

## Paknejad: Oil production capacity to increase by 250,000 bpd

Iran's oil minister announced his plans on Saturday to increase the country's oil production capacity by approximately 250,000 barrels per day (bpd).

Discussing plans by the current administration's Oil Ministry to boost output, Mohsen Paknejad said, "Based on a plan submitted to and approved by the Economic Council of Iran, it was decided to raise production capacity by about 250,000 barrels per day," Shana reported. He went on to say that funding for the initiative is expected to be provided through the National Development Fund of Iran (NDFI), and that we are pursuing the implementation of the plan.

The Economic Council of Iran, relying on Article 12 of the Law on Removing Barriers to Competitive Production and improving the country's financial system, approved an emergency plan to raise crude oil production by 250,000 barrels per day during its session on August 12, 2024, following a proposal by the Oil Ministry.

The oil minister also on Friday announced that the country's daily diesel production had increased by 10-12 million liters and assured the continuation of efforts to meet the fuel needs of power plants amid approaching colder weather.

Speaking at a meeting on the energy crisis management chaired by President Masoud Pezeshkian and attended by top officials, including ministers and provincial governors via videoconference, Paknejad presented a report on his ministry's recent fuel supply status.

Paknejad noted that gas and diesel deliveries to power plants have been satisfactory in the past week (ended Friday), with diesel reserves at power plants also showing a rise. "With colder temperatures expected next week, coordinated measures between the Ministries of Oil and Energy will help us overcome the upcoming challenges," he said.

The minister emphasized the effectiveness of implementing strategic closures to reduce energy consumption, adding that diesel storage levels have remained stable, with no significant decline in reserves at power plants.

He further stated that diesel supply operations are ongoing, with substantial efforts to ensure uninterrupted provision.

"Daily diesel production has seen a significant increase of 10-12 million liters, and these measures will continue until we overcome the current period," Paknejad said.

# Non-oil exports hit \$43.14b in nine months, up 18%: **IRICA**

### Economy Desk

The head of the Islamic Republic of Iran Customs Administration (IRICA) released the country's foreign trade report in the last nine months, stressing that non-oil exports reached \$43.14 billion, marking an 18% increase compared to the same period last year.

Speaking on Saturday, Foroud Asgari said imports, including gold bullion, amounted to \$50.89 billion during March 20-December 20. In terms of weight, the country's imports fell by 3.16%, totaling 27.94 million tons, IRNA reported.

Asgari noted that the weight of non-oil exports in the first nine months of the current Iranian year reached 116.35 million tons, reflecting a 13.77% increase compared to the previous year. The average customs value of each ton of exported goods rose by 3.74% to \$371.

According to Asgari, petrochemical products com-

prised 50.7 million tons of the exports, valued at \$19.7 billion, representing a 33.25% increase in weight terms and a 32% rise in value terms.

### Top export destinations

China topped the list of Iran's major export destinations in the nine-month period with \$11 billion, followed by Iraq (\$9.4 billion), the United Arab Emirates (\$5.3 billion), Turkey (\$5.2 billion), Afghanistan (\$1.7 billion), Pakistan (\$1.7 billion), and India (\$1.4 billion). These seven countries accounted for 82.4% of the weight and 82.85% of the total value of Iran's non-oil exports, Asgari said.

### Major import partners

Regarding imports, Asgari noted that the largest volume of goods came from the UAE (\$15.3 billion), China (\$13 billion), Turkey (\$8.9 billion), Germany (\$1.8 billion), India (\$1.1 billion), Russia (\$1.1 billion), and Hong Kong (\$1 billion). Collectively, these seven



countries provided 75% of the weight and 83% of the value of total imports. The average customs value of each ton of imported goods was \$1,821, an 8.4%

increase compared to the same period last year.

### Key export, import items

Asgari highlighted lique-

fied natural gas (\$6 billion), liquefied propane (\$2.5 billion), and methanol (\$1.9 billion) as Iran's top three export items during this period.

On the import side, raw gold (\$5.6 billion), livestock corn (\$2.1 billion), and smartphones (\$1.7 billion) ranked as the top three imported goods.

## Iran retains world's 10th spot as crude steel output hits 28m tons



### Economy Desk

Iranian steel producers manufactured 28 million tons of crude steel in the first 11 months of 2024, reflecting a 0.5% increase compared to the same period last year.

According to the Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO), citing the World Steel Association's latest report, Iran maintained its position as the world's 10th-largest steel producer from January through November 2024. In November alone, Iran produced 3.1 million tons of crude steel, a 0.1% increase compared to November 2023.

The World Steel Association reported global crude steel production for the first 11 months of 2024 at over 1.694 billion tons, reflecting a 1.4% year-on-year decline. November's global output reached 146.8 million tons, an increase of 0.8%.

Notable regional trends included a 4.1% production drop in North America (97 million tons) and the Russia-Ukraine-Commonwealth of Independent States (CIS) region (approximately

80 million tons). Meanwhile, non-EU European countries reported a 5.2% increase (40 million tons), and EU member states posted a 2.2% rise (119 million tons).

China, the world's top producer, recorded a 2.7% decline in production to 929 million tons in the first 11 months of 2024. Among other leading producers:

- India produced approximately 136 million tons, marking a 5.9% increase.

- Japan's output fell 3.6% to 77.1 million tons.

- The United States recorded a 2.2% drop, producing 72.9 million tons.

- Russia's production declined 3.6% to 64.9 million tons.

- South Korea saw a 4.9% decrease, with 58.3 million tons produced.

- Germany's production rose by 5.3% to 34.5 million tons.

- Turkey recorded the highest growth among the top 10, with an 11.2% increase to 33.9 million tons.

- Brazil produced 32.5 million tons, reflecting a 5.6% rise.

These countries ranked first through ninth in global steel production during the period.

## Guild head says industries suffer \$11b in losses due to power outages



### Economy Desk

The head of the Iranian National Union of Alternative Fuels and Related Services reported that the country's industries suffered \$11 billion in damages last year due to power outages, resulting in significant consequences.

Speaking at an official ceremony on energy innovations and clean transportation, Ali Mahmoudian highlighted the critical role of Compressed Natural Gas (CNG) in the 2000s when gasoline demand surged, ISNA reported.

"The development of the CNG industry at that time resulted in substantial achievements for the country," he added.

Addressing current challenges in the CNG sector, Mahmoudian noted obstacles such as tax barriers, business restrictions and unmet government commitments, yet acknowledging the sector's resilience in overcoming these difficulties.

"Iran is rich in resources but poor in energy governance," he said, emphasizing that despite the country's immense underground energy production potential, various challenges persist.

Mahmoudian warned that by 2031, Iran would face a daily shortfall of 150 million liters of gasoline.

Regarding the proposed 2025 budget plan, the union head pointed out that over 70% of the country's budget is allocated to current expenses. He contrasted this with countries like Singapore, South Korea, and Japan, where significant portions of budgets are invested in education, research, and infrastructure development—critical factors in their economic success.

Mahmoudian also reiterated the economic damage caused by power outages in 2023, stating, "Industries and production units suffered \$11 billion in losses due to electricity shortages last year, leading to unemployment and broader repercussions for the country." Discussing the declining share of CNG in Iran's fuel mix, he stated that CNG currently accounts for only 17% of the market.

"In a country that produces natural gas and has infrastructure capacity for 50 million cubic meters, such figures are unacceptable," the union said. Mahmoudian highlighted

Iran's unique technical and engineering achievements, such as connecting 2,500 CNG stations to the national gas network, a feat unparalleled globally. However, he questioned why the industry has not progressed further.

He stressed that expanding CNG under government direction could resolve numerous issues, including eliminating the need for gasoline imports. "If CNG development continues as planned, 20 million liters of gasoline will be saved annually within three years, effectively curbing imports," Mahmoudian stated.

Highlighting the importance of renewable energy development, Mahmoudian warned that failure to transition to renewable energy sources could bankrupt the nation's production sector within a few years. "Plans are in place to create 13,000 megawatts of solar power capacity, financed domestically and slated for implementation over three years with support from local banks," the union head stated. This initiative targets small- and medium-scale production units, which Mahmoudian said will yield significant positive outcomes upon completion.