

OPEC+ deal sole way for global energy security: *Oil Minister*

Alliance extends deep production cuts into 2025



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The Iranian oil minister emphasized that the production-cuts agreement by OPEC+ members and cooperation among major oil producers is crucial for ensuring global energy security in the short and long term. OPEC+ on Sunday decided to extend most of its significant oil output cuts until 2025 to sta-

bilize the market amidst weak demand growth, high interest rates, and increasing US production competition, Reuters reported. Brent crude oil prices have hovered around \$80 per barrel recently, which is below the required budget balance for many OPEC+ nations. Concerns about sluggish demand growth in China, the top

oil importer, and the surge in oil inventories in developed countries have also contributed to the price pressure. Following the 188th OPEC Conference, conducted via video-conference, Iran's Oil Minister Javad Owji stated that what can be stated for sure is that OPEC+ carefully and regularly monitors developments in the global oil market and the factors affecting

it, noting that the necessary and appropriate decisions are made to create and maintain stability in the world market. That OPEC+ agreements and its decisions are important factors in eliminating fluctuations in the oil market, help improve the world's economic conditions, encourage new investment in the oil industry, and ensure energy security, the Iranian

minister said. The Organization of the Petroleum Exporting Countries and allies led by Russia, together known as OPEC+, have made a series of deep output cuts since late 2022. OPEC+ members are currently cutting output by a total of 5.86 million barrels per day (bpd), or about 5.7% of global demand. Those include 3.66 million bpd of cuts, which were due to expire at the end of 2024, and voluntary cuts by eight members of 2.2 million bpd, expiring at the end of June 2024. On Sunday, OPEC+ agreed to extend the cuts of 3.66 million bpd by a year until the end of 2025 and prolong the cuts of 2.2 million bpd by three months until the end of September 2024. OPEC+ will gradually phase out the cuts of 2.2 million bpd over the course of a year from October 2024 to September 2025. "We are waiting for interest rates to come down and a better trajectory when it comes to economic growth ... not pockets of growth here and there," Saudi Energy Minister Prince Abdulaziz bin Salman told reporters. OPEC expects demand for OPEC+ crude to average 43.65 million bpd in the second half of 2024, implying a stocks drawdown of 2.63 million bpd if the group maintains output at April's rate of 41.02 million bpd. The drawdown will be less when

OPEC+ starts phasing out the 2.2 million bpd voluntary cuts in October. The International Energy Agency, which represents top global consumers, estimates that demand for OPEC+ oil plus stocks will average much lower levels of 41.9 million bpd in 2024. "The deal should allay market fears of OPEC+ adding back barrels at a time when demand concerns are still rife," said Amrita Sen, co-founder of Energy Aspects think tank. Prince Abdulaziz said OPEC+ could pause the unwinding of cuts or reverse them if demand wasn't strong enough. What can be stated for sure is that OPEC+ carefully and regularly monitors developments in the global oil market and the factors affecting it, he added, noting that the necessary and appropriate decisions are made to create and maintain stability in the world market. That OPEC+ agreements and its decisions are important factors in eliminating fluctuations in the oil market, help improve the world's economic conditions, encourage new investment in the oil industry, and ensure energy security, the Iranian minister said. OPEC+ agreed on Sunday to extend most of its deep oil output cuts well into 2025 as the group seeks to shore up the market amid tepid demand growth, high interest rates and rising rival US production.

As many as 80 ...

As such, the conservative camp, to which the sitting government and the majority of the new Parliament belong, has several representatives running in the election. Saeed Jalili, who had also registered for the presidency in the previous elections but ultimately withdrew, is one of the main candidates of this political current. Mohammad Baqer Qalibaf, Tehran's representative in Parliament, who was recently re-elected as the parliament speaker, is another main candidate of the Conservatives. Deputy Speaker of Parliament Ali Nikzad from the conservative current has also registered for the upcoming vote. Tehran's Mayor Alireza Zakani is among the Conservatives who has run for the election, too. He had nominated himself in the previous elections but eventually stepped aside in favor of Raisi. Several members of the sitting government have also been nominated for the election. While many were expecting Mohammad Reza Mokhber, the first vice president, to run for the presidency, he chose not to enter the race. However, Minister of Culture and Islamic Guidance Mohammad Mehdi Esmaili, Minister of Roads

and Urban Development Mehrdad Bazrpash, Minister of Cooperatives, Labor, and Social Welfare Seyyed Solat Mortazavi, Head of Plan and Budget Organization Davoud Manzour, and Head of the Foundation of Martyrs and Veterans Affairs Amir-Hossein Qazizadeh Hashemi are from Raisi's administration, who now seek to replace him. Qazizadeh Hashemi had signed up in the previous elections, where he received fewer than one million votes. The political faction, known as the Moderates, also has several representatives among the candidates. Ali Larijani, who has a track record of several terms as the parliament speaker, is considered the most prominent nominee of this faction. Larijani was disqualified by the Guardian Council in the previous presidential election. Abdolnaser Hemmati, the former head of the central bank, and Mohammad Shariatmadari, the former minister of Labor in the administration of the Moderate Hassan Rouhani, are also from the Moderate political current. Hemmati was the most serious rival to Raisi in the previous elections, garnering 2.5 million votes. Mostafa Pourmohammadi, the secretary-general of a political-religious party (Associ-

ation of Combatant Clerics) has run for the election. He served as the Minister of Justice in the first term of Rouhani's Moderate government. Reformist political groups in the country also have multiple candidates representing them. One notable figure is Eshaq Jahangiri, who held the position of first vice president during Rouhani's Moderate administration. Jahangiri was previously weeded out by the Guardian Council in the past elections. He also has served as a minister in the Reformist government of Seyyed Mohammad Khatami. Masoud Pezeshkian, a representative in several parliamentary terms and a Minister of Health in Khatami's administration, along with Ali Soufi, Mostafa Kavakebian, and Abbas Akhoundi are among the other reformist figures who have been nominated for the elections. Raf'at Bayat, Hajar Chenarani, Hamideh Zarabadi, and Zohreh Elahian are four women candidates who have succeeded in standing for the presidential election. Each of them has a history of representing in various terms in Parliament. Mahmoud Ahmadinejad, former president who was disqualified in the previous presidential election, has also joined the fray.

Iran promoting trade with neighbors, figures show



Statistics for Iran's trade exchanges show that the export of non-oil products to the neighboring countries has risen by 15% in the first two months of the current Iranian year (began on March 20, 2023). The statistics for Iran's trade exchanges with 15 neighboring countries indicate that Iran's foreign trade value from March 20 to May 20 has surpassed \$9.2 billion, showing a 15% increase compared to the last year's corresponding period, Tasnim reported. Iran has exported \$4.9 billion in products to 15 neighbors, registering a 25% growth compared to the

last year's corresponding period. Iran has also imported \$4.3 billion worth of products from the neighboring states in these two months. Saudi Arabia, Bahrain, Kuwait and Oman account for the biggest rise in Iran's exports. Meanwhile, the value of Iran's non-oil exports to Pakistan in the first four months of 2024 has reached \$360 million, showing an 18% growth compared to the last year's corresponding period. The Pakistani Ministry of Commerce's statistics show that Pakistan has imported \$360 million in products from Iran in the first four months of 2024, 18 percent higher

than in January-April 2023. Iran's southeastern neighbor's import from Iran in April 2024 has hit \$73.2 million, registering a 30 percent growth compared to the same month last year. The value of Iran's exports to Pakistan totaled \$944 million in 2023, indicating a 13% rise compared to a year earlier. Iran ranked as the eleventh source of imports for Pakistan in April 2024. China, the UAE, and Saudi Arabia respectively hold the top three positions in this regard. In that month, Pakistan imported \$1.443 billion worth of goods from China.