

Russian, Iran Holding Railroad Talks

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Russian Railways is in negotiations with Iran to electrify 600 kilometers of railroads in the Islamic Republic.

State-owned monopoly Russian Railways is in negotiations with Iran to electrify 600 kilometers of railroads in the Islamic Republic at a price of up to \$1.4 billion, the company's deputy president told journalists Tuesday.

"It is a concrete project, which was discussed with the Iranians literally last week," Russian Railways deputy president Alexander Saltanov said, Prime reported. Delegations from Russian Railways and its subsidiary Russian Railways International will go to Iran "in the near future" to work through the technical side of the venture, he added.

The total cost of the project has not been determined, but could exceed 1 billion euros (\$1.4 billion), Saltanov said.

Iranian state broadcaster IRIB earlier reported that an Iranian delegation, including executives from Iran's state-owned rail corporation, signed a memorandum of mutual

understanding on the project with their Russian counterparts during a visit to Moscow last week.

Russian Railways head Vladimir Yakunin — a close Putin ally currently blacklisted by the U.S. over Russia's annexation of Crimea in March — said during the meeting that Iran is one of Russia's most important partners, particularly in the sphere of railway transport, according to the report.

Yakunin added that the current international situation would allow Russia and Iran to sign important bilateral economic documents in the near future, IRIB's report said. Moscow has been on the hunt to bolster ties with its allies in Asia amid tense political relations with the West and the impending threat of the U.S. and the European Union implementing a new round of sector-wide economic sanctions against Russia for its perceived role in the Ukraine crisis.

Ahmad Khodaei, deputy head of Islamic Republic of Iran Railways, said that work on the contract may be completed within the coming month.

This development in economic cooperation follows news late last month that Iran expects to sign a deal with Russia by the end of August on the construction of two new nuclear reactors.

See also:

[Iran Says Ready to Sign Nuclear Reactor Deal With Russia](https://www.themoscowtimes.com/2014/07/08/russian-iran-holding-railroad-talks-a37112)

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