

Belarus interested to buy Iranian oil



TEHRAN - The Belarusian Ambassador to Iran has declared his country's readiness to buy Iranian oil regardless of the project to produce oil at Iranian Jofeir field. "In near future, Belarusian specialists plan to begin the discussion with the Iranian side on issues of economic efficiency of such supplies," Victor Rybak said, SHANA News Agency reported.

According to the Telegraf newspaper, Belarus will start oil production in Jofeir oilfield in October. The Belarusian President Alexander Lukashenko will attend the opening ceremony. Jofeir oilfield is located in Iran-Iraq border and is expected to produce 30,000 barrels per day (bpd) of crude oil and 6.3 million cubic feet of natural gas based on initial estimations. National Iranian Oil Company and Belarus National Oil Company Belaruseft signed a contract for development of Jofeir oilfield in September 2007. Belarus said the crude from Jofeir would either be refined in Iran or simply extracted by Belarus and sold on world markets. It would be the first energy project abroad for Belarus. In May 2009, Belarus Deputy Prime Minister Vladimir Semashko met former Vice Governor of the Central Bank of the Islamic Republic of Iran Reza Raei. Following this meeting, the Central Bank of Iran announced it will lend \$212m to Belarus' state-run firm Belaruseft for the development of the Jofeir oil field.

Iran threatens to blacklist foreign oil firms



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TEHRAN - Oil Minister Massoud Mirkazemi warned on Saturday that Iran will blacklist foreign firms like Russian energy giant Lukoil that pull out of projects because of sanctions against Tehran.

"If one of the companies acts

against Iran, we will be forced to consider the reality and put that company on a blacklist," the Mehr news agency quoted Mirkazemi as saying.

"They will no longer work in our country," he said.

Mirkazemi singled out the case of Lukoil, which announced it was pulling out in March as new UN, US and EU sanctions over

Tehran's controversial nuclear program loomed.

The minister said the Russian firm had reneged on its commitments in the Anaran oilfield which it discovered in western Iran in 2005.

But he added that Iran might consider continuing to work with Lukoil "if we can adjust the content of the agreement."

Iran, Kazakhstan to establish oil workgroup



ASTANA - Iran's Ambassador to Astana Qorban Seifi and Kazakh Oil and Gas Minister Sauat Mynbayev held a meeting in Astana on Friday. During the meeting the two sides agreed to establish an oil workgroup aiming to expand cooperation in this sector, the Mehr News Agency reported. The mentioned workgroup will hold its first meeting in Tehran in the near future.

Iranian oil minister will pay a visit to Kazakhstan at the invitation of his Kazakh counterpart in September. During the visit the two sides will draft the roadmap for the two countries' energy cooperation.

Iran and Turkey talk on energy cooperation

TEHRAN (Shana): Iranian minister of petroleum will visit Turkey to talk with his Turkish counterpart on expanding energy cooperation. Dr. Masoud Mirkazemi, will leave Tehran on Wednesday at the head of an energy delegation, accompanied by managing director of the National Iranian Gas Company (NIGC), Mr. Javad Oji.



In this round of negotiations, Iranian minister of petroleum is going to talk with his Turkish counterpart, Tamer Yildiz, on the expanding cooperation on oil, gas and Petrochemicals.

In the pursuit of its policy to promote good neighborliness and friendly relations with its neighbors, the Islamic Republic of Iran has placed meeting energy needs of the neighbors and using their geographical location to export gas, on the agenda.

Last year, Tehran and Ankara signed a deal for transferring Iran's gas to European markets through Turkey. The two countries also signed a Memorandum of Understanding on oil and gas cooperation.

Turkey has expressed its readiness to transfer Iran's gas to European countries via its soil. The National Iranian Oil Company (NIOC) and state-run Turkish Petroleum Corporation (TPAO) have held several rounds of negotiations recently in which Turkish side has expressed its willingness to invest in Iran's oil and gas projects.

NIOC is fully prepared to develop shared oil and gas fields

TEHRAN (Shana): Deputy Iranian Minister of Petroleum for planning and supervision on hydrocarbon resources says the ministry is fully prepared to start development of shared oil and gas fields this year, noting part of these fields will come on stream over the fifth five year plan (2010 - 2015).

Mohsen Khojastepour told Shana on Tuesday that development of shared fields is the priority of the country's oil industry adding 35 percent of the allocated financial resources (50 billion dollars) to oil industry during the fifth five year plan would be assigned to the shared oil and gas fields development. Khojastepour added increasing the rate of protected extraction, using modern technologies, expanding bilateral cooperation with neighbors to develop joint oil and gas fields and giving priority to exploit onshore and offshore fields are parts of the National Iranian Oil Company (NIOC) strategy.

The official stated that Iran has shared fields with Kuwait, Saudi Arabia, Qatar, UAE and Oman in the Persian Gulf region, with Turkmenistan in the northeast and Iraq in the west of the country. Elsewhere in his remarks, Mr. Khojastepour said that Master Development Plan (MDP) for some of the shared fields has been prepared and he has started negotiations for development of those fields. He went on to say that the prospect for development of the fields is very desirable. Noting on the impact of sanctions on the implementation of the oil industry plans, deputy minister of petroleum told Shana that domestic companies have expressed their readiness to implement the oil industry projects. According to him, domestic companies capabilities on supplying equipments from one hand and software and hardware abilities on the other hand, suggest that we are fully prepared to develop shared oil and gas fields.

China passes U.S. as top energy consumer



For the first time in more than a century, a country other than the United States consumed more energy than any other nation, as China grabbed the top spot last year.

Citing data from the International Energy Agency, the Wall Street Journal reported Monday that China was the world's most voracious consumer of energy in 2009.

China consumed 2,252 million tonnes of "oil equivalent" last year, topping the U.S. tally of 2,170 tonnes by roughly four per cent.

Oil equivalent is the term the IEA uses to bring all forms of energy into a comparable form, including crude oil, nuclear, coal, natural gas, hydroelectricity, wind and solar power.

China was forecast to overtake the U.S. at some point over the next decade. But the global recession appears to have sped up the process as its economy continued to expand at a double-digit pace while the U.S. economy declined and oil consumption flattened.

Only 10 years ago, China's energy consumption was half that of the United States.

"The fact that China overtook the U.S. as the world's largest energy consumer symbolizes the start of a new age in the history of energy," IEA chief economist Fatih Birol was quoted as saying.

China had already passed the United States as the world's largest polluter several years ago.

With a population of a little over 300 million, the United States still uses much more energy, per capita, than China does.

In terms of the use of crude oil specifically, the IEA says the United States remains well out in the lead, consuming some 19 million barrels per day. But China's economy relies on coal for much of its electricity generation, and its crude consumption is also climbing from its current level of just over nine million barrels per day.

China's electricity demand is forecast to increase by 1,000 gigawatts over the next 15 years - equivalent to the U.S.'s total electricity output at the moment.

The oil market outlook in 2011

World economic growth for 2011 is forecast at 3.7%, slightly lower than the 2010 forecast of 3.8%. These numbers reflect some caution and take into account the challenges that lie ahead. The broad and unprecedented governmental support that started at the end of 2008 successfully helped to soften the depth of the recession and support the nascent recovery. While some positive developments in final consumer demand can be seen, the government-led stimulus is expected to remain the major driver of growth in 2010. However, this stimulus is expected to taper off in the coming months. With unemployment rates at high levels across the globe and households still constrained in major OECD countries, it remains to be seen whether personal consumption expenditures - which represents the bulk of GDP in developed economies - will be sufficient to provide a major contribution to the recovery.

After growing 2.1% in 2010, OECD is expected to expand by 2.0% in 2011, led by the US at 2.5%, Japan at 1.4% and the Euro-zone at 0.9%. The OECD economies will face the dilemma in 2011 of introducing austerity measures in most of the economies at a time of continued low growth. Developing countries remain the major contributors to global growth. China is expected to expand by 8.8%, following 9.5% in 2010. The Chinese administration is currently implementing measures to avert overheating in its fast-expanding economy. At the same time, care should be taken to avoid any excessive deceleration of the economy. The pace of growth in India is also expected to slow slightly in 2011 with growth of 7.7%, after achieving 7.8% in 2010. Brazil's performance has surprised on the upside, benefiting from the improvement in commodities, and is now expected to grow by 5.8% before moderating to 4% next year.

However, the pace of the expansion in export-led emerging economies will partly depend on economic developments in the OECD. Overall, the forecast for 2011 remains subject to substantial uncertainties as shown in the wide range of forecasts by selected major sources (Graph 1).

