London – Interview with Mr Ali Fares, Chairman of the Oil and Gas Committee of Basra Council, Iraq

CWC’s third Basra Oil, Gas and Infrastructure Conference will take place this year in Beirut, Lebanon on 24-25 of October 2016.

In a pre-conference interview with the Chairman of the Oil and Gas Committee of Basra Council, Mr Ali Fares outlined the most important issues that the Basra delegation will focus on during the conference, the challenges facing the province and ways to improve the circumstances.

Mr Fares also spoke about training and development: “After our continuous efforts to find job opportunities for the people of the Basra Governorate, particularly the young people who live close to the oil fields, we were shocked by the conditions the oil companies impose on the young workers who lack the skills required. In addition to asking the local workforce for international certificates, this allows the companies to import foreign workforce... at the Council of the Governorate we worked on a legislation called Investment in Human Resources and Job Management number 302 to train and prepare the young people who are in search of work. We had the approval from the Ministry of Oil to allocate 30% of the Social Benefits to train the young people. The first step is already underway to train 120 young people, teaching them vocational jobs to enable them to work for the oil companies.”

Iraq’s Ministry of Oil obtained a $2.1 billion loan from Japan for the rehabilitation of the Basra Oil Refinery in a bid to increase production capacity. Highlighting the importance of the loan, Mr Fares, who is also a law specialist said that a number of strategic and important projects have been agreed to including the hydrogenation of gasoil with the capacity of 20,000 barrels per day (bpd) as well as a cracking unit using GCC – the largest of its kind among the refinery projects. “The objective of these projects is to develop the aforementioned refinery to increase its daily production capacity to 4500 tonnes of premium benzene, 27,000 barrels of fuel oil, 40,000 barrels of hydrogenated gasoil, which is to be produced for the first time in Iraq as per the global standards, and 500 tonnes of liquid gas.

With regards to the import and export of gas, Mr Fares said: “After by the Basra Gas Company has made colossal efforts in investing in the associated gas, benefiting from its financial returns and decreasing its burning in the air. As a result, the daily production of liquid gas reached a level that now meets the daily requirements of the country. The Company also began exporting liquid gas and gas condensate c5. Six shipments of gas condensates were exported, pushing the total export amount to 105,500 cubic meters. As for liquid gas, the daily production has reached 5000 tonnes, while the total requirement of the country stands between 4000 to 4500 tonnes per day. The company was able to assign 10,000 tonnes for export and has, until now, exported four shipments with a total of 7100 tonnes.

Speaking about the Iraqi Excavation Company (IEC), Mr Fares said: “The Iraqi Excavation Company is one of the most important formations at the Ministry of Oil and it was making losses until the first quarter of 2015. But thanks to the company’s wise management and the persistence of its employees to work harder, the IEC was transformed into a profitable one. It excavated 144 wells and rehabilitated 508 wells for licensed companies. The IEC owns 47 drilling and rehabilitation rigs. It conducts its work according to global standards; this has enabled it to win tenders inside Iraq. Recently the IEC was awarded a global certificate in quality, health and safety and environment.

As for the state of the electricity sector, Mr Fares said that Basra is one of the governorates that has come a long way in developing its electricity system and accomplishing full supply in most of its districts, despite the high temperatures that frequently exceeds 50 degrees centigrade. “This achievement is a result of the correct plans by the local government which allocated part of its finance for this important sector,” he said. “The results are obvious; today Basra supplies more than 2000 megawatts. This number has not been reached by any of the other governorates in Iraq because of the weak distribution lines. Basra has the privilege of power supplies that reach 20 hours in most of its districts. The local government, also, set a contingency plan and allocated 95 billion ID to meet and buy the electricity sector’s needs and equipment. The Council of Ministers approved this plan which is the first of its kind to be executed by a local government.”

Mr Fares also emphasised the importance of the Basra Conference which is held annually, supported by the Governorate and organised by CWC, the leading company in oil, gas and infrastructure conferences.
Notes to Editors
More information at: http://www.cwcbasraoilgas.com/

About CWC:
The CWC Group has a 19-year track record in oil, gas and energy events and training globally. Headquartered in London, CWC has won the Queen's Award for Enterprise, twice.

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