



सत्यमेव जयते
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MONTHLY COMMERCIAL REPORT

A report on the economic and commercial updates on Iran which would be of interest to India

Important news reports related to Iran

The Economy

IMF: Iran accessible foreign exchange reserves at \$41.4 billion

As per International Monetary Fund (IMF), Iran's accessible foreign exchange reserves stood at \$41.4 billion in 2022. Please see below:

Iran's accessible foreign exchange reserves	
Year	Reserve
2018	\$122.5 billion
2019	\$15 billion
2020	\$12.4 billion
2021	\$21.3 billion
2022	\$41.4 billion

Food and beverages experience the highest CPI

As per Statistical Center of Iran (SCI), the consumer price index (CPI) of food and beverages category stood at 780.2 in the fourth Iranian month of Tir (22 June to 22 July), up by 87% YOY. The category has the highest increase among goods and services covered by SCI. The annualized and monthly inflation rates for food and beverages were 55.1% and 5.7% respectively. SCI presents coefficients for the following categories:

Category	Coefficient
Food and beverages	26.64%
Tobacco	0.59%
Clothing and shoes	4.78%
Housing, water, electricity, natural gas and other fuels	35.5%
Furniture, home appliances and their maintenance	3.93%
Health and treatment	7.14%
Transportation	9.41%
Communications	2.87%
Leisure and culture	1.65%
Education	1.86
Hotels and restaurants	1.44%
Miscellaneous items and	4.18%

World Bank: Iran's GDP grows by 4.7%

As per World Bank new publication Iran Economic Monitor 2022, Iran gross domestic product (GDP) grew by 4.7% in 2021-22, marking seven consecutive quarters of year-on-year growth. The recovery in global oil demand along with the pickup in Iran oil exports drove a strong expansion in oil production of 10.1% YOY during this period. Less strict containment measures and an accelerated vaccination rollout led to a 6.5% expansion in services — the main driver of non-oil growth (3.9%) in 2021-22. However, unprecedented droughts and energy shortages led the labor-intensive agriculture and construction sectors to contract. As such, despite experiencing two years of economic growth, total employment has yet to recover to its pre-pandemic level, especially among women.

Inflation for construction materials increases by 44.8%

As per Statistical Center of Iran (SCI), the annual inflation for construction materials for residential properties in Tehran city during the first three months of current Iranian year 1401 (21 March to 21 June) was 44.8% YOY. The point-to-point inflation for construction materials for residential properties in Tehran city during the said was 43.4% (inflation rate this year as compared to the same point the previous year).

Prices and rents for residential units keep on increasing

Despite the government efforts to control housing prices and rents, Central Bank of Iran (CBI) and Statistical Center of Iran (SCI) both report that prices and rents of residential units are increasing. CBI reports that prices of rented residential homes in Iran urban areas increased by 52.3% during the Iranian month of Tir (22 June to 22 July). During the said period, the home rent inflation was 47.4% in Tehran city. Meanwhile, SCI reports that the average prices of residential units increased by 45.2% during the said Iranian month.

POS terminals near complete integration with tax system

Central Bank of Iran (CBI) Vice Governor Mehran Mahramian said that interment payment gateways and point-of-sale (POS) terminals are almost fully integrated into the tax system, a project which started in 2020. He added that about eight million payment instruments are currently active and connected to the tax system throughout Iran. POS

devices top the list of instruments with the biggest market share at 93.57% as of July 22. This was followed by online payment gateways at 4.8% and mobile instruments 1.63%. The project aims to make Iranian tax system more efficient, increase government tax revenues, reduce overreliance on oil export, promote fair tax collection, curb tax evasion, stop illegal activities using rented payment gateways and facilitate monitoring fraud, money laundering and online betting.

Iranians account for 15% of Turkey's residential units' sales

Statistics by Central Bank of Iran (CBI) and Turkish Statistical Center show that Iranians purchased about 11,000 residential units in Turkey from April to March last year. During January to March 2022, Iranians accounted 15% of all units sold to foreign citizens in Turkey. It is estimated that Iranians spent about \$1 billion for purchasing residential units in Turkey. Iranian purchases of property in Turkey increased 14 times between 2015 and 2021.

Gov't to develop fiber optic technology

Minister of Information and Communications Technology Issa Zarepour said on 13 August that the Government plans to develop fiber optic technology to cover millions of households and businesses. The technology will be offered to 20 million Iranian households and businesses by the end of current government tenure. Deputy Minister of ICT and President of Communications Regulatory Authority (CRA) Sadegh Abbasi Shahkouh said in February 2022 that Iran will connect more than 80% of its households to the broadband Internet with an average speed of 26 megabit per second.

Trade, Investment and Infrastructure

Iran, Russia and Azerbaijan sign MOU for transit of goods

Islamic Republic of Iran Customs Administration (IRICA) signed a trilateral MOU on 22 August with customs authorities in Russia and Azerbaijan to facilitate the transit of goods between the three countries. The MOU facilitates Iran access to Russia through Azerbaijan land borders. It is expected that the MOU will help Iranian trucks to avoid long lines to enter Russia. Deputy Minister and President of IRICA Alireza Moghadasi said that the MOU is part of Iran efforts to facilitate its foreign trade through customs arrangements. These arrangements include Iran membership in the World Customs Organization. He added that Iran is also working on trade corridors, such as Islamabad-

Tehran-Bazargan route for sending goods to Europe, as well as the Emirates-Iran-Turkey, the South-North and East-West corridors and Russia-Kazakhstan-Turkmenistan-Iran-India.

Iranian Ambassador to South Korea urges release of frozen funds

Iranian Ambassador to South Korea Saeed Badamchi Shabestari has urged South Korea to release Iran frozen funds in South Korea, which are estimated at \$7 billion. South Korea suspended accounts of the Central Bank of Iran at the Industrial Bank of Korea and Woori Bank, which had been used to receive payments for Iranian oil. The accounts were South Korean won-denominated to avoid the U.S. sanctions on Iran, and Iran used the Korean accounts to pay for the import of non-sanction products from Korea and other humanitarian items exempt from sanctions.

Iran in advanced talks to joint Russian Mir payment system

Ministry of Foreign Affairs Head of Banking and Insurance Department Qorban Eskandari said that Iran is in very advanced stage of talks to join Russia Mir payment system. He said that Iran could join Mir within months of conclusion of talks between Iran and Russian central banks.

Iran's gas revenue increases by 64%

National Iranian Gas Company (NIGC) Managing Director Majid Chegeni on 28 August said that Iran's gas revenue has increased 64% since the start of President Raisi administration. He added that Iran gas exports to Turkey have increased by 11%, Iran has collected about \$1.6 billion in gas dues from Iraq, and Iran gas swaps have also increased by 138%. He said that Iran natural gas refining capacity has also reached 1.030 billion cubic meters in the past 12 months.

Gov't authorizes import of foreign cars

Iranian Government on 17 August 2022 authorized the law to import cars. Import of foreign cars will start from the Iranian month of Mehr (23 September to 22 October). Under the law, Iranian importers will be able to import finished cars worth below 20,000 euros, with a focus on cars worth below 10,000 euros, for selling to customers in Iran Mercantile Exchange. Iran Ministry of Industry, Mines and trade expects import of around 100,000 cars into the country under the law in the next 12 months of worth 1 billion Euro.

Iranian auto companies sign \$700 million contracts in Russia

Deputy Minister of Industry, Mine, Trade and the President of Iran Trade Promotion Organization Alireza Peyman-Pak said that Iranian auto companies signed agreements with a value of \$700 million during the MIMS Automobility Moscow 2022 (held at Moscow Expo Center during August 22-25). He added that "automobile sector", "auto parts" and "automobile value chain" will be important for development of economic and commercial relations between Iran and Russia. The agreements included joint production of high-tech auto parts and equipment in Russia, joint production of engine control units (ECUs), immobilizers and ECU-related sensors such as oxygen sensors, engine speed sensors, etc.

Iran, Azerbaijan and Russia to sign JV agreement on Rasht-Astara railway

Deputy Minister of Roads and Urban Development Shahriar Afandizadeh on 28 August said that Iran, Azerbaijan and Russia will soon sign a MOU of joint investment on the construction of the Rasht-Astara railway, aimed at completing the International North-South Transit Corridor (INSTC) with an annual transit capacity of 30 million tons. He added that Rasht-Astara railway is the missing link in the INSTC and with the investment of Russia, Azerbaijan, and Iran, the missing link will be completed and connected to the rail network.

Indonesian Ambassador says Iran can access ASEAN market through Indonesia

Speaking on the sidelines of a ceremony to celebrate ASEAN Day 2022 in Tehran on 16 August, Indonesian Ambassador to Iran Ronny Prasetyo Yuliantoro said that Iran can use Indonesia as a hub to market its products to the ASEAN member countries. He pointed to health sector as one of the areas where Iran and ASEAN member states can increase their cooperation. He said that payment system is one of the challenges in the way of developing trade ties between Iran and Indonesia.

Transit of goods through Iran up 31%

As per Islamic Republic of Iran Customs Administration (IRICA), 4.92 million tons of foreign goods transited through Iran during the first four months of current Iranian year 1401 (21 March to 22 July 2022), up by 31% YOY. Shahid Rajaei Special Economic Zone handled the highest volume of transit with 1.73 million tons of goods.

Iran hosts exhibition for new agricultural technologies

Tehran Permanent International Fairgrounds hosted Iran first international exhibition of new agricultural technologies on 17 August. About 40 companies are attending the exhibition. The exhibition is expected to facilitate networking experts active in the field of new agricultural technologies, completing the value chain of such technologies, supporting knowledge-based companies active in the mentioned field, assessing the country agricultural technology needs and accelerating the commercialization of existing technologies.

Iran exports \$2.39 billion of non-oil goods to Iraq

Iran-Iraq Chamber of Commerce Secretary-General Jahanbakhsh Sanjabi Shirazi said that Iran exported 6.93 million tons of goods with a value of \$2.39 billion to Iraq during the first four months of current Iranian year 1401 (21 March to 22 July), down by 15% YOY. He said that are three main reasons for the decline are (a) Iraqi seasonal restrictions on imports mainly for agricultural products (b) inflation in Iran due to removal of import subsidies which increased the price of exports (c) use of Iranians rials instead of US dollar, and other countries entering Iraqi market as Iraq oil revenues have increased recently. As per Islamic Republic of Iran Customs Administration, Iran exports to Iraq during 2021-22 stood at \$8.91 billion.

Iran's non-oil foreign trade reaches \$42.589 billion

As per Islamic Republic of Iran Customs Administration (IRICA), Iran traded about 58 million tons of non-oil goods valued at \$42.589 billion during the first five months of current Iranian year 1401 (21 March to 22 August) up by 23% YOY. Please see below:

Iran's non-oil foreign trade, 21 March to 22 August 2022			
Subject	Weight	Value	Main trade partners
Total trade	58 million tons	\$42.589 billion (up 23%)	
Iran's exports	44 million tons	\$20.924 billion (up 21%)	China, Iraq, UAE, Turkey, India
Iran's imports	14 million tons	\$21.665 billion (up 19%)	UAE, China, Turkey, India, Russia
Iran's non-oil foreign trade 2021-22			
Total trade	162 million tons	\$100 billion	
Iran's exports	122 million tons	\$48 billion	China, Iraq, Turkey, UAE Afghanistan
Iran's imports	40 million tons	\$52 billion	UAE, China, Turkey, Germany Russia

Iran and China trade increases to \$8.2 billion

As per China's General Administration of Customs, Iran and China trade stood at \$8.2 billion during January to June 2022, up by 22.9% YOY. Please see below:

Iran and China trade January to June 2022		
Subject	Value	% change
Total trade	\$8.2 billion	22.9%
Iran's exports	\$4.08 billion	30.9%
Iran's imports	\$4.18 billion	16%
Iran and China trade 2021		
Total trade	\$14.78 billion	-1%
Iran's exports	\$6.5 billion	0.9%
Iran's imports	\$8.28 billion	-2.5%

Iran and EU trade stands at €2.59 billion

As per Eurostat, Iran's trade with member states of EU during the first six months of 2022 (January to June) stood at €2.59 billion, up 15.23% YOY. Please see below:

Iran's non-oil trade with EU member countries, January to June 2022		
Subject	Value	Main trade partners
Total trade	€2.59 billion up 15.23%	Germany (€950.19 million, up 6.34%) Italy (€324.2 million, up 6.98%) Netherlands (€209.13 million, down 9.96%) France (€148.38 million, 39.38%)
Iran's exports	€555.14 million (up 36.18%)	Germany (€150.89 million) Italy (€91.26 million) Spain (€65.92 million) Romania (€53.61 million) Bulgaria (€45.19 million)
Iran's imports	€2.03 billion (up 10.58%)	Germany (€799.3 million, up 6.18%) Italy (€232.93 million) Netherlands (€174.87 million) France (€140.11 million).
Iran's non-oil trade with EU member countries, 2021		
Total trade	€4.86 billion (up 9.09%)	
Iran's exports	€922.04 million (up 29.32%)	
Iran's imports	€3.94 billion (up 5.24%)	

Iran non-oil trade with neighboring states increases to \$16.871 billion

As per Islamic Republic of Iran Customs Administration (IRICA), Iran traded 27.35 million tons of non-oil goods with a value of \$16.871 billion with its neighboring countries during the first four months of current Iranian year 1401 (21 March to 22 July), up by 22%. Please see below:

Iran's trade with neighboring countries, 21 March to 22 July 2022			
Subject	Weight	Value	Main trade partners
Total trade	27.35 million tons	\$16.871 billion (up 18%)	
Iran's exports	20.711 million tons	\$8.871 billion (up 22%)	
Iran's imports	6.323 million tons	\$8.14 billion (up 13%)	
Iran's trade with neighboring countries, 2021-22			
Total trade	100.131 million tons	\$51.875 billion (up 43%)	
Iran's exports	75.445 million tons	\$26.29 billion (up 29%)	Iraq (\$8.9 billion) Turkey (\$6.1 billion) UAE (\$4.9 billion) Afghanistan (\$1.8 billion) Pakistan (\$1.3 billion)
Iran's imports	24.686 million tons	\$25.846 billion (up 60%)	UAE (\$16.53 billion) Turkey (\$5.29 billion) Russia (\$1.66 billion) Iraq (\$1.19 billion) Oman (\$619.43 million)

Iran's non-oil trade with EEU stands at \$697 million

As per Islamic Republic of Iran Customs Administration (IRICA), Iran traded 1.4 million tons of non-oil goods valued at \$697 million with member states of EEU during the first three months of current Iranian year 1401 (21 March to 21 June). Please see below:

Iran and EEU non-oil trade 21 March to 21 June			
Subject	Weight	Value	Main trade partners
Total trade	1.4 million tons	\$697 million	
Iran's exports	681,000 tons	\$233 million (-11%)	Russia (\$115 million) Armenia (\$73 million) Kazakhstan (\$34 million) Kyrgyzstan (\$7 million)

			Belarus (\$4 million)
Iran's imports	748,000 tons	\$464 million (34%)	Russia (\$394 million) Kazakhstan (\$66 million) Armenia (\$1 million) Kyrgyzstan (\$1 million) Belarus (\$1 million)

Iran's non-oil trade with Latin America stands at \$55.76 million

As per Islamic Republic of Iran Customs Administration (IRICA), Iran traded 17,703 tons of non-oil goods valued at \$55.76 million with Latin American countries during the first quarter of current Iranian year 1401 (21 March to 21 June 2022). Please see below:

Iran's non-oil trade with Latin American countries, 21 March to 21 June 2022			
Subject	Weight	Value	Main trade partners
Total trade	17,703 tons	\$55.76 million	Brazil (\$41.6 million) Cuba (\$11.57 million) Venezuela (\$1.49 million)
Iran's exports	833 tons	\$2.84 million	Venezuela (\$1.49 million) Brazil (\$814,299) Chile (\$338,972)
Iran's imports	16,870 tons	\$52.92 million	Brazil (\$40.79 million) Cuba (\$11.57 million) Mexico (\$220,172)

Iran-Iraq Chamber Secretary cites three main reasons for declining trade between Iran and Iraq

Iran-Iraq Chamber of Commerce Secretary-General Jahanbakhsh Sanjabi Shirazi said that Iran exported 6.93 million tons of goods with a value of \$2.39 billion to Iraq during the first four months of current Iranian year 1401 (21 March to 22 July), down by 15% YOY. He said that are three main reasons for the decline are (a) Iraqi seasonal restrictions on imports mainly for agricultural products (b) inflation in Iran due to removal of import subsidies which increased the price of exports (c) use of Iranians rials instead of US dollar, and other countries entering Iraqi market as Iraq oil revenues have increased recently. As per Islamic Republic of Iran Customs Administration, Iran exports to Iraq during 2021-22 stood at \$8.91 billion.

Iran's agrifood exports increases to \$1.33 billion

As per Ministry of Agriculture Jihad, Iran exported 2.57 million tons of agricultural and food products with a value of \$1.33 billion during the first four months of current Iranian year 1401 (21 March to 22 July), down by 15.41% YOY. The main agrifood exports included watermelon, tomato, pistachio, saffron, and apple. Meanwhile Iran imported 7.89 million tons of agricultural and food products with a value of \$5.48 billion during the said period, up by 2.09% YOY. The main imports included wheat, feed corn, rice, GM soybeans and soymeal.

Inward smuggling continues in Iran

As per Iran Organization for the Protection of Consumers and Producers, the highest volume of confiscated inbound smuggled goods during the Iranian month of Tir (22 June to 22 July) were foodstuffs and food industry products, fuels, oils and energy carriers, paper and cardboard, all kinds of vehicles and spare and consumables. The Judiciary has opened 495 cases for inbound smuggling with a value of 1.88 trillion rials (\$6.163 million).

Iranian oil revenues reportedly increase by 481%

As per Planning and Budget Organisation (PBO) of Iran, government oil revenues during the first four months of current Iranian year 1401 (21 March to 22 July) increased by 481% YOY. Furthermore, government overall revenues increased by 63% YOY during the said period. The privatization of capital assets increased by 470% YOY, while the handover of the government movable and immovable properties also increased by 104% YOY.

Institutions increase loans to knowledge-based companies

Central Bank of Iran (CBI) Governor Ali Salehabadi said that Iranian banks and credit institutions gave 277 trillion rials (\$893 million) as loans to 1,715 Iranian knowledge-based companies during the first four months of current Iranian year 1401 (21 March to 22 July) up by 79% YOY. He said that CBI, Vice Presidential Office for Science and Technology and Iran National Innovation Fund are working together to assist knowledge-based entities in Iran.

TPO to establish fund to support knowledge-based exporters

Deputy Minister and President of Trade Promotion Organization (TPO) Alireza Peyman-Pak said that TPO plans to establish an Export Investment Fund in collaboration with the National Development Fund (NDF) and Iran banking system to offer financial support to knowledge-based exporters international business.

Knowledge-based companies expected to assist NIOC

Oil Industry Technology and Innovation Park Head Mohammad Esmail Kefayati said that Iranian knowledge-based companies and startups are expected to assist NIOC to increase annual oil production capacity to more than 80 million barrels and help reduce production costs by 90%. In enable this, the government plans to offer tax and customs exemptions to high-tech firms, ease the cumbersome process of issuing commercial licenses, cut social security insurance costs, reduce the obligatory military service duration [for tech enthusiasts] and help empower innovative businesses. He said that there are about 500 knowledge-based firms are active in oil, gas and petrochemical sectors. National Iranian Oil Company (NIOC) Managing Director Ali Kardor said on 10 September 2021 that Iran oil output stands at around 3.8 million b/d. He added that Iran plans to increase oil production to 4.5 million b/d in 2022.

Loading and unloading at ports up by 4.6%

As per Ports and Maritime Organization (PMO), 55.44 million tons of goods were loaded and unloaded at Iranian ports during the first five months of current Iranian year 1401 (21 March to 21 July), up by 4.6% YOY. The said figure included 850,000 twenty-foot equivalent units (TEUs) weighing 9.54 million tons, 16.31 million tons of dry bulk, 1.12 million tons of liquid bulk, 8.11 million tons of general cargo (general and miscellaneous goods) and 20.36 million tons of oil products.

Gov't tea purchases down by 15%

Iran Tea Syndicate President Sadeq Hassani said that the government has purchased 81,000 tons of fresh tea leaves worth 6.92 trillion rials (\$21 million) from local farmers since the current Iranian year 1401 started on 21 March, down by 15% YOY. He estimated that purchases will reach 130,000 tons in 2022-23, down by 4% YOY. He said that Iranian farmers harvested 137,000 tons of fresh tea leaves valued at 7.6 trillion rials (\$26 million) in 2021-22, up by 3% and 48% in weight and value respectively YOY. Government buys strategic crops, including tea, wheat, sugarbeet, barley, cotton boll and

oilseeds, from local farmers at guaranteed prices every year to control prices in the domestic market and fill its strategic reserves.

Iran makes first import order using cryptocurrency

Deputy Minister and President of Trade Promotion Organization (TPO) Alireza Peyman-Pak said that Iran made its first official import order using cryptocurrency with a value of \$10 million on 9 August. He added that the use of cryptocurrencies and smart contracts will be widely used in foreign trade with target countries by the end of September. The move could enable Iran to circumvent U.S. sanctions that have crippled the economy. A study in 2021 found that 4.5% of all bitcoin mining was taking place in Iran, partly as a result of the country cheap electricity. Experts believes that mining of cryptocurrency could help Iran earn hundreds of millions of dollars that can be used to buy imports and lessen the impact of sanctions.

Iran, Iraq and Syria sign deal to build refineries in Syria and Iraq

Parliamentarian and member of Parliament Committee for Energy Qasem Saedi said that Iran, Syria and Iraq have agreed that Iran would build refineries in Syria and Iraq and operate the said refineries as a shareholder. He added that Iran believes that the way to neutralize US sanctions is to develop extra-territorial oil-related cooperation with countries. He said that Iran has also signed agreements with South American countries such as Venezuela to renovate their oil refineries. He said that Iran is pursuing similar cooperation with Lebanon and Central Asian countries.

Deal signed to invest in construction of refineries

Bank Meli Iran, Tejarat Bank, and Refah Bank have signed a MOU with National Iranian Oil Refining and Distribution Company (NIORDC), Persian Gulf Petrochemical Industries Company (PGPIC), Ahdaf Investment Group, and Tadbir Energy Development Group for investing \$17.8 billion for the construction of a large-scale refinery and a petro-refinery. The investments include \$11.1 billion in construction of Shahid Ghasem Soleimani Petro-refinery in Jask Island and \$6.7 billion for construction of Morvarid Makran Refinery in Bandar-Abbas within five years.

India and Iran

Chabahar Port

Indian Shipping Minister visits Chabahar

During his visit to Chabahar on 20 August, Indian Minister of Ports, Shipping, and Waterways Sarbananda Sonowal met with Deputy Minister of Roads and Urban Development and Managing Director of Ports and Maritime Organization Ali Akbar Safaei. During the meeting, the two officials discussed the development of maritime and port cooperation between the two countries. The Indian Minister said that Indian government is committed to equipping and developing Chabahar port and will make its utmost effort for turning the port into a regional and international transit hub.

Indian Minister points to Chabahar as important regional hub

Speaking at an event held on 31 July 2022 to promote Chabahar – Link to INSTC – Connecting Central Asian Markets, Indian Minister of Ports, Shipping and Waterways Sarbananda Sonowal said that Chabahar Port is the commercial transit center for the region, and it is going to be one of the most important locations for global and maritime trade. He said that India vision is to make Shahid Beheshti Port at Chabahar a transit hub and link it to INSTC to reach out to Central Asian Countries.

Goods through Chabahar up by 33.8%

As per Ministry of Roads and Urban Development, Chabahar Port handled 1.55 million tons of goods during the first four months of current Iranian year 1401 (21 March to 22 July), up by 33.8% YOY. Of the said figure, about 589,000 tons of essential goods, including sugar rice, wheat and animal feed, were imported through Chabahar up by 7.7% YOY. Iran imported 30.9 million tons of essential goods valued at \$19.6 billion in 2021-22, up 32% and 60% in weight and value respectively.

PMO chief visits JNPT, Mumbai

Deputy Head for Ports and Economic Affairs at Ports and Maritime Organisation (PMO), Jalil Islami met Chairman of Jawaharlal Nehru Port, Sanjay Sethi. During the meeting, Islami said that Iranian ports play a very important role in providing integrated logistics services to transit goods of India and Afghanistan. He said that the ports of the both

countries can cooperate with each other in the development of the northern and southern ports of Iran, and the transit of goods between India and Iran northern neighboring countries.

IRISL transports 3,000 tons of goods

Islamic Republic of Iran Shipping Lines (IRISL) has transported 3,000 tons of goods as well as 114 TEUs of container commodities along INSTC during the two Iranian months of Khordad and Tir (22 May to 23 July). IRISL formed an operational working group for the development of transportation along INSTC in early April and it has so far allocated 300 vessels to the transportation of goods through this corridor. Currently, most of the commodities that are transported through Iran along the INSTC are shipments from Russia for India.

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 (July 2022) Source: DoC, India	26.73	205.60	232.33	-46.47	60.74
Iran's cumulative non-oil trade with India (April to July 2022) Source: DoC, India	193.54	733.23	926.77	26.01	57.43
Iran's non-oil global trade (August 2022) Source: Islamic Republic of Iran Customs Administration	3,684	4,425	8,109	10.86	115.32
Iran's cumulative non-oil global trade (April to August 2022) Source: Islamic Republic of Iran Customs Administration	20,924	21,665	42,589	21.32	19.65

ii. Top 10 items of Import in Iran from India (in million USD)

SI No.	Commodity (HS code)	Period	Total (mn \$)	% Growth	% share in total export
1	Basmati Rice (10063020)	July 2022	143.83	83.26	35.13
2	Tea black in pckt>3kg but<= 20 kg (09024010)	July 2022	5.48	-50.15	34.42
3	Other refined sugar including centrifugal sugar (17019990)	July 2022	4.15	758.00	3.16
4	Rice parboiled (10063010)	July 2022	3.96	256.31	1.80
5	Tea black, leaf in bulk (09024020)	July 2022	3.62	1,855.69	11.83

SI No.	Commodity (HS code)	Period	Total (mn \$)	% Growth	% share in total export
6	Other mixture of odoriferous substances of a kind used in food/drink industries (33021090)	July 2022	3.36	92.97	68.99
7	Bengal gram (desi chana) (07132020)	July 2022	2.80	-	52.83
8	Other sesamum seeds w/n broken (12074090)	July 2022	2.31	170.38	5.02
9	Rice excptg parboiled (excluding Basmati rice) (10063090)	July 2022	2.29	1,228.04	1.36
10	Soft drink other than sharbat (21069019)	July 2022	2.02	-	69.17

Source: Department of Commerce, India

iii. Top 10 items of Imports in Iran from the World (in million USD)

SI No.	Commodity	HS Code	Period	Total	% share in total import
1	Semi-milled or wholly milled rice, whether or not polished or glazed	10063020	August 2022	238.12	5.38
2	Soybeans	12019010	August 2022	210.73	4.76
3	Animal corn	10059010	August 2022	172.99	3.90
4	Wheat	10019920	August 2022	118.31	2.67
5	Oilcake	23040000	August 2022	76.12	1.72
6	Road tractors for semi-trailers	87012000	August 2022	67.44	1.52
7	Mobile phones	85171210	August 2022	28.42	0.64
8	Aluminium, oxide, artificial	28182000	August 2022	26.63	0.60
9	Fresh bananas	08031000	August 2022	24.23	0.54
10	Electric portable generators of an output not exceeding 3.5 kVA	85022010	August 2022	4.37	0.09

Sources: Iranian Customs Administration and TPO

It may be noted that Iranian authorities have released Iran's top imports for June 2022.

iv. Iran's exports to India

SI No	Commodity (HS code)	Period	Total (mn \$)	Percentage Growth (%)	% share in total Export
1	Saturated Methanol (methyl alcohol) (29051100)	July 2022	8.00	45.47	9.46
2	Petroleum bitumen (27132000)	July 2022	3.74	4.57	6.55
3	Liquified butanes (27111300)	July 2022	1.97	-	0.30
4	In shell (08025100)	July 2022	1.71	-83.26	19.14
5	Liquified propane (27111200)	July 2022	1.57	-	0.27
6	Urea whether or not in aqueous solution (31021000)	July 2022	1.54	-	0.24
7	Shelled (08025200)	July 2022	1.43	-31.42	26.28
8	Shelled almonds fresh or dried (08021200)	July 2022	1.33	-48.05	38.43
9	Dry dates soft, khayzur or wet dates (08041020)	July 2022	0.86	-17.69	19.36
10	Calcined plasters (25202010)	July 2022	0.75	-	31.25

Source: Department of Commerce, India

v. Iran's exports to world

SI No.	Commodity	HS Code	Period	Total	% share in total export
1	Liquified: Propane	27111290	August 2022	1,212	32.89
2	Other liquefied butane	27111390	August 2022	308.56	8.37
3	Methanol	29051100	August 2022	274.29	7.44

SI No.	Commodity	HS Code	Period	Total	% share in total export
4	Semi-finished products of iron or steel	72071190	August 2022	137.94	3.74
5	Petroleum, bitumen	27132000	August 2022	116.47	3.16
6	Lubricating oils and other heavy oils and preparations n.e.s., containing by weight >= 70% of petroleum oils	27101990	August 2022	84.34	2.28
7	Light, oils, preparations	27101290	August 2022	79.79	2.16
8	Iron and non alloy ingot	72061000	August 2022	70.74	1.92
9	Polyethylene film grade with a specific weight (density) of 94% or more	39012020	August 2022	57.24	1.55
10	Other: Urea, whether or not in aqueous solution	31021000	August 2022	39.24	1.06

Sources: Iranian Customs Administration and TPO

It may be noted that Iranian authorities have released Iran's top imports for June 2022.

vi. Top 5 Competitors of India's top exports

S.N o.	Commodity (including HS codes)	Competitors	Strategy of competitors (pricing, quality, distribution network, local tie ups etc)
1	Rice (1006)	Pakistan, Thailand	As of now India dominates the Iran rice market. But due to price and small size of grain share of Pakistani rice is increasing. Thailand rice are cheaper compared to India rice.
2	Bananas (08039010)	Turkey, Philippines	Pricing, quality
3	Tea (0902)	Sri Lanka,	Pricing, distribution

S.No.	Commodity (including HS codes)	Competitors	Strategy of competitors (pricing, quality, distribution network, local tie ups etc)
		Kenya	network, branding and local tie up
4	Dried leguminous vegetables (0713)	Turkey, Russia	Pricing, quality, distribution network
5	Dish washing machines; machinery for cleaning or drying bottles or other containers; machinery for filling	China, Turkey	Pricing, quality, distribution network

vii. Potential products of exports for India

Sl No.	HS Codes	Description	Rationale
1	9887031 2	C.K.D. Parts for manufacturing motor vehicles of domestic manufacture	These are amongst the top import items in Iran with high percentage of growth which can be capitalized by Indian exporters
2	300220	Vaccines for human medicine	
3	230400	Oil-cake and other solid residues whether or not ground or in the form of pellets, resulting from the extraction of soyabean oil	

Market Access

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

Sl 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)

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

- iii. Feedback on major trade fairs/BSM including Indian participation (whether or not supported by MAI funds)

SI No.	Particulars of trade Fair, dates etc	Number of participants from India	List of Large participants	Feedback received
1	NA			

- iv. Total trade enquiries received

S. N O	Month	Enquiries received
1.	April 2022	37
2.	May 2022	52
3.	June 2022	69
4.	July 2022	70
5.	August 2022	74
Total		302