

BANKING/ FINANCE

OPEC's Missing Meeting Shows Strain in Saudi-Russia Alliance



LISI NIESNER/BLOOMBERG NEWS

Russian Energy Minister Alexander Novak convinced the committee overseeing the output cuts that the scheduled April meeting would be too soon to agree to an extension.

by Grant Smith,
Salma El Wardany,
Dina Khrennikova and
Annmarie Hordern

The partnership at the heart of the OPEC+ alliance showed further signs of strain after Russia pressured the Saudi-led group to delay a decision on the future of their production cuts.

The unusual recommendation to cancel next month's scheduled meeting means the group probably won't decide whether to prolong its supply curbs until late June, just days before they expire.

At talks in Baku, Azerbaijan, on Monday, Russian Energy Minister Alexander Novak convinced the committee overseeing the output cuts that the scheduled April meeting would be too soon to agree to an extension. Khalid Al-Falih, the Saudi energy minister who had initially been in favor of making a decision at that time, acquiesced, saying "April will be premature."

For now, the supply curbs that have buoyed Brent crude by 25 percent this year are secure, and the nations present in the Azeri capital said they will go beyond their pledged cuts in the coming months. Still, the cancellation is the latest in a number of disagreements between the two largest and most powerful members of the 24-nation coalition.

While there's general backing within the Organization of Petroleum Exporting Countries for an extension, with members such as Iraq voicing support behind closed doors, Novak remains opposed, according to one delegate, who asked not to be named because the talks were private.

If that difference can't be resolved in the coming months, it sets up a high-stakes meeting in Vienna on June 25 to 26 that could give oil traders very little time to adjust to a major shift in supply.

"The need for close ties between Saudi and Russia has diminished," said Andrew Dodson, founder of commodity hedge fund Philipp Oil. "The delay of the OPEC meeting seems to point to a Russia reticence to commit to more cuts and to leave any decision as late as possible before committing further."

Since OPEC ended decades of rivalry by forging an alliance with Russia in late 2016, the cordial relationship between Novak and Al-Falih has been one of its defining features. The two men ushered in an unprecedented period of cooperation that reshaped the global oil market and created the beginnings of a new geopolitical partnership that's extended to cooperation over Syria and mutual investments.

Yet there's an imbalance at the heart of the alliance. Saudi Arabia needs its oil to sell for \$95 a barrel to cover government spending this year in an economy that relies almost entirely on petroleum. Russia is more resilient, with a more diversified industrial base and a less bloated state that means it based its 2019 budget on \$40 crude.

Since the OPEC+ production cuts entered their third year, having originally been slated to last for six months, Moscow has shown less enthusiasm. It's drawn criticism from Saudi Arabia for making slow progress toward its output target. By March 12, Russian producers had implemented half their pledged cuts, giving them just a couple of weeks to go the rest of the way.

Russia will take a wait-and-see approach on whether to extend the OPEC+ deal because the market has achieved a fragile balance, Novak said in an interview with Bloomberg Television on Sunday.

"Currently, the price is acceptable to all the parties, both to consumers and producers," Novak said. Uncertainties, including fluctuations in Venezuelan production amid a political and economic crisis, make it difficult to say what steps the group should take in the second half, he said.

That contrasted with the message from Al-Falih, who said at a news conference in Baku that the job of rebalancing the oil market was nowhere near done because U.S. inventories remain significantly above normal levels. The kingdom will continue to cut deeper than required under the deal through to the end of April, he said.

Grant Smith, Salma El Wardany, Dina Khrennikova and Annmarie Hordern report for Bloomberg News.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **Council Meeting** on **Wednesday, April 10, 2019, beginning at 6:00 PM** to extend for an additional one-year the established moratorium on Medical Marijuana Treatment Center in the City of Doral. The City Council will consider this item for **FINAL ADOPTION** on **SECOND READING**. This meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida 33166**.

The City of Doral proposes to adopt the following Ordinance:

ORDINANCE No. 2019-08

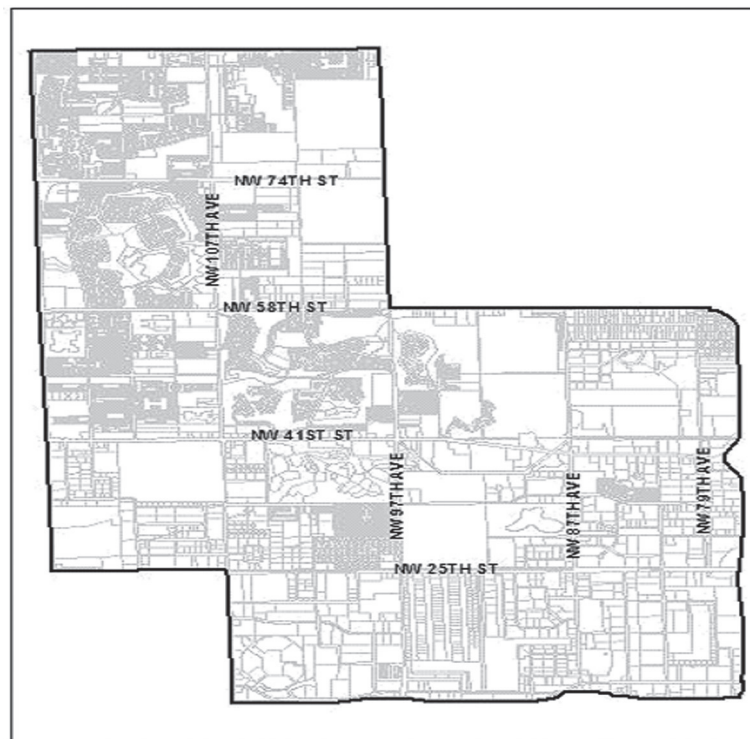
AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, EXTENDING THE ESTABLISHED MORATORIUM FOR A PERIOD OF ONE-YEAR FROM THE EFFECTIVE DATE OF THIS ORDINANCE ON THE ACCEPTANCE, REVIEW, APPROVAL OR ISSUANCE OF ANY LAND DEVELOPMENT PERMITS AS THE TERM IS DEFINED IN FLORIDA STATUTES SECTION 163.3164(16), BUSINESS TAX RECEIPTS OR ANY OTHER LICENSE OR PERMIT FOR THE ESTABLISHMENT OR OPERATION OF A MEDICAL MARIJUANA TREATMENT CENTER WITHIN ALL ZONING DISTRICTS IN THE CITY OF DORAL, IN ORDER TO PROVIDE THE CITY WITH AN OPPORTUNITY TO REVIEW THE REGULATIONS ADOPTED BY THE STATE OF FLORIDA GOVERNING THE ESTABLISHMENT AND OPERATION OF MEDICAL MARIJUANA TREATMENT CENTERS; PROVIDING FOR VESTED RIGHTS; REQUIRING EXHAUSTION OF ADMINISTRATIVE REMEDIES; PROVIDING FOR PENALTIES; PROVIDING FOR IMPLEMENTATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS AND PROVIDING FOR AN EFFECTIVE DATE

HEARING NO.: 19-03-DOR-01

APPLICANT: City of Doral

REQUEST: The City of Doral (The "Applicant") is requesting Mayor and City Council approval to extend for an additional one (1) year the established moratorium on Medical Marijuana Treatment Center in the City of Doral.

Map



Information relating to this request is on file and may be examined in the City of Doral, Planning and Zoning Department located at **8401 NW 53rd Terrace, Doral, FL 33166**. All persons are invited to appear at this meeting or be represented by an agent, or to express their views in writing addressed to the City Clerk, **8401 NW 53rd Terrace, Doral, FL 33166**. Maps and other data pertaining to these applications are available for public inspection during normal business hours in City Hall. Any persons wishing to speak at a public hearing should register with the City Clerk prior to that item being heard. Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

NOTE: If you are not able to communicate, or are not comfortable expressing yourself, in the English language, it is your responsibility to bring with you an English-speaking interpreter when conducting business at the City of Doral during the zoning application process up to, and including, appearance at a hearing. This person may be a friend, relative or someone else. A minor cannot serve as a valid interpreter. The City of Doral DOES NOT provide translation services during the zoning application process or during any quasi-judicial proceeding.

NOTA: Si usted no está en capacidad de comunicarse, o no se siente cómodo al expresarse en inglés, es de su responsabilidad traer un intérprete del idioma inglés cuando trate asuntos públicos o de negocios con la Ciudad de Doral durante el proceso de solicitudes de zonificación, incluyendo su comparecencia a una audiencia. Esta persona puede ser un amigo, familiar o alguien que le haga la traducción durante su comparecencia a la audiencia. Un menor de edad no puede ser intérprete. La Ciudad de Doral NO suministra servicio de traducción durante ningún procedimiento o durante el proceso de solicitudes de zonificación.

Connie Diaz, MMC
City Clerk
City of Doral