



**KAMARAJ IAS ACADEMY**  
Only IAS Academy by Grandson of "Perunthalsivam Kamarajar"

# Organisation of the Petroleum Exporting Countries

Published On: 10-07-2023

**Why is in news?** OPEC Explores Potential Membership Expansion through Consultations with Azerbaijan, Malaysia, Brunei, and Mexico

The Secretary-General of the Organisation of the Petroleum Exporting Countries (OPEC) has disclosed that OPEC is actively considering expanding its membership by engaging in consultations with **Azerbaijan, Malaysia, Brunei, and Mexico**.

He highlighted the significance of consulting with external countries as a means to **reinforce OPEC's unity**.

He clarified that the organization's **aim is not to add a specific number of countries, but rather to identify nations that share strategic objectives in preserving and stabilizing oil markets**.

He also emphasized that they faced substantial challenges during market downturns and the global pandemic in 2020. As a result, all four countries share a common goal aligned with the interest of stabilizing oil markets.

These consultations mark OPEC's **proactive approach** to shaping the future of global energy dynamics. The outcomes of these discussions and their potential implications for the oil industry will be closely watched.

## OPEC:

It was established in **1960** by **founding members Iran, Iraq, Kuwait, Saudi Arabia and Venezuela**, OPEC has since expanded and has 13 member states.

With the **addition of another 11 allied major oil-producing countries** that include Russia, the grouping is known as **OPEC+**. i.e., OPEC+ is a group of 24 oil-producing nations.

OPEC+ format was **born in 2017** with a deal to coordinate oil production among the countries in a bid to stabilize prices.

The **OPEC bloc is nominally led by Saudi Arabia**, the group's largest oil producer, while **Russia is the biggest player among the non-OPEC countries**.

OPEC countries effectively control **more than 79% of the world's crude supplies**, regulating oil prices as per their interests.

## Objective of OPEC Countries:

To coordinate and unify the petroleum policies of its Member Countries;

To ensure the stabilization of oil markets;

To secure an efficient, economic, and regular supply of petroleum to consumers, a steady income to producers

To ensure a fair return on capital for those investing in the petroleum industry

**Kamaraj IAS Academy**

Plot A P.127, AF block, 6 th street, 11th Main Rd, Shanthi Colony, Anna Nagar, Chennai, Tamil Nadu 600040

Phone: **044 4353 9988 / 98403 94477** / Whatsapp : **09710729833**

