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RELEASED IN PART
B1, 1.4(C), 1.4(D), B3, CIA



INR

United States Department of State
Bureau of Intelligence and Research

(S//NF) Niger: Sale of Uranium to Iraq Is Unlikely

(S//NF) Niger probably is not planning to sell uranium to Iraq, in part because France controls the uranium industry in Niger and would take action to block a sale [redacted]

B1, B3

President Tandja nor key officials of his government, who understand the value of good relations with the United States and other aid donors, would risk jeopardizing them by selling uranium to Iraq. In addition, the sale would violate UNSCR 687.

(S) France, which uses nuclear power to produce about 80% of its electricity, obtains around 40% of its uranium from two mines at Arlit deep in the Sahara in northern Niger, the only operating uranium mines in the country. France and Niger jointly own the mines; Japan and Spain have a minority interest in one of them. France unequivocally controls the overall operation; there are French managers and engineers at every point in the mining, milling, and transportation process.

■ A corrupt former president may have negotiated with Iraq

(S//NF) [redacted]

B1, B3

[redacted] At that time Niger was ruled by President Bare Mainassara, an unsophisticated and venal individual who would not have been above trying to sell uranium to a rogue state. But Bare's Presidential Guard killed him in April 1999. The junta that governed Niger for the next nine months relinquished power to Tandja's freely elected government in December 1999.

■ Tandja not likely to risk aid for short-term gain

(S//NF) The report further states that Niger and Iraq signed the sales agreement in July 2000, with full support from Tandja (and following an internal legal review). In view of [redacted]

B1

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and his reluctance to do anything that might endanger his relations with western aid donors, it is improbable any such agreement was signed with his knowledge. Niger is dependent on foreign assistance—not only for development aid, but also for financing much of the day-to-day operations of the government. A payoff from Iraq of \$50 million or even \$100 million would not make up for what would be lost if the donor community turned off the taps to Niger. [REDACTED]

■ The difficulty of moving secretly 500 tons of uranium

(S//NF) Though the alleged agreement with Iraq is not specific, it apparently calls for the 500 tons to be delivered [REDACTED] in one year. This would mean that [REDACTED] 25 hard to conceal 10-ton tractor-trailers would be used to transport the off-the-books uranium. Because Niger is landlocked the convoy would have to cross at least one international border and travel at least 1,000 miles to reach the sea. Moving such a quantity secretly over such a distance would be very difficult, particularly because the French would be indisposed to approve or cloak this arrangement.

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