

Iran shifting to clean energy as president cites oil savings via resource cuts

Economy Desk

Iranian President Masoud Pezeshkian announced on Thursday that the country is implementing operational plans to cut fossil fuel dependence and expand clean energy, stressing, however, that just a 10% reduction in the consumption of water, electricity, gas and fuel could preserve 900,000 barrels of oil and gas per day.

Speaking at the end of the government's provincial visit to South Khorasan, Pezeshkian highlighted plans to complete a strategic railway linking the eastern province to the north-south transit corridors, aimed at reshaping regional trade routes, president.ir reported.

Pezeshkian said the government's goal goes beyond fixing existing problems and aims instead at reducing dependence on fossil fuels by developing renewable energy, particularly solar power, while also curbing the long-standing waste of associated gas that had been flared for years, costing the country billions of dollars. He said efforts to capture and control such gas flows are now underway.

In separate remarks at a meeting with provincial investors and economic actors, Pezeshkian stressed that efficiency gains could deliver far greater results than costly production increases. "If we save 10% in energy, water, gas, electricity and fuel consumption, we can preserve 900,000 barrels of oil and gas per day," he said. "Right now, we are struggling to add 250,000 barrels of production and for that we have to spend \$5 billion to \$6 billion, but 10% savings mean 900,000 barrels."

Iran's Oil Minister Mohsen Paknejad said earlier in the month that an emergency plan to boost crude output by 250,000 bpd, supported by \$3 billion, was on track for full implementation by March 2027.

The president said the government inherited a severe power shortfall when it took office in last June. "When we took over the government, we had a 20,000-megawatt electricity deficit. There was also no rain, and hydropower plants that could have helped with about 14,000 megawatts delivered less than half of that, and in practice the deficit reached

around 30,000 megawatts. We had to manage it," he said. According to Pezeshkian, the government's energy strategy began with cutting consumption as the first step.

Iran has been seeking to expand solar capacity as part of a broader push to diversify its energy mix and ease pressure on the power grid, particularly during peak demand periods.

Turning to water management, Pezeshkian said a comprehensive plan is being developed with the participation of academics and more than 80 prominent professors from such fields as economics, agriculture, environmental studies, sociology and management.

"These programs are being finalized and will form the basis of future decision-making," he said, adding that the aim is to manage water resources based on scientific, economic and social perspectives.



Iranian President Masoud Pezeshkian addresses a meeting with provincial investors and economic actors in Birjand, South Khorasan, on December 18, 2025. ● president.ir

Strategic rail link

Highlighting South Khorasan's priorities, Pezeshkian said completing the railway and connecting the province to the north-south transport corridors is a strategic priority.

He added that linking South Khorasan to the network is vital not only for domestic mining and transport, but also for regional

countries including Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan and Russia, and could reshape regional trade routes.

"The platform that exists in this province is gold — from mines to the border with Afghanistan, proximity to Pakistan, access to Chabahar and connection to the ocean," Pezeshkian said. "On the other side, northern countries are look-

ing for routes to reach the sea from here; such an opportunity does not exist everywhere."

Linking infrastructure to economic growth, Pezeshkian said development starts with infrastructure, including mining, transit, transport and trade. "The cheapest and most important platform is the rail. If we fix the rail issue, we unlock the vital issue of trade," he said.

IRICA: Foreign transit hits 13.5m tons in eight months as trade values slip



Economy Desk

Iran's foreign cargo transit reached 13.5 million metric tons in the first eight months of the current Iranian year starting March 21, while non-oil trade values declined despite modest gains in volumes, official data showed.

According to IRNA, citing figures from the Islamic Republic of Iran Customs Administration (IRICA), Iran exported 105.231 million tons of non-oil goods worth about \$37.0 billion (\$36.997 billion) in the eight-month period. Export volumes rose 1.17% year on year, while the dollar value fell

3.48% compared with the same period last year. Imports totaled 25.823 million tons valued at \$39.540 billion over the same period. While import volumes increased by 3.03%, their value dropped by \$6.590 billion, or 14.29%, year on year. In the first eight months of the previous year, Iran recorded more than \$46.130 billion in imports.

China was Iran's top export destination in the period, accounting for \$9.255 billion, or 25.02% of total export value. Iraq followed with \$6.719 billion (18.16%), the United Arab Emirates with \$5.216 billion (14.10%),

Turkey with \$4.393 billion (11.87%), and Afghanistan with \$1.660 billion (4.49%). On the import side, the United Arab Emirates ranked first among Iran's trading partners, supplying goods worth \$12.152 billion and accounting for about 30.73% of total import value. China followed with \$10.760 billion (27.21%), Turkey with \$6.190 billion (15.66%), India with \$1.327 billion (3.36%), and Germany with \$1.184 billion (2.99%).

Iran's foreign transit volume of 13.5 million tons in the eight-month period was down 9.25% from the same period a year earlier, the data showed.

Officials urge stronger branding, market strategies to boost Iran exports to India

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Iranian trade officials highlighted the need for stronger market-building and branding strategies to increase the country's exports to India during the second seminar on market recognition and trade opportunities, held in Tehran on Wednesday.

Hamidreza Karbalaee Esmaeili, deputy head of Iran's Trade Promotion Organization (TPO) for the Indian subcontinent, said companies seeking sustained access to India's vast market must focus on market-building criteria.

"Market-building is a prerequisite for marketing, and companies that want to maintain a continuous presence in the large Indian market must pay special attention to market-building standards," he said on Wednesday, ILNA reported on Thursday.

Esmaeili noted that India, with a population of over one billion, represents a significant opportunity for Iranian companies, but Iran currently captures only a small share due to certain policy missteps and restrictive conditions. He stressed the importance of branding, saying, "Market analysis involves various criteria, but branding is a more important priority that compa-

nies pay less attention to. If we want to enter global markets, we must give special attention to this issue." He added that selecting the right trade partner is another key factor in sustaining trade relations.

Addressing the seminar, Hossein Bamiri, Iran's commercial counselor in India, emphasized India's potential as a market for Iranian exports. "India is one of our largest customers in the petrochemical sector, but organizing pavilions there can be challenging," he said.

"India is not a commercial competitor but a complement to us. Currently, most of our exports to India consist of agricultural goods, mostly traditional items such as pistachios, almonds, apples, kiwis, and dates. For years, we have been trying to add other processed and agricultural products such as confectionery and other fruits like cherries, which can be achieved through stronger participation in Indian trade fairs and product promotion."

He added, "We must diversify our market policies. The traditional export approach needs to be reformed by changing the perspective of companies and economic actors. India has 31 states, and just one of them has a population

of 250 million — a huge export potential where we currently have no presence because we do not participate in trade events and are not familiar with these capacities."

At the seminar, India's commercial attaché in Iran highlighted ongoing efforts to address trade challenges between the two countries. "Correspondences are underway to remove export barriers with Iran, and the embassy is ready to resolve existing issues in trade interactions and matters related to exports and imports," he said. He noted that almonds, pistachios, kiwis, and apples remain key Iranian exports to India, alongside pharmaceutical products, and expressed hope that India's strong relations with Europe and other countries could help expand Iranian exports.

Iran exported about \$2.217 billion worth of goods to India in the Iranian calendar year ending March 19, and imported approximately \$1.916 billion from India, turning the trade balance in Iran's favor. According to United Nations Comtrade data, India exported about \$1.25 billion worth of goods to Iran and imported about \$1.06 billion from Iran in 2024.

Belarus to launch new rail route to Iran, cutting INSTC to two weeks

Economy Desk

Belarus is set to activate a new rail route to Iran that will enable containerized cargo transport along the International North-South Transit Corridor (INSTC) with a transit time of about two weeks, Belarusian state news agency BelTA reported.

According to IRNA on Thursday, BelTA and other regional media, including Azerbaijan's Trend news agency, cited

remarks by Natalia Kananovich, deputy chief executive of Belarusian state company Beltamozhservice, who said the launch of the new route would significantly diversify export products, strengthen the position of domestic suppliers in international markets, and expand their geographic reach.

Under the plan, Beltamozhservice will introduce a new international container transport service along the "Belarus-Russia-Kazakhstan-Turkmen-

istan-Iran" corridor, the reports said. By cutting delivery times to around two weeks, the route is expected to become one of the fastest and most convenient transportation options in the region.

"This innovative logistics solution will improve trade efficiency and strengthen links with West Asian markets, especially Iran," Kananovich said. She added that "implementation of this project is of particular importance given rising demand for reliable transit corridors."

The remarks came as Iran's Minister of Roads and Urban Development Farzaneh Sadeq Malvajerd, in a meeting with her Belarusian counterpart Andrei Kuznetsov on December 8, said Tehran was ready to expand cargo transport and transit cooperation with Minsk within the framework of the INSTC.

The International North-South Transport Corridor is a multimodal trade route linking Iran to Europe, Russia and Central Asia via three main pathways



through the Caucasus, Central Asia and the Caspian Sea.