



सत्यमेव जयते  
**Embassy of India**  
**Tehran**



*March*  
*2024*

# MONTHLY COMMERCIAL REPORT

## **Important news reports related to Iran**

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### ***Bilateral Trade***

1) n/a

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### ***Iran's Economy***

#### **1) Most of Afghanistan's imports and exports done through Chabahar**

According to Abdul Salam Jawad Akhundzada, Spokesman for the Taliban's Ministry of Commerce and Industry, most of Afghanistan's imports and exports are carried out through Iran's Chabahar Port. Given the challenges between Afghanistan and Pakistan, many Afghan experts believe that Iran's Chabahar Port is a safe route that can cut Kabul's dependency on Islamabad in the field of transit of goods to a great extent.

#### **2) Afghanistan seeks to expand its trade through Chabahar**

Afghanistan is seeking to expand trade with various states through the Iranian ports of Chabahar and Bandar Abbas, an Afghanistan official says. Abdul Salam Javad Akhundzadeh, the spokesman of the Ministry of Industry and Trade of the caretaker government of Afghanistan, made the remarks in an interview with IRNA published on Sunday. Last year, Afghanistan's trade with Iran exceeded \$1.73 billion, he said. Afghanistan imported goods from Iran last year valued at over \$1.7 billion, he noted. The exports of commodities from Afghanistan to the Islamic Republic in the said period accounted for \$29 million, Akhundzadeh further noted. Afghanistan is planning to increase most of its trade activities through Bandar Abbas, the capital of Hormuzgan province in southern Iran, and the country's southeastern port of Chabahar with other countries, he said.

#### **3) Iran's GDP grows by 4.5%**

Iran's gross domestic product (GDP) including oil grew 4.5 percent in the first nine months of the current Iranian calendar year (March 21-December 21, 2023), compared to the first three quarters of last year, according to the Central Bank of Iran (CBI). Based on the CBI data, the figure excluding oil increased by 3.5 percent, IRNA reported.

#### **4) POGC signs deal to improve pressure at South Pars' wells**

Iran's Pars Oil and Gas Company (POGC), which is in charge of developing the country's giant South Pars gas field in the Persian Gulf, has signed a deal worth \$20 billion with domestic contractors to improve the pressure at the field's wells and increase its recovery factor. Based on the said contract, signed with Petropars, MAPNA Group, Khatam-al Anbiya Construction Headquarters, Oil Industries' Engineering and Construction (OIEC), and Nargan Company as contractors, the field's gas output will increase by 90 trillion cubic feet and also two billion barrels of gas condensate will be added to the field's output. This contract is signed while Qatar is also building pressure-boosting platforms in the southern part of this joint field. South Pars gas field, which Iran shares with Qatar in the Persian Gulf, is estimated to contain a significant amount of natural gas, accounting for about eight percent of the world's reserves, and approximately 18 billion barrels of condensate. The field is divided into 24 standard phases. The huge offshore field covers an area of 9,700 square kilometers, 3,700 square kilometers of which are in Iran's territorial waters in the Persian Gulf. The remaining 6,000 square kilometers, called North Dome, are situated in Qatar's territorial waters.

#### **4) Defense Ministry launches production lines for lithium battery packs**

Iran's Defense Ministry has launched production lines for lithium battery packs and sealed battery packs to meet a growing demand in various industries, especially in the defense sector. Defense Minister Brigadier General Mohammadreza Ashtiani attended the ceremony on Monday, IRNA reported. The establishment of this production line, the largest in Iran, will reduce human errors and slash energy consumption while speeding up the production process.

#### **5) Iran produces 21 million tons of grain in 2023**

The UN Food and Agriculture Organization (FAO) in a report said Iran has produced more than 21 million tons of grain in the 2023 Crop Year and holds the fourth largest grain reserves in Asia. In its latest report on the "Outlook of Food Products and Situation", FAO put the total volume of grain produced in Iran in 2023 at 21.1 million tons, showing a more than two percent hike compared to a year earlier. According to this report, Iran produced over 13 million tons of wheat in 2022 and 13.5 million tons in 2023. Rice production also reached 3.5 million tons in the current year, without any changes compared to the previous crop year. FAO has put Iran's total cereal stocks at 12.1 million tons in the current year, registering a 100,000-ton increase compared to the previous year. Back in May 2023, FAO released a report in which Iran was ranked 43rd

in the world in terms of food imports despite being the 17th most populous country in the world.

## **6) Pharmaceutical industry grows by 11%**

The head of Iran's Food and Drug Administration (FDA), Heidar Mohammadi, announced an 11% growth in the pharmaceutical industry of the country in the previous Iranian calendar year (March 21, 2023, to March 19, 2024). The FDA chief pointed out that the export of medicines doubled in the previous year compared to a year before. Iran is among the top five countries in the world in producing biopharmaceuticals, he said, noting that many countries are surprised by Iran's advances in the field of biotechnology.

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# ***Foreign Trade, Investment and Infrastructure***

## **1) Over 2,900 Foreign Businesspersons to Take Part in Iran Expo 2024**

The exhibition will be inaugurated on April 27 and run through May 1, 2024, the deputy Chairman of ICCIMA for commissions, assemblies and council's affairs stated in a meeting held with the participation of representatives of the joint chamber of commerce. This exhibition will be held in the field of exports in the seven groups of commodities including food industries, agriculture and fisheries, handwoven carpets, handicrafts and tourism, medicine, medical equipment and chemical products, building industry, technical and engineering services and also the petrochemical group, he stated. Promoting trade and economic relations with other countries, booming production, propelling the business environment of the private sector to the international arena and creating a new trade and economic discourse with various countries have been cited as the main aims of holding the exhibition.

## **2) Iran's agrofood exports increase by 23%**

The value of Iran's exports of agricultural and foodstuff products increased by 23 percent in the first 11 months of the current Iranian calendar year (March 21, 2023-February 19, 2024), the spokesman of the International Relations and Trade Development Committee of Iran's House of Industry, Mining and Trade said. According to Ruhollah Latifi, Iranian producers managed to export about \$5.6 billion worth of the mentioned products in the said 11 months, Mehr News Agency reported. As reported, agro-food products accounted for 12.5 percent of the country's total non-oil exports in the mentioned 11 months. Iraq was the top destination for Iran's agro-food products in the mentioned period importing

\$1.784 billion worth of the said items. The Arab neighbor accounted for 32 percent of the total exports of food and agricultural products from Iran.

### **3) FDI reaches more than \$4 billion**

The value of foreign investment in Iran within the framework of Direct Foreign Investment (FDI) has reached more than \$4 billion, the head of the Organization of Investment, Economic and Technical Assistant of Iran (OIETAI) announced.

### **4) Iran welcomes foreign investment in free zones**

The chief executive of the Qeshm Free Zone Organization Chinese investors, Adel Payghami welcome the investment packages introduced at Iran's free trade-industrial zones. Speaking in a meeting with a Chinese investment delegation, he said that the Qeshm Free Zone Organization welcomes investors of foreign countries who wish to invest in various economic and tourism fields on the island. He further noted that signing a joint memorandum of understanding between the Qeshm Free Zone and the SCO has provided a suitable ground to take advantage of the investment and economic opportunities of SCO's member states in Qeshm Island.

### **5) Iran's road transit of goods increases by 58%**

According to Iran's minister of roads and urban development, Mehrdad Bazrpash, Iran road transit reached 14.75 million tons in the previous Iranian calendar year (ended March 19, 2024), registering a 58% hike compared to the same period a year earlier. Improving software and hardware infrastructures in border terminals, upgrading and improving roads leading to the border terminals, removing the existing problems, facilitating the transit activities through holding joint road transport meetings with different countries, especially neighboring countries, pursuing the logistics approach at the borders, transferring non-border procedures, pursuing the implementation of mechanized queuing system in border terminal with the priority given to borders with high transit traffic and removing the border-related problems are among the measures taken by the ministry in line with promoting and facilitating the international transport and transit, the roads minister emphasized.

### **6) Iran and Turkey mull launching joint free trade-industrial zone**

The chief executive of the Maku Free Zone Organization said Iran and Turkey are mulling the launch of a joint free trade-industrial zone. Speaking in an interview with

IRNA, Hossein Garousi said the feasibility studies for launching the joint free trade-industrial zone are ongoing between the two countries. Referring to the signing of a memorandum of understanding (MoU) for the launch of a joint free zone between Iran and Turkey, Garousi added that the construction of the new Marand-Cheshme Soraya-Igdir-Kars line can lead to a considerable jump in the exchange of products via rail between the two countries.

### **7) Iran exports nanotechnology to 48 countries**

Iran has exported its products in the field of nanotechnology to 48 countries since the beginning of the current Iranian calendar year (started March 21, 2023), the secretary of the Special Headquarters for the Development of Nanotechnology said. These nanotechnology products were exported to Iraq, Afghanistan, Russia, Turkey and Georgia among others, Emad Ahmadvand said. The exports to the five countries accounted for 80 percent of Iranian nanotechnology exports this year, he stated. He went on to say that 1,808 homegrown nanotechnology products have hit the domestic market in more than 15 industrial sectors. Ahmadvand put the current sales value of the country's nanotechnology products at \$1.125 billion, \$69 million of which is exported abroad.

### **8) Iran and Afghanistan sign cooperation document on road transport**

Officials from Iran and Afghanistan signed a joint cooperation document in the field of international road transport. Iran's Minister of Roads and Urban Development Mehrdad Bazrpash and deputy minister of transport and civil aviation of Afghanistan's caretaker government Hamidullah Saeed held talks in Tehran on the development and enhancement of cooperation between the air, road and rail sectors of the two countries.

### **9) Iran and Afghanistan sign MoU on agriculture**

Officials from Iran and the government of Afghanistan signed a memorandum of understanding (MOU) for cooperation in agricultural sectors. The MOU was signed during a visit of a delegation from Iran's Ministry of Agriculture to Kabul. The document entails cooperation between the two neighbors in a range of fields, including plant protection, agricultural research, soil sciences, alternatives to poppy cultivation, irrigation, agricultural infrastructures, animal husbandry, veterinary medicine, and support for the private sectors.

## **10) Pakistan: No grounds for US objection to gas pipeline project with Iran**

Foreign Ministry spokesperson, Mumtaz Zahra Baloch said at a weekly briefing on Thursday 7 Mar, that there is “no room for any objections” from a third party like the United States since the project was being constructed within Pakistani territory. According to local sources, Pakistan has approached the US for a waiver to resume the project, but the US refused to give any concession. The project, launched in 2013, required Pakistan to finish the construction of the pipeline on its territory by the end of 2014. But the work stalled, upsetting Tehran, which has said it has already invested \$2 billion in the pipeline on its side of the border. Pakistan is likely to face an \$18-billion fine if it terminates the gas pipeline agreement.

## **11) Pakistani Speaker views Iran-Pakistan gas pipeline as vital for Pakistan’s energy needs**

Speaker of the National Assembly of Pakistan Sardar Ayaz Sadiq has said that the Iran–Pakistan gas pipeline is of vital importance to meet Pakistan's energy needs. Speaking in a meeting with Iranian Ambassador to Pakistan Reza Amiri Moghadam on Sunday, Ayaz Sadiq stressed using the parliament's capacity to help develop bilateral cooperation with the Islamic Republic of Iran, especially in the economic field.

## **12) Pakistani Ambassador emphasizes clearing mechanism for signing FTA**

Pakistan's ambassador to Iran has emphasized the need to implement the clearing mechanism between the two countries and speed up the process of signing the free trade agreement (FTA). According to IRNA's report on Sunday, Mohammad Mudassar announced on his official X social network about his meeting with Mahmoud Najafi Arab, the head of the Tehran Chamber of Commerce, Industries, Mines and Agriculture. We agreed that Iran and Pakistan need to speed up the process of signing a free trade agreement, a joint free industrial zone on the border, and implement a clearing mechanism in bilateral trade, he said.

## **13) Tehran to host 2nd Iran-Africa trade summit in April**

Iran will host economy ministers from more than 40 African countries at the second Iran-Africa International Summit set to be held on April 26-29 in the capital Tehran, an official at Iran’s Trade Promotion Organization (TPO) announced. Iran exported 2.452 million tons of products valued at \$1.183 billion to 49 African countries in the past year, showing a one percent fall, and imported 92,898 tons of goods worth \$95.316 million

from 23 African countries, indicating 59 percent growth, year on year, according to Latifi.

#### **14) Iran signs MoU with ECO for construction of logistics village**

Iran and other Economic Cooperation Organization (ECO) member states will sign a memorandum of understanding (MOU) on the construction of a logistics village, in Iran's Maku Free Zone. Tasnim News Agency reported. A land area measuring 1,820 ha has been earmarked for the construction of the logistics village in cooperation and collaboration with ECO member states, Hossein Garousi said. Garousi also announced the construction operation of the first Iranian Knowledge-Based Economy Town, adding that a transportation route called ECO Road will be inaugurated as a part of the International East-West Transport Corridor. The logistics road called "ECO Road" will come on stream as a part of the International East-West Transport Corridor in the near future, he further said. The value of trade between Iran and ECO members stood at \$20.5 billion in the previous Iranian calendar year 1401 (ended on March 20), of which the share of exports was \$13 billion and the share of imports from these countries was \$7.5 billion. ECO member countries including Turkey, he said, adding that ECO member countries are interested in cooperating with Iran in the fields of logistics, tourism, and exports. Petroleum products, dairy products, foodstuff, fresh and dried fruits, juices and citrus fruits, carpets, saffron, fish, caviar, ornamental aquatic products, various stones, construction equipment, clothing, industrial equipment, bags and shoes, medicine, and health supplies, as well as plastic products, were Iran's main exported items to ECO members last year, while basic goods, industrial machinery, raw materials for production, and medical supplies and medicine, were the top imported goods from ECO member states.

#### **15) ITMCO exports tractors to 24 countries**

The deputy head of Iran Tractor Manufacturing Company (ITMCO) has said the company is exporting its products to 24 countries on different continents. During a visit by the Union of Turkish Rights members to the Iran Tractor Manufacturing Industrial Group on Sunday, Karim Aghelvand said that products of this industrial group are being exported to European countries such as Germany, France, Italy, Russia, Turkey, the Republic of Azerbaijan and various African countries, as well as Pakistan, Afghanistan and several countries of the world. The Iranian Tractor Manufacturing Industrial Group is the largest producer of agricultural equipment in West Asia and has tractor assembly plants in several other countries.

## *Trends in Bilateral trade and investment*

### i. Bilateral Trade (in million USD)

	Export	Import	Total	Exports % Change	Imports % Change
Iran's monthly non-oil trade with India (January 2024) Source: DoC, India	53.80	147.95	201.75	-20.57	14.68
Iran's cumulative non-oil trade with India (April 2023 to January 2024) Source: DoC, India	514.53	1,012.90	1,527.43	-6.83	-30.90
Iran's non-oil global trade (January 2024) Source: Islamic Republic of Iran Customs Administration	4,038	5,991	10,029	80.99	44.43
Iran's cumulative non-oil global trade (April 2023 to January 2024) Source: Islamic Republic of Iran Customs Administration	40,472	54,359	94,831	-11.44	11.59

### ii. India's top 10 exports to Iran (in million USD)

SI No.	Commodity (HS code)	Period	Total (mn \$)	% Growth	% share in total export
1	Basmati Rice (10063020)	January 2024	78.77	-5.64	53.24
2	Meal of soyabean, solvent extracted (defatted) variety (23040030)	January 2024	38.20	10,426.15	25.81
3	Bananas, fresh (08039010)	January 2024	6.70	45.02	4.52
4	Tea black in packet > 3kg but <= 20 kg (09024010)	January 2024	2.36	-32.53	1.59
5	Kernels, H.P.S. (12024210)	January 2024	2.07	-13.06	1.39
6	Khandsari sugar (17011420)	January 2024	1.38	-	0.93

SI No.	Commodity (HS code)	Period	Total (mn \$)	% Growth	% share in total export
7	Boneless meat of bovine animals, frozen (02023000)	January 2024	1.25	15.13	0.84
8	Dry turmeric (09103020)	January 2024	0.99	20.77	0.66
9	Extruders (For Working Rubber Or Plastics) (84772000)	January 2024	0.84	-	0.56
10	Other seeds of cummin excluding black; neither crushed nor ground (09093129)	January 2024	0.70	704.68	0.47

**Source: Department of Commerce, India**

iii. Iran's top 10 imports from the World (in million USD)

SI No.	Commodity	HS Code	Period	Total	% share in total import
1	Animal corn	10059010	January 2024	421.69	7.03
2	Raw gold (including gold plated with platinum) for non-monetary purposes	71081200	January 2024	419.74	7.00
3	Other smartphones	85171390	January 2024	370.56	6.18
4	Separate parts for the production of 8703 series passenger cars	98870312	January 2024	244.15	4.07
5	Oilcake	23040000	January 2024	198.60	3.31
6	Soya beans, whether or not broken	12019010	January 2024	170.73	2.84
7	Rice	10063020	January 2024	152.71	2.54
8	Motorcycles, 20% internally manufactured, with the exception of Engine, tire and body, exhaust	98871182	January 2024	148.59	2.48
9	Ordinary wheat	10019920	January 2024	86.11	1.43
10	Barley, except seed	10039000	January 2024	43.83	0.73

**Source: Islamic Republic of Iran Customs Administration**

iv. India's top 10 imports from Iran (in million USD)

SI No.	Commodity (HS code)	Period	Total (mn \$)	Percentage Growth (%)	% share in total Imports
1	Apples fresh (08081000)	January 2024	15.85	216.80	29.46
2	Saturated methanol (methyl alcohol) (2905110)	January 2024	10.12	-69.58	18.81
3	Petroleum bitumen (27132000)	January 2024	7.92	-5.31	14.72
4	Dry dates soft (khayzur or wet dates) (08041020)	January 2024	4.75	68.02	8.82
5	Shelled, pistachios (08025200)	January 2024	4.31	142.83	8.01
6	NAOH in aqueous solution (soda lye or liquid soda) (28151200)	January 2024	2.56	-	4.75
7	Shelled almonds fresh or dried (08021200)	January 2024	1.85	94.00	3.43
8	In shell, pistachios (08025100)	January 2024	1.49	54.69	2.76
9	Cement clinkers (25231000)	January 2024	1.29	1,368.45	2.39
10	Calcined plasters	January 2024	0.99	491.87	1.84

**Source: Department of Commerce, India**

v. Iran's top 10 exports to world (in million USD)

SI No.	Commodity	HS Code	Period	Total	% share in total export
1	Methanol	29051100	January 2024	274.60	6.80
2	Ingots, iron, non	72061000	January 2024	229.88	5.69
3	Natural gas	27111190	January 2024	227.05	5.62
4	Liquefied: Propane	27111290	January 2024	205.85	5.09
5	Petroleum bitumen	27132000	January 2024	193.17	4.78
6	Semi-finished products of iron or unalloyed steel with a square or	72071290	January 2024	187.08	4.63

SI No.	Commodity	HS Code	Period	Total	% share in total export
	rectangular cross-section whose width is less than twice its thickness with a thickness of more than 200mm				
7	Bars, rods, iron	72142000	January 2024	163.67	4.05
8	Other liquefied butane	27111390	January 2024	152.34	3.77
9	Other urea even in water soluble form	31021090	January 2024	131.87	3.26
10	Other petroleum gases and gaseous hydrocarbons in liquefied form not mentioned in containers of one thousand cubic centimeters and more	27111990	January 2024	110.85	2.74
<b>Source: Islamic Republic of Iran Customs Administration</b>					

vi. Potential products of exports for India

SI No.	HS Codes	Description	Rationale
1	85171210	Mobile phones	These are amongst the top import items in Iran with high percentage of growth which can be capitalized by Indian exporters
2	98870312	Of a domestic manufacture from 20 percent to 30 percent excluding Tires	
3	84862000	Machines and devices for manufacturing semiconductor devices, electronic integrated circuits	

**Market Access**

- i. Alerts on tariff changes, non-tariff barriers (SPS/TBT measures, import and export procedures/restrictions/prohibitions/licensing etc); trade policy developments:

SI No.	Notification no. and dated or other references	Details	Effective from
1	NA	-	-

- ii. Alerts on Trade Defense Measures taken by Iran (safeguards including special safeguards, antidumping, CVD or Anti-subsidy)

SI No.	Notification no. and dated or other references	Details of products/sectors affected (including HS codes)	Effective from
	NA	-	-

- iii. Details of seminar/conference/trade fairs/BSM organized (whether or not supported by MAI funds)

SI No.	Particulars of trade fair, dates etc	Number of participants from India	Feedback received
1	-	-	-

- iv. Total trade enquiries received

Sr.	Month	Enquiries received (2023-24)
1.	April 2023	73
2.	May 2023	61
3.	June 2023	61
4.	July 2023	49
5	August 2023	110
6	September 2023	67
7	October 2023	84
8	November 2023	52
9	December 2023	81
10	January 2024	109
11	February 2024	114
12	March 2024	111
<b>Total</b>		<b>972</b>

- i. Total business visas issued for March 2024

Sr.	Month	Business Visas Issued
1.	February 2023	48