

Danube dam plan frozen amid referendum call

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Susan Viets in Budapest

CONSTRUCTION of the controversial Nagymaros hydro-electric dam on the Danube will be halted for two months, the Hungarian deputy Prime Minister, Mr Peter Medgyessy, said at the weekend.

His announcement follows parliament's decision in March to put the issue back on the agenda and to consider the possibility of a referendum on the dam.

In the May 30 session of parliament, the government will

table a resolution to free it from its obligation to proceed with construction of the dam.

If parliament agrees, the project will be reassessed on the basis of scientific studies. If parliament votes against the government's proposals, it will have to decide whether or not to initiate a referendum on the dam.

Mr Janos Vargha, a leader of the Danube Circle environmental group, said he was "cautiously optimistic" about the announcement.

The Danube Circle is one of Hungary's alternative move-

ments which has mobilised public pressure against construction of the dam and has long supported the call for a referendum.

The issue is complicated by international ties. The Nagymaros dam is one of two dams in a larger water barrage system. The second dam is in Czechoslovakia. The system is designed to generate maximum electricity when both are operating, so Czechoslovakia stands to lose if Hungary decides not to build its power station.

Austria is heavily involved in financing and building the dam.

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