

# Russia, Iran Have Potential to Increase Bilateral Trade: Minister



TEHRAN (Sputnik) - Russian-Iranian trade exceeded \$1.7 billion in 2018, but the two countries have the potential to increase this indicator, Russian Minister for North Caucasus Affairs Sergei Chebotarev said

on Sunday.

"In 2018, bilateral trade exceeded \$1.7 billion, and it grew compared to 2017", Chebotarev said at a conference in the Iranian capital of Tehran.

The minister noted that this volume was very modest adding that Russia and Iran had a "much higher potential" in this field. According to him, the two sides must do everything possible to achieve a new level in bilateral trade.

The two countries maintain close ties in hydrocarbons trade and work jointly on peaceful nuclear power projects in Iran.

Earlier this week, Iran moved to create a free trade zone with the Eurasian Economic Union, which Russia is part of.

In August, presidents of Iran, Russia, and Azerbaijan will convene in the Russian resort city of Sochi to further work on ways to boost tripartite cooperation to form a strong regional bloc of trade and transit.

Iranian President Hassan Rou-

hani, Russian President Vladimir Putin and Azerbaijani President Ilham Aliyev will meet for a tripartite summit in the resort city of Sochi in August, according to Minister of North Caucasus Affairs of the Russian Federation Sergei Chebotarev speaking in the second Iran-North Caucasus trade conference.

Earlier, Russian Ambassador to Azerbaijan Mikhail Bocharnikov said that a Russia-Azerbaijan-Iran summit is expected by the end of this year in Russia.

"We agreed to hold another Russian-Azerbaijani-Iranian summit in Russia in August," Putin said.

The first Iran-Russia-Azerbaijan summit was held in August 2016 in Baku and the 2nd tripartite summit was held in Tehran in November 2017.

## Iran on Verge of Joining Eurasia Free Trade Zone

TEHRAN (IFP) - Iran's Energy Minister Reza Ardakanian says the country will soon announce the implementation of its agreement with the five members of the Eurasian Economic Union on free trade, which will make Iran a member of the Eurasia Free Trade Zone.

In an address to the fifteenth meeting of the Joint Commission of Iran and Russia on Sunday, Ardakanian said based on the agreement which is expected to be approved by Iran's Guardian Council, 800 goods would be subject to tariff reductions.

"The agreement will pave the way for further expansion of ties between Iran and the EAEU," he was quoted as saying in a report by ISNA.

The minister expressed hope that the agreement is implemented as soon as possible, preparing the ground for further

mutual ties.

His remarks came after the Iranian parliament on Monday ratified the agreement that allows the administration to join the free trade zone with the Eurasian Economic Union (EAEU) countries.

The agreement, signed in Kazakhstan in May 2018, sets the main rules of trade between the EAEU, Iran and those of the World Trade Organization (WTO), of which Iran is not a member.

The free trade zone is planned to be in effect for four years, under which the EAEU will grant Iran tariff concessions on more than 500 items.

Russia's State Duma and the Federation Council had ratified the agreement to establish Iran-EAEU free trade zone in November 2018.

The Eurasian Economic Union is an economic union of states



located in central and northern Asia and Eastern Europe. The Treaty on the Eurasian Economic Union was signed in 2014 by the leaders of Belarus, Kazakhstan and Russia, and came into force on 1 January 2015.

In his Sunday comments, Ardakanian also referred to the cooperation underway between Iran and Russia in tourism sector and said the two sides can

take advantage of the Caspian Sea tourist capacities through joint projects.

"Today, amid the current brutal sanctions by the U.S., the two countries can expand their economic ties more than ever," he said.

Ardakanian called for drafting a special roadmap for the Caspian Sea.

He also said Iran attaches great importance to the Caucasus region for its expansion of mutual ties with Russia and said "with its 10-million population, the north Caucasus can play a key role in expanding Iran and Russia's economic ties."

He added the current capacities in all areas including transport, tourism and so on should be tapped into for further ties.

## Venezuela Issues Updated Bolivar Notes



CARACAS (Dispatches) - For the second time in a year, Vene-

zuelan President Nicolas Maduro will issue new banknotes. The

new currency, in denominations from 10,000 to 50,000 Bolivars, is being printed to keep pace with the country's hyperinflation issues.

This comes just 8 months after the president slashed five zeros off the currency and prices in an effort to build stability.

The largest of the new notes will have a current value of around \$8. Previously, the largest note to date was the 500 Bolivar bill. Inflation rates in Venezuela have settled at just over 1.1 million percent.

## Pakistan to Get \$3.4bn in Budgetary Aid From Asian Development Bank

ISLAMABAD (Dispatches) - Pakistan will receive \$3.4 billion in budgetary support from the Asian Development Bank (ADB), the de facto finance minister has said, as the government seeks help to overcome a ballooning balance of payments crisis.

Last month, Pakistan reached an accord in principle with the International Monetary Fund (IMF) for a three-year, \$6 bil-

lion bailout package aimed at shoring up its fragile public finances and strengthening a slowing economy.

The ADB financing would come on top of the IMF loan, with most of the funds to be disbursed in the current fiscal year.

"The ADB will provide \$3.4 billion in budgetary support," de facto Finance Minister Hafeez Shaikh said on Twitter.

"\$2.2 billion will be released this fiscal year (FY), starting in the first quarter of FY 2019-20. This will help the reserve position and the external account."

The first disbursement is to "cover such policy reform areas as trade competitiveness, energy sector and capital markets development," Pakistan's Finance Ministry said in a statement.

## Eurozone Could 'Collapse' Due to Italy, France: Analysts

LONDON (Express) - The euro is destined to fail unless eurozone member states can work together to integrate a fiscal strategy, a market analyst has warned.

Neil Wilson, chief analyst at Markets.com, said the euro still has life left in it, but suggested a lack of agreement and continuity surrounding monetary policy for euro area countries leaves the single currency vulnerable to collapse. However, he remained pessimistic that the bloc can agree on a fiscal strategy to suit all nations, due to widely divided opinions of voters across the continent.

Wilson said: "I think the euro probably has more life in it - but unless there is fiscal union too, ultimately I think it will fail. The polarization in Europe among voters suggests that is never going to happen."

"There is simply too much French and German political capital invested in this project they cannot let it fail - it would take an exogenous shock for it to go."

He went on to claim the eurozone would be most likely to deteriorate should a country exit the European Union, with Wilson suggesting Italy would be most likely to ditch the euro.

Italy has been at loggerheads with EU finance chiefs for months now, with latest movements seeing the European Commission threaten Rome with disciplinary proceedings over its €2.3trillion (£2trillion) debt, which stands at more than 1.3 times its economic output.

Wilson also claimed Marine Le Pen - a vocal critic of the EU - rising to power in France with her National Front party could also cause unfixable damage to the eurozone economy.

However, the market analyst maintained that neither scenario is likely "in the near term".

He said: "The eurozone could collapse if Italy left or if Le Pen won in France."

This sentiment was shared by Michael Brown, senior markets analyst at Caxton FX, would said Italy, a nation who has the third biggest economy is the eurozone, leaving would be "fatal" for the euro area.

Brown also cited the need for an EU-wide banking union and questioned if the ECB has the ammunition to support the eurozone should another crisis hit.

The Commission this morning called for more integration among eurozone member states and asked the central bank to help their efforts.

The EU finance arm pointed to a bank deposit guarantee scheme which has so far failed to get off the ground as an area where integration needs to be improved.

The ECB will publish its own report on the international role of the euro on Thursday, ahead of a meeting of finance ministers in Luxembourg on Thursday and Friday.

Bank policymakers this week said they were open to cutting policy rate again if economic growth weakens in the rest of the year and a strong euro hurts a bloc already bearing the brunt of a global trade war.

Ricardo Evangelista, senior analyst at brokerage ActivTrades, also noted how the eurozone faces several challenges if it is to survive long for decades to come.

Weak economic growth and a long lasting dovish monetary policy by the European Central Bank can be counted amongst the main ones, he told Express.co.uk.

Back in February, the EU sharply cut its forecasts for eurozone economic growth this year and next, citing global trade tensions and an array of domestic challenges, such as Britain leaving the EU.

The Commission said eurozone growth will slow to 1.3 percent this year from 1.9 percent in 2018, before rebounding in 2020 to 1.6 percent.

While acknowledging potential catastrophes for the euro, Evangelista maintained the future looked optimistic for the single currency, and predicted renewed interest.

He said: "It is likely that the divergence in monetary policies between the ECB and other central banks will diminish."

"The FED for example, is very likely to start easing soon."

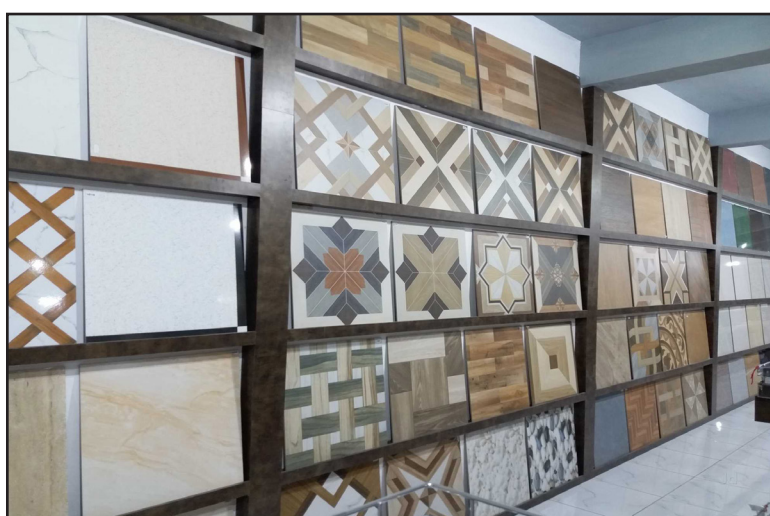
"Once this divergence starts fading away it is likely that the euro will become more interesting to investors and regain some ground to other currencies, like the dollar."

## Export of Tile, Ceramics Up 10%

TEHRAN (Dispatches) - Head of Iran Tile and Ceramic Producers Guild Association Mohammad Roshanfekar has said that the country produced 400 million square meters of tile and ceramics last year (ended Mar. 20, 2019), showing that exports of tile and ceramics in the same period increased 10 percent as compared to the previous year's corresponding period.

The capacity of equipment and machinery installed in this sector exceeds the current production capacity between 35 and 40 percent at large, he reiterated.

He further noted that Iran managed to export about 121 million square meters of tiles and ceramics in 2017.



He reiterated, "Statistics in 2011 and 2012 showed that Iran stood at 5th rank after China, India, Brazil and Spain in terms of tile and ceramics production."

Another statistic indicated

that 80 percent of the manufactured tiles and ceramics hit the domestic consumer market in previous years which the rest was exported to neighboring Iraq and target export markets, Roshanfekar added.