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Iran, Russia Envision Huge Oil Deal on Putin's Iran Visit

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Vladimir Putin, Hassan Rouhani and Ilham Aliyev at the signing of a declaration on the International North-South Transport Corridor / Kremlin Press Service

Russian▣ President Vladimir Putin affirmed his strong support for the ▣multilateral nuclear deal with Iran during his one-day trip to Tehran on▣ Nov. 1, where trilateral talks between Iran, Russia and Azerbaijan ▣were held.

While making it clear that Russia has no sympathy for US President Donald Trump's bellicose attack on Iran and the nuclear accord, he also praised the cooperation between Moscow and the Tehran in resolving the Syrian conflict.

However, the talks between the three nations that border the Caspian ▣Sea were largely held to improve energy cooperation, transport and ▣trade.

Putin met with both Iranian President Hassan Rouhani and ▣Supreme Leader Ayatollah Ali Khamenei, as well as Azerbaijani President ▣lham Aliyev, who also journeyed to Tehran for the talks.

Countering Trump's attack on the JCPOA

Apart from the US, the European Union as a whole and all the other ⊠signatories to the nuclear deal formally known as the Joint ⊠Comprehensive Plan of Action (JCPOA) – namely Russia, the UK, China, ⊠France, and Germany – are content with the agreement and accept that ⊠Iran is in compliance with it.

Putin made it clear in Tehran that any move by the US to try and force changes to the JCPOA to ensure Washington's continued participation in it would not be ⊠accepted. He affirmed to Khamenei that Moscow opposes "any unilateral ⊠change" to the accord, the supreme leader's office said in a statement.

"We oppose linking Iran's nuclear program with other issues, including defense issues," Putin added.

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Upbeat Khamenei hails Syria collaboration, talks of isolating the US

Khamenei was visibly upbeat on camera about the growing rapport between ⊠Tehran and Moscow. He praised Putin, saying that the two ⊠countries' cooperation on Syrian issues during the seven-year-old civil ⊠war proved that the Iranians and Russians could achieve "common goals ⊠during challenging situations."

The US, said Khamenei, wants to maintain influence in every part of ⊠the world, and to attain that goal "it will target every weak country ⊠[one-by-one]".

In a reference to Trump's vitriolic speech against Iran at the UN ⊠General Assembly in New York, Putin commented: "I could never imagine ⊠that the US would act this way." He added that he was impressed by ⊠Khamenei's support for the Syrian government of Bashar al-Assad, whom ⊠Moscow is also backing despite the opposition of the West to his ⊠continued rule.

Khamenei outlined during his meeting with Putin how he believes ⊠Tehran and Moscow need to step up cooperation to isolate the US and ⊠restore peace in the Middle East, Iranian state media reported.

State television quoted the supreme leader as saying: "A full ⊠resolution of Syria's crisis needs strong cooperation between Iran and ⊠Russia. Our cooperation can isolate America. This cooperation will ⊠restore stability in the region."

Putin's visit came a day after representatives from Russia, Iran and⊠ Turkey discussed the Syrian conflict at peace talks in Astana, ⊠Kazakhstan. They pledged to bring Assad's regime and its opponents ⊠together for a "congress" to jump-start peace efforts later this month. ⊠However, there are serious doubts over whether a proper representation ⊠of the Syrian opposition will turn up.

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Rosneft, NIOC working on $30bn of 'strategic' oil and gas contracts

Khamenei anticipated that the bilateral cooperation between Russia and ⊠Iran shown in regard to a range of issues would lead to the two ⊠countries doing away with US dollar transactions in trade.

That will be of particular relevance to Russian oil producer Rosneft ⊠and National Iranian Oil Company (NIOC). The two companies said on ⊠Nov. 1 that they had made an outline of a deal to jointly work on ⊠several "strategic" contracts in Iran, which together would be worth up ⊠to $30 billion.

Rosneft chief Igor Sechin said the preliminary deal, which would ⊠provide some barter agreements to assist hard currency-strapped Iran, ⊠provided the potential for a binding agreement to be signed within a ⊠year. Output from the joint project would eventually reach 55 million ⊠tons per year (1.1 million barrels per day), he added.

"We are talking about several oil and gas fields, which we will ⊠develop with our partners," Sechin told reporters, also noting that Iran⊠ has been invited by Rosneft to develop offshore and work on other projects in ⊠Russia.

Rosneft has already struck a number of deals in Iraqi Kurdistan, ⊠including the purchase of a majority stake in the region's key oil ⊠pipeline that runs to Turkey. Analysts will see the deals as part of⊠ a strategy by Moscow to bolster its political and economic influence in⊠ the Middle East. Such influence was greatly weakened by the 1991 ⊠collapse of the Soviet Union.

The announcement of Rosneft and NIOC's deal was preceded by Russian⊠ Energy Minister Alexander Novak detailing how Russia and Iran will by ⊠the end of this year draw up a legal framework for a project aimed at ⊠delivering Iranian natural gas to India. He said Russia's Gazprom ⊠intends to produce natural gas in Iran and construct a 1,200 kilometer gas ⊠pipeline running from Iran to India, RIA reported.

Transport infrastructure milestones

At the trilateral talks, Presidents Rouhani, Putin and Aliyev signed the⊠ Tehran Declaration, declaring their intent to develop three-way ⊠cooperation in fields including the long-awaited International ⊠North-South Transport Corridor (INSTC) which will connect Moscow to the Persian Gulf.

Part of the plan is to build the INSTC, a 7,200-kilometre multimodal transport ⊠network. Using major junctions including Iran's sole oceanic port of ⊠Chabahar, Tehran, Bandar Abbas, Bandar Anzali, Baku, Astrakhan and ⊠Moscow, it is to utilize sea, rail and road transit routes to connect ⊠Iran, Afghanistan, Central Asia, the South Caucasus, Russia and the ⊠Indian sub-continent.

As part of a test run for the wider network, India in recent days dispatched its first Afghanistan-bound shipment via Chabahar.⊠ The Indian embassy in Tehran said the shipment, comprised of wheat ⊠cargos, arrived at the port that being jointly developed by India and Iran,⊠ at midday on October 31.

Azerbaijani President Ilham Aliyev noted that the creation of a new ⊠railway between the three countries was coming along very quickly. The ⊠route, he said, was nearly fully operational. "Talks have been good ⊠between us, relations are at a new high level," Islamic Republic News ⊠Agency reported him as saying after the meeting with his two ⊠counterparts.

Aliyev also remarked: "I am back with my brother... we have been ⊠intertwined for several centuries." A very substantial Azeri population ⊠lives in Iran.

Rouhani said the next trilateral meeting between Iran, Russia and Azerbaijan would be held in Moscow in 2018.

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