

Pezeshkian urges gradual approach to gasoline consumption control

Economy Desk

President Masoud Pezeshkian on Friday said that the government would curb gasoline consumption gradually and mainly through “non-price measures”, saying it would avoid sudden decisions that could shock the public. Pezeshkian made the remarks at a meeting on the country’s energy shortage, where officials reviewed the latest situation regarding gasoline production, reserves and distribution, as well as pilot projects in several provinces and measures to boost the resilience of the energy sector. Already hit by Western sanctions over its nuclear program, Iran’s southern ports remain under a US naval blockade imposed by Washington as part of a pressure campaign following a 40-day US-Israeli war that began in late February. The naval siege has limited Tehran’s trade options, including in the energy sector.

The president said the government’s approach, particularly on gasoline, was deliberate, gradual and based on considering people’s concerns. “Policies should be explained to the public and implemented gradually after the necessary preparations were in place,” he said. Pezeshkian also said the government was not seeking to impose energy decisions on people and that any policy creating problems would be revised. He added that resources generated by reducing gasoline consumption would be used to strengthen the government’s food subsidy program, known as the electronic goods voucher scheme. The president appeared to be referring to the possibility of raising gasoline prices to bring fuel closer to its real and full cost. “The policies for managing consumption will be implemented gradually, with transparent information and by bringing the people on board,” he said.



President Masoud Pezeshkian (c) chairs a meeting on the country's energy shortage in Tehran, on September 4, 2026.
● president.ir

Last week, in a televised interview, Pezeshkian said that, after coordination with various institutions, the third-tier gasoline price would rise from 50,000 rials (\$0.022) to 100,000 rials (\$0.045) per liter and would not go higher. He rejected reports of an “astronomical” increase in gasoline prices but did not specify when the new rate would take effect. He said gasoline supply prob-

lems were linked to wartime conditions and lower national revenues, adding that difficulties in importing goods, including gasoline, had arisen because import routes were closed. “The country is in a wartime situation; first we need to understand that we are at war. The route is closed now and goods are not coming in. One of those goods is gasoline,” he said.

He said in the televised interview that the country’s revenues had declined and the government needed financial resources to secure gasoline supplies, adding that various methods of managing the situation were under consideration. After years of challenges in the energy sector, Iran introduced a three-tier gasoline pricing system in December. Under the

scheme, the price of gasoline dispensed through emergency fuel cards at service stations rose to 50,000 rials (\$0.022) per liter from 30,000 rials (\$0.0135). Gasoline has since been sold at three rates based on monthly consumption: 15,000 rials (\$0.0067) per liter for the first 60 liters, 30,000 rials (\$0.0135) for the next 100 liters and 50,000 rials (\$0.022) for any consumption above 160 liters. At Friday’s meeting, participants also examined the latest production, reserve and distribution data for gasoline, the implementation of various pilot projects in provinces, fuel consumption levels and measures already taken or under consideration to strengthen the energy sector’s resilience.

Pakistan seeks cooperation with Iran’s crash-test center

Economy Desk

Pakistan’s ambassador to Iran has called for cooperation with an Iranian vehicle crash-testing center, saying an initial agreement could pave the way for joint work despite current political restrictions. Imran Ahmad Siddiqui visited the center in Tehran with a Pakistani delegation and described it as a successful example of Iran’s private sector, according to IRNA. He said the two sides could begin cooperation by signing an initial agreement and expressed hope that the necessary infrastructure for expanding the partnership could be put in place as soon as possible. During the visit, a frontal crash test was conducted on an Iranian vehicle. The results will be analyzed and shared with the automaker and Iran’s National Standards Organization. The chairman of the board of Iran’s Inspection Quality and Standard Research Institute, referring to Pakistan’s high number of road accidents, said cooperation with Pakistani automakers and auto-parts manufacturers on safety testing could provide a joint business opportunity.



Pakistan's Ambassador to Iran Imran Ahmad Siddiqui (2nd R) visits Iran's private-sector car crash test center in Tehran on September 3, 2026.
● IRNA

Crash tests under regulations R94 and R95 have recently become mandatory in Pakistan, and the country is seeking to use Iran’s testing capacity for its automakers. A deputy head of the Tehran Chamber of Commerce also said the chamber was ready to facilitate the participation of a Pakistani business delegation in the Iran Expo exhibition in November and arrange a visit to the crash-testing center.

Russia sees no decline in trade with Iran despite regional tensions, Deputy PM says

Economy Desk

Russia has seen no decline in trade with Iran despite recent regional developments, thanks to a free trade agreement with the Eurasian Economic Union that has helped sustain volumes, Deputy Prime Minister Alexey Overchuk said Thursday. “One of our major achievements was the agreement with Iran coming into force last year. We are also extending the North-South [corridor] there,” he said at the Eastern Economic Forum (EEF) in Vladivostok, TASS reported. The free trade agreement between Iran and the five EAEU member states entered into force in May 2025, marking a major practical step toward deeper economic ties between the two sides. “Despite what is happening in and around Iran today, this agreement allows us to maintain trade volumes. In other words, against the backdrop of everything that is happening, we are seeing no decline in trade volumes,” he said. The country has remained on a war footing since a US-Israeli coalition launched attacks in late February. During the 40-day conflict, civilians and infrastructure were targeted, while Iran’s southern ports remain under naval restrictions. Overchuk did not give a figure for bilateral trade. Russian Transport Minister Andrei Nikitin said in June that shipments from Russia to Iran via the



International North-South Transport Corridor rose by more than 56% in the first four months of 2026, while total freight traffic along the corridor increased 87%. Also, Russian Ambassador to Iran Alexey Dedov said in June that bilateral trade reached approximately \$5.8 billion in 2025, up 21% from the previous year. He said the positive trend continued in the first four months of 2026, when bilateral trade grew 2% despite disruptions in some logistics chains.

US has no ...

My guess is that the pressure the Americans have imposed and continue to impose — including the military option, sanctions and the blockade — is ultimately aimed at reaching a “favorable” agreement with Iran — one that serves US interests to the greatest possible extent. Or, if the memorandum is to be restored, Washington wants that return to take place under conditions that it defines. It is unlikely that the strategy the Americans have once again adopted, based on suffocating economic pressure on Iran, can achieve their objectives — particularly if their goal is to force Iran to comply with or surrender to Washington’s maximalist demands. Therefore, the US is seeking to pile on maximum pressure in all areas, in order to extract the greatest possible concessions from Iran while giving the fewest concessions in return. The Islamabad memoran-

dum, by contrast, was the opposite. Under such circumstances, returning to the memorandum would be very difficult for Trump, particularly because he came under heavy criticism, attacks and pressure in the US immediately after signing it. However, if Iran concludes that it should reach a deal, I believe Trump will ultimately have no better option and will inevitably have to accept it. Therefore, it can be said that Trump’s position is one in which he is effectively playing a push-and-pull game over the memorandum.

The US has recently shifted the nature of its aggressive policy from military to economic pressure. How likely is this policy to succeed, and given the impatience we have seen from Trump, how much time do you think he will give this new policy to take effect?

There is serious doubt about whether the US can really pressure all countries and build a global consensus against Iran. There is no doubt that this policy will deliver psychological shocks to Iran’s economy and put pressure on both the government and the people. But the strategic question is whether it can actually bring the US to its main objective — forcing Iran to comply — or to even broader goals, namely surrender. There is serious doubt about this too. This is particularly because sanctions are a slow-acting policy and do not produce results in the short term, while Trump needs policies that deliver quick returns. Therefore, it is unlikely that sanctions will achieve the objectives Trump is pursuing, other than creating pressure and imposing costs on Iran.

To what extent do you agree with the assessment that Trump

is seeking to buy time to get past the electoral environment in the US and will ultimately launch a third war against Iran?

It is very difficult to make a prediction in this regard. Nevertheless, strategic policymaking should not underestimate or ignore the possibility; rather, prepare to deal with it. The possibility of war will depend to a large extent on the outcome of the US congressional midterm elections. There are two possible outcomes: Democrats could take both chambers, or Republicans could retain control of both. If the Democrats win, some believe this could tie Trump’s hands when it comes to pursuing a war, or at least constrain him. Others, however, put forward the opposite hypothesis. They believe that if Republicans lose the House and the Senate, Trump’s policy could become more aggressive because he would have nothing left to lose.

In either scenario, war remains a possibility, though its likelihood cannot yet be assessed with certainty.

Iran and Oman say they are nearing the scheduled release of a joint statement on the mechanism for the management of the Strait of Hormuz. How likely are the talks to succeed this time? What role could a potential agreement play in resuming Iran-US talks and ultimately reopening the Strait of Hormuz? The possibility of a bilateral agreement between Iran and Oman does not depend solely on the two countries. Iran adopts policies based on its national interests and enjoys freedom of action, but Oman does not have the same degree of freedom of action under these circumstances. As has been seen, Trump has threatened Oman militarily twice so far.

Oman is currently under pressure from several directions. First, it is under US pressure and must fully take Trump’s interests into account in any decision. Second, it is under pressure from the Arab countries of the Persian Gulf and must in some way accommodate their interests as well. Third, there are the other users of the Strait of Hormuz. Therefore, Oman has to reconcile and balance the interests of Iran, the Arab states, the US and other users of the Strait of Hormuz. In reality, it is not the sole decision-maker. Despite all this, I believe there is a possibility of success and an agreement between Iran and Oman. If Iran and Oman reach an agreement and the US at least does not oppose it, it could pave the way for the reopening of the Strait of Hormuz and the resumption of Iran-US talks. Yet, an agreement between Iran and Oman is necessary, but not sufficient.