

Caspian Chambers of Commerce Meet

By Howard Amos

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Asgaroladi, second right, said Friday that the difficulty Iranians face obtaining Russian visas hinders trade. **Howard Amos**

ASTRAKHAN — The city of Astrakhan is jockeying to gain the "Capital of the Caspian" crown for Russia as the states bordering the world's largest enclosed body of water look to boost mutual trade despite international foot-dragging over long-running territorial disputes.

"Astrakhan is on the border of Europe and Asia," the city's mayor, Sergei Bozhenov, told the annual Business Caspian conference Friday. "It unites the cultures of Europe and the East."

The Astrakhan region's foreign trade with Caspian states in the first three months of 2011 was valued at \$46.9 million, an increase of 10.4 percent on the same period in 2010. More than 60 percent of its commerce is linked to the Caspian.

Asadolla Asgaroladi, who has served for the last 25 years as president of the Iran-Russia Joint Chamber of Commerce, said he was well aware how dependent Russia's economy was

on foreign imports. "We can sell you these goods," he said, talking in Farsi.

Describing Astrakhan as the "gateway to Russia and the CIS states," Asgaroladi added that the current volume of Russo-Iranian trade was worth \$3 billion and the Iranian side had initiated a five-year project to raise this figure to \$10 billion.

But he also identified several issues hindering this growth, including the difficulty of obtaining Russian visas for Iranian citizens and, though the Melli National Bank of Iran recently opened a branch in Astrakhan, problems in accessing banking facilities.

"We can't bring our money here in suitcases," Asgaroladi said.

The Business Caspian grouping — organized by the five chambers of commerce of the Caspian states — will celebrate its 15th anniversary in September.

But at the Friday gathering in Astrakhan — which is located in the Volga delta — although there were 21 representatives from Iran, four from Kazakhstan and 16 from Russia, no one from Azerbaijan or Turkmenistan attended.

Though no official explanation was given for their absence, attendees hinted at ongoing geopolitical disagreements as a possible cause.

"You can bring a camel or horse to water, but you can't force it to drink," said Sergei Vasilyev, director of the Department for External Economic Cooperation of the Russian Chamber of Commerce who had come from Moscow for the event, referring to the absence of the two countries.

Asgaroladi said he wanted this to be rectified at future meetings.

The relationships between Caspian states have never been straightforward. Since the emergence of Kazakhstan, Turkmenistan and Azerbaijan as independent entities in the 1990s, there has been no agreement on where the maritime border of each country lies.

The third gathering in eight years of the presidents of the five Caspian countries in November 2010 failed to reach any resolution on the division of the mineral-rich and geo-politically sensitive area.

Any settlement of the maritime border issue would bring an alternative energy corridor from Central Asia to Europe, that could bypass Iranian and Russian territory, one step closer to reality.

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