
IRAQ APPROVES PLAN TO INCREASE OIL-OUTPUT CAPACITY

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The Iraqi cabinet on April 1 approved a plan to raise the nation's crude-oil production capacity to 6.5 million barrels per day (bpd) by 2022.

The country's oil minister, Jabar al-Luaibi, said in January that capacity was currently about 5 million bpd.

But actual production is about 4.4 million bpd as part of an agreement between the Organization of Petroleum Exporting Countries (OPEC) and other exporters, including Russia and Kazakhstan, to reduce the supply glut and help boost prices.

Crude prices have risen about 50 percent since June 2017 in the face of the production cuts.

It was not immediately clear if Iraq would seek to raise its actual output level with its increase in capacity, although the new facilities would not be available for several years.

Iraq is OPEC's second-largest producer after Saudi Arabia and depends on the industry to provide more than 90 percent of its income.

Baghdad is seeking bids from six companies for an estimated \$4 billion project to inject seawater into its southern oil fields, a system designed to dislodge more crude from the deposits.

Based on reporting by Reuters, Bloomberg, and Kuwait News Service

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