

Iran Says Russia Could Build Nuclear Reactor In Exchange for Oil

By [The Moscow Times](#)

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Russia could build a second reactor at Iran's Bushehr nuclear power plant in exchange for Iranian oil, the Iranian ambassador to Moscow said in remarks published Monday.

Russia could also supply Iran with trucks, railroad tracks, mini-refineries or other goods to pay for the oil, Ambassador Mehdi Sanaei told Kommersant, under a deal that was being negotiated last month.

Reuters reported Iran and Russia were negotiating to swap up to 500,000 barrels of oil per day for goods in the deal that would undermine Western efforts to maintain economic pressure on Tehran while global powers seek to curb its nuclear program.

In an interview published a day before the six powers including Russia resume talks with Tehran on a nuclear deal, Sanaei confirmed Russia and Iran were discussing supplies of "a few hundred thousand barrels per day."

"Iran could use some of the proceeds [to pay for] the construction by Russia companies of a second unit at the nuclear power plant in Bushehr," he said. Russia built the first reactor at Bushehr, Iran's sole nuclear power plant.

Sanaei said it was possible the oil deal and a broad memorandum on economic cooperation could be signed before August. Russian Economic Development Minister Alexei Ulyukayev is to visit Iran in April for talks on trade.

Asked what Russia could supply in exchange for the oil, Sanaei said the sides were discussing a number of possibilities including the construction of small oil refineries, Russian investment in gas fields and supplies of electricity.

Trucks, tracks, grain

In addition to the possibility of Russia building a second reactor at Bushehr, he said Tehran was interested in supplies of heavy trucks or their assembly in Iran, and other items.

"Iran is interested in buying a huge amount of railroad tracks from Russia, as well as Russian involvement in the electrification of its railways. We are also interested in Russian grain."

Western nations fear an oil-swap deal would badly hurt efforts to forge a permanent agreement ensuring Iran's nuclear program could not be used to make weapons in exchange for sanctions relief. An interim deal was reached in January.

A top U.S. official said this month she believed the oil-for-goods swap would not go ahead in the near future after the U.S. warned both sides it would make reaching a nuclear agreement "more difficult if not impossible."

Sanaei dismissed the U.S. concerns and said Russia should do the same, warning that European nations have sent business delegations to Iran and that Moscow risked losing lucrative opportunities if it failed to act fast.

"Our Russian friends, who have stood by us at difficult moments, should have advantages on the Iranian market ... But Russian companies must hurry to get into their niche in our market and not hesitate out of fear of Western sanctions," he said.

Russia approved four rounds of United Nations Security Council sanctions against Iran over its nuclear program but has sharply criticized additional measures imposed by the U.S. and European Union, calling them counterproductive.

The U.S. for years urged Russia to scrap its contract to build Bushehr, saying the project could help Tehran develop nuclear weapons capability. However, a deal requiring Iran to return spent fuel to Russia greatly eased those concerns.

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