

Turkey oil purchases from Iran fall to zero in November - source

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Turkey's purchases of Iranian crude oil fell to zero in November, according to a source familiar with the matter, reflecting a decline in deals inked in the weeks leading up to renewed U.S. sanctions on Tehran.

Turkey has since been granted a waiver from Washington allowing it to buy Iranian oil despite the sanctions, though it is unclear when the waiver takes effect.

Turkey's Tupras, the country's main oil buyer, did not purchase any Iranian crude in November, after taking around 129,000 barrels per day (bpd) of crude from the Islamic Republic in October, according to data provided by the source, who asked not to be named.

Oil arriving in Turkey from Iran is typically booked two or more weeks in advance because of the time it takes a shipment to cover the distance between the two countries by sea.

Tupras has also had scheduled maintenance from mid-October to mid-November in its Izmit refinery, one of four of the company's refineries, a trading source said, a move that could have reduced its overall demand for crude oil during the period.

The United States resumed sanctions on Iran's oil, shipping and banking industries in early November after President Donald Trump pulled out of a 2015 nuclear deal earlier in the year.

The United States simultaneously announced it would grant temporary exemptions to eight countries - including Turkey - allowing them to continue importing some Iranian oil.

Turkey did not know in advance whether its request for a waiver would be granted, which may account for the decline in November purchases.

Neither Turkish energy officials nor Tupras was immediately available for comment.

NATO-member Turkey depends heavily on imports to meet its energy needs and neighbouring Iran has been one of its main sources of oil because of its proximity, the quality of its crude, and favourable price differentials.

Its Iranian crude purchases had peaked in April to over 240,000 bpd, but Tupras cut back to around half that level after summer. An industry source said the company would completely halt imports if it had to, but ideally would prefer to continue buying at a level of three to four cargoes per month.

Iran sanctions have been a point of contention between Ankara and Washington, whose ties are already strained over issues including diverging interests in Syria and Turkey's purchase of Russian missile defence systems.

Last month, Turkish foreign minister Mevlut Cavusoglu said Turkey wanted the U.S. waiver to buy Iranian oil to be permanent, a request that could contradict Washington's ultimate desire of bringing all Iranian exports down to zero.