

NGL plant comes on stream in Ilam Province with 240 mcf/d capacity

Oil minister: Gas flaring to end by early 2029

Economy Desk

President Masoud Pezeshkian inaugurated via video conference on Saturday the NGL 3100 project to collect associated petroleum gas (flare gas) in Ilam Province.

The official commissioning of the NGL 3100 petro-refinery project in Dehloran was attended virtually by the oil minister, senior executives of the oil industry, and high-ranking provincial officials of Ilam at the project's operational site, IRNA reported.

Oil Minister Mehdi Paknejad stated that with the launch of one of the largest flare gas recovery projects in southern Ilam, efforts are underway to manage, utilize, and ultimately end gas flaring by March 2029.

The \$1.6 billion national project, built on 100 hectares, is tasked with collecting associated gas from the Dehloran, Danan, Azar, Cheshmeh-Khosh, and Paydar-e Gharb oil fields.

Its main goals include preventing gas flaring, supplying feedstock to the Dehloran petrochemical complex, improving efficiency, reducing emissions, and generating added value in the gas production cycle.

The NGL 3100 project consists of constructing a gas and NGL plant, nine feedstock and product pipelines, seven intermediate valve stations, a main substation, and a power transmission line from the power plant to the operational site.

The final products of this industrial complex include the valuable compound +C2, which will serve as the main feedstock for the Dehloran petrochemical olefin units — a key element in completing the petrochemical value chain and boosting economic returns.

Construction of the major national project began on August 27, 2016.

Referring to the oil minister's report on annual savings of \$700 million through flare gas collection and the revenues generated, Pezeshkian said this means such an amount of gas was previously being wasted, and by recovering it, the actual financial gain is effectively doubled.

The oil minister further explained that NGL 3100 has initially come on stream with a daily capacity of 80 million cubic feet, which will rise by another 45 million cubic feet by the end of October. Paknejad added that an additional 40 million cubic feet will be added by the end of this year (March 20, 2026), enabling the complex to reach its full capacity of 240 million cubic feet per day.

He noted that associated gas from northern Dezful in southern Ilam is collected at two compressor stations and transported to the complex through more than 350 kilometers of pipelines. According to the minister, at the facility the gas undergoes dehydration, sweetening, and separation to produce fuel gas for power plants, +C2, LPG, sulfur, and gas condensates.

He emphasized that around 85 percent



● SHANA

of the equipment and materials, as well as all implementation services, were supplied by domestic manufacturers and contractors. This approach created more than 4,500 direct jobs during construction, 150 direct jobs during operation, and 3,000 indirect jobs.

Paknejad further stated that since the beginning of the current administration (last August), flare gas recovery initia-

tives — including Rag Sefid-1, surplus gas in Gachsaran, and reduced flaring at 12 refineries in South Pars — have increased the daily associated gas recovery capacity by 280 million cubic feet. With NGL 3100 and other projects nearing completion, the capacity will surpass 600 million cubic feet per day by year-end.

Ilam Province, which holds over six per-

cent of Iran's oil reserves and 11 percent of its gas reserves, is considered one of the country's major energy hubs. Currently, the western province produces more than 200,000 barrels of oil and around six million cubic meters of gas per day. With the full operation of NGL 3100, the province's gas production capacity will rise to 10 million cubic meters per day.

Kerman, Chinese investor ink \$90m deal for auto project

Jiroft ferrochrome plant contributing to tech transfer to Iranians: Beijing



Kerman Governor General Mohammad Ali Talebi (R) and Chinese investor Qingyi Pan shake hands after signing a memorandum of understanding in Jiroft, Kerman Province, on August 15, 2025. ● IRNA

Jiroft ferrochrome plant, the investor said the plant's operations will provide opportunities for technology transfer to Iranians in Kerman Province. The plant is being built with the participation of the Chinese investor and an initial investment of 20 trillion rials (roughly \$21.5 million).

According to IRNA, Qingyi Pan told reporters that there are plans to invest in ferrochrome, steel, and minerals in Kerman Province.

He noted that the first phase of investment in Kerman, in Jiroft, would focus on ferrochrome production, which will also generate 500 jobs.

The foreign investor added that after ferrochrome, investment will target high-density polyethylene (HDPE) and steel production. With HDPE and ferrochrome, the steel-making process will be carried out.

Regarding the environmental concerns, he said, "We do not have environmental problems. Our machinery meets good environmental standards and will not cause any issues."

Qingyi further stated that Jiroft is well-suited for investment due to its mineral resources, proximity to ports, and the support of capable local officials.

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A foreign investor from China signed a tripartite memorandum of understanding with the Kerman governor general and the Jiroft governor to implement a \$90 million car assembly project in Kerman Province.

The MoU, signed between the top Kerman officials and Qingyi Pan, a Chinese investor, aims to implement the \$90 million project for car assembly and create 800 jobs in Jiroft, IRNA reported.

The agreement was concluded with the goal of balanced development, support for investors, and harnessing the capacities of Jiroft County.

After the start of the first phase of the Jiroft ferrochrome plant and observing the support and cooperation of provincial officials, the Chinese investor expressed interest in investing in the automotive industry.

Construction of the first phase

of the Jiroft ferrochrome plant also began on Friday in the presence of the Kerman governor general, other officials, and the Chinese investor, marking a step toward ending the export of raw materials in the country's largest producer of chromium.

Based on the agreement on the car assembly project, the Chinese investor is to provide \$90 million in two phases for the import and assembly of passenger cars in Jiroft.

The project is planned to be completed within 36 months and is expected to create 800 direct jobs.

The main purpose of the MoU is to combine the province's material and non-material resources to provide assurance, facilitate licensing, and accelerate investment activities toward achieving sustainable and balanced development in Kerman.

Meanwhile, on the sidelines of the opening ceremony of the

Domestic investment in free zones 80% above target in first quadrimester

Economy Desk

Approved domestic investment in the first four months of the current year (began on March 20, 2025) reached 2,095 trillion rials (about \$2.25 billion), marking an 80 percent increase, according to Iran's High Council of Free Trade & Industrial and Special Economic Zones. The top council said the total approved domestic investment in the first four months

of the current year amounted to 2,095 trillion rials — a figure that shows more than 80 percent growth compared to the target set for this period, Mehr reported.

Compared to the same period last year, when domestic investment stood at 2,185 trillion rials (about \$2.35 billion), the latest figures indicate the continuation of the upward trend in attracting domestic capital and the role of



● IRNA

free zones in the country's economic development.

According to ISNA, the realized domestic investment in the coun-

try's free zones during the period showed a significant 21 percent increase compared to the same period last year.

Iran-Qatar trade posts 66% surge in four months

Economy Desk

Iran's commercial attaché in Qatar announced a 66 percent increase in trade volume between Iran and Qatar during the first four months of the current Iranian calendar year (began on March 20, 2025) compared to the same period last year.

According to ILNA, citing the Trade Promotion Organization of Iran (TPO), Abbas Abdolkhani highlighted the growing trend in economic relations between the two countries, stating the growth reflects significant opportunities to boost Iranian exports to Qatar and use the country as a gateway to regional markets.

The commercial attaché emphasized that Iranian provinces have strong potential in exporting foodstuffs, agricultural products, construction materials, and minerals.

He noted that Qatar, in its National Development Program, known as Qatar National Vision 2030, seeks to play a central role in re-exporting goods to the region, which creates a valuable opportunity to supply high-quality, competitive Iranian products to markets such as Saudi Arabia via Qatar.

Abdolkhani also highlighted maritime transport infrastructure, stating that the shipping route be-



tween Iran's Bandar Deyr and Qatar's Al Ruwais port is active, with an average of 60 containers of Iranian goods entering the Qatari market daily. He noted that the capacity can be increased with proper planning.

Abdolkhani identified one of the main missions of commercial attachés as introducing target markets and outlining strategies for successful entry by Iranian traders. He expressed hope that such events would pave the way for a stronger and more effective presence of capable Iranian companies in the Qatari market and elevate economic relations between the two countries to a higher level.