
IRAQ SEEKS FINANCIAL AGREEMENT WITH KURDS BEFORE PUMPING CRUDE TO TURKEY

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Iraq will not resume pumping crude through a Kurdish pipeline to Turkey unless it reaches a financial agreement with the Kurdistan Regional Government (KRG), the Iraqi oil minister said on March 22.

Adel Abdul Mahdi confirmed on his Facebook page that the central Iraqi government had decided to stop pumping crude from fields under the management of its state-run company in northern Iraq through the pipeline.

He said state-run North Oil Company previously fed 150,000 barrels a day into the pipeline that carries crude from the Kirkuk fields and other reservoirs managed by the Kurdish authorities to the Turkish Mediterranean terminal of Ceyhan.

We have two options in order to resume pumping, the minister said, demanding either a return to a previous oil agreement between Baghdad and the Kurdish Regional Government, or making a new agreement.

The previous agreement provided for the KRG to transfer to Iraq's central state oil marketing company 550,000 barrels a day of crude produced in the Kurdish region, in return for a 17 percent share in the federal budget, he said. The KRG stopped all oil transfers to the government in September 2015, at which point they also stopped receiving government funding, he added.

Kaynak/Source: