

Iran Eyes 3 Million bpd Refining Capacity by 2021: Minister



TEHRAN (Dispatches) - Iranian Minister of Petroleum Bijan Zangeneh says Iran's hydrocarbon refining capacity will cross 3 million barrels per day by the end of the 6th five-year development plan to 2021.

"Iranian refinery facilities can process 1.7 million barrels of oil per day which will reach 3 mbd under the 6th development plan," the official said.

One million of the production capacity will be made possible once Persian Gulf Star Refinery comes fully online. Add to this 480,000 b/d of production capacity by Siraf Refining Park, he said.

Moreover, Shiraz Refinery will also add 120,000 to the refining

capacity of the country.

He said that the rise in refining capacity will come while observing policies of the economy of resistance as instructed by the leader of the Islamic Revolution.

He said the county will also begin recovering oil from the oil layer of the supergiant South Pars gas field, which Iran shares with Qatar in Persian Gulf waters by March 20, end of the current Iranian calendar year.

The recovery will be made possible by a floating production storage and offloading (FPSO) which Iran has recently purchased from South Korea and will begin with 35,000 b/d that will reach 100,000 b/d.

New Shale Oil Deposit Discovered

Meanwhile, an Iranian official has announced the discovery of new shale oil reserves in the country's western province of Lorestan.

Oil exploration studies in Qalikooh region in the province of Lorestan led to the discovery of a new shale oil field with 2 billion barrels of in-situ oil reserves, Bahman Soleimani, an official at the Exploration Directorate of the National Iranian Oil Company said.

The newly-detected field contains light crude oil, he noted, adding that exploration of shale gas reserves is also in progress in Lorestan province.

Oil shale is an organic-rich rock that when heated, cooled, and then distilled yields oil, a process known as retorting.

Iran had previously announced new shale oil discoveries in the provinces of Kerman and Semnan.

The cost of conventional oil production in Iran stands below \$10 per barrel, while shale oil production costs between \$40 and \$80 per barrel, making investment on shale oil economically infeasible at the current prices.

Iran is believed to have 158 billion barrels of proven conventional oil reserves, the fourth largest in the world.

Iranian Envoy, Putin's Adviser Discuss Cooperation on Holding Joint Expos

TEHRAN (Tasnim) - Iran's Ambassador to Russia Mehdi Sanaei and Anton Kobyakov, an adviser to Russian President Vladimir Putin, have held talks on a range of issues, including ways to boost Tehran-Moscow cooperation in holding joint gatherings, including exhibitions.

In a meeting in Moscow, Sanaei and Kobyakov exchanged views about ways to promote collaboration between the Iranian and Russian governments to hold joint conferences and exhibitions.

The two sides also discussed the presence of the Roscongress Foundation in joint economic activities with the Islamic Republic.

The Roscongress Foundation was founded in 2007 with the aim of helping to develop Russia's economic potential and strengthen the country's image by organizing congresses and exhibitions with an economic and social focus.

On December 13, 2016, Tehran hosted the Russia-Iran Business Forum, organized by the Roscongress Foundation with the support of the ministry of Economic Development



Iran's Ambassador to Russia Mehdi Sanaei (left) and Anton Kobyakov (right), an adviser to Russian President Vladimir Putin, held talks to boost Tehran-Moscow cooperation in holding joint gatherings, including exhibitions.

of the Russian Federation, the ministry of Energy of the Russian Federation, the Russian Export Center, the agency for Strategic Initiatives, the Embassy of the Islamic Republic of Iran to the Russian Federation, the Chamber of Commerce of Iran, and the Joint Russian-Iranian Chamber of Commerce.

The Russia-Iran business forum

was organized as part of efforts to promote the St. Petersburg International Economic Forum, which will be held on June 1-3, 2017 in St. Petersburg, according to the official website of the Roscongress.

Anton Kobyakov is also the executive secretary of the St. Petersburg International Economic Forum Organizing Committee.

Serbia Eyeing to Share Iran's Mining, Energy Expertise

TEHRAN (Fars) - Serbian Energy and Mining Minister Aleksandar Antić in a meeting with Iranian Ambassador to Serbia Hossein Molla Abdollahi in Belgrade on Saturday voiced his country's willingness to benefit from Iran's technical experiences.

"Serbia is interested in developing mining and energy cooperation with Iran," Antić said during the meeting.

The Serbian energy minister called for Iran's participation in the privatization process of Pančevo refinery, and said, "Both sides need to boost the level of their cooperation."

The Iranian ambassador said that the grounds are ready in post-JCPOA era for developing

cooperation and both countries would be able to take major steps for promoting mutual cooperation in energy field.

He pointed to the upcoming conference of Iran's trade and economic abilities in Serbia, and said that the event will be held with the attendance of the members of Iranian state and private sectors.

Mollah Abdollahi also referred to Iran's private sector's readiness in implementing joint projects between the two countries, and said that the cooperation capacities will be identified and introduced during the 15th Joint Economic Commission Meeting of Iran and Serbia which is due to be held in February 2017 in Belgrade.

Oman Calls for Boosting Trade Ties With Iran

TEHRAN (Fars) - Omani Foreign Minister Yusuf bin Alawi bin Abdullah in a meeting with his Iranian counterpart Mohammad Javad Zarif in Munich on Saturday called for boosting mutual cooperation with Iran, specially in trade and economic fields.

"Oman's private sector is ready to expand relations with the Iranian companies," the Omani foreign minister said during the meeting on the sidelines of Munich Security Conference.

Bin Alawi appreciated Iran's constructive and positive role in the regional developments.

IME Weekly Trade Exceeds \$290mn

TEHRAN (Fars) - The Iran Mercantile Exchange (IME) on Saturday announced that around \$291.7mn of various commodities weighting over 422,358 tons were traded in its domestic trading and exports halls in the past working week (February 11-16).

The IME said that over 237,328 tons of various oil and petrochemical products, including 87,943 tons of bitumen, 59,635 tons of polymer products, 44,000 tons of VB feed stock, 10,000 tons of lube cut-oil, 24,991 tons of chemical products, 8,324 tons of sulfur and 425 tons of insulation, 2,000 tons of slap waxes and 10 tons of argon with the total value of \$133.6mn were traded in its domestic and exports halls during the last week.

Moreover, 21,295 tons of various commodities, 9,500 of wheat, 1,225 tons of sugar, 5,170 tons of maize, 500 tons of meal and 4,900 tons of crude vegetable oil with total worth of \$9.9mn were traded by the customers in the agricultural trading hall of IME in last week.

Also, 162,586 tons of metal and mineral products, including, 144,326 tons of steel products, 1,000 tons of coke, 6,700 tons of copper, 10,440 tons of aluminum and 120 tons of molybdenum concentrate with the total



value of 147.7mn were traded in the IME domestic and exports halls in the last week.

Europe's Refiners Cash in Despite OPEC Oil Cuts

LONDON (Reuters) - A global deal to cut oil production has had the unintended consequence of aiding Europe's older refineries by bolstering supplies of light crude while curbing shipments of the heavier grades favored by more advanced plants in other continents.

These European units, long thought doomed by competition from state-of-the-art refineries in the Middle East, Asia and the United States, are in the right place at the right time - enjoying good demand and oil availability that is, for them, growing.

"European refiners are well positioned versus the OPEC cuts," said David Wech, managing director of consultancy JBC Energy. "The supply that is taken out of the market hits primarily the Asian market."

A deal between the Organization of the Petroleum Exporting

Countries and non-member producers to cut output by 1.8 million barrels per day (bpd) has held oil prices roughly 20 percent above the low just before they sealed the pact late last year.

Pricier crude often saps refiners' earnings. But refinery margins, a measure of profit, stood near \$7 per barrel for a simple plant processing Brent crude in Rotterdam, Reuters data showed, 50 percent above the first-quarter average last year.

Part of the benefit is that most of the oil cut by OPEC was heavy crude preferred by the more complex refineries, which by and large are not in Europe.

European refineries are in general older and less complex than the newest units, such as the giant Jamnagar plant in India. Simpler refineries often prefer easier-to-process light oil, which is in abundance in Europe's backyard

as OPEC producers Libya and Nigeria were exempt from the cuts. Crude from Kazakhstan's Kashagan field is also pumping away.

Meanwhile, while Russia has cut overall production, exports of its Urals crude are pushing higher in the first half of this year.

As a result, the likes of Italy's Saras, Greece's Hellenic Petroleum and majors that run refineries in Europe such as BP, Royal Dutch Shell and ENI have access to a range of crude cargoes.

"In general, the more locally grown crudes ... were not included as part of the (supply-cut) agreement," said Steve Sawyer, head of refining at FGE Energy.

The forecast for margins is so good that some refineries, such as Turkey's Tupras, have postponed maintenance shutdowns that were scheduled for the spring, industry sources told Reuters.

Euro Is Too Low for Germany: Merkel

MUNICH (Press TV) - German Chancellor Angela Merkel says the euro is too low for Germany adding that Berlin had no power to address this "problem" because monetary policy was set by the independent European Central Bank.

Addressing the Munich Security Conference, Merkel also said: "We have at the moment in the euro zone of course a problem with the value of the euro."

"The ECB has a monetary policy that is not geared to Germany, rather it is tailored (to countries) from Portugal to Slovenia or Slovakia. If we still had the (German) D-Mark it would surely have a different value than the euro does at the moment. But this is an independent monetary policy over which I have no influence as German chancellor," she noted.

The euro has fallen nearly 25 percent against the dollar over the past three years, touching a 14-year low of \$1.034 in



German Chancellor Angela Merkel delivers a speech on the 2nd day of the 53rd Munich Security Conference (MCS) in Munich, southern Germany, on February 18, 2017.

January. But it has since risen to roughly \$1.061.

Merkel's remarks came after a trade adviser to U.S. President Donald Trump said in late January that the euro's low valuation was giving Germany an edge over the U.S. and its European Union partners.

Meanwhile, Trump himself had said earlier that the dollar's strength against the

Chinese yuan "is killing us", deepening concerns that his administration could pursue a more confrontational, protectionist approach to trade.

German chancellor said she did not want to delve into the causes of Germany's trade surplus, noting that this was sure to be a continuing topic of discussion with U.S. officials.