

Budget Law for 1388, as the last budget law in the 4th FYDP (1384-1388) was designed within the framework of the mentioned Plan and without borrowing from the banking system. This was based on the Twenty-Year Vision Plan; sectoral and trans-sectoral documents of the 4th Plan; as well as General Policies of Article 44 of the Constitution. The prerequisites of the 1388 Budget Law were as follows:

- Continuation of the budgeting system restructuring process, including amendment of the composition of the Budget Law for 1388, as well as transparency of its sources and uses;
- Increase in the authorities conferred upon executive bodies for the formulation and implementation of the 1388 Budget Law;
- Observance of economization in budget bills for the presentation of a balanced budget within the framework of provisions of Article 2 of the 4th FYDP Law;
- Completion of unfinished projects, which raise production of goods and services, with priority accorded to major projects that end in 1388, as well as rejection of any new projects, except for essential ones;
- Continuation of privatization process based on the Law for Implementation of

General Policies of Article 44 of the Constitution, paving the way for government downsizing, eliminating unnecessary managerial tasks, and focusing on the affairs of the state;

- Allocation of privatization proceeds, within the framework of the provisions of the Law for Implementation of General Policies of Article 44 of the Constitution, to creation of economic infrastructures, with priority accorded to less developed regions; self-sufficiency of deprived households; strengthening of social security; and development of the cooperative sector;
- Enhancement of goods and services production, increase of productivity, systematization of collection of government revenues, with special emphasis on Tax Administration Reform and Automation (TARA);
- Determination of outcomes of sectoral targets and policies in 1388 according to the 4th FYDP Law as well as sectoral, trans-sectoral, and provincial documents, and presentation of the annual budget bill based on the stated targets;
- Full implementation of government approvals in provinces for the attainment of a balanced regional growth.

Implementation of the Budget (in general)

In the Budget Law for 1388, price of crude oil export was set at \$37.5 per barrel,

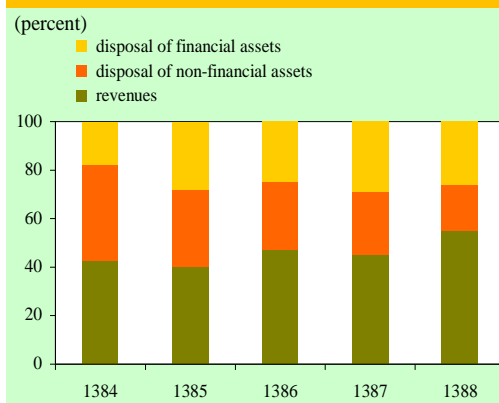
compared with \$45 in 1386 and \$55 in 1387. In the review year, the above-budget oil revenue, in accordance with the 4th Plan, was transferred to the OSF, to offset possible fluctuations in oil revenue resulting from oil price movements and to prevent the expansionary effects of the mentioned funds on the budget.

Based on the revised tables of the 1388 Budget Law, current revenues, and receipts from disposal of non-financial and financial assets (approved) reached Rls. 892,132.8 billion. Moreover, current expenditures, and disbursements on the acquisition of non-financial and financial assets totaled Rls. 977,132.8 billion. In order to balance the global revenues and expenditures (compensate for Rls. 85 trillion), the Parliament approved that government should reduce expenditure allocations during the budget implementation period. According to the Budget Law of 1388, this difference will be compensated for through lower allocations (lower than approved figures) in implementation of current expenditures, acquisition of non-financial (national and provincial) budget figures and the acquisition of financial assets, and miscellaneous items, except that the approved figures for acquisition of non-financial assets for projects in the appendix of the Budget Law which are planned to be finished in 1388, should be allocated at 100 percent. Meanwhile, Rls. 65 trillion was deducted from credits for the acquisition of non-financial assets, and Rls. 20 trillion from expenses. Thus, (primary) sources and uses of the Budget Law for 1388 totaled Rls. 892,132.8 billion. Revenues constituted 51.0 percent of the approved (primary) budget sources, disposal of non-financial assets 19.0 percent, and disposal of financial assets 30.0 percent. Expenses, acquisition of non-financial assets, and acquisition of financial assets constituted respectively 64.0, 24.6 and 11.4 percent of the approved (primary) budget uses.

Based on the 1388 Budget Law and the amendments thereto, approved revenues including taxes and other revenues (excluding special revenues) amounted to Rls. 484,770.9 billion, and approved expenses (excluding special expenditures) totaled Rls. 608,260.1 billion. Therefore, approved operating balance posted Rls. 123,489.2 billion deficit. Approved receipts and payments out of disposal and acquisition of non-financial assets (excluding special revenues and expenditures) reached Rls. 169,837.9 billion and Rls. 217,200 billion, respectively. Thus, approved operating and non-financial balance (sum of operating balance and net disposal of non-financial assets) ran Rls. 170,851.4 billion deficit, which was mainly financed out of the OSF.

The composition of sources of the approved government budget in 1388 (excluding special revenues) comprised 54.4 percent receipts from revenues, 19.0 percent from disposal of non-financial assets, and 26.6 percent from disposal of financial assets. Composition of uses of the approved government budget (excluding special expenditures) consisted of 68.2 percent for expenses, 24.3 percent for the acquisition of non-financial assets, and 7.5 percent for the acquisition of financial assets.

Figure 10.1. Composition of government budget



Review of the figures related to budget performance in 1388 indicates that general budget sources (excluding special revenues) were financed out of revenues by 55.2 percent, from disposal of non-financial assets by 18.8 percent, and from disposal of financial assets by 26.0 percent. Budget uses (excluding special expenditures) point to allocation of 70.3 percent for expenses, 23.4 percent for acquisition of non-financial assets, and 6.3 percent for acquisition of financial assets.

Government revenues, including taxes and other revenues (excluding special revenues) reached Rls. 466,546.1 billion, representing a realization of 96.2 percent compared with the approved figure and a growth of 23.0 percent against the respective figure of the preceding year. Out of total revenues, Rls. 300,035.5 billion (64.3 percent) was received from taxes and Rls. 166,510.6 billion (35.7 percent) from other revenues, compared with respectively 63.2 and 36.8 percent in the year before. In 1388, as in the

previous year, tax on oil exports totaled 5.0 percent of the value of crude oil production, while the provisional dividend payment to the government from the value-added of the crude oil production constituted 8.0 percent of the value of crude oil production. These figures¹ appeared under tax revenues and other revenues, respectively.

Government current expenses (excluding special expenditures) increased by 1.9 percent to Rls. 593,783.9 billion compared with the year before, representing 97.6 percent realization compared with the approved figure in the budget. Therefore, based on the performance of government revenues and expenses in 1388, operating balance posted a deficit of Rls. 127,237.8 billion.

Receipts from disposal of non-financial assets including sale of crude oil and oil products as well as movable and immovable assets were reduced by 26.8 percent to Rls. 158,613.3 billion compared with 1387, indicating 93.4 percent realization against

Sources and Uses of Government General Budget¹ (billion rials-percent)

| | Approved ² | | Percentage change | Share in total | | Performance | | Percentage change | Share in total | |
|-------------------------------------|-----------------------|------------------|-------------------|----------------|--------------|------------------|------------------|-------------------|----------------|--------------|
| | 1387 | 1388 | | 1387 | 1388 | 1387 | 1388 | | 1387 | 1388 |
| Sources | 917,985.3 | 892,132.8 | -2.8 | 100.0 | 100.0 | 842,202.5 | 845,273.2 | 0.4 | 100.0 | 100.0 |
| Revenues | 338,753.1 | 484,770.9 | 43.1 | 36.9 | 54.4 | 379,338.4 | 466,546.1 | 23.0 | 45.1 | 55.2 |
| Disposal of non-financial assets | 301,960.6 | 169,837.9 | -43.8 | 32.9 | 19.0 | 216,636.7 | 158,613.3 | -26.8 | 25.7 | 18.8 |
| Disposal of financial assets | 277,271.5 | 237,524.0 | -14.3 | 30.2 | 26.6 | 246,227.4 | 220,113.8 | -10.6 | 29.2 | 26.0 |
| Uses | 917,985.3 | 892,132.8 | -2.8 | 100.0 | 100.0 | 842,202.5 | 845,273.2 | 0.4 | 100.0 | 100.0 |
| Expenditures | 670,696.0 | 608,260.1 | -9.3 | 73.1 | 68.2 | 582,723.4 | 593,783.9 | 1.9 | 69.2 | 70.3 |
| Acquisition of non-financial assets | 223,503.8 | 217,200.0 | -2.8 | 24.3 | 24.3 | 223,018.7 | 198,173.1 | -11.1 | 26.5 | 23.4 |
| Acquisition of financial assets | 23,785.5 | 66,672.6 | 180.3 | 2.6 | 7.5 | 36,460.4 | 53,316.2 | 46.2 | 4.3 | 6.3 |

¹ Excludes special revenues and expenditures.

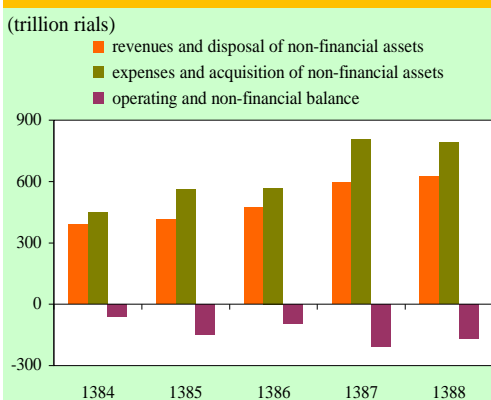
² Approved figures are revised based on budget amendments and supplements.

¹ Based on Article 5 of the Amendment to 1388 Budget (approved on Bahman 6, 1388), the government is authorized to raise "tax on oil exports" and "provisional dividend payment to the government from the value-added of the crude oil production" by Rls. 30 trillion compared with the figures mentioned in the Budget Law for 1388.

the approved figure in the budget. Disbursements on the acquisition of non-financial assets (development expenditures) decreased by 11.1 percent to Rls. 198,173.1 billion against the corresponding figure of previous year, revealing 91.2 percent realization compared with the approved figure. Thus, net disposal of non-financial assets posted Rls. 39,559.8 billion deficit in 1388.

Considering revenues and expenses as well as disposal and acquisition of non-financial assets, sum of operating balance and net disposal of non-financial assets ran a deficit of Rls. 166,797.6 billion, indicating 20.5 percent decrease compared with the corresponding figure of previous year. This figure was 2.4 percent lower than the approved figure. The mentioned deficit was financed out of surplus in net disposal of financial assets by Rls. 166,797.6 billion which was in turn due to disposal of financial assets by Rls. 220,113.8 billion and acquisition of financial assets by Rls. 53,316.2 billion.

Figure 10.2. Government fiscal position



In the review year, State Tax Organization took measures in line with the Twenty-Year Vision Plan, general policies of Article 44 of the Constitution, and the 4th Plan Law. These measures included the increasing of tax income, reduction of tax collection costs, automation (computerization or mechanization) of tax system, and improvement in the health and productivity of government bureaucracy.

Government Fiscal Position¹

(billion rials)

| | 1386 | 1387 | 1388 | Percentage change | |
|---|-------------------|-------------------|-------------------|-------------------|--------------|
| | | | | 1387 | 1388 |
| Revenues | 298,203.1 | 379,338.4 | 466,546.1 | 27.2 | 23.0 |
| Taxes | 191,815.3 | 239,741.4 | 300,035.5 | 25.0 | 25.1 |
| Other | 106,387.8 | 139,597.0 | 166,510.6 | 31.2 | 19.3 |
| Expenses (current) | 421,284.7 | 582,723.4 | 593,783.9 | 38.3 | 1.9 |
| Operating balance | -123,081.6 | -203,385.1 | -127,237.8 | 65.2 | -37.4 |
| Disposal of non-financial assets | 174,791.8 | 216,636.7 | 158,613.3 | 23.9 | -26.8 |
| Acquisition of non-financial assets (development expenditures) | 147,751.9 | 223,018.7 | 198,173.1 | 50.9 | -11.1 |
| Net disposal of non-financial assets | 27,040.0 | -6,382.0 | -39,559.8 | -123.6 | ⊖ |
| Operating and non-financial balance | -96,041.7 | -209,767.0 | -166,797.6 | 118.4 | -20.5 |
| Ratio to GDP | | | | | |
| | Percent | | | Percentage points | |
| Revenues | 10.4 | 11.2 | 13.1 | 0.8 | 1.9 |
| Taxes | 6.7 | 7.1 | 8.4 | 0.4 | 1.3 |
| Other | 3.7 | 4.1 | 4.7 | 0.4 | 0.5 |
| Expenses (current) | 14.7 | 17.2 | 16.7 | 2.5 | -0.6 |
| Operating balance | -4.3 | -6.0 | -3.6 | -1.7 | 2.4 |
| Disposal of non-financial assets | 6.1 | 6.4 | 4.5 | 0.3 | -2.0 |
| Acquisition of non-financial assets (development expenditures) | 5.2 | 6.6 | 5.6 | 1.4 | -1.0 |
| Net disposal of non-financial assets | 0.9 | -0.2 | -1.1 | -1.1 | -0.9 |
| Operating and non-financial balance | -3.4 | -6.2 | -4.7 | -2.9 | 1.5 |

¹Excludes special revenues and expenditures.

Other bold actions included execution of Tax Administration Reform and Automation (TARA), establishment of the Integrated Tax System (ITS), implementation of the Value-added Tax (VAT), implementation of tax Process Standardization project (PSD), standardization of tax exemptions, taxpayers' confidence building, and strengthening of tax culture.

Figure 10.3. Ratio of selected budget items to GDP

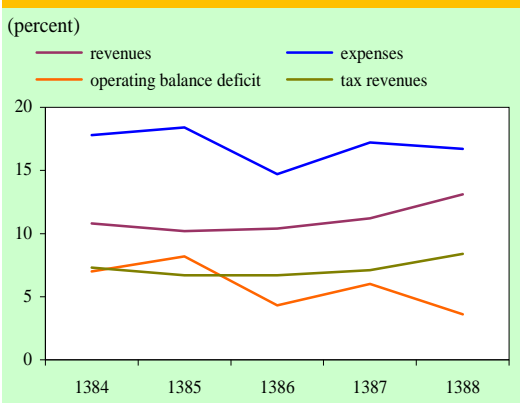
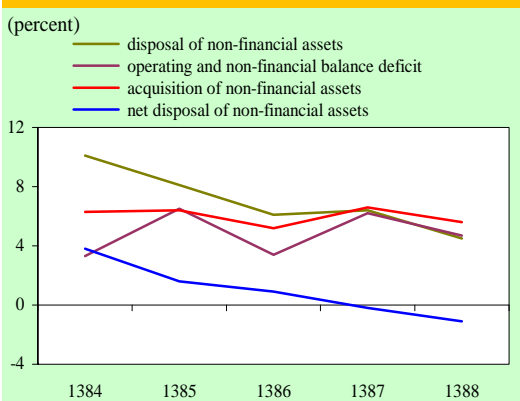


Figure 10.4. Ratio of selected budget items to GDP



4th Five-Year Development Plan

Based on the 4th FYDP Law, government budgetary and fiscal policies were formulated

within the framework of such targets as realization of sustainable, stable and rapid economic growth proportionate to the targets set in the Twenty-Year Vision Plan, attainment of budgetary and fiscal discipline, creation of balance between government sources and uses of funds, elimination of dependence of current expenditures on oil revenues and the financing of such expenditures out of tax revenues, allocation of proceeds acquired from oil exports for development of investment based on efficiency, and formulation of financial, monetary and exchange policies aimed at achieving sustained financial stability.

Among the major measures adopted during the 4th Plan were: approval and implementation of the Amendment to Several Provisions of the 4th FYDP Law and Implementation of General Policies of Article 44 of the Constitution, approval and implementation of the VAT Law, conclusion of a new petroleum contract between the government and the NIOC for the transparency and establishing of a fiscal regime for oil sector, privatization of public corporations through distribution of Justice (Edalat) shares, implementation of gasoline rationing project, and financing of government budget deficit through sources other than the banking system.

Regarding the quantitative targets of the government general budget during the 4th Plan, the 24.2 percent annual average growth of tax revenues, 16.2 percent increase in other government revenues, 10.0 percent growth of expenses, and 22.4 percent rise in disbursements on the acquisition of non-financial assets are notable. Therefore, higher than targeted annual average growth of several aggregates was witnessed during this Plan, leading to higher annual average growth of approved tax revenues by 4.3 percentage points and approved expenses by 12.3 percentage points as compared with the set targets. Moreover, annual average

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growth of the performance figures for tax revenues and expenses were respectively

4.7 and 10.7 percentage points more than the targets set in the 4th FYDP.

Government General Budget¹ Comparison of Targets and Performance Figures during the 4th FYDP (billion rials-percent)

| | Average | | | Annual average growth | | | Share in total sources and uses | | Realization | |
|--|-----------|-----------|-------------|-----------------------|----------|-------------|---------------------------------|-------------|-------------------------------------|--|
| | Target | Approved | Performance | Target | Approved | Performance | Approved | Performance | Ratio of approved figures to target | Ratio of performance to approved figures |
| Tax revenues | 186,388.0 | 209,622.0 | 203,557.5 | 24.2 | 28.5 | 28.9 | 29.3 | 30.3 | 112.5 | 97.1 |
| Revenues received from sale of crude oil and oil products ² | 167,477.4 | 201,075.1 | 183,042.1 | 5.5 | 1.7 | 1.0 | 28.1 | 27.2 | 120.1 | 91.0 |
| OSF utilization | .. | 133,501.4 | 132,851.7 | .. | 16.1 | 15.9 | 18.7 | 19.8 | .. | 99.5 |
| Sale of participation papers | 3,700.0 | 5,080.0 | 3,342.9 | .. | .. | .. | 0.7 | 0.5 | 137.3 | 65.8 |
| Privatization of public corporations | .. | 45,605.4 | 21,891.5 | .. | 30.5 | 86.2 | 6.4 | 3.3 | .. | 48.0 |
| Expenses (current expenditures) | 271,352.3 | 491,570.8 | 468,892.9 | 10.0 | 22.3 | 20.7 | 68.8 | 69.7 | 181.2 | 95.4 |
| Acquisition of non-financial assets (development expenditures) | 179,770.4 | 182,774.2 | 166,430.7 | 22.4 | 15.1 | 22.3 | 25.6 | 24.7 | 101.7 | 91.1 |

¹ Excludes the figure for transparency in price (subsidy) of energy carriers in 1384, as well as special revenues and expenditures. Moreover, it includes budget amendments and supplements.

² According to Table 4 of the 4th FYDP Law, sale of oil products was considered as zero.

Box 1- Oil Revenues during the 4th FYDP

Oil revenues envisaged in the government general budget comprise proceeds acquired from export of crude oil and oil products, tax on oil exports, provisional dividend payment to the government from the value-added of the crude oil production, excess dividend of the NIOC, and withdrawals from the OSF. According to Article 1 of the 4th FYDP Law, excess revenues received from export of crude oil compared with the figures mentioned in

Table 8 of the said Law, should be deposited in government's savings account with the Central Bank, namely "Oil Stabilization Fund (OSF)" to regulate the financial relationship between the government and the NIOC. Moreover, based on Article 1 of the 4th Plan, withdrawals from the OSF referred to in this Article would be solely permissible within the framework of annual budget laws. Thus, based on the budget laws for 1384, 1385 and 1386, the

Box 1 (cont.)-Oil Revenues during the 4th FYDP

NIOC was obliged to deposit 5.0 percent of the value of crude oil production as "tax on oil exports" and 4.5 percent as the "provisional dividend payment to the government from the value-added of the crude oil production". Based on the budget laws for 1387 and 1388, provisional dividend payment to the government from the value-added of the crude oil production went up to 8.0 percent. Furthermore, in accordance with the Budget Law for 1388, a budgetary item titled "excess dividend of the NIOC in 1387" was created.

During the 4th FYDP, Rls. 392,069.3 billion (on annual average basis) of the government general budget was related to oil, rising from Rls. 316,276.8 billion in 1384 to Rls. 410,636.3 billion in the last year of the 4th Plan.

Review of the share of oil revenues in total revenues during the 4th Plan points to reduction in the share of such revenues from 67.2 percent in 1384 to 48.6 percent in 1388. Share of performance of oil revenues in total revenues was 58.3 percent, on average, during the course of the 4th FYDP.

Performance of Oil Revenues during the 4th FYDP¹

(billion rials-percent)

| | 1384 | 1385 | 1386 | 1387 | 1388 | Average |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Sale of crude oil and oil products | 186,342.4 | 181,881.2 | 173,519.1 | 215,650.3 | 157,817.5 | 183,042.1 |
| Tax on oil exports | 31,869.0 | 26,134.0 | 29,236.5 | 36,700.4 | 36,731.6 | 32,134.3 |
| Provisional dividend payment to the government from the value-added of the crude oil production | 28,682.0 | 23,520.6 | 26,312.9 | 58,720.6 | 58,776.3 | 39,202.5 |
| Excess dividend of the NIOC in 1387 | 0.0 | 0.0 | 0.0 | 0.0 | 24,194.0 | 4,838.8 |
| OSF utilization | 69,383.4 | 142,573.0 | 106,994.3 | 212,190.9 | 133,117.0 | 132,851.7 |
| Total oil revenues | 316,276.8 | 374,108.7 | 336,062.7 | 523,262.0 | 410,636.3 | 392,069.3 |
| Share of oil revenues in total revenues | 67.2 | 65.1 | 53.4 | 62.1 | 48.6 | 58.3 |

¹ Excludes the figure for transparency in price (subsidy) of energy carriers in 1384, as well as special revenues and expenditures. Includes budget amendments and supplements.

Ratio of tax revenues to total revenues is a major indicator of government fiscal performance in oil exporting countries. The higher the stated ratio, the more stable the budgetary sources will be. Based on the performance figures, this ratio stood at 30.3 percent, on average, during the 4th FYDP. Ratio of tax revenues to total revenues

during the term of the 4th Plan had an increasing trend from 28.6 percent in 1384 to 35.5 percent in 1388. Moreover, ratio of tax revenues (excluding tax on oil exports) to total resources rose from 21.8 percent in 1384 to 31.2 percent in 1388. Based on performance figures, expenses constituted 69.7 percent of total uses, and disbursements

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on the acquisition of non-financial assets 24.7 percent (on annual average basis).

According to Article 2 of the 4th FYDP Law, the government was obliged to finance expenses out of tax revenues and other non-

oil revenues before the end of the 4th Plan. Ratio of the performance of non-oil revenues to expenses increased from 46.8 percent in 1384 to 73.2 percent in 1388. However, full targeted financing of expenses out of non-oil revenues was not realized.

Major Ratios of Government General Budget during the 4th FYDP¹ (percent)

| Ratio | 1384 | | 1385 | | 1386 | | 1387 | | 1388 | | Average | |
|--|---------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|
| | Ap- proved | Perfor- mance | Ap- proved | Perfor- mance | Ap- proved | Perfor- mance | Ap- proved | Perfor- mance | Ap- proved | Perfor- mance | Ap- proved | Perfor- mance |
| Revenues to total resources | 38.4 | 42.5 | 40.9 | 40.2 | 43.4 | 47.4 | 36.9 | 45.0 | 54.3 | 55.2 | 43.3 | 46.8 |
| Tax revenues to total resources | 27.3 | 28.6 | 29.7 | 26.4 | 30.9 | 30.5 | 23.7 | 28.5 | 35.0 | 35.5 | 29.3 | 30.3 |
| Tax revenues (excluding tax on oil exports) to total resources | 21.3 | 21.8 | 25.3 | 21.8 | 26.3 | 25.8 | 19.7 | 24.1 | 30.9 | 31.2 | 24.8 | 25.5 |
| Tax revenues (excluding tax on oil exports) to expenses | 32.4 | 31.0 | 37.2 | 30.2 | 39.5 | 38.6 | 26.9 | 34.8 | 45.3 | 44.3 | 36.1 | 36.6 |
| Expenses to total uses | 65.7 | 70.3 | 68.2 | 72.3 | 66.5 | 66.9 | 73.1 | 69.2 | 68.2 | 70.2 | 68.8 | 69.7 |
| Acquisition of non-financial assets to total uses | 26.3 | 25.0 | 29.5 | 25.3 | 24.8 | 23.5 | 24.3 | 26.5 | 24.3 | 23.4 | 25.6 | 24.7 |

Source: Annual budget laws, Ministry of Economic Affairs and Finance, and documents of the 4th FYDP

¹Excludes the figure for transparency in the price (subsidy) of energy carriers in 1384, as well as special revenues and expenditures. Includes budget amendments and supplements.

Share of Non-oil Revenues in the Financing of Expenses during the 4th FYDP¹ (billion rials-percent)

| | 1384 | 1385 | 1386 | 1387 | 1388 | Average |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Non-oil revenues ² | 154,713.4 | 200,880.4 | 293,546.3 | 318,940.5 | 434,636.8 | 280,543.5 |
| Expenses (current expenditures) | 330,884.1 | 415,788.1 | 421,284.7 | 582,723.4 | 593,783.9 | 468,892.9 |
| Share of non-oil revenues in the financing of expenses | 46.8 | 48.3 | 69.7 | 54.7 | 73.2 | 59.8 |

¹Excludes the figure for transparency in the price (subsidy) of energy carriers in 1384, as well as special revenues and expenditures. Includes budget amendments and supplements.

²Includes tax revenues (excluding tax on oil exports), other revenues (excluding provisional dividend payment to the government from the value-added of the crude oil production, and excess dividend of preceding year), receipts from sale of movable and immovable assets, and disposal of financial assets (without any withdrawals from the OSF).

Among the basic assumptions of the 4th FYDP for the downsizing of the government and curtailment of expenditure growth were the gradual elimination of public corporations' privatization proceeds from government budget income and allocation of these proceeds to the reconstruction and renovation of industries. There were major achievements regarding promotion of privatization and ratification of pertinent regulations during the term of the 4th Plan, which include: introduction of various methods, other than transfer of public corporations' shares, for privatization; presentation of a timetable for the identification and separation of the affairs of the state and monopolistic activities as well as those sectors the private sector is not willing to invest in; and the presentation

of a program for determination of the status of public corporations, which should be privatized within the framework of 13 Articles mentioned in this Plan. Based on the data released by the Iranian Privatization Organization, RIs. 670,054 billion shares were transferred to private sector, non-governmental public sector (for the repayment of debts) and cooperative sector (through distribution of Justice "Edalat" shares) during the 4th FYDP.

Review of public corporations' privatization proceeds (performance figure) reveals 48 percent realization against the approved figures, which is less than half of the targets set for privatization of public corporations during the 4th Plan.

Performance of Public Corporations' Privatization Program Implemented by the Iranian Privatization Organization during the 4th FYDP (billion rials)

| | 1384 | 1385 | 1386 | 1387 | 1388 | Total |
|---|------------|---------------|----------------|----------------|----------------|----------------|
| Private sector | 764 | 3,655 | 45,018 | 40,763 | 119,884 | 210,084 |
| Non-governmental public sector (repayment of debts) | 0 | 0 | 27,482 | 31,240 | 59,140 | 117,862 |
| Cooperative sector (Justice "Edalat" shares) | 0 | 21,735 | 177,437 | 142,936 | 0 | 342,108 |
| Total sales value | 764 | 25,390 | 249,937 | 214,939 | 179,024 | 670,054 |

Source: Iranian Privatization Organization, Dey 1390

Public Corporations' Privatization Proceeds during the 4th FYDP¹ (billion rials)

| | 1384 | | 1385 | | 1386 | | 1387 | | 1388 | | Total | | Realization (percent) |
|---|-----------------|----------------|----------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|-----------------------|
| | Approved | Performance | Approved | Performance | Approved | Performance | Approved | Performance | Approved | Performance | Approved | Performance | |
| Public corporations' privatization proceeds | 5,000.0 | 1,362.6 | 7,400.0 | 818.6 | 30,000.0 | 5,329.9 | 30,000.0 | 10,959.3 | 32,100.0 | 18,426.4 | 104,500.0 | 36,896.8 | 35.3 |
| Public corporations' privatization proceeds (cumulative expenditures) | 25,000.0 | 424.0 | 0.0 | 0.0 | 27,627.0 | 27,627.0 | 12,000.0 | 0.0 | 22,000.0 | 19,500.0 | 86,627.0 | 47,551.0 | 54.9 |
| Other ¹ | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4,000.0 | 0.0 | 32,900.0 | 25,009.7 | 36,900.0 | 25,009.7 | 67.8 |
| Total | 30,000.0 | 1,786.6 | 7,400.0 | 818.6 | 57,627.0 | 32,956.9 | 46,000.0 | 10,959.3 | 87,000.0 | 62,936.2 | 228,027.0 | 109,457.6 | 48.0 |

Source: Annual budget laws, and Treasury General, Ministry of Economic Affairs and Finance

¹ In 1387, it includes receipts from privatization of mines (approved in the Budget Law for 1387), and in 1388, it comprises receipts from transfer of public corporations to Social Security Organization (paragraph 39, Single Article of the Budget Law for 1388), privatization of mines (paragraph 54, Single Article of the Budget Law for 1388), and shares of development organizations and cooperative sector (paragraph 51, Single Article of the Budget Law for 1388).

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According to basic assumptions of the 4th Plan, sale of participation papers was targeted to decrease from Rls. 10 trillion in 1383 to zero at the end of this Plan.

Review of the performance of participation papers during the 4th FYDP points to

realization of the targeted reduction in the sale of these papers. A sum of Rls. 16,714.3 billion participation papers were sold in the course of the 4th Plan. During 1387-1388, the government general budget was not financed through the sale of participation papers.