

Introduction

Iran is a country located in the Middle East bordering the Gulf of Oman, the Persian Gulf, and the Caspian Sea. It has a strategic location on the Persian Gulf and Strait of Hormuz, which are vital maritime pathways for crude oil export. Neighboring countries include Afghanistan, Armenia, Azerbaijan, Iraq, Pakistan, Turkey, and Turkmenistan. The government system is a theocratic republic; the chief of state is the supreme leader, and the head of government is the president. Iran has a largely controlled economic system in which the central government directs the economy regarding the production and distribution of goods, but there is some private sector activity.



Location: Southern Asia

Capital City: Tehran (+3.5 GMT)

Chief of State: Supreme Leader Ali Hoseini-Khamenei

Head of Govt.: President Hasan Ruhani

Currency: Iranian Rial (IRR)

Major Languages: Persian (official), Azeri Turkic and Turkic dialects, Kurdish, Gilaki and Mazandarani, Luri, Balochi, Arabic, other

Primary Religions: Muslim (official) 99.4% (Shia 90-95%, Sunni 5-10%), other (includes Zoroastrian, Jewish, and Christian) 0.3%, unspecified 0.4%

Calling Code: 98

Voltage: 230

Key Websites

Main Government Page: president.ir

Commerce Ministry: mefa.ir

Investment Promotion Agency: investiniran.ir

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$1,695.06 billion (2017)
GDP growth (annual %):	3.76% (2017)
GDP per capita, PPP (current international \$):	\$20,884.74 (2017)
External debt stocks, total (DOD, current US\$):	\$6,276,233,935.50 (2017)
Manufacturing, value added (% of GDP):	11.99% (2017)
Current account balance (BoP, current US\$):	\$12.48 billion (2000)
Inflation, consumer prices (annual %):	9.99% (2017)
Labor force, total:	27,580,400 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	11.99% (2018)
Imports of goods and services (current US\$):	\$108.23 billion (2017)
Exports of goods and services (current US\$):	\$113.24 billion (2017)

GDP Composition %

Agriculture Services Industry Manufacturing



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	130 / 178
EY Globalization Index	60 / 60
Global Competitiveness Index	89 / 139
Global Enabling Trade Index	132 / 136
Index of Economic Freedom	153 / 179
International Logistics Performance Index (LPI)	64 / 160
Inward FDI Potential Index	61 / 139
KOF Index of Globalization	154 / 185
Networked Readiness Index (NRI)	92 / 139

Risk Assessment (Provided by Coface)

Country rating: E - The highest-risk political and economic situation and the most difficult business environment. Corporate default is likely.

Business Climate rating: D - The business environment is very difficult. Corporate financial information is rarely available and when available usually unreliable. The legal system makes debt collection very unpredictable. The institutional framework has very serious weaknesses. Intercompany transactions can thus be very difficult to manage in the highly risky environments rated D.

Strengths

- Large gas and oil reserves (respectively second and fourth largest in the world)
- Very low level of external debt
- Strategic location in the sub-region

Weaknesses

- High inflation
- Social tensions
- Unfavorable business climate

U.S. Embassy

Virtual Embassy Tehran

<https://ir.usembassy.gov>