

OPEC: Iran Oil Production Hit 3.8 Million bpd in May



TEHRAN (Dispatches) - Islamic Republic of Iran's crude oil production hit 3.8 million barrels per day (bpd) in May, it was reported on Wednesday.

According to the Organization of the Petroleum Exporting Countries (OPEC), Iran has produced 5,600 barrels per day (bpd) of crude oil. Iran's output enlarged after the U.S.

lifted the sanctions in January 2016.

Iran as OPEC's third-largest oil producer has supported holding the supply cuts until December 2018.

On May 31, Bijan Zangeneh, minister of petroleum, in a letter to rotating chairman of OPEC conference called for inclusion of a separate agenda in next OPEC ministerial meeting for

supporting those members that are under illegal, unilateral sanctions.

Zangeneh in his letter to the United Arab Emirates Minister of Energy and Industry and rotating Chairman of OPEC Conference Suhail Mohamed Faraj al-Mazrouei pointed to U.S. unilateral and illegal sanctions against Iran and underlined execution of 'Article 2' of OPEC Statute on supporting the interests of all member states.

He wrote in the letter that if sanctions are imposed Iran's share of oil market would decrease but when illegal limitations are lifted Iran would return to its normal production level immediately and will not accept any limitation in this concern.

Zangeneh pointed to comments by a number of OPEC members in recent days and said that no country is spokesperson for OPEC and all decisions of the organization should be taken by a consensus among all members.

Tehran Invites Sri Lanka to Economic Commission Meeting



Iranian ambassador to Sri Lanka Mohammad Zaerl Amirani meeting with Minister Bathiudeen in Colombo, Sri Lanka.

COLOMBO (Dispatches) - Iran has invited Sri Lanka to attend the 12th Joint Commission for Economic Cooperation (JCEC), which is to be

held in Tehran in August.

Iranian ambassador to Sri Lanka Mohammad Zaerl Amirani met with Sri Lankan Minister of

Industry and Commerce Rishad Bathiudeen and said the state visit by Sri Lankan delegation led by President Maithripala Sirisena to Tehran last month was very good and productive, Colombo Page reported.

Amirani said that five Memorandum of Understandings (MoU) were signed between the two countries in Tehran during Sirisena's visit.

The 5 MoUs, including fight against drug trafficking, health, standardization, film industry and exchange of students are to provide great benefits to Sri Lanka.

Bathiudeen welcomed Amirani's invitation and appreciated the warm hospitality extended by Iran last month.

The series of JCEC has been helpful in advancing the relations between the two countries, he added.

He also said it is time to diversify our exports basket to Iran and August JCEC can help us do that.

The 11th JCEC was held in February 2016 in Colombo.

Turkey in Talks With Iran to Import Bitumen: Official



TEHRAN (Dispatches) - An official with Iranian Oil Products Exporters' Union said Ankara is in talks with Tehran to import bitumen.

"Turkey is in negotiations with Iran to import bitumen and meet its 3-million-ton annual demand," Hassan Tajik, a member of the presiding board of the Union's bitumen committee, told media.

Turkey's consumption of bitumen currently stands at 4 million tons per year, he added.

The official further noted that Ankara can only produce 1 million ton of its annual need and that it has to import the rest from its neighbors, including Iran.

Elsewhere in the interview, Tajik said India, west African nations and the nations of Commonwealth of Independent States (CIS) are among major export destinations of Iran's

bitumen.

Iran exported 3.8 million tons of bitumen last year, he said, adding that the amount may reduce in the current Iranian fiscal year (started March 21) due to maintenance works at refineries and also lack of basic materials.

Iran produces nearly 5 million tons of tar a year. Countries in the Middle East, South Asia, East and southeast Asia, Africa and Europe import the Iranian tar.

Tajik also warned that the Iranian tar market is expected to suffer major setbacks if the government does not think of a secondary market for foreign currencies.

On April 9, Iran unified the country's official and open market rates after its currency, the rial, plunged to an all-time low on concerns over a return of crippling sanctions.

Austria's Oberbank, OMV Withdraw From Iran

VIENNA (Dispatches) - Austria's Oberbank, one of the first western banks to sign a deal to provide project finance to Iran, and energy giant OMV said they will withdraw from the country due to the threatened U.S. sanctions.

President Donald Trump pulled the United States out of a 2015 nuclear deal with Tehran last month and said that he would reimpose economic sanctions on the country.

Oberbank said transactions and letters of credit related to Iran will be provided exclusively for contracts signed before May 8, and payments will most likely no longer be possible from Nov. 4.

And also, Austria's energy giant OMV says it plans to cease its operations in Iran amid growing signs that the United States is preparing to re-impose sanctions against the country.

OMV Chief Executive Rainer Seele told media that his company planned to conclude a seismic studies project in Iran but would not pursue projects further.



Oberbank had set to finance Austrian projects in Iran.

"Let's face it, you cannot simply carry on in Iran," he said. "US sanctions are a much bigger risk for OMV's business than any possible compensation that Europe ... could offer."

OMV started operations in Iran in 2001 as operator of the Mehr exploration block in the west of the country. It halted work in 2006 due to sanctions, but signed several basic agreements for new projects when the 2015 deal was reached, Reuters added further in

its report.

The Austrian energy group will now join several other major European companies that have announced they would abandon their Iran investment plans as a result of Trump's plans to reimpose sanctions against Iran.

They include France's Total that had signed a deal with Iran to invest in a multi-billion project to develop a gas field in southern Iran. However, it has announced that it would pull out of the project.

Online Businesses Growing Fast in Iran



TEHRAN (Dispatches) - Secretary of the Iran's Association of Online Business Reza Olfat Nasab has said the government has identified as many as 32,000 online businesses in the country.

"So far, 32,000 businesses active in cyberspace have been identified," Olfat Nasab told state TV.

He added that the identity of the 32,000 online businesses has been verified and that 18,000 more

businesses are passing the process of identity verification.

"Work permits for 600 online businesses have been issued in the past six months," Olfat Nasab said.

He further called for more state support for the online businesses, saying that there are still many problems facing such businesses and they need help in order to be able to fully actualize E-commerce in the country.

Sanctions Not Affecting Iran Oil Output: NISOC

TEHRAN (Shana) - The CEO of National Iranian South Oil Company (NISOC) Bijan Alipour says the U.S. pullout of the nuclear deal and their sanctions had not affected Iran's crude oil production.

Addressing a meeting with NISOC's senior officials, Alipour said: "U.S. withdrawal of the Joint Comprehensive Plan of Action (JCPOA) and sanctions of foreigners do not impact Iran's crude oil production".

He said the company has been able to restore the country's production capacity to the pre-sanctions setting.

French Farmers to Continue Fuel Blockades Over Palm Oil Imports

PARIS (France 24) - France's main farm union called early on Wednesday for protesters to continue a blockade of refineries and fuel depots after the government failed to ease their concerns over the use of imported palm oil at local biofuel plants.

"We have worked a lot but we did not get enough. We are disappointed given farmers' involvement," Christiane Lambert, head of the FNSEA union, which organized the protests, said after meeting with Agriculture Minister Stéphane Travert.

Oil and gas major Total said on Tuesday that 3.5 percent of its petrol stations in France had run out of fuel after two days of blockade disrupted distribution.

The protests were triggered by France's decision to allow Total to use imported palm oil at a biofuel plant, which would compete with biodiesel made from locally produced oilseed crops, further souring relations between the EU's biggest farm sector and the government of President

Emmanuel Macron.

The blockade concerns a total of 18 refineries and depots across France. Total, which operates 2,200 petrol stations, said all nine of its depots and all but one of its five refineries were blocked.

"There are some difficulties in supplying petrol stations particularly in Paris and the Ile-de-France region," a Total spokesman said Tuesday.

Total has urged customers not to rush to petrol stations to fill their tanks, which could spark panic buying and shortages.

French authorities last month gave Total permission to use palm oil as a feedstock at its La Mede biofuel refinery in southern France, infuriating farmers who grow crops such as rapeseed. Environmentalists also blame palm oil cultivation for deforestation in Southeast Asia.

Total argues its plans call for using less palm oil than allowed by the authorities, offer an outlet for 50,000 tonnes of locally produced rapeseed, and will develop large-

scale recycling of used oil and fat.

But Lambert, the FNSEA union leader, said 50,000 tonnes was

"not enough" and that the price needed to be based on producers' costs, not on palm oil prices.

Rising Fuel in Britain Prices Spur Inflation in May

LONDON (Dispatches) - Inflation remained at 2.4% in May, according to the British Office for National Statistics (ONS), after its fall was halted by a sharp rise in fuel costs.

The ONS said that fuel prices increased by the biggest monthly amount since January 2011, rising by 3.8%.

Mike Hardie, head of inflation at the ONS said: "Recent large rises in the cost of crude oil have fed through to prices paid by consumers at the pump."

Inflation has been falling since November last year.

The rise in oil prices also drove up raw material costs for companies, which jumped by 9.2%.

The effect was also seen in rising prices for air and ferry travel.

"While inflation appears to be under control there are signs in the data, and outside it," said Laith Khalaf, senior analyst at Hargreaves Lansdown.

"Petrol prices are up 8% over the course of the year, and all the Big Six energy firms are putting up prices this summer, which is yet to feed into the numbers," he said.

On Tuesday, the ONS said wage growth slowed to 2.8% in the three months to April from 2.9%. Data also revealed that manufacturing output fell 1.4% in April, the biggest decline for nearly six years.