

## Iran leaves options open on 'oil weapon'

Thursday, 19 April 2007

by Hiedeh Farmani

TEHRAN, April 18, 2007 (AFP) - Iran's oil minister on Wednesday refused to rule out using oil as a weapon in the standoff with the West over its nuclear programme, saying that Tehran would use every means if attacked.

"The Islamic Republic of Iran's policy is to supply energy as a responsibility. We are never seeking to cut energy supplies to the world," Oil Minister Kazem Vaziri-Hamaneh told an energy conference in Tehran.

"But naturally every country, which is subject to danger or attack, should use all its possibilities to defend itself and this is every country's right," he said.

His comments came in response to a question over whether Iran would use oil as a weapon if the UN Security Council passed a third resolution imposing more sanctions against Tehran over the atomic drive.

The United States has refused to rule out the option of military action over Iran's controversial atomic drive which Washington says is aimed at making weapons. Iran insists that its nuclear programme is peaceful.

Analysts have said that Tehran could cause oil prices to surge if it cut off the Straits of Hormouz, a key shipping strait, which would trigger a massive disruption in global supplies.

The oil minister's comments came at the opening of Iran's international oil and gas fair, which the authorities said showed the Islamic republic's energy industry was in good health despite the international pressure.

Vaziri-Hamaneh said that Iran had won 38 billion dollars worth of new contracts in oil, gas and petrochemicals in the last Iranian year ending March 20, of which 14.3 billion dollars were finalised contacts.

Although Iran would like to reap 20 billion dollars in finalised contracts this year it would most likely earn a similar amount to last year, Vaziri-Hamaneh said.

He appeared untroubled by pressure from the United States on European banks to reduce their dealings with Tehran, a move industry observers believe has made it harder for Iran to invest in its energy industry.

"So far there has not been much effect. The reason is that we have been following finalised contracts.

"I do not know what problems will be created in the future but the government has foreseen solutions. We will use other facilities and the government and the parliament believes the projects will be pursued."

First Vice President Parviz Davoodi said the presence of dozens of European firms at the oil fair showed Iran's energy industry was fending off any political pressure.

"The countries that pressure us on the sanctions have the most impressive participation," at the fair, he said, pointing to the turnout from Britain, Germany and France.

"What is going on in European counties in reality is different from what their leaders are pursuing. They are pursuing an imaginary path, while reality lies somewhere else," he said.

Vaziri-Hamaneh meanwhile vehemently denied local media speculation that his tenure as oil minister could soon be at an end. "I take no heed of rumours, the president has always supported me."