

## China oil firm slams 'puzzling' US sanctions



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A Chinese oil firm which the US placed sanctions on saying it was the largest seller of refined petroleum products to [Iran](#) has denied the claim as "fiction", state media said Saturday.

Washington Thursday said [Zhuhai Zhenrong](#) brokered delivery of more than \$500 million in gasoline to Iran from July 2010 to January 2011 and put in place sanctions barring the Beijing-based company from doing business in the US.

The sanctions came a day after US Treasury Secretary Timothy Geithner met [Premier Wen Jiabao](#) and other Chinese leaders to ask for help squeezing Iran's key oil revenues and pushing Tehran to halt its nuclear ambitions.

"The accusations that we export refined oil to Iran is complete fiction. We have never done that. The sanctions are truly puzzling," a representative for Zhuhai Zhenrong was quoted as saying in The Global Times newspaper.

Calls to the company went unanswered on Saturday and China's ministry of foreign affairs could not be reached for comment.

Zhuhai Zhenrong defended itself as Wen left Saturday for the Middle East to visit key oil-producing nations as rising tensions over Iran's nuclear programme spark fears of major oil supply disruptions.

Energy-hungry China relies on Iran for 11 percent of its oil imports.

Vice foreign minister Cui Tiankai this week warned against making any links between China's trade relations with Iran and pressure on Tehran's nuclear programme.

The US sanctions, also placed on companies from Singapore and the United Arab Emirates -- where Wen will make a stop -- bar the three firms from receiving US export licences, trade support from the US Export Import Bank and loans over \$10 million from US financial institutions.

Zhuhai Zhenrong's website said the company, founded in 1994, had imported a total of 150 million tonnes of crude oil by the end of 2010 and has a long-term contract to import fuel oil from the National Iranian Oil Company.

"The sanctions don't make any difference to our company's business because we have never had any business cooperation with any United States companies," a representative, Zheng Mei, told the Legal Mirror newspaper on Friday.

Wen, on his Middle East trip, will first spend the weekend in Saudi Arabia -- the largest provider of oil to China -- before going to the UAE on Monday and then on to Qatar on January 19.