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NR Record

Brazil- West Germany

Nuclear Cooperation

Brazilian President Geisel is in West Germany this week in part to reaffirm the Brazilian - West German nuclear accord before President Carter goes to Brazil. Geisel yesterday signed a statement of intent to cooperate with West Germany in research on high-temperature reactors and the thorium fuel cycle; the West Germans will gain long-term access to Brazilian thorium. [Redacted]

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Brazil and West Germany apparently remain committed to fulfilling their nuclear agreement—including the sale to Brazil of nuclear reactors and pilot uranium-enrichment and fuel-reprocessing facilities—despite the practical and financial difficulties Brazil's nuclear program faces.

The agreement on the thorium fuel cycle undercuts a US offer to Brazil to join the US - West German - French - Swiss consortium on thorium research as an alternative to acquiring a reprocessing facility; the thorium cycle could satisfy Brazil's energy needs. [Redacted]

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Brazilian and West German officials also are probably discussing the Netherlands' effort to require further safeguards on plutonium storage before the West German - Dutch - British consortium, URENCO, ships enriched uranium fuel to Brazil. We are uncertain how far the Dutch will press their demands, which face opposition from their consortium partners as well as Brazil. West German officials probably are assuring Geisel that, together with the British, they intend to supply the fuel regardless of the Dutch position [Redacted]

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- S—Secret
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