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05May97 CUBA: CUBA ON TRACK FOR 1.5 MILLION TON OIL PRODUCTION.

by Lionel Martin

HAVANA, May 5 (Reuters) - Oil starved Cuba announced it is on track for its domestic production goal of 1.5 million tons for 1997. The island-nation failed to reach similar goals in 1995 and 1996 but in both those years produced more than the 1.28 million tonnes of 1994.

Prior to the its disappearance in 1991, the Soviet Union shipped 13 million tonnes of crude to Cuba from its Black Sea ports. At that time Cuban domestic production was around one million tonnes.

At present Cuba imports about 6 million tons of crude bought on the world market or, in several cases, acquired under oil for sugar deals with nations of the old Soviet Union.

Monday's Trade Union weekly said that the island has produced 400,000 tonnes of crude to date, "a satisfactory level for fulfilling this years planned production"

"The goal of 1.5 million tonnes in 1997 will be fulfilled...in spite of the natural exhaustion of oil wells now in exploitation," the newspaper said

Manuel Marrero of the Ministry of Basic Industry said that some 300,000 tons will be provided buy the use of advanced techniques to maximize production in the old wells and by the exploitation of new wells. He said that there are at present twenty two foreign firms that are prospecting for oil on a risk basis.

Among the most promising sites are in Varadero and Ciego de Avila in central Cuba. Both are being explored in joint ventures with the Sherrit of Canada which already is a major player in Cuba's nickel industry.

Last year Sherrit was warned by the United States government that under the Helms-Burton bill its investments in a nickel refinery that belonged to an U.S corporation before its nationalization in 1960 were illegal. Sherrit executives have been banned from visiting the United States.

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