

President warns energy shortages at critical level, urges unity



Economy Desk

Iranian President Masoud Pezeshkian stated that the current energy shortages have reached a critical level even as he expressed optimism about their resolution through unity. Pezeshkian, speaking on Sunday during the 47th graduation ceremony of Imam Hassan Mojtaba (AS) University of Police Sciences, emphasized that with the cooperation and support of all sectors of the government, the issue of shortages can be resolved. The president also on Saturday ordered the establishment of an Energy Optimization and Strategic Management Organization during a meeting of a working group on addressing gas sector energy imbalances. The meeting was attended by the heads of the three branches of government. At the beginning of the meeting, Hamid Pourmohammadi, head of the Plan and Budget

Organization (PBO), outlined the overall process of the national plan to address gas sector energy shortages. Details of the plan were also discussed and reviewed in the presence of the top three officials.

Pezeshkian urged the working group to accurately gather data on household gas consumption users to prevent unfair treatment of lower-income groups. He emphasized that the plan must prioritize fairness and justice in its implementation.

The president also stressed the need to penalize high-consumption users while introducing incentives for low-consumption households.

He placed a premium on the importance of public education on energy conservation through media and social platforms, noting that each phase of the national plan requires a media strategy, which the working group should consider.

Cargo handling at Iranian ports hits 175m tons



Iranian Ports and Maritime Organization (PMO) announced that 175 million tons of goods were loaded and unloaded at Iranian ports in first nine months of the current Iranian calendar year (March 20 to December 22, 2024). More than 20 million tons of oil goods and over 39 million tons of non-oil goods were unloaded at the Iranian ports between March 20 and December 22, 2024, the organization added, as reported by Mehr News Agency. According to the report, more than 60 million tons of goods were unloaded at the Iranian ports during the nine months to December 22.

Qalibaf says 45 mcm of gas saved daily via presidential campaign



Mohammad-Baqer Qalibaf, the speaker of Iran's Parliament, announced that public cooperation with President Masoud Pezeshkian's request to lower home heating by 2 degrees Celsius has resulted in savings of 40 to 45 million cubic meters of gas per day. Speaking at a joint meeting hosted by the Parliament's Energy Committee on Sunday, attended by Energy Minister Abbas Aliabadi and Oil Minister Mohsen Paknejad, Qalibaf emphasized that Iran's energy shortages have been a recurring issue for years and recent discussions have largely echoed past conversations without significant progress, as reported by Tasnim News Agency. Qalibaf underscored that while "energy imbalance" is often discussed, the core issue lies in "managerial imbalance," saying, "We don't have an energy imbalance; we have a

managerial imbalance. Until we address the latter, we cannot resolve the former."

The speaker highlighted structural flaws in Iran's energy sector, both in production and consumption, which have led to policy-making errors. He pointed out that while gas accounts for 9% of global energy production, it makes up 90% of Iran's electricity generation.

"We use 30% of the country's gas to produce 90% of its electricity. This reflects flaws in both policy and execution," the senior MP said. Qalibaf called for the establishment of a dedicated energy institution to address these issues, emphasizing that resolving energy imbalances requires clear production and consumption targets, as well as measures to

reduce waste. "Efficiency improvements, not just consumption cuts, are key to creating wealth and growth opportunities," he added. On fuel smuggling, Qalibaf expressed confidence that recent anti-smuggling measures would soon yield significant results.

"The government has exclusive control over energy resources, imports, and major fuel consumption. There is no excuse for the current gaps, and we are working closely with the government to address this," he said. He also mentioned that a definitive roadmap to address energy shortages was finalized during a recent meeting of the heads of the three branches of government, attended by experts and ministers. Qalibaf highlighted the

importance of smart energy systems, predicting that 70-80% of the 30 million liters of fuel wasted daily could be saved within two months of implementing smart technologies, reducing the need for restrictive measures.

'South Pars pressure boost project is critical'

Speaking at the meeting, Oil Minister Mohsen Paknejad stated that the South Pars pressure boost project is a top priority for the country. The project, which includes seven phases, each costing \$2.5 billion and taking 4-5 years to complete, is essential for increasing gas production. However, he cautioned that resolving energy imbalances in the short term through this project

may be unrealistic.

10,000 MW rise in electricity output

Energy Minister Abbas Aliabadi outlined plans to reduce energy imbalances, including upgrading the Siah Bisheh power plant to increase electricity generation by 600 MW.

He noted improved investor interest in the energy sector and expressed hope that, with ongoing investments in renewables, electricity production would increase by over 10,000 MW next year. However, he acknowledged that the current energy shortages stand at 24,000 MW. Aliabadi also highlighted efforts to reduce energy losses through smart meters, aiming to cut losses to 25,000 MW, which currently stand at 35,000 MW.

ICCIMA calls for Expediency Council approval of FATF to boost economy

The head of the Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA) urged the Expediency Council to approve the Financial Action Task Force (FATF) bill, underscoring the need for financial transparency and attracting foreign investment to boost the country's economy. Speaking at a meeting of the chamber's board of representatives on Sunday, Samad Hassanzadeh highlighted the economic challenges facing Iran, including hard currency and banking issues, as well as energy shortages, which have plagued businesses for years. Hassanzadeh noted that the chamber has been in discussions with government offi-

cial, including the Ministry of Energy and the Ministry of Industry, Mine, and Trade, to address these problems. He also pointed to meetings with Central Bank of Iran (CBI) officials to tackle forex-related issues. Hassanzadeh praised the efforts of Mohammadreza Farzin, the CBI governor, in designing a currency exchange market to help traders access foreign currency. He expressed hope that the government under President Masoud Pezeshkian would consider the private sector's concerns in its decision-making processes. During a recent meeting with the president, Hassanzadeh

said Pezeshkian expressed optimism about resolving the FATF issue, noting the Leader's emphasis on finding a solution. The chamber president stressed that addressing these issues would bring hope to the private sector, improve financial transparency, attract foreign investment, and enhance international trade while reducing transaction costs. He also pointed out that recent instabilities in hard currency have driven up the cost of raw materials and imports, creating challenges for producers in securing working capital. Hassanzadeh highlighted that Farzin had injected 250 trillion tomans (approximately \$3.12

billion) into the banking system to provide loans to small- and medium-sized enterprises (SMEs). Without such measures, he warned, production units would face shortages of raw materials and intermediate goods. Regarding energy shortages, Hassanzadeh noted that production units have suffered significant losses in recent months due to power cuts. While the Ministry of Energy is responsible for compensating these losses, he acknowledged that the current economic situation makes this difficult. Instead, the ICCIMA has proposed extending deadlines for producers to pay government dues, such as energy costs and



social security contributions, Hassanzadeh said, adding that the government is expected to announce a new plan soon.