

SPECIAL NEWS

Iran's economy of resistance against sanctions bearing fruit

Iran is poised to raise its science and technology exports to \$1 billion this year, Vice President Sorena Sattari said, hailing it an eye-catching achievement.

The country leads the Middle East in a number of technological fields, including nanotechnology and aerospace, and Sattari is the architect of a push to transform the country's resource-centered economy to a tech-based economic jurisdiction, Press TV wrote.

On Wednesday, he touched on Iran's high scientific and technological capabilities in the wake of "spectacular progresses" which the sector has made in recent years, saying his main focus is to boost technological products.

"The success of Iranian innovators in various fields, including in the field of diagnostic kits for testing and other products related to the coronavirus, shows the progress of our country in the fields of science and technology," he said.

Sattari also touched on plans to set up Iranian innovation and technology centers abroad with the aim of facilitating the country's knowledge-based exports.

"We have planned to develop these centers in various countries, including our neighbors and the countries to which we can export our goods."

The official made the remarks during a visit to the northeastern city of Shahrood where he signed a number of MoUs to expand science and technology parks in Semnan Province.

Last year, Iranian new technology-based firms (NTBFs) reportedly exported \$800 million worth of products and services, mainly to Iraq, Russia, Afghanistan, and Syria. The exports included content production, application, software development, and IT research.

Persian Gulf littoral states, Europe, China and Central Asia are the new target of Iran's science and technology exports.

Knowledge-based projects have the special blessing of Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei who is a regular visitor of science and technology exhibits, with his tours often stretching to a couple of hours.

In the past, the Leader has allowed the country's sovereign wealth fund to be tapped for scientific and knowledge-based projects with the aim of making Iran's economy resilient to sanctions.

Iran's National Development Fund, a rainy-day kitty, was established in 2011 to collect some of the proceeds from the country's oil and gas industries for the benefit of future generations.

In his Norouz message on March 20, Ayatollah Khamenei said there is a suitable ground for a leap in production as he called the new Iranian year as the "year of support for production and elimination of obstacles".

Last year, Sattari said some 5,000 NTBFs were active in Iran and the number was rapidly growing.

They are involved in production of advanced medical and laboratory equipment, jet engine design, manufacturing of power control systems, oil and gas catalysts, deep water reconnaissance and drilling equipment, scanners and processors, to name just a few.

Sattari has called NTBFs as a key to the country's push to develop a resistive economy without relying on oil revenues.

Faced with layers after layers of sanctions since its inception in 1979, the Islamic Republic has seriously started to shift its economy from dependence on technology imports and construction of industrial facilities by foreign companies to focus on homegrown industries.

Officials usually reiterate the need to establish tech-driven productivity in Iranian enterprises through close collaboration between government, industry, and the academic community in order to generate more small-to medium-sized businesses. The aim is to create industry clusters to promote job creation and economic growth.

According to Sattari, "fortunately, many officials have come to the realization that the country cannot be run by selling raw materials and underground resources."

He believes a knowledge-based economy can change the future of the country, with its massive human resources. Iran has the world's fourth largest number of engineering graduates, where some five million engineers provide it a powerful ground to build a knowledge-based economy.

Today, Sattari and President Hassan Rouhani will oversee the inauguration of five knowledge-based and innovation projects in Tehran and the nearby Alborz and Qazvin provinces, IRNA reported.

The inauguration will include the launch of production lines for three-cylinder engines, train wagons and medical products.

The projects, worth more than 34,620 billion rials (\$822 million), will create jobs for some 7,600 people, the news agency said.

Pandemic drives Germany to highest deficit in 30 years: Statistics

Germany's public sector deficit reached €189.2 billion (\$225 billion) in 2020 thanks to the coronavirus pandemic, the first deficit since 2013 and the highest budget shortfall since German reunification three decades ago, the Statistics Office said.

The pandemic, which has so far claimed more than 77,000 lives in Germany, has devastated Europe's largest economy, even though it has proven more resilient than many expected, partly because of continuing strong export demand from China, reported AFP.

Public spending rose 12.1 percent to €1.7 trillion in 2020 as the government pulled out all the stops to offset the impact of months of lockdown, while tax take fell 3.5 percent to €1.5 trillion, the statistics office said on Wednesday.

The spending spree is set to continue, with German Finance Minister Olaf Scholz last month promising to do whatever was needed to enable Germany to spend its way out of a coronavirus-induced economic slump.

Germany is struggling to control a third wave of the pandemic and is set to keep many businesses, like bars and cinemas, closed until at least later this month.

However, the number of people on shortened working hours declined last month, driven by the industrial sector, which is benefiting from robust exports, the Ifo institute said on Wednesday.

Companies can shorten workers' hours under a government scheme designed to avoid mass layoffs during the downturn by offering companies subsidies to keep workers on the payroll.

In March, 2.7 million employees were on shortened hours, down from 2.9 million, Ifo estimated.

The number of people on the scheme peaked at about six million a year ago but had been rising steadily since Germany entered its second lockdown late last year.

Daily output value of Bid Boland refinery at \$9.5m: CEO



Persian Gulf Bid Boland Gas Refining Company in southwestern Iranian province of Khuzestan

The managing director of Persian Gulf Bid Boland Gas Refining Company said the value of the refinery's products stands at about \$9.5 million per day.

Mahmoud Amin-Nejad said this figure is on the condition that 45-48 percent of the feedstock is supplied, Shana reported.

Bid Boland refinery, in southwestern Iran, has been put into operation with the aim of increasing the production of sweet gas, reducing the consumption of petroleum products, production of propane, butane, and gas condensate, the export of by-products, the supply of natural gas to urban areas, and supplying ethane required by petrochemical units in the region.

In mid-January, President Hassan Rouhani officially inaugurated Persian Gulf Bid Boland Gas Refining

Company through a videoconference.

The refinery, which took 36 months to complete, has a daily processing capacity of more than 56 million cubic meters of associated gas and, when operating at full capacity, it will generate \$700 million of revenue every year.

As the largest gas refinery project in the Middle East, Bid Boland will have an annual production capacity of 10.4 million tons of methane, 1.5 million tons of ethane, one million tons of propane, 600,000 tons of gas condensates, and 500,000 tons of butane.

Bid Boland refinery project was recently nominated for the International Project Management Association (IPMA)'s Global Project Excellence Award at the energy sector; it was also awarded the Ninth National Project Management Award.

No need to approve Iran-China deal in Parliament: Minister

Iran's finance minister said an economic partnership agreement signed with China last month would be effective without any need to win the approval of the Iranian Parliament.

Farhad Dejpassand said that the comprehensive strategic partnership between Iran and China is a broad document that sets out a framework for co-operation between private sectors of the two countries for the next 25 years, Press TV reported.

"It is a strategic document focused on cooperation between the two countries' private sectors and does not need the approval of the Islamic Consultative Assembly," said



Dejpassand.

The minister said, how-

ever, that any specific contract signed within the

framework of the Iran-China deal that could af-

fect relations between the two governments would need to obtain the Parliament endorsement before it goes into effect.

He said implementing the current document without the approval of the Parliament would not be a violation of articles 77 and 125 of the Iranian Constitution.

"We have explained (to the Parliament) that this document does qualify as a contract or a convention and is merely a document that sets out the size of interactions between the

two countries," said the minister.

After some five years of negotiations, foreign ministers of Iran and China signed off on the economic partnership agreement in Tehran on March 27.

China has committed to over \$400 billion worth of investment in Iran's energy and infrastructure sectors under the deal. Iran, in return, would guarantee to provide a stable supply of crude and energy products to China over the period of the agreement.

Oil prices rise on stronger economic outlook

Oil prices edged higher on Wednesday on the prospects for stronger global economic growth amid increased COVID-19 vaccinations and a report that crude inventories in the United States, the world's biggest fuel consumer, fell.

Brent crude futures for June rose by 16 cents, or 0.3 percent, to \$62.9 a barrel by 0657 GMT while US West Texas Intermediate crude for May was up 14 cents, or 0.2 percent, to \$59.47, according to Reuters.

"Optimism on the global economic outlook boosted sentiment in the crude oil market," analysts from ANZ bank wrote in a note on Wednesday.

Prices were buoyed as data on Tuesday showed US job openings rose to a two-year high in February while hiring picked up. This followed earlier data showing improvement in the services sectors in the US and China.

The International Monetary Fund said on Tuesday unprecedented public spending to fight COVID-19 would push global growth to six percent this year, a rate unseen since the 1970s.

US crude oil stockpiles fell more than expected in the week ended April 2, while fuel inventories

rose, according to three market sources, citing American Petroleum Institute (API) figures ahead of government data on Wednesday.

Oil production in the US is expected to fall by 270,000 barrels per day (bpd) in 2021 to 11.04 mbd, the Energy Information Administration (EIA) said on Tuesday, a steeper decline than its previous monthly forecast for a drop of 160,000 bpd.

Iran and world powers held what they described as "constructive" talks on Tuesday and agreed to form working groups to discuss potentially reviving the 2015 nuclear deal that could lead to Washington lifting sanctions on Iran's energy sector and increasing oil supply.

Oil prices dropped earlier this week after the Organization of the Petroleum Exporting Countries (OPEC) and allies, known as OPEC+, agreed to gradually ease oil output cuts from May.

"Crude prices seem poised to consolidate as energy traders need to see how exactly OPEC+ follows through with their plan to boost output, and if the EU will near virus immunity by the end of June," said Edward Moya, senior market analyst at OANDA.

CBI to authorize using Iranian cryptocurrencies for imports

Economy Desk

The Central Bank of Iran (CBI) will soon issue a license to import goods with domestically formed cryptocurrencies through authorized banks and exchange offices.

According to a report by mashreghnews.ir, the Supreme

Council on Anti-Money Laundering affiliated to the Iranian Ministry of Economy will approve the related regulations of Iranian cryptocurrencies by April 20.

The CBI and the Ministry of Economy are currently pursuing the adoption of regulations for the exchange of cryptocurrencies

produced domestically, added the report.

National cryptocurrencies will be backed by gold and currency, and banks can use cryptocurrencies for their works in place of rials.

Experts believe that this cryptocurrency will also help reduce the increasing liquidity of the country.

NIDC drills 43 oil, gas wells in 12 months

Economy Desk

The National Iranian Drilling Company (NIDC) completed the digging operation of 43 oil and gas wells with a total length of 10,182 meters during the year to March 20, announced the head of the Special Operations Department of the company.

According to Ali Daqayeqi, a sum of 654 meters of exploration diamond drilling was also conducted in the said 12 months by the NIDC, Shana reported.

Referring to the indigenization of the necessary equipment and machinery for directional and horizontal drilling operations in the country, the official said a number of basic parts and equipment were produced in Iran.

"This was achieved as a result of a synergy between the company's experts and the new technology-based firms of the country," he added.

After the US reimposition of sanctions against Iran, indigenizing the know-how for the manufacturing of parts and equipment applied in different industrial sectors is one of the major strategies that Iran has been following up to attain self-reliance and nullify the sanctions.

Oil, gas, and petrochemical industries have outstanding performances in this field by indigenizing the technology for manufacturing many parts and equipment that were previously imported.

Among different sectors of the said industries, drilling could be considered a prominent example in this regard.



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