

Official: Iran Signs \$80bn of Oil Deals With Foreign Investors



TEHRAN - Deputy Minister of Petroleum Houshang Falahatpour says Iran has signed more than \$80 billion of memorandums of understanding with foreign investors to participate in the financing of oil projects, of which more than \$5 billion have been converted into contracts.

"The policy of the Ministry of Petroleum in the 13th government has been to make maximum use of the financing capacity from within the country. Hence, we have directed the capital of banks and large holdings of the country to the oil industry. For example, we opened the door to steelmakers to invest in the development of gas fields," he told Fars news agency.

"It is necessary to use the financial power of these industries to provide them with stable gas. As a result, if the steel company invests in the development of gas fields, it will be exempted from applying restrictions on gas supply in the cold season of the year, because it will receive its gas from the developed field," Falahatpour said.

The government also contacted large banks and holding companies to participate in the construction of oil refineries, including the Shahid

Soleimani Oil Refinery.

"In addition, we have had detailed discussions with foreign countries to attract investment," he added.

"So far, we have signed more than \$80 billion of memorandums of understanding with foreign investors to participate in the financing of oil projects, including the development of fields and the construction of refineries. More than \$5 billion of this amount has been converted into contracts, and the rest, God willing, will be converted into contracts one after the other."

Iran is the holder of the world's largest oil and gas reserves combined, and at current recovery rates, it can continue to produce hydrocarbon resources for another 100 years, according to state officials.

However, sustainable production in the industry requires investment and the use of modern equipment.

Falahatpour said the government is trying to make up for the backwardness in the field of investment by making maximum use of domestic capacities and developing relations with neighboring and Asian countries.

"God willing, good things will happen in the coming months and

years," he said without elaboration.

Last week, the head of the National Iranian Oil Company (NIOC) said Iran plans to increase its oil and gas production capacity by 50%, for which it needs \$160 billion of investment.

To achieve this, the country needs to invest \$89 billion in the oil industry and \$71 billion in the gas sector, Mohsen Khojasteh-Mehr said in an interview with official news agency IRNA.

"In order to increase the oil and gas production capacity in the country by 50%, we need an investment of \$160 billion," Khojasteh-Mehr said. "With this investment, the oil production capacity will reach 5.7 million barrels and the gas production capacity will hit 1.5 billion cubic meters per day," he added.

The government is implementing 32 production maintenance projects signed by its predecessor. So far, seven plans to increase recovery and maintain production have come online and the rest are close to becoming operational.

Khojasteh-Mehr put the total value of contracts with Russians at \$4.5 billion, which involve seven Iranian oil fields.

Moreover, a number of oil and gas fields have entered the study phase and in some cases, these studies have been completed by Russian companies.

The Islamic Republic has launched a campaign to localize products, under which 85% of goods needed in the oil industry is now being sourced domestically.

A variety of equipment is now being built in the upstream and downstream sector. According to Khojasteh-Mehr, 10 widely-used items have been identified and introduced to domestic manufacturers to build them.

Iran to Ramp Up Exports of Oil Products to Africa, LatAm

TEHRAN - The Iranian deputy oil minister for international affairs Ahmad Assadzadeh on Monday said that the Oil Ministry has planned for having a strong presence at the African and Latin American markets by exporting its oil products.

Assadzadeh made the remarks and put the total annual imports value of oil products by African countries at \$100 billion.

If just 10 percent of this lucrative market is allocated to Iran, the country would export \$10 billion worth of oil products to African states, he underlined.

Turning to the measures taken by the Oil Ministry for having a presence in the African and Latin American markets, he said that African countries enjoy a high capacity for bolstering cooperation in the energy field.

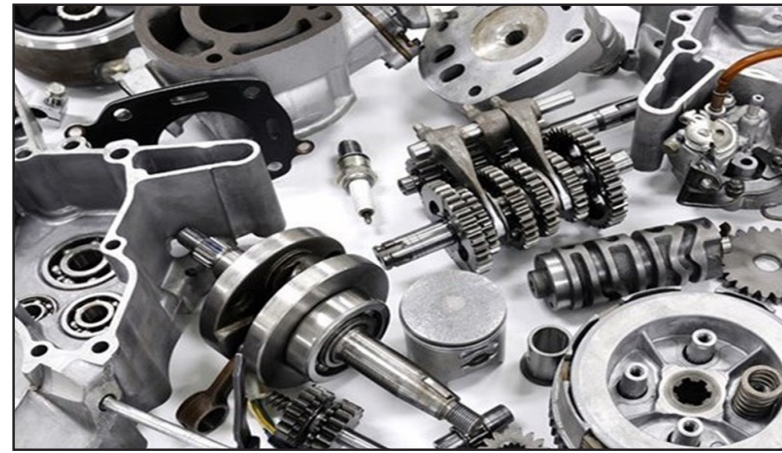


Assadzadeh put the oil refining capacity of Africa at about 3 to 4 million barrels per day, half of which is inactive, adding that suitable ways have been paved for Iran to export technical and engineering services to these countries.

Iran exported between \$600 and

\$800 million worth of products to these African countries in the past few years, he said, adding, "With the effective measures taken in this regard, the value of Iran's trade with this continent has surpassed \$1 billion in recent years, showing a considerable hike."

'Auto Parts Exports to Reach \$6bn'



TEHRAN - Chairman of the Board of Directors of the Iranian Automotive Parts Manufacturers Association Muhammad-Reza Najafimanesh has stated With the effective planning made, it is predicted that Iran's export of automotive

parts will hit \$6 billion in 2025, the Najafimanesh in an interview pointed to the conclusion of a contract with the Russian Federation for the export of automotive parts and said that Russia has a high potential for importing au-

tomotive parts but it should be kept in mind that export is a time-consuming matter which requires logical planning.

Turkey exports between \$30 and \$40 billion worth of automotive parts to different countries annually, he said, adding that Iran also enjoys high potential to export automotive parts to other countries.

It is expected that Iran would export \$6 billion worth of automotive parts to other countries annually by 2025, Najafimanesh reemphasized.

The official called on the government officials to throw their weights behind exporters of automotive parts in order to export their high-quality parts overseas appropriately.

Saudi-Iran Joint Chamber of Commerce to Be Launched Soon

TEHRAN - A member of the Presiding Board of the Iran Chamber of Commerce said on Monday that an Iran-Saudi Arabia Joint Chamber of Commerce will be set up in the very near future to strengthen mutual ties in trade and economic fields.

Keyvan Kashefi made the remarks on Monday at the 82nd Meeting of the Council of Dialogue between the Public and Private Sectors held in Kermanshah province, terming the restoration of ties between Iran and Saudi Arabia as the most important political and economic event in the country in recent weeks.

The private sector of the country welcomes this constructive and positive interaction between

Iran and Saudi Arabia eagerly, he stated.

Kashefi also considered the political decision, whose results have been very positive on the economy of the country, 'very positive and constructive' and expressed hope that amicable interaction with the other countries in the world will go on as well.

With the effective steps taken in this regard, the joint chamber of commerce between Iran and Saudi Arabia will soon be launched, he stated.

The Chairman of the Kermanshah Chamber of Commerce called the restoration of calmness to the financial markets including the currency and gold markets as well as

stability at these markets 'as the salient achievement of the normalization of ties between Iran and Saudi Arabia'.

He said this shows how accurate and logical political decisions can affect the economy of the country positively.

The Islamic Republic of Iran and the Kingdom of Saudi Arabia are the two main countries in the region, so the political and economic cooperation between the two countries will pave the way for regional stability, he underlined.

Kashefi went on to say that exchanging trade and economic delegations is planned to start shortly after the reopening of the embassies.

Global Central Banks Keep Up Inflation Fight in March

LONDON (Reuters) - The pace of interest rate hikes by major developed and emerging market central banks continued at a healthy clip in March though the scale of rises tapered off somewhat as turmoil in the banking sector clouded the outlook for global growth.

March saw six interest rate hikes over eight meetings by central banks overseeing the 10 most heavily traded currencies. Policy makers in Australia, Switzerland, Norway and Britain joined the U.S. Federal Reserve and the European Central Bank in lifting key lending rates by a total of 200 basis points (bps). Policy makers in Japan and Canada kept benchmarks unchanged.

This follows six interest rate hikes delivering 250 bps of uplift across six meetings by G10 cen-



tral banks in February.

March was a roller coaster for markets and policy makers, with rising expectations that the U.S. Federal Reserve's rate could peak at 6 percent, before a collapse of a number of U.S. banks and the Credit Suisse crunch rocked global markets, raised concerns

over financial stability and clouded growth prospects.

"The Fed and other central banks made clear banking troubles would not stop them from further tightening," Wei Li, global chief investment strategist at the BlackRock Investment Institute, wrote in a note to clients.

McDonald's Prepares to Cut Staff - WSJ

MOSCOW (RT) - Fast food giant McDonald's is temporarily closing its U.S. offices this week amid corporate restructuring and expected job cuts, the Wall Street Journal reported on Sunday, citing internal documents.

According to the report, the offices will be closed from Monday to Wednesday, during which time the company will be notifying corporate employees about the layoffs. The scope of the layoffs is unclear. Senior staff have also reportedly asked employees to cancel in-person meetings at its U.S. headquarters.

"During the week of April 3, we will communicate key decisions related to roles and staffing levels across the organization," the company said in a staff email seen by the news outlet.

The fast food company did not respond to media requests for comment on the number of workers to be laid off.

Earlier this year, McDonald's announced its intention to review corporate staffing levels by April, as it plans to update its business strategy, warning that some employees will have to be let go.

Iraq, Iran Agree to Relaunch Tehran-Karbala Rail Project

TEHRAN - CEO of the Islamic Republic of Iran Railways Miad Salehi said on Monday that Iran and Iraq have agreed to resume the construction of the Shalamcheh-Basra railroad and relaunch the Tehran-Karbala rail project.

The news was shared on Salehi's Twitter account following the joint economic commission held between the two countries, during which both parties reached agreements on accelerating the railroad's construction. The two nations also expressed readiness for forging a rail connection via the Khosravi Border Crossing.

Salehi expressed hope that the acceleration of these agreements

will allow both nations to optimally benefit from the salient advantages of the project.

"During the joint commission of the Islamic Republic of Iran and the Republic of Iraq, which was held yesterday and today in Baghdad, good understandings were reached with the officials of the new Iraqi government in the field of rail, especially the acceleration of the construction of the Shalamcheh-Basra railroad, and the two sides announced their readiness for a rail connection from the Khosravi border crossing of Iran [to Karbala]," he said.

According to a 2014 memorandum of understanding signed

between Tehran and Baghdad, Iran is responsible for designing and building a bridge over the Arvand River, while Iraq is responsible for constructing a 32-kilometer railroad from the Shalamcheh border to the Basra Train Station in Iraq.

The completion of the Shalamcheh-Basra railroad is expected to have a significant impact on the expansion of trade between Iran and Iraq. It will also provide the latter with access to other countries, including Afghanistan, Pakistan, India and the northern regions, such as the Caucasus, Central Asia and the Far East.