

Iranian Heavy Oil Price Increased By \$2.45 in January to Register a 3.1-Percent Increase Compared to December 2022, According to OPEC's Latest Monthly Report Published on February 14

IRAN NEWS

Deputy of the Regional Centre on Urban Water Management (RCUWM-Tehran) Under the Auspices of UNESCO, Alireza Salamat Said Tehran Will Host the 13th Summit of UNESCO Urban Management Center on Feb.22

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Iran Offers \$40b Worth of Oil Projects to China

IRAN NEWS ECONOMIC DESK

TEHRAN - Iran has offered some \$40 billion worth of investment projects in its petroleum sector to China during a recent visit by President Ebrahim Raisi to Beijing, according to the Iranian Oil Ministry's deputy for international affairs.

Ahmad Assadzadeh said in remarks published that a bulk of projects offered to China will be in the downstream sector of the Iranian oil and gas industry.

Assadzadeh said that projects will include the construction of methanol to olefins (MTO) units as well as petrochemical refinery complexes in southern Iran.

"The important thing is that the Chinese side does believe in cooperating with us despite the oppressive American sanctions against our country," he was quoted as saying in an interview with the state TV.

The official said that in addition to the investment projects, Iran is also seeking to obtain a \$20 billion finance package from China to expedite development works in its petroleum sector.

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Iran to Help Palestinian Nation in Any Way It Can

IRAN NEWS NATIONAL DESK

TEHRAN - Supreme Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei criticized Muslim leaders for failing to stand firm against Israel, stressing that Iran will continue to support the Palestinian nation in any way it can.

"If the Islamic governments had stood firm on the issue of Palestine from the first day and resisted, the situation in the West Asian region would certainly have been different and the Islamic Ummah would have been stronger and more united today," he told a group of foreign representatives and ambassadors and participants of an international Qur'an contest in Tehran on Saturday.

The Leader made the statements on the occasion of Eid al-Mab'ath, which marks the day Prophet Muhammad (Peace upon Him) was chosen as God's messenger.

"If the Islamic countries had followed the teachings of the Ba'that, the evil Zionist regime would not have been able to commit atrocities and crimes against the oppressed Palestinians before the eyes of the Islamic nation," he said.

Ayatollah Khamenei stressed that the Iranian nation and its Islamic establishment will continue to fulfill their duties with regard to Palestine. He touched on the clear positions of the Islamic Republic in support of the oppressed Palestinians, saying Iran "has no reservations in openly supporting and defending the Palestinian nation."

"The Islamic establishment will continue to help the Palestinians in any way it can," the Leader added.

He touched on the enemies' focus on Iranophobia, saying "unfortunately, the governments that are obliged to help the Palestinian nation themselves have joined the Iranophobia project of the enemies of Islam".

Since the Islamic Revolution, Ayatollah Khamenei said, the enemies have lined up against the Iranian nation with military, economic, political and propaganda war, but the people of Iran have thwarted all conspiracies of the domineering powers with their exemplary perseverance.

Ayatollah Khamenei described the issue of Palestine as one of the important weaknesses and wounds of the Islamic Ummah.

"A nation and a country is being subjected to endless and daily oppression before the watching eyes of the Islamic world by a barbaric, evil and wicked regime and Islamic countries with all their wealth, capacity and ability only look and even some of these countries, especially recently, collaborate with this bloodthirsty regime."

The end result, Ayatollah Khamenei said, is the weakening the countries which keep silent in the face of crimes and cooperate with the Zionists.

"The situation has reached a point where America, France and several other countries, claiming to solve the problems of Muslims, have given themselves the right to interfere in the Islamic world, while they are helpless and unable to solve their problems and manage their countries."

The Leader said important political issues such as Palestine and the US interference should be the focus of the Islamic Ummah in any situation.

He also expressed sorrow over the recent earthquakes in Turkey and Syria, which has left many victims, saying all Muslims should share their pain and tribulation.

Iran Rejects UK Daily's Baseless Accusations

TEHRAN (PressTV) - Iran's chargé d'affaires to the UK has reacted to a recently-published comment in The Telegraph, rejecting the accusations leveled against Iran in the article as "baseless and fabricated."

In a series of tweets, Mehdi Hosseini Matin rejected the comments, made by two UK parliamentarians, Stephen Crabb and Steve McCabe, who are chairmen of Friends of Israel parliamentary groups in the Conservative and Labour parties, respectively.

Titled "Iranian terror is a clear and present danger to the UK," the article was published online on February 12, leveling accusations, particularly against the Islamic Revolution Guards Corps (IRGC).

The article is "full of false, baseless & fabricated accusations against the Islamic Republic of Iran," Hosseini Matin wrote.

The IRGC was "the only organization that fought against terrorism in the region; in circumstances that the danger was so close to Europe and no one dared to stand against it," the envoy said, stressing, "The IRGC still is the main fighter in combating terrorism in the region."

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Iran Exports to EU Rise 15% in 2022

TEHRAN (MNA) - The value of Iran's export to the European Union (EU)'s member states rose 15 percent in 2022, as compared to the previous year, according to the data released by the European Union's statistics office Eurostat.

The Eurostat's data show that Iran exported commodities worth €1.055 billion to the union in 2022, while the figure was €922 million in 2021, IRNA reported.

The EU's export to Iran also rose seven percent to €4.183 billion from €3.931 billion.

According to the Eurostat, the total value of trade between Iran and the European Union reached €5.238 billion in January-December 2022, while the figure was €3.931 billion in 2021.

Among European countries, Germany was Iran's top trading partner in 2022, accounting for about 35 percent of Iran's trade with the European Union. Germany exported €1.582 billion worth of goods to Iran while importing €278 million worth of commodities from the Islamic Republic. The country's total trade with Iran was 1.860 billion euros.

Italy was Iran's second trading partner with the total trade between the two countries standing at €712 million. Italy exported €51 million worth of goods to Iran while the imports stood at €61 million.

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Iran Vows More Aid to Quake-Stricken Syria

TEHRAN (PressTV) - Head of the Iranian Red Crescent Society (IRCS) Pirhossein Kolivand says the country will continue to send more humanitarian aid to quake-hit areas in Syria, vowing to facilitate the dispatch of international relief to the Syrian people.

In a Thursday meeting with President of the Syrian Arab Red Crescent Khaled Hboubati, the IRCS head said despite a powerful earthquake in the northwestern Iranian city of Khoy on January 28, Iran rushed to help the Syrian and Turkish people affected by a devastating tremor on February 6 given cordial relations with the two countries.

At least three people were killed and more than 1,500 injured in the 5.9-magnitude quake with multiple aftershocks near the city of Khoy in the province of West Azarbaijan. It caused structural damage and the destruction of many homes in the city and its surroundings.

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Iran Allocates €400m To Importers From Blocked Funds in Iraq

TEHRAN (PressTV) - The Central Bank of Iran (CBI) has offered some €400 million (\$427 million) from its resources blocked in Iraq because of US sanctions to importers in the country more than two weeks after reports suggested that authorities were planning to use the funds for imports of food and medicine from the Arab country.

A CBI statement released on Wednesday said that some €100 million from blocked funds in Iraq had been supplied to NIMA, a government-controlled exchange market where importers can obtain hard currency at prices that are lower than the unofficial market in Iran.

The statement said some €300 million from the same funds had been allocated to importers in NIMA over the past few days.

It said the allocation was a first in more than a year and had been made possible thanks to a recent easing of restrictions on Iran's access to its funds in Iraq.

A November report by the semi-official ISNA news agency said that nearly \$6 billion worth of funds have been accumulated in an account in the Trade Bank of Iraq (TBI) for Iranian exports of energy to the Arab country in recent years.

The report said that total Iranian overseas resources that remain inaccessible because of US sanctions on Iran's banking relations with other countries amount to around \$50 billion.

Local media reports in late January had suggested that Iran's ministry of trade had asked food, pharmaceutical and health industries in the country to submit a list of priorities for imports from Iraq using funds blocked in the TBI.

Feb.11 Rallies a Proper Response to Enemies

BEIRUT (Dispatches) - The secretary general of the Lebanese Hezbollah resistance movement has hailed the mass participation of Iranians in nationwide rallies in celebration of the 44th anniversary of the victory of the Islamic Revolution, stating that the people's epic presence gave a proper response to false speculation that the time was up for the Islamic establishment.

Sayyed Hassan Nasrallah made the remarks during a televised speech at a ceremony in the Lebanese capital city of Beirut in commemoration of the martyred military commanders of Hezbollah.

"Western media outlets take no notice of the millions-strong marches across Iran on the anniversary of the victory of the 1979 Islamic Revolution, and instead focused on gatherings and riots that had drawn a small number of people and sought to instigate them," Nasrallah said.

He added, "All those who bet on the downfall of Iran's Islamic establishment, especially the Zionist regime, are mistaken in their calculations and must be reminded that their wishful dream will never come true. The latest [Bahman 22nd] demonstrations across the country marking the anniversary of the victory of the Islamic Revolution gave a strong and proper response to enemies and those who spuriously alleged that the Islamic establishment's days are numbered."

Nasrallah noted that the United States has been developing a series of plots since 2019 in order to bring Lebanon back under its control and dominance; however, it has failed in such bids.

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Two Foreign Nationals Involved In Riots Arrested in Zahedan

ZAHEDAN (IP) - An informed source in Sistan and Baluchistan said that two foreigners who have entered Iran illegally and had played an important role in the riots of this province were arrested on Thursday.

A security official in Southeastern Sistan and Baluchistan on the condition of anonymity told that two foreigners who entered Iran illegally and played an important role in the past months' unrest in the province were arrested on Thursday. To ensure the securing safety of the people of Sistan and Baluchistan province, Law Enforcement organizations started a plan to arrest illegal immigrants in this province.

During the operation, these two illegal immigrants were identified and arrested on Thursday in Zahedan.

Tehran Rejects Claim About Presence of Al-Qaeda Leader in Iran

IRAN NEWS POLITICAL DESK

TEHRAN - Foreign Minister Hossein Amirabdollahian has categorically dismissed claims made by the US administration about the presence of a leader of the al-Qaeda terrorist group in Iran, saying linking the terror outfit to Iran is "absurd" as those who created al-Qaeda and Daesh are to blame for the spread of terrorism across the world.

Amirabdollahian made the remark in a post on his Twitter account after U.S. State Department spokesman Ned Price claimed that Seif al-Adel, the new leader of al-Qaeda, was based in Iran, without providing any evidence to substantiate the allegation.

"I advise White House to stop the failed Iranophobia game. Linking Al-Qaeda to Iran is patently absurd and baseless. Those who created Al-Qaeda and DAESH must be held accountable for spreading terrorism worldwide. Don't give false address!" the top Iranian diplomat noted.

Price accused Iran at a press briefing on Wednesday of "offering safe haven to al-Qaeda," and providing "support for terrorism."

Asked by a reporter what the United States would do if Adel was in Iran, the US State Department spokesman said Washington was determined not to allow threats to emerge and would closely coordinate with its European allies to confront "all the challenges Iran poses."

The US claim comes as Iran, which is one of the biggest victims of terrorism, has been lauded as one of the pioneers in the fight against terrorism in the West Asia region.



Washington, as the main supporter of anti-Iran terrorism, has in numerous reports been proved to have created, trained and supported Daesh and other terror outfits to wreak havoc across the oil-rich region to plunder its resources.

Meanwhile, Iran's Permanent Mission to the United Nations in New York also rejected Price's claim about the presence of the al-Qaeda leader in the country, saying the propagation of such misinformation could potentially hinder efforts to combat terrorism.

"The global network of al-Qaeda was dismantled after the death of Osama Bin Laden and the organization is no longer in existence but its extremist ideology still persists. The emergence of ISIS (Daesh) has taken the place of Al-Qaeda and has given rise to a new form of terrorism," the mission tweeted, referring to the terrorist group's founder who was killed in 2011.

"It is worth noting that the address for the so-called newly appointed Al-Qaeda leader is incorrect. This misinformation could potentially hinder efforts to combat terrorism," it added.

Iran, Oman FMs Talk on Phone

TEHRAN (IRNA) - Ministers of foreign affairs of Iran and Oman in a phone talk on Thursday evening spoke about latest status of Iran-world powers nuclear talks to terminate sanctions.

The Foreign Minister of the Islamic Republic of Iran Hossein Amirabdollahian and his counterpart from the Sultanate of Oman Sayyid Badr Albusaidi after exchanging viewpoints on currently halted nuclear talks spoke about bilateral ties, regional and international issues of mutual interest.

Regional Countries Warned About Sinister U.S. Policies

TEHRAN (PressTV) - Iran warns the countries of the region about Washington's dangerously ill-intentioned and divisive policies targeting the regional nations and their relations.

Foreign Ministry spokesman Nasser Kanaani made the remarks in reaction to a joint statement by the United States and the Persian Gulf Cooperation Council (GCC).

The thoroughly anti-Iranian statement was issued by American and GCC officials during a meeting of the so-called "Working Group on Iran" at the council's headquarters in the Saudi capital Riyadh on Wednesday. It saw the countries in question accusing Iran of leading "destabilizing policies," "supporting terrorism," "weapons proliferation...in the region and around the world," and "nuclear provocations."

Kanaani roundly rejected the accusations that were leveled against the Islamic Republic in the statement, describing them as "oft-repeated" and "tedious."

He considered the issuance of such statements to be in line with the US regime's age-old strategy of sowing division among the countries of the region.

The official went on by citing many instances of the United States' "destructive" and "interventionist" policies in the region, which had worked to disrupt regional stability and security.

The spokesperson enumerated the US's sales of millions of dollars worth of weapons to the regional states, its "support for Takfiri terrorism," its "continued all-out backing of the Zionist regime [of Israel]'s crimes against the oppressed Palestinian people," and Washington's contribution to the years-long devastating war against the Yemeni nation.

Addressing the allegations targeting Iran's nuclear work, Kanaani said the Islamic Republic would carry on with its peaceful nuclear energy program and "constructive" cooperation with the International Atomic Energy Agency (IAEA), notwithstanding existing political pressures and propagandist smear campaigns.

The Islamic Republic, he continued, believes in regional diplomacy and endeavor toward the resolution of regional crises through political solutions.

The official, meanwhile, referred to the country's favorable and growing ties with its neighbors, expressing hope that the countries of the region would travel down the path of regional peace, security, and sustainable development while remaining cautious about the United States' "self-serving intentions and sinister policies" targeting the region.

Commander Highlights Iranian Navy's Powerful Presence in High Seas

TEHRAN (Tasnim) - Iranian Navy Commander Rear Admiral Shahram Irani said the country's naval forces are at a high level of power and have active presence in international waters.

Speaking at a meeting in Tehran, the senior commander said the Navy is actively present in the world's oceans and has raised the flag of the Islamic Republic of Iran in faraway waters.

Rear Admiral Irani referred to Leader of the Islamic Revolution Ayatollah Seyed Ali Khamenei's emphasis on enhancing maritime security and said, "Today, thanks to the efforts of the country's youths, the Navy is at a high level of power and strength."

Elsewhere in his remarks, the commander highlighted the importance of utilizing the capacities of seas in the country's economic growth and development.

Last month, Rear Admiral Irani said plans are underway to dispatch naval forces to the Panama Canal as Iranian servicemen are approaching the coasts of the Americas.

Tehran, Ashgabat to Boost Trade Transaction



IRAN NEWS ECONOMIC DESK

TEHRAN - Minister of Cooperatives, Labour, and Social Welfare said that expanding commercial cooperation in the field of rail and road transportation and increasing commercial exchanges between Iran and Turkmenistan are on the agenda.

The 15th Exclusive exhibition of the Islamic Republic of Iran is being held in Ashgabat, Turkmenistan, from Tuesday, February 15, for three days. In this exhibition, more than 90 Iranian companies are present in the fields of agriculture and food industry, construction industry, cement, oil and energy, petrochemical products, auto spare parts, technical and engineering services, medicine, and medical equipment.

Soulat Mortazavi, Minister of Cooperatives, Labour and Social Welfare met with Rashid Meredov, Deputy Prime Minister and Minister of Foreign Affairs of Turkmenistan on Thursday.

Appreciating Turkmenistan's cooperation in holding an exclusive exhibition of the Islamic Republic of Iran in Ashgabat, he said that the special approach of the 13th government of Iran in the field of foreign policy is paying special attention to its neighbors, adding: "The cooperation between the two countries should be more than ever in the past in all fields, especially in the economic, commercial, and infrastructure fields."

Mortazavi pointed out that the basis for the increase of trade exchanges between Iran and Turkmenistan is ready, and added: "Expansion of trade cooperation in the field of rail and road transport and increase of trade exchanges between Iran and Turkmenistan are on the agenda."

The deputy head of the Cabinet of Ministers and the Minister of Foreign Affairs of Turkmenistan also said in this meeting: "The joint economic commission of the two countries is a suitable place to examine the solutions for the development of economic relations and to remove obstacles to cooperation."

Rashid Meredov, emphasizing the need to develop the road and rail transport infrastructure of the two countries, said: "The Islamic Republic of Iran is a suitable platform for the access of Central Asia to the countries of the Persian Gulf."

Iran, Japan Ink MOU on Qeshm Utility Projects

QESHM (IP) - The chairman of the board of directors and the Chief Executive Officer (CEO) of Qeshm Island Free Zone Organization, south of Iran, announced the signing of a joint memorandum between the water, electricity and utilities company of this island with the Japanese government.

Afshar Fath-Ullahi, CEO of Qeshm Island Free Zone Organization, discussed the numerous economic and tourism capacities of Qeshm Island in the meeting with Kazutoshi Aikawa, the Japanese ambassador to Tehran.

The Japanese diplomat welcomed the development of cooperation with Iran by describing the characteristics of Qeshm as distinctive.

The beautiful Island of Qeshm overlooks the Strait of Hormuz and serves as the inlet to the Persian Gulf and the Sea of Oman. This island, which is the largest island in the Persian Gulf, is one of the most strategic islands due to its proximity to the Indian Ocean, the presence of oil and gas resources, petrochemical and refinery units and offshore equipment, and having port facilities for large ships (in the Panamax category) is one of the most strategic islands in Iran and the Persian Gulf.

The natural and historical features of this island have also made Qeshm one of the main tourist destinations in Iran. Due to its location in a key point of the North-South transit corridor, having access to the East-West international flight corridor, and its port facilities, which is in a way considered as complement Shahid Rajaei Port, this area plays a prominent role in global trade and commerce.



Ambassador Meets Italy Parliament Foreign Relations Commission Chief

ROMA (IRNA) - Iran ambassador to Italy met and conferred with head of Italian Parliament's Foreign Relations Commission and his deputy, proposing a parliamentary delegation to visit Iran to pave path for constructive dialogue and interactions.

Ambassador Mohammad-Reza Sabouri made the proposal in his Tuesday afternoon meeting with the Head of Italian Parliament's Foreign Relations Commission Giulio Tremonti and his deputy Lia Quartapelle.

The latest status of bilateral ties, with focus on parliamentary



cooperation and regional and international developments were the main topics of the bilateral discussion.

The Iranian diplomat in Rome said that the Parliaments are symbols of democracy in different countries.

Ambassador Sabouri also expressed hope that an Italian parliamentary delegation comprised of representatives from different political fractions, and especially the members of Iran-Italy

Parliamentary Group will visit Iran to focus on commonalities between the two nations, and pave the path for bilateral constructive negotiations.

In Appalling U.S. Jail Abuse, Inmate Frozen to Death

TEHRAN (PressTV) - Iran's top human rights official says at an Alabama jail an inmate was deliberately frozen to death after he was placed in a walk-in freezer for hours, yet no human rights mechanism dares to question such an instance of appalling abuse in the United States.

Kazem Gharibabadi, the secretary of Iran's High Council for Human Rights, made the remarks on Thursday, after leaked CCTV footage of the jail revealed mentally-ill Anthony Mitchell, 33, froze to death after he was purportedly locked inside the walk-in freezer while in police custody. "In yet another appalling instance of jail abuse in the U.S., a man froze to death after being restrained in a freezer! And the fact that no human rights mechanisms dare to pose a question, or unmask the depth of the matter is just terrifying!," Iran's rights chief tweeted.

On January 12, Mitchell, who had a history of mental health problems and drug addiction, was arrested for attempted murder after allegedly threatening to harm himself and others. He was then transported to Walker County Jail. Two weeks later, on January 26, he died at a local hospital after he was taken there for evaluation and, according to a statement by the sheriff's office, "became unresponsive at the hospital, where he was pronounced deceased." However, leaked CCTV footage from the jail shows a different story, and his family and protesters are demanding answers. The footage shows authorities carrying Mitchell's near-lifeless body, which appears frozen, out of the jail and shoved into a vehicle to be taken to the hospital.

Moscow's Decades-Old Gas Ties With Europe Lie in Ruins

NOVY URENGOY (Dispatches) - Meticulously crafted over decades as a major revenue stream for the Kremlin, Moscow's gas trade with Europe is unlikely to recover from the ravages of military conflict.

After President Vladimir Putin's "special military operation" in Ukraine began almost a year ago, a combination of Western sanctions and Russia's decision to cut supplies to Europe drastically reduced the country's energy exports.

The latest sanctions, including price caps, are likely to disrupt oil trade further but it is easier to find new markets for crude and refined products than for gas.

Russia's gas trade with Europe has been based on thousands of miles of pipes beginning in Siberia and stretching to Germany and beyond. Until last year, they locked Western buyers into a long-term supply relationship.

"Of course, the loss of the European market is a very serious test for Russia in the gas aspect," Yuri Shafranik, Russian fuel and energy minister from 1993 to 1996, told Reuters.

A former senior manager at Gazprom was more direct.

Current employees, however, say it is business as usual.

"Nothing has changed for us. We had a pay rise twice last year," a Gazprom's official, who is not authorised to speak to press, told Reuters in Novy Urengoy. The Arctic city is often referred to as Russia's "gas capital" because it was built to serve the biggest gas fields.

The state gas export giant Gazprom, which has offices there, was formed in the dying days of the Soviet Union in 1989 under the Ministry of Gas Industry, headed by Viktor Chernomyrdin.

Since the military operation began on Feb. 24 last year, less information has been available.

Like many Russian companies, Gazprom stopped disclosing details of its financial results.

According to Reuters' estimates, based on export fees and export volumes data, Gazprom's revenues from overseas sales were around \$3.4 billion in January down from \$6.3 billion in the same period last year.

The figures, combined with forecasts of exports and average gas prices, imply Gazprom's exporting revenues will almost halve this year, widening the \$25 billion budget deficit Russia posted in January.

Already, the company's natural gas exports last year almost halved to reach a post-Soviet low and the downward trend has continued this year.

European Commission President Ursula von der Leyen estimated Russia cut 80% of gas supplies to the EU in the eight months after the conflict began in Ukraine.

As a result, Russia supplied only around 7.5% of western Europe's gas needs by the end of last year, compared with around 40% in 2021.



Before the conflict, Russia had been confident of selling more to Europe, not less.

Elena Burmistrova, the head of Gazprom's exporting unit, told an industry event in Vienna in 2019 the company's record-high exports outside Soviet Union of more than 200 billion cubic metres (bcm) achieved in 2018 were the "new reality".

Last year, the total was just above 100 bcm.

Russia's transporting capacities were undermined last year after mysterious blasts in the Baltic Sea at the Nord Stream pipelines from Russia to Germany. Russia and the West blamed each other for the blasts.

Pulitzer Prize-winning U.S. reporter Seymour Hersh in a blog said the United States was responsible, which the United States said was 'utterly false'.

Washington has long criticized Germany's policy of reliance on Russian energy, which until last year, Berlin had said was a means to improve relations.

For his part, Putin had been seeking to diversify Russia's gas markets long before last year, but the policy has gathered momentum.

In October, he mooted an idea of a gas hub in Turkey to divert the Russian gas flows from the Baltic Sea and North-West Europe.

Russia is also seeking to boost its pipeline gas sales to China, the world's largest energy consumer and top buyer of crude oil, liquefied natural gas (LNG) and coal.

Supplies began via the Power of Siberia Pipeline in late 2019 and Russia aims to raise the annual exports to around 38 bcm from 2025.

Moscow also has an agreement with Beijing for another 10 bcm per year from a yet-to-be built pipeline from the Pacific island of Sakhalin, while Russia is also developing plans for Power of Siberia 2 from Western Siberia, which in theory could supply an additional 50 bcm per year to China.

Whether that relationship can be as lucrative as the decades of supplying gas to Europe remains to be seen.

Gazprom's most important assets are located in West Siberia and in the wider Arctic Yamal region, where the 100,000-strong city of Novy Urengoy, which celebrates its 50th-anniversary in 2025, houses seasonal workers in utilitarian, high-rise blocks.

One of the fields in the tundra area, around 3,500 kilometres (2,175 miles) northeast of Moscow, where they work is Urengoy.

Following the discovery of the field, which is among the world's largest in 1966, the Soviet Politburo began talks with Western Germany on exchanging gas for pipes, as Russia then lacked production technology.

The resulting agreement, dubbed the "contract of the century" was finalised in 1970 after the then Soviet Foreign Minister Andrei Gromyko, nicknamed "Mr Nyet" in the West for his uncompromising approach, said "da" to the gas-for-pipes deal, which involved supplies of heavy equipment for Moscow as well as gas for Europe.

The 20-year supply deal is worth about \$30 billion in current gas prices.

It meant that for decades, Europe and, especially Germany, benefited from relatively cheap, long-term contracts, and relied on Russian natural gas, or methane, for heating households and as a feedstock for the petrochemical industry.

The negotiations with China on new gas sales are expected to be complex, not least because China is not expected to need additional gas until after 2030, industry analysts said.

Russia also faces far more competition than in the past from renewable energy as the world seeks to limit the impact of climate change, as well as rival pipeline gas supplies to China, including from Turkmenistan.

LNG, which can be shipped anywhere in the world, has further reduced the need for pipeline gas.

Gazprom and China have kept their agreed gas price a secret. Ron Smith, analyst at Moscow-based BCS brokerage, expected the price for 2022 to average \$270 per 1,000 cubic metres, much lower than prices in Europe.

It is also below Gazprom's export price of \$700 per 1,000 cubic metres, expected by Russian Economy Ministry this year.

Last year, Russia's energy finances, which are not broken down publicly into oil and gas, were supported by the market impact of fears of shortage.

In Europe, gas prices hit record levels and international oil prices shortly after the special military operation began spiked close to their all-time high.

Since then, prices for gas and oil have eased and Western price caps introduced in December and early this year are designed to erode Russia's revenues further.



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