

NEWS IN BRIEF

Owji to attend
8th OPEC
int'l seminar

SHANA - Iran's oil minister will attend the 8th OPEC International Seminar and deliver a speech at the second ministerial meeting of this event entitled, "Investment, Financial Issues and Strategies of Oil Inclusive Growth". The 8th OPEC International Seminar will be held in the Austrian capital of Vienna on July 5-6, 2023, after a three-year hiatus due to the coronavirus pandemic.

Inflation
still rising
in Britain

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CNBC - The U.K. is the only country among the Group of Seven wealthy nations where inflation is still rising, according to data from the Organization for Economic Cooperation and Development. The Paris-based organization said Tuesday that year-on-year inflation in the G7 fell to 4.6% in May, down from 5.4% in April, reaching its lowest level since Sept. 2021. U.K. consumer prices across all items rose to 7.9% in May when compared to the previous year, the OECD said, up slightly from 7.8% in April.

Egypt starts
\$1.8b gas
exploration
program

REUTERS - Egypt has begun a \$1.8 billion programme to drill natural gas exploration wells in the Mediterranean Sea and Nile Delta, petroleum minister Tarek El Molla told UAE state news agency WAM on Tuesday. The programme is in cooperation with Eni, Chevron, ExxonMobil, Shell and BP. The aim is to drill 35 exploration wells within two years, 21 in the current 2023/2024 financial year and 14 in the next year.

Minister says 13 countries keen on
participation to facilitate traffic in INSTC

The Third Trilateral Meeting of Iran, Russia and India discusses facilitating cargo traffic in the International North-South Transport Corridor (INSTC) in Tehran on July 4, 2023.

● IRNA

Economy Desk

Thirteen countries are interested in participation to facilitate cargo traffic in the International North-South Transport Corridor (INSTC), announced Iranian Minister of Roads and Urban Development Mehرداد Bazrpash in Tehran on Tuesday.

Speaking in the Third Trilateral Meeting of Iran, Russia and India, the

minister said by strengthening the existing infrastructure as well as creating new capacities, maximum facilitation will be provided for the private sector and state-run companies, IRNA reported.

By removing barriers, 30 million tons of cargo could be transited via the INSTC, Bazrpash added. Meanwhile, managing director of Iran's Ports and

Maritime Organization (PMO) Ali-Akbar Safaei said that the trilateral meeting paves the ground for increasing transit of goods among these countries and other states in the Persian Gulf and the Sea of Oman, as well as western and eastern regions of the Caspian Sea. The meeting was aimed at increasing the transit of goods, Safaei stated, adding that several negotia-

tions took place last year to reach serious agreements in this respect.

He added that some of the agreements are on the verge of turning into executive contracts. Safaei also announced the conclusion of a contract with Russia for the manufacturing of six ships in the Caspian Sea.

As a result of the activities of large private companies active in the field

of transit as well as the existence of various firms that own cargo and ships in the Caspian Sea, Iran can assure foreign partners such as India and Russia, as well as northern and southern states, that goods delivered from Iranian soil will be transported at a lower cost in comparison to traditional sea routes and with shorter transit time, Safaei argued.

Iran's claim to Arash gas field indisputable

EXCLUSIVE

The Kuwaiti authorities' uncooperative stance regarding the shared gas field between Iran, Kuwait, and Saudi Arabia has once again brought to the forefront the disagreements between Tehran and Kuwait City.

Kuwaiti Oil Minister Saad Al-Barrak made an unusual assertion, rejecting Iran's planned activities around the premises of the Arash offshore gas field.

Barrak said he was surprised by the Iranian plan and added that the move "contradicts the basic principles of international relations".

A close source to Kuwait's Foreign Ministry said that the maritime area where the field lies is part of Kuwait's sea territories, and "the natural resources therein are shared between Kuwait and Saudi Arabia".

The source added that "only" Kuwait and Saudi Arabia have "exclusive rights" to the natural resources of the field.

The Arash gas field, also known as "Al-Durra" by Kuwait and Saudi Arabia, was initially discovered by a Japanese oil company back in 1960. This field is shared between Iran and the neutral zone situated between Kuwait and Saudi Arabia. According to the previously determined border limits, approximately 40% of the Arash field's oil and gas reserves



● aljarida.com

lie within Iranian waters. However, over the past decade, Kuwait, relying on seismic surveys conducted by Shell, has defined a new border line that places the entire Arash field within its Arab sector. Tehran does not accept this maritime border set by Kuwait.

Consequently, the disputes between Iran and Kuwait over their maritime boundaries have hindered the exploitation of this significant field. It is estimated that the shared field holds around 368 billion cubic meters of natural gas reserves and approximately 310 million barrels of oil reserves.

In March of last year, Kuwait and Saudi Arabia signed an agreement for the development of this gas field, excluding Iran's participation, which provoked Iran's objections. At the time, Iran's Foreign Ministry emphasized that, in accordance with international regulations and

procedures, any activities related to the exploitation and development of this field should be carried out through coordination and cooperation among all three countries. At a time when the de-escalation process in the region was expected to facilitate the resolution of legal and border disputes through technical negotiations, Kuwait's recent position has further complicated the utilization of vast oil and gas resources.

Disputes not political

Mohammad Irani, who previously served as Iran's ambassador to Kuwait until a few months ago, highlighted in an interview with "Iran Daily" the long-standing and contentious issue of maritime boundary delineation and the division of the Arash gas field between Iran and Kuwait. Irani emphasized that this matter has a history of over a decade and

is not rooted in good neighborly relations or political dynamics.

According to Irani, border disputes are common among many neighboring countries, and the disagreement between Tehran and Kuwait City is primarily a matter of legality and technicalities, rather than a political dispute.

The former envoy further explained that over the past decade, delegations from Iran and Kuwait have engaged in joint meetings on this issue 7 or 8 times. The most recent meeting took place in Tehran about 4 months ago, but unfortunately, it did not yield a mutually satisfactory outcome. "The nature of the dispute between the two countries is so heavily grounded in legal and technical aspects that both Iran and Kuwait sought assistance from international institutions specializing in border demarcation. However, these institutions and companies have yet to reach a resolution for the ongoing dispute," Irani stated.

He emphasized that the gas field in question is a shared resource among all three countries, and until the dispute between Iran and Kuwait is effectively resolved, no party should unilaterally invest in or exploit the field.

The former ambassador noted that the legal and technical differences between the two nations should not be seen within

the context of political relations. "Instead, both sides should strive to reach a satisfactory resolution through continued technical and legal talks in order to benefit from the substantial resources available in this gas field."

New opportunity for joint venture

Nersi Qorban, an energy expert and university professor, expressed his disagreement with the legal and logical position taken by Kuwait in an interview with "Iran Daily." He believes that the historical records of the past few decades clearly indicate that the Arash gas field is situated within the waters between Iran and the neutral zone shared by Kuwait and Saudi Arabia.

Drawing on past experiences and the unilateral actions taken by parties to exploit this gas field, the professor emphasized that these actions were neither favorable nor beneficial for any of the three countries involved. According to Qorban, engaging in unilateral actions and attempting to exclude one party from the gas field only serves to escalate tensions.

He noted that the recent shift in the regional political landscape, particularly the normalization of relations between Iran and Saudi Arabia, has created a favorable opportunity for countries in the region, including Iran and Kuwait,

to resolve their differences through technical dialogue and avoid further delays in developing the shared field. Qorban argued that due to Saudi Arabia's demand for gas resources and the significant distance between the gas field and Iran's land borders, which poses challenges in terms of building infrastructure for resource transportation and attracting investors due to sanctions on Tehran, the best approach would be a joint venture among the three countries for the exploitation and development of the field.

According to the expert, Iran can contribute the necessary capital for joint operations by selling gas directly to Saudi Arabia. Additionally, the professor suggested that Iran and Kuwait could seek the assistance of reputable international companies and institutions to determine their maritime boundaries and resolve the dispute.

In light of several decades of history concerning the Arash or Al-Durra gas field, it is evident that the field has been shared between Iran and Kuwait since its discovery in 1960. Unilateral actions have only fueled misunderstandings, disputes, and obstacles to its exploitation. The notion that Iran, due to disputes with Western countries and sanctions, is relinquishing its interests in this gas field and forfeiting its rights is a fallacious idea.