

Iran (Islamic Republic of)	
Policy responses	
Containment	<p>19 February, first two cases were confirmed. One was a merchant who frequently traveled to China. Both patients died later that day.</p> <p>Countries sharing borders with Iran have closed those allowing entrance only for their respective returning citizens.</p> <p>23 February, schools and universities in cities and provinces were closed.</p> <p>2 March, 300,000 revolutionary guards and a crew of cleaners were dispatched to clear and disinfect streets, shops, trains, buses, shrines and public places.</p> <p>4 March, the COVID-19 infection spread to nearly every province.</p> <p>5 March, travels within cities were limited.</p> <p>13 March, a near-curfew was imposed as citizens continued to travel and prepare before the Nowruz new year holidays.</p> <p>15 March, people were advised to “cancel all travel plans and to stay home.”</p> <p>18 March, 22 million Iranians had been screened and that the condition of a one and a half million was being monitored.</p> <p>19 March, a month later after the first two reported cases, health authorities reported 18,407 total confirmed cases and 1,284 deaths.</p> <p>24 March, Iran granted furloughs to 85,000 prisoners.</p> <p>25 March, President Rouhani announced a partial lockdown, closing businesses and government offices for two weeks and banning travel between different cities.</p> <p>7 April, the parliament reconvened for the first time since 25 February and rejected an emergency bill for a one-month nationwide lockdown.</p> <p>12 April, restrictions on travel within the same province were lifted, and low risk businesses, including shops, factories and workshops reopened.</p> <p>20 April, major Tehran bazaar and malls softly reopened and restrictions on travel between provinces were eased.</p> <p>27 April, Iran reopened all international borders, except with Turkmenistan, to revive regional trade.</p> <p>2 May, the country reported the lowest number (around 800 cases) of new</p>

	<p>confirmed cases in nearly two months. Just a few days after, the number of new infections has averaged to 1,200 a day, showing signs of daily increase in confirmed cases.</p> <p>12 May, all mosques, apart from those in Tehran and some major cities, were allowed to reopen.</p> <p>16 May, schools were also allowed to reopen.</p> <p>31 May, the number of confirmed cases in the country surpassed 150,000. The lockdown and curfew measures to combat the outbreak, which flooded hospitals with sick patients and killed medical personnel and senior politicians, were effective. Iran brought down both the rate of deaths and reported new cases in May. However, despite warnings from some public health officials of a second wave of cases, Iranian authorities chose to reopen public and commercial life.</p> <p>11 June, the government announced that it will reopen the country through what it calls as the third phase of managing the covid-19 outbreak.</p> <p>Iran's first phase was essentially a nationwide lockdown that closed all but essential businesses, blocked inter-province traffic and closed schools, mosques, cinemas and other public spaces. The second phase, "smart social distancing," involved a gradual reopening, staggered office schedules and dividing provinces and cities into color-coded zones based on the number of coronavirus infections. The third phase is something dubbed as "compatibility with coronavirus" that still largely involve the practice of wearing masks in public and regularly washing of hands.</p> <p>27 June, no new lockdown for the entire country but wearing of masks in public transport, in crowded areas, and where necessary, is made compulsory. The police and security forces will enforce these rules.</p> <p>By 7 July, Iran has been increasing its testing, reaching about one in every 45 people, considerably more than it did at the start of the pandemic. But that's still less than the US or countries in Europe that have been hit by the virus. The proportion of tests in Iran that return a positive result began to rise in late May and early June, reaching 14%. But since then it's stayed between nine and 10%. Iran achieved the WHO-EMRO recommended positivity rate of 3-12% as a general benchmark of adequate testing.</p> <p>14 July, one-week lockdown only in Tehran.</p> <p>Since 3 October, schools, mosques, non-essential shops, restaurants, and other public establishments in the capital have been closed.</p> <p>31 October, Rouhani announced that conferences, weddings, and wakes will also be prohibited in Tehran until further notice.</p>
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	<p>4 November, Wednesday, President Hassan Rouhani announced that new restrictions will be in place for ten days starting today, in 25 of the country's 31 provinces due to the coronavirus disease (COVID-19) pandemic. The new restrictions will include the closure of mosques, libraries, universities, and schools.</p> <p>Tehran announced that the closure of teahouses, libraries, fitness clubs, beauty salons, and cinemas will also be extended for another week</p> <p>28 November, partial lockdown and curfew came into effect into the most affected areas.</p> <p>End of December, border between Iraq was closed.</p> <p>In January 2021, the coronavirus infection rate has slowed but night-time curfew and distance learning has been extended to keep the contagious outbreak at bay. Iran Air has resumed flights to Qatar, Dubai, and Turkey.</p>
Fiscal	<p>29 March, Iranian government allocated a sum of 1,000 trillion rials (100 trillion tomans, approximately \$23,780M) as a major economic package that includes:</p> <ul style="list-style-type: none"> - 8 trillion tomans in the form of livelihood packages will be allotted to the vulnerable social groups who have suffered damages or lost jobs in the wake of outbreak of COVID-19 (subsidized loans for affected businesses and cash transfers to vulnerable households); - 75 trillion tomans to maintain jobs and protect the enterprises and businesses that have been harmed by the coronavirus (moratorium on tax payments due to the government for three months); - More than 12 trillion tomans will be also allocated to plans to upgrade the health system and support the people losing their jobs; - 5 trillion tomans provided to the Unemployment Insurance Fund to help the people who have been out of work and to let them return to their jobs. <p>Government allocated handouts to the unemployed and those without a fixed income amid the outbreak of the novel coronavirus that has affected many economic sectors.</p> <p>Sukuk bonds and the National Development Fund will provide part of the financing.</p> <p>As of end of August, 13 percent of business applicants affected by the pandemic has received part of the aid package and 56.5 trillion rials (\$245 million) have been paid from the National Development Fund of Iran.</p>
Monetary/financial	<p>The Central Bank of Iran has announced:</p> <ul style="list-style-type: none"> - the allocation of funds to import medicine; - agreed with commercial banks that they postpone by three months

	<p>the repayment of loans due in February 2020;</p> <ul style="list-style-type: none"> - offered temporary penalty waivers for customers with non-performing loans; - and expanded contactless payments and increased the limits for bank transactions in order to reduce the circulation of banknotes and the exchange of debit cards.
Foreign exchange	The Central Bank of Iran announced it injected USD 1.5 billion in the foreign exchange market to stabilize the rial.
Trade measures ¹	<p>Restrictive:</p> <ul style="list-style-type: none"> • Ministry of Industry, Mine and Trade has imposed a ban on the import of the medical supplies that are produced domestically. • July 6: Export Ban on face masks reintroduced following the surge in the Coronavirus cases and the growing demand for masks in the country. Iranian government has banned export of protective face masks for a three-month period. May 3: Ban on the export of face masks expires March 3: Iranian government banned export of protective face masks for a three-month period. <p>Liberalizing: N/A.</p>
SME measures (last update 22 January 2021)	<p>Deferral of tax payment:</p> <ul style="list-style-type: none"> • The Cultural Heritage, Handicrafts and Tourism Ministry has proposed a value added tax delay to support the industry.² <p>Other fiscal support:</p> <ul style="list-style-type: none"> • From February 20, 2020 to March 19, 2020, The Iranian National Tax Administration is offering penalty abatement waivers following the outbreak of the COVID-19 in the country.³ • Businesses that pay their tax debts by June 20 will be eligible for penalty abatement waiver. The latter amounts 90 per cent for the manufacturing sector and 80 per cent for the services sector.⁴ • In March 2020, the government announced that the ceiling on tax revenues for small-scale enterprises will increase from IRR 1,000 million to IRR 2,000 million for real entities and from IRR 3,000 million to IRR 5,000 million for legal entities.⁵ <p>Loan support:</p> <ul style="list-style-type: none"> • The government announced an economic recovery package equivalent to USD 55 billion, part of which was used to support companies to defer tax payments for three months and provide corporate credit. Loans due in February can be deferred for three months. • The government provided temporary penalty exemption to customers with bad loan records. • In March 2020, the government has announced an IRR 750 trillion package to help low-income households and struggling businesses

¹ <https://www.macmap.org/covid19>

² <https://financialtribune.com/articles/travel/103099/covid-19-inflicts-330m-in-losses-on-irans-tourism-industry>

³ <https://financialtribune.com/articles/domestic-economy/102485/iran-gov-t-remedial-measures-to-soften-covid-19-impact>

⁴ Ibid.

⁵ Ibid.

	<p>impacted by the rapidly spreading COVID-19. The bailout for coronavirus-hit SMEs include loans with a 12 per cent interest rate to be repaid within two years. Only businesses that did not lay off workers during the health crisis would be eligible for the loans.⁶</p> <p>Deferral of loan repayment:</p> <ul style="list-style-type: none"> • The Money and Credit Council has agreed to postpone the repayment of loans.⁷ <p>Other financial support:</p> <ul style="list-style-type: none"> • The government (i) raised the upper limit of the total amount of card-to-card financial transfers and (ii) expanded the use of contactless payment methods to reduce the circulation of banknotes. • From February 20, 2020 to April 19, 2020, the Islamic Revolution Mostazafan Foundation has not collected rents for its commercial real estate units.⁸ • Business licenses and permits of transportation companies in all sectors have been extended until May 20, 2020.⁹ <p>Employment support:</p> <ul style="list-style-type: none"> • The government bailout for tourism businesses is IRR 120 million for each employee, which must be repaid over two years with a 12 per cent interest rate.¹⁰ • In March 2020, a bailout for coronavirus-hit SMEs has been announced by the government. It includes loans with a 12 per cent interest rate to be repaid within two years. Only businesses that did not lay off workers during the health crisis would be eligible for the loans.¹¹
Other policy measures	World Bank and the Islamic Development Bank will lend Iran \$50 million and €130 million respectively to combat coronavirus.

Source: Local news and information compiled from IMF.

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⁶ <https://financialtribune.com/articles/travel/103099/covid-19-inflicts-330m-in-losses-on-irans-tourism-industry>

⁷ <https://financialtribune.com/articles/domestic-economy/102601/irans-cb-lists-businesses-directly-affected-by-covid-19>

⁸ Ibid.

⁹ Ibid.

¹⁰ <https://financialtribune.com/articles/travel/103099/covid-19-inflicts-330m-in-losses-on-irans-tourism-industry>

¹¹ Ibid.

