

Iran's Economy to Grow 3.2% Next Year: IMF



TEHRAN (Dispatches) – **International Monetary Fund (IMF) on Wednesday announced that Iran's economy will grow by 3.2 percent in 2021.**

The latest report of the International Monetary Fund on the state of world economy and its future outlook, which was recently published, estimates that Iran's economic growth in 2021 will hit 3.2

percent. This estimate shows that Iran's economy has improved 0.1 percent as compared to the Fund's previous estimate of Iran's economic growth outlook for next year.

According to IMF, next year's inflation rate in Iran will reach 30%, which shows a 3% decrease as compared to the Fund's previous estimate for next year.

IMF also pointed to the unemployment rate in Iran and added, the unemployment rate in Iran, which is predicted at 12.2 percent for this year, has been estimated at 12.4 percent in the next year.

The international body estimates that the world economy will end the current year with a negative growth of 4.4 percent, which is an improvement of about 0.8 percent as compared to its previous report and estimate.

This improvement is due to increased hopes for the recovery of developed economies after the coronavirus global pandemic as well as alleviation of restrictions due to the implementation of health protocols such as social distancing and closure of businesses.

In another report, the International Monetary Fund estimates that world economic growth will reach 5.2 percent in 2021, indicating a recovery in the global economy after the coronavirus pandemic.

Minister: No Interruption to Iran's Oil Production



TEHRAN (Dispatches) – **Iranian Petroleum Minister Bijan Namdar Zangeneh has said oil production in Iran has not come to a halt even for a single day under the pressure of**

sanctions and the coronavirus outbreak.

Zangeneh said the production of petroleum and natural gas did not stop at all, noting that electricity

generation and water production are dependent on the production of petroleum and gas.

"If oil and (natural) gas are not produced, there will not be electricity and water, either," he added.

Zangeneh said the Oil Ministry began to take action, from the very outset of the coronavirus outbreak, to move forward with the production of oil "as its activities were sensitive and it was not possible to shut down crude production."

"We couldn't stop work on islands and platforms as well as at operational units," he said.

"During this time, our colleagues at the oil ministry spared no effort to allay people's suffering and pain," he said, according to the government's official website.

Top Banker: Iran's Funds in Iraq Over \$5bn

TEHRAN (Press TV) – **Iran's central bank governor Abdolnaser Hemmati says he is "hopeful" his visit to Baghdad on Monday and successful talks with Iraqi officials would enable Tehran to use more than \$5 billion of its funds in the country.**

Money from Iran's exports of gas and electricity has accumulated and been trapped in a bank account in Iraq because of U.S. sanctions.

Hemmati secured a trade agreement with officials in Baghdad Monday to use payments from energy exports to buy essential goods from Iraq.

"The recent trip to Iraq was a success and we hope to be able to use our resources in Iraq, which are more than five billion dollars," he told reporters after a cabinet meeting in Tehran Wednesday.

"Some other countries have also responded positively to the use of foreign exchange earnings. In this regard, traders and importers will gradually realize in which areas we have access to our resources," Hemmati added.

Another country which is holding a sizable amount of Iranian funds is South Korea.

Iranian authorities have been pressing Seoul to release between \$6.5 billion and \$9 billion dollars frozen since 2018 when the United States imposed its unilateral sanctions on Iran.

In June, President Hassan Rouhani instructed Hemmati to follow up the matter through legal channels and international forums.

South Korea was the biggest client of Iranian gas condensate with 300,000 barrels per day (bpd) on top of 100,000



Iran's central bank governor Abdolnaser Hemmati

bpd of crude oil, but the country stopped the imports even before U.S. sanctions on Iran's oil industry went into effect in November 2018.

Iranian newspapers have said Seoul was stonewalling the way for Iran to collect the debt.

"According to several informed sources familiar with negotiations between Iran and South Korea, Iran has announced that in order to facilitate the work, it intends to use the financial resources available in South Korea to buy agricultural items as well as medicine – goods which the U.S. Treasury has cleared for sale," Tehran-based Etemad daily said in May.

However, "South Korea has tied Iran's hands in choosing how to collect the debt for at least three year, most recently claiming that Iran can use the funds only to buy Korean-made goods for fighting the coronavirus," the paper added, citing an informed source.

Iraq relies on Iran for natural gas that

generates as much as 45% of its electricity. Iran transmits another 1,200 megawatts directly, making itself an indispensable energy source for its Arab neighbor, but the United States is trying to pry Baghdad away from Tehran's orbit.

The U.S. has been enlisting its companies and allies such as Saudi Arabia to replace Iran as Iraq's source of energy.

Officials in Baghdad have said there is no easy substitute to imports from Iran because it will take years to adequately build up Iraq's energy infrastructure.

They have said American demand acknowledges neither Iraq's energy needs nor the complex relations between Baghdad and Tehran.

In addition to natural gas and electricity, Iraq imports a wide range of goods from Iran including food, agricultural products, home appliances, and air conditioners.

Largest Petrochemical Plant in Western Iran to Come On Stream



TEHRAN (Shana) -- **The CEO of Ilam Petrochemical Company Hassan Najafi-Semnani has said the**

13th olefin unit, touted as the largest petrochemical project in western Iran, is about to come online after 19

years.

Addressing a press conference, Najafi-Semnani said that the plant was planned to come online in August but its commissioning was delayed as one of the unit's compressors ran into problems.

He said the unit was set up without any foreign assistance and with the capable hands of the technical and local forces of the province and the country, adding: "91% of the forces of this company are from locals and more than 1400 people are working directly and under contract."

The CEO of Ilam Petrochemical Company further pointed to receiving the Green Industry Award for the second consecutive year in the field of environmental issues.

UK Hit Worst by Pandemic Among Major Economies

LONDON (Dispatches) – **The UK is likely to be the hardest hit by Covid-19 among major economies, the Organization for Economic Co-operation and Development has warned.**

Britain's economy is likely to slump by 11.5% in 2020, slightly outstripping falls in countries such as Germany, France, Spain and Italy, it said.

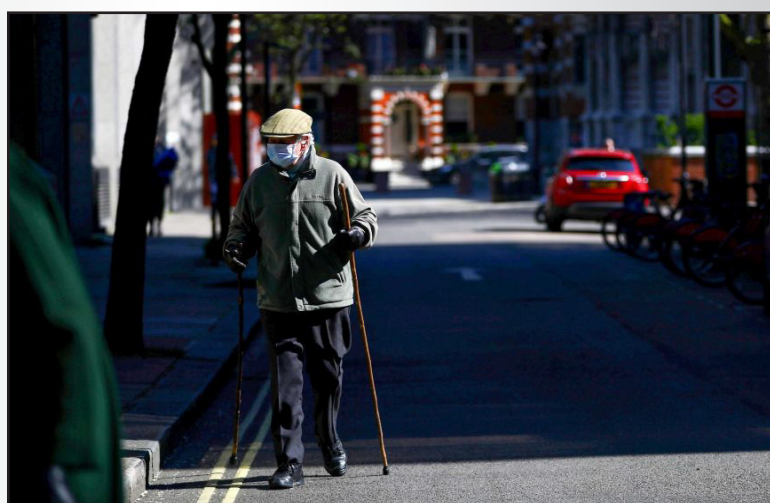
If there were a second peak in the pandemic, the UK economy could contract by as much as 14%.

"The crisis will cast a long shadow over the world," the OECD added.

It said that in what it called a "single-hit scenario", with no second peak, there could be contractions of 11.4% in France, 11.1% in Spain, 11.3% in Italy and 6.6% in Germany.

In its latest assessment, the OECD found that the UK's largely service-based economy meant that it had been particularly badly hit by the government's lockdown restrictions.

The services sector, including financial services, hospitality and tourism, makes up about three-quarters of the UK's GDP.



In response to the think tank's report, Chancellor Rishi Sunak said the UK was not the only one to suffer: "In common with many other economies around the world, we're seeing the significant impact of coronavirus on our country and our economy.

"The unprecedented action we've taken to provide lifelines that help people and businesses through the economic disruption will ensure our economic recovery is as strong and

as swift as possible." Shadow chancellor Anneliese Dodds said: "Today's evidence from the OECD is deeply worrying, showing the UK was particularly exposed when the coronavirus crisis hit.

"The government's failure to get on top of the health crisis, delay going into lockdown and chaotic mismanagement of the exit from lockdown are making the economic impact of this crisis worse."

Pakistan to Import Onions, Tomatoes From Iran

ISLAMABAD (Dispatches) – **The government of Pakistan has set to imports of onions and tomatoes from Iran to reduce the prices of commodity in the country.**

A spokesman for the Ministry of National Food Security told media that due to the high prices of tomatoes and onions, the government decided to import them from Iran.

The spokesman said that the import of tomatoes and on-

ions from Iran has been allowed for one month and this step has been taken to bring down the prices.

According to the spokesperson, tomato import permits have been issued to the private sector and onion import permits will be issued today. Importers can import as many onions and tomatoes as they want for a month. Import permission can be extended.

Trade War Heats Up as China Threatens to Cut Off Coal Imports From Australia

BEIJING (Dispatches) – **Australia exported \$7.3 billion worth of coal to China in the first six months of 2020. The Australian economy is highly dependent on exports of natural resources like coal, iron ore, gold and increasingly liquid natural gas.**

Australia's Trade Minister Simon Birmingham is asking the Chinese government to clarify whether it has banned imports of coal as a trade war between the two countries threatens to snowball.

The Australian economy is struggling because of the COVID-19 pandemic and if China orders its big firms to stop importing from Australia it would massively impact the country's coal industry.

Birmingham: "I've had discussions with the Australian industry, and we are making approaches to Chinese authorities in relation to that speculation."

He said: "I don't want us to get ahead of ourselves in terms of the speculation



there, but we are working with industry and taking action and having discussions there with China."

On Friday, 9 October, the highly respected trade publication S&P Global Platts reported that Chinese energy providers and steel mills had been given a "verbal notice" from Xi Jinping's government to phase out Australian coal imports.

The Chinese Ministry of Foreign Affairs refused to comment on Tuesday, 13 October.

Chinese Foreign Ministry spokesman Zhao Lijian told AFP: "Healthy, stable China-Australia relations are in line with both countries' mutual interests, but the two sides must put in efforts do more things that are conducive to China and Australia's mutual trust."