

Nigeria "at forefront" of push to freeze oil production levels

Nigeria is "at the forefront" of the push for a global agreement to freeze the level of oil production, energy minister Emmanuel Ibe Kachikwu says.



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Discussions on freezing production levels were ongoing ahead of an extraordinary summit of the Organization of the Petroleum Exporting Countries (OPEC) to be held later this month, he told reporters in Abuja.

Crude prices fallen 60%

"I have been in the forefront of driving that change and I'm glad that we are making progress," Kachikwu said in response to a question on what he thinks of the call for a production freeze by OPEC to drive up crude prices. If we do get a consensus ... I think it will be very dramatic in terms of its impact on the price of crude," he says.

Crude prices, which have fallen more than 60% since June 2014 because of a large supply surplus, have picked up since mid-February over a proposal by leading producers Saudi Arabia and Russia, as well as Qatar and Venezuela, to agree to freeze their output at January levels to stem falling prices.

Speculation on oil-producers' meeting

Since then speculation has also emerged over a meeting between OPEC and non-OPEC producers at the end of March.

OPEC member Kuwait says it would freeze its crude production levels if all the big producers, including Iran, did the same. Kachikwu says there were ongoing moves to build consensus on the production freeze ahead of the OPEC meeting despite the reluctance of Iraq and Iran to commit themselves to specific volumes.

"I wouldn't worry about that if two out of about 40 which includes non-OPEC members decides to scale out, perhaps we can still achieve the effect that we want," Kachikwu says.

Nigeria is suffering from the fall in oil prices, which have taken a considerable hit on government revenues and weakened naira currency.

Source: I-Net Bridge/AFP

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