

Iran Opens First Super Heavy Oil Refinery in Qeshm



Tehran - Iranian President Ebrahim Raisi officially inaugurated a first super heavy oil refinery in Iran on Friday as the country moves ahead with plans to develop its massive petroleum sector despite sanctions imposed by the United States.

On Thursday, the official IRNA news agency reported that Raisi would open the Qeshm Heavy Oil Refinery on the second day of his provincial tour to the southern Hormozgan region.

It said the refinery had been

working on a pilot basis and using a half of its refining capacity in recent years, adding that the facility has now reached its full capacity for processing 70,000 barrels per day of crude.

Iran's Petroleum Minister Javad Owji said during a visit to the refinery on Thursday that the facility will feed on super heavy oil from Soroush and Nowruz oilfields in the Persian Gulf.

Owji said private owners of the Qeshm Refinery had pro-

vided around \$220 million in investment for construction of the refinery and for the supply of machinery and equipment to the facility.

He said the refinery could reach a refining capacity of 100,000 barrels per day within the next three years.

Qeshm is one of the world's largest islands that is located in the Persian Gulf just few kilometers off the southern Iranian coast.

The area is one of major special economic zones of Iran where regulations are more lax compared to the mainland to encourage more investment in trade and manufacturing activities in the region.

Qeshm Heavy Oil Refinery will become a major supplier of bitumen in Iran as local authorities said the facility will be responsible for one fifth of Iran's total bitumen exports in the near future.

IRCA: Iran's Trade With Neighbors Rises 42%

TEHRAN - Head of the Islamic Republic of Iran Customs Administration (IRICA) Alireza Moghadasi has said that the value of Iran's trade with neighboring countries in the first 9 months of the current Iranian calendar year (March-December 2021) increased by 42 percent compared to the same period last year.

Moghadasi put the volume of the country's trade exchanges with its 15 neighbors during the first nine months of 1400 (started on March 21, 2021) at over 75 million tons and its value at more than \$36.8 billion.

He said it shows an 18-percent rise in volume and 42-percent increase in value compared to the said period last year.

Iraq was Iran's top export destination by importing \$6.8 billion worth of commodities from the Islamic Republic, Moghadasi said, noting that after Iraq, the main export destinations for Iranian products and goods were Turkey, the United Arab Emirates (UAE), Afghanistan, and Pakistan.

The highest volume of Iran's imports from neighboring countries, meanwhile, was

made from the UAE with \$11.4 billion, followed by Turkey, Russia, Iraq, and Oman, he said.

The official noted that one of the key policies of President Ebrahim Raisi's administration, which took office in August, is development of political and economic ties with neighboring countries.

He said in line with this policy, the IRICA has various programs on its agenda to facilitate exports and imports and speed up transit of goods from the country's borders.

UN: Global Economy to Grow by 4% in 2022, 3.5% in 2023

UNITED NATIONS (Reuters) - After expanding by 5.5 percent in 2021, the global output is projected to grow by only 4 percent in 2022 and 3.5 percent in 2023, according to the United Nations World Economic Situation and Prospects 2022, which was launched Thursday.

The report said that the global economic recovery is facing significant headwinds amid new waves of COVID-19 infections, persistent labor market challenges, lingering supply-chain challenges and rising inflationary pressures.

The robust recovery in 2021 - driven by strong consumer



spending and some uptake in investment, with trade in goods surpassing pre-pandemic levels - marked the highest growth rate in more than four decades, the report highlighted. Yet the momentum for growth - especially in China, the United States and

the European Union - slowed considerably by the end of 2021, as the effects of monetary and fiscal stimuli began to recede and major supply-chain disruptions emerged. Rising inflationary pressures in many economies are posing additional risks to recovery.

Minister: Syria, Iran to Set Up Joint Bank, Free Trade Zones

TEHRAN - Iran and Syria have agreed to set up a joint bank and special economic zones amid efforts to boost their economic cooperation, according to Iran's transportation minister Rostam Qassemi who travelled to Damascus earlier this week.

Qassemi said that Iran and Syria are set to considerably expand their economic and trade ties now that Arab country is emerging from nearly a decade of war and terrorism.

He said he had discussed the establishment of joint free trade zones with Syrian authorities during his trip to Syria.

The minister said that the Iranian government's top official on free trade zones will soon travel to Syria to sign final agreements on the issue.

Iran has been a major contributor to Syria's war on terrorism since violence erupted in the country in 2011. Tehran has vowed it will continue to assist Damascus in its reconstruction efforts after the war.

Qassemi said that he had also reached agreements with Syrian authorities on setting up a joint Iranian-Syrian bank.

"It was agreed that the joint bank will be created in Syria. In line with this, it is expected that Iranian and Syrian banks should set up branches in each other's countries," he said.

The minister said that Iranian and Syrian authorities will hold meetings in the near future to finalize initial agreements reached during his trip to Syria.

He said talks in future will focus on increased presence of Iranian manufacturing companies in Syria,



including those producing agricultural machinery and equipment to help boost farming activity in the Arab country in the post-war period.

Syria Joins China's Belt and Road Initiative

Earlier on Wednesday, Syria joined China's Belt and Road Initiative (BRI), which experts said is a great achievement of the BRI as it now has connected with the whole Middle East, demonstrating its influence and appeal.

The achievement comes after Chinese President Xi Jinping's phone conversation with Syrian President Bashar al-Assad in November 2021 and Chinese State Councilor and Foreign Minister Wang Yi's visit to Syria in July, last year, Global Times reported.

It also comes amid intensive visits of six other Middle East countries' foreign ministers to China.

The deal will help Syria open broad horizons of cooperation with China and other countries and rebuild itself amid wars and economic

sanctions from the West, like how China has helped Iraq, experts noted.

The ceremony of Syria's admission into the BRI took place at the Planning and International Cooperation Commission in the capital Damascus and was attended by Fadi Khalil, the head of the commission, and Feng Biao, China's ambassador to Syria, during which both sides signed a Memorandum of Understanding (MOU) on Syria joining the BRI, the Xinhua News Agency reported.

The BRI, proposed by China in 2013, comprises the Silk Road Economic Belt and the 21st Century Maritime Silk Road, aiming to build a trade, investment, and infrastructure network connecting Asia with other parts of the world along the ancient Silk Road trade routes and beyond.

Besides Syria, Nicaragua also signed an MOU to jointly push the Silk Road Economic Belt and the 21st Century Maritime Silk Road on Wednesday as China and the Central American country moved closer to strengthen bilateral relations and economic cooperation.

Oil's Bull Run Rolls on Despite Possible China Reserves Release

LONDON (Reuters) - Oil futures rose on Friday on course for a fourth weekly gain boosted by supply constraints and a weaker dollar and despite sources saying China is set to release crude reserves around the Lunar New Year.

Brent crude futures rose \$1.16, or 1.4%, to a two-and-a-half month high of \$85.63 a barrel at 1125 GMT. U.S. West Texas Intermediate crude gained \$1.06, or 1.3%, to \$83.18.

Crude prices turned positive as the dollar headed towards what could be its largest weekly fall in more than a year. A weaker dollar makes commodities more affordable for holders of other currencies.

Several banks have forecast oil prices of \$100 a barrel this year, with demand expected to outstrip supply, not least as capacity constraints among OPEC+ countries come into focus.

"When you consider that OPEC+ is still nowhere near pumping to its overall quota, this narrowing cushion could turn out to be the most



bullish factor for oil prices over the coming months," said PVM analyst Stephen Brennock.

However, sources told Reuters that China plans to release oil reserves around the Lunar New Year holidays between Jan. 31 and Feb. 6 as part of a plan coordinated by the United States with other major consumers to reduce global prices.

The U.S. Energy Department on Thursday said it had sold 18 million barrels of strategic crude oil.

China has also posted its first annual decline in crude oil imports in two decades, though traders expect imports to recover this year.

There were also concerns about fuel demand in the world's second-biggest oil consumer as the Omicron coronavirus variant spread to the cities of Dalian and Tianjin.

Many cities, including Beijing, have urged people not to travel during the Lunar New Year holiday, which could cool demand.

China Posts Record Trade Surplus

BEIJING (Reuters) - China's foreign trade moved up another notch in 2021 by exceeding \$6 trillion for the first time albeit the COVID-19 pandemic continued to weigh on the global trade, official data showed Friday.

Total goods trade amounted to \$6.05 trillion, up \$1.4 trillion from a year ago, according to the General Administration of Customs.

The trade volume in yuan terms expanded 21.4 percent year on

year to 39.1 trillion yuan, with exports up 21.2 percent to 21.73 trillion yuan and imports up 21.5 percent to 17.37 trillion yuan.

"China has been at the forefront of economic development and pandemic response globally, and maintained a rapid growth in foreign trade, which registered a record high in volume and a steady progress in quality," GAC spokesperson Li Kuiwen said.

The country posted steady trade growth with all its five largest

trading partners.

China's imports and exports with ASEAN, the European Union and the United States gained 19.7 percent, 19.1 percent and 20.2 percent, respectively, while its trade with Japan and the Republic of Korea climbed 9.4 percent and 18.4 percent.

Meanwhile, the country's trade with economies involved in the Belt and Road Initiative reported a higher-than-average increase of 23.6 percent.