

Pezeshkian urges review of gov't economic reforms, vows crackdown on corruption

Economy Desk

Iranian President Masoud Pezeshkian on Wednesday urged officials to identify and fix the possible shortcomings in the government's recent economic decisions to prevent pressure on people's livelihoods, stressing that a sustained crackdown on corruption and foreign exchange rent-seeking must remain a core priority.

Speaking at a cabinet meeting, Pezeshkian said that "serious and comprehensive confrontation with corruption and currency rent-seeking must be placed on the agenda as a fundamental and ongoing measure," his website quoted him as saying. During the session, a special task force presented a comprehensive report reviewing the government's recent decision on how subsidies for basic goods are paid to the final link in the consumption chain.



Iranian President Masoud Pezeshkian (c) speaks at a cabinet meeting in Tehran on January 7, 2026.

president.ir

Under a new foreign exchange policy for essential goods, framed within the next fiscal year's budget law, foreign currency for inputs and basic commodities will be supplied on a priority basis through a secondary market platform, known as the Second Hall, and a dedicated portal operated

by the Central Bank. Iran's fiscal year begins on March 21. The policy's main thrust is a shift from allocating foreign currency at the beginning of the supply chain to transferring subsidies to the end of the chain and the final consumer. The government said the redesign aims to eliminate

rent-seeking created by multiple exchange rates, reduce uncertainty for economic actors, and establish lasting market stability. Separately, Vice President for Executive Affairs Mohammad-Jafar Qaempanah told reporters on the sidelines of the cabinet meeting that the government's "economic

surgery, as he called it, will eliminate the flow of rent and corruption," IRNA reported.

"We are now undergoing a major economic surgery that is taking shape. Until now, foreign currency at 280,000 rials was allocated for importing basic goods so they would reach people at that rate. A large part of this process involved groups that, as importers, benefited from the gap between the official and free-market exchange rates," he said. "When this major economic surgery is carried out, it is natural that some expect to continue earning the same profits as before. But with the reforms that have taken place, past corruption will certainly be eliminated,"

Qaempanah added.

With the continuation of this plan, he said, "conditions are expected to improve significantly by next week and issues related to supplying basic goods to be brought under control."

Also speaking to reporters at the end of the cabinet meeting, Hamid Pourmohammadi, head of the Plan and Budget Organization, said removing rents created by preferential exchange rates (officially subsidized rates) would allow domestic production to become active and meet the country's needs.

He added that some imported goods, such as rice, were previously brought in at a preferential exchange rate (government-subsidized) of 285,000 rials, while domestic production cost around 1,000,000 rials, a situation that effectively destroyed domestic production, created rent, and amounted to subsidizing foreign producers.

China expected to replace Venezuelan oil with Iranian crude, traders say

International Desk

Chinese independent refiners are expected to switch to heavy crude from sources including Iran in coming months to replace Venezuelan shipments halted since the US removed the country's president, traders and analysts said. Caracas and Washington agreed to export up to \$2 billion worth of Venezuelan crude to the United States, President Donald Trump said on Tuesday, after US forces captured Venezuelan President Nicolas Maduro over the weekend, Reuters reported.

That arrangement is likely to curtail Venezuelan supply to China, analysts say, reducing a source of cheap oil for independent refiners known as teapots. The world's biggest crude importer is a major buyer of discounted sanctioned oil from Russia, Iran and Venezuela.

Sparta Commodities analyst June Goh said on Wednesday that, "The Venezuela drama hits China's independent refineries the hardest, as they may lose access to the discounted heavy barrels."

"However, as there are ample Russian and Iranian feedstocks available and Venezuelan barrels on water, we do not foresee the teapots needing to bid up for unsanctioned barrels as the economics would likely not make sense for them," she said.

China imported 389,000 barrels per day of Venezuelan oil in 2025, about 4% of its total seaborne crude imports, Kpler data showed.

At least a dozen sanctioned vessels that loaded in December departed Venezuelan waters in early January carrying some 12 million barrels of crude and fuel, Reuters has reported. However, loadings for Asia at Venezuela's main ports have stopped since January 1, shipping data showed.

Venezuelan crude aboard ships in Asia remains sufficient to cover roughly 75 days of Chinese demand, limiting any immediate



A view inside Shandong Haili Group is seen in Dongying, Shandong Province, China January 11, 2017.

AIZHU CHEN/REUTERS

upside for alternatives, said Kpler senior analyst Xu Muyu.

Teapots using Venezuelan oil are likely to switch to Russian and Iranian supply in March and April, and China can also tap non-sanctioned sources such as Canada, Brazil, Iraq, and Colombia, Muyu said.

Buyers have yet to start sourcing alternatives, trade sources said, with Iranian Heavy crude priced at a discount of about \$10 per barrel to ICE Brent in ample supply, the cheapest alternative.

According to media reports, Iran delivers oil to China through methods such as ship-to-ship transfers in waters near Malaysia and blending its crude with supplies from other countries to hide its origin.

China's crude oil imports from Iran soared to their highest level in four months in November, Reuters reported in December, citing data from analytics firm Kpler. Kpler figures showed inflows

of Iranian shipments increased by 233,000 barrels per day (bpd) from October to reach 1.35 million bpd in November, the highest since August.

An analyst at energy consultancy Vortexa said at the time that the jump in volumes reflected lower prices for sanctioned Iranian and Russian crude, which boosted margins for the so-called "teapot" refineries and in turn fueled their demand for these barrels.

Iran is reportedly offering China, the world's biggest crude importer, generous discounts, a claim Iranian officials confirm but reject the idea that they are excessive. Imports of Iranian crude are never registered in China's customs data due to US sanctions on the Middle Eastern producer.



IRNA

Solar plants hit 1,374 MW instantaneous output record

Energy Desk

renewable energy capacity had surpassed 3,500 megawatts.

The achievement came amid improved solar irradiance index following rainfall, reduced air pollution, and increased efficiency of solar panels, which played a significant role in boosting renewable electricity production. The record demonstrates the enhanced operational performance of solar plants and the effectiveness of monitoring and production management systems across the national grid, IRNA wrote.

Increasing the share of solar power during peak sunlight hours not only reduces pressure on thermal power plants but also helps balance electricity supply and demand and decrease fossil fuel consumption. Officials noted that the trend could further lower environmental pollutants and contribute to sustainable energy development goals in the country.



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