

Major achievements at Iran's largest oil industry gathering

From negotiations to signing deals

PERSPECTIVE

The oil industry, recognized as the driving force behind Iran's economic growth, has consistently shown that when global prices and Iran's revenue basket pick up, the country's economic growth also heads upward. This underscores the critical need to bring in fresh investment for research, development, and the adoption of new technologies.

Alongside the investment factor — which is this year's central slogan for Iran's economy — the issue of shortages, especially in gas and gasoline, prompted oil, gas, refining, and petrochemical sector players to sit down for talks at the 29th Iran International Oil and Gas Expo in Tehran. Their agenda was clear: draw up plans to step up exploitation of existing oil and gas resources.

This year's 29th exhibition stood out as a beacon of hope and prosperity for the oil industry. The strong turnout from oil, gas, refining, and petrochemical companies, as well as innovative, tech-driven, and knowledge-based firms, added to the event's appeal.

Over the four days of the exhibition (May 8–11, 2025), the industry witnessed a flurry of contract signings and cooperation agreements, fueling optimism for better days ahead. Dozens of contracts and MOUs were inked between executive bodies, the Research Institute of Petroleum Industry, active companies in oil, gas, refining and petrochemicals, and knowledge-based and tech firms. The following highlights the most significant agreements.

On the first day, 18 “first-time production” MOUs were signed. During the signing ceremony, the vice president for Science, Technology, and Knowledge-Based Economy noted, “The Ministry of Petroleum has had the brightest track record for first-time contracts.” He called on other ministries to tap into the potential of such agreements, emphasizing, “Without a doubt, this is a major turning point for the country and knowledge-based companies.”

Among the most important deals was the development contract for the Gordan and Pazan gas fields, signed on the final day of the exhibition between the National Iranian Oil Company (NIOC) and three domestic firms. This 20-year, \$948 million contract aims to maximize gas extraction, create jobs in underdeveloped regions, and shore up the supply of feedstock to southern refineries. The agreement was signed between NIOC and the Bakhtar Group, Petro-Farhang Holding, and Energy Gostar Hana.

Estimates indicate that over the project's lifespan, 179.5 billion cubic meters of gas and 58.19 million barrels of condensate will be produced.

Moreover, a contract for the design and manufacture of five-megawatt turbo compressor packages was signed in the presence of the vice president for Science, Technology, and Knowl-



Iranian energy players negotiate at the 29th Iran International Oil and Gas Expo in Tehran (also known as the Iran Oil Show 2025).

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edge-Based Economy, the NIOC CEO, and the deputy oil minister for Engineering, Research, and Technology. Localizing this equipment is expected to save the country \$15 million in foreign currency.

Five contracts for the supply and lease of six heavy onshore drilling rigs and ancillary services were also hammered out between the National Iranian Drilling Company (NIDC) and private sector firms.

Initially, two contracts for the supply and lease of two heavy drilling rigs for the West Paydar oilfield project and technical services were signed by Mehran Makvandi and Gholamreza Younesi, CEOs of NIDC and Dana Kish Drilling, respectively.

Subsequently, a contract for the supply and lease of four heavy drilling rigs for the Gordan and Pazan fields was signed by Mehran Makvandi (NIDC) and Seyed Mehran Parhiz (Energy Gostar Hana). Moreover, two contracts for specialized technical services were signed between NIDC and Pasargad Exploration and Production, as well as Tadbir Drilling Development.

NIDC, as a key upstream sub-

siidiary of NIOC and the country's largest drilling entity, sets itself apart with its experienced specialists and comprehensive equipment, enabling it to roll out over 20 types of integrated technical services — an edge over other drilling companies in Iran.

10 contracts signed by GOGPC

Gachsaran Oil & Gas Production Company (GOGPC) took a major step forward by signing 10 contracts and MOUs with domestic firms to push ahead with specialized equipment development and support knowledge-based companies.

These contracts were signed with companies such as Behsazan Jonoob, Danesh-Ghat'e Samin, Dorood Kelid Bargh, Hamkar San'at Behsaz, Gazsoozan, Petro-Sanat Adel, Avand Plast Kerman, the science and technology parks of Khorasan and Kohgiluyeh & Boyer-Ahmad, and the Iran IoT Center.

Ali Akbar Hafezinia, CEO of Gachsaran Oil & Gas, highlighted the importance of these MOUs, stating, “This exhibition is a golden opportunity to meet industrial needs, identify problems, and

strengthen domestic interaction.” He added, “Given the sanctions on the oil industry and obstacles to importing parts, teaming up with domestic knowledge-based companies is vital for the industry's survival.”

Collectively valued at 1.1 trillion rials (approximately \$2.6 million), these contracts cover the supply of key equipment such as surface safety systems, airport fuel delivery electro-pumps, pipeline transmission equipment, compressor parts, insulated fittings, flanges, and polyethylene pipes.

The Research Institute of Petroleum Industry also signed six contracts and three MOUs with companies, academic institutions, and industrial institutions.

These agreements, aimed at technology development, efficiency improvement, localization of technological know-how, and addressing priority needs, were signed with partners including Shiraz University, Payandan Company, Farassan Manufacturing, the Iran Transformer Research Institute, Fajr Jam Gas Refinery, Pars Behin Qeshm Oil Refining, Tehran Oil Refining, Iranian Offshore Oil Company, and Kerman

Province Gas Company.

Key areas of cooperation include research, education, and technology development; localization and production of non-metallic pipes for oil and gas; environmental projects for bioremediation of contaminated soils; process design and technology transfer in MDHT units; emissions reduction and product quality improvement; and smart management and optimal exploitation of oilfields.

According to the Research Institute, these agreements underscore its pivotal role in driving forward national technology goals in energy and bridging the gap between industry, science, and technology — a link that generates added value and brings about a knowledge-based economy.

NIDC signs significant deals

NIDC and two domestic knowledge-based manufacturers also came together to sign two contracts for the manufacture of applied drilling equipment. The first covers the production of four drilling fluid centrifuges and feed pumps, including spare parts support, previously requested by NIDC's Drilling Fluid Services Management.

This contract was signed by Mehran Makvandi (NIDC) and Seyed Amir Moayyed Alaei (Andisheh Sazan Salamat Parsian/FEDCO).

Furthermore, NIDC ordered nine main diesel generators for drilling rigs, along with spare parts, from Faba Motor. The contract was signed by Mehran Makvandi and Mohammadreza Zomorodi, CEOs of the respective companies.

Accelerating South Pars gas pressure-boosting project

The Ahdaf Company, affiliated with the Oil Industry Pension Fund, signed an MOU with Petropars to get the ball rolling on the gas pressure boosting project. It was announced that OIEC is present in hubs 2 and 5, while hubs 1 and 7 have been handed over to Petropars. Phases one and two are being jointly executed by Ahdaf and Petropars.

It was further stated that Offshore Installations, Oil Equipment, OIEC, OTC, and Talash Gostar, representing Ahdaaf, are also pitching in on the pressure boosting project.

At the signing ceremony of another MOU with the Oil Ministry's Planning Department on synergy and pooling capabilities for establishing a digital energy governance ecosystem, it was noted that regular meetings have been held for the past two months.

Ahmad Zaraatkar, deputy oil minister, commented, “With this MOU, the Ahdaf Investment Group is stepping up to the plate to help reduce and offset energy shortages, joining the team formed to tackle these issues through energy regulation and petroleum product management with diverse group participation.”

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