



Perspectives of Iran South Pars as global energy factor

Sarukhanyan, South Pars contains huge gas reserves of best quality, which are still uncontrolled by USA, Russia, and China. According to the presentation's information, 8 South Pars' sections are completely ready; every one produces 25 million m³ per day. Annual production at these 8 sections totals 73 billion m³.

Mentioning rival projects of Iranian gas export, the Deputy Director of Noravank Fund conditionally named them the 'West' and the 'East' ones. West Project is route Iran-Turkey (South Caucasus)-Europe, East Project – Iran-Pakistan-India. Actually, according to Sarukhanyan, Pakistan and India together pretend to 40 billion m³ of Iranian gas, and Europe – to 150 billion m³. "Politicization of the question is caused by fact that behind Iran and Pakistan stands threatening shadow of Chinese People's Republic, which is pretending to the lion's share of Iranian gas by 2020. The USA is worried by Chinese strategy of energy import, based on two fundamental principles: seller of oil and gas guarantees stability of supplies, and buyer (i.e. China) guarantees their security at whole route. It naturally strengthens military-economically China and Shanghai Organization of Cooperation in regions of supply and transit", stated the expert.

What does Iran want, asked he himself? According to Sarukhanyan, basically Iran prefers European market, because EU countries are ready to buy gas at European

prices. As for Pakistan and India, they suggested Iranian side making long-term agreement on gas supply at fixed prices, which basically does not satisfy Iran. At the same time, Iran skillfully uses the East Project in order to have additional arguments in his European policy, as well as in talks on nuclear problems.

From other point, characterizing US position on the question, Sarukhanyan stressed, energy strategies of US and EU fundamentally differ. It was obviously demonstrated by the American way of Iranian problem's solution. "It is more favorable for the USA, when Europe consumes Russian gas, but not Iranian one. From the other side, US general aim is not to allow Iranian gas to get into China. American-Indian agreement on construction nuclear reactors, aimed at decreasing India's energy needs, may be connected with the fact", stated he. Mentioning perspectives of Iran-Armenia-Georgia-Ukraine-Europe route, Sarukhanyan pointed out, construction of new pipeline in Ukrainian territory would be very expensive. It will take from \$35 billion up to \$40 billion, because 90% of existing infrastructure are used for transit of the Russian gas. Hypothetical transit incomes of Armenia and Turkey, for transition of Iranian gas, may approximately total \$160 million for Armenia (in case of transit of 50 billion m³ annually), and for Turkey up to \$4 billion (in case of transit of 150 billion m³ annually), according to the expert.