

VP outlines gov't strategy to empower private sector

Economy Desk

Vice President Mohammadreza Aref visited the "Pioneers of Progress" exhibition, a national event showcasing the achievements and capabilities of the private sector in Tehran on Thursday afternoon. During his visit, the VP reviewed the latest advancements in the private sector and emphasized that the current administration's strategy is to empower the private sector under government oversight and facilitation.

Aref toured various pavilions at the exhibition, engaging with private sector representatives and key economic drivers, according to fvpresident.ir. He was briefed on recent achievements, localization of major industries, technological advancements, and selected projects aimed at achieving an 8% economic growth target during the Seventh Economic Development Plan.

The vice president visited booths representing sectors such as oil and gas, aluminum, petrochemicals, steel, mining, transportation, medical equipment, pharmaceuticals, and information technology.

He heeded concerns and requests from private sector figures, including support for downstream industries, reducing government bureaucracy, streamlining permit issuance, revising restrictive regulations, addressing currency and tariff issues, facilitating raw material imports, resolving tax challenges, and mitigating energy shortages affecting production.

Aref reiterated the government's serious commitment to supporting the private sector, stating that separate meetings would be held with each sector to address their specific issues.

He highlighted the significance of Article 44 of the Constitution, noting that prior to its implementation, governments were inclined to operate within their own frameworks. However, the policy opened new avenues for the private sector to play a more active role in the economy.

"The most important step to facilitate the private sector's activity is deregulation," Aref said. "This requires revising laws, changing the approach of regulatory bodies, and ensuring coordination between the government, Parliament, and relevant bodies to avoid creating new restrictive regulations."

He added that achieving 8% growth requires private sector investment, which necessitates giving investors control over their capital and providing them with necessary assurances. Aref emphasized that global experiences have shown privatization and deregulation to be key drivers of economic development.

"The current administration's strategy is to strengthen the private sector's role under government supervision and facilitation, enabling it to contribute more significantly to increasing the gross domestic product (GDP)," he said.

"The current 40% share of the private sector and economic drivers in GDP must be expanded."

Aref acknowledged the legitimacy of the private sector's demands, stating that the government is obligated to remove barriers and enable its greater participation in the economy.

He noted that the private sector enjoys the potential not only to meet domestic needs but also to play a significant role in exporting goods and techno-engineering services to neighboring countries and the broader region.

"The private sector has the capacity to elevate Iran's economic presence in the region and beyond," he concluded.

Economy minister reports 18% hike y/y in non-oil exports

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Iran's Economy Minister Abdolnaser Hemmati announced that non-oil exports reached \$47.8 billion in the first 10 months of the current Iranian year (March 20, 2024-January 19, 2025), marking an 18% increase compared to the same period last year.

In a post on his X page, Hemmati cited the latest customs data, noting that imports rose by 3% during the period to \$56 billion, including \$6.3 billion in gold.

"Excluding gold, imports decreased by 10% year-on-year," the minister added.

The minister also highlighted that the non-oil trade deficit, excluding gold imports, dropped from \$12.5 billion to \$2 billion over a two-year period.

Including over \$30 billion in oil exports during the same timeframe, Iran's overall trade surplus (oil and non-oil) exceeded \$28 billion, according to the minister.



Iran has been working to diversify its economy and reduce its reliance on oil exports amid fluctuating global oil prices and US-led sanctions targeting its energy sector. The country has increasingly

focused on boosting non-oil exports, including agricultural goods, petrochemicals, and industrial products to stabilize its economy and generate foreign currency revenue.

The growth in non-oil ex-

ports comes as Iran seeks to strengthen trade ties with neighboring countries and key partners such as China, India and Russia.

Recent agreements, including a 25-year strategic partner-

ship with China and efforts to expand trade within regional blocs like the Eurasian Economic Union, have been part of Tehran's strategy to mitigate the impact of sanctions and access new markets.

Tehran, Muscat agree to drop trade tariffs, boost customs ties



The Islamic Republic of Iran and the Sultanate of Oman reached an agreement to eliminate trade tariffs as part of attempts to further expand bilateral economic relationship. During the 21st session of Iran-Oman Joint Economic Cooperation Commission in Muscat on Friday, the two sides signed a joint economic memorandum of understanding in the field of preferential trade and customs cooperation.

"Three specific agendas were raised during the meeting; the first of which was negotiation over preferential trade and the elimination of tariffs between the two countries. The issue was agreed upon and will take effect as of next week," Iranian Minister of Industry, Mines and Trade Mohammad Atabak said. He added that prominent investment opportunities were also highlighted, and an agreement was also inked on the enhancement of trade and investment cooperation between the two sides.

"The third agenda was the necessary customs and administrative cooperation between the two sides to facilitate trade.

Relevant necessary planning has been done, and the matter will be concluded in the near future," Atabak pointed out.

Commenting on various meetings with Omani officials, Atabak stated that the establishment of a shipping line between the southern Iranian port city of Bandar Abbas and Oman, an increase in the number of flights, and stronger bilateral maritime collaboration were discussed in the meeting with Omani Minister of Transport, Communications and Information Technology, Saeed bin Hamoud bin Saeed al-Maawali.

Holding separate meetings with Oman's Minister of Commerce, Industry, and Investment Promotion, Qais Mohammed al-Yousef, and Minister of Energy and Minerals, Salim Nasser al-Aufi, was among other developments on the 21st session of Iran-Oman Joint Economic Cooperation Commission.

Oman has long been an interlocutor in interactions between the West and Iran. The country has mediated the release of several foreign citizens and dual nationals.

Iran maintains 10th global standing as crude steel output rises in 2024



By Reza
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Iran's crude steel production saw steady growth in 2024, solidifying its position as one of the world's top 10 steel-producing nations, according to data released by the World Steel Association. The report, published on Friday, highlighted Iran's continued efforts to expand its steel industry amid global economic challenges and shifting market dynamics as well as power outages in the country. In 2024, Iran produced 31 million tons of steel ingots, marking a 0.8% increase compared to the previous year. The growth reflects the country's ongoing investments in its steel sector, which has become a key pillar of its industrial and economic development strategy. Iran's production accounted for roughly 1.68% of the global total, which topped 1.839 billion tons in 2024.

Globally, Iran ranked 10th among the world's largest steel producers, maintaining its position from 2023. China remained the dominant leader, producing 1.005 billion tons, or about 54.6% of the world's total output. India followed in second place with 149.6 million tons, while Japan, the United States, and Russia rounded out the top five. Iran's ranking ahead of countries like Brazil and Germany underscores its growing influence in the global steel market.

According to the report, China churned out 76 million tons of crude steel in December 2024, up 11.8% in December 2023. India produced 13.6 million tons, up 9.5%. Japan produced 6.9 million,



down 1.1%. The US cast 6.7 million tons, down 2.4%. Russia is estimated to have produced 5.7 million tons, down 8.6%. South Korea produced 5.2 million tons, down 3.2%. Germany cast 2.7 million tons, up 4.1%. Turkey produced 3 million tons, down 7.6%. Brazil's output hit 2.6 million, up 1.8% and Iran produced 2.6 million tons, down 8.2%.

The expansion of Iran's steel industry is part of a broader strategy to reduce the country's reliance on oil exports and diversify its economy. Steel production is a critical component of Iran's non-oil export sector, with significant quantities shipped to neighboring Iraq. The government has also prioritized domestic infrastructure projects, which have driven demand for steel within the country.

Despite these achievements, Iran's steel industry faces challenges, including international sanctions that limit access to advanced technology and foreign investment. Additionally, global economic uncertainties, such as fluctuating demand and rising energy costs, have impacted production and export capabilities. However, Iran has

sought to mitigate these issues by strengthening trade ties with regional partners and investing in domestic innovation.

The World Steel Association's report also highlighted global trends in steel production, noting a 0.9% decrease in worldwide output compared to 2023. Iran's ability to maintain its production growth amid these trends demonstrates the resilience of its steel sector.

Looking ahead, Iran aims to further increase its crude steel production capacity, with a target of reaching 55 million metric tons annually in the near future. Achieving this goal will require significant investments in infrastructure, technology, and workforce development, as well as continued efforts to navigate geopolitical and economic challenges.

As Iran continues to expand its steel industry, its role in the global market is expected to grow, reinforcing its position as a key player in the world's industrial landscape. The 2024 production figures underscore the country's progress and its determination to build a more diversified and resilient economy.