

Iran's petroleum and other liquids production increased from under 3.0 million b/d in 2020 to 4.0 million b/d in 2023, comprising nearly 2.9 million b/d of crude oil. However, US sanctions imposed in 2018 significantly impacted crude oil exports and production. The 2023 increase followed global demand recovery and increased Chinese imports of discounted Iranian crude. Lifting sanctions could boost crude oil production to 3.8 million b/d within six months. Due to sanctions limiting foreign investment, Iran relies on local companies for oil field development, resulting in slow progress on projects aimed at increasing capacity by 550,000 b/d from existing fields (2019–2022) and further development in West Karun (including Azadegan). New production from Jufair and Sepehr fields in West Karun began in March 2024, reaching 50,000 b/d initially, with a projected 110,000 b/d capacity. A preliminary agreement with Russia aims to support Iran's oil and gas sectors. Iran's oil consumption reached a record high of 2.2 million b/d in 2023 due to subsidized gasoline and increased petrochemical production. Existing refining capacity (2.1 million b/d crude oil and 0.6 million b/d condensate) is being expanded, including a new 210,000 b/d unit at Abadan refinery, but sanctions hinder progress on proposed projects. While Iran possesses significant oil-loading capacity, the new Jask export facility, bypassing the Strait of Hormuz, is under construction and faces operational delays, currently transporting only 300,000 b/d instead of its 1 million b/d capacity.