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# Flying Under the Radar: Iranian Alternatives to Suez and Belt and Road



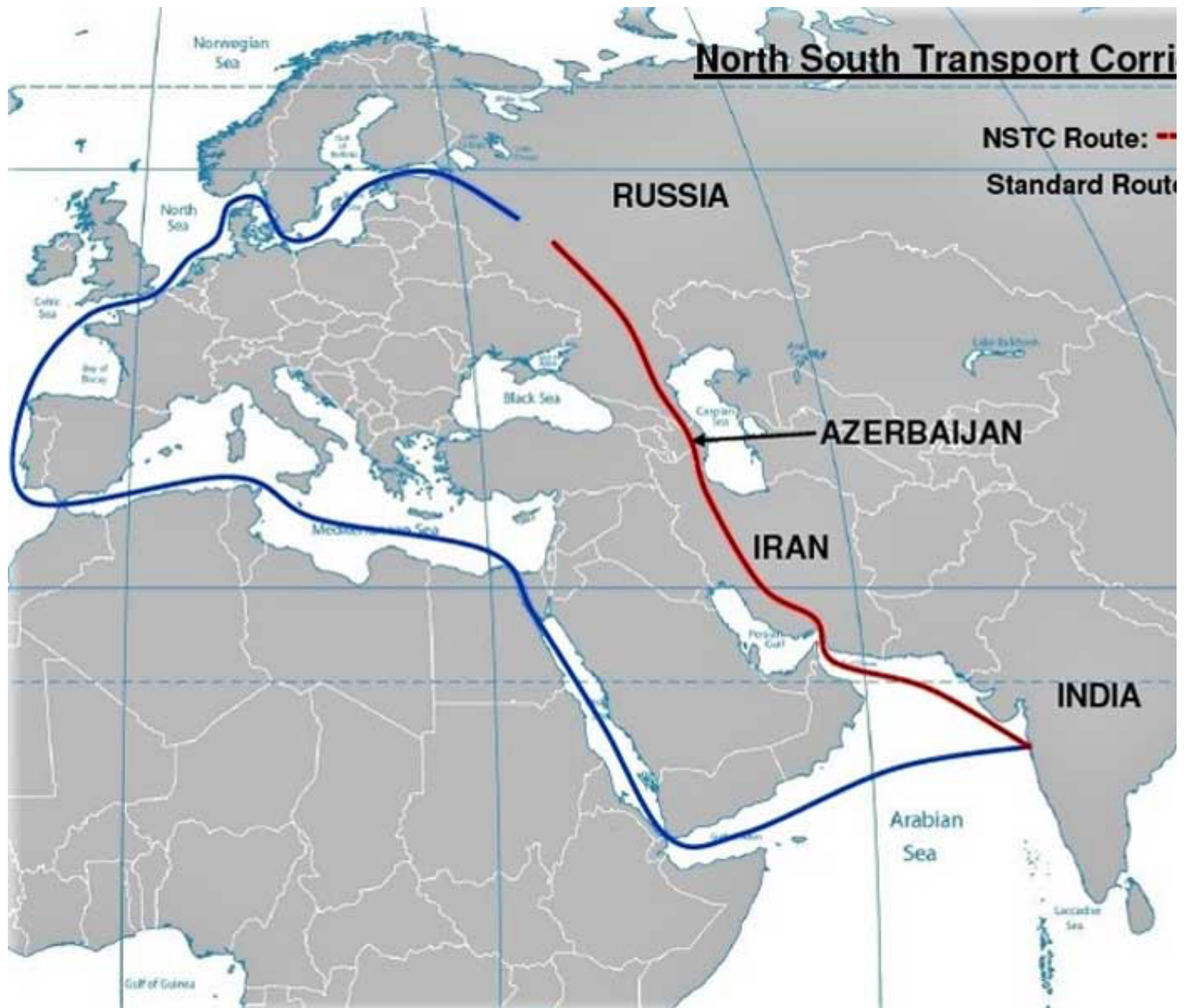
Published 22 hours ago on July 23, 2020

By **Dr. James M. Dorsey**

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**moderndiplomacy** Flying Under the Radar: Iranian Alternatives to Suez

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Map of North South Transport Corridor (NSTC)



As Eurasia's geopolitical sands shift, Iran is touting a sea and rail hook-up i Iranian, Russian, and Indian ports that would link the sub-continent to nor as a viable alternative to Egypt's Suez Canal and addition to China's Belt an Initiative.



Iranian and Indian officials suggest the route would significantly cut shipping costs from India to Europe. Senior Indian Commerce Ministry official B B S hook up would reduce travel distance by 40 and cost by 30 percent.

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Comments

The Iranian-Indian-Russian push is based on a two-decades old agreement

and India to establish an International North-South Transport Corridor (INSTC) in more recent free trade agreements concluded by the Russia-dominated Eurasian Economic Union (EAEU) with Iran and Singapore.

The agreements have fuelled Central, South, and Southeast Asian interest in the corridor even if the EAEU itself groups only a handful of countries: Russia, Belarus, Armenia, and Kyrgyzstan.

Exploiting the momentum, Russia has been nudging India to sign its own free trade agreement with the EAEU while the grouping is discussing an accord with the 10 member Association of Southeast Asian Nations (ASEAN).

If successful, the Iranian push, backed by Russia and India, would anchor a new Middle Eastern player in the region, Iran, as opposed to Saudi Arabia and the United Arab Emirates. Russian and Chinese plays for regional dominance.

Leveraging geography and Central Asian distrust of past Saudi promotion of a conservative strand of Islam, Iran expects that kickstarting INSTC will give it a boost in its competition with the kingdom and the Emirates for the region's minds.

INSTC would also strengthen Iran's position as a key node in the Belt and Road Initiative back of a two-year old [rail link](#) between western China and Tehran that runs through Kazakhstan, Uzbekistan and Turkmenistan.

India's ambassador to Russia, D B Venkatesh Varma, told a [webinar](#) hosted by the Federation of Indian Chambers of Industry and Commerce that he expects shipping and insurance companies as well as other businesses and stakeholders to come together to advance the INSTC.

The Iranian-Indian-Russian push suggests that Iran is playing multiple cards in geopolitical jockeying for the future of Eurasia amid much speculation about an [Iranian proposal](#) for a 25-year strategic partnership with Beijing that if agreed and implemented would inextricably hook the Islamic republic to China.

The INSTC would link Jawaharlal Nehru Port, India's largest container port

Mumbai, through the Iranian deep-sea port of Chabahar on the Gulf of On by India to bypass Pakistan, and its Caspian Sea port of Bandar-e-Anzali to Volga River harbour of Astrakhan and onwards by rail to Europe.

Suez Canal Authority spokesman George Safwat dismisses assertions by Ir Russian officials that the link would cut shipping time from 40 days through Canal to somewhere between 25 and 28 days.

Speaking to [Al-Monitor](#), Mr. Safwat said it takes only 19 days for a container from India through the Suez Canal to reach the German port city of Hamb

A search on [Searates](#), Dubai ports management company DP World's search shipping times puts the transit time at 21 days.

Mr. Safwat further insisted that INSTC would be unable to match the Suez capacity to accommodate more than one billion tons of cargo a year.

The Iranian push was boosted in March by an agreement between Russia would enable the shipment of goods through the corridor on a single invoice matter of months.

"Within three months, traders from India and Russia could move goods between two countries through Iran," said [V. Kalyana Rama](#), the chairman of India's Container Corporation (Concor).

Indian sources close to the Chabahar project said in interviews that the absence of one bill of lading that would allow exporters to get a bank letter of credit and an agreement by state-owned Russian Railways (RZD) to act as the carrier are key obstacles for INSTC.

The sources said shipping costs were likely to be pushed upwards by the fact that most of the cargo traffic would be originating in India rather than destined for Iran. "The extra containers on one leg adds to the freight cost," one source said.

The Russia-India agreement nevertheless takes on added significance as countries seek to diversify their supply chains after the experience of bottlenecks during 1

coronavirus pandemic.

If successful, the corridor could benefit men like [Adar Poonawalla](#) whose S Institute of India is the world's largest vaccine manufacturer.

It may however not all be smooth sailing.

Chabahar, located in the Iranian province of Sistan and Baluchistan, is not the fallout of renewed Baloch nationalist violence in neighbouring Pakistan.

The violence, effecting investment in Gwadar, the Chinese backed port 70 down the coast in the Pakistani province of Balochistan, may give Chabahar raises the spectre of proxy battles with [Saudi Arabia](#) and India suspected of the nationalists for different reasons. Saudi support targets Iran while India Pakistan, it's longstanding nemesis.

In a further twist, Iran this week denied Indian media reports that it had [dr](#) as a partner in the development of a rail line from Chabahar to the border Afghanistan because of delays in Indian funding.

Iran's IRNA news agency, however, quoted [Farhad Montaser](#), an official of Ports and Maritime Organization, as saying that Iran and India had failed to Indian participation in developing Chabahar's railway infrastructure during talks that secured Indian support for the port.

This would have included a 1,000-kilometre line to Sarakhs on the Iranian Turkmenistan. Iran has said it would fund the construction of railway infra

Indian analysts said in interviews that the government in Delhi had put [pa](#) a state-owned Indian infrastructure company on the backburner because harsh US economic sanctions against Iran.

"We are very much in the game, but progress is slow due to the current [pc](#) environment," India's [Zeenews](#) quoted government sources as saying.

That offers Gulf states at best temporary consolation. Uncertainty about th

the November election in the United States that could sweep presumptive presidential candidate Joe Biden into office holds out the prospect of an administration that would be more critical of Saudi policies and more willing to return to negotiations with Iran.

Author's note: An initial version of *this story* was first published in [Inside A](#)

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**Dr. James M. Dorsey**

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# Restoration of Syria: Words and dec



Published 2 days ago on July 22, 2020  
By Andrei Isaev



On July 1<sup>st</sup> leaders of Russia, Turkey and Iran gathered for the next summit on settlement. Given the pandemic, the summit was held on-line, in the format of conference.

In their closing statement the leaders of the three countries – Vladimir Putin, H Rouhani and Recep Tayyip Erdogan – underscored the importance of complying with the principles of sovereignty, independence, unity and territorial integrity of Syria and condemned any attempts to create “a new reality, .....including illegal initiatives to establish self-rule” in some areas, namely, in the territory off the Euphrates Riv



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Published 2 days ago on July 22, 2020

By **Alireza Noori**



Lifting or extending the UN arms embargo on Iran, which according to SC [Reso 2231](#) is supposed to be ended in October 2020, has led to a new confrontation Tehran and Washington. The US has circulated a draft UN resolution that would lift the embargo, and [Secretary Pompeo](#) vowed to use all means available to do so. In the event of failure, Washington has threatened to trigger the so-called “[snapback](#)” mechanism to return all UN sanctions on Iran. At the same time, most of the [US House](#) has voted to renew the Iran arms embargo.

According to Washington, lifting the embargo will lead to arms competition and instability in the Middle East. Denying this charge, Iran, under Resolution 2231,

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By **Deepanjali Jain**



The famous Israel and Palestine issue has reached a new milestone recently when President Donald Trump announced his Peace Plan 2020 known as Peace to Prosperity. The Israeli authorities and the citizenry embraced the manoeuvring of Trump's Plan. However, the plan was outcasted by the Palestinian, and the Palestinian Fatah leader Mahmoud Abbas immediately denounced the plan as a "conspiracy deal" unworthy of serious consideration, making the decades-long pursuit of a so-called two-state solution appear more distant than ever. In the following discussion, the plan will be analysed in the context of the prejudice of Trump, but before addressing the initiative, it is quintessential to address the critical historical issue between the countries.



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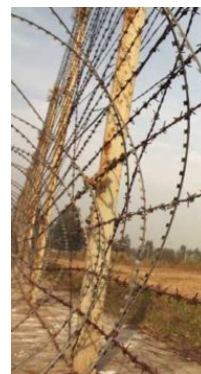
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