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**Report of the Hungarian Embassy in Pyongyang to the foreign minister
23 February 1979**

**Embassy of the Hungarian
People's Republic**

SRICTLY CONFIDENTIAL
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Subject: Construction and development of
South Korean atomic power
stations

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To Comrade Minister Frigyes Puja
Ministry of Foreign Affairs
Budapest

After consulting a Polish and a Soviet diplomat we have the following information on this topic.

The energy crisis that have taken place all over the world in recent years have not spared the dynamically expanding economy of South Korea either, and since it does not have much oil itself, it had to turn to energy resources that can meet its long-term energy needs.

As early as the end of the 1960s a campaign was launched to find alternative sources of energy, for it was not only the energy crisis that turned very serious all over the world but the capacity of South Korean coal mines decreased significantly.

There were three options for meeting the energy needs of the country. 1. building nuclear power stations; 2. exploitation of solar energy; 3. building power station powered by tide.

South Korea made a decision on building nuclear stations, for it was relatively less costly than the other two options and could recover the amount invested more rapidly. (Not to mention the fact that the use of the other two resources was only in a pioneer, experimental stage and they were not yet profitable./

However, the problem was not yet solved, for South Korea was not rich in uranium wither, and the little amount of uranium found in the country was not enough to run a nuclear station or several stations. Another problem was to find a partner from whom they could by fissile material.

They engaged in negotiations with several countries, and eventually they made an agreement with Canada, Paraguay, Gabon and Niger to supply part of the necessary fissile material. The machines and equipment were to be supplied by the USA, Canada and France. /The latter mostly delivers equipment for uranium enrichment and accelerators./ they made an agreement with several countries to train the required number of qualified specialists and replacement staff. They sent over four thousand specialists to study in Australia, Canada and France.

The building of the first nuclear power station began in March 1970 in Kori near Pusan, which was completed in May 1978. The atomic reactor and the turbines were installed in October 1974, and the first enriched uranium supply arrived in Kori in June 1975, when trial operation also began.

This, however, was only the beginning, for the South Korean government worked out a long-term plan for installing several more nuclear power stations by 2000. The first phase of this plan extend up to 1986; by this year six power stations will be built /1 per year/. The total investment cost will amount to 156 billion wons and 174 million US dollars. Major investors include the American Westinghouse Electric Corp., ITT, the British GEC, several French companies and, naturally, several South Korean companies, e.g. the newly established Nuclear Energy Group.

The nuclear power station in Kori makes a big contribution to achieving the goals set in the fourth five-year plan of South Korea /1977-1981/. In 1981, by the end of the fourth five-year plan, the share of nuclear stations in producing electric energy will increase form the present 8.9% to 15%, and by the end of 1986 it is planned to be 30%. This is part of a plan whereby the production of electric energy will be increased by 20% each year, in parallel with a similar development in other sectors of the economy.

With the nuclear power station in Kori the electric energy production of South Korea reached 6 million and 591 thousand KW. By building and installing the sixth nuclear station – in 1986 – production will reach 20 million KW. By the end of 1986 the South Korean government intends to build and run 7 nuclear powers stations, 5 water power stations, 24 steam power stations and one tide power station. By 2000 26 nuclear stations will be built, whose pollution effect will be less than half of power stations fueled by coal or oil. The total capacity of these stations will be 73 million KW, delivered to consumers through cables with a length of 25 thousand kilometers. Total investment costs will amount to 300 billion wons and 7 billion US dollars.

At present, the Korea Nuclear Group has an office in Los Angeles where 30-40 people are employed. Their main task is to purchase the equipment necessary for these nuclear and other, traditional stations from the USA on the one hand, and from other Western countries which can supply them, on the other.

The South Korean goals may perhaps seem a little bit overly ambitious, but what they have at their disposal to achieve their goals is not only their well-developed industry but they can also reckon with the support of the USA, Japan, FRG, France and other Western countries too.

If the planned production of electric energy of South Korea and North Korea by 1986 is compared /that is the time by which DPRK will complete its seven-year plan/, it can be seen that the South Korean production is nearly three times more than that of North Korea. This can explain why DPRK started this year, or even earlier, to urge the socialist countries to supply equipment necessary for nuclear stations or even build nuclear stations in North Korea, like in e.g. Czechoslovakia, the Soviet Union, Yugoslavia or China. This is how DPRK tries to catch up with the others, perhaps with the secret intention also to become able to make nuclear bombs in the future.

/ Ferenc Szabó/
Ambassador