

12-10-1997

Mexico, Russia Discuss Alternative Organization to OPEC

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/sourcemex>

Recommended Citation

LADB Staff. "Mexico, Russia Discuss Alternative Organization to OPEC." (1997). <https://digitalrepository.unm.edu/sourcemex/3836>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.

Mexico, Russia Discuss Alternative Organization to OPEC

by LADB Staff

Category/Department: Mexico

Published: 1997-12-10

The Mexican and Russian governments are considering the possibility of forming an oil-exporters organization that would rival the Organization of Petroleum Exporting Countries (OPEC). The proposal was discussed during a first-ever meeting of Russian and Mexican officials to examine each other's strategies for energy privatization.

"I believe the creation of an organization that defends the interests of countries that are not members of OPEC is a good idea," said deputy prime minister Boris Nemtsov. Nemtsov recently served as Russia's energy minister. According to Nemtsov, the new organization would give non-OPEC oil exporters a voice in international energy policies, which are now set primarily by OPEC. Russia and Mexico are among the world's largest crude-oil exporters outside of OPEC. Other major non-OPEC exporters and/or producers include Norway, Great Britain, China, India, and Canada.

According to the Paris-based International Energy Agency (IEA), Russia's crude oil averaged 5.88 million barrels per day during the second quarter. Mexico's output was 3.348 million bpd in the second quarter. Energy Secretary Luis Tellez, who led the Mexican delegation at the meetings, said the proposal to form an alternative organization must be explored further before becoming a serious initiative. "I am in agreement with vice minister Nemtsov," said Tellez. "This is an idea that has to be developed in consensus with friendly countries."

Tellez said the Mexican government is planning to invest about US\$25 billion in the petroleum sector between 1998 and the year 2000. Some of the projects, said Tellez, could include Russian participation. According to Tellez, the government could also seek Russian participation in areas where Russia has had some experience in privatization of energy-related state enterprises, such as natural-gas distribution and electrical power. And, Nemtsov said Russia and Mexico are discussing possibilities for Mexican companies to invest in the Russian energy sector. (Sources: El Economista, El Universal, The News, 12/09/97)

-- End --