

# Shell, Eni Say Look to Return to Iran

TEHRAN (Press TV) - Royal Dutch Shell and Italy's largest oil producer Eni say they are looking to return to projects in Iran's upstream oil and gas sectors.

"For us, (Iran) is a huge gas province so it would be good to be there -- in conventional gas -- at the right terms," Shell's financial chief Simon Henry said in London.

The company has a history of activities in Iran's upstream projects, including in South Pars, but the firm pulled out of the world's largest gas field's Phase 13 development in 2008.

Shell also operated Iran's Soroush and Nowruz oilfields in the Persian Gulf at a capacity of 200,000 barrels per day. An outstanding debt to the tune of \$2.3 billion remains unpaid by the company to Iran since 2012.

The energy news provider Platts quoted Henry as saying Thursday that Shell was interested in returning to Iran "in the fullness of time"

but did not expect any quick, easy deals.

"Anybody who thinks that we are going to suddenly swan in and end up with great contracts that make a difference within 12 months, I think is a little naive. It's not going to be easy, it will take time," he was quoted as saying.

Iran wants to unveil its new energy contracts at a conference planned for December in London.

Deputy Oil Minister Amir Hossein Zamaninia told a Vienna conference last week that Iran has identified nearly 50 oil and gas projects worth \$185 billion up for grab.

Shell and other European energy giants such as France's Total, Italy's Eni and BP had built strong relationships with Iran through work in the country's oil and gas fields as well as crude oil purchases before halting them under sanctions.

Shell was Iran's second biggest corporate client along with Total

in 2012 when the Anglo-Dutch company lifted 100,000 barrels of crude oil per day.

Executives from Eni and Shell traveled to Tehran in June and May to discuss new opportunities in the resource-rich country and outstanding debts.

On Thursday, Eni's Chief Executive Officer Claudio Descalzi said his company was interested in returning to Iran once the sanctions ended.

"Iran in terms of oil and gas is a huge and big country, very interesting, but we need to wait," he said in a Bloomberg Television interview.

Meanwhile, BP Chief Executive Bob Dudley said his company was looking for opportunities in Iran's upstream oil industry.

Iran's Minister of Petroleum Bijan Zangeneh said he looked to "a new chapter" in cooperation with Total as French Foreign Minister Laurent Fabius visited Tehran.

## Russia's Ruble Extends Its Slide, Reviving Economic Concerns

MOSCOW (AP) — The Russian ruble is falling under the pressure of cheaper oil, reviving concerns over the country's economic outlook, particularly the perniciously high inflation rate.

The ruble was down 0.9 percent in Moscow trading on Thursday, at 59.2 rubles against the dollar.

The decline comes a day after the Russian central bank halted daily purchases of foreign currency in an attempt to stop a week-long slide in the national currency. The ruble on Tuesday hit 60 rubles to the dollar, its lowest point in more than four months.

The currency took a battering

in 2014 because of a slump in global prices for oil — the country's biggest source of revenue — and recovered somewhat early this year before falling again. A weaker ruble threatens the government's plans to curb inflation, which was 15 percent in June.

The central bank was buying foreign currency on the market to build up its international reserves it needs for bond repayments. But those purchases also help weaken the ruble, so the recent days' drop has forced the central bank to halt them.

An "excessive" drop in the ruble would not be politically palatable, analysts from the Moscow-based investment

bank Sberbank CIB said in a morning note to investors. They added that the goal of rebuilding foreign currency reserves is "not compatible" with the aim of a stronger and more stable ruble.

The investment bank UralSib said Thursday that since the central bank started buying foreign currency worth \$200 million a day in mid-May the ruble has lost more than 15 percent against the dollar.

The fates of the Russian economy and currency are closely linked to the price of oil, but have also been affected by Western economic sanctions on Russia over its role in the Ukraine conflict.

## IMF Calls for Greek Debt Relief 'Compatible' With EU Agenda

BRUSSELS (AFP) - The EU said Friday that the International Monetary Fund's calls for debt relief for Greece are "fully compatible" with the agenda in Brussels for negotiating a third Athens bailout.

The IMF said Thursday that it would only join a new multi-billion euro rescue program once Greece and the EU agree on conditions for medium-term debt sustainability, including possible debt relief and economic reforms.

"It is clear the IMF has a different set of procedures and a different timetable," said Mina Andreeva, spokeswoman for the European Commission, the executive arm of the 28-nation European Union.

"It is a two-stage process and this is line with what was discussed at the (July 12-13 euro-zone) summit and the resulting statement, and is also fully com-

patible with the EU agenda," Andreeva told reporters in Brussels.

The EU aims to conclude negotiations for a third bailout "with the expertise of the IMF, and then to consider debt measures later in the year," she added.

Athens and Brussels hope the terms of the new bailout can be finalized by mid-August, with cash-strapped Athens facing a 3.2 billion euro repayment to the European Central Bank on August 20, and a 1.5 billion euro reimbursement to the IMF the following month.

Greece has signed up to tax hikes, a pension overhaul and privatizations that the 19-country eurozone demanded at the summit in return for the new bailout.

Experts from the EU, the ECB and the Washington-based IMF have been in Athens this week to discuss the bailout which could be worth up to 86 billion euros

(\$95 billion) over three years.

In an interview on Wednesday, Prime Minister Alexis Tsipras said Greece could expect debt relief from its creditors once the experts' assessment of its reform commitments is made in November.

The IMF said earlier it could not join in the bailout unless there was "dramatic" relief on Greece's debt to ensure its finances are "sustainable" over the long run.

The IMF was part of two rescue packages for Greece in 2010 and 2012 worth 240 billion euros, plus another 100 billion euros debt write-down for private sector creditors.

Germany, the single biggest creditor, has led opposition to any such "haircut" for the governments and EU institutions which now hold much of Greece's debt.

## Iran-Qatar Trade Volume at \$500mln

TEHRAN (FNA) - Qatari ambassador to Tehran said that the trade volume between Iran and his country currently stands at \$500 million per annum.

"The volume of trade transactions between Tehran and Qatar is presently up to \$500 mln and the figure is on-rise," Qatari Ambassador to the Islamic Republic Ali bin Hamad Al Sulaiti said on the sidelines of a ceremony to increase the number of Iran-Qatar flights of Qatar Airways.

The ambassador said that the two countries enjoy a historical and strong trade, economic, and transportation infrastructure and

should boost ties in air transportation.

He expressed content that a large number of Iranian businessmen and traders are active in Qatar and their investments are incrementally increasing.

The head of Qatar Airways Shahab Attarzadeh, who also attended the ceremony, said that his airline has around 29 flights between Iran and Qatar, which includes 18 flights from Tehran, four flights from Shiraz, and seven flights from Mashhad.

"Around 4,500 passengers are transported between Iran and Qatar by Qatar Airways per month," he

added. Both Iran and Qatar have recently augmented efforts to further expand ties and cooperation in all the different political, economic, defense, security, judicial and cultural fields.

The two Persian Gulf littoral states have signed several protocols in recent years to increase mutual cooperation.

In December, Iranian First Vice-President Eshaq Jahangiri in a message to Qatari Prime Minister Sheikh Abdullah bin Nasser bin Khalifa al-Thani said Tehran was resolved to promote bilateral relations with Doha.

## OPEC Chief Says Oil Cartel 'Not Ready' to Cut Production

MOSCOW (AFP) - OPEC Secretary-General Abdullah El-Badri said on Thursday the oil producers' cartel is not planning to cut production despite the fall in crude prices over recent months and concerns about the possible addition of Iranian oil in the market.

"We met in December last year and we met in June this year. We decided to keep our production at 30 million barrels a day, the same as before. We are not ready to reduce our production," Badri said after a meeting in Moscow with Russia's energy minister.

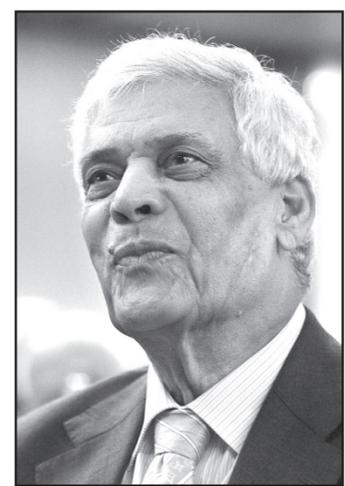
OPEC at its last meeting in Vienna in June kept its output levels despite a supply glut, extending the strategy of oil powerhouse Saudi Arabia which aims to preserve market share and fend off competition from booming US shale.

Oil prices recently dropped to their lowest levels in months on the back of concerns over the global oversupply.

The fall followed a rebound in prices after a steep slump last year. Prices continued a slight recovery on Thursday following reports of a drop in US stockpiles.

US benchmark West Texas Intermediate (WTI) for delivery in September climbed 33 cents to \$49.12 a barrel compared with Wednesday's close, while Brent North Sea crude for September gained 65 cents to \$54.03 a barrel in London afternoon trade.

OPEC and Russia said in a



OPEC General Secretary Abdullah El-Badri says OPEC welcomes the lifting of sanctions on Iran and would be able to cope with any increased volumes

joint statement after Thursday's talks that indicators pointed to a possible "more balanced situation on the oil market and its stabilization" in 2016.

However the possible return next year of oil from Iran following the landmark nuclear energy deal with world powers this month could create fresh tensions within OPEC, analysts say.

The accord paves the way for the removal of sanctions and the gradual return of Iranian oil to the global market in 2016.

The Organization of the Petroleum Exporting Countries -- whose 12 members including Iran pump one third of global oil -- is mindful that Iranian oil could

worsen a global supply glut and depress oil prices further.

Badri, however, insisted that OPEC welcomed the lifting of sanctions on Iran and would be able to cope with any increased volumes.

"We are really happy that sanctions are on their way to be over for Iran. Now we don't have any country under sanctions in our organization," he told journalists. "I think the quantity that is in question, I think our group will accommodate them."

Russia's economy has acutely felt the tribulations of the global energy market, slumping into recession over low oil prices and Western sanctions tied to the Ukraine crisis.

The Russian ruble plummeted this week to its lowest point since March as oil prices dropped, sparking fears that inflation could spiral out of control.

Russia's central bank was forced to halt its purchase of foreign currency -- a way to replenish the reserves it spent on bolstering the battered ruble -- in order to curb volatility on the currency market.

Russian energy minister Novak said that coordination between OPEC and Russia, the world's largest oil producer outside the cartel, had not been discussed in detail.

"The question of lowering production is very difficult for Russia, many countries feel that this is not necessary," he said.

## Russia Agrees Compensation Deal With France Over Mistral Warships

MOSCOW (AFP) - Russia has reached a compensation deal with France for the non-delivery of two Mistral warships, a Kremlin aide has said, but Paris on Friday refused to confirm a final agreement.

The fate of the two Mistral helicopter carriers has plagued France-Russia ties for more than a year, following Paris' decision in November to put the 1.2-billion-euro (\$1.3-billion) deal on ice as the West slapped sanctions on Moscow over its annexation of Crimea and alleged backing for separatist rebels in Ukraine.

"The negotiations are completely finished, everything has already been decided, both the

time-frame and the amount," President Vladimir Putin's adviser for military and technical cooperation, Vladimir Kozhin, told state news agency RIA Novosti on Thursday evening.

"I hope we will sign the agreement on the termination of the contract as soon as possible," he added.

French Prime Minister Manuel Valls said Friday that Paris would speak about the matter "in a few days, in a few weeks."

"Important decisions on this matter will be made the end of the summer," Valls said.

French President Francois Hollande said on Monday that he

would decide "in the coming weeks" whether or not to scrap the contentious contract to supply the two warships to Russia.

A French source close to the situation told AFP Friday that an agreement had indeed been reached but that some details still "needed to be finalized".

Hollande said earlier this year that the conditions for the delivery were "still not right" and suggested that only the full implementation of a tenuous ceasefire in eastern Ukraine could make Paris revisit the situation.

The first ship was due for delivery in 2014, while the second was to be delivered this year.