

Sanctions removal key to boosting foreign direct investment: Hemmati

Economy Desk

Iran's economy minister said that without lifting sanctions, exiting the FATF blacklist, and facilitating smooth financial and banking transactions regionally and globally, the country's ability to attract foreign direct investment (FDI) will remain severely limited. According to IRNA, Abdolnasser Hemmati, in a note following his participation in the annual World Investment Conference of the World Association of Investment Promotion Agencies (WAIPA) in Riyadh on November 25-27, highlighted the importance of Iran's presence at the event. He described the conference as a valuable opportunity to gain insights into global investment trends and dynamics.

Hemmati wrote that the paradigm shift in the relationship between industrial policy and investment promotion strategies not only shapes the future of the global economy but also determines the trajectory of international cooperation and the quality of life worldwide.

He cited a report by the United Nations Conference on Trade and Development (UNCTAD), noting that global FDI in 2023 totaled \$1.3 trillion, while Iran's share accounted for less than one-thousandth of that figure.

The minister stressed the critical role of FDI in global value chains urging policymakers in developing countries, including Iran, to consider multinational corporations' commercial strategies and explore ways to create an attractive environment for both international and domestic firms. Despite Iran's vast potential in energy, mineral resources, and a skilled workforce, Hemmati reiterated that the lack of sanctions relief and the FATF issue are significant obstacles to fully leveraging these advantages. Hemmati affirmed that the Ministry of Economy and the Organization for Investment and Economic and Technical Assistance of Iran (OIETAI) are committed to intensifying efforts to attract more investment despite the restrictions imposed by sanctions.

He highlighted productive discussions with the CEO of the WAIPA during his visit to Riyadh, emphasizing plans to strengthen cooperation.

Hemmati announced plans to strengthen relations with the Islamic Development Bank (IDB) and the OPEC Fund for International Development during his visit to the Saudi Arabia capital as he also met Saudi Finance Minister Mohammed Al-Jadaan and Saudi Minister of Investment Khalid Al-Falih.

Gov't not to mount pressure by hiking fuel prices: Pezeshkian

Economy Desk

Making decisions regarding gasoline requires careful consideration of various factors, said Iranian President Masoud Pezeshkian, emphasizing that the government is not determined to raise fuel prices to place additional pressure on people's livelihoods.

Iran's daily gasoline production must reach 129 million liters by the end of the Seventh Development Plan (2028), as the country, by keeping the current consumption trend, would face a gasoline supply crisis within the next five years, wrote president.

Pezeshkian, in response to a question by Akharin Khabar on updates about gasoline, highlighted that currently gasoline is a serious challenge for the country.

"We are facing tough conditions. On one hand, consumption is rising, and on the other, production capacity is limited," he said.

Pezeshkian also noted that a significant portion of the country's forex revenue is spent on gasoline imports, especially under

current sanctions. "Additionally, long-lasting issues like low vehicle quality and higher consumption compared to global average exacerbate the problem."

Despite these challenges, Pezeshkian reiterated that raising the issue should not be seen as a sign that the government plans to increase gasoline prices and burden citizens. The president affirmed that his government is committed to making no decision without public support and satisfaction.

He reemphasized the sensitivity of gasoline policy, stressing that decisions in this area require thorough analysis and expert input.

Pezeshkian added that the primary focus should be on increasing the country's gasoline production capacity through refinery upgrades, capacity expansions, or building new refineries. The second priority, he said, should be reducing consumption by improving fuel efficiency in vehicles and expanding public transportation.

The reformist also suggested that reforming the gasoline sub-



sidy system is crucial, but reform does not necessarily mean fully desubsidizing it. "Alternatives such as smart rationing or other

policies could help address the shortages and prevent the waste of national resources." Pezeshkian highlighted that any

decision must take into account the economic conditions of the people and aim to ensure public satisfaction.

EAG awards Tehran for contribution to fighting money laundering

Economy Desk

The Eurasian group on combating money laundering and financing of terrorism (EAG) awarded its certificate of merit to the Islamic Republic of Iran for Tehran's contribution to the activities and development of EAG on the occasion of its 20th anniversary.

According to IRNA, EAG Chairman Yuri Chikhanchin on Thursday signed the document as it is for the first time that a certificate has been awarded to Iran in recognition of these efforts.

The EAG is a FATF-style regional body which comprises 9 countries: Belarus, China, Kazakhstan, Kyrgyzstan, India, Russia, Tajikistan, Turkmenistan and Uzbekistan. EAG is an associate member of the FATF. Iran has taken significant steps toward implementing the FATF's action plan, including passing key legislation to align with international standards on anti-money laundering (AML) and countering the financing of terrorism (CFT).

Officials have expressed hope that these



measures will improve Iran's standing and facilitate its reintegration into the global financial system.

OPEC+ meeting on oil output 'rescheduled' to December 5



The OPEC+ alliance of major oil-producing nations postponed a weekend meeting to December 5 in what analysts said were signs of disagreement among the group over plans to increase output.

The 22-member OPEC+ group was due to decide on its 2025 output policy at a ministerial meeting originally scheduled for Sunday, AFP wrote.

But the Vienna-based Organization of the Petroleum Exporting Countries (OPEC) said in a statement Thursday that the meeting was "rescheduled" to December 5 "as

several Ministers will be attending the 45th [Persian] Gulf Summit in Kuwait City."

An OPEC spokesman told AFP that the December meeting will be held online.

In a bid to boost crude prices, eight OPEC+ members announced earlier this month they were extending supply cuts until the end of December.

The eight nations that have extended production cuts are Saudi Arabia and Russia, as well as Algeria, Iraq, Kazakhstan, Kuwait, Oman and the United Arab Emirates.

Iran's renewable energy capacity surpasses 1,300 MW



Economy Desk

Iran's renewable energy capacity topped 1,300 megawatts, according to the latest report

from the Renewable Energy and Energy Efficiency Organization (SATBA), as cited by IRNA on Friday.

The Ministry of Energy, under

the current administration, has prioritized expanding renewable energy infrastructure and is actively pursuing various initiatives to achieve this goal.

President Masoud Pezeshkian has emphasized the importance of removing barriers to the development of renewable energy, according to the report.

Currently, Iran's renewable energy portfolio includes solar, wind, small hydropower, expansion turbines, and biomass energy sources. Solar energy leads the mix with 608.03 MW, accounting for 60% of the total. Wind energy follows with 376.3 MW, representing 29%. Small hydropower plants contribute 103.73 MW (8%), biomass plants provide 22.13 MW (2%), and expansion turbines add 9.6 MW,

making up 1% of the total.

On November 20, Mohsen Tarzatab, deputy minister of Energy, announced that an additional 3,500 MW of renewable energy capacity would be connected to the national grid by peak demand season next year.

The head of SATBA highlighted the urgent need for accelerated development in the renewable energy sector, stating that the organization is expected to deliver over 30,000 MW in the near term to address the country's energy imbalance.

Talking to IRNA, Hamid Hosseini, spokesperson for the Union of Oil, Gas, and Petrochemical Exporters, stressed the importance of prioritizing investment in renewable energy over thermal power plants.

He noted that focusing on renewable energy development is the most effective way to resolve the nation's electricity supply challenges.

According to the figures by the Tehran Chamber of Commerce, at the end of 2023, about 87% of Iran's electricity is supplied by natural gas. The participation of renewable sources was less than five percent, with wind and sun having a share of about one percent, while the global average of their participation is higher than 13 percent.

According to the statistics, Iran has 1150 megawatts of renewable power plants, of which 33% are wind turbines, 56% are solar panels, 9% are hydropower (small scale) and 2% are other renewable sources.