

Transportation is key to economic growth and development all over the world. Transportation infrastructure is the building block in connecting different sectors and regions of the national economy and plays a key role in interconnected channels of the markets. The communication networks connect production, distribution and consumption sectors, which lead to value-added creation in the national economy. The transportation network not only facilitates intersectoral transactions of goods but also plays a major role in carrying passengers all over the country. Based on national accounts data, "transport, storage, and communication", with a share of 9.4 percent in GDP, experienced 15.9 percent growth at constant (1376) prices.

**Performance of Transportation
Fleet in 1387**

	Passengers		Goods	
	Number (million persons)	Share in total	Amount (million tons)	Share in total
Road	845.8	94.2	511.5	77.7
Rail	26.2	2.9	33.0	5.0
Sea	5.4	0.6	113.9	17.3
Air	20.1	2.2	0.12	*
Total	897.5	100.0	658.5	100.0

Source: Statistical Yearbooks of the Islamic Republic of Iran Road Maintenance and Transportation Organization, Islamic Republic of Iran Railways, Ports and Maritime Organization, and the Ministry of Road and Transportation

In the land transport sector (rail and road), 872.0 million passengers and 544.5 million

tons of goods were transported, showing 6.5 and 5.5 percent increase, respectively. In the sea and air transport sectors, a total of 25.5 million passengers and 114 million tons of goods were transported, showing 9.0 and 6.4 percent increase, respectively, compared with the previous year.

Government Investment

According to the Budget Law for 1387, a sum of Rls. 31,119.8 billion was approved for the implementation of acquisition of non-financial-national assets projects in the transportation sector (road, air, sea, and rail), showing 84.8 percent rise compared with the previous year. According to the Treasury General, the government spent Rls. 16,634.1 billion for the implementation of transportation sector projects, showing 53.5 percent realization compared with the approved figure and 22.4 percent increase compared with last year's performance.

**Government Acquisition of Non-financial-National Assets in
Transportation Sector**

(billion rials)

	1385	1386	1387	Percentage change	
				1386	1387
Transportation sector	12,248.4	13,590.7	16,634.1	11.0	22.4

Source: Treasury General, Ministry of Economic Affairs and Finance

The highest shares of credits allocated to the transportation sector belonged to the road and rail transport sectors by 66.1 and 30.4 percent, respectively. The amount of credits approved to be allocated to the road and rail transport sectors were realized by 54.5 and 53.6 percent, respectively. In this year, "elimination and improvement of high accident spots with special emphasis on high traffic roads" accounted for 51.5 percent, "maintenance of southern and southwestern arterial roads" 19.4 percent, and "maintenance of northern and western arterial roads" 10.7 percent of total allocated credits.

Freight and Passenger Transport

Road Transport

In 1387, the share of road transport sector in total carried passengers was 94.2 percent and in total carried goods, 77.7 percent. Moreover, 511.5 million tons of goods (with or without bill of lading) were carried through roads, up by 5.5 percent compared with the previous year, and about 4.7 million tons of goods were transited through roads, showing 4.7 percent increase compared with the year before.

The number of road passengers carried through public transport fleet which have a manifest document reached 263.6 million persons, up by 6.5 percent compared with the previous year. Moreover, 63.7 billion person-kilometers of passengers were carried by public transport, showing 6.0 percent growth compared with the previous year. Average carried passengers were 13.6 persons and average distance traveled by public transport for trips with a manifest document was 188 kilometers. In the review year, total number of passengers carried through road transport fleet was estimated at 845.8 million, 489.9 million of whom were carried through public transport.

The length of the roads under the supervision of the Ministry of Road and Transportation (excluding rural roads) reached 74.3 thousand kilometers, of which 2.2 percent were freeways, 10.1 percent highways, 28.8 percent main roads, and 58.1 percent side roads.

Figure 6.1. Number of carried passengers

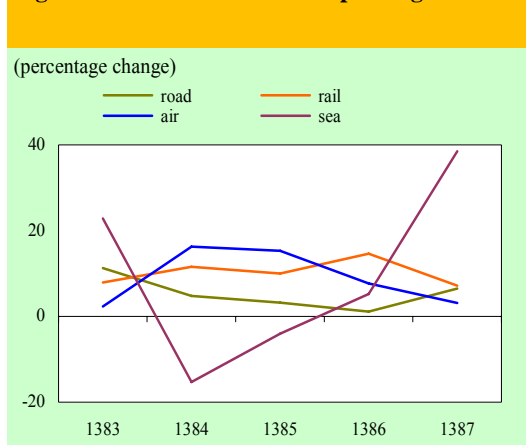
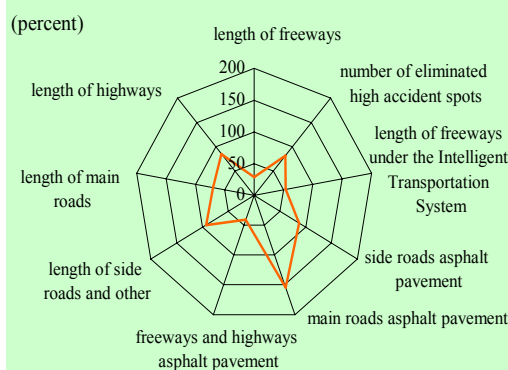


Figure 6.2. Realization of 4th FYDP targets for road development in 1387



In the review year, 1.9 million vehicles were numbered, down by 13.1 percent compared with the year before. This was mainly attributable to a fall of 37.8 percent in numbered motorcycles.

Road Transport

	1385	1386	1387	Percentage change	
				1386	1387
Carried goods (million tons)	437.6	485.0	511.5	10.8	5.5
Transited goods (million tons)	4.5	4.5	4.7	-1.0	4.7
Carried passengers					
Total carried passengers (million persons)	786.2	794.5	845.8	1.1	6.5
Public transport (million persons)	419.8	455.6	489.9	8.5	7.5
Share of public transport in carried passengers (percent)	53.4	57.3	57.9		

Source: Islamic Republic of Iran Road Maintenance and Transportation Organization

Rail Transport

According to the Islamic Republic of Iran Railways, 26.2 million passengers were carried by rail in 1387, showing 7.2 percent growth compared with the previous year. Accordingly, rail share in total carried passengers was 2.9 percent in the review year. Railway traffic measured in person-kilometers amounted to 15.3 billion person-kilometers, representing a rise of 10.2 percent compared with the year before.

Based on the same report, total goods carried by rail increased by 6.6 percent to 33.0 million tons. Railway freight traffic measured in ton-kilometers rose by 1.5 percent to 20.5 billion ton-kilometers. Rail share in total freight transport was 5.0 percent, remaining relatively unchanged compared with the year before. Moreover, 1.4 million tons of goods (oil and non-oil) were transited by rail, showing 12.0 percent decline compared with the previous year.

Total number of locomotives amounted to 645, showing 1.4 percent increase compared with the previous year and a realization of 84.9 percent compared with the target set in the 4th FYDP. Furthermore, the ratio of "locomotives in service to total locomotives", with 0.4 percentage point increase, reached 57.3 percent.

In this year, the length of main lines increased by 3.8 percent to 9,036 kilometers compared with the previous year.

Rail Transport

	1385	1386	1387	Percentage change	
				1386	1387
Carried passengers (million persons)	21.3	24.5	26.2	14.6	7.2
Carried goods (million tons)	33.0	31.0	33.0	-6.0	6.6
Transited goods (thousand tons)	1,546	1,541	1,357	-0.3	-12.0

Source: Islamic Republic of Iran Railways

Air Transport

In 1387, the total number of air passengers was 20.1 million persons, showing 3.1 percent growth compared with the previous year. Therefore, air share in total passenger transport equaled 2.2 percent. In this year, aircraft fleet productivity reached 7.0 hours a day, down by 2.7 percent compared with the year before. The share of non-public sector in domestic flights was 52.2 percent and in international flights 49.6 percent.

In 1387, the number of national air fleet increased by 57.1 percent to 132, showing 95.7 percent realization compared with the 4th Plan target.

In the review year, the amount of cargo carried by air (domestically and internationally) amounted to 123.3 thousand tons, showing 23.2 percent fall compared with the previous year.

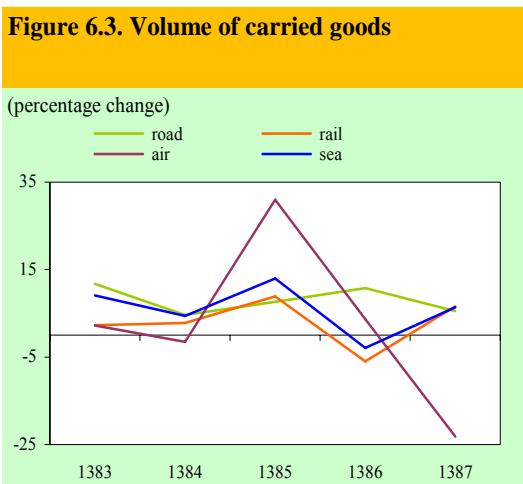
Air Transport

	1385	1386▲	1387	Percentage change	
				1386	1387
Carried passengers					
(million persons)	18.1	19.5	20.1	7.7	3.1
Domestic flights	12.4	12.4	12.8	0.0	3.2
International flights	5.7	7.1	7.3	24.6	2.8
Carried goods					
(thousand tons)	154.8	160.6	123.3	3.7	-23.2
Transit flights					
(thousand)	145.8	157.0	165.0	7.7	5.1

Source: Ministry of Road and Transportation

Sea Transport

The nominal capacity of commercial ports reached 142 million tons (oil and non-oil), up by 3.6 percent compared with the previous year. Moreover, the capacity of the commercial sea transportation fleet was 4.9 million tons, indicating 24.7 percent growth compared with the year before.



Container operations in commercial ports grew by 12.1 percent, from 1,960 thousand TEU¹ in 1386 to 2,198 thousand TEU in 1387. Meanwhile, in the review year, container capacity in ports increased by 5.3 percent to 4 million TEU.

Ports Container Traffic

(million tons)

	1385	1386	1387	Percentage change	
				1386	1387
Non-oil goods	63.6	66.7	73.2	4.9	9.7
Unloading	41.9	43.3	47.9	3.3	10.6
Loading	21.7	23.4	25.4	7.9	8.4
Oil products	46.6	40.3	40.7	-13.5	1.0
Unloading	31.4	28.5	27.6	-9.3	-3.1
Loading	15.2	11.8	13.1	-22.1	10.8
Total	110.2	107.0	113.9	-2.9	6.5

Source: Ports and Maritime Organization

¹ Twenty-foot Equivalent Unit

Performance of ports in 1387 indicates that imports of goods by oil tankers and non-oil cargo ships amounted to 7.4 and 44.4 million tons, registering 3.9 and 7.0 percent increase, respectively, compared with the previous year

Performance of Ports

(million tons)

	1385	1386	1387	Percentage change	
				1386	1387
Non-oil cargo ships					
Import	39.3	41.5	44.4	5.5	7.0
Export	18.7	20.9	19.3	11.7	-7.6
Transit	1.1	1.1	1.1	0.3	-0.5
Cabotage ¹	4.5	3.3	4.5	-27.3	39.0
Oil tankers					
Import	9.7	7.1	7.4	-26.6	3.9
Export	12.4	10.0	10.8	-19.1	7.6
Transit	6.7	5.4	4.3	-19.0	-21.6
Cabotage	17.7	17.7	18.3	-0.2	3.7

Source: Ports and Maritime Organization

¹ Cross ports operations in goods transportation from one point to another via sea or border river in the same country

According to data on passenger traffic in 8 ports, a total of 5.4 million passengers were embarking and disembarking at ports in 1387, showing 38.5 percent growth compared with the previous year. As total port capacity is 5.9 million passengers, ports capacity ratio in this year equaled 91.6 percent.