Instrument for Nuclear Safety Cooperation 2007-2013: establishment

2006/0802(CNS) - 12/05/2006 - Legislative proposal

PURPOSE: to establish an Instrument for Nuclear Safety and Security Assistance.

PROPOSED ACT: Council Regulation.

LEGAL CONTEXT: at first, this proposal included a general measure to establish a **Stability Instrument** (please refer to **COD/2004/0223**). However, it has now been split into two following the Interinstitutional Agreement on the financial perspectives 2007-2013. Its legal basis is Article 203 of the Treaty establishing the European Atomic Energy Community (contrary to the revised Stability Instrument which comes under the remit of development cooperation).

CONTENT: the Chernobyl accident in 1986 highlighted the global importance of nuclear safety. In order to fulfil the objective of the Treaty to create the conditions of safety necessary to eliminate hazards to the life and health of the public, the European Atomic Energy Community should be able to support nuclear safety in third countries.

The proposed Regulation sets out the **financial, economic and technical assistance** which shall be complementary to any assistance that is provided by the European Community under the Humanitarian Aid instrument, the Pre-accession instrument, the European Neighbourhood and Partnership instrument, the Development Cooperation and Economic Cooperation instrument, and the instrument for Stability. In pursuit of these objectives the following measures shall be supported:

a) the promotion of an **effective nuclear safety culture** at all levels, in particular through:

- continuous support for regulatory bodies, technical support organisations, and the reinforcement of the regulatory framework,

- on-site and external assistance programmes,

- improving the safety aspects of the design, operation and maintenance of existing nuclear power plants or other existing nuclear installations so that high safety levels can be achieved,

- support to the safe transport, treatment and disposal of nuclear fuel and radioactive waste,

- and the development and implementation of strategies for decommissioning existing installations and the remediation of former nuclear sites;

b) the promotion of effective regulatory frameworks, procedures and systems to ensure **adequate protection against ionising radiations** from radioactive materials, in particular from high activity radioactive sources, and their safe disposal;

c) the establishment of the necessary regulatory framework and methodologies for the implementation of **nuclear safeguards**, including for the proper accounting and control of fissile materials at State and operators level;

d) the establishment of effective arrangements for, **emergency-planning, preparedness and response, civil protection and rehabilitation measures**;

e) measures to promote **international cooperation** (including in the framework of relevant international organisations, notably IAEA) in the above fields, including the implementation and monitoring of international Conventions and Treaties, exchange of information and training and research;

Community assistance under this Regulation shall be implemented on the basis of multiannual strategy papers and indicative programmes. Such multi-annual strategy papers, covering one or more countries, shall constitute the general basis for the implementation of assistance and shall be established for a period of up to 7 years. They shall set out the Community's strategy for the provision of assistance under this Regulation, having regard to the needs of the countries concerned, the Community's priorities, the international situation and the activities of the main partners.

Exceptionally, for instance in cases where an action programme has not yet been adopted, the Commission, may, on the basis of the strategy papers and indicative programmes, adopt measures not provided for in an action programme under the same procedures as apply to action programmes.

Community financing may take the following forms: projects and programmes; sectoral or general budget support, where the partner country's arrangements for managing public fund are sufficiently transparent, reliable and effective, and where proper sectoral or macro-economic policies have been put in place by the partner country and approved by its main donors, including international financial institutions where applicable; sectoral support; sectoral and general import-support programmes; funds made available to the European Investment Bank or other financial intermediaries on the basis of Commission programmes, with a view to providing loans (to support investment and development of the private sector, for example), risk capital (in the form of subordinated or conditional loans) or other temporary minority holdings in business capital, and contributions to guarantee funds; debt-relief programmes; grants to fund measures; grants to cover operating costs; funding for twinning programmes between public institutions, national public bodies or private-law entities with a public-service mission of a Member State and those of a partner country or region; contributions to international funds, in particular those managed by international or regional organisations; contributions to national funds set up by partner countries and regions to attract joint financing from a number of donors, or contributions to funds set up by one or more donors for the purpose of the joint implementation of operations; human and material resources required for effective administration and supervision of projects and programmes by partner countries and regions.

Community financing may cover expenditure associated with the preparation, follow-up, monitoring, auditing and evaluation activities directly necessary for the implementation of this Regulation and the achievement of its objectives, e.g. studies, meetings, information, awareness-raising, training and publication activities, expenditure associated with computer networks for the exchange of information and any other administrative or technical assistance expenditure that the Commission may incur for the management of the programme. It shall also cover expenditure on administrative support staff employed at Commission Delegations to manage projects funded under this Regulation.

Measures financed under this Regulation are eligible for cofinancing from the following, inter alia: Member States, and in particular their public and parastatal agencies; other donor countries and in particular their public and parastatal agencies; international and regional organisations, and in particular international and regional financial institutions; companies, firms, other private organisations and businesses, and other non-state actors and partner countries and regions in receipt of funding.

Lastly, the Commission shall be assisted by a Committee composed of the representatives of the Member States and chaired by the representative of the Commission. The Commission shall examine progress achieved in implementing the measures undertaken pursuant to this Regulation and shall submit to the European Parliament and the Council an annual report on the implementation of the assistance

Financial measures: the financial measures of the present proposal were initially included in the overall proposal on the implementation of a stability instrument (COD/2004/0223), however, the Commission decided to present a new financial statement for this measure alone : the proposed financial reference amount for implementation of this Regulation for the period **2007-2013 shall be EUR 524 million**.

Repeal: this Regulation should replace Council Regulation (EC, Euratom) No 99/2000 concerning the provision of assistance to the partner States in Eastern Europe and Central Asia, Council Decision 98/381 /EC, Euratom concerning the Community contribution to the European Bank for Reconstruction and Development for the Chernobyl Shelter Fund, and Council Decision 2001/824/EC, Euratom on a further contribution of the European Community to the European Bank for Reconstruction and Development for the Chernobyl Shelter Fund. Those instruments should therefore be repealed.

For a more detailed assessment of the budgetary implications of this proposal, please refer to the financial statement.