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Russia Says OPEC+ Oil Production Cuts 'In Interests' of Energy Markets

By AFP

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An oil production facility in the Republic of Tatarstan. **Yegor Aleyev / TASS**

The Kremlin said on Monday that a surprise announcement by OPEC+ to cut oil production is "in the interests" of global energy markets.

On Saturday the group of oil-producing countries, which includes Russia, Saudia Arabia, and other major suppliers, pledged to cut production by more than one million barrels per day, calling the decision a "precautionary" move aimed at stabilizing markets.

Oil prices surged in response to the announcement, with both main crude contracts jumping around 8% at one point on Monday.

"It is in the interests of global energy markets for oil prices to remain at a necessary level," Kremlin spokesman Dmitry Peskov told reporters.

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The bloc's decision came as oil prices have cooled in recent months after reaching soaring heights last year, caused by Russia's invasion of Ukraine.

The cuts are likely to anger the United States, which has already criticized OPEC+ over production cuts it made last year.

"Whether other countries are happy with this [cut] is their own business," Peskov said, commenting on a statement by the White House that it was "disappointed" with the decision by OPEC+.

Russia said it would extend its own voluntary production cut of 500,000 barrels per day until the end of this year, a measure viewed by experts as a way of boosting prices and counteracting the effect of sanctions.

Alexander Novak, Russia's deputy prime minister overseeing energy, said the reduction was justified due to "high volatility" and "uncertainty" in the oil market.

"The predictability of the global oil market is a key element to ensure energy security," he said.

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