

Iran, Russia Sign Contract to Start Works on Railway Project



TEHRAN - Iran and Russia have signed a contract that details the road ahead for construction of a key railway in Iran as part of the International North-South Transport Corridor (INSTC).

The contract signed on Tuesday between senior transportation ministry officials of Iran and Russia comes more than a month after Iranian and Russian presidents oversaw the signing of a deal to finance and build the

Rasht-Astara railway.

Iran and Russia have touted the 162 km (100 mile) railway along the Caspian Sea coast as an important link in the INSTC, a corridor that connects India, Iran, Russia, Azerbaijan and other countries via railways and sea and can rival the Suez Canal as a major global trade route.

Experts say the route, which connects Russian ports on the Baltic Sea with Iranian ports in

the Indian Ocean and the Persian Gulf, could significantly diversify global traffic flows.

The contract signed on Tuesday outlines executive details of the construction process for the Rasht-Astara railway, including a timetable that starts in early 2024 and ends in three to four years.

Iran's transportation ministry said the contract allows Iranian and Russian teams to start work on the project site.

Russian presidential aide Igor Levitin who was in Tehran to attend a trilateral meeting with Iranian and Indian authorities on the INSTC said the Rasht-Astara railway will be built through a finance mechanism agreed between Moscow and Tehran.

He said Russia hopes the volume of cargo transit through the INSTC could reach 30 million metric tons per year, adding that Moscow has also earmarked funds for expanding its shipping fleet in the Caspian Sea to help boost trade through the route.

Indonesia Envoy:

PTA Important for Iran-Indonesia Trade Development

TEHRAN - The Indonesian ambassador to Iran said that a Preferential Trade Agreement (PTA) is of special importance for the two countries to access each other's markets.

Ronny Prasetyo Yuliantoro made the remarks in a meeting with Acting head of Iran's Trade Promotion Organization (TPO) Mehdi Zeyghami in Tehran.

The Indonesian ambassador invited Iranian traders to participate in international exhibitions in the south-Asian country.

"Indonesia's largest trade fair

will be held in October and we are ready to welcome Iranian business people as participants and visitors," he added.

Zeyghami, for his part, considered dispatching and hosting trade delegations and active participation in exhibitions in target countries as TPO priorities.

Referring to the broad relations between Iran and Indonesia from the past to the present, the Iranian official said that the memorandum of understanding (MoU) on using a barter mechanism in the trade between the two coun-

tries can increase their bilateral exchanges.

The two sides discussed following up on the agreements and MoUs made during the recent trip of the Iranian president to Indonesia.

The preferential trade agreement, agreements related to Halal food and customs products were among other topics discussed in meeting by the two sides.

They also discussed solutions for expanding trade between the two countries.

BRICS Countries Plan to Introduce New Currency Pegged to Gold

LONDON (Bloomberg) - Discussions on the introduction of the new currency are due to take place at an upcoming meeting in Johannesburg in August.

The decision was taken because of the large number of countries wishing to join BRICS.

BRICS foreign ministers have asked experts from a specially created bank to provide advice on how a potential new common currency could work.

The foreign ministers of Brazil, Russia, India, China, and South Africa discussed how BRICS could gain greater global influence and challenge the U.S. Although they did not come to clear conclusions, the use of alternative currencies was one of the main topics of the talks.

Russian Deputy Foreign Minister Sergei Ryabkov, speaking on the prospects of BRICS expansion, said: "We call on our BRICS partners to approach this topic in an open and open manner. And I can say that, in our



view, the Arab world and the Asia-Pacific region are clearly 'asking' to join BRICS, because their representatives are not there today. But we will look at what can be offered to leaders and what can be brought to the leaders' attention at the Johannesburg summit.

South African Foreign Minister Naledi Pandor says BRICS members are striving "...make sure that we do not become victims of sanctions that have sec-

ondary effects on countries that, in turn, have nothing to do with the issues that led to the imposition of the unilateral sanctions.

According to foreign media outlets, the BRICS foreign ministers from Iran and Saudi Arabia also arrived in South Africa for talks on the sidelines of the meeting of the BRICS foreign ministers. It is reported that already in 2023 Algeria is to join the BRICS, which has filed an application for membership in the organization.

Report: Petrochemicals Output Capacity to Grow 43% by 2027



TEHRAN- The capacity for production of petrochemicals in Iran will increase from 92 to 131.5 million metric tons (mt) per year by the end of Iran's seventh National Development Plan in early 2027, Iran's Petroleum Ministry reported.

The report said that the capacity for manufacturing propylene in Iran will reach 11.6 million mt at the end of the five-year plan in 2027.

Production capacity of the methanol chain products in the

downstream of the Iranian petrochemical sector will increase to 0.7 million mt per year over the next five years, said the report.

Ethylene chain output will reach 11.9 million mt while aromatic chain production will amount to 3 million mt by early 2027.

Iran's Natural Gas Exports Top 19 bcm

Iran's natural gas exports witnessed an 11% growth in the fiscal year 2022 compared to the corresponding period of 2021.

According to the statistical review of the world energy report issued by the Energy Institute, the National Iranian Gas Company transferred close to 19 billion cubic meters of gas to international markets via pipeline in 2022, Financial Tribune reported.

NIGC's exports in 2021 amounted to 17 bcm, the report added.

Stock Markets Drop as Chinese Data Disappoints

PARIS (AFP) - Stock markets retreated Wednesday on poorly-received Chinese data, as investors looked ahead to the reopening of Wall Street after the Independence Day holiday.

"There are fresh concerns about the global economy powering down as data from China's service sector underlines how tepid the post-pandemic recovery has become, just as trade tensions between Beijing and Washington ramp up," noted Susannah Streeter, head of money and markets at Hargreaves Lansdown.

"This has put indices in Europe on the back foot, following falls in Asia."

European oil prices declined with China being a key consumer of crude, while US futures were higher compared with Monday's close. All eyes later will be on the re-

lease of minutes from the U.S. Federal Reserve's June policy meeting.

They should provide an insight into officials' thinking when they decided to pause interest rates for the first time after 10 straight hikes to combat elevated inflation.

The minutes will be followed Friday by closely-watched U.S. jobs data, a key guide to the state of the world's top economy.

While the Fed and other central banks' battle against sticky inflation has been the overriding issue for investors this year, China's struggle to get growth back on track has also been a major cause of angst.

A string of indicators in recent months has shown that policymakers have a lot of work to do to get the world's number two economy, a key driver of global GDP, back up

to speed.

The initial burst of activity seen after the lifting of the country's zero-Covid policy at the end of 2022 has subsided.

Apart from the odd pledge of action and some small interest rate cuts, authorities have done little to address the problem.

In the latest sign of trouble, the Caixin private survey of the services sector showed that activity slowed sharply in June and at a much faster pace than feared.

That came after an official reading also pointed to weakness in the sector and added to a run of soft data on trade and consumer activity, among other things.

However, analysts said that while Beijing has said it plans to provide much-needed support, the scope will be limited owing to huge debt levels in the country, meaning the bazookas deployed in the past cannot be used this time.

China-U.S. relations remain an issue, and President Xi Jinping's government this week added to their tech standoff by imposing export controls on key metals used in making microchips.

Officials said Monday's measure placed on shipments of gallium and germanium was to protect national security.

8th OPEC International Seminar Kicks Off in Vienna

VIENNA - The 8th OPEC International Seminar started in Vienna, the capital of Austria, on Wednesday.

The two-day seminar takes place at the Hofburg Palace, bringing together representatives from top oil-exporting countries as well as chief executives from global energy majors. This year's main theme of the event is "Towards a Sustainable and Inclusive Energy Transition".

According to the program, 11 sessions will be held regarding various topics pertaining to the development of the energy sector, teleSUR reported.

According to the OPEC, first-day-discussions will largely cover the stability of energy markets and problems with their financing.

Official data shows that several ministers from OPEC and



OPEC+ countries and chief executives of energy companies take part in the panel sessions.

The second day will cover energy transition, eradication of energy poverty and diversification of economies in the face of climate change.

According to official data,

the previous OPEC International Seminar was held five years ago, in June 2018. The event was attended by 950 delegates from 50 countries around the globe.

The next seminar was initially scheduled for 2021, but due to the coronavirus pandemic, it was postponed.

Saudi Says Oil Cuts Show Not at Odds With Russia

PARIS (AFP) - Saudi Arabia on Wednesday dismissed talk of discord with oil ally Russia, praising their coordinated decisions to remove barrels from the market in efforts to prop up prices.

Oil producers are grappling with falling prices and high market volatility amid fears of global economic slowdown and the Russian, Ukraine war, which has upended economies world-

wide. On Monday, Riyadh said that it would extend a production reduction of one million barrels per day (bpd), which began in July, to August to boost prices.

At the same time, its ally in the OPEC+ group of oil producers, Russia, decided to slash exports by 500,000 bpd in August.

Speaking at an OPEC seminar in Vienna on Wednesday, Saudi Energy Minister Prince Abdulaziz bin Salman said the coordinated announcement was "quite telling".

"Part of what we have done with the help of our colleagues from Russia was also to mitigate the cynical side of the spectators on what is going on between Saudi Arabia and Russia," he

added.

Estimates show that Russia, on the other hand, is far from reducing its production by the volume promised, and is concentrating on Asian markets such as India and China.

Faced with these accusations, OPEC+ has called on "independent sources" to verify Russia's figures, said the Saudi minister.

Moscow has "committed to this exercise and they are going to be doing it on a monthly basis", he insisted.

Asked about the markets' muted reaction to the recent production cuts, Prince Abdulaziz called for patience as he deplored the prevailing "negativism".

"We will do whatever is necessary, whatever it takes" to stabilise prices, he added.