

IMF Revises Iran's 2021 Economic Growth Projection to 2.5%

TEHRAN - The International Monetary Fund (IMF) has lowered its expectation of Iran's economic growth for 2021 by 0.7% to 2.5%, according to a latest document published by the Fund.

Tables in the IMF's World Economic Outlook published projected that Iran will end the current year with a lower-than-expected growth in gross domestic product (GDP), mainly because of the continued impacts of the US sanctions and the hit suffered to the economy from the coronavirus pandemic.

However, the international lender increased its estimate of economic growth in Iran for 2020 to 3.4%, up from a negative growth of 5% announced in a previous report.

The IMF projected that Iran's economy will continue to grow in 2022 by 2.0%, lower than an esti-



mate published in July.

The report said that Iran's inflation will decrease from a projected rate of 39.3% in 2021 to 27.5% next year. It estimated that consumer prices had risen by 36.4% in 2020.

Iran's unemployment rate will remain relatively high, about 10.5% in 2022, up by half a percentage point against this year and near one percent higher than last year.

IMF's projections showed that

Iran's current account balances would return to a positive growth zone by an increase of 1.3% expected for 2021 and by another percentage point forecasted for next year. The indicator had dropped by 0.1% year on year last year.

Lowering growth figures was consistent for almost all countries and regions of the world in the IMF's Tuesday report which was published just before a joint meeting of the IMF and World Bank. That comes as the report expected some resource-based economies like Saudi Arabia and Nigeria would benefit from a global recovery in demand for hydrocarbons.

The report said that inflation pressures and supply chain disruptions would continue to affect the global economic recovery from the coronavirus in the next months.

Iraq, Iran to Waive Mandatory Visas for Air Travelers

Tehran - The head of Iran's Hajj and Pilgrimage Organization Alireza Rashidian says a permit has been issued to abolish mandatory visas for Iranian air travelers to and from Iraq.

"According to Iraqi Prime Minister al-Kadhimi... visas are currently to be waived on air routes... this has not yet been implemented, meaning that the first pilgrim without a visa has not yet entered Iraq. But there is a permit and it can be hoped that when sending pilgrims resume visas will be abolished," Rashidian noted on Wednesday.

He also explained that the two sides have not yet set any date for resuming travels, but according to the experience of Arbæen

pilgrimage, and the permission the Hajj and Pilgrimage Organization received from the National Task Force against coronavirus, this organization is pursuing limited travels so that the health ministry's protocols will be met.

Rashidian also said necessary preparations are underway to meet the pilgrims' needs such as hotels, transportation and food.

Iraq is a major source of tourists visiting Iran. And a very large number of Iranian pilgrims head for the holy Iraqi cities of Najaf and Karbala each year. But coronavirus restrictions have drastically reduced the number of Iranians and Iraqis visiting the neighboring countries.

CEO: Gachsaran Olefin Plan Aimed at Value Chain Completion



TEHRAN (Shana) - The CEO of the National Petrochemical Company (NPC Behzad MUhammad) said that Gachsaran Petrochemical Project is being developed to complete the value chain from associated petroleum gases to production of polymer products.

Expressing satisfaction with the progress of Gachsaran Petrochemical Olefin Project, Muhammad said: "This project is in an important and large chain in the petrochemical industry that receives its feed from Bidboland Persian Gulf Project and polymer projects receive their feedstock from this plant."

According to the National Petrochemical Company, during a two-day field visit to Kohgiluyeh and Boyer-

Ahmad as well as Khuzestan provinces, Muhammad visited the Gachsaran Petrochemical Olefin Chain Project on Monday, October 11.

While being satisfied with the progress of the project, he said: "Gachsaran Petrochemical Plant is in an important and large chain in the petrochemical industry that will feed polymer projects such as Dehdasht and Gachsaran Polymer plants."

The CEO of the National Petrochemical Company stated: "I hope this project will be put into operation by the end of the calendar year of 1400 to March 2022 with the efforts and follow-up of the Persian Gulf Petrochemical Industries Company (PGPIC)."

Afghanistan Asks Iran to Facilitate Afghan Goods Export to India Via Chabahar

NEW DELHI (Times of India) - The Taliban have have approached Iran for help to restart the export of fresh and dry fruits, a major revenue earner, to India via the Chabahar route.

Tehran has agreed to evaluate Taliban's proposals for the transportation of Afghanistan's trade cargoes and export of fresh and dried fruits to India via the Chabahar route, Iran's Tasnim news agency said.

The Taliban submitted the detailed plan last week when representatives of both countries signed a comprehensive trade agreement. Iran and the Taliban have agreed to maintain round-the-clock operation at the Islam Qala-Dogarun border crossing and take practical measures to improve and develop the land routes at the border crossing.

In principle, Iran has agreed to allow Afghan traders to export fresh and dried fruits to India via

Dogarun-Chabahar route which was closed after Taliban's capture of Afghanistan.

This year, exporters have to exclusively rely on land routes to ship their products as there are no air cargo flights available yet. Most of the Afghan traders have been using this route to Afghanistan through the 7200-km long International North-South Transport Corridor (INSTC), which passes through neighboring Iran. Cargoes are then shipped from Chabahar port, Iran to western ports such as Mumbai. But that route was closed in July by Iran citing security concerns.

After the Taliban came to power, they banned the export and imports to India. But now, under enormous economic pressure, the new regime has decided to rethink its stance. India imports around 85 per cent of its dry fruits from the war-torn country.

Iran Can Alleviate Global Fuel Crisis If Sanctions Lifted

TEHRAN - As the world slowly recovers from the consequences of the coronavirus pandemic, just before winter sets in, demand for fuel is surging and so are the prices of oil and its byproducts.

The world is encountering an energy crunch as the supply of energy sources is failing to meet demand.

Natural gas prices have increased several-fold in Europe, while several factories in China have shut down recently due to power outages linked to the short supply of coal.

In the UK, meanwhile, many fuel pumps shut off and the country's military has been called in to overcome any violence.

India's power plants are also running on critically low coal stocks.

In the United States, people are dealing with natural gas prices that have gone up 47% since the beginning of August, and the energy crunch has caused oil prices to hit seven-year highs.

These circumstances are causing central banks and investors to worry. Rising energy prices are adding to inflation, which already was a major issue with the global economy trying to recover from the continuing effects of COVID-19. Dynamics over the winter could make matters worse.

In the meantime, two countries with some of the largest hydrocarbon reserves in the world, Iran and Venezuela, are under U.S. oil sanctions.

Since energy prices impact economic policies across the supply chain, the rise in prices has had a significant effect on economies, with many companies in Europe and Asia shutting down, unable to bear high energy costs.

Analysts have attributed the rise in global energy prices to several factors. Some see "the rise as driven primarily by the bounce-back witnessed in consumer demand, as economic activity returns to normal after the pandemic. Production however, has failed to bounce back as quickly, due to disruptions to the supply chain caused by the pandemic."

Other analysts see the rise in energy prices as "an example of 'greenflation' caused by increasing restrictions placed by governments on traditional energy sources."

The incident which has affected oil markets is a shortage of LNG gas. Because the world could not have predicted that things would go back to normal this fast and it appears that it didn't plan for the winter season. On the one hand, the demand has risen dramatically, and on the other, natural gas cannot be supplied as easily as oil. Also, Russia hasn't delivered surplus shipments to the European market in recent months. Now if we want to calculate the oil price based on the gas prices, it must be somewhere near 180 dollars per barrel. This has caused concerns.

Oil prices went over \$80 a barrel this week for the first time in three years, with natural gas and coal also reaching multi-year peaks.

The Organization of the Petroleum Exporting Countries, OPEC, is planning to meet shortly, to decide whether to free up spare production capacity to help control prices.

OPEC and OPEC+ seem to have reached an intellectual maturity in cooperation and are very cleverly and wisely managing the global oil market in proportion to their long-term interests and not necessarily to the detriment of consumers.

However, they are concerned about the outlook for the oil market and, given this concern, are trying to manage and control the supply of oil to world markets in the sense that, despite expectations, and despite pressure from the United States and some of the industrialized countries.

Additionally, Iran and Venezuela two founding members of OPEC have inked an oil contract to counter the sanctions the United States has illegally imposed on both nations' oil exports.

As the South American country seeks to boost its oil exports in the face of U.S. sanctions, it has agreed to a crucial contract to swap its heavy oil for Iranian condensate that it can use to improve the quality of its crude.

The swap agreement is planned to last for six months in its first phase, but could be extended.

To what extent does boycotting big oil producers, such as Iran and Venezuela, increase prices and decrease demand?

The Trump administration was in favor of sanctions because it wanted to find a market for its oil and gas under its Energy Dominance strategy. If that didn't happen, the U.S. increased supply would result in an imbalance and the prices would drop as a result. That scenario would prove damaging to the U.S. energy dominance. In case the prices went up, American consumers would be at a disadvantage. That's why Trump had reached a price range of between 45 to 65 dollars. The Biden administration published its national security strategy in March 2021 in which it explained the system it's going for is one favoring the transition toward renewable energies. This new system brings a new serious threat to the prices.

A Chinese logistics firm is going to play a key role in the supply of oil from Iran and Venezuela, even after it was blacklisted by Washington two years ago for handling Iranian crude under the sanctions regime. "This highlights the limitations of Washington's system of restrictions", analysts say.

According to Julia Friedlander, who is a senior fellow at the Atlantic Council's GeoEconomics Center, these types of events "show there are limits to what the U.S. sanctions can do, especially when you target multiple like-minded, or selectively like-minded actors, like oil traders. So, you incentivize these alternative axes of resilience."

U.S. officials, typically, do not move to intercept Iranian or Venezuelan oil shipments bought by Chinese or any international customers. But they do make it difficult for those involved in the trade by barring U.S. citizens and companies from dealing with them, making them outcasts for western banks.

Energy supplies are likely to remain limited for a while, as it takes time for producers to boost their output in response to higher demands.

The crunch is expected to get worse if a severe winter increases energy demand further. Much will also depend on how governments on either side of the Atlantic react to the current crisis. As it stands now, countries are already trying to outbid one another for supplies. It could get a lot more competitive when temperatures drop during the winter.

The current energy crisis in Europe is an alarming sign of what's to come for the rest of the planet in the coming months.

To Curb Climate Change World Must Triple Clean Energy Investment by 2030-IEA



LONDON (Reuters) - Investment in renewable energy needs to triple by the end of the decade if the world hopes to effectively fight climate change and keep volatile energy markets under control, the International Energy Agency (IEA) said on Wednesday.

"The world is not investing enough to meet its future energy needs ... transition related spending is gradually picking up, but remains far short of what is required to meet rising demand for energy services in a sustainable way," the IEA said.

"Clear signals and direction from policy makers are essen-

tial. If the road ahead is paved only with good intentions, then it will be a bumpy ride indeed," it added.

The Paris-based watchdog released its annual World Energy Outlook early this year to guide the United Nations COP26 climate change conference, now less than a month away.

It called the Glasgow, Scotland meeting the "first test of the readiness of countries to submit new and more ambitious commitments under the 2015 Paris Agreement" and "an opportunity to provide an 'unmistakeable signal' that accelerates the transition to clean energy worldwide."