

Iran offers US share in nuclear programme

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Iran is prepared to offer the US a half share in any future nuclear programme to demonstrate that it means to use nuclear energy for peaceful aims and not for military purposes, an Iranian official said yesterday.

Hossein Kazempour, a government energy policy adviser and the country's governor to the Organisation of Petroleum Exporting Countries, said it needed to pursue nuclear energy to feed domestic growth while continuing oil and gas exports.

Although Iran has the world's second-largest reserves of oil and gas, its plans to expand into energy-intensive industries such as steel and cement would leave it with little oil and gas for export unless it developed alternative energy sources.

"The more gas Iran produces, the more it uses domestically as demand is growing by 7 per cent per year, and if this trend continues, Iran will not have any export earnings, and it needs \$20bn in oil exports to finance investments," he said.

"If we are to play a role in securing supply of energy we have to address our own needs with renewables and that is why we are looking for nuclear energy," he said.

Oil exports represent 85 per cent of all foreign currency income.

Mr Kazempour said Iran was fully committed to the non-proliferation agreement and would provide unhindered access to nuclear inspectors from the International Atomic Energy Agency.

But he acknowledged that the US was still suspicious of Iran's nuclear plans.

"I am telling you the Americans can come and have 50-50 [of an Iranian nuclear programme]. This offer is on the table. But they have their suspicions . . . this could be removed by their presence [in Iran's programme]," he said.

It was not immediately clear how far his remarks represented the policy of Iran's leadership, or whether Washington would take the comments seriously.

Mr Kazempour added that one of the factors behind Iran's growing domestic energy consumption was the generous state subsidy for consumers, particularly for petrol.

"Unfortunately in all producing countries, energy is assessed as a blessing of God and free for mankind," Mr Kazempour said.

He said the value of Iran's annual energy consumption in terms of domestic prices was about \$11bn (€8bn, £5.7bn) lower than what it would cost in world prices.

"It is ridiculous, it is destroying other aspects in the development of the economy. It is not sustainable, but it is a fact." He said gasoline was smuggled from Iran to neighbouring Afghanistan, Pakistan and Turkey. "We are subsidising their energy consumption."

Mr Kazempour said the government had tried to convince the parliament in every budget bill in recent years to increase prices, but this had always been rejected.

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