

3-party talks on nuclear plant swing into gear

TALKS on the proposed South China nuclear plant get into gear today, based on an agenda hammered out yesterday.

Representatives from Hongkong, China, Britain and two power companies took part in yesterday's discussions.

Today, the meeting will be among Hongkong, Chinese and British officials.

A government spokesman said yesterday's meeting was attended by Financial Secretary John Bremridge; Secretary for Economic Services Piers Jacobs, Political Adviser Robin

McLaren, British Deputy Secretary of the Department of Industries Gordon Manzie; Senior British Trade Commissioner Christian Adams; officials from the Export Credit Guarantee Department and General Electric Company; Chinese Vice-Minister of Water Conservancy and Power Li Peng and 11 Chinese officials.

A spokesman said afterwards: "It was a preliminary meeting to discuss the programme for the rest of the week during which Mr Li and his party will have discussions with the Hongkong and British government

officials and representatives of the power companies."

The spokesman said an agenda had been worked out, but he declined to disclose its content, or the venue of today's meeting.

Mr Li said after the meeting that they had exchanged views on the agenda. "We would continue our talks tomorrow," he said.

"We haven't discussed the financial problem in the meeting," he said.

He said there would be three or four more meetings this week. "We will fly back to Beijing on Saturday after the talks," he said.

Mr Li arrived here on Sunday to hold talks with other parties on the nuclear plant. He had paid a courtesy call to the governor yesterday morning.

The \$32.5 billion nuclear plant will be built at Daya Bay, about 70 km northeast of Hongkong.

A Reuter report quoted British sources as saying that construction of the plant using British technology could start near Hongkong next year if talks on financing are successful.

"The sources said the talks between Chinese, British and Hongkong officials would focus on attracting finance for the plant, how much Hongkong would pay for its power and what contribution British industry could make," it said.

"If these issues were settled, construction could start next year with completion possible by 1991," it said.

Chinese authorities gave the go-ahead last December for the plant which will provide electricity for both Guangdong and Hongkong.

The China Light and Power recommended in a feasibility study on the 1,800 megawatt plant that Hongkong buy 40 per cent of the electricity it produces.

Its deputy chairman Sidney Gordon has said the joint venture would be politically important for Hongkong, much of which is due to revert to Chinese sovereignty in 1997.

"Diplomatic sources in Beijing said Chinese Foreign Trade Minister Chen Muhua would discuss the plant during visits to London and Paris later this month," a Reuter report said.

According to an article published yesterday in the Ta Kung Po, some experts of the Chinese delegation said nuclear electricity would be favourable because Hongkong lacks natural resources.

The experts said although the construction cost was 50 per cent more, but the cost of nuclear-generated electricity was 20 to 30 per cent cheaper than that generated by coal.