russian car manufacturer started production in 1941 as part of the Soviet war effort. After the dissolution of the Soviet Union in 1990s, UAZ turned into a joint-stock company.

Official: South Pars Layer to Yield Crude Production Next Month

TEHRAN (Dispatches) – Iranian Deputy Oil Minister Ali Kardor announced on Saturday that production from the South Pars oil layer will begin soon.

"Crude production from South Pars oil layer will begin as of early April thanks to arrival of the first Floating Production, Storage and Offloading (FPSO) in the Persian Gulf," Kardor, also managing director of National Iranian Oil Company (NIOC) said.

He pointed to the status quo of production in South Pars oil layer, and said, "The first FPSO is en route to its operational location where it will be installed."

Kardor referred pointed to talks with several international firms for the second development phase of South Pars oil layer, and said, "The joint oilfield enjoyed the capacity to produce at least 100,000 barrels of crude oil per day."

He said that the recovered oil from South Pars oil layer will enter the FPSO vessel through a 12-inch pipeline for refining processes before being loaded onto export tankers.

Development plan of South Pars oil layer aims at daily production of 35,000 barrels from the non-joint section of the hydrocarbon field although Qatar has been recovering oil from the joint field since 1991.

Iran, Japan Mulling Two-Billion-Euro Joint Oil Project

TEHRAN (Fars) – Tehran and Tokyo are in talks over the implementation of a two-billion-euro oil project, a senior energy official said on Saturday.

"Iran and Japan are negotiating about the implementation of the project to upgrade Abadan Oil Refinery," Managing Director of Abadan Oil Refinery Company Esfandiar Daemolzeqr told reporters.

Daemolzeqr said that the project includes a plan to reduce fuel oil production in the oldest oil refinery of the Middle East.

He pointed to the negotiations held with Japan's JGC Corporation Engineering company for carrying out the fourth development phase of Abadan Oil Refinery, and said, "The project will require nearly two billion euros of financing and it will reduce fuel oil output to less than 10 percent."