

Foreign Ministry raps US 'absurd' sanctions on oil minister

Pezeshkian: Oil embargo incapable of posing problems for Iran

Economy Desk

The spokesperson for the Iranian Foreign Ministry strongly condemned the US move to sanction several individuals, including the country's oil minister, as well as multiple oil tankers and commercial companies. Esmail Baghaei, referencing the repeated claims by US officials of their readiness for negotiations, described the US imposition of sanctions against Iran as clear evidence of the insincerity of these claims and another sign of their hostility toward the development, progress, and welfare of the Iranian people. He characterized the US addiction to sanctions and pressure against independent nations as a violation of the rule of law at the international level and a threat to global peace and security. Baghaei emphasized that the US's malicious actions to disrupt Iran's economic and trade

exchanges with other countries constitute a blatant violation of the fundamental principles of international law and free trade. He stated that the Islamic Republic of Iran holds the US government responsible for the consequences of such unilateral and illegitimate measures. The Foreign Ministry spokesperson praised the tireless efforts of the dedicated individuals in Iran's Oil Ministry and its subsidiaries in the production, distribution, and trade of petroleum products. He described the US Treasury's sanctions against the respected oil minister as absurd and contrary to all international legal standards. Baghaei asserted that such inappropriate actions will have no impact on the national resolve of Iranians to defend their country's independence and dignity or their efforts toward development and prosperity.

Oil sanctions not effective

On Thursday, President Masoud Pezeshkian emphasized the capabilities of Iran's scientists, experts, artists, and producers, stating that as long as the country relies on its domestic capacities and resources, enemies cannot create problems for Iran through oil sanctions. Speaking during a meeting with artists and handicraft industry sector players in the southeastern region of Tehran Province, Pezeshkian stressed that the conspiracies of enemies against the Iranian people will not succeed. "As long as we have the national assets of experts, elites, producers, industrialists, and artists, we will not be concerned about oil sanctions," he said. Pezeshkian noted that problems arise when a nation loses its resources. "Any nation dependent solely on its material resources will eventually face destruction. Therefore, we must focus on hu-

man capital, producers, artists, merchants, and scientists. If we support them and do not hinder their activities, threats and sanctions will not succeed," he added. Pezeshkian went on to say that, "The US pressures us because we have made ourselves dependent on oil and gas. As long as we rely on the resources beneath our feet, we will face difficulties if those resources are depleted or if their sale is blocked. But if we create art and produce, no power can stop us." The president emphasized the government's unconditional support for artists and its commitment to providing a conducive environment for their work. He said, "We say we are Muslims and Shia, but what sets us apart from non-Muslims? Why should they accept us? It is through our behavior, art, and performance that we must prove ourselves." Pezeshkian stated, "Certainly, there are individuals among us who can innovate and achieve



Oil Minister Mohsen Paknejad
SHANA

new things, but first, we must develop this belief within ourselves." Highlighting human potential for innovation, Pezeshkian said, "If we believe that we can solve problems with our hands, intelligence, and abilities, no power can bring us to our knees. In Iran, we are sitting on treasure,

and every part of this country is full of riches. It is not befitting for us to remain in our current state. To overcome these conditions, we need a new perspective, solidarity, and fresh support. We must envision new conditions for ourselves, and only then can we live together with dignity and pride."

CBI: Economy posts 3.7% growth as non-oil trade hits \$116b



IRNA

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Mohammadreza Farzin, the governor of the Central Bank of Iran (CBI), outlined the latest economic developments, stating that the country's economy experienced a 3.7% growth in the first nine months of the current Iranian year of 1403 (March 20-December 20, 2024). Fixed capital formation grew by 3.4%, while non-oil trade volume surpassed \$116 billion, marking an 11.2% increase during the nine-month period. Farzin also noted that inflation has been controlled and reduced from 55.7% to 35.4%, attributing the tumble to governmental measures curbing liquidity and monetary base growth. He added that small- and medium-sized enterprises (SMEs) will benefit from more innovative financing methods in the upcoming year's credit policies. Farzin highlighted that the 3.7% economic growth rate is a stable and proportional figure, comparing favorably with global and regional averages. He pointed out that while China and India remain global economic growth leaders, European countries have experienced low growth rates for years. Iran's growth rate outperforms regional peers such as Turkey (2.8%), Saudi Arabia (1.4%), Pakistan (2.5%), Iraq (1.4%), and the Middle

East and Central Asia average of 2.4%. Despite political and security challenges in 1403, including the unexpected death of the president and subsequent uncertainties, Iran achieved a relatively strong growth rate. Farzin acknowledged that while the 3.7% growth is acceptable, it falls short of the targeted 8%, and efforts are underway to improve growth figures in the final quarter of the year. Farzin explained that economic growth calculations are based on both base prices and market prices. Using market prices, Iran's economy grew by 3.9% in spring, 3.5% in summer, and 3.9% in autumn, averaging 3.7% over the nine months. Using base prices, growth was 3.1% in spring, 2.7% in summer, 3.6% in autumn, and 3.1% overall. He noted that while growth slowed slightly in summer, it rebounded in autumn, driven by non-oil sectors such as agriculture, services, and industry. The services sector, accounting for 50% of GDP, played a significant role in economic growth, followed by industry and mining (30%), agriculture (10%), and oil (10%). Farzin emphasized that the services sector's large share makes it a key driver of overall economic growth. Fixed capital formation grew by 3.4% in the first nine months, with machinery investment contributing significantly due to currency policies aimed at meeting capital needs. Non-oil trade volume grew by 11.2%, reaching \$116 billion, up from \$105 billion in corresponding period of 1402. Exports rose by 18.8% to \$53.3 billion,

while imports increased by 5.6% to \$63 billion, resulting in a \$10 billion trade deficit excluding oil. Including oil exports, the trade balance would show a \$15 billion surplus. Farzin also discussed efforts to increase gold reserves through exports, noting that some imports are related to gold, which bolsters national reserves. The CBI governor highlighted the importance of supporting production and preventing liquidity blockages, which have contributed to increased liquidity growth, reaching 27.8% in Bahman (Jan. 20-Feb. 18). The monetary base growth rate stood at 22% in Bahman, below the multi-decade average of 25%. Farzin stressed that maintaining this rate aligns with long-term trends and supports inflation control. Annual inflation decreased from 55.7% at the beginning of 1402 to 35.4% in Bahman 1403, with further reductions expected through new policies. Farzin also addressed producer inflation, which peaked at 82.6% before dropping to 40.4% at the start of 1402 and further to 26.7% in Bahman 1403. He noted that producer inflation is a leading indicator for consumer inflation and expressed hope for further declines in the coming year. In conclusion, Farzin emphasized the resilience of Iran's economy, with growth across all sectors, particularly non-oil industries. He reaffirmed the CBI's commitment to stabilizing monetary policies, supporting SMEs through innovative credit methods, and controlling inflation as a key priority.

Mapna Group to build 1,500 MW power plants for domestic industries

Economy Desk

Mapna Group CEO Mohammadali Olya announced the implementation of a new initiative to construct 1,500 megawatts (MW) of power plants dedicated to supporting domestic industries. The project, part of the "Industrial Power Plant Construction Plan," aims to enhance energy security and meet the growing demands of Iran's industrial sector. Olya, speaking at the delivery ceremony of the latest locomotive unit for Mobarakeh Steel Complex (MSC), revealed that 800 MW of the planned power plants will be renewable energy facilities. He emphasized the company's ongoing efforts to develop multiple solar energy projects, some of which are being carried out in collaboration with industrial partners. One of the largest solar power plants under development is the Eastern Sun Project in Isfahan, owned by MSC. Olya noted that the first phase of this project is set to be completed by the end of this year or early next year, with the entire project expected to be operational by the end of the Iranian calendar year 1404 (March 2026). Regarding Mapna's locomotive and wagon manufacturing activities, Olya stated that the majority of production is focused on domestic needs. The company's locomotive factory currently has an annual capacity of 50 units, with a significant portion already operational. He expressed optimism that new contracts with domestic industries could further increase this capacity. Olya also highlighted that 60% of the locomotive production capacity is currently active based on existing orders. He pointed to the Commonwealth of Independent States (CIS) region as a key export market, with several countries nearing contract agreements. Additionally, Mapna is involved in locomotive and wagon repair and refurbishment projects in Iraq.



IRNA

On the South Pars pressure boosting project being implemented by Mapna, Olya mentioned that the recently signed contract, requires financial backing and advance payments to proceed. He expressed confidence that the project, critical to Iran's energy security, would commence in the first half of the next Iranian calendar year. However, Mapna has already begun engineering work in preparation for the project's implementation. The ceremony for the delivery of the latest locomotive unit to MSC was held on Thursday, attended by Saeid Zarandi, CEO of the complex. The event highlighted Mapna's ongoing contributions to Iran's industrial and energy sectors, reinforcing its role as a key player in the nation's development. Mapna Group, a leading Iranian industrial conglomerate, has long been at the forefront of energy and infrastructure development in the country. Known for its expertise in power plant construction, renewable energy projects, and locomotive manufacturing, the company plays a critical role in supporting Iran's industrial growth and energy security. In recent years, Mapna has expanded its focus on renewable energy, aligning with global trends and Iran's domestic needs for sustainable energy solutions. The company's latest announcement underscores its commit-

ment to bolstering Iran's industrial sector by addressing its energy demands. With industries facing increasing pressure to reduce reliance on traditional energy sources, Mapna's initiative to build power plants, including renewable energy facilities, marks a significant step toward modernizing the country's energy infrastructure. Iran's industrial sector has faced some challenges in recent years, including energy shortages and the need for modernization. The country's reliance on traditional energy sources has also raised concerns about sustainability and environmental impact. Mapna Group's latest initiative to build power plants, particularly renewable energy facilities, reflects a broader shift toward addressing these challenges. By integrating renewable energy into its industrial infrastructure, Iran aims to reduce its carbon footprint and enhance energy efficiency, ensuring long-term economic and environmental benefits. The collaboration between Mapna and key industrial players like MSC underscores the importance of public-private partnerships in driving large-scale infrastructure projects. As Iran continues to navigate economic pressures and global energy transitions, initiatives like these are critical to securing the country's industrial future and energy independence.