

# Report: Iran's Steel Industry Stands at 43rd Place in World

TEHRAN – Iran's steel industry has managed to reach the 43rd place on the international stage by turning geopolitical crises into a technological advantage.

While the global steel industry in 2025 was grappling with a 2 percent decline in production and a broad-based downturn, the industrial giants of the Middle East chose a different path.

The World Steel Association's 2026 report carries a clear message for international markets: Esfahan's Mobarakeh Steel not only preserved its position in these turbulent conditions, but by rising to 43rd place among the world's top producers, it has also become a symbol of industrial resilience. This rise took place while the region was facing some of the most complex geopolitical challenges and security threats, including attacks on industrial infrastructure.

Global crude steel production reached 1,849 million tons in 2025, reflecting the continuation of the downward trend from the historic peak of 2021. At a time when traditional powers such as Japan, Russia, and South Korea experienced declines in output, Iran, with 1.9 percent growth and 32 million tons of steel production, consolidated its position among the world's top 10 producers.

At the center of this national growth, Mobarakeh Steel, with output of 10.29 million tons, succeeded in improving its global ranking from 44th to 43rd. This achievement is



more than a statistical milestone; it demonstrates the company's ability to manage crises and sustain its supply chain under the most difficult operating conditions.

One of the most outstanding strengths in Iran's international record, with Mobarakeh Steel as its driving force, is the country's achievement of first place in the world in direct reduced iron (DRI) production. In 2025, Iran, with 37.2 million tons of DRI output, accounted for nearly one-quarter of global production of this key product. This leadership is not merely a quantitative advantage; it is also a qualitative advantage on the path toward green steel.

While 69.4 percent of the world's steel is still produced through the traditional and polluting blast furnace route, Iran's technological structure is such that 91.9 percent of its pro-

duction is generated through the electric arc furnace (EAF) route. The carbon emission intensity of this method (1.66 tons of CO<sub>2</sub>) is significantly lower than that of the blast furnace method (2.66 tons), placing Mobarakeh Steel in a strong position to face future stringent carbon regulations, such as the European Union's CBAM mechanism.

Mobarakeh Steel's rise in the global ranking has been achieved against a backdrop of energy constraints, technology sanctions, and direct physical threats. Unlike many global competitors operating in stable environments, Mobarakeh Steel has been able, by relying on indigenous expertise and a strategy of "continuity of production under risk conditions," to serve as an anchor of economic stability in the regional steel value chain.

This vast industrial complex has

demonstrated that even amid military and geopolitical tensions, Iran's industrial capacities do not come to a halt; rather, they continue to grow.

In 2025, Iran maintained its position as the world's tenth-largest steel exporter, with 13.5 million tons of steel exports. Particularly noteworthy is Iran's fourth-place ranking in net exports (export surplus relative to imports), at 12.0 million tonnes, placing it after China, Japan, and South Korea.

These figures show that Mobarakeh Steel Company and Iran's steel industry, beyond meeting domestic demand—with per capita consumption at 219 kilograms, above the global average of 209 kilograms—have become a strong and influential player in export markets.

Although rising to 43rd place in the world is a major achievement, the latent potential within Mobarakeh Steel points to an even brighter path ahead. With the global transition toward hydrogen and low-carbon steel, the company's direct reduction infrastructure could become a springboard for leadership in the regional green steel market.

Today, Mobarakeh Steel Company is sending a clear message to global markets: the company is no longer merely a national and regional producer, but a resilient power in the steel industry that has succeeded in turning geopolitical crises into an opportunity to consolidate its technological advantage and enhance its global standing.

## Former Minister: Free Trade With Partners Key to Economic Recovery

TEHRAN - Iran's free trade with partners is the key to its economic recovery, Ehsan Khandouzi, former Iranian minister of economy, said in an interview with the China Global Television Network (CGTN) released on Sunday.

There are prospects that Iran can see rise in its economic growth, employment and investment if the United States abides by the Memorandum of Understanding with Iran which was signed digitally on June 17, he said.

"Assuming the Americans do not break their promise and will adhere to the signed Memorandum of Understanding, an opportunity for cooperation outside the sanctions regime will be created. The United States has committed to suspending all previous sanctions against Iran upon the finalization of this Memorandum of Understanding," said Khandouzi.

"Therefore, in the realms of domestic business, trade with foreign partners, and currency settlements -- where the Central Bank and Iranian exporters require smooth and efficient arrangements -- there are very bright prospects. All the consequences of this facilitation in trade, currency settlement, and a clear, secure domestic business environment will lead to an increase in the country's economic growth rate, a reduction in unemployment, an increase in investment, and improvements in other indicators that are directly related to the people's daily economic lives," he said.

Khandouzi said Iran's blocked assets are sovereign money seized by U.S. sanctions, and releasing those funds isn't a gift or privilege but a rightful entitlement.

"Access to Iran's blocked foreign exchange resources is, in fact, the denial of a country's



Former Iranian minister of economy Ehsan Khandouzi

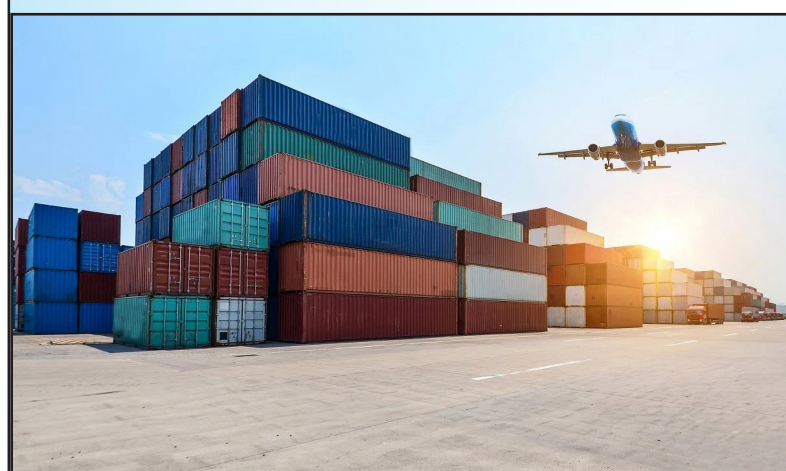
right to its own assets. Therefore, it is neither a privilege nor a special gift. Rather, it stems from a hegemonic, unilateral, and coercive approach in which the United States has used its power to deprive Iran of the proceeds from its exports. Consequently, this is not a gift to the Iranian people. It is their rightful entitlement," said Khandouzi.

He said Iran's real progress needs sanction-free engagement

with partners who respect its independence.

"What could truly facilitate progress is the ability to engage freely, without sanctions-related restrictions, with partners who respect Iran's national independence. In my view, U.S. adherence to this understanding would provide the best foundation for Iran to integrate and build its economy alongside emerging economies," said Khandouzi.

## Official: Goods Clearance at Imam Khomeini Port Rises 28%



TEHRAN – Iran has reported a 28% increase in the clearance of essential goods from Imam Kho-

meini Port despite wartime conditions, according to judicial and port authorities.

Muhammadreza Jafari-Asl, Prosecutor of Imam Khomeini Port, said the movement of cargo through the strategic port continues at a favorable pace due to coordination among port authorities, customs officials, and cargo owners.

He stated that no significant accumulation of abandoned or delayed goods currently exists in the region's customs warehouses, adding that vessels have been berthing and unloading regularly under plans implemented since 2023.

According to the official, continuous cooperation between port

authorities and judicial institutions has enabled the uninterrupted entry and exit of essential commodities.

Data released by Khuzestan Ports and Maritime Administration showed that 2.2 million tonnes of essential goods were dispatched from the port between February 28 and April 9, marking a 28% increase compared with the same period last year.

Officials said measures aimed at accelerating the movement of essential goods have helped maintain supply chains and facilitate the rapid transfer of commodities to consumer markets.

## Oil Ministry Keeps Petrochemical Supply Chain Intact During Wartime Disruptions

TEHRAN – Oil Ministry and the National Petrochemical Company (NPC) prevented major supply shortages for downstream industries during the country's recent conflict by managing domestic supply, restricting exports, stabilizing prices and accelerating the recovery of damaged production facilities.

The petrochemical industry is a critical pillar of Iran's economy, supplying raw materials to thousands of manufacturers across sectors including plastics, packaging, automotive production, household appliances, construction, medical equipment and consumer goods. Any disruption to petrochemical production can quickly ripple through industrial supply chains and consumer markets.

The importance of maintaining that supply became evident during what Iranian officials describe as the "Third Imposed War," when attacks targeted parts of the country's energy and petrochemical infrastructure, particularly facilities in the petrochemical hubs of Mahshahr and Asaluyeh. The strikes raised concerns about the availability of feedstocks for downstream industries that depend on petrochemical products for manufacturing plastics, packaging materials, polymer components, hygiene products and medical supplies.

Following the attacks, prices for some plastic and packaging products increased in the market. However, officials said much of the price pressure stemmed from wartime uncertainty, concerns about prolonged production disruptions and precautionary market behavior rather than actual shortages of raw materials.

Petrochemical product prices remained tied to pre-war benchmarks under government directives. According to Muhammad Motaghi, NPC's director of downstream industry development, the policy of maintaining fixed base prices for petrochemical products remains in effect beyond its original expiration date.

Officials also noted that higher transportation costs, logistics expenses, labor costs and financing challenges affected nearly every sector of the economy during the conflict, contributing to increased prices for finished goods.

The Oil Ministry and NPC had prepared contingency plans before the attacks occurred. Under passive defense requirements, the petrochemical sector developed multiple supply scenarios to ensure continued deliveries to downstream industries in the event of production interruptions.

An emergency committee comprising representatives from NPC, the Ministry of Industry, Mine and Trade, the commodity exchange and consumer protection authorities identified and prioritized essential products. Measures included managing allocations of strategic materials, increasing supplies of high-demand products, building inventories at storage facilities across the country and securing feedstocks for sensitive sectors such as medical equipment manufacturing.

These preparations helped maintain deliveries to downstream industries even after the attacks. Existing inventories held by manufacturers and previously accumulated raw-material stocks also eased pressure on the market.

Ensuring domestic supply became the government's primary objective. Products needed by local industries were removed from export lists, petrochemical offerings on the commodity exchange were increased and quota management was tightened.

The Ministry of Industry also reviewed purchasing quotas to curb non-productive demand and improve market efficiency. At the same time, authorities facilitated imports of selected raw materials by petrochemical companies, traders and downstream manufacturers to address potential shortages.

According to Hassan Abbaszadeh, deputy oil minister for petrochemical affairs, temporary export restrictions were imposed on certain products following the ceasefire to ensure domestic demand was fully met. Export permissions have since been restored for products with surplus inventories, while restrictions remain in place for products facing supply constraints.

Alongside market management measures, restoration work at damaged petrochemical facilities began immediately after the attacks. Specialized reconstruction committees were established within NPC, and three-month recovery plans were developed to bring affected units back online.

Many damaged petrochemical complexes in Mahshahr and Asaluyeh are gradually resuming operations, although not all facilities have yet returned to full production capacity. Officials said domestic supply remains the priority during the recovery process.

Abbaszadeh said approximately 38% of the production capacity that had been lost or affected by the attacks has already been restored. The first phase of recovery is being implemented under a two-month plan, with additional facilities expected to return to service in the coming months.

## ICOFC Unveils Fast-Track Gas Production Plan

TEHRAN – Iran Central Oil Fields Company (ICOFC) unveiled a fast-track roadmap to boost natural gas production, aiming to offset part of the decline in processing capacity and output from the South Pars gas field.

Peyman Imani, managing director of ICOFC, said newly completed wells in the Dey, Tous and Khartang gas fields will be connected to Iran's national gas grid before the start of the upcoming winter season.

ICOFC, which accounts for roughly 25% to 30% of Iran's gas supply, currently operates across 14 provinces and could expand its activities to 18 provinces as future development projects move forward, Imani said.

He noted that the company's extensive footprint in gas production, processing and transportation enables it to play a key role during supply challenges. Following damage to South Pars facilities during the recent conflict, ICOFC was tasked with helping compensate for lost production and

processing capacity.

According to Imani, the company is targeting more than 12 billion cubic meters of cumulative additional gas production this year compared with last year. New projects are expected to add 15.7 million cubic meters per day of raw gas output beyond previously planned levels.

ICOFC has submitted a list of fields suitable for accelerated development to the National Iranian Oil Company and is seeking approval, financing and equipment, including drilling rigs, to expand production capacity further.

As part of a two-year emergency development program, the company plans to add around 20 million cubic meters per day of gas production from undeveloped fields. While negotiations with investors are underway under various contract models, Imani said ICOFC is prepared to begin early-stage development using its own technical and engineering resources if funding and equipment become available.