

# Energy Bulletin

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## Iran oil bourse scheduled

By Staff

EB reader BB writes:

Iran was scheduled to inaugurate its Oil Bourse this coming week.

*That probably isn't going to happen because all internet access in Iran was cut over the weekend (the undersea cables were chopped). This was mentioned on Wikipedia for a day... but now the article links and coverage have disappeared.*

*Iran is in total internet blackout at the moment. Any further information is appreciated.*

### [Iran Oil Bourse to deal blow to dollar](#)

MK/JG/RE/HAR, Iran Press TV

The long-awaited Iranian Oil Bourse, a place for trading oil, petrochemicals and gas in various non-dollar currencies, will soon open.

Iran's Finance Minister Davoud Danesh-Jafari told reporters the bourse will be inaugurated during the anniversary of the Islamic Revolution (February 1-11) at the latest.

"All preparations have been made to launch the bourse; it will open during the Ten-Day Dawn (the ceremonies marking the victory of the 1979 Islamic Revolution in Iran)," he said.

The Minister had earlier stated that the Oil Bourse is located on the Persian Gulf island of Kish.

Some expert opinions hold inauguration of the bourse could significantly devalue the greenback.

(4 January 2008)

Also reported at [IranMania](#) and mentioned in a [report from Global Research](#) (Jan 23, 2008). Otherwise, no reports seem to appear in the media.

-BA

### [Third undersea cable reportedly cut between Sri Lanka, Suez](#)

Tahani Karrar, Dow Jones Newswires

A third undersea fibre optic cable running through the Suez to Sri Lanka was cut Friday, said a Flag official.

Two other fiber optic cables owned by Flag Telecom and consortium SEA-ME-WE 4 located near Alexandria, Egypt, were damaged Wednesday leading to a slowdown in Internet and telephone services in the Middle East and South Asia.

"We had another cut today between Dubai and Muscat three hours back. The cable was about 80G capacity, it had telephone, Internet data, everything," one Flag official, who declined to be named, told Zawya Dow Jones.

The cable, known as Falcon, delivers services to countries in the Mediterranean and Gulf region, he added.

"It may take sometime to fix the cut but we are rerouting the traffic to another cable in the U.K. and U.S., the bandwidth utilization will go down," the official said.

There are conflicting reports of how the two Alexandria cables were cut. Oman's largest telecom, Omantel, said a tropical storm caused the damage while du, the United Arab Emirates' second largest telecom, said the cables were cut due to ships dragging their anchors.

(1 February 2008)

According to the [Internet Traffic Report](#) site, the router located in Iran ([router1.iust.ac.ir](#)) is out of commission. Looking at other reports on the site, however, one sees that several other routers are out of commission (in Africa, Florida and Columbia).

Several posts have appeared on the Internet, claiming that Iran may have been targeted.

A [Reuters report on the outage](#) doesn't mention Iran.

-BA

## Background

the Energy Bulletin archives has [more than 40 items](#) on the proposed **Iranian Oil Bourse**. A few articles of special interest are listed below. As you can see, some writers think that the proposed bourse will damage the U.S. dollar, while others are skeptical.

## [Interview with Chris Cook, inventor of the Iran Oil Bourse](#)

### Angelique van Engelen , Ohmynews

Chris Cook, 52, the former director of the International Petroleum Exchange, is the originator of the idea behind the IOB. He's planning to go back to Iran, from his native England, after Ramadan, and set to work again on the launch of this bourse which cuts out the dollar as a currency in which to trade oil.

... He is part of the Wimpole Consortium that's commissioned by the Iranian government with creating the IOB. Cook's been plodding on in Iran for the last three years. Without success. He wasn't even paid for his work for over two years. The platform's launch, much hyped in the media, has been delayed time and again. Iranian oil ministry officials have been hampering his work.

...Cook has been an oil/energy insider for way longer than the past three years. The Iranian connection was established in 2001, when he "blew the whistle" about investment banks' greedy immoral market manipulation and pointed out the nasty effects on producers and consumers. A well-connected Iranian introduced him to the Iranian Central Bank Governor, who was convinced of the necessity for a Middle Eastern oil exchange which was not susceptible to speculator driven volatility and manipulation by middlemen. "A couple of years later [the Wimpole Consortium was] invited to draw up blueprints for the "IOB" project," says Cook.

So what is the Iranian Oil Bourse about, if it's not a deliberate attempt to kick the U.S. dollar in the goolies, as is so often suggested? "The currency of the IOB contracts was never a consideration," says Cook. Nevertheless, the exchange completely takes the dollar out of the equation. The bourse will be trading on a concept that is new in the oil markets but which is already operating in other fields. It's bafflingly simple. Buyers and sellers connect via the internet on a peer to peer market place. A clearing function ensures the actual delivery of contracts. There won't be any trading intermediaries such as investment banks as middlemen that are making hefty profits.

While the global oil price is determined by supply and demand, Cook believes that the proposed IOB structure will remove much of the current price volatility caused by a toxic combination of speculation by hedge funds and market manipulation by intermediary traders. (19 September 2007)

Some articles by Chris Cook, archived at EB:

[The Iran oil bourse - a new direction?](#) (Dec 10, 2006)

[Interview with Chris Cook, originator of the Iranian oil bourse](#) (Aug 13, 2006 at TOD)

[Iran - Perception and Reality](#) (Jan 27, 2006)

### Damage to the U.S. Dollar?

- [The Proposed Iranian Oil Bourse](#) by Krassimir Petrov.
- [Petrodollar Warfare: Dollars, Euros and the Upcoming Iranian Oil Bourse](#) by William Clark. By the same author: [The Real Reasons Why Iran is the Next Target](#).

### Skeptics

- [Let me kill off once and for all the Iranian oil bourse story](#)" by Jerome a Paris
- [Strange ideas about the Iranian oil bourse](#) by James D. Hamilton (Econbrowser)

~~~~~ Editorial Notes ~~~~~

*On the highly politicized subject of Iran and the oil bourse, it's good to take online reports with a grain of salt and not jump to conclusions.*

-BA

### Article found at :

<http://www.energybulletin.net/newswire.php?id=39844>

### Original article :