

Iran Stockpiling Supplies through Chahbahar

OE Watch Commentary: The COVID-19 pandemic has hit Iran particularly hard [see: “Iran: IRGC establishes Biological Defense Headquarters,” *OE Watch*, April 2020]. The Iranian port of Chahbahar, however, has weathered the storm well. According to the excerpted article from an Iranian online financial website, commodity shipments into the Arabian Sea port have increased dramatically. There are several reasons for the increase in traffic: Iranian authorities have invested tremendously in Chahbahar and the port’s capacity has increased proportionately [see: “Iran: Chahbahar Port Developments,” *OE Watch*, December 2019]. Iran may also be stockpiling supplies given the disruptions caused to normal supply chains by COVID-19. Trans-shipment of goods from Chahbahar into Afghanistan also helps landlocked Afghanistan and its partners bypass Pakistan.



The Shahid Beheshti Port, Chahbahar, Iran.

Source: Islamic Consultative Assembly News Agency (ICANA) <https://cdn.icana.ir/d/019/201903104605695437.jpg>

Previously, diplomats representing countries seeking to import good into Chahbahar or transship goods through Chahbahar for Afghanistan or Central Asia said that Iranian red tape hampered operations and Iran’s diplomats were unable to get the Iranian side to streamline processes even when Iranian officials understood the necessity of doing so. Increased Chahbahar shipments, however, suggest that some of these impediments have now been overcome.

While Iranian authorities report 560,000 tons of good offloaded in Chahbahar since March 2020, this is still a relative pittance compared to larger ports: Rotterdam, for example, handled more than 467 million tons of cargo in 2017 and Busan, Republic of Korea, also exceeded 400 million tons. Seven different Chinese ports exceeded 500 million tons that same year. According to the U.S. Bureau of Transportation Statistics, in 2018—the last year for which statistics are available—the top U.S. port was South Louisiana through which 275 million tons passed. Fiftieth-ranked Vancouver, Washington, still had more than ten times the traffic which will this year pass through Chahbahar.

While Chahbahar was previously well-known for being the source of goods which “fell off the truck” and were smuggled into Pakistan or by sea into the United Arab Emirates, increased enforcement by both the Pakistani and Emirati coast guards and Pakistani border police have significantly reduced smuggling emanating from Chahbahar. **End OE Watch Commentary (Rubin)**

“This year there was significant growth in the process of unloading basic goods.”

Source: “Koshti 66 hazar toni Shuker Varad Bandar Chahbahar” (“Shipment of 66,000 tons of Sugar Enters Chahbahar”), *Eghtesaad24.ir*, 27 July 2020. <https://eghtesaad24.ir/fa/news/73726/>

Shipment of 66,000 Tons of Sugar Enters the Port of Chahbahar

He added that despite to the global spread of COVID-19 virus, which has had a direct impact on the amount of trade and exchange of goods in the world, this year there was significant growth in the process of unloading basic goods; since the beginning of this year more than 506,702 tons of basic goods have entered this strategic port.

Emphasizing that the onward distribution of these goods was carried out around the clock using modern strategic port equipment with the desired outcome, he added that the main basic goods needed by the eastern provinces of the country that enter this ocean port directly from the countries of origin include corn, barley, wheat, rice, sugar and petroleum products.

The director-general of the Ports and Maritime Organization of Sistan and Baluchestan, emphasized preventing the delay of goods in Shahid Beheshti and Shahid Kalantari ports so as to make optimal use of port capacities and accelerate the flow of imported goods as a priority of the General Administration. He added that 1,365 tons of basic goods needed by the eastern provinces have entered the country through Shahid Beheshti port.

He further added that joint efforts of all devices to unload and transport goods to consumer destinations with the aim of reducing the cost of goods and also facilitating and accelerating the transfer of basic goods from the port to the country is another priority of this department.