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Iran's trade and economic relations with Russia

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Abstract. The study examines Russia and Iran's current trade and economic relations and promising directions for developing trade turnover. The study analyses the main areas of cooperation between the countries and identifies the main challenges and opportunities. The analysis showed that the main subject of imports and exports in the countries is agricultural products. Based on the analysed data on trade turnover between Russia and Iran over the past five years, an overview of trade volume between the countries is given, the commodity structure of exports and imports between the countries and the dynamics of trade development are presented. It was found that the current political and economic situation in the world contributes to strengthening trade and economic relations between Iran and Russia. The study also analyses the reasons for the growth in trade volume, including the impact of the imposed sanctions and the consequences of the withdrawal of several foreign companies from the Russian market. It has been established that there is an increase in cooperation between the countries under the influence of sanctions at the present stage. Based on the results of the conducted research and the identified difficulties countries face in the modern international market, ways to overcome them are proposed (investment on the part of Russia, striving for stability in the ratio of currencies to each other and the US dollar). The purpose of the study is to analyze the trade and economic cooperation between Russia and Iran, focusing on key aspects and prospective development directions. To achieve this goal, methods such as the review of scientific publications, analysis of statistical data and economic development indicators, as well as comparative analysis were employed. These methods enabled a deeper understanding of the current state of relations and helped identify key areas for their future development.

Keywords: trade turnover, sanctions, Russian-Iranian cooperation, export, import, economic growth

Authors' contribution. Belova I.N. — research concept and design; Barat Ali Z.Kh. — data collection, data analysis, wrote the article. All authors have read and agreed to the published version of the manuscript.

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Торгово-экономические отношения Ирана с Россией

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Аннотация. Рассмотрены состояние торгово-экономических отношений между Россией и Ираном и перспективные направления развития торгового оборота между странами. Проанализированы основные направления сотрудничества между странами, выявлены основные вызовы и возможности. Анализ показал, что важнейшим предметом импорта и экспорта в странах является сельскохозяйственная продукция. На основе данных о торговле между Россией и Ираном за последние пять лет охарактеризованы товарооборот, товарная структура экспорта и импорта между странами, динамика развития торговли. Установлено, что современная политическая и экономическая ситуация в мире способствует укреплению торгово-экономических отношений Ирана с Россией. Также проанализированы факторы роста объема торговли, включая влияние введенных санкций и последствий ухода ряда зарубежных компаний с российского рынка. Установлено, что под влиянием санкций на современном этапе отмечается рост направлений сотрудничества между странами. По результатам проведенного исследования и рассмотренным трудностям, с которыми сталкиваются страны на современном международном рынке, предложены пути преодоления выявленных сложностей (инвестирование со стороны России, стремление к стабильности отношения валют друг к другу и к доллару США и т.д.). Цель исследования — выявить ключевые аспекты и перспективные направления развития торгово-экономического сотрудничества России и Ирана. Использовались методы изучения научных публикаций, анализа статистических данных и показателей экономического развития, а также сравнительный анализ. Эти методы позволили глубже понять текущее состояние отношений и выделить ключевые направления для их развития.

Ключевые слова: товарооборот, санкции, сотрудничество России и Ирана, экспорт, импорт, экономический рост

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Introduction

Modern political and economic events around the world have significantly impacted Russia's trade and economic relations with partner countries. As a result of the developing financial crisis and other events that negatively affect Russia's relations with previously economically friendly territories, the government is rebuilding its trade and economic ties in search of reliable partners. This step, in turn, contributed to an increase in the number of trade partners of the Russian Federation, not only in quantity but also in their willingness to build long-term constructive cooperation. In other words, the restrictions that large Russian companies were subjected to become a springboard for the country in building new supply chains and forming a group of new contractors in partner countries.

Based on the presented facts, the analysis of such changes in the foreign economic relations of the Russian Federation is becoming increasingly attractive for scientific research. In particular, the analysis of cooperation between Russia and Iran, in relations with which a significant positive shift has been noted in recent years, seems promising. Studying the reasons and specifics of such changes, experts note that the active development of trade and economic relations between Russia and Iran became possible due to the sanctions restrictions that both Russian and Iranian organizations are regularly subjected to, as well as thanks to the temporary free trade agreement between the Eurasian Economic Union and Iran, which received the status of a permanent agreement in 2023, which It allowed Iran and Russia to enhance further their positions in international trade, including cooperation between the countries with each other (Ivanchenko, 2024).

The study aims to analyse Iran's trade and economic relations with Russia.

The presented purpose of the study should have a step-by-step implementation, consisting of the performance of several tasks, which were attributed to:

- analysis of the current state of relations between countries in terms of trade transactions;
- analysis of quantitative and qualitative indicators of economic cooperation between countries, taking into account data for the last five years;
- research on the reasons for the expansion of cooperation between countries; identification of promising areas for further development of economic cooperation.

Materials and methods

When writing the article, an analysis was carried out of the works of domestic and foreign authors who studied various aspects of cooperation between Iran and Russia: features of trade and economic cooperation between the countries (Ivanchenko, 2024); cooperation strategies (Ashkalov et al., 2018); trends and prospects for the development of cooperation (Filin et al., 2016) existing problems in relations between countries (Karami, 2022; Karami et al., 2019). In addition, the historical aspects of the development of trade and economic cooperation between

Russia and Iran were considered to understand the formation process of the analyzed relationship in the works of R.A. Tuzmukhamedov (Tuzmukhamedov, 1960); Ali Omid (Omid, 2022); R.O. Freedman (Freedman, 1997); Sh.S. Galbatsova (Galbatsova, 2012); E.I. Khafizova (Khafizova, 2017); Kozhanov N. (Kozhanov, 2020), Moore E.D. (Moore, 2012).

The following methods were used to solve the tasks set in the framework of writing the article:

- search, systematization, and evaluation of macroeconomic indicators characterizing the current state of Russian-Iranian relations at the present stage;
- analysis of statistical data and indicators of economic development.

Results

Studying the specifics of the current state of trade and economic activity in Iran and Russia has allowed us to establish stability between the countries for an extended period regarding the predominance of supplies of specific products for export and import. Thus, agricultural goods are first in trade between the countries. At the same time, significant volumes of oil industry products are supplied to Russia from Iran, thus raising Iran to eleventh place in terms of the goods provided to Russia. Russia, in turn, retains the position of the fifth partner in terms of the volume of goods supplied to Iran, according to more up-to-date data presented in a message by Deputy Prime Minister A. Novak, at a meeting of the Intergovernmental Commission on Trade and Economic Cooperation held in early 2024, regarding the goods that Russia supplied to Iran in 2023, the proportion of goods in the highest demand was distributed as follows: food products are in the first place in demand and agricultural goods (\$2.2 billion); this is followed by vehicles and other equipment (240 million dollars); wood products, including paper, are in third place in terms of exports, the share of such goods turned out to be 5.6%, amounting to 152.4 million dollars; the fifth place was taken by goods related to the chemical industry, their share was 1.8%, and the number of exports. Thus, it was equal to 49.4 million dollars; the sixth place was assigned to the export of metals, which accounted for 1.3% of the total share of exports.

As part of his speech, A. Novak also noted that “imports of agricultural products from Iran account for 57.8% of the total number of supplies. Supplies of chemical industry goods are in second place (\$286.5 million). The third place is taken by transport and related equipment (79.7 million dollars). Metals account for only 2.1% of the total share of Russian imports, which amounted to \$26.9 million in 2023. Such categories as mineral products, which account for \$63 million, and textiles and footwear, with a share of 3.6% (\$46.7 million) in total imports, can differ from exports to Iran” (fig. 1)¹.

¹ The trade turnover between Russia and Iran in 2023 decreased by 17.3%, to \$4 billion. 2024. (In Russ.). Retrieved April 20, 2024 from <https://www.interfax.ru/russia/948210>

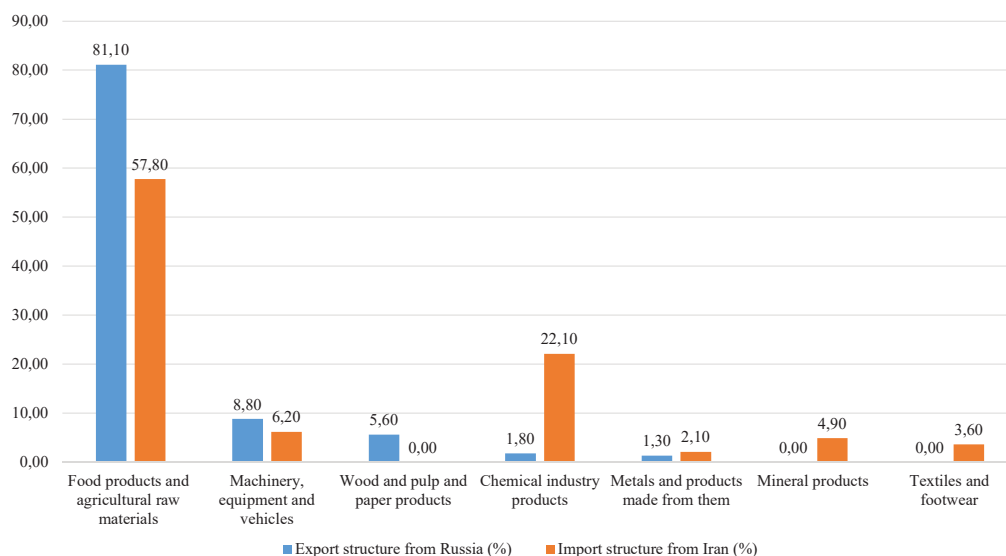


Figure 1. Key Aspects of Trade and Economic Cooperation between Russia and Iran

Source: compiled by the authors based on data the trade turnover between Russia and Iran in 2023 decreased by 17.3%, to \$4 billion. 2024. (In Russ.). Retrieved April 20, 2024, from <https://www.interfax.ru/russia/948210>

Thus, food and agricultural products comprise the bulk of trade and economic cooperation between Russia and Iran. However, collaboration between countries is not limited to exporting and importing goods. Today's main opportunities for expanding trade relations between Russia and Iran include projects like the North-South transport corridor. This project requires considerable costs, which are focused on further developing transport networks that would ensure faster delivery of goods from Russia to Iran and beyond. However, implementing the idea of creating a corridor has other difficulties. So, by the beginning of 2024, it became apparent that this work was only sometimes as practical as expected. At the end of 2023, for example, deliveries of several goods were delayed for up to 60 days because the ports of the Russian Federation did not have time to fulfil their obligations to service trade turnover. This situation arose due to problems related to this corridor's infrastructure in the Russian Federation's territory. In particular, the following shortcomings were identified: in Astrakhan, there was an apparent lack of places where cargo ships could dock; there were not enough ships themselves to transport goods; and, finally, the ports lacked the necessary number of warehouses for the redistribution and sorting of goods, as well as cranes for loading them.

An equally significant reason is a purely natural phenomenon that prevents the transportation of goods by water and consists of the shallowing of the Volga-Caspian Canal.

The consequence of these reasons in March 2023 was not only an increase in the transportation time of goods but also an increase in the cost of this service by 100% compared to the same period of the previous year, which amounted to seven thousand dollars.

The development of Iran's relations with Russia has also ensured thanks to the work of the Russian-Iranian Commission on trade and economic

cooperation, within the framework of which more than a hundred projects have been approved at the present stage aimed at the development of trade, energy industry, banking, transport industry, space research, effective relations between regions, as well as the development of other sectors, including special issues related to the management and regulation of water resources, the use and protection of water bodies, ensuring access to clean drinking water, efficient use of water in agriculture, industry and everyday life.

Considering the issue of trade turnover between Russia and Iran, it is essential to note that from 2019 to 2022, there were positive dynamics in the volume of exports and imports. However, in 2023, this trend did not continue, and there was a significant decline of 17% in the size of trade turnover between Iran and Russia, which eventually was at most \$ 4 billion (fig. 2) (Hamidi, Mozdkhah, 2025).

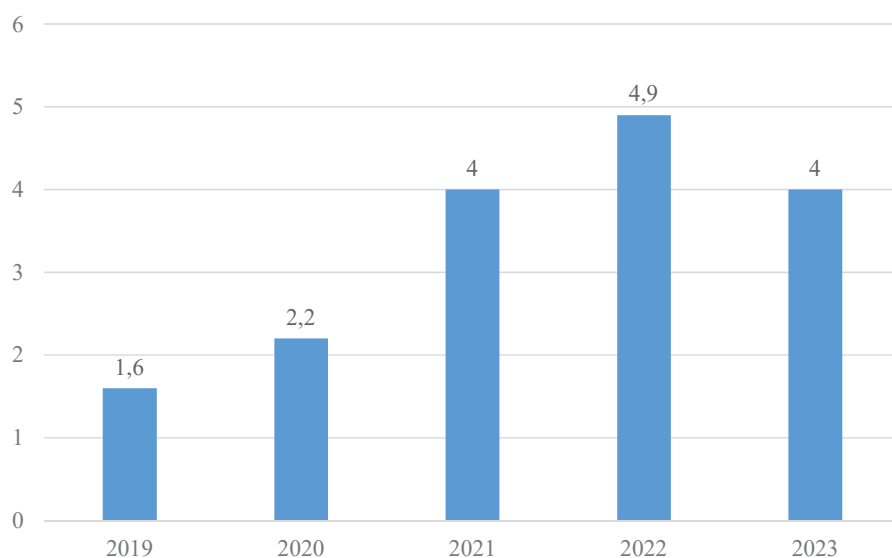


Figure 2. Dynamics of trade turnover between Russia and Iran, 2019–2023, billion dollars

Source: compiled by the authors based on data from “ITC Trade Map” and “Interfax Information Group”. Narrow corridor: why trade between Iran and Russia is declining. 2024. (In Russ.). Retrieved April 20, 2024 from <https://www.forbes.ru/mneniya/509074-uzkij-koridor-pocemu-sokrasaetsa-torgovla-mezdu-iranom-i-rossiej>

A significant jump in the volume of imports and exports between Russia and Iran in 2021 was achieved due to the following reasons:

- Iran needed large supplies of wheat and other grain crops due to the drought, which negatively impacted the country’s own harvest in 2021;
- thanks to advanced modern medicine, Russia was able to manufacture and supply vaccines to Iran during the COVID-19 pandemic;
- 2021 became a stage in extending the agreement between Iran and the EAEU, which made it possible to extend the free trade zone created at the initial signing of the agreement in 2019.

The sanctions imposed by the West on Iran in 2021 contributed to the expansion of trade relations with the Russian Federation because sanctions prevented cooperation with several European countries.

Not so significantly, but the marked growth continued in 2022, although not in such significant volumes. Again, the reason for the increase was the sanctions already imposed on the Russian Federation.

However, in 2023, the growth trend did not continue, and there was a significant decline of 17% in the size of trade turnover between Iran and Russia, which eventually did not exceed \$4 billion².

It is also important to note that with a general decrease in the volume of trade between Russia and Iran, this decrease occurred due to a reduction in the share of exports of goods from Russia and not due to imports from Iran, which, on the contrary, increased by 15.8% in 2023 compared to 2022, thus amounting to \$1.29 billion. Consequently, goods coming to Russia from Iran remain relevant in the Russian market and demand. However, the demand for the export of several goods to Iran turned out to be low last year. We are talking about the supply of wheat. According to official data, the refusal to purchase wheat from Russia led to a decrease in exports of goods from Russia, which decreased by 27.1% and in 2023 turned out to be equal to 2.7 billion dollars. According to experts, the demand for wheat decreased due to the good harvest of this crop in Iran last year, because of which there was no need to purchase Russian wheat. It is confirmed in the words of the President of the Federation of Iranian Flour Industry Associations, Dr H. Yazdjerdi, who informed the press that the country is celebrating a relatively large wheat harvest in 2023, so there is no need to import this product. However, several experts believe this product could still be supplied to Iran unofficially. They see the reason for this in the fact that Iranians use the services of Cargill to import agricultural goods, which, starting in 2023, stopped its cooperation with Russia in the supply of grain products³.

Analysing trade and economic cooperation between Russia and Iran, it is also important to note that the sanctions actively imposed by Western and European countries against Russia in recent years have led to the strengthening of trade and economic relations between Iran and Russia, including the expansion of the list of subjects of this cooperation, which at the present stage includes the following activities.

In addition, the withdrawal from the Russian market of several large brands of clothing and footwear, suppliers of household products, and other companies contributed to the desire of the relevant Iranian brands to provide their products as a substitute for sanctioned goods. The Russian Council of Shopping Centers announced these possibilities during their official meeting with representatives of the Iranian fashion industry at the Iranian Embassy. Mainly, leather products were considered such products, including not only clothes but also shoes and bags, the cost of which is affordable for both the low-income and high-income segments. Iranian manufacturers of household chemicals are also taking steps to replace brands that have left Russia, such as Procter & Gamble. It is important to note that the quality of the

² Narrow corridor: why trade between Iran and Russia is declining. 2024. (In Russ.). Retrieved April 20, 2024 from <https://www.forbes.ru/mneniya/509074-uzkij-koridor-pocemu-sokrasaetsa-torgovla-mezdu-iranom-i-rossiej>

³ The trade turnover between Russia and Iran in 2023 decreased by 17.3%, to \$4 billion. 2024. (In Russ.). Retrieved April 20, 2024 from <https://www.interfax.ru/russia/948210>

goods offered for replacement is quite high and can freely compete with brands that have left Russia. In addition, due to the withdrawal of Western insurance companies, Iran is seeking to occupy this niche in the Russian market. The first step in this direction is the registration in Russia in October 2023 of the Miran insurance company, which is a subsidiary of Mir Business Bank, which is a Russian legal entity of the Iranian bank Bank Melli Iran.

Thus, the withdrawal of major brands from the Russian market opens opportunities for Iranian companies to occupy new niches in the Russian market. Iranian brands are showing interest in products competing with global brands and are striving to gain market share in various fields such as clothing, footwear, household chemicals, and insurance.

An analysis of the consequences of sanctions for Russia showed that they only contributed to the formation of fruitful and promising relations with Iran, both economically and politically. At the same time, paradoxically, Russia still needs to lift the sanctions it has adopted against Iran (Karami, 2022).

Despite the significant role of sanctions in developing trade relations between Russia and Iran, other fundamental links were involved in the initial formation of this cooperation. Sanctions have become a further catalyst, but nothing more.

Thus, a significant step in the formation of solid relations between the countries was noted back in 2013, when Russia and Iran began to take an active part in the formation of their relations. By the modern period, throughout the eleven years of building strong relations, representatives of both countries have repeatedly organized meetings and events aimed at strengthening ties between the two countries. This cooperation has become increasingly limited not only to export and import issues but also to issues of strategic partnership, security issues and other issues related to political activities.

In addition, relations began to form in the field of studying the culture of the countries, in the exchange of scientific potential, and the development of tourism. The changes have not spared the sphere of the economy, as well as the military industry. The latter factor had a powerful impact on the cooperation of the countries when they joined forces in resolving the military conflict in Syria, which made it possible to ensure the safe existence of not only Iran but also other countries in the Middle East.

Since both countries are engaged in supplying energy to other countries, a special place in the dialogues between the Russian Federation and Iran was occupied by understanding the issue of increasing exports and imports of non-primary goods. Thus, S. Katyrin, Chairman of the Board of Directors of PJSC “CMT” and president of the Chamber of Commerce and Industry of the Russian Federation, has repeatedly noted that Iran has gained significant experience in maintaining a stable economy in response to regular attacks from the West in the form of sanctions: “At the same time, the country, striving to provide itself with goods that some forbade it and others were afraid to sell, managed to make some progress in the development of some of its own industries, which objectively expands the range of promising cooperation between states, not only trade, but also production”⁴.

⁴ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

As noted earlier, this stability was supported, among other things, by the possibility of creating a free trade zone thanks to the agreement between Iran and the EAEU⁵.

Simplification of customs control in the Russian Federation for Iran also plays an influential role. E. Ladynina, head of the Federal Customs Revenue Service, discussed this at the business seminar “Doing business with Iran” held at the end of 2023. E. Ladynina noted that Russia and Iran have quite close cooperation in this area: “The implementation of the pilot project ‘Simplified Customs Corridor’ is designed to expand the advantages of a company with the status of a scientific and economic operator. We are already talking about a wide range of products. These are fish, seafood, dairy products, fruits, vegetables, i.e. the list of goods for which the simplified customs corridor operates has already been formed”⁶.

The fruitful results of cooperation between Russia and Iran began to be particularly evident only in 2023 when Iran joined the SCO. During the same period, the free trade zone continues to operate, and the structure of exports and imports is gradually expanding qualitatively. According to E. Ladynina, at the present stage, the idea of developing a position of special operators who will be authorized to solve economic issues on behalf of countries is being solved, which will ensure faster and easier cooperation. In addition, issues of organizing collaboration in matters of legal security, as well as granting the status of paramount importance to goods imported from Iran, are also being discussed⁷.

On December 25, 2023, the Eurasian Economic Union (EAEU — the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation) and the Islamic Republic of Iran signed a Free trade Agreement. The objectives of the Agreement are “liberalization and simplification of trade in goods between the EAEU and Iran by reducing or eliminating tariff and non-tariff barriers, supporting economic and trade cooperation, diversifying trade, as well as strengthening closer cooperation in various sectors of the economy”⁸. As of July 2024, this agreement is still at the stage of ratification, after which duties on goods imported from Iran will cease to be levied. Today, the Comprehensive Strategic Partnership Agreement between Russia and Iran continues to be discussed and is being prepared for signing. Work continues the formation and improvement of the efficiency of the transport corridor service through Iran. In conclusion, it is essential to note that Iran has become a member of the BRICS, which in 2024 is chaired by Russia.

Speaking about the prospects for the development of trade turnover between Russia and Iran, today, forms of productive cooperation are being built in relation to trade in the aircraft industry since Iran is showing significant success in its development.

⁵ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

⁶ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

⁷ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

⁸ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

The second direction can be considered the pharmacology goods. Another direction in the development of relations between the countries is the expansion of the range of fruits and vegetables imported from Iran, as well as the supply of various types of meat products and other food products to Iran. Finally, it is important to note the prospects for trade in electrical equipment between countries.

At the present stage, Iran is a source of various minerals. New power plants are being built in the country, such as the Bushehr nuclear power plant. Active work is underway to expand transport interchanges and increase the railway track (Rasht — Astara line). Soon (at the beginning of 2025), it is planned to launch from the Vostochny Cosmodrome. For this launch, Russian specialists have prepared a device for Iran, which will be launched specifically to solve issues of interest to Iranian specialists. This step, in turn, is the starting point for joint activities in the countries, including space exploration⁹.

The RF CCI makes a significant contribution to the development of relations between Russia and Iran. In April 2024, at the meeting of this council, the importance of the union of the two countries and the need for further development of their cooperation was emphasized. At the same time, this cooperation was considered both from the perspective of broader interaction with the inclusion of other countries and in relation to the interaction between Iran and Russia. The importance of developing a strategy for long-term cooperation and consolidating Russia's trade positions in the Iranian market was emphasized¹⁰.

In addition, at the meeting of the CCI Council, it was noted that the strengthening and growth of trade between the countries are expected due to an increase in the efficiency of the transport corridor, the development of tourist activity, and the construction of a new railway that will connect not only Russia and Iran but also Azerbaijan¹¹.

In general, cooperation between Iran and Russia is a rather promising project. The countries regularly organize various events, meetings, seminars, and other movements that allow them to share experiences, participate in each other's issues, and maintain economic, scientific, and political ties.

In addition, according to the latest news published by the newspaper *Kommersant* in June 2024, Gazprom PJSC aims to expand its field of activity, including by entering the Iranian market and carrying out pipeline deliveries there. A memorandum was signed between Iran and the Russian Federation to advance this idea, and soon, representatives of Iran plan to sign a firm contract. According to analysts' calculations, Iran may need from 3 billion to 10 billion cubic meters of gas per year¹². The memorandum was signed with the Iranian

⁹ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

¹⁰ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

¹¹ SCO and BRICS 2024: development of trade and economic relations between Russia and Iran. 2024. (In Russ.). Retrieved August 07, 2024 from <https://wtcmoscow.ru/company/news/5373/>

¹² Relations with Iran are gradually pumping up. 2024. (In Russ.). Retrieved August 07, 2024 from <https://www.kommersant.ru/doc/6822117>

gas company National Iranian Gas Company. The details of the cooperation remain undisclosed. At the same time, both sides believe that this memorandum is only the first step towards fruitful collaboration between the countries in this direction. For example, Gazprom PJSC aims to become one of the developers of the gas industry development system in Iran. In addition, the company wants to take an active part in the implementation of relevant construction projects and in the extraction of appropriate minerals.

It is important to note that Gazprom PJSC began to enter the Iranian market, especially actively, when its cooperation with European countries was significantly reduced. Tehran, in turn, occupying a leading position in the world in terms of gas reserves, has not been able to become a major exporter in recent decades due to its permanent presence under sanctions. Consequently, sanctions have played a significant role in the development of relations between the countries.

According to the online edition of Vedomosti, Russian President Vladimir Putin also stressed that regardless of the results of the upcoming elections in the Islamic Republic of Iran, relations between the countries will continue to develop.

The Russian President noted that the trade turnover between the two countries in 2024 increased by 14% compared to the same period in 2023. According to him, the free trade agreement between the Eurasian Economic Union (EAEU) and Iran will also contribute to strengthening economic ties. Vladimir Putin stressed that Russia supports Iran's application for observer status at the EAEU. The Russian President added that Moscow and Tehran are also united by the desire to create a multipolar world order.

In addition, experts see three main ways to develop relations between the countries:

- ensuring the smooth operation of the railway connecting the cities of Rasht and Astrakhan, which are members of the North-South transport corridor;
- creation of a company structure that will export Iranian goods to Russia;
- obtaining a share in the ports of Makhachkala or Volgograd and creating a consortium with Russia and Iran for gas production in the Caspian Sea. At the present stage, Iran owns 53% of the shares of the Solyanka port in the Astrakhan region, through which a significant share of exported products to the Russian market passes.

Despite the strengthening of relations between Russia and Iran, it is important to note that in the long term, it is important to resolve a few problematic aspects of this cooperation.

The first problem for Iranian exporters is the need to return foreign exchange earnings to Iran's economic and banking system. This requirement was introduced in 2018 after the United States unilaterally withdrew from the JCPOA (Joint Comprehensive Plan of Action, also known as the Agreement on the Iranian Nuclear Program) and introduced a policy of "maximum pressure" on Iran, including the imposition of several sanctions. The essence of the need to return foreign exchange earnings is that Iranian exporters are obliged to exchange rubles

received in Russia for Iranian rials through a bank, which leads to losses due to the difference in exchange rates between the two countries. This problem also affects money transfers, which is why many businessmen prefer to use the services of exchangers. To solve this problem, it is necessary to set the exchange rate for the purchase of the ruble at the bank's branch as close as possible in value to the exchange rate of the Iranian currency. This step will reduce the losses of Iranian entrepreneurs and increase their motivation for cooperation with Russia. Thus, the optimization of the currency exchange process between the two countries contributes to the development of economic relations and stimulates cooperation between Iranian and Russian businessmen.

It is also important to consider such a problem as the need for more consistency in the value of the currencies of Iran and Russia in relation to the US currency. This instability creates certain difficulties for businessmen of both countries, who use dollars to carry out their transactions and only after that convert the funds received into the currency of their country. Achieving the stability of the exchange rate between the ruble, the rial, and the US dollar plays an important role in minimizing risks and preventing possible losses. In the face of sanctions and economic uncertainty, both sides of the transaction should strive to ensure that financial transactions are carried out with the least risk and maximum efficiency.

Let's consider another problem — the significant predominance of exports from Russia (\$4 billion) compared to exports from Iran (\$1 billion). These figures indicate the formation of a lack of balance between the number of rials and rubles, because of which there is a deficit of 3 billion rubles. The solution to this problem is to attract investment from Russian exporters to Iranian projects. Such projects include for example, projects in the transport industry, the development of free economic zones in Iran, and agricultural production. By deciding in favor of investing, domestic enterprises will also be able to contribute to the implementation of projects that will later become an effective source for further exports to other countries of products supplied from Iran.

Conclusion

The study of the specifics of relations between Russia and Iran allowed us to establish that the cooperation of these countries has always included the implementation of active trade and economic activities. At the same time, the main sources for exports and imports have always been and remain products grown by agricultural organizations. However, as in any other area, with changes in world politics and the economy, as well as under the influence of Western sanctions actively adopted against Russia, relations between the countries are also changing. Today, there are more and more prospects for further strengthening cooperation between Iran and Russia.

Undoubtedly, such changes require a revision of some organizational issues of cooperation, including the development of transport links between countries,

a change towards greater openness in foreign exchange transactions, the inclusion of new promising projects in the list of areas of cooperation, an increase in investment from domestic enterprises, etc.

Consideration of the current state of the economies of both countries also led to the conclusion that cooperation between Russia and Iran is an effective way to counter modern external challenges that both countries face daily. Such cooperation will make it possible to compensate for products and goods that have gone away due to sanctions, thereby maintaining the economic stability of Russia and Iran.

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