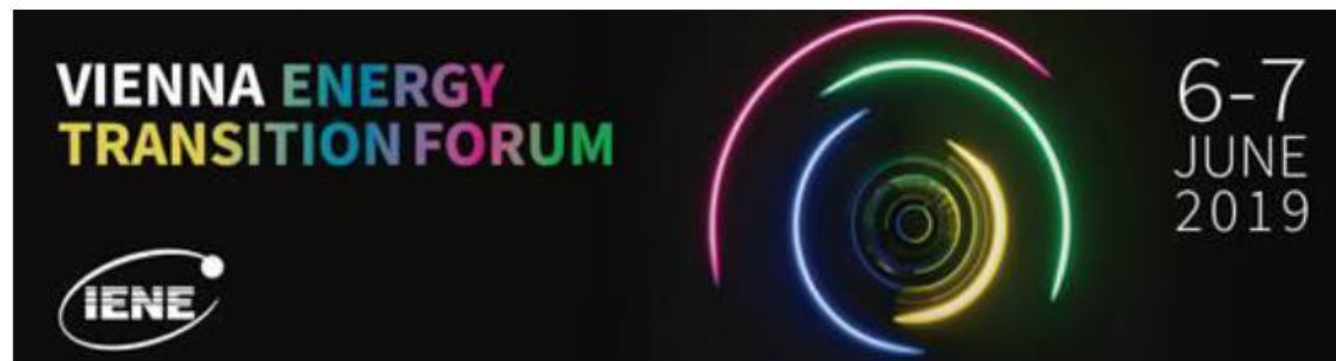


Iran as a Future Supplier of Natural Gas to Europe?

Bijan Khajepour



KEY DATA ON IRAN'S GAS SECTOR

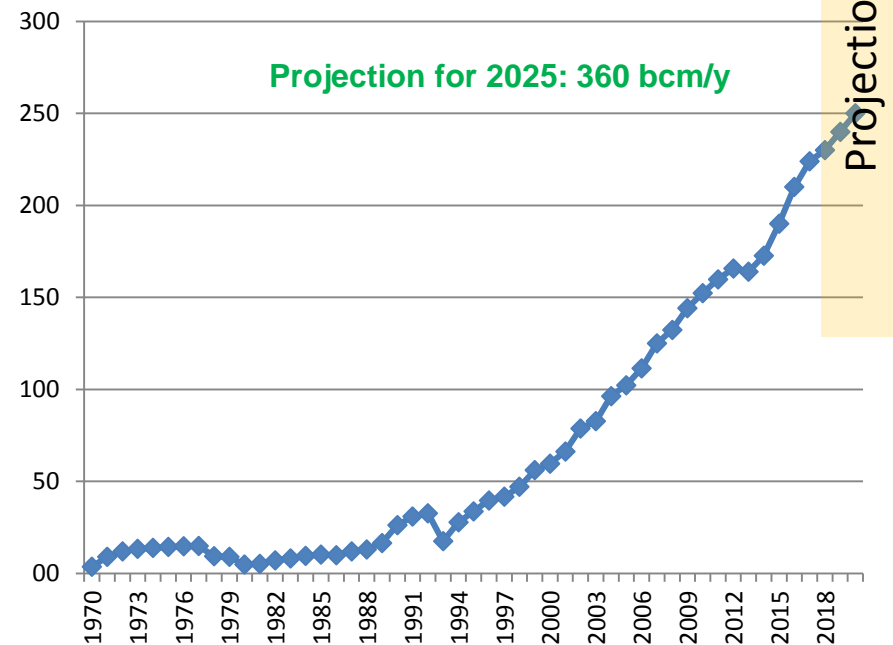
Natural Gas

Reserves	33.2 trillion cubic meter (tcm)
Production	224 bcm/y
Natural Gas Exports	14 bcm/y

Export Destinations (daily exports)

Turkey	22.0 mcm/d
Iraq	13.0 mcm/d
Azerbaijan	2.2 mcm/d
Armenia	1.4 mcm/d
Total	38.6 mcm/d

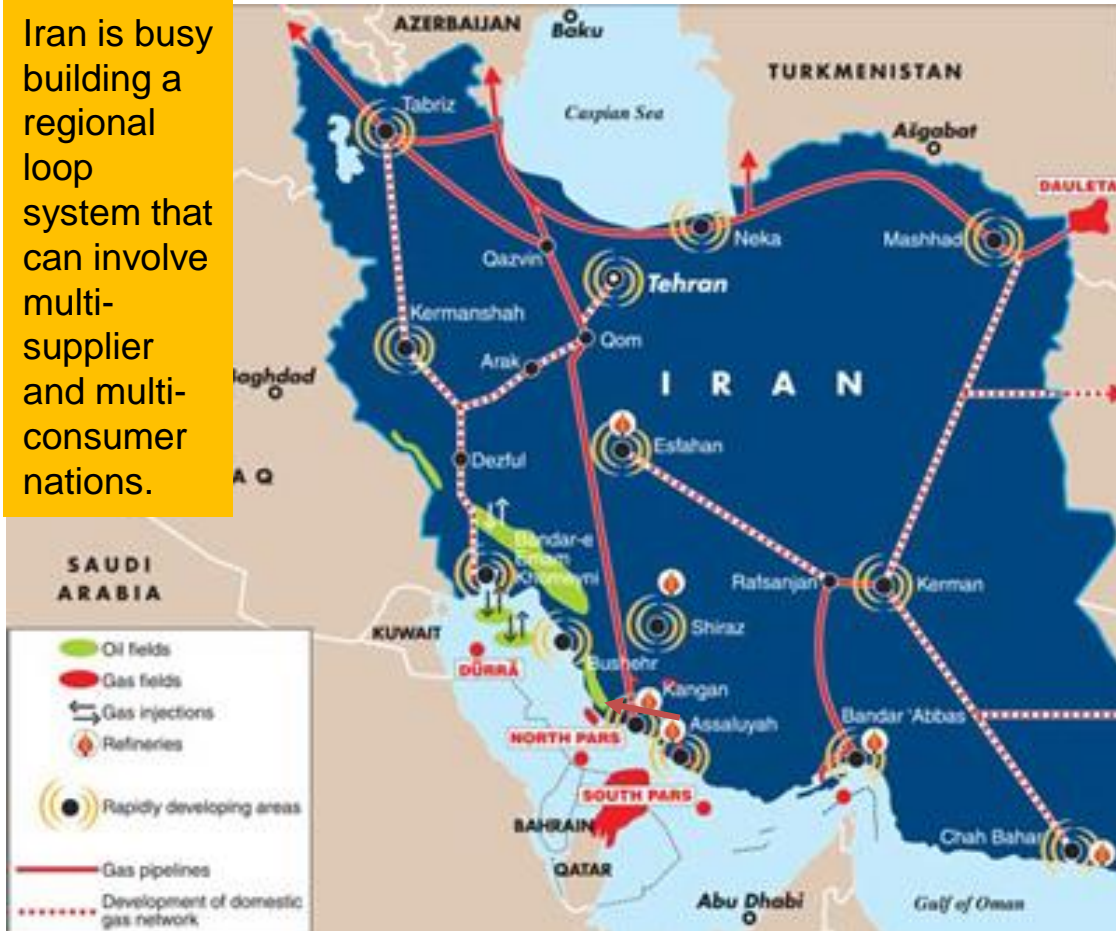
Iran's Gas Production (bcm/y)



- Iran's main petroleum sector story in the next decade will be the expansion of the gas sector;
- Though the re-imposition of US sanctions have severely undermined developments in this sector, the country has continued to invest in its gas sector;
- In order to reduce its vulnerability, Iran is investing in value-add in the petroleum sector;
- Export capacity is on the rise, partly due to production growth and partly due to increased energy efficiency.

IRAN'S GAS VISION

Iran is busy building a regional loop system that can involve multi-supplier and multi-consumer nations.



Gas Vision 2025:

- Remain the 3rd largest gas producer in the world with gas production of 360 bcm/y
- Inject gas into the oil fields in order to maintain and increase oil production
- Supply Gas to power stations, gas-based industries and petrochemicals and to export the value added products
- Maintain the share of **gas in Iran's energy basket above 70 percent.**
- **Export Gas to the regional countries, Indian subcontinent and Europe**

For now, LNG does not feature strongly in the Iranian strategy, but that can change

This vision requires capital investment of around \$160 billion from local and international sources;



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