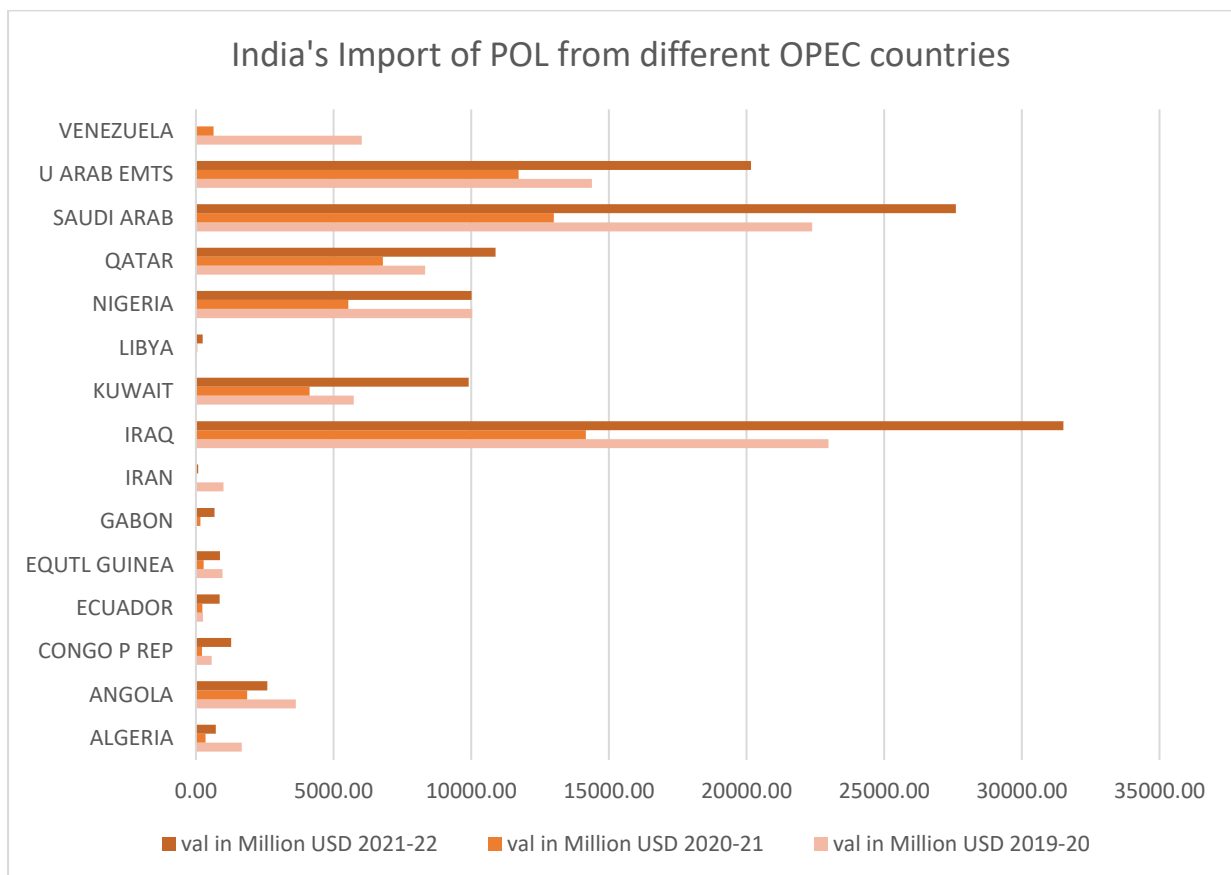


OPEC Demand and POL Trade

Organisation of the Petroleum Exporting Countries, or OPEC, is an inter-governmental organization of 14 major oil producing countries, which together constitute about 40% of the world's crude oil. The OPEC countries include **Algeria, Angola, Congo, Ecuador, Equatorial Guinea, Gabon, the Islamic Republic of Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, the United Arab Emirates and Venezuela**. India is the world's 3rd largest importer of crude oil, behind only the United States and China.

A COMPARATIVE STUDY OF THE IMPORT of India from the different OPEC countries show the following results:-

Chart 1: India's Import of POL Items from different OPEC Countries 2019-20, 2020-21 and 2021-22



The items mostly imported from these countries include Crude Petroleum, Grade LV, Grade HV, Residual Oil, Liquefied Natural Gas, Liquefied Propane, Liquefied Butanes, Petroleum Oils and Oils obtained from Bituminous Minerals Crude, Wax (Paraffin, Slack), Light Naphtha, etc.

A news report of August'22 states that *India's demand for oil products is projected to rise from 4.77 million barrels per day (bpd) in 2021 to 5.14 million bpd in 2022, OPEC said in its monthly oil report.* The report also said that *the oil demand will see a dip in the third quarter (July-September) due to the arrival of the monsoon but will pick up the following quarter on the back of the festival and holiday season.*

The figures for Q1 and Q2 (July-August) of both 2021-22 and 2022-23 agree with the above reports, which is depicted in the following tables:-

Table 1A: India's Import of POL Items from OPEC Countries during different Quarters of 2021-22 and 2022-23

COUNTRY OF IMPORT	QTY IMPORT IN KGS				% CHANGE	
	Q1		Q2 (JULY-AUGUST)		2022 VS 2021 Q1	2022 vs 2021 Q2
	2021	2022	2021	2022		
ALGERIA	132258040	269177846	132768448	336583286	103.52	153.51
ANGOLA	860922813	1188148206	458966320	527374740	38.01	14.90
CONGO P REP		521159464	130472277	655470521		402.38
ECUADOR	290092801	331069794	147913491	347632009	14.13	135.02
EQU TL GUINEA	284974160	289068538	429029822	279727653	1.44	-34.80
GABON	498502311	131686423	381493666	37000	-73.58	-99.99
IRAN	31521535	59457866	10568098	37616804	88.63	255.95
IRAQ	13817254290	16012923452	7896008495	8450813296	15.89	7.03
KUWAIT	3597424529	3656223388	2944974957	2477910313	1.63	-15.86
LIBYA	140542660	138306000	217989450	139252800	-1.59	-36.12
NIGERIA	4433524771	2979417804	2598819932	928680614	-32.80	-64.27
QATAR	3782179056	4628274142	2698447247	2705434315	22.37	0.26
SAUDI ARAB	9037182959	12524810613	5946767833	8430738607	38.59	41.77
U ARAB EMTS	8041006961	9670108800	4880090544	6204176237	20.26	27.13
VENEZUELA		30617774		153226256		

It shows that India's import from most of the countries have increased considerably compared to the last financial year.

A similar comparison between the quarters of 2022-23 also give a picture in consonance with the report, although only two months of Q2 has been considered.

Table 1B: India's import of POL Items from different OPEC Countries during first two quarters of 2022-23

Country of Import	Q1	Q2 (JULY-AUGUST)	% Change
VENEZUELA	30617774	153226256	400.45
CONGO P REP	521159464	655470521	25.77
ALGERIA	269177846	336583286	25.04
ECUADOR	331069794	347632009	5.00
LIBYA	138306000	139252800	0.68
EQUTL GUINEA	289068538	279727653	-3.23
KUWAIT	3656223388	2477910313	-32.23
SAUDI ARAB	12524810613	8430738607	-32.69
U ARAB EMTS	9670108800	6204176237	-35.84
IRAN	59457866	37616804	-36.73
QATAR	4628274142	2705434315	-41.55
IRAQ	16012923452	8450813296	-47.23
ANGOLA	1188148206	527374740	-55.61
NIGERIA	2979417804	928680614	-68.83
GABON	131686423	37000	-99.97

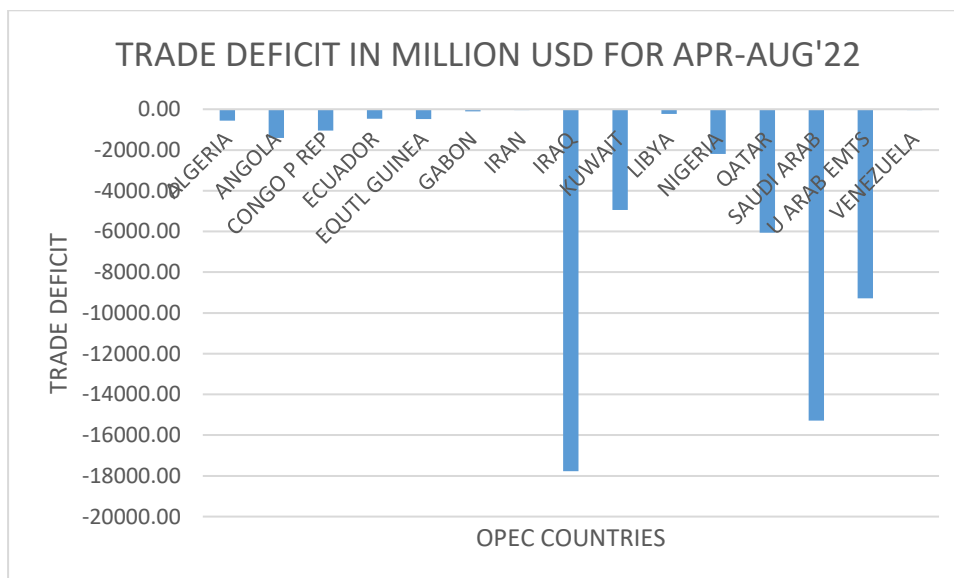
Table 1C: India's export of POL Items to different OPEC Countries during first two quarters of 2022-23

Export of finished petroleum products to the OPEC Countries during the two quarters of 2022-23 yield the following result:-

Country of Export	Q1	Q2 (JULY-AUGUST)	% Change
ANGOLA	133979	679116	406.88
IRAQ	32176562	100187674	211.37
SAUDI ARAB	350609414	458909622	30.89
IRAN	911200	819333	-10.08
ECUADOR	233160	183030	-21.50
NIGERIA	655246683	493265585	-24.72
U ARAB EMTS	2315554362	1332674150	-42.45
VENEZUELA	766163	390296	-49.06
KUWAIT	1709670	757823	-55.67
QATAR	58881146	18716486	-68.21
LIBYA	225879	11742	-94.80
ALGERIA	70768	10	-99.99
EQU TL GUINEA	380	0	-100.00
GABON	3	0	-100.00

A graphical representation of the trade deficit for the amount of POL imported from the OPEC countries to the amount of POL exported to the same show that India's import from the OPEC countries far more exceeds the export values.

Chart 2: Trade Deficit with OPEC Countries during April'22-August'22



Percentage Contribution of POL Import in GDP

Ministry of Statistics and Programme Implementation comes out with data on gross Domestic Product on a regular basis. Using the published figures of GDP, it is observed that the total expenditure due to India's Import has **22.9%, 21.1% and 26.3%** in the total GDP of the country for the financial years **2019-20, 2020-21 and 2021-22** respectively.

The share of import from the different OPEC countries, along with their percentage contribution in the total expenditure due to Imports, is depicted in the table below:-

Table 2: Percentage Contribution of Import of POL Items from different OPEC Countries to the total Expenditure incurred due to Imports in GDP

Country of Import	Import in INR Crore			Percentage Share		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
ALGERIA	13513	2625	5354	0.41	0.09	0.14
ANGOLA	25692	13808	19379	0.77	0.48	0.50
CONGO P REP	3981	1635	9618	0.12	0.06	0.25
ECUADOR	1795	1750	6441	0.05	0.06	0.17
EQU TL GUINEA	6796	2038	6503	0.20	0.07	0.17
GABON	0	1190	4981	0.00	0.04	0.13
IRAN	6998	93	643	0.21	0.00	0.02
IRAQ	167883	104719	235341	5.05	3.66	6.07
KUWAIT	41419	30518	73955	1.25	1.07	1.91
LIBYA	192	393	1848	0.01	0.01	0.05
NIGERIA	71155	40997	74741	2.14	1.43	1.93
QATAR	59813	50233	81238	1.80	1.75	2.09
SAUDI ARAB	164062	96172	206197	4.94	3.36	5.32
U ARAB EMTS	113378	86554	150460	3.41	3.02	3.88
VENEZUELA	42760	4777		1.29	0.17	0.00
Import from OPEC Countries	719436	437502	876699	21.66	15.28	22.61
Total IMPORT of POL	925168	611353	1207803	27.85	21.35	31.14
Expenditure due to imports in GDP	3321586	2862871	3878193	100.00	100.00	100.00