

Protracted war on Iran could slash global growth by 1 point: **WB**

Economy Desk

A prolonged US-Israeli war against Iran would seriously damage global economic growth and price stability, with the reduction in economic growth potentially reaching one percentage point, according to World Bank President Ajay Banga.

According to Tasnim news agency, Banga announced that war in West Asia could reduce global economic growth and have widespread consequences, even if the announced ceasefire remains in place.

Banga added that in a base scenario with an early end to the war, global economic growth would decrease by 0.3 to 0.4 percentage points (pp), but if conflicts continue, this reduction could reach one percentage point. He also predicted that the inflation rate may increase by 200 to 300 basis points (bp), and if the war continues, this figure could rise by up to 0.9 percentage points more.

After 40 days of US-Israeli war against Iran that began on February 28, Iran and the United States announced a 15-day ceasefire early Wednesday morning with Pakistan's mediation.

Based on World Bank estimates, economic growth in emerging markets and developing countries in 2026 will decrease

to 3.65%, down from the 4% predicted in October. In a pessimistic scenario with a prolonged war, growth could fall to 2.6%. The inflation rate in these countries for 2026 is projected at about 4.9%, a 3% increase from the previous estimate, and could reach 6.7% in a severe scenario.

According to the report, the war, which has left thousands dead in the West Asian region, has caused a 50% increase in oil prices and disrupted supplies of oil, gas, fertilizer, helium and other commodities, while also affecting sectors such as tourism and air transport.

Referring to the fragility of the announced two-week ceasefire, the World Bank president said continued attacks between Iran and Israel show the situation remains unstable. "The key question is whether this ceasefire and the upcoming negotiations will lead to a lasting peace and the reopening of the Strait of Hormuz," he said.

Banga further stated that if negotiations fail and hostilities resume, "Will there be an even larger or longer-term impact on energy infrastructure?"

Following initial US and Israeli air strikes in February, Iran effectively closed the Strait of Hormuz, a chokepoint through which approximately one-fifth of global oil supplies transit.

8 energy facilities face output disruptions

At least eight energy facilities in the Persian Gulf region have faced serious and long-term problems as a result of the war against Iran.

In a note published by Natasha Kanwa, head of global commodities research at JPMorgan Investment Bank, more than 60% of energy infrastructure across the Persian Gulf has been targeted by drone and missile attacks. While most of these attacks do not cause long-term disruptions, at least eight energy facilities have faced serious and long-term problems.

The US Energy Information Administration announced that Middle Eastern producers halted approximately 7.5 million barrels per day of their crude oil production in March, and this figure is expected to reach 9.1 million barrels per day in April.

Analysts predict that damage to global oil production from the Iran war will leave the market facing a supply shortage this year, whereas a large supply surplus had previously been forecast.

According to Tasnim news agency, citing Reuters, oil prices have declined and registered their largest weekly drop since 2023 ahead of the start of talks between Iran and the US on Saturday.



QatarEnergy's liquefied natural gas (LNG) production facilities, amid the US-Israeli war on Iran, in Ras Laffan Industrial City, Qatar March 2, 2026.
REUTERS

Futures prices for oil remained around \$100 per barrel amid continued attacks, restrictions on oil flow from the Strait of Hormuz, and concerns about disruptions to Saudi oil supplies, while spot market prices reached their highest levels.

Rising maritime transportation costs

Experts also state that the economic situation of countries around the Persian Gulf and the Sea of Oman could affect shipping costs. If a country's econ-

omy is damaged by war, this could lead to reduced trade and consequently lower shipping costs.

In this regard, Masoud Polmeh, secretary-general of the Shipping Association and Related Industries, told IRNA, "Given that since the start of this war, the Persian Gulf and Sea of Oman have been declared a 'war zone,' a charge called WAR RISK SURCHARGE has been added to bulk and container shipping."

He stated, "The cost of shipping vessels in the region, apart from the increases in insurance

costs and war risk charges, has in some cases grown by more than three times, and this increase not only affects countries located within this zone, but also generally impacts each of the activities carried out in this area."

Recalling that fuel rates account for about 30% of vessels' current costs and transport operations, Polmeh stressed, "Recent developments in both the shipping and energy sectors have caused us to witness an increase equivalent to 100% in freight rates."

India permits Iranian oil tankers to berth for Reliance, sources say

India's shipping ministry has granted special permission to four vessels carrying Iranian oil - as requested by Reliance Industries - to berth at the western port of Sikka, three industry sources said, reported by Reuters. India, the world's third-biggest oil importer and consumer, has not received a cargo from Tehran since May 2019 following US pressure not to buy Iranian crude.

However, the US last month temporarily waived sanctions on the purchase of Iranian oil at sea to ease oil prices.

The waiver is due to expire on April 19. India's oil ministry, shipping ministry and Reliance did not respond to requests for comment.

Two million barrels of Iranian crude reached India under the temporary US sanctions waiver, TankerTrackers data showed Friday.

Iranian oil is often transported by a shadow fleet of vessels that lack internationally recognized insurance and safety certifications. But this requires special permission from the government as exemptions are required under Indian rules for the berthing of ships.

One of the sources said the shipping ministry has granted a special one-time exemption to vessels requested by Reliance, operator of the world's biggest refining complex, due to the emergency situation created by the closure of the Strait of Hormuz.

Apart from Comoros-flagged Aframax

Kaviz and Curacao-flagged very large crude carrier (VLCC) Lenore, permission has been granted to Iran-flagged VLCCs Felicity and Hedy, a second source said. All four US-sanctioned vessels are more than 20 years old. Each VLCC supertanker can carry a maximum of 2 million barrels of oil.

India typically requires tankers that are more than 20 years old to have seaworthiness certification from a member of the industry's leading body, the International Association of Classification Societies, or an entity authorized by India's maritime administration.

The Hedy has been positioned near Chabahar port since April 1 and Felicity was seen near Chabahar since April 3, according to

analysis from US advocacy group United Against Nuclear Iran, which monitors Iran-related tanker traffic through ship and satellite tracking.

The Kaviz exited the Persian Gulf on Thursday, while the Lenore loaded crude from Iran's Kharg Island on March 20, UANI senior adviser Charlie Brown said.

However, another source said, despite the grant of permission, it was not certain Reliance would process Iranian oil, as it wants to ensure that transactions are sanctions-compliant and are in line with Indian rules.

Indian Oil Corp, the country's top refiner, has purchased Iranian oil carried in the sanctioned tanker Jaya, ship tracking data shows.

SATBA: Renewables capacity posts 4,500 MW rise under Pezeshkian



Economy Desk

Iran's renewable energy capacity has increased 3.5-fold to 4,500 megawatts under President Masoud Pezeshkian's administration, which took office in late July 2024, a senior energy official said at a ceremony commissioning solar power plants in Bardaskan, northeastern Khorasan Razavi.

According to ISNA, Alireza Parandeh Motlag, deputy for technical and engineering affairs at Iran's Renewable

Energy and Energy Efficiency Organization (SATBA), made the announcement during the inauguration of solar power facilities in the northeastern city.

"The country's total capacity has risen from 1,200 megawatts to 4,500 megawatts, increasing 3.5-fold during the 14th government," Parandeh Motlag said.

"At the beginning of the 14th government, the country's total renewable power plant capacity was about 1,200 megawatts," he added. "This figure

has now reached 4,500 megawatts, reflecting sustained efforts and cooperation among all relevant agencies."

Parandeh Motlag noted that while 3,000 megawatts of solar power plants were connected to the grid last year, the organization plans to install an additional 2,500 megawatts in the first quarter of the current Iranian year, which began on March 21, despite all international restrictions and pressures. He projected that total renewable energy capacity would reach 11,000 megawatts by the end of summer.

"The target has been set for renewable energy's share in the country's energy mix to exceed 10 percent during this government," Parandeh Motlag said. "Khorasan (Razavi) provinces, with its high potential for solar and wind energy, will play a key role in achieving this goal, and at least 1,000 megawatts of wind power plants are expected to be installed in the province."



AUCTION SJSCO. B140501

Sirjan Jahan Steel Company is pleased to announce the sale and export of 10,000 tons **STEEL BILLET** (Size 150 x 150 mm), with the possibility of increasing the contract amount to 30,000 tons on basis of FOB Bandar Abbas according to INCOTERMS 2020. Interested applicants are hereby invited to obtain the tender documents by visiting the official website of

Sirjan Jahan Steel Company at sjSCO.ir, through the Sales and customer portal, Tender and Foreign Tender section.

All documentation will be provided electronically.

All bids on conformity to tender instruction should be submitted no later than **Monday, April 20, 2026.**

For more information, please contact us at:

Tel: +2186084642



AUCTION SJSCO. D140501

Sirjan Jahan Steel Company is pleased to announce the sale and export of 25,000 tons **DIRECT REDUCED IRON (DRI)**, with the option to increase the contract quantity by up to 20% on basis of FAS at the Buyer's warehouse in Bandar Abbas, IRAN (Other ports are negotiable) according to INCOTERMS 2020. Interested applicants are hereby invited to obtain the

tender documents by visiting the official website of Sirjan Jahan Steel Company at sjSCO.ir, through the Sales and customer portal, Tender and Foreign Tender section.

All documentation will be provided electronically.

All bids on conformity to tender instruction should be submitted no later than **Monday, April 20, 2026.**

For more information, please contact us at:

Tel: +2186084642