

Islamic Republic of Iran

1. Industrial Strategy (including objectives/goals)

Iran has a diverse range of industries reflecting both its history, geographic location and natural resources. Iran's economy is characterised by a mix of hydrocarbon, agriculture, and service sectors, as well as noticeable manufacturing and financial services. Iran ranks second in the world for natural gas reserves and fifth for proven crude oil reserves. Iran sets five-year plans which are approved by the Majles. The seventh five year plan is set from 2023 -2025.

The 7th Development Plan highlights the following goals:

- Increase non-oil exports
- Support local industries through subsidies
- Streamline trade regulation and reducing bureaucratic barriers to trade
- Increase sustainable economic growth with targeted investments in technology, agriculture and tourism¹

2. Digital (Development) Strategy

According to the 7th Development Plan, digital development plans include:

- Expanding digital infrastructure and integrating advanced technologies into public services
- Enhancing the efficiency of the information network across sectors. This includes plans to improve digital connectivity, increase e-governance capacities, and ensure robust cybersecurity measures, which together aim to transform Iran into a digital economy hub in the region.²

3. Main Constitutional Provisions

- Chapter IV of the constitution of the Islamic Republic of Iran covers the economy and financial affairs. Articles 43 – 55 cover the budget, taxation and the structure of the economy.
- Article 44: The economy of the Islamic Republic of Iran is to consist of three sectors: state, cooperative, and private, and is to be based on systematic and sound planning. The state sector is to include all large-scale and mother industries, foreign trade, major minerals, banking, insurance, power generation, dams and large-scale irrigation networks, radio and television, post, telegraph and telephone services, aviation, shipping, roads, railroads and the like; all these will be publicly owned and administered by the State. The cooperative sector is to include cooperative companies and enterprises concerned with production and distribution, in urban and rural areas, in accordance with Islamic criteria. The private sector consists of those activities concerned with agriculture, animal husbandry, industry, trade, and

¹ Islamic Republic of Iran 7th Development Plan
content/uploads/barname_haftom.pdf> accessed 10 February 2025.

² ibid.

<https://irandataportal.syr.edu/wp-content/uploads/barname_haftom.pdf>

services that supplement the economic activities of the state and cooperative sectors. Ownership in each of these three sectors is protected by the laws of the Islamic Republic, in so far as this ownership is in conformity with the other articles of this chapter, does not go beyond the bounds of Islamic law, contributes to the economic growth and progress of the country, and does not harm society. The [precise] scope of each of these sectors, as well as the regulations and conditions governing their operation, will be specified by law.

- Article 81: The granting of concessions to foreigners for the formation of companies or institutions dealing with commerce, industry, agriculture, services or mineral extraction, is absolutely forbidden.

4. Main Regulatory Provisions and Policy Developments

- The Act on the Administration of Free Trade-Industrial Zones of the I. R. Iran of the Iranian year 1372 (1993) and its Revising Act of the Iranian year 1377 (1999)
- The Export-Import Regulations Act of the Iranian year 1372 (1993) and its Executive Ordinance of the Iranian year 1373 (2004) together with its subsequent amendments
- The 1991 Act on the Cooperatives Sector of the Economy of the Islamic Republic of Iran (the Iranian year 1370)
- The 1921 Act on the Registration of Corporations (the Iranian year 1310)
- Foreign Investment Promotion and Protection Act 2002 (FIPPA)
- Customer's Right Protection Law³
- Electronic Commerce Law⁴
- Law on the Administration of Free Trade-Industrial Zones⁵

5. (Regional) Economic Treaties to which the State is a Signatory

- Pakistan- Iran PTA (2004)
- Uzbekistan-Iran FTA (2024)
- Eurasian Economic Union-Iran Free Trade Agreement
- Member of the Shanghai Cooperation Organization (SCO)
- Member of BRICS

³Ministry of Commerce, Protection of Customer's and Producer's Rights Organization
Customer's Right Protection Law <https://en-economic.mfa.ir/en/cdk/func/getFile/file_ctp_id/602/file_id/184/file_field/cnt_file/file/Customer's+right+protection+law.pdf> accessed 10 February 2025.

⁴Electronic Commerce Law of the Islamic Republic of Iran <https://en-economic.mfa.ir/en/cdk/func/getFile/file_ctp_id/602/file_id/184/file_field/cnt_file/file/Electronic+Commerce+Law+of+the+Islamic+Republic+of+Iran.pdf> accessed 10 February 2025.

⁵Law on the Administration of Free Trade-Industrial Zones of the Islamic Republic of Iran, <https://en-economic.mfa.ir/en/cdk/func/getFile/file_ctp_id/602/file_id/184/file_field/cnt_file/file/Law+on+the+Administration+of+Free+Trade-Industrial+Zones.pdf> accessed 10 February 2025

6. Plurilaterals

N/A

7. *Proceedings initiated against the state, or by it, before international fora for the adoption/implementation of industrial policy measures (e.g., before WTO panels, the WTO's AB)*

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