

15th Khuzestan oil exhibition kicks off in Ahvaz

NIOC announces initiation of gas production from Dey field

The 15th Khuzestan Specialized Exhibition of Petroleum Industry, Equipment, Manufacturing opened in Ahvaz on Saturday.

The event, organized by the National Iranian South Oil Company, the National Iranian Drilling Company, Arvandan Oil and Gas Company, and the Oil Industries Engineering and Construction Company, features dozens of companies from 15 provinces across the country, Shana reported.

A total of 284 domestic companies are participating this year to showcase the latest domestically-manufactured equipment for the oil industry.

The exhibition was inaugurated by Hamid Bovard, the CEO of the National Iranian Oil Company (NIOC), along with several oil industry executives.

Speaking at the opening ceremony of the event, the NIOC head announced that a new daily record for crude gas production was achieved under the current administration.

Bovard added that gas production from the "Dey" field has begun with two wells, and a third well will soon join the production network.

He stated that daily oil production has increased by more than 100,000 barrels over the past four months and that an additional 250,000 barrels per day will be added to the country's oil production capacity by the end of the year, based on current plans.

Bovard highlighted a \$3 billion budget from the National Development Fund allocated for urgent oil production projects, noting that 85% of the budget will be spent in Khuzestan Province, with a portion dedicated to modernizing and renovating oil facilities in the region.

The NIOC CEO also announced that plans for the renovation and modernization of 15 drilling rigs, at a cost of \$1 billion, have been assigned to the National Iranian Drilling Company. He emphasized that President Masoud Pezeshkian's administration has a comprehensive plan to increase oil production.

Bovard noted that crude gas production under the current administration has reached 1.1 billion cubic meters per day. He added that gas production from the Day field has started with two wells, and a third well will soon begin

operations.

Referring to the formation of a new oil civilization in West Karoon and development of oil fields in the area, Bovard said that a \$10 billion integrated development contract for the Azadegan field, approved by the Economic Council, has been awarded to relevant contractors over the past four months, and the implementation phase has already begun. He emphasized the importance of supporting domestic manufacturers in the oil industry, stating that such efforts not only drive industry growth but also serve the nation by advancing economic goals and self-sufficiency.

Bovard likened the support for domestic manufacturers to a strong, deeply-rooted tree that grows more robust over time.

He said this process enhances national capabilities and improves the quality of equipment and services required by the oil industry.

Bovard noted that this year's exhibition features more than 280 companies from across the country, showcasing the extensive capacity and high capabilities of domestic industries in meeting the oil



SHANA

sector's needs.

He added that this participation demonstrates the scientific, technical, and operational expertise of Iranian manufacturers, who are capable of addressing the complex demands of the nation's oil industry.

The deputy oil minister stressed that domestic manufacturers are viewed as key partners, and efforts are ongoing to

facilitate their integration into the oil industry.

He emphasized that close collaboration and sustained cooperation are the foundation for the industry's success and progress.

"Undoubtedly, as domestic manufacturing capabilities grow, the oil industry will reach new heights of development and self-sufficiency," the NIOC head said.

Tehran-Berlin trade rises 4% in 10 months: Chamber head



IRNA

Economy Desk

Shahin Asghari, head of the Iran-Germany Chamber of Commerce and Industry, told ILNA on Saturday that trade between the two sides reached \$1.24 billion in the first 10 months of 2024 (January to October), marking a 4% increase compared to the same period in 2023.

During this time, Iran's imports from Germany grew by 7%, while its exports to Germany declined by 9%. The trade balance remains heavily skewed in Germany's favor, with Iran importing significantly more than it exports.

Asghari noted that while Iran has the potential to supply raw materials for German industries, it has yet to fully capitalize on this opportunity and remains a consumer of German products. Industrial machinery and chemicals are the primary goods Iran imports from Germany, while food and livestock are the main exports from Iran to Germany.

Persian carpets; a luxury in German homes

Reflecting on the history of trade relations, Asghari said that 50 years ago, when the Iran-Germany Chamber of Commerce was established, Iran was the second-largest destination for German exports after the US.

Even after Iran's 1979 Islamic Revolution, Germany maintained its trade ties with Iran, consistently ranking as Iran's top European trading partner.

Over the past century, cultural and commercial relations between the two nations have remained strong, with Iran being a familiar market for German industrialists and merchants.

Much of Iran's industrial infrastructure was built using German machinery. However, in recent years, bilateral relations have somewhat weakened.

Asghari emphasized that trade between Iran and Germany continues, with exports from Iran consisting of non-sanctioned goods.

He added that Iranian carpets and handicrafts once held a prominent place in the German market, with Persian carpets being considered as a luxury item and a source of pride for German households.

However, this market has significantly shrunk, with Indian and Turkish exporters now dominating Germany's carpet market. While Iranian pistachios, dates, walnuts, and saffron are still present in Germany, Iran's share of these markets is declining. For instance, Afghanistan is increasingly capturing the global saffron market, including in Germany.

Challenges in Iran-Germany trade

Asghari attributed the decline in trade to a combination of domestic and external factors.

He explained that these challenges are not unique to Iran-Germany trade. For example, in Iraq, a key export destination for Iran, non-Iranian traders sell goods using one-year letters of credit (LCs), while Iranian traders are forced to deal in cash.

This puts Iranian traders at a competitive disadvantage, as Iraqi buyers prefer LCs over cash transactions. Additionally, Iranian traders face currency conversion costs at exchange offices.

Similar challenges exist in Iran's trade with Europe, Asghari stressed, adding that when Iran is unwilling or unable to comply with international trade norms, it loses its share of the global market.

Domestic currency challenges

Asghari highlighted that national currency regulations further burden Iranian traders. Exporters are required to repatriate foreign currency earnings, a practice uncommon elsewhere in the world. This is particularly challenging given the significant gap between the official exchange rate and the free market rate.

He also discussed the impact of Iran's recently launched negotiated currency market, aimed at reducing trade challenges.

Asghari emphasized the importance of narrowing the gap between the free market and official exchange rates, noting that the negotiated market is rooted in the policy of unifying exchange rates. The current multi-tiered exchange rate system has led to racketeering by importers who overstate their import values.

Asghari said the success of the negotiated currency market depends on its ability to move toward a single exchange rate.

Iran's wind power capacity to hit 8,000 MW to meet domestic needs



IRNA

The Ministry of Energy has set a target to increase Iran's wind energy production capacity to 8,000 megawatts as part of a broader plan to achieve 30,000 megawatts of renewable energy (solar and wind) nationwide.

Launching projects like the Mil Nader Wind Farm is expected to kickstart serious efforts toward harnessing this vast potential.

According to ISNA, Iran's unique geographical position makes it one of the Middle East's and the world's most promising regions for wind energy production.

Studies indicate the country's wind energy potential stands at around 30,000 megawatts, equivalent to a significant portion of Iran's total electricity generation capacity. However, only a fraction of this potential has been utilized so far.

Iran is home to several wind-rich regions ideal for wind energy production. Among these is Sistan and Baluchestan Province, known for its 120-day winds, making it one of the best locations for wind farm development in the country.

The Mil Nader Wind Farm in Sistan and Baluchestan is one of Iran's largest wind energy projects, with construction recently underway. The project, with a capacity of 600 megawatts and an investment of €447 million (82 trillion rials), is expected to become operational within 24 months.

Energy Minister Abbas Aliabadi described the wind farm as a key initiative to reduce the country's reliance on fossil fuels and achieve sustainable electricity production. He emphasized that the project will not only provide clean energy but also help reduce air pollution and combat climate change.

At the project's groundbreaking ceremony, Aliabadi noted that fossil fuels have dominated Iran's energy focus in recent years, but renewable energy is now a priority. He stressed that climate change is largely driven by excessive fossil fuel consumption and that expanding solar and wind farms can play a crucial role in mitigating this crisis.

Aliabadi announced that the Ministry of Energy has developed a plan to install 8,000 megawatts of wind turbines across

the country. This initiative aims to meet domestic energy needs while boosting the national industry and creating jobs through the involvement of local companies.

Iran now has the capability to domestically produce wind turbines, reducing foreign currency expenditures and enabling the transfer of technical knowledge to future generations for sustainable development. The Mil Nader Wind Farm, as one of Iran's most significant renewable energy projects, marks a major step toward reducing fossil fuel dependency and ensuring sustainable electricity supply. Beyond environmental benefits, the project is expected to have wide-ranging economic and social impacts, particularly in the development of regions like Sistan and Baluchestan.

Other regions with wind energy potential include Manjil and Rudbar in the north, where strong winds have made Gilan Province home to Iran's first wind farms, including the Manjil Wind Farm. North Khorasan and Razavi Khorasan provinces in the northeast, as well as Kurdistan, Azarbaijan, and Hamadan, also offer high potential for wind energy development.

Current wind energy capacity at 300 megawatts

Iran's current installed wind energy capacity stands at around 300 megawatts, a small fraction of its potential. Most of these wind farms are located in Manjil, Rudbar, Kahak in Qom, and Sistan and Baluchestan. Despite recent progress, significant development is still needed.

Long-term reliance on fossil fuels has historically limited investment in renewable energy. Additionally, the lack of technical infrastructure, such as transmission lines and advanced technologies, along with insufficient policies to incentivize investors, has slowed progress.

As a country with high renewable energy potential, particularly in wind energy, Iran has recently launched extensive programs to tap into these resources. With an estimated wind energy potential of 30,000 megawatts, wind-rich regions like Sistan and Baluchestan play a crucial role in this capacity.