

Gas sweetening unit damaged in Israeli strike restarted at Fajr refinery

Economy Desk

A unit at Iran's Fajr Jam gas refinery in the southern province of Bushehr was brought back online on Monday following repairs, months after the facility was hit during Israel's aggression on Iran in June. The refinery returned to production at a time when tensions between Iran and Israel continue to simmer, raising concern about a possible renewal of hostilities. Oil Minister Mohsen Paknejad said the refinery suffered "serious damage" on two of its eight gas sweetening trains when it came under attack, according to Shana News Agency. Iranian media reported at the time that the facility was hit by a drone on June 14, the second day of Israel's assault on Iran, which caused a huge fire. "During the 12-day war, conditions were very difficult," Paknejad said, adding that the Oil Ministry had prepared itself for "many hardships."

Now, one of the damaged trains has been repaired and brought back online under a six-month timetable, Paknejad said during a visit to the city of Jam to reopen the unit.

"In days when, due to energy imbalance and peak gas consumption, every million cubic meters of gas is of vital importance, bringing this train back into production provides very effective assistance to the country," he said.

Fajr Jam is one of Iran's largest gas refineries, processing feedstock from the Nar and Kangan gas fields and part of the natural gas from phases 6, 7 and 8 of the South Pars gas field, which Iran shares with Qatar in the Persian Gulf.

The facility has the capacity to process around 125 million cubic meters of natural gas per day and also produces gas condensate and liquefied petroleum gas (LPG). The strike on Fajr Jam was part of a broader wave of Israeli attacks on Iranian energy infrastructure



Iran's Oil Minister Mohsen Paknejad (C) is briefed during a visit to the SPD13A platform at the South Pars gas field in Asaluyeh, on January 5, 2026.

● SHANA

during the conflict. Facilities at Phase 14 of the South Pars gas field in the coastal city of Kangan were also targeted, along with fuel storage tanks in Tehran. Iran responded in kind with Iranian media reporting strikes on the Haifa refinery, facilities linked to military jet fuel production and other energy infrastructure in Israel.

Record high output

During his trip to Bushehr province, Paknejad also visited energy facilities in Kangan and the SPD13A platform at South Pars. He said gas extraction from the mammoth South Pars field had reached a daily record of 725 million cubic meters, helped by new infill drilling at the world's largest gas field.



"Over the past roughly 14 months, 13 wells have been brought on stream at South Pars, pushing up output by about 22 million cubic meters per day," the minister said. Paknejad said four additional

wells would also come online by mid-March, raising production by a further 8 million cubic meters per day. The increase comes amid a sharp jump in consumption during Iran's cold months.

On December 13, the National Iranian Gas Co. (NIOC) pumped an all-time high of 877 million cubic meters of gas into the national trunkline, with around 80% consumed by households and small businesses.

Pezeshkian urges unified fuel monitoring to curb smuggling



Iranian President Masoud Pezeshkian (2nd R) chairs a meeting to review the implementation of guidelines aimed at curbing fuel smuggling in Tehran on January 5, 2026.

● president.ir

smuggled fuel have risen by 764 million liters since the issuance and implementation of the directive.

Although executive measures for certain provisions of the directive remain underway, the surge in seizures has not only stopped the country's former 4% annual growth in fuel consumption, but has also pushed overall use down by 4% — bringing national fuel demand back to the levels of two years ago. The achievement has also reduced the country's need to import diesel this year to zero, the submitted reports said.

"Combating fuel smuggling becomes effective when action is taken against the origin and source of violations," Pezeshkian said, adding that dealing with those who interfere from within the system in the removal of fuel from the official distribution chain "must be more serious."

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Iranian President Masoud Pezeshkian said designing and implementing a coherent structure to monitor the fuel supply chain is the most effective way to manage consumption and prevent smuggling.

He made the remarks at a meeting to follow up on the implementation of guidelines to curb fuel smuggling on Monday, according to his official website.

Pezeshkian added that confronting individuals who play a role from within the system in diverting fuel out of the official network

"must be a priority."

At Monday's meeting, the president reviewed the outcomes of last year's session of the Headquarters for Combating Smuggling of Goods and Currency, which resulted in a 24-article directive on preventing and combating fuel smuggling, developed with consideration of existing technological capacities.

Fuel seizures up, consumption falls

According to officials from the anti-smuggling headquarters and relevant ministries attending the meeting, physical seizures of

FM says economic goals central to foreign policy, sanctions relief a top mission



Economy Desk

Iran's Foreign Minister Abbas Araghchi said economic priorities play a key role in shaping the country's foreign policy and described efforts to lift sanctions and help improve the national economy as core missions of the ministry, speaking on Monday at a meeting of the Iran Entrepreneurs Forum. "Economic diplomacy has entered an operational phase under this approach," Araghchi said, IRNA reported.

Araghchi discussed the role and position of the Foreign Ministry in advancing Iran's economic diplomacy and exchanged views with members of the forum on ways to strengthen cooperation between the diplomatic service and the private sector. Iran has been facing Western sanctions over its nuclear program for decades, which target the oil and energy sectors and affect humanitarian costs, including medicine and healthcare. Araghchi described the

ministry's practical diplomatic approach to economic projects, noting that "backing projects on the ground, clearing banking, transport, and legal hurdles, and enabling collaboration with foreign partners form the foundation of this approach."

He also underscored the importance of the private sector, saying, "Entrepreneurs and economic actors play a vital role in strengthening national capacity."

Araghchi added that by supporting the private sector and facilitating economic exchanges, the Foreign Ministry seeks to make cooperation with foreign partners — particularly in the region and with neighboring countries — smoother and more effective.

Members of the Iran Entrepreneurs Forum, for their part, presented their views and proposals on challenges and obstacles facing economic activity and stressed the need to strengthen interaction between the private sector and the diplomatic system.

Iran rail freight up 12% in eight months as railway signs development deal with MIDCO

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Iran's rail freight transport rose 12% in the first eight months of the current Persian calendar year (started March 21, 2025), Jabarali Zakeri, head of the Islamic Republic of Iran Railways, said on Monday, during the signing ceremony of a rail transport development memorandum of understanding with Middle East Mines and Mining Industries Development Holding Company (MIDCO).

Zakeri, who doubles as deputy minister of roads and urban development, said the increase came as Iran seeks to raise rail's share of cargo and freight transport to 30% under the country's Seventh Development Plan, IRNA reported.

The memorandum of understanding was signed to increase the share of rail transport in moving cargo nationwide and to help implement Iran's overarching transport policies. The agreement covers the rail transport of raw materials and products, preparations for the construction and expansion of industrial and commercial rail lines, and the provision of required rolling stock.

"Expanding rail networks will cut steel production costs and also reduce social costs by lowering air pollution and improving road safety," Zakeri said.

He said MIDCO holds a special position in Iran's steel production and in the annual transport of 30 million tons of cargo.

According to Zakeri, exports of sponge iron were carried by rail to Uzbekistan in coordination with the Trade Promotion Organization for the first time this year, while the movement of Iranian rail wagons along routes through Turkmenistan have also been coordinated.

He announced the opening of a new export gateway to Afghanistan, noting that since the start of the year, 450,000 tons of goods have been exported or transited through the Shamtigh border. He added that the target for next year is to move over 1.5 million tons of cargo.

Currently, 70,000 tons of cargo are being transported by rail to Afghanistan, a figure that Zakeri said



Jabarali Zakeri, chief of the Islamic Republic of Iran Railways (IRI), (C) speaks at the signing ceremony of a memorandum of understanding with MIDCO to advance rail transport development in Tehran, January 5, 2026.

● IRNA

would rise to more than 100,000 tons next month. Exports of ceramics from Yazd, steel from various companies, and the transit of petroleum products from the United Arab Emirates, Kuwait and Russia to Afghanistan are also being carried out by rail, he said, adding that the new eastern gateway could help boost the country's exports.



Zakeri noted that while petroleum products in Afghanistan cost \$1,400 per ton, rail transport has

lowered the price to \$935 per ton, underscoring the significant impact of rail freight.