

## II

*(Acts whose publication is not obligatory)*

## COUNCIL

## COUNCIL DECISION

of 21 March 1994

**amending Decision 77/270/Euratom, to authorize the Commission to contract Euratom borrowings in order to contribute to the financing required for improving the degree of safety and efficiency of nuclear power stations in certain non-member countries**

(94/179/Euratom)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Articles 1, 2, 172 and 203 thereof,

Having regard to the proposal from the Commission <sup>(1)</sup>,

Having regard to the opinion of the European Parliament <sup>(2)</sup>,

Whereas the European Atomic Energy Community was created to establish the conditions of safety necessary to eliminate hazards to the life and health of the public; whereas the Member States have expressed the desire to associate other countries with their work and to cooperate with the international organizations concerned with the peaceful development of atomic energy;

Whereas the Community and its Member States have decided to make a concerted effort at G-24 level to support the process of reform undertaken by the countries of central and eastern Europe and of the Commonwealth of Independent States (CIS) and have decided on measures to give economic aid to these countries; whereas it is appropriate, in order to make this concerted effort more effective, to call for the cooperation of other international bodies, committed to this goal, thus preventing the necessary manpower and resources from being dissipated;

Whereas, in respect of improvements to nuclear safety in central and eastern Europe and the CIS, there is a need for a coherent strategy taking a long-term approach and taking into account the technological factors, safety 'culture' and practices and the overall energy balance of each country involved;

Whereas some of these countries have nuclear installations whose level of safety is inadequate and whose functioning could have repercussions on the entire continent; whereas these countries are committed to the continued use of nuclear energy;

Whereas nuclear safety has to be seen as part of the problem of overall energy options in central and eastern Europe and the CIS, and having regard in this context to the report drawn up jointly in June 1993 by the World Bank, the International Energy Agency (IEA) and the European Bank for Reconstruction and Development;

Whereas it is appropriate to insist that all countries having nuclear power stations be required to ratify the international conventions on civil liability or, on a transitional basis, to adopt binding measures of equivalent force;

Whereas the Community is duty bound to commit the requisite resources to enable it to meet the expectations of the public in the Member States in terms of the safety and quality of the environment; whereas, in particular, action must be taken in some central and eastern European countries and some of the CIS States to modify certain existing nuclear installations or, if need be, to dismantle others which it would not be feasible in technical or economic terms to bring up to standards;

<sup>(1)</sup> OJ No C 22, 26. 1. 1993, p. 11.

<sup>(2)</sup> OJ No C 44, 14. 2. 1994.

Whereas projects undertaken by the Community under the Phare and Tacis programmes to improve the level of safety of the nuclear installations comprise *inter alia* studies to identify areas of weakness and to put forward appropriate corrective measures; whereas the technical assistance will result in proposals for programmes to modify some of the nuclear installations in service or under construction and to shut down and dismantle others; whereas it is in the Community's interest that this work be carried out;

Whereas the investment required to bring up to standard the nuclear installations in some central and eastern European countries and some of the CIS States is on such a scale that these countries are unable to undertake it although the problems require urgent solutions;

Whereas a substantial proportion of available financial resources should be called up; whereas, to this end, Decision 77/270/Euratom<sup>(1)</sup>, which authorizes the Commission to contract Euratom borrowings to finance investment in the nuclear energy sector should be amended, in order to extend the scope of the Decision to cover some countries involved in the Phare programme and some members of the CIS so that the safety and efficiency of their nuclear power stations can be improved and protection of man and the environment be thereby improved;

Whereas Decision 77/271/Euratom<sup>(2)</sup> fixed the ceiling for Euratom borrowings at ECU 4 000 million and whereas at 31 December 1991 ECU 2 876 million of this limit had been taken up; whereas, following the slowdown in the nuclear energy sector and the changes in nuclear energy policy by some Member States, there will not be a strong demand for the remaining finance from nuclear energy projects in the Community over the next few years;

Whereas the recipient countries will act as guarantors for the loans granted under this Decision and whereas, whenever it is appropriate, other first class securities will also be envisaged;

Whereas the question of providing finance for safety is inseparable from a coherent energy options strategy;

Whereas short-term measures must be supplemented by medium- and long-term loans in accordance with a coherent strategy providing for, in particular, the replacement and dismantling of the least reliable nuclear power stations,

HAS DECIDED AS FOLLOWS:

*Sole Article*

Article 1 of Decision 77/270/Euratom shall be replaced by the following:

*Article 1*

The Commission is hereby empowered to contract, on behalf of the European Atomic Energy Community (Euratom), and within the limits fixed by the Council, borrowings, the proceeds of which will be allocated in the form of loans to finance, within the Community, investment projects relating to the industrial production of electricity in nuclear power stations and to industrial installations in the nuclear fuel cycle.

The Commission shall also be empowered to contract, within the same limits, borrowings, the proceeds of which will be allocated in the form of loans to finance projects to increase the safety and efficiency of the nuclear power stations of the non-member countries listed in the Annex. For these projects to be eligible they must:

- relate to nuclear power stations or installations in the nuclear fuel cycle which are in service, or under construction, or to the dismantling of installations where modification cannot be justified in technical or economic terms,
- have received all the necessary authorization at national level and in particular the approval of the safety authorities,
- have received a favourable opinion from the Commission in technical and economic terms.

The Commission may borrow only within the limits of loans requested of it.

The borrowing and corresponding lending operations shall be denominated in the same monetary unit and carried out under the same conditions as regards repayment of the principal and interest payments. Cost incurred by the Community in concluding and executing each operation shall be borne by the recipient undertakings.

Done at Brussels, 21 March 1994.

*For the Council*

*The President*

Y. PAPANTONIOU

<sup>(1)</sup> OJ No L 88, 6. 4. 1977, p. 9.

<sup>(2)</sup> OJ No L 88, 6. 4. 1977, p. 11. Decision as last amended by Decision 90/212/Euratom (OJ No L 112, 3. 5. 1990, p. 26).

*ANNEX***List of eligible non-member countries**

- Republic of Bulgaria
  - Republic of Hungary
  - Republic of Lithuania
  - Romania
  - Republic of Slovenia
  - Czech Republic
  - Slovak Republic
  - Russian Federation
  - Republic of Armenia
  - Ukraine
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