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Govt won't allow US probe: Abdullah (HL)

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MALAYSIA will not allow Petronas to be subjected to any form of investigation by the US authorities or any other foreign party for that matter, particularly since the national oil corporation has not violated any Malaysian or international law, Foreign Minister Datuk Seri Abdullah Ahmad Badawi says.

Wisma Putra yesterday received an official request from the US Government for the visit to Malaysia by US Deputy Secretary of State for Energy, Sanctions and Commodities William Ramsay, he said.

The request was made through the US Embassy in Kuala Lumpur and Ramsay, who had made similar trips to Paris and Moscow, is scheduled to arrive in Kuala Lumpur on November 18.

Separately, Deputy Prime Minister Datuk Seri Anwar Ibrahim told a press conference that US officials are welcome to visit Malaysia, but any attempt to investigate Petronas would not be entertained.

"It is our policy that Malaysia and its companies have every right to invest and do business with and in any country. As a sovereign and independent nation, we make our own choices. The only thing we expect of our companies is to respect the rules and laws of the country they invest in," he said.

Ramsay, the US embassy said, hopes to meet Wisma Putra officials to explain the position of Washington on the Iran-Libya Sanctions Act.

Under the controversial Act, the US Government can take action against any foreign company that invests more than US\$20 million (US\$1 = RM3.30) a year in the oil and gas sectors of Iran and Libya.

Petronas and two other companies, France's Total SA and Russia's Gazrom, are involved in a US\$2 billion gas development project in Iran. Canada's Bow Valley and Indonesia's Bakrie Group, which are supposedly also under investigation by the US Government, are participating in a separate oil project in Iran.

Abdullah said in light of the clarification by the US Embassy that the objective of Ramsay's visit was to explain the rationale for the Iran-Libya Sanctions Act, "Wisma Putra is prepared to receive Ramsay and to allow him a hearing".

"But we will not allow Petronas to be investigated... that is the Cabinet decision," he told reporters after delivering an address at a symposium on Asia and Islam in Kuala Lumpur.

The Cabinet, at its weekly meeting yesterday, deliberated on the issue, Abdullah said.

Asked how long Ramsay would be in Kuala Lumpur, he said: "I do not know... I did not ask."

A one-page statement by Wisma Putra reiterated the Government's position that the Iran-Libya Sanctions Act "does not apply to Malaysia as it is a US legislation binding only on nationals of the US and American companies."

It added that Malaysia and the entire international community is vigorously opposed to the extra-territorial provisions of the Act that prescribes unilateral sanctions.

"Under international law, valid sanctions applicable on all sovereign states are only enforceable when they have been duly adopted by the United Nations Security Council," the statement said.

On Tuesday, Prime Minister Datuk Seri Dr Mahathir Mohamad said whether

Malaysia allows a probe into Petronas' business deals depends on the kind of questions the Americans want to ask.

"If they (the US) want to stop us, of course we will not accept it," Dr Mahathir said.

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