Javad Oji: Islamic Republic of Iran Oil Minister

February 2024







Table of Contents

Early Career Through Ahmadinejad Administration	3
Top Positions in Khamenei-controlled conglomerates	4
Oil Minister	4
Nhat we can expect from Oji	5



Javad Oji

In August 2021, <u>President Ebrahim Raisi</u> nominated Javad Oji as his Oil Minister, one of the most important posts in the Islamic Republic given the state's reliance on the oil and gas industry. A technocrat by background, Oji served as deputy oil minister under former President Mahmoud Ahmadinejad, and in recent years has acted as a senior executive in energy companies controlled by conglomerates answering to <u>Supreme Leader Ayatollah Ali Khamenei</u>. The US <u>designated</u> Oji in November 2020 for acting as a key component of the Supreme Leader's patronage network.

Early career through Ahmadinejad administration

Oji was born in 1967 in Shiraz and graduated with an oil engineering degree from Iran's Oil Industry University in 1988. According to state media, Oji graduated third in his class. He began his career working as an engineering analyst and subsequently advanced through the ranks of National Iranian Oil Company subsidiaries. In 2005, he was appointed managing director of Southern Zagros Oil and Gas Production Company, a position he held until 2009.

In 2012, the European Union <u>designated</u> Zagros Oil and Gas Production company due to its links to Iran's proliferation-sensitive nuclear activities or development of nuclear weapon delivery systems. The EU removed these sanctions as part of the Joint Comprehensive Plan of Action (JCPOA), or the Iran nuclear deal, in 2016. Canada had also designated Zagros Oil and Gas Production Company as an entity contributing to Iran's proliferation-sensitive nuclear activities or its development of chemical, biological or nuclear weapons or their delivery systems in 2013.

In the second Ahmadinejad administration (2009 – 2013), Oji acted as deputy oil minister and managing director of the National Iranian Gas Company (NIGS). He was simultaneously a member of the board of directors of the Oil Industry University and the Oil Industry Retirement Fund. During his term as managing director of NIGS, Oji proposed launching the "Islamic Pipeline" after Iran was excluded from the Nabucco pipeline, which intended to deliver natural gas from the Caucuses to Europe by way of Turkey. Oji envisioned creating a rival pipeline that would extend through Iraq and Syria and eventually on to Europe, but the project ultimately went nowhere.

Ultimately, despite <u>sitting</u> on one of the largest natural gas reserves in the world, the Islamic Republic's pariah status and risky business environment have left its natural gas sector underdeveloped and untouched by the liquified natural gas (LNG) revolution. Additionally, some oil development news sites have <u>written</u> that following US sanctions during the Ahmadinejad administration, Oji transferred gold bars to neighboring countries to skirt sanctions and facilitate goods-for-goods deals.



Top **p**ositions in Khamenei-controlled conglomerates

After the end of the Ahmadinejad administration in 2013, Oji was purged from the ministry by then-Oil Minister Bijan Zanganeh. After that, he acquired executive posts in energy conglomerates that answer to the Supreme Leader Ayatollah Ali Khamenei. Oji was first appointed managing director and deputy chairman of Petro Mofid Oil and Gas Development Holding, a subsidiary of the Execution of Imam Khomeini's Order (EIKO). A 2013 Reuters investigation estimated EIKO's value at \$95 billion. In 2014, Oji was also appointed as Chairman of the board of directors for the Petrochemical Industries Investment Company, a subsidiary of Tamin Petroleum and Petrochemical Investment, the parent company of which is the Social Security Investment Company. Petrochemicals have constituted a key source of state income due to the crude oil embargo generating \$15 billion in 2020 alone. In 2017, Oji was appointed managing director of Mofid Economy Group, another EIKO subsidiary that oversees four energy and investment companies.

In 2019, Oji was appointed managing director of Sina Development Energy Holding, a subsidiary of Mostazafan Foundation, another multi-billion conglomerate under the Supreme Leader's authority. The US designated Oji in 2020 while he served in that position. Additionally, Oji has served as a member of the board of directors of Razavi Oil and Gas Company, a subsidiary of the Astan Quds Razavi Foundation, yet another conglomerate under Khamenei's control, which operates as one of the main economic and ideological partners of the Islamic Revolutionary Guard Corps (IRGC). The current president, Ebrahim Raisi, was the foundation's chairman from 2016 to 2019 before being appointed Judiciary branch chief.

Oji was reportedly <u>active</u> in Raisi's election campaign for 2021. He was Raisi's preference for Oil Minister over Rostam Qasemi, his former boss and Oil Minister under Ahmadinejad who recently has served as the Quds Force economic deputy. In 2019, the US <u>designated</u> Qasemi for a scheme in which he oversaw the transfer of hundreds of millions of dollars' worth of oil for the benefit of the brutal Assad regime, Hezbollah, and other illicit actors. Oji's selection over Qasemi reflects clout and his connection to the Supreme Leader's inner circle.

Oil Minister

As the Islamic Republic's oil minister, Oji faced immense challenges with modernizing the Iranian oil industry. His predecessor Zanganeh had sought to attract foreign investment to inject hundreds of billions of dollars to modernize the industry, a goal he was unable to achieve, not the least because of US-led sanctions targeting the Iranian oil sector were reimposed in 2018. As Oil Minister, Oji has also supported the Supreme Leader's business empire, awarding even more kickbacks and contracts to affiliated firms and conglomerates. OPEC has been an additional challenge for Oji, as he has sought to defend Iran's position and push back against calls to cut production. These issues are exacerbated by Ojis's weak links to the organization.



Despite these challenges, Oji has strengthened Iran's oil industry over his tenure. Though Iran's crude oil exports continue to suffer immensely due to the oil embargo, Tehran has clung to a lifeline thanks to illicit exports to China and other unknown buyers. These sales amounted to an estimated 840,000 barrels per day in July 2021. This trend has continued, skyrocketing to 1.29 million barrels in 2023. Oji has also sought to use his position to enhance the Islamic Republic's diplomatic ties, by inking energy sector agreements with states like Nicaragua, Cuba, Burkina Faso, Iraq, and Venezuela. Oji has also made arrangements with Russia, to assist in dodging sanctions put in place due to the war in Ukraine. Additionally, Oji has secured foreign investment for modernizing the Iranian oil industry, notably from sources in Russia, China, Turkey, and the UAE.

What we can expect from Oji

Ultimately, further development of Iran's oil industry is likely dependent upon the alleviation of sanctions pressure and introduction of foreign investment. Nevertheless, oil production will continue to rise as long as Iran can access markets uninhibited. The US must crack down on illicit oil exports, and demand cooperation from allies. Furthermore, though many of Oji's international deals may not come to fruition, they indicate that the Islamic Republic's malign influence in Latin America and Africa is only increasing. Oji's efforts will continue unless the US offers adequate deterrence and enforcement measures.