

# Mirziyoyev Lauds Uzbekistan-Turkmenistan-Iran Corridor



TASHKENT (Dispatches) -- Uzbek President Shavkat Mirziyoyev has underlined the significant role of the Uzbekistan-Turkmenistan-Iran corridor in the development of Central Asia and increasing the attractiveness of the region.

"The development of the Uzbekistan-Turkmenistan-Iran corridor and the active use of the potential of the Trans-Caspian route provides the possibility of increasing the attractiveness of Central Asia as the transit center of the 'East-West' and 'North-South' international corridors," Mirziyoyev said on Saturday.

He made the remarks in a tripartite meeting with the presidents of Turkmenistan and Tajikistan, Serdar Berdimuhamedov and Emomali Rahmon, in Ashgabat.

He underscored the expansion of ties between the regional countries,

saying, "Joint transparent policy, unity and solidarity of the countries of the region leads to real results."

The Uzbek president also said the volume of trade exchanges and cooperative transactions, including in the fields of industries, agriculture, energy and logistics, has increased multiple times.

According to Mirziyoyev, "acceptable decisions" would be made as a result of a mutual understanding on bilateral and regional issues.

The Uzbek president called for greater cooperation in areas such as the use of advanced water-saving technologies and renovation of irrigation systems, digitalization of water management processes, and joint development of infrastructure for collecting and storing flood waters.

"A close and fruitful cooperation between the countries of Central

Asia has been established in the energy sector, including in the field of export and transit of energy resources," he said.

The Uzbek president also proposed the joint creation of favorable conditions for international transportation, acceleration of digitalization and increase in the efficiency of checkpoints.

He also underlined the importance of coordinating efforts and mutual support of the initiatives proposed by regional countries in the international arena under the framework of the United Nations.

Uzbekistan plans to continue to support projects aimed at ensuring peace, stability and prosperity in the Central Asian region, Mirziyoyev said.

In a meeting via video conference on Tuesday, the representatives of Iran, Uzbekistan, and Turkmenistan discussed the prospect of creating an international transit corridor.

The representatives discussed the issues of speeding up the signing of the agreement between the governments of Uzbekistan, Turkmenistan, and Iran regarding the corridor and the reduction of international road transport fares through the soil of Iran.

They examined the possibilities of using Bandar Abbas and Chabahar ports for the export and import of goods, as well as the development of the international transport corridor of Uzbekistan-Afghanistan-Iran.

## Kuwait Says FM Invited to Iran Over Gas Field

KUWAIT CITY (Dispatches) -- Kuwait's top diplomat has been invited to visit Iran, state media said, amid a dispute over a gas field to which Kuwait and Saudi Arabia claim they have exclusive rights.

The dispute over the field -- known as Arash in Iran and Dorra in Kuwait and Saudi Arabia -- dates back to the 1960s when Iran and Kuwait awarded overlapping offshore concessions.

Last year Kuwait and Saudi Arabia signed an agreement to develop the field, despite objections from Iran which in July said it was preparing to start drilling there.

On Thursday, Kuwait's official KUNA news agency said Foreign Minister Salem al-Sabah had "received a letter from his Iranian counterpart... which included an invitation for an official visit to



Iran".

The dispute over the field -- whose recoverable reserves are estimated at some 220 billion cubic metres (seven trillion cubic feet) -- has long been a bone of contention between the three countries.

Iran and Kuwait have held unsuccessful

talks for many years over their disputed maritime border area, which is rich in natural gas.

Recent attempts to revive negotiations have failed, and Iran's oil minister on Sunday said Tehran may pursue work at the field even without an agreement.

## Future of Iran-Pakistan Ties After 5-Year Deal



Foreign Minister Bilawal Bhutto-Zardari and Iran Foreign Minister Hussein Amir Abdollahian witness the signing of memoranda of understanding between Pakistan and Iran in Islamabad, Aug. 4, 2023

TEHRAN -- Iran and Pakistan, as two neighboring and influential countries in the West Asian region, share common borders, religious and cultural commonalities and common customs, and due to their proximity, trade costs between them are very low compared to other countries.

On Thursday, they signed a five-year strategic plan for commercial cooperation as Iranian Foreign Minister Hussein Amir-Abdollahian met Pakistani leaders in Islamabad during a three-day visit which he said would open a "new chapter" in their cooperation.

Home to 230 million people as the second largest Muslim country after Indonesia, Pakistan is potentially one of the best export destinations for Iranian goods and services, Press TV wrote.

The unique geographical location of Iran gives it a special advantage for exports of goods and services. Hence, the acceleration of foreign investments and export of goods would lead to mutual benefits for Iran and international economic actors.

In this regard, attention should be paid to the consumption market of the neighboring countries and Pakistan, because of its special room for Iranian goods and services, should be a priority.

While Iran's main export items to most trading partners are petrochemicals, a diverse volume of goods is exported to Pakistan, which allows the two countries to raise trade to new record highs.

They have already doubled the volume of trade to \$2.4 billion in recent years, but in view of the existing capacities, this increase is not satisfactory, Amir-Abdollahian said.

"We want to witness the expansion of bilateral cooperation as much as possible in the coming years," he told his Pakistani counterpart Bilawal Bhutto-Zardari.

Pakistani and Iranian markets are complementary. Pakistan has a developing economy with an increasing need for energy resources, and Iran

is one of the richest countries in the world in terms of energy resources. Also, Pakistan can meet some of Iran's needs, especially in the agricultural sector.

Chambers of commerce, unions and organizations have a very large role in Pakistan's economy, where the government only regulates and supervises it without trying to interfere in it.

Pakistan has been a World Trade Organization (WTO) member since 1995 and a member of General Agreement on Tariffs and Trade (GATT) which covers trade in industrial and agricultural goods, with WTO agreements at its heart.

The country has free trade agreements with Sri Lanka, China, and Malaysia and is also a part of the South Asian Association for Regional Cooperation (SAARC).

As a result, entry into Pakistan's competitive market for non-WTO members such as Iran is not without challenges.

Another challenge is the smuggling of goods, especially fuel, due to long and relatively insecure borders where terrorist groups chiefly operate from their lairs in Pakistan.

Raw selling, especially of hides, dates and legumes, also chips away at earnings, while money transfer issues and banking complications related to sanctions on Tehran are a constant headache.

Earlier this year, Pakistan authorized barter trade with Iran, Afghanistan and Russia on specific goods, including petroleum and gas, to bypass Western sanctions on those countries and ease pressure on its declining foreign exchange reserves.

The country is scrambling to manage a balance of payments crisis and rein in skyrocketing inflation.

The barter trade mechanism lists 26 commodities that Pakistani state and privately owned entities can export to Afghan, Iranian and Russian markets. In exchange, they can import crude oil, liquid natural gas, liquid propane gas, chemical products, fertilizers, fruits, wheat, industrial machinery

and vegetables from the three countries.

One of the recent developments in relations between Iran and Pakistan is the reopening of crossing points to facilitate duty-free trade between border residents of the two neighboring countries.

These crossing points greatly reduce the transit time and contribute towards economic integration of the region.

Moreover, the two countries' traders are seriously demanding further facilitation of payment systems and also calling for the use of national currencies in their exchanges.

Rice traders in Pakistan have suggested that the government establish a strong banking system with Iran to implement a special transport system to increase trade, especially rice exports.

Facilitating transit trade is one of the potential capacities for the development of regional cooperation.

Iran's interest in the 3,000-km China Pakistan Economic Corridor and the positive view of Pakistanis on the 25-year strategic cooperation agreement between Iran and China is also a basis for regional integration and connectivity.

In 2020, Turkey, Iran and Pakistan revived a transnational rail service linking Istanbul, Tehran and Islamabad. The ITI railroad is expected to enhance connectivity with China's Belt and Road Initiative (BRI) by providing a rail connection between China and Turkey.

On Thursday, Amir-Abdollahian told Pakistan's Senate chairman Muhammad Sadiq Sanjrani that Tehran sees no restrictions on an all-out expansion of relations with Islamabad.

He called the gas pipeline project for transfer of Iranian gas to Pakistan as one of the important issues of cooperation between the two countries.

"We do believe that the completion of the Iran-Pakistan gas pipeline is definitely going to serve the national interests of our two countries," Amir-Abdollahian said.

Iran has already invested \$2 billion in the pipeline on its side of the border. The project, launched in 2013, required Pakistan to finish the construction of the pipeline on its territory by the end of 2014, but it has been on hold without explanation.

Sanctions and pressures from the U.S. and other countries are seen at the bottom of the standstill.

Observers believe Pakistan is set to come under further pressure if more meaningful trade ties are forged between Tehran and Islamabad.

However, the changing dynamics in geopolitical relations of the region where the U.S. clout is receding fast and the expanding field for commercial and economic cooperation hold the trump card, raising hopes that the emerging partnership will stand the test of the time.

## Lula Calls for End to Domination of Dollar

BRASILIA (Dispatches) -- Brazilian President Lula da Silva says he does not see why the U.S. dollar should be allowed to dominate global trade.

"Everyone knows that I defend the idea that we have our own currency to trade between countries," he said. "Why does Brazil need the dollar to trade with China or Argentina? We can trade in our currency."

The Brazilian president has been very outspoken on ending the dominance of the U.S. dollar in international trade.

He hopes this would be achieved by having a gold-backed BRICS currency that provides countries with alternative money to trade.

Lula said the BRICS bank would be much more generous than the IMF and genuinely interested in helping countries, not sinking them.



The president also gave hints about the upcoming BRICS summit, stating that new countries joining BRICS and the devaluation of the U.S. dollar would be discussed.

South American countries like Argentina have already started to trade with the Chinese yuan, signaling a gradual shift from

the U.S. dollar as the go-to currency for international trade.

The BRICS comprising Brazil, Russia, India, China and South Africa, will hold a summit in South Africa from August 22 to 24.

Over 20 countries, including Saudi Arabia, have formally applied to join the BRICS bloc.

## China, Saudi Arabia Discuss Cross-Listing Stock Markets

BEIJING (MEE) -- Saudi Arabia and China's top stock-market operators are in talks to offer a cross-listing of their respective Exchange Traded Funds (ETFs), allowing investors in Saudi Arabia and China to trade stocks or bonds on their countries' stock exchanges.

The talks between The Shenzhen Stock Exchange and Saudi stock exchange operator, Tadawul Group, are still in their early stages, according to Reuters, but could mark a major financial linkage for the two countries.

In the last several months, some of China's biggest ETF operators have already been informed about the possibility of a cross-listing agreement with Saudi Arabia, Reuters said.

China has made geopolitical inroads with Saudi Arabia, at a time when the kingdom's relationship to Washington has come under strain over energy policy.

In December, Chinese President Xi Jinping received a red carpet-welcome in Saudi Arabia. China imports more than a quarter of the kingdom's total crude ex-

ports and has sold 5G and Huawei technology to Riyadh, irking Washington.

China's biggest diplomatic coup came in March when it brokered a deal between Iran and Saudi Arabia to restore diplomatic relations. CIA director Bill Burns reportedly later complained to the Saudis that the agreement had "blindsided" the U.S.

Saudi Arabia and China's growing political ties have coincided with a boom in economic activity.

Saudi Arabia is already a central pillar of China's Belt and Road infrastructure initiative and ranks in the top three countries globally for Chinese construction projects, according to the China Global Investment Tracker, run by the American Enterprise Institute.

In June, Saudi Arabia announced billions of dollars in investment deals between China and the Arab world at a high-profile business conference in Riyadh. The announcement included a \$5.6 billion memorandum of understanding between the Saudi investment ministry and Human Horizons, a Chinese maker of electric and self-driving cars.

MEE previously reported that Chinese businesspeople in Saudi Arabia were feeling optimistic that their two countries' burgeoning political ties would help drive business deals and that they felt more welcome operating in the oil-rich kingdom than in the western world.

Charles Li, the regional manager at Jiangling Motors in Saudi Arabia, told MEE last year that Chinese commercial vehicles were being sold in the kingdom at a pace "beyond your imagination".

If Beijing and Riyadh reach an agreement to cross-list ETFs on each other's stock markets, it will be closely watched by analysts and diplomats. Separately, Saudi Arabia has reportedly been considering pricing some of its oil sales in yuan rather than dollars.

A move to conduct oil transactions with China in yuan would mark a profound shift for the oil market, where 80 percent of sales are conducted in dollars. All of Saudi Arabia's sales are exclusively done in dollars. Any change to that system could dent the greenback's status as the world's reserve currency.