

G7 says ready to take action on oil supply

WASHINGTON, Aug. 28 (Xinhua) -- Group of Seven (G7) finance ministers on Tuesday called on global oil producers to increase output, saying these developed countries stood ready to take action to ensure market supply. "We remain vigilant of the risks to the global economy. In this context and mindful of the substantial risks posed by elevated oil prices, we are monitoring the situation in oil markets closely," the G7 finance ministers said in a statement issued by the U.S. Treasury Department. The current rise in oil prices reflected geopolitical concerns and certain supply disruptions, according to the statement. "We encourage oil-producing countries to increase their output to meet demand, while drawing prudently on excess capacity, and welcome Saudi Arabia's commitment in Los Cabos to mobilize, as necessary, existing spare capacity to ensure adequate supply," they added. "We stand ready to call upon the International Energy Agency to take appropriate action to ensure that the market is fully and timely supplied," noted the statement. It suggested the leading industrial economies were considering tapping into their Strategic Petroleum Reserve (SPR) to curb spiking oil price. "We remain committed to well-functioning and transparent energy markets," they stressed. The United States in June 2011 announced the release of 30 million barrels of oil from its SPR as part of a broader international response to oil supply disruptions caused by turmoil in the Middle East and North Africa. On the possibility of another release of SPR from the United States, White House spokesman Jay Carney told reporters on Tuesday that "as we've said for some time, all options remain on the table. "