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BRAZIL: Reduced Nuclear Program

Brasilia may cut back its ambitious nuclear power program, which depends mainly on planned deliveries from West Germany, because of rising costs.

Brasilia is considering plans put forth by the country's leading nuclear physicist to install only the first three West German reactors by 1995 and to delay work on the remaining units. Brazil would limit its acquisition of nuclear fuel production technology to uranium concentration, enrichment, and fuel fabrication. The original agreement signed in 1975—which the West Germans could refuse to honor if Brazil cut back its program—stipulated West German delivery of eight reactors and a complete production cycle. including reprocessing capability, by 1990.

Brazil is finding it virtually impossible to pay for all that the agreement covers. Power facilities to produce 10,000 megawatts, as provided in the original program, would cost over \$30 billion, more than quadruple the cost calculated in 1975. Development of Brazil's extensive, though remote, hydropower resources is now more attractive than nuclear energy.

Opposition to the nuclear program in Brazil's media and scientific community remains strong. Construction delays, major cost overruns, inadequate West German training of Brazilian nuclear technicians, and the slow pace of technology transfer have contributed to public dissatisfaction. -CIA, DIA, NSA-

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