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US GOVT HAS NOT RECOMMENDED ANY ACTION AGAINST PETRONAS

KUALA LUMPUR, Nov 1 (Bernama) -- The United States has not taken or recommended any action against Petronas for its investment in Iran, the US Embassy said here today.

It said media reports that a US government "sanctions committee" responsible for implementing the Iran-Libya Sanctions Act had recommended action against Petronas in accordance with the bill were false.

"No "sanctions committee" has been established, and the US government has not taken or recommended any action against Petronas," it said in a statement.

It said the media reports referred to a statement by a Congressional aide who had expressed his own views.

"The aide does not speak for or represent the policy or views of the US government," it added.

Under the Iran-Libya Sanctions Act, the US has threatened to impose sanctions on non-US firms that invest US\$40 million (RM100 million) or more a year in the oil and gas sectors of the two West Asian countries.

Petronas, the national oil corporation, has a 30 percent stake in the Sirri A and E fields in Iran which have recoverable reserves of 600 million barrels.

The total investment required to develop the two oil fields was US\$600 million (RM1.5 billion).

Yesterday, Prime Minister Datuk Seri Dr. Mahathir Mohamad said Malaysia would not submit to US dictation and Minister of International Trade and Industry Datuk Seri Rafidah Aziz said Malaysia would raise the issue of the US intending to sanction Petronas at the forthcoming Asia Pacific Economic Cooperation (Apec) meeting and other forums like the World Trade Organisation (WTO) meetings. -- BERNAMA

MR LDB