

Kuwait and Iraq are nearing a final gas export agreement

Kuwait's Oil Minister Essam al-Marzouq said that a preliminary agreement was reached between his country and Baghdad on the price of Iraqi gas, which is scheduled to be supplied to Kuwait from the Rumaila fields in preparation for signing a final agreement in this regard.

Al-Marzouq told the newspaper that the Kuwaiti side is waiting for the final approval of the Iraqi government this week.

Al-Marzouq added that the agreed quantities will be in the range of 50 million cubic feet per day, up to about 200 million after a period and will last for ten years, adding that each party will cover the operating expenses for its part and expected to start operating the gas pipeline by the end of next year.

Exports from Iraq's Rumaila field will pay \$ 4.6 billion, the remaining war reparations. Sources told Reuters last week Kuwait was keen on the project and offered sovereign guarantees for up to 80 percent of the undisclosed cost, but the talks stumbled over a price dispute.

Iraq had been supplying gas to Kuwait from Rumaila before. The quantities amounted to about 400 million cubic feet per day but stopped after the invasion of Kuwait in 1990.

(announced by Ministry of Oil on Nov. 21, 2017)