
Iran, China's \$16bn-natural gas deal

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Kenok Development Limited and Iran are to sign a deal on exports of 10 million tons of liquefied natural gas (LNG) from Iran to China.

This deal satisfies the LNG needs of three terminals of the company and is worth \$16 billion, said Iran's MehrNews, quoting The Wall Street Journal.

Experts are of the view that Iran has the ability to export this amount of gas.

There are several factors hampering foreign investment, one being Iran is currently under pressure from the US. Fluctuations in the price of natural gas have also posed questions for some foreign investors.

A spokesman for Kenok said they were negotiating with Iran, but that the contract had not yet been signed.

Experts believe this amount of gas can be exported from the South Pars field in Iran to the three terminals, of Kenok located in Gundong and Ningibo provinces of China.

One executive at Gundong Natural Gas, a firm that cooperates with Kenok, reportedly said: "For LNG, our target country is Iran."
