

President says production, exports key to overcoming 'cruel sanctions'



Iranian President Masoud Pezeshkian addresses investors and business leaders at a conference in West Azarbaijan Province, on October 23, 2025.
● president.ir

Economy Desk

Iranian President Masoud Pezeshkian said on Thursday that the path to overcoming economic challenges and "cruel sanctions lie in expanding domestic production and exports," pledging to remove government obstacles that hinder trade and investment. Speaking at a meeting with investors and business leaders in the northwestern province of West Azarbaijan, Pezeshkian said the government would

work closely with relevant institutions to "eliminate any barriers created by the state" and ease trade for the private sector, his website president.ir reported. Iran's economy has been under Western sanctions for years over its nuclear program, weighing on growth prospects and limiting access to global markets. The president said the government was ready to use its legal authority to create incentive mechanisms for entrepre-

neurs and implement proposals discussed at Thursday's meeting. "Existing challenges must be identified and addressed," he added, emphasizing that while regular meetings with the business community are held monthly, "years of accumulated problems cannot be solved overnight." Pezeshkian said the reform process had begun and would continue with determination through cooperation between the government, the chamber

of commerce, and entrepreneurs.

At a separate provincial planning and development session, the president said Iran's economic problems were not limited to budget constraints. "The real issue lies in the way we manage and spend our resources," he said.

Pezeshkian called for rationality, cost-cutting, and reliance on domestic capacities, saying that "without prudent management and behavioral reform, there is no way out of the crisis."

He warned against launching projects without adequate financing, saying the government was ready to support development efforts only if they were based on realistic assessments of available resources.

Pezeshkian urged officials to take fiscal discipline seriously, noting that even a 10% reduction in public spending could free up significant funds for development projects.

"With collective effort and scientific management, the province's path to development can advance," he said.

Earlier on Thursday, the president attended ceremonies to inaugurate new economic and environmental projects and sign cooperation agreements in West Azarbaijan Province.

Comprehensive plan to revive Lake Urmia

At the conclusion of his provincial visit, Pezeshkian outlined government plans to revive Lake Urmia, saying a comprehensive program was underway that would draw on both domestic scientific expertise and international experience, including collaboration with the UN Food and Agriculture Organization (FAO). Multiple agreements have been signed between the West Azarbaijan provincial governor's office, universities in Urmia and Tabriz, the capital city of East Azarbaijan, and both civil and international organizations to advance the restoration effort.

"Declining rainfall and climate change in recent years have reduced water resources across the region," Pezeshkian said. "Agricultural methods, irrigation patterns, and employment models in the basin must be fundamentally redesigned to ensure the lake's sustainable recovery."

Lake Urmia, once among the world's largest salt-water lakes, has shrunk by roughly 90% over the past decades, turning vast areas of its former basin into salt-encrusted flats and signaling deeper economic and environmental challenges for Iran.

CBI dissolves troubled Ayandeh Bank, merges it into Bank Melli Iran



Economy Desk

The Central Bank of Iran (CBI) said on Thursday it had dissolved the private Ayandeh Bank and merged it into Bank Melli Iran, in a move aimed at "strengthening transparency, financial health, and monetary stability."

CBI Governor Mohammad Reza Farzin described Ayandeh as an "unhealthy bank" and "a symbol of inefficiency and imbalance in the country's banking system," saying that its continued operation would have inflicted "irreparable costs on the national economy," IRNA reported. Farzin added that despite multiple efforts, the private lender failed to align itself with the CBI's reform agenda.

He noted that all Ayandeh's depositors would automatically become Bank Melli depositors as of Saturday (today), and "banking services will continue as before through Bank Melli branches."

Ayandeh Bank had long faced serious financial and supervisory problems, including heavy accumulated losses, a capital adequacy ratio of minus 600%, large overdrafts from the CBI, and a significant volume of non-performing loans.

The bank's accumulated losses reached around 5,500 trillion rials (\$5 billion), and it was "practically a bankrupt institution." Other sources said Ayandeh had overdrawn some 3,130 trillion rials (\$2.85 billion) from the CBI in recent years.

Abbas Goudarzi, spokesman for the Iranian parliament's presiding board, said the dissolution of Ayandeh "does not mark the end of action against the bank's violators."

In remarks carried by Tasnim, Goudarzi added that all assets and properties obtained "through rent-seeking and illegal means" must be recovered, and there must be "decisive and legal action against those who misused public funds to gain illicit wealth."

He also said the bank's widespread violations had undermined public trust and damaged the credibility of regulatory institutions, while fueling "unhealthy competition" in Iran's financial sector.

Following the dissolution, Economy Minister Ali Madanizadeh announced that a lawsuit had been filed against Ayandeh's main shareholder.

Ayandeh Bank, one of Iran's most controversial private lenders, was established in 2012 through the merger of Tat Bank, Salehin Credit Institution, and Ati Credit Institution. It began operating officially in 2014 after receiving its license from the CBI.

At the time of dissolution, Ayandeh had more than 276 branches nationwide.

At GECF meeting in Doha

Oil minister warns sanctions, 'extreme' anti-fossil policies endanger energy security

Economy Desk

Iran's Oil Minister Mohsen Paknejad on Thursday warned that sanctions and "extreme" policies to phase out fossil fuels were undermining energy security, calling on the Gas Exporting Countries Forum (GECF) to be upgraded into a full-fledged organization to bolster cooperation among major gas producers. Speaking at the 27th GECF ministerial meeting in Qatar's Doha, Paknejad said that global energy demand was set to climb due to population growth, urbanization and the need for economic development and welfare, IRNA reported.

He cited GECF projections showing that global gas demand would increase by 32% by 2050, with natural gas's share in the world's energy mix surging from 23% to 26%.

"As members of the GECF, which hold about 70% of the

world's natural gas reserves, our approach should be to increase gas supplies to the global market with the goal of achieving a 30% share in the energy mix by 2050," Paknejad said.

He added, however, that "pursuing greater gas supply to global markets now appears more challenging than before," citing "the growing promotion of extreme policies aimed at eliminating fossil fuels" in response to climate change concerns. Such approaches, he said, threaten the future demand for natural gas.

Paknejad stressed that the "development and application of new technologies for sustainable gas production" would play a decisive role in shaping the gas industry both nationally and internationally, and could serve as a foundation for future cooperation among GECF members.

The minister also said that global energy markets were



Iran's Oil Minister Mohsen Paknejad (2nd L, front row) poses for a photo with fellow oil and energy ministers at the 27th GECF ministerial meeting in Qatar's Doha, on October 24, 2025.
● doha.news.co

facing "rising uncertainty and risk" due to "increasingly baseless sanctions imposed against countries with vast oil and gas reserves."

He warned that such measures undermine market stability and delay timely investments, pushing up energy supply costs.

Despite intensified sanctions, Paknejad said Iran remained determined to continue implementing programs to boost natural gas output and improve energy efficiency "through domestic capabilities and regional and international cooperation."

He added that Tehran was open to joint investment and collaboration with other GECF



members.

Turning forum into exporting organization

Among his proposals, Paknejad called for transforming the GECF into an organization of gas exporting countries, saying it would enhance the forum's effectiveness in global energy platforms and better represent gas-producing nations — a suggestion that received a warm response from participants.

Amid a global energy transition and heightened in-

vestment uncertainty in the gas sector, the minister also urged the GECF to establish a "mechanism for constructive and effective dialogue between gas-producing and consuming countries" to promote stability and security of supply and demand.

On the sidelines of the meeting, Paknejad announced that a representative of the Islamic Republic of Iran was elected as chair of the GECF Executive Board, calling it one of the key achievements of this year's ministerial session.

Iran, Pakistan agree on coordinated mechanism to boost rail, trade links



Economy Desk

Iran and Pakistan agreed on

Thursday to set up a coordinated mechanism to advance bilateral cooperation across

multiple sectors, including rail transport and trade, during a meeting in Islamabad.

Iranian Roads and Urban Development Minister Farzaneh Sadeq, who was in the Pakistani capital to attend the regional transport conference, met with Pakistan's ministers of commerce, communications, and railways — Jam Kamal Khan, Abdul Aleem Khan, and Hanif Abbasi, respectively — to call for the implementation of bilateral agreements across all areas of cooperation.

A statement from Pakistan's railway ministry said the two countries agreed to develop an action plan to expand rail connectivity.

Both sides also confirmed plans to modernize the Quetta-Taftan railway line in 2026 and pledged to enhance commercial and passenger rail services.

Officials announced that the 6,540-km Istanbul-Tehran-Islamabad (ITI) rail corridor will resume container train operations starting in December. Referring to the 22nd session of the Iran-Pakistan Joint

Economic Commission held in Tehran last month, Sadeq emphasized the need to implement bilateral agreements to expand cooperation.

She also said, "Iran and Pakistan's corridor capacities offer ideal opportunities to leverage these routes for connecting China to Europe."

The regional transport conference, which opened Wednesday with participation from 11 countries including Iran, concluded on Thursday in Islamabad, focusing on strengthening regional trade and transport links.

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