

~~SECRET~~

-----  
 CENTRAL INTELLIGENCE AGENCY  
 -----

-----  
 -----  
 -----  
 8 MARCH 2002  
 -----

-----  
 NIGERIEN DENIAL OF URANIUM YELLOWCAKE  
 SALES TO ROGUE STATES  
 -----

SOURCE: A CONTACT WITH EXCELLENT ACCESS WHO DOES NOT HAVE AN  
 ESTABLISHED REPORTING RECORD. (SENSITIVE CONTACT)  
 -----

TEXT: 1. (HEADQUARTERS COMMENT: THE SUBSOURCES OF THE FOLLOWING  
 INFORMATION KNEW THEIR REMARKS COULD REACH THE U.S. GOVERNMENT AND  
 MAY HAVE INTENDED TO INFLUENCE AS WELL AS INFORM.) FORMER NIGERIEN  
 GOVERNMENT OFFICIALS CLAIMED THAT SINCE 1997 THERE HAD BEEN NO  
 CONTRACTS SIGNED BETWEEN NIGER AND ANY ROGUE STATES FOR THE SALE OF  
URANIUM IN THE FORM OF YELLOWCAKE. THE FORMER OFFICIALS ALSO  
 ASSERTED THERE HAD BEEN NO TRANSFERS OF YELLOWCAKE TO ROGUE STATES.

2. FORMER NIGERIEN PRIME MINISTER IBRAHIM ((MAYAKI)), WHO WAS  
NIGER'S FOREIGN MINISTER FROM 1996-1997 AND NIGER'S PRIME MINISTER  
 FROM 1997-1999 AND WHO MAINTAINED CLOSE TIES TO THE CURRENT NIGERIEN  
 GOVERNMENT, STATED HE WAS UNAWARE OF ANY CONTRACTS BEING SIGNED  
 BETWEEN NIGER AND ROGUE STATES FOR THE SALE OF YELLOWCAKE DURING HIS  
 TENURE AS BOTH FOREIGN MINISTER AND PRIME MINISTER. MAYAKI, HOWEVER,  
 DID RELATE THAT IN JUNE 1999 BARKA ((TEFRIDJ)), A NIGERIEN/ALGERIAN  
 BUSINESSMAN, APPROACHED HIM AND INSISTED THAT MAYAKI MEET WITH AN  
 IRAQI DELEGATION TO DISCUSS "EXPANDING COMMERCIAL RELATIONS" BETWEEN  
NIGER AND IRAQ. ALTHOUGH THE MEETING TOOK PLACE, MAYAKI LET THE  
 MATTER DROP DUE TO THE UNITED NATIONS (UN) SANCTIONS AGAINST IRAQ AND  
 THE FACT THAT HE OPPOSED DOING BUSINESS WITH IRAQ. MAYAKI SAID THAT  
 HE INTERPRETED THE PHRASE "EXPANDING COMMERCIAL RELATIONS" TO MEAN  
 THAT IRAQ WANTED TO DISCUSS URANIUM YELLOWCAKE SALES. MAYAKI SAID HE  
 UNDERSTOOD ROGUE STATES WOULD LIKE TO EXPLOIT NIGER'S RESOURCES,  
 SPECIFICALLY URANIUM, BUT HE BELIEVED THE NIGERIEN GOVERNMENT'S  
 REGARD FOR THE UNITED STATES (U.S.) AS A CLOSE ALLY WOULD PREVENT

001524

LL010-10483

~~SECRET~~

~~SECRET~~

SALES TO THESE STATES FROM TAKING PLACE DESPITE NIGER'S ECONOMIC WOES. MAYAXI CLAIMED THAT IF THERE HAD BEEN ANY CONTRACTS FOR YELLOWCAKE BETWEEN NIGER AND ANY ROGUE STATE DURING HIS TENURE, HE WOULD HAVE SEEN THE CONTRACT.

3. BOUCAR ((MAI MANGA)), NIGER'S FORMER MINISTER OF ENERGY AND MINES UNTIL 9 APRIL 1999, A FORMER DIRECTOR OF THE NIGERIEEN COMENAC MINE AND CURRENTLY HONORARY PRESIDENT OF COMENAC, STATED THAT THERE WERE NO SALES OUTSIDE OF INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA) CHANNELS SINCE THE MID-1980S. MAI MANGA SAID THAT HE KNEW OF NO CONTRACTS SIGNED BETWEEN NIGER AND ANY ROGUE STATE FOR THE SALE OF URANIUM. HE ADMITTED THAT YEARS AGO A PAKISTANI DELEGATION VISITED NIGER AND OFFERED TO PURCHASE URANIUM BUT THAT NO SALES RESULTED FROM THESE TALKS. MAI MANGA ALSO SAID THAT (FNU) ((BLASCHER)), THE FORMER DIRECTOR GENERAL OF SOMAIR AND CURRENTLY A DIRECTOR AT COGEMA, CAME TO HIM IN 1998 WITH AN IRANIAN DELEGATION TO DISCUSS BUYING 400 TONS OF YELLOWCAKE FROM NIGER; HOWEVER, THE ONLY RESULT WAS A MEMORANDUM OF CONVERSATION, WITH NO CONTRACT BEING SIGNED AND NO YELLOWCAKE TRANSFERRED TO IRAN. MAI MANGA THEORIZED THAT NIGER'S MINES COULD HAVE INCREASED PRODUCTION TO SUPPLY IRAN WITH THIS AMOUNT OF YELLOWCAKE BUT THIS WOULD HAVE REQUIRED OPENING ADDITIONAL MINING FACILITIES THAT HAVE BEEN MOTHALLED FOR SEVERAL YEARS. MAI MANGA THEREFORE CONCLUDED THAT A SALE TO A ROGUE STATE SUCH AS IRAN WOULD HAVE BEEN DIFFICULT GIVEN THE NEED OPEN MORE FACILITIES. (SOURCE COMMENT: MAI MANGA APPEARED TO REGRET THAT NIGER EVEN DISCUSSED URANIUM SALES WITH IRAN IN LIGHT OF THE INTERNATIONAL PRESSURE THAT RESULTED.)

4. MAI MANGA STATED THAT URANIUM FROM NIGER'S MINES IS VERY TIGHTLY CONTROLLED AND ACCOUNTED FOR FROM THE TIME IT IS MINED UNTIL THE TIME IS LOADED ONTO SHIPS AT THE PORT OF COTONOU, BENIN. ACCORDING TO MAI MANGA, EVEN A KILOGRAM OF URANIUM WOULD BE NOTICED MISSING AT THE MINES. ON-SITE STORAGE IS LIMITED AND HE SAID THAT EACH SHIPMENT OF URANIUM IS UNDER NIGERIEEN ARMED MILITARY ESCORT FROM THE TIME IT LEAVES ONE OF THE TWO NIGERIEEN MINES UNTIL IT IS LOADED ON TO A SHIP IN COTONOU. AIR TRANSPORT IS TOO EXPENSIVE TO SHIP YELLOWCAKE AND TRUCKING BARRELS OF YELLOWCAKE NORTHWARD WOULD REQUIRE AN EXPERIENCED GUIDE AND MANY ARMED GUARDS, DUE TO THE SHIFTING DUNES AND BANDITS IN THAT REGION. MAI MANGA THEREFORE BELIEVED THAT IT WOULD BE DIFFICULT, IF NOT IMPOSSIBLE, TO ARRANGE A SPECIAL SHIPMENT OF URANIUM TO A PARIAS STATE GIVEN THESE STRICT CONTROLS AND THE CLOSE MONITORING BY THE NIGERIEEN GOVERNMENT AND THE TWO MINING COMPANIES. MAI MANGA ALSO SAID THAT THE MINE AND YELLOWCAKE WORKERS ARE TOLD THAT URANIUM IS DANGEROUS SO THEY DON'T KNOW HOW TO HANDLE THE MATERIAL OUTSIDE OF THE STANDARD PROCEDURES.

5. MAI MANGA PROVIDED AN OVERVIEW OF THE TWO URANIUM MINES IN NIGER, SOMAIR AND COMENAC. SOMAIR IS AN OPEN PIT MINE THAT PRODUCES ROUGHLY 1000 TONS OF YELLOWCAKE PER YEAR. THIS HAS BEEN THE AMOUNT PRODUCED FOR YEARS AT THIS MINE WHICH IS JOINTLY OWNED BY FRANCE AND NIGER. COMENAC IS AN UNDERGROUND MINE THAT PRODUCES ROUGHLY 2000 TONS OF YELLOWCAKE PER YEAR. THIS MINE IS JOINTLY OWNED BY FRANCE, JAPAN, SPAIN AND NIGER. IN THE EARLY 1980S THE COMBINED OUTPUT WAS INCREASED FROM 3000 TONS TO NEARLY 4000 TONS OF YELLOWCAKE PER YEAR, BUT PRODUCTION WAS CUT IN THE 1980S WHEN THE URANIUM PRICE FELL AND SEVERAL YELLOWCAKE PRODUCTION LINES WERE MOTHALLED AND HAVE YET TO RESTART. NIGER DOES NOT TAKE ITS OWN PERCENTAGE OF THE PRODUCT; ALL THE YELLOWCAKE IS SHIPPED TO FRANCE, JAPAN OR SPAIN. FRANCE'S COGEMA OVERSEES THE PRODUCTION FROM BOTH MINES AND SETS THE PRODUCTION


001525

~~SECRET~~

LL010-10484

~~SECRET~~

SCHEDULE ALONG WITH THE MINE MANAGEMENT , FIRST FOR THE YEAR AND THEN BREAKING THE PRODUCTION INTO MONTHLY TARGETS. PRODUCTION IS ADJUSTED DEPENDING ON THE URANIUM YIELD FROM THE MINE ORE. ADDITIONALLY, FRANCE CONTROLS THE FINANCIAL ASPECTS OF THE MINES BECAUSE URANIUM IS PRICED IN U.S. DOLLARS ON THE WORLD MARKET, BUT NIGER'S CONTRACTS WITH COGEMA ARE IN CFA. WHEN THE CFA WAS DEVALUED, THIS EFFECTIVELY CUT THE PRICE IN HALF--A CHRONIC SOURCE OF FRICTION BETWEEN FRANCE AND NIGER.



001526

~~SECRET~~

LL010-10485