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**SEAL OF THE ISLAMIC REPUBLIC OF IRAN  
SUPREME NATIONAL SECURITY COUNCIL  
SECRET**

# **Operational Instructions for Combating the Country's Economic Crisis**

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**The Supreme National Security Council Special  
Economic Measures HQ**

## Description of the Economic Crisis

- The banks are on the verge of bankruptcy, and are only managing to function thanks to intensive assistance from the CBI.
- The CBI's lack of budgetary resources is expected to undermine its ability to support the banks.
- Lack of access to foreign currency held abroad, will inflict serious blows to import capabilities.
- The widening sanctions in the current year will exacerbate existing pressures on the local economy.
- The blocking of channels for procuring foreign currency and gold is leading to a serious shortage of foreign currency in cash, which will be manifest in a further steep drop in the Rial exchange rate, and price hikes for gold coins.
- A serious shortage of raw materials for printing bank notes and minting coins will lead to a lack of cash in local currency during the upcoming months.
- Further loss of control over prices in the markets is expected.

## Description of the Economic Crisis

- Prices of imported staples, such as wheat and chicken, will increase, due to growing financial and commercial difficulties in procuring them.
- Leading companies, especially in the aviation, automobile, and energy sectors, are on the brink of bankruptcy, and mass redundancies are expected.
- The current unemployment rate is 25.2%, and is expected to continue rising steeply in 1392 [2013-2014].
- A steep drop in revenue from exported oil and energy products.
- A huge budgetary deficit is forecast in 1392 [2013-2014], due to the drop in income (from oil sales, taxation, and privatization), which will force making further drastic cuts in expenditure.

# **Main Implications For the Economy**

- **Loss of control over the banking system, and concern regarding withdrawal of money by the public, leading to the collapse of the banks.**
- **The inability to supply main staples to the public.**
- **Further drop in the Rial exchange rate.**
- **A steep rise in unemployment and inflation.**

# Operational Measures to be Implemented

The following directives are to be implemented immediately following the presidential elections:

- Significant restrictions on the public's withdrawal of deposits from banks.
- 20% taxation on public deposits in banks (in line with the "Cypriot model"), with the exception of deposits made by state-owned and public companies.
- Increasing customs levies on non-oil exports up to 50%.
- Severe restrictions on the sale of foreign currency to civilians and businessmen.
- Additional restrictions on taking foreign currency out of the country.
- Lowering of the exchange rate, and efforts to reduce the level of currency trade in the 'open market'.
- Implementation of the 'second stage' of the new version of the subsidies plan, inclusive of price hikes for staples without increasing any public allowances.
- Rationing of staples, as seen during the war with Iraq.
- Gradual raising of VAT to reach 15% by the end of the current year.
- Further cuts to imports, including staples and raw materials.
- Nationalization of private companies, especially those with foreign currency assets.
- Approval required for any publication of economic data on unemployment or inflation.

# **Operational Measures to Combat the Country's Economic Crisis**

- Deployment of security forces around banks, money-changing agencies, and ATM's.
- Drafting of an emergency plan to combat any potential storming of the banks by the public.
- Drafting of an emergency plan for transferring the management of the country's banking system to the IRGC.
- Detention of moneychangers who violate the foreign currency sale directives.
- Increased supervision at airports in order to prevent foreign currency from being smuggled out of the country.