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Reports of 40% Increase in Saudi Oil Production Capacity by 2009 Are Very Misleading

Reports from the *Associated Press* of Saudi Arabian oil production capacity increasing by 40% by 2009¹ are very misleading, as the true figure is nearer 14%.

In a recent PowerPoint presentation given at the Washington D.C.-based *Center for Strategic and International Studies*, Nawaf Obaid, the Managing Director of the Saudi National Security Assessment Project, outlined exactly what the Saudis hope to achieve by 2009, and beyond².

From Slide 6, “Expedited Crude Production Expansion to 2009”, of the presentation:

11,000,000 b/d Estimated sustainable capacity in March 2006
+ 2,350,000 b/d Estimated increase in capacity 2006-09
- 800,000 b/d Estimated natural production decline 2005-09
≈ 12,550,000 b/d Estimated sustainable capacity in August 2009

Therefore, net new capacity to 2009: 1.55 Mb/d, an increase of 14.1% on 11,000,000 b/d.

Ends

Notes for editors:

1. “Saudis to Increase Oil Output Capacity”, *Forbes*, Thu 18 Jan., <http://www.forbes.com/feeds/ap/2007/01/18/ap3338701.html>
“Saudis plan to increase oil production and refining”, *International Herald Tribune*, Thu 18 Jan., <http://www.ihf.com/articles/2007/01/18/business/saudi.php>
“Saudis to Increase Oil Output Capacity”, *The Washington Post*, Thu 18 Jan., <http://www.washingtonpost.com/wp-dyn/content/article/2007/01/18/AR2007011800253.html>
2. *Saudi Arabia's Strategic Energy Initiative: Safeguarding Against Supply Disruptions*, CSIS, 9th Nov 2006: http://www.csis.org/media/csis/events/061109_omsg_presentation1.pdf
3. The Oil Depletion Analysis Centre (ODAC) is a UK-registered educational charity working to raise international public awareness and promote better understanding of the world's oil and gas depletion problems. Further information is available on its website.