

Poland Detects Leak in Russia's Oil Pipeline, Halts Pumping to Europe



The Schwedt refinery in Germany receives oil from the Druzhba pipeline.

WARSAW (Reuters) – Polish pipeline operator PERN said it had halted pumping through a section of the Druzhba pipeline, which carries oil from Russia to Europe, after detecting a leak in central Poland.

There was no indication as to the cause of the leak, which follows a series of attacks on pipelines carrying Russian oil and gas since the war on Ukraine in 2022.

“PERN services have reached the damaged section of one of the lines of the western section of the Druzhba pipeline in the commune of Chodecz,” PERN said on Sunday afternoon.

“It is the main line that transports crude oil from sea deliveries to the west. Repair work on the oil pipe-

line is currently underway. The expected time for pumping to resume is Tuesday morning.”

PERN did not say what the impact on supply to Germany was but a spokesperson for the federal Economy Ministry in Berlin said: “We are in contact with the operators of the East German refineries. The security of supply is still fully guaranteed.”

Firefighters and PERN emergency services were at the scene but there were no reports of a fire.

“The part of the pipeline that was affected by the leak was cut off from the rest, so the scale of the leak is not huge, we’re talking about a rectangular area measuring 30 by 210 meters (yards),”

Grzegorz Jankowski from the State Fire Services in Wloclawek told private broadcaster TVN24.

PERN said the second line was operating normally and there was no health threat to local residents, adding that the company was investigating the cause of the leak.

It said supply to Polish refineries was not impacted and that it was in contact with German partners receiving oil through the pipeline. Germany stopped buying Russian oil in January, but German media have reported that Kazakh oil was being imported through the line.

Germany’s industry association for fuels and energy did not immediately respond to requests for comment.

“Other elements of PERN’s infrastructure, including (Druzhba’s) Pomeranian section, which is used to pump crude oil arriving in tankers to Poland and then further to Germany, are operating in standard mode,” PERN said in its statement.

The Druzhba oil pipeline is one of the world’s largest and can carry 2 million barrels per day. The total capacity of the western section of both lines that carry oil from central Poland to Germany is 27 million tonnes of crude oil per year.

Tehran, Baghdad Emphasize Strengthening Trade, Industrial Cooperation

TEHRAN – Officials from Iran and Iraq stressed the need to bolster cooperation in the fields of trade and industry as well as completion of the construction operation of the Shalamchek-Basra railway.

In a meeting between Iranian Minister of Economic Affairs and Finance Seyed Ehsan Khandouzi and Adviser to the Iraqi Prime Minister Hazim Majid Naj al-Khaledi, held in Tehran on Sunday, the two sides discussed issues pertinent to the cooperation of the two countries for setting up joint industrial areas and also completion of construction operation of the Shalamchek-Basra railway.

Despite propaganda and obstacles waged by ill-wishers, relations between Iran and Iraq are on an upward trajectory thanks to the determination of the administration of President Ebrahim Raisi and Iraqi Prime Minister Mohammed Shia’ Al Sudani, Khandouzi emphasized.

It is high time that officials of the two countries should roll



Iranian Minister of Economic Affairs and Finance Seyed Ehsan Khandouzi (R) meets with the Adviser to the Iraqi Prime Minister Hazim Majid Naj al-Khaledi.

up their sleeves to forge deeper links in various trade and economic fields, he continued.

Very constructive talks were held between the two countries on the sidelines of the Iran-Iraq Joint Economic Commission, he said, adding that his ministry and other ministries are seeking to operationalize the memoranda of understanding (MoUs) inked between the two countries.

The adviser to the Iraqi prime

minister, for his part, said that the two countries share many commonalities in all political, historical, religious and cultural fields.

Since the first visit of high-ranking officials of the Islamic Republic of Iran to Iraq in the Al Sudani administration, effective measures have been taken for the operationalization of agreements inked between the two countries, al-Khaledi added.

CBI Chief Stresses Stepped-Up Banking Ties With Sri Lanka

TEHRAN – Iran and Sri Lanka emphasized the need for expanding trade and economic relations and developing banking cooperation.

Governor of Central Bank of Iran (CBI) Mohammad Reza Farzin and Sri Lanka’s visiting Foreign Minister Ali Sabry held talks in Tehran on Sunday.

Farzin emphasized the two countries’ interest in bolstering trade ties and stated that the development of banking and monetary relations is a prerequisite for strengthening and developing economic ties between the two countries.

He pointed to the significance of the Asian Clearing Union (ACU) in the development of trade ties between Iran and Sri Lanka and said this platform can be used optimally for clearing the demands.

The CBI governor proposed formation of a specialized and technical banking-monetary working group between the central banks of the two countries and added that its formation can play a leading role in



The headquarters of the Central Bank of Iran in north of the capital Tehran

accelerating and facilitating the banking issues.

The agreement made between Sri Lanka and economic institutions in Iran are fully confirmed by the Central Bank of Iran, he added.

Despite unilateral US sanctions, Iran managed to establish sustainable trade relations with its trade partners, he said and noted that Iran is fully prepared to cooperate with Sri Lanka for expanding monetary and trade relations within the framework of the Asian Clearing Union.

Sri Lanka’s minister of foreign

affairs, for his part, pointed to the longstanding ties between Tehran and Colombo and stated that his country is interested in developing trade ties with Iran.

Setting up a bilateral banking committee between Iran and Sri Lanka for pursuing bilateral issues and facilitating trade ties will certainly lead to the expansion of cooperation between the two countries, Sabry emphasized.

He also appreciated Iran’s support for Sri Lanka in the International Monetary Fund (IMF).

Rising Petrol Prices Spark New Concern in Washington

WASHINGTON (FT) – Rising fuel in the U.S. prices are triggering alarm in Washington just as President Joe Biden steps up his bid for re-election by touting lower inflation and the strength of the economy.

The surge in petrol costs to a nine-month high follows a 20 percent jump in global crude prices this summer, after Saudi Arabia and Russia slashed supply. The move has revived predictions of \$100 a barrel oil this year — and new worries about the political fallout.

“The White House is in full-blown panic mode,” said Bob McNally, head of Washington-based consultancy Rapidan Energy Group and a former adviser to president George W Bush. “Any sitting president is threatened when pump prices go up because of the impact on consumer confidence and the president’s approval rating,” he added.

A White House official said the administration was continuing to closely monitor petrol prices, but added that it was “important to remember that prices are still down over \$1 since their peak last summer”.

Saudi Arabia last week risked angering the White House by



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announcing that it would extend and potentially deepen existing oil production cuts, despite the International Energy Agency warning that crude markets are set to tighten significantly in the coming months. The kingdom followed up on Saturday by increasing the price of its oil it in Asia.

The Biden administration has repeatedly called on Riyadh to pump more oil in the past two years, and last year accused the OPEC+ of “aligning with Russia” when it launched its current phase of supply cuts.

The latest U.S. pump price increases include diesel, a cru-

cial input cost for industrial and agriculture sectors, and come as hopes rise that the Federal Reserve can engineer a soft landing for the economy after months of interest rate rises to quell inflation.

The president has spent recent weeks touting his “Bidenomics”, citing a cooling of inflation and record job creation.

But Republican opponents have latched on to the recent fuel price increases, blaming them on what Florida Governor Ron DeSantis calls Biden’s “war on American energy” — a signal of future GOP attack lines if petrol costs keep rising.

Iran, Russia Seek to Deepen Ties Between Free Trade Zones

MOSCOW (RT) – Moscow and Tehran have discussed cooperation between their special trade zones, in a bid to boost commerce and investment, Russia’s Economic Development Ministry has said after a videoconference with Iranian colleagues.

Deputy Minister Dmitry Vol-

vach informed the Iranian officials about the creation of the Technology and Logistics Union in Russia.

“The activities of the union are aimed at deepening trade, economic, transport and logistics cooperation between Russia and the countries of the Caspian region and states gravitating to-

wards the North-South international transport corridor,” Volvach was quoted by the ministry press service as saying.

Earlier this year, Iran and the Russia-led Eurasian Economic Union (EEU) sealed a memorandum on free trade to ensure the free movement of goods, services, capital, and workers

between member states.

Iran is able to exchange goods with EEU member states — namely Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan — on the basis of preferential trade. The union has provided discounts for Iranian goods, while Tehran has granted preferences to items originating from

the Eurasian bloc.

Cooperation between Russia and Iran has been expanding rapidly amid Western sanctions against both countries. Between January and October 2022, trade between Moscow and Tehran reached \$4 billion, surpassing the figure for the whole of 2021, according to Russia’s Customs

Service. Russian exports to Iran surged by 27%, while imports from Tehran jumped by 10%, the data showed.

Last year, the nations reached several agreements, including for the purchase of aircraft equipment, and the joint construction of gas pipelines and gas field development.