

**T**ransport infrastructure plays a key role in the country's economic development and progress. It affects all areas of production, distribution, and consumption of goods and services to a large extent and accelerates the country's economic growth. Due to the geographical and regional advantages of the country, the advancement of the transport infrastructure plays a crucial role in improving economic, social, and cultural activities. Based on national accounts statistics, the transport, storage, and communication sector posted a growth rate of 2.6 percent in 2018/19 (at constant 2011/12 prices). The share of this group in GDP was 10.8 percent at current prices.

In the land transport sector (rail and road), 176.1 million passengers and 552.5 million tons of goods were transported in 2018/19, indicating respectively 1.3 percent decrease and 4.9 percent rise compared with

the year before. In the sea and air transport sectors, about 47.6 million passengers and 139.7 million tons of goods were transported, showing respectively 13.8 and 11.0 percent decrease compared with 2017/18.

### Government Investment

According to the Treasury General, a sum of Rls. 92.0 trillion was approved as credits for the acquisition of non-financial assets of the transportation sector (road, air, sea, and rail) in 2018/19, down by 35.6 percent. The government allocated Rls. 65.7 trillion for the implementation of transportation sector projects, accounting for 71.4 percent of the approved figure. The amount of paid credits showed 33.0 percent decrease. The road and rail development projects had the highest shares of paid credits by 71.4 and 26.8 percent, respectively. The credit performance of these sectors showed 9.4 and 61.0 percent decrease, respectively.

**Table 6.1. Performance of Transportation Fleet in 2018/19**

	Passengers		Goods	
	Number (million persons)	Share (percent)	Weight (million tons)	Share (percent)
Road	148.0	66.2	502.0	72.5
Rail	28.1	12.6	50.5	7.3
Air	29.6	13.3	0.11	*
Sea	17.9	8.0	139.6	20.2
<b>Total</b>	<b>223.7</b>	<b>100.0</b>	<b>692.2</b>	<b>100.0</b>

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.

**Table 6.2. Credits Paid on Acquisition of Non-financial Assets in Transportation Sector**

(billion rials)

	Year			Percentage Change	
	2016/17	2017/18	2018/19	2017/18	2018/19
Transportation sector	91,752.0	98,058.5	65,672.8	6.9	-33.0

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

## Freight and Passenger Transport

### Road Transport

In 2018/19, the share of road transport sector in total carried passengers was 66.2 percent and in total carried goods, 72.5 percent. Moreover, 502 million tons of goods (with and without bill of lading) were carried by road, showing 4.6 percent rise compared with 2017/18. Approximately 9.1 million tons of goods were in transit, showing 2.2 percent decrease compared with the year before.

In this year, 148 million passengers were carried by road via the public transport system (based on manifest), indicating 3.9 percent decline. The number of carried passengers measured in persons-kilometers decreased by 0.5 percent to reach 43.7 billion. In 2018/19, the average number of carried passengers was 10 persons and the average distance traveled by public transport was 220 kilometers (based on manifest). The total number of passengers using public transport system was 278 million, 148 million of whom were related to trips with manifest.

The length of the roads under the supervision of the Ministry of Roads and Urban Development (excluding rural roads) reached 88.9 thousand kilometers by March 2019, of which 2.7 percent were freeways, 20.4 percent highways, 29.0 percent main roads, and 47.9 percent side roads.

### Rail Transport

In 2018/19, a total number of 28.1 million passengers were carried by rail, registering 14.8 percent increase compared with 2017/18. Accordingly, rail share in total carried passengers was 12.6 percent.

Total goods carried by railway increased by 7.9 percent compared with 2017/18 to reach 50.5 million tons in 2018/19. Rail share in total freight transport was 7.3 percent. Furthermore, about 1,585 thousand tons of oil and non-oil goods were in transit, indicating 0.1 percent decrease compared with the year before.

**Table 6.3. Road Transport**

	2016/17	2017/18	2018/19	Percentage change	
				2017/18	2018/19
<b>Carried goods (million tons)</b>	<b>438</b>	<b>480</b>	<b>502</b>	<b>9.6</b>	<b>4.6</b>
Goods in transit (million tons)	7.8	9.3	9.1	18.8	-2.2
<b>Carried passengers</b>					
Carried passengers based on manifest (million persons)	167	154	148	-7.8	-3.9
Total passengers carried via public transport (million persons)	271	250	278	-7.7	11.2
Share of carried passengers based on manifest in total (percent)	61.6	61.6	53.2	* <sup>1</sup>	-8.4 <sup>1</sup>

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

**Table 6.4. Rail Transport**

	2016/17	2017/18▲	2018/19	Percentage change	
				2017/18	2018/19
Carried passengers (million persons)	23.0	24.5	28.1	6.2	14.8
Carried goods (million tons)	40.3	46.8	50.5	16.1	7.9
Goods in transit (thousand tons)	1,143.0	1,586.0	1,585.0	38.8	-0.1

Source: Statistical Yearbook of Islamic Republic of Iran Railways.

The number of locomotives reached 928 in March 2019, up by a mere 1.2 percent compared with 2017/18. The ratio of operating locomotives to total locomotives (operation coefficient) was 62.8 percent, showing 0.5 percentage point decrease compared with the year before. Moreover, 73.8 kilometers of railroads were renovated and 80.8 kilometers of railroads were reconstructed.

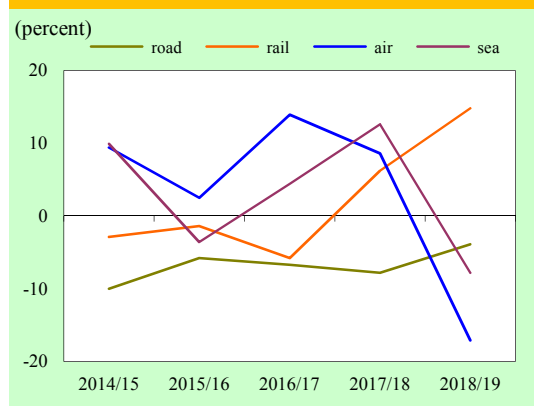
### Air Transport

The total number of air passengers in 2018/19 decreased by 17.1 percent to 29.6

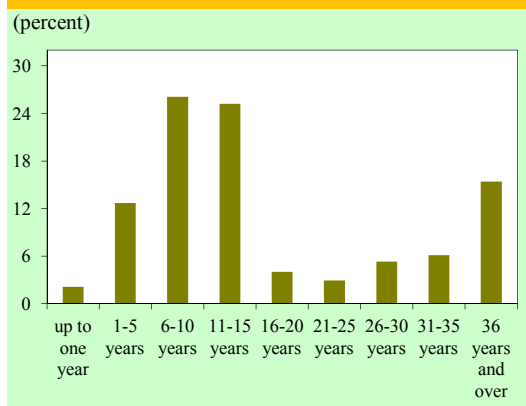
million. Therefore, air share in total passenger transport equaled 13.3 percent. The share of non-public sector in domestic flights was 85.9 percent and in international flights, 77.0 percent.

In 2018/19, the number of passenger aircraft belonging to the national air fleet slightly increased by 0.6 percent compared with the year before to reach 311. The amount of cargo carried by air (domestically and abroad) amounted to 105.8 thousand tons, indicating 3.9 percent decrease compared with 2017/18.

**Figure 6.1. Growth in the number of carried passengers**



**Figure 6.2. Share of passenger and freight vehicles based on age by March 2019**



**Table 6.5. Air Transport**

	2016/17	2017/18	2018/19	Percentage change	
				2017/18	2018/19
<b>Carried passengers (million persons)</b>	<b>32.9</b>	<b>35.7</b>	<b>29.6</b>	<b>8.6</b>	<b>-17.1</b>
Domestic flights	22.0	23.7	19.9	7.7	-16.0
International flights	10.9	12.0	9.7	10.6	-19.2
<b>Carried goods (thousand tons)</b>	<b>97.1</b>	<b>110.1</b>	<b>105.8</b>	<b>13.4</b>	<b>-3.9</b>
<b>Transit flights (thousand)</b>	<b>382.0</b>	<b>427.0</b>	<b>369.0</b>	<b>11.8</b>	<b>-13.6</b>

Source: Civil Aviation Organization.

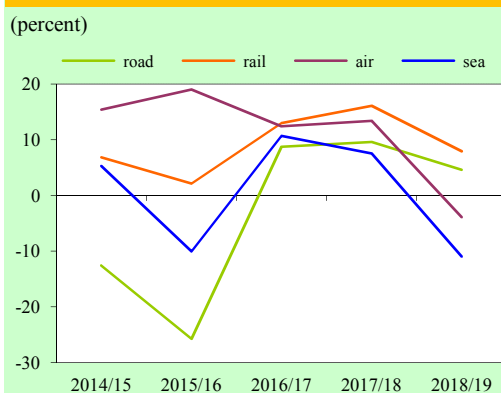
*Sea Transport*

The nominal capacity of commercial ports (oil and non-oil goods) reached 240.0 million tons in 2018/19, indicating 3.1 percent growth compared with the year before. Moreover, the capacity of the commercial sea transportation fleet was about 5.3 million tons in this year, up by 17.8 percent compared with 2017/18. Port container traffic decreased by 30.5 percent from 3,077 thousand TEU<sup>1</sup> in 2017/18 to 2,137 thousand TEU in 2018/19. Furthermore, port container capacity amounted to 7,560 thousand TEU, showing 7.1 percent growth compared with the year before.

Reviewing the performance of ports in 2018/19 indicates that loading and unloading of oil products<sup>2</sup> decreased by 7.9 percent to 44.0 million tons and loading and unloading

of non-oil goods decreased by 12.4 percent compared with the year before to reach 95.6 million tons.

**Figure 6.3. Growth in the weight of carried goods**



**Table 6.6. Loading and Unloading of Goods at Ports**

(million tons)

	2016/17	2017/18	2018/19	Percentage change	
				2017/18	2018/19
Non-oil goods	99.9	109.0	95.6	9.2	-12.4
Oil products	46.0	47.8	44.0	3.8	-7.9
<b>Total</b>	<b>145.9</b>	<b>156.8</b>	<b>139.6</b>	<b>7.5</b>	<b>-11.0</b>

Source: Ports and Maritime Organization.

<sup>1</sup> Twenty-foot Equivalent Unit.

<sup>2</sup> Including crude oil, various kinds of gasoline, gas oil, oils, lubricants, bitumen, as well as other oil and fuel products.