Nuclear safety: financial assistance to decommissioning of Units 1 to 4 of the Kozloduy Nuclear Power Plant in Bulgaria, 'Kozloduy Programme'

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The Committee on Industry, Research and Energy adopted the report by Rebecca HARMS (Greens/EFA, DE)) and made some amendments to the proposal for a Council regulation on Community financial assistance with respect to the decommissioning of Units 1 to 4 of the Kozloduy Nuclear Power Plant in Bulgaria - 'Kozloduy Programme'.

Financial margin remaining to finance the decommissioning of the Bulgarian Power Plant: in this draft resolution, Members consider that the proposal is compatible with the ceiling for subheading 1a of the multiannual financial framework (MFF) for 2007-2013 but that the margin remaining in subheading 1a for 2011-2013 is very limited and stresses that the funding of new activities must not jeopardise existing programmes and initiatives under subheading 1a. The committee reiterates its call, therefore, for the presentation of a multiannual strategy for the Kozloduy decommissioning programme, as well as for other political priorities under subheading 1a, in the context of the mid-term review of the current MFF, accompanied by concrete proposals to adjust and revise it before the end of the first semester of 2010 by using all mechanisms available under the Interinstitutional Agreement (IIA) of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (IIA of 17 May 2006), particularly those in points 21 to 23.

The main amendments are as follows:

Funding: new recitals note that provision should be made for a sum of EUR 300 million from the general budget of the EU to fund the decommissioning of the Units 1 to 4 of the Kozloduy Nuclear Power Plant over the period from 2010 to 2013. Of this sum, **EUR 180 million** should be used to support the decommissioning programme and the remaining EUR 120 million to fund both energy efficiency and savings measures. In view of the Commission Ex Ante Evaluation of 27 October 20091, EUR 180 million of the funds is intended to assist the following projects: (1) project management, technical assistance for the support of the implementation of the decommissioning programme; (2) the provision of salaries for experts (operation, maintenance, technical support, project management) at the Kozloduy site, working for the decommissioning of Units 1-4; (3) contribution to the construction of the National Radioactive Waste Disposal Facility, crucial for the implementation of the decommissioning programme, in particular for the storage of low and intermediate level waste in the first 10 years of implementation; (4) site infrastructure and treatment of dismantled waste (including additional allocation for projects already in the tendering process). The improvement of site may only comprise measures relating to the decommissioning of Units 1-4.

Purpose: the text now states that the Community contribution to the Kozloduy Programme shall be granted for the primary purpose of providing financial support for measures connected with the decommissioning of Units 1 to 4 of the Kozloduy Nuclear Power Plant. It shall also be directed at measures for environmental upgrading in line with the acquis and for modernising production capacity to replace the production capacity of the four reactors at the Kozloduy Nuclear Power Plant and other measures which stem from the decision to close and decommission those units and which contribute to the necessary restructuring, upgrading of the environment and modernisation and strengthening of the energy

production, transmission and distribution sectors in Bulgaria as well as to enhancing security and a higher standard of supply, energy efficiency and use of renewable energy in Bulgaria, while encouraging energy-saving measures and promoting renewable energies. Financial support can also be provided in order to mitigate the socio-economic transition in the affected communities, for example through developing new sustainable jobs and industries.

Review: the amount of the appropriations allocated to the Kozloduy Programme shall be reviewed in the course of the period from 1 January 2010 to 31 December 2013 to take account of the progress made with the implementation of the programme, and to take account of the long-term impacts on, and consequences for, the environment, economy and security of supply as a result of the early closure of Units 1 to 4 of the Kozloduy Nuclear Power Plant, and to ensure that the programming and allocation of the resources are based on actual payment needs and absorption capacity.

Audit: Members clarify that the funding of audits and any other assessments falls outside the scope of the budget for decommissioning assistance. They state that the audits shall also cover the stage reached in the issuing of permits for decommissioning.

Rights of access: Members specify that the European Parliament as well as the Court of Auditors shall enjoy the same rights, especially of access, as the Commission.

Ex-post evaluation: the Commission shall carry out a mid-term evaluation and an ex-post evaluation, and report on them both to the European Parliament.

Compliance assessment: a new clause states that the Commission shall perform a compliance assessment, in line with the internationally accepted standards of, at least, the EBRD accounting, audit, internal control and procurement procedures, before the signing of the contribution agreement. Members note that further to the Financial Regulation and Implementing Rules, the Commission is entitled to implement its budget by joint management with international organisations if these organisations apply standards which offer guarantees equivalent to internationally accepted standards, in, at least, their accounting, audit, internal control and procurement procedures.

Study on the disposal of all radioactive substances in Bulgaria: in the recitals, Members call for a study to be carried out by the Bulgarian Government relating to the safe final disposal of all radioactive substances involved in the decommissioning. As more progress is needed in Bulgaria with regard to the final disposal of irradiated fuel elements and highly radioactive waste, and as the final disposal of all radioactive substances resulting from the closure of Kozloduy nuclear plant is a highly important process which needs to be carefully planned, Members consider that the Union should assist the Bulgarian Government in the process of identifying the final disposal solutions.

Members call for the activities related to the decommissioning of the Kozloduy Nuclear Power Plant to be carried out in line with the fundamental objective of protecting workers and the general public from the harmful effects of ionising radiation and in respect of the obligations laid down in international conventions that already provide for the necessary requirements in national, international, or trans-boundary contexts, such as the Aarhus Convention.