Lukoil: Iran Seeks to Purchase ISAB Refinery

TEHRAN (Dispatches) - **Russia's oil giant Lukoil says companies from Iran as well as Azerbaijan and Algeria have voiced interest in purchasing its ISAB refinery in Italy.**

Reports quoted Lukoil CEO Vagit Alekperov as saying that the companies were the National Iranian Oil Company (NIOC), Azerbaijan's SOCAR and Algeria's Sonatrach.

The move was earlier said to have been in line with the Russian company's plans to review its overseas operations.

Alekperov emphasized that there has been a huge demand from companies that wanted to purchase the ISAB refinery in Italy's Sicily. He added that his company would consider all bids.

The official further said the refinery was in a good shape and that all the required investments to update it had already been made.

Alekperov said Lukoil was not in a rush to sell the ISAB and that negotiations with all bidders would be carried out to identify the best proposal.

The official had in September said several American refiners, as well as a company from the Persian Gulf region and also an international investment fund had voiced interest in purchasing the refinery.

Last June, Lukoil announced that it intended to continue refining Iranian oil at the same refinery.

The media in Moscow quoted Alekperov as saying at the time that his company planned to resume refining of Iranian oil at the ISAB to replace Russian Urals brand oil.

"Today, we want to return it [Iran's oil] there [to the ISAB], because at the moment Urals is more expensive than Iranian oil. Today, we are placing it at other refineries very effectively," Sputnik news agency quoted the official as saying.

He added that oil from Iran was the best option for the ISAB, because it was designed for 70 percent of heavy oil from Iran and 30 percent of light oil from Libya.

Iran-Ghana Joint Commission Push for More Cooperation

TEHRAN (Tasnim) – **The sixth session of Iran-Ghana Permanent Joint Commission for Cooperation (PJCC) is underway in Accra, the capital of the African country.**

The two-day meeting seeks to enhance the level of partnership and cooperation to incorporate new thematic areas of policies concerns and initiatives between the two countries, Ghana news agency reported.

The areas for cooperation include agriculture, transportation and housing. Others are political and strategic consultation, trade, investment, banking and financial cooperation, energy, mines, industry, science, health, culture, defense, security and law.

Owusu Afriyie Akoto, Ghana's Minister of Food and Agriculture, said Ghana had benefited from various forms of financial and technical assistance from Iran.

He mentioned the assistance to include special scholarships and training programs to Ghana in the areas of health, petroleum and petrochemical engineering, agriculture support projects in the northern parts of Ghana and the upgrading of the Iran Clinic into Polyclinic at Adabraka in Accra.

"The Sixth Session of the PJCC between Ghana and Iran is a further indication of cordial relations and fruitful cooperation between the two countries," he added.

He said that two Iranian companies, a cement factory and juice processing factory would be commissioned on the Aflao road and Asamankese in the Eastern Region of Ghana.

Afriyie Akoto said the areas of cooperation would provide framework for enhancing the level of partnership and cooperation between Ghana and Iran. He further urged both countries to ensure their effective implementation after signing of the MoUs.

Iran's Agriculture Minister Mahmoud Hojjati, who is now in Ghana to attend the commission, said there was the need to strengthen cooperation between the two nations, adding that this would promote economic and socio-cultural activities for the betterment of the citizens.

Some 90 Polish Firms Discuss Trade With Iran

TEHRAN (Trend) - **A governmentally organized group from Poland has successfully engaged some 90 Polish companies in talks with Iranian partners in hope to promote trade ties between the two countries.**

The Go Iran Program was launched one year ago by the Polish Ministry of Economic Development in order to promote Polish entrepreneurs, Agnieszka Schutte, the program head said in Nov. 13 on the sidelines of IAPEX 2017: Iran Auto Parts Exhibition in Tehran.

"We provide info on certificates, attending exhibitions, PR activities, etc. This exhibition is our first business mission to Iran and in future we would like to organize at least two business missions, as well as conferences and business forums for Polish and Iranian entrepreneurs," said Schutte, who heads the National Marketing Unit of the Polish Investment and Trade Agency.

"Also we have official delegations from Iran and are engaged in cooperation with the Iranian embassy and the Polish-Iranian chamber of commerce, as well as Iranian institutions to promote trade ties."

Jaroslaw Kaczynski, the head of Tehran Bureau at the Polish Investment and Trade Agency, also said the group is preparing a general plan for promoting Polish industry and economy in Iran and the other way round.

"Some time ago we started a process to designate certain fields of industries between our two countries which have the biggest opportunities for both sides," he said.

One of those fields is auto parts, Kaczynski said.

"There are plans being prepared for next year. It is a platform for Polish companies to apply for and attend exhibits, conferences, and meetings. We work as a non-profit organization."

Kaczynski noted that five companies have been selected from Poland for the 2017 Tehran Auto Parts Exhibition.

Airbus Seals $50bn Jet Deal to Outdo Boeing in Dubai

DUBAI (Bloomberg) - **Airbus SE announced the biggest commercial-plane transaction in its history, securing an order for single-aisle aircraft valued at nearly $50 billion at the Dubai Air Show, outdoing Boeing Co.'s own $20 billion mega-deal.**

Wednesday's pact for 430 A320neo planes with U.S. investor Indigo Partners marked a turnaround for Airbus at the Persian Gulf expo, where it had been trailing its rival. It's also a crowning achievement for sales chief John Leahy, who is set to retire after a career in which he has struck deals for more than 16,000 jets and lifted the European planemaker into a duopoly position with Boeing.

For Indigo Partners, led by Bill Franke, the Airbus accord provides upgraded narrow-body aircraft to boost the fleets of low-cost carriers from Denver to Budapest. The planes will go to four companies in Indigo's investment portfolio: Frontier Airlines, Mexico's Volaris, East European operator Wizz Air Holdings Plc and Chile's JetSmart, which began operating this year. The deal features 273 A320neo jets together with 157 of the larger A321neo variant and is worth $49.5 billion before customary discounts, Airbus said. Leahy, 67, called the transaction "remarkable," while Franke, 80, who co-founded Indigo in 2002, said it underscores his confidence in the A320 and the bargain fares, no-frills travel model he helped develop.

Airbus shares rose as much as 4 percent and were trading 2.9 percent higher at 85.93 euros as of 11:13 a.m. in Paris, taking the gain this year to 37 percent.

Tehran Signs Deal With Czech Republic's Export Credit Agency

TEHRAN (Trend) - Iran has signed a cooperation document with the Export Guarantee and Insurance Corporation (EGAP), Czech Republic's official export credit agency, Central Bank of Iran (CBI) said.

The MoU was signed by Marek Dlouhý, vice chairman of the board of directors and Business Section head of EGAP and Hossein Yaghoubi Miab, director general for international affairs of CBI.

The document is jointly prepared by the Export Guarantee Fund of Iran (EGFI), CBI and Iran's economy ministry.

The MoU, targets facilitating trade and promoting investment between the two countries.

Turks Follow Erdogan's Call to Get Rid of Dollar & Buy Gold

MOSCOW (RT) - **The latest World Gold Council report shows Turkey has sharply ramped up gold buying with both the central bank and ordinary people joining the rush.**

"Bar and coin purchases, a measure of investment demand, were 47 metric tons so far in 2017, compared with 14.8 tons in the same period a year ago," ZeroHedge quotes the report as saying.

The Turkish central bank has bought almost 30.4 tons of gold this year. The surge in buying is reportedly triggered by state measures aimed at diversifying international reserves in light of rising tensions between Turkey and its traditional Western allies the U.S. and Europe.

A year ago, President Recep Tayyip Erdogan called on the Turkish public to keep savings in gold and avoid the U.S. dollar, urging the central bank to back that policy.

At the same time, the exchange value of the Turkish lira has dropped 15 percent since the beginning of October. The plunge inevitably makes the national currency increasingly unattractive as a savings vehicle.

Iran's Path to Becoming an LNG Exporter

Washington (AL MONITOR) - In the early 2000s, as Iran drafted plans to exploit its huge gas potential, allocating some of the gas for the production of liquefied natural gas (LNG) was firmly on its agenda.

In fact, three projects were outlined: Pars LNG, a joint venture between Total (50%), the National Iranian Oil Company (NIOC, 40%) and Petronas (10%); Persian LNG, a joint venture between Shell (25%), Repsol (25%) and NIOC (50%); and Iran LNG, a company owned by NIOC with undetermined international partners. All three projects invested heavily in paving the way for the future production and export of LNG from Iran.

By the late 2000s, however, the international partners in the first two ventures were forced to abandon the projects given the intensification of nuclear sanctions against Iran. What remained was the third project, Iran LNG, and the frustration in Tehran that massive investments in the LNG sector had gone to waste. In fact, in light of the withdrawal of international companies and potential technology providers, Iran excluded any role for LNG in its subsequent gas sector strategy.

Developments in a number of fields have since compelled Iranian petroleum sector strategists to reconsider and take a more serious look at LNG. The factors contributing to the shift in strategy include the following:

Growth in gas production: Iran's actual gas production and potential for exports have increased substantially, allowing the country to plan for major export activity.

Availability of Western technology: The lifting of nuclear sanctions has made it feasible for Tehran to again secure the needed technologies and equipment to construct LNG complexes.

Demand outlook for LNG: The growth projection for LNG is such that global demand will grow by 50% in 2020 compared with demand in 2014.

Changing geostrategic realities: Qatar is Iran's most significant competitor in the global LNG market, and an improvement in relations between them in the aftermath of the Saudi-led blockade against Qatar has paved the way for a more pro-active LNG strategy in Iran.

Commitment to stop the flaring of gas: Tehran envisions a total ban on flaring gas in the South Pars gas fields by 2020, a process that can be facilitated through converting some of the freed gas to LNG through so-called floating LNG (FLNG) capacity.

The first steps in the shift have already been taken. Tehran signed an agreement with Oman to export Iranian gas to Oman via pipeline and then to use excess capacity in Oman to produce LNG. This first step was designed to put Iran, as a small player, on the global LNG map. The second step was taken when Tehran signed an agreement with the Norwegian company Helma Vantage to provide it with FLNG capacity. The advantage of an FLNG facility is that it can be shifted if gas supply locations change due to the flow of projects. This means that a floating LNG unit can be installed depending on where new sources of gas become available. In the meantime, Total SA, the French company that signed the South Pars Phase 11 agreement with Tehran in July, is in talks with Iran to acquire Iran LNG, mentioned above.

These are all important steps that will gradually increase Iran's potential to produce and export LNG. Iran has competitive advantages to move it in the direction of becoming a significant player in the LNG market, including its gas resources and geostrategic position. Also, Iran has an affinity for major markets in Europe and Asia. Meanwhile, Iran appears to be taking the right approach in creating LNG capacities at a gradual pace rather than trying to jump into large-scale production. Nonetheless, a number of challenges will need to be addressed before Iran can become a substantial player in the growing global LNG market.

First and foremost, LNG technology is potentially one of the technological sectors most vulnerable to U.S. pressure. In other words, even though non-U.S. providers of LNG technology exist, some components are only U.S. made. Tehran needs to be careful to avoid a new wave of pressure due to unilateral U.S. sanctions on transfers of technology.

Second, unlike the international crude oil market, which Tehran knows quite well, the global gas market is driven by buyers rather than sellers. LNG exports have to be decompressed at their destination, meaning that additional infrastructure is required at the receiving end of the export process. LNG exports also require specialized tankers for international transport, so Iran must invest in new capacity for its tanker fleet. Though Iran has had experience with pipeline gas exports to neighboring countries, it is important to realize that LNG exports are different and that human resources, infrastructure and commercial capacities must be developed to benefit from the LNG potential.

Third, economic comparisons between pipeline gas exports and LNG exports need to become more sophisticated. Some experts in Iran argue that it could more feasibly export gas to distant markets via pipeline. While their economic calculations may be quantitatively correct, they fail to take into account some of the non-quantifiable counter-arguments, such as the geopolitical risks to pipelines, including terrorism. In fact, the decades long failure to plan and construct an Iranian gas pipeline to India is the best proof of such complexities.

Fourth, there will be some domestic opposition to the future development of LNG among forces that believe the best form of gas export for Iran is the production and exportation of electricity. This constituency is strong and also presents valid arguments, such as the fact that Iran has indigenous electricity generation technologies and that there are enough current and future regional markets for electricity exports. Given that Iran has the world's largest gas reserves, however, Iranian strategists should grasp that the country has enough gas resources to become a key player in all these markets.

The above outline underlines the potential of future Iranian LNG exports and also points to the challenges along this path. The key element in drafting and implementing the appropriate strategy is to first develop a comprehensive energy vision for the country. Once such a document exists, everyone will know what share of resources will be allocated to each sector, and more meaningful sectoral planning can flow from there. In the meantime, Tehran will gradually appear on the LNG map, in incremental steps.