Renewable Energy Sector in Iran: In Quest of an Efficient Legal Framework

Abstract

According to National Energy Strategy Plan, the energy sector in Iran has to achieve security, sustainability, diversification and non-subsidized market. Currently, development of renewable energy in Iran is one of the plans to realize GHG mitigation in line with Iran´s INDC to Paris Agreement and achieving targets set by national energy policies. Iranian Ministry of Energy has provided a Feed-in Tariff plan to encourage both domestic and foreign private investors to invest in renewable energy. This article aims to analyze the existing policy, regulations and legal framework for the development of renewable energy in Iran. The article concludes that in existing framework there is the possibility for renewable energy to develop. However, the state monopoly over electricity market, lack of a precise and clear long-term renewable energy policy, and the subsidized prices of energy careers are the main challenges in this context. Therefore, a reform on long-term policy towards sustainability and corresponding legal reforms to protect investment in the renewable sector for long-term are issues to be followed in the future