

The main role of an efficient transportation system is to provide and enhance access to different locations for people and businesses and in that sense it contributes enormously to economic development in general. Development of transportation infrastructure and services can highly reduce financial and time costs of access to locations and set the ground for higher economic growth and a balanced development of regions and sectors. Well-developed transportation links and networks affect relative competitiveness of regions and sectors, lower costs of access to resources and markets, and generate significant economic growth potential at national and regional levels. Therefore, investment in transportation sector could have multiple effects on the economy, in terms of both maintaining the current quality and strengthening the infrastructure.

Transportation sector in Iran had a remarkable progress in the past decades, mainly due to large capital investments in this sector. However, considering the vastness and geopolitical status of the country in the Middle East region, further development of the transportation sector is admissible as this sector is still far from the ideal condition.

In the land transport sector (rail and road), 203.5 million passengers and 543.6 million tons of goods were transported, showing respectively 5.3 and 5.9 percent decrease compared with the year before. In the sea and air transport sectors, a total of 45.3 million passengers and 131.9 million tons of goods were transported, indicating 0.2 percent increase and 10.1 percent decline, respectively, compared with 1393.

Table 6.1. Performance of Transportation Fleet in 1394

	Passengers		Goods	
	Number (million persons)	Share (percent)	Weight (million tons)	Share (percent)
Road	179.0	72.0	508.0	75.2
Rail	24.5	9.8	35.6	5.3
Sea	16.5	6.6	131.8	19.5
Air	28.8	11.6	0.09	*
Total	248.8	100.0	675.5	100.0

Source: Statistical yearbooks of the Islamic Republic of Iran Road Maintenance and Transportation Organization and Islamic Republic of Iran Railways, Ports and Maritime Organization, and Civil Aviation Organization.

Government Investment

Based on the Budget Law for 1394, a sum of Rls. 55.9 trillion was approved as credits for acquisition of non-financial-national assets projects of transportation sector (road, air, sea, and rail), up by 34.8 percent compared with the approved figure of the previous year. According to the Treasury General, the government spent Rls. 20.2 trillion for the implementation of transportation sector projects, showing 36.1 percent realization compared with the approved figure and 44.6 percent decrease compared with 1393.

In 1394, road and rail transport sectors accounted for the highest shares of paid credits by 58.9 and 39.8 percent. Performance figures for the road and rail transport sectors fell by 45.8 and 41.3 percent, respectively.

Freight and Passenger Transport

Road Transport

In 1394, the share of road transport sector in total carried passengers was 72.0 percent and in total carried goods, 75.2 percent. Moreover, 508 million tons of goods (with and

without bill of lading) were carried by road, showing 6.4 percent fall compared with 1393. Approximately 10.9 million tons of goods were transited by road, showing 11.5 percent decrease compared with the year before.

In this year, 179 million passengers using the public transport system were carried by road (based on manifest), indicating 5.8 percent decline compared with the previous year. The number of carried passengers measured in person-kilometers decreased by 4.0 percent and reached 47.8 billion person-kilometers. In 1394, the average number of carried passengers was 11.1 persons and the average distance traveled by public transport was 200 kilometers (based on manifest). The total number of passengers using public transport system was 290 million, 179 million of whom were related to trips with manifest. Moreover, the length of the roads under the supervision of the Ministry of Roads and Urban Development (excluding rural roads) reached 86.2 thousand kilometers by end-1394, of which 2.8 percent were freeways, 17.9 percent highways, 27.7 percent main roads, and 51.6 percent side roads.

Table 6.2. Credits Paid for Acquisition of Non-financial-National Assets in Transportation Sector

	1392	1393	1394	Percentage change	
				1393	1394
Transportation sector	35,787.2	36,437.8	20,178.1	1.8	-44.6

Source: Treasury General, Ministry of Economic Affairs and Finance.

Table 6.3. Road Transport

	1392	1393 ▲	1394	Percentage change	
				1393	1394
Carried goods (million tons)	621	543	508	-12.6	-6.4
Transited goods (million tons)	11.6	12.3	10.9	6.5	-11.5
Carried passengers					
Total carried passengers based on manifest (million persons)	211	190	179	-10.0	-5.8
Public transport (million persons)	388	308	290	-20.6	-5.8
Share of public transport in carried passengers (percent)	54.4	61.7	61.7	7.3 ¹	0.04 ¹

Source: Statistical Yearbook of Islamic Republic of Iran Road Maintenance and Transportation Organization. ¹ In percentage points.

Rail Transport

In 1394, a total of 24.5 million passengers were carried by rail, registering 1.4 percent fall compared with the previous year. Accordingly, rail share in total carried passengers was 9.8 percent.

Total goods carried by railway increased by 2.1 percent to 35.6 million tons. Rail share in total freight transport was 5.3 percent. Furthermore, about 1,435 thousand tons of goods (including oil and non-oil goods) were transited by rail, up by 80.1 percent compared with the year before.

The number of locomotives reached 901 at end-1394, revealing 3.7 percent growth compared with the previous year. The ratio of operating locomotives to total locomotives (operation coefficient) was 60.5 percent, showing 1.9 percentage points increase compared with the previous year. Moreover, 225.0 kilometers of railroads were renovated and 175.1 kilometers of railroads were reconstructed.

Air Transport

The total number of air passengers in 1394 rose by 2.5 percent to 28.8 million persons. Therefore, air share in total passenger transport equaled 11.6 percent. The share of non-public sector in domestic flights was 88.0 percent and in international flights, 74.6 percent. The number of passenger aircraft belonging to the national air fleet increased by 10.7 percent to 268 in this year.

In 1394, the amount of cargo carried by air (domestically and abroad) amounted to 86.2 thousand tons, indicating 18.1 percent rise compared with the previous year.

Figure 6.1. Growth in the number of carried passengers

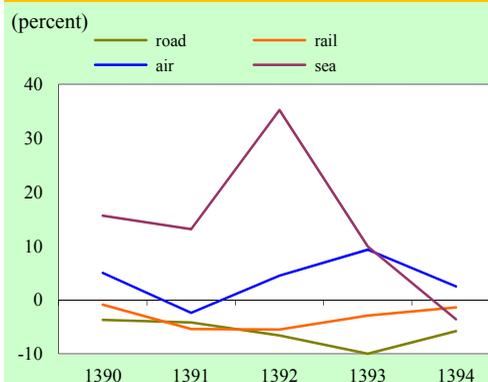


Figure 6.2. Shares of passenger and freight vehicles based on age of vehicles by end-1394

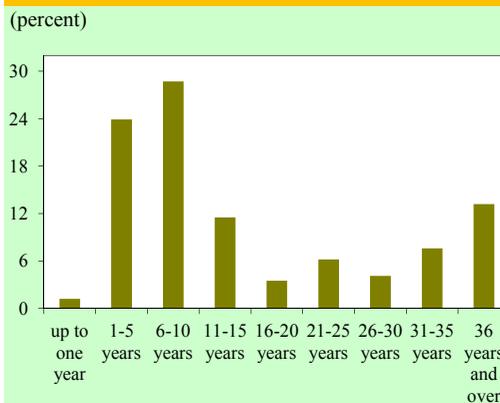


Table 6.4. Rail Transport

	1392	1393	1394	Percentage change	
				1393	1394
Carried passengers (million persons)	25.5	24.8	24.5	-2.9	-1.4
Carried goods (million tons)	32.7	34.9	35.6	6.8	2.1
Transited goods (thousand tons)	530.0	797.0	1,435.0	50.4	80.1

Source: Statistical Yearbook of Islamic Republic of Iran Railways.

Sea Transport

The nominal capacity of commercial ports (oil and non-oil goods) reached 209.0 million tons in 1394, indicating 4.5 percent growth compared with the previous year. Moreover, the capacity of the commercial sea transportation fleet was about 7.0 million tons in this year, remaining unchanged compared with 1393.

Port container traffic decreased by 14.6 percent from 2,460.0 thousand TEU¹ in the year before to 2,102.0 thousand TEU in 1394. Furthermore, port container capacity amounted to 4.9 million TEU, remaining unchanged compared with the previous year.

Performance of ports in 1394 indicated that loading and unloading of oil products amounted to 45.9 million tons, up by 4.3 percent. Loading and unloading of non-oil goods, on the other hand, reached 85.9 million tons, down by 16.3 percent compared with the previous year.

Table 6.6. Loading and Unloading of Goods at Ports (million tons)

	1392	1393	1394	Percentage change	
				1393	1394
Non-oil goods	95.2	102.7	85.9	7.8	-16.3
Oil products	44.1	44.0	45.9	-0.3	4.3
Total	139.3	146.7	131.8	5.3	-10.1

Source: Ports and Maritime Organization.

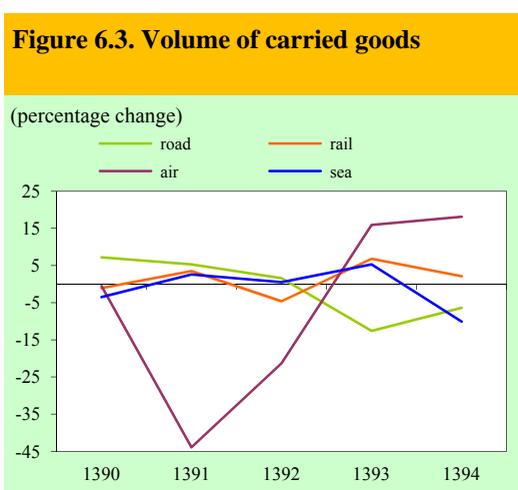


Table 6.5. Air Transport

	1392	1393	1394	Percentage change	
				1393	1394
Carried passengers (million persons)	25.7	28.1	28.8	9.3	2.5
Domestic flights	16.6	17.4	18.2	4.8	4.6
International flights	9.1	10.7	10.6	17.6	-0.9
Carried goods (thousand tons)	63.0	73.0	86.2	15.9	18.1
Transit flights (thousand)	179.0	273.0	315.0	52.5	15.4

Source: Civil Aviation Organization.

¹ Twenty-foot Equivalent Unit.