

Oil minister: Iran's crude production up 60% in 2.5 years



Iranian Minister of Oil Javad Owji said the 28th International Oil, Gas, Refining and Petrochemical Exhibition (Iran Oil Show 2024) is a good opportunity to showcase the great achievements of his ministry in recent 2.5 years in the 13th government which took office in August 2021.

Speaking in the inauguration ceremony of the expo in Tehran on Wednesday, the minister noted that over 1,700 domestic and foreign companies are participating in this year's event, as the increase in the number of participants makes every Iranian proud, Shana reported.

From the very beginning, the current government (13th government) has never waited for negotiations to remove international sanctions, Owji stated, adding that in recent 2.5 years, relying on domestic new technology-based firms (NTBFs), Iran's oil industry has gained great achievements.

Stating that at the beginning of the current administration, the amount of oil production and export was not favorable, the minister said: "Today, we have achieved such figures in this field that are hard for many to believe."

"By the end of last Iranian year (March 19, 2024), we have completed about 132 unfinished projects worth \$28.5 billion, and at the same time, we have started the implementation of 50 projects worth \$47.5 billion," he announced.

Pointing to the 54-million-cubic-meter increase in the gas production, as well as a rise of 220,000 barrels in processing capacity and 10 million tons of petrochemicals in the last 2.5 years, Owji said a large part of the achievements obtained thanks to the completion and exploitation of unfinished projects, some of which were delayed for more than 10 years.

No dependency on foreigners

Owji said the development of Phase 11 of South Pars Gas Field, which was passed around by foreign companies for 20 years, is one of the main achievements of the Ministry of Petroleum during the tenure of the 13th administration.

"This achievement was gained by the efforts of the managers and employees of the oil industry and by relying on domestic contractors, which currently produces 12 million cubic meters (mcm) of gas, and according to plans, will increase to 30 mcm by the end of the 13th administration, and in the coming years will hit 50 mcm."

Pointing out that the previous administration had announced that it was ready to hand over the Abadan Refinery which is the country's oldest refinery for free, Owji stated: "Today, we see that the refinery contributes greatly to the production of oil products in Iran as last year it made a profit of 12 trillion tomans (\$200 million)."

The executive works of the second part of Phase 2 of the refinery's development project will also start soon, he added. Contracts worth over \$5 billion were signed for the collection of associated petroleum gas (APG) in the 13th administration for field gas collection of the West Karoun and East Karoun fields of Karun as well as fields in the west of Iran, the minister stated.

the quality of petroleum products in the country's refineries stating that the production of Euro 5 products was achieved in the Isfahan Refinery last year, and according to plannings, the boosting of quality for petroleum products in all refineries is carried out by relying on domestic capacity.

He referred to the implementation of more than 1,000 kilometers of gas pipelines in the country, and continued: "In the current administration, five gas pressure boosting stations were put into operation and gas was supplied to more than 6,000 villages."

Five petrochemical projects are ready for the official opening in the presence of President Ebrahim Raisi, the minister an-

According to statistics released by the Statistical Center of Iran (SCI) and the Central Bank of Iran (CBI), the Ministry of Petroleum had a magnificent performance last Iranian year, Owji said adding the economic growth of the oil and gas sector was over 20 percent last year, which had a significant impact on the overall economic growth of the country.

\$35-billion revenues

Referring to the export of \$35 billion worth of crude oil in 1402 despite all the restrictions, Owji stated that the enemies made efforts to stop Iran's oil tankers, but they failed.

He went on to say that during winter, he witnessed an explosion in the gas pipe-

the South Pars joint field and \$13 billion worth of contracts for the development of seven oilfields has been signed by the NIOC.

He pointed to the call of the Ministry of Petroleum to supply gas feed to petrochemical units and stated: "During last weeks, important documents were signed with 13 petrochemical companies to supply their gas feed from 20 gas fields."

Oil Ministry supports private sector

All the capacities of the country in the technical, financial, contractors and advisory sectors are used for the prosperity of the oil industry, the minister stated, noting that "There is no better place than investing in oil industry, as the return on capital in the oil industry occurs in the shortest time."

He expressed his hope that with the unveiling of the new form of oil contracts, the economic growth of the oil and gas sector will be realized this year as well.

The Ministry of Petroleum has not neglected optimizing energy consumption, Owji said, adding that projects valued at about \$40 billion have been approved in the Economic Council in the fields of transportation, increasing power plant efficiency, and optimizing consumption in industries, construction sector, and railways.

"This year, with the initiative of the Parliament, an account of optimization has been opened supplied from sources that can be provided for at least 30 trillion tomans (\$500 million) in order to optimize energy consumption."

Owji pointed to the development of energy diplomacy by the 13th administration and added: "Today, despite all the restrictions, compared to [the Iranian year of] 1397, the highest level of exports is carried out."

The ground is paved for cooperation on oil sector with foreign countries which was done by President Raisi's visits to other countries, the minister stated noting that oil cooperation with foreigners in the field of exporting oil, oil products, petrochemical products and exporting techno-engineering services is increasing day by day.

Concluding his speech, Owji thanked all the industrialists and companies active in the field of oil industry and said his ministry welcomes investors from the private sector to participate in the oil industry.



"Currently, 11.5 mcm of APG are collected, which will reach 30 mcm by the end of the current Iranian year (March 20, 2025). Methane from the processing of these flare gases is injected into the national gas network as heavy compounds are fed to petrochemical complexes in order to create more added value."

He mentioned the completion of South Pars Phase 14 Refinery after a decade and said: With the full launch of the complex, more than 50 mcm per day was added to Iran's gas refining capacity.

Self-sufficient oil industry

Referring to the implementation of very important projects in the field of gas storage, the petroleum minister said in the last [Iranian] year of 1402, more than one billion cubic meters (bcm) of additional gas storage was done compared to its preceding year of 1401.

Owji explained about the increase in

nounced, explaining that with the launch of new petrochemical projects by the end of the current [Iranian] year, the annual production capacity of the petrochemical industry will increase by 10 million tons. Iran's oil industry has attained self-sufficiency in all sectors, including the development of offshore and onshore fields, marine structures, the construction of petro-refineries, the collection of APG, and the drilling of horizontal and vertical wells, relying on the domestic manufacturers of the industry.

Planning has been done to increase the production of oil and gas, oil and petrochemical products in the Seventh Development Plan which relies on the potentials of domestic companies.

There is no limit to investment in the oil industry, the minister said inviting all investors to invest in the industry, as the Ministry of Petroleum will also provide full support.

line, which was repaired in less than 24 hours, as there was no halt in supplying gas to people.

Talking about the Ministry of Petroleum's plan for the current Iranian year, Owji said a sum of 79 projects valued at \$25 billion will be put into operation in the upstream and downstream sectors, as 50 new projects have also been kicked off.

"With the implementation of new oil industry projects, 300,000 to 400,000 bpd will be added to oil production, 35 mcm to crude gas production, 50,000 barrels to refining capacity and three million to five million tons to the annual production capacity of petrochemical complexes of the country."

Referring to the signing of contracts for the development of oil and gas fields by the NIOC with domestic contractors, the minister said adding four contracts were inked with domestic firms valued at \$20 billion for the pressure boosting project in