



By: Tomorrow's Affairs Staff

Blocking uranium exports from Niger to France - The junta's suicidal move



France's energy sector will remain immune to a possible suspension of uranium exports from Niger. This was declared by the military junta that staged a coup and detained President Mohamed Bazoum last week.

As it turns out, the early predictions made following the coup in Niamey that France, as Europe's largest nuclear power producer, would sustain the most harm due to the coup because Niger is one of its biggest suppliers of raw materials, were overstated.

Although those two details are correct, and they imposed themselves as good material for the first "damage assessment" of Western interests following the coup in Niger, they nevertheless gave an erroneous picture of the consequences of the anti-French coup in the West African state.

France will not be threatened if the junta in Niger really closes the export of uranium.

Its large nuclear sector, with 56 reactors, more than half in the EU, which supply the country with more than two-thirds of its electricity needs, was previously considerably more reliant on uranium from Niger. However, those days are long gone.

The French nuclear fleet is highly diversified

In the past decade, uranium from Niger accounted for 15 to 17% of French demand. French imports from Niger fluctuated considerably during that period – from 8% per year to as much as 34% – but this country has not been the principal French supplier for a long time.

Niger is only the fourth largest supplier in terms of the amount of uranium imported by France, after Australia, Kazakhstan and Canada. The French nuclear sector also relies on numerous smaller suppliers.

“Our uranium imports are highly diversified, and Niger only represents 4% of the global

production,” the French Ministry of Foreign Affairs announced last Monday.

The diversification of supply sources has been one of the priorities of the French energy giant EDF in recent years.

The diversification of raw material importers is demonstrated in the case of Niger as a strategy that has preserved the security of the energy sector, taking into account the size of the national nuclear industry, which supplies almost 70% of domestic electricity demands.

EU less resistant to the uranium crisis

Given that Niger is the second-largest exporter of raw materials, after Kazakhstan, and contributes roughly 24% to European demand, the effects of a potential export blockade from that African country might be more severe for the EU.

However, the EU also announced that “there is no uranium supply risk for the EU” and that the bloc has “sufficient uranium stock to mitigate any short-term supply risk.”

Niger, a major producer of uranium ore and a nation with substantial reserves cannot disrupt the global market because of the crisis brought on by the coup.

Its participation in global production is relatively low, from 4 to 6%, having identified deposits of 5% of total world reserves.

This implies that large consumers like France, and particularly those with highly diversified supply chains—something France has also worked very hard to achieve in recent years—could easily replace one supply source and find a new one on the global market.

At the same time, the war in Ukraine affected the increase in the price of radioactive ore, which caused producers all over the world to boost their production capacities because of the higher cost of this raw material.

As by far the largest European producer of electricity from nuclear energy, France relies 100% on the import of raw materials, and almost all of its suppliers are from OECD countries, which means that the security of its supply is not in question.

However, the crisis in Niger could cause another problem for Europeans regarding the import of uranium from Russia, which is not yet under the sanction regime, as this import into the EU is still sanction-free.

Hard to decide on the embargo on Russian uranium

The 27-member bloc is unable to reach consensus on blocking the import of raw materials for nuclear power plants despite having imposed sanctions on Russian gas and oil since certain EU producers still rely on imports from Russia.

Out of a total of 13 EU countries with nuclear power plants, five of them – the Czech Republic, Hungary, Slovakia, Bulgaria and Finland – have nuclear power facilities built by Russia.

Out of 106, 18 nuclear reactors in the EU were built by the Soviet Union and/or Russia. France, as the largest European producer, has not been importing uranium from Russia for years, but other EU members continue to do so, making it difficult to reach the necessary consensus to include this energy source into the sanction regime.

It would be more challenging for the EU to decide to ban the import of uranium from Russia if combined with the military coup in Niger and even if it turns out that the coup plotters are inclined to support Russia, as is being hinted at.

“If the situation in Niger gets worse, this would certainly complicate the adoption of sanctions on Russian uranium in the short term,” said Phuc-Vinh Nguyen from the Jacques Delors Institute in Paris.

The coup plotters are endangering their own economy

But things in Niger don't necessarily have to get worse than they are. Even after a week, it is not definitive whether the coup plotters have the support of the entire army.

Meanwhile, they have been unpleasantly surprised by the Economic Community of West African States (ECOWAS) decision to suspend relations with Niger and close its members' borders with this country.

The coup plotters had expected the reaction from neighbours to be mild, as was the case after the recent coups in Mali and Burkina Faso, but the regional bloc showed determination.

An even bigger miscalculation could happen if the junta in Niger really blocks the export of uranium to France because in that way it will endanger its own economy, which is already in a sad state.

The putschists, who are being led by an intense anti-French attitude, threaten to suspend uranium exports to France, but they forget that this raw resource is the country's second-largest export, after gold.

More importantly, by suspending exports to France, Niger would block half of its total uranium exports or a third of its total commodity exports.

Niger cannot effectively replace French demand in another market. This would undoubtedly have disastrous effects on the country's already struggling economy.