Instrument for Nuclear Safety Cooperation 2014-2020

2011/0414(CNS) - 07/12/2011 - Legislative proposal

PURPOSE: to establish a new instrument for nuclear safety cooperation (INSC) from 2014 to 2020 in the framework of the reform of the EU external action financial instruments and following on from the Instrument for Nuclear Safety Cooperation 2007-2013.

PHILOSOPHY AND ACTION PLAN FOR EXTERNAL AID 2014-2020: what happens outside the borders of the EU can and does directly affect the prosperity and security of EU citizens. It is therefore in the interest of the EU to be actively engaged in influencing the world around us, including through the use of financial instruments. The Lisbon Treaty marks, in this regard, a new departure in the EUs relations with the rest of the world.

The EU's engagement needs to be tailored to individual circumstances. Its partners range from development economies to the least developed countries in need of specific assistance from the EU.

In general, the overall objective for external action for the period 2014-2020 may be summarised as follows:

- long-term commitment to establishing an area of stability, prosperity and democracy in its own neighbourhood;
- facilitating the EU's engagement with third countries on issues that are of global concern, such as climate change, environmental protection, irregular migration and regional instabilities, and
- allowing the EU to respond rapidly and effectively to natural and manmade disasters around the world.

A major rationalisation of the instruments took place in 2003 and has begun to deliver more effective results. The Commission does not consider that another major alteration of the legislative architecture is necessary for the next MFF period, although some improvements are being proposed and the overall investment is being stepped up.

The Commission proposes to allocate EUR 70 billion for the 2014-2020 period for external instruments broken down as follows:

- Financing instrument for development cooperation
- Partnership instrument for cooperation with third countries
- Instrument for Pre-accession Assistance (IPA II)
- European Neighbourhood Instrument
- this Instrument for nuclear safety cooperation
- Instrument for Stability
- Financing instrument for the promotion of democracy and human rights worldwide

In parallel and for the first time, the Commission proposes a single horizontal regulation establishing common rules and procedures for the implementation of the Unions instruments for external action.

PROPOSED ACT: Council Regulation.

BACKGROUND: since the early 1990s, support for the promotion of nuclear safety and nuclear safeguards in third countries has been an essential part of the Communitys work, both in Central Europe and in the countries of the former Soviet Union, under the nuclear safety programme components of the TACIS and PHARE programmes. From 2007, nuclear safety cooperation was extended to include third countries under the Instrument for Nuclear Safety Cooperation, while the Instrument for Pre-Accession Assistance (IPA) provided for nuclear safety cooperation with the countries engaged in the process of accession to the EU.

The Chernobyl accident in 1986 highlighted the global importance of nuclear safety. The Fukushima Daiichi accident in 2011 confirmed the need to continue the efforts to improve nuclear safety to meet the highest standards.

The Community already pursues close cooperation, in accordance with Chapter 10 of the Euratom Treaty, with the International Atomic Energy Agency (IAEA), in relation both to nuclear safeguards and to nuclear safety.

In order for the European Union to fulfil its role as a global player in the promotion of human and strategic security, it is essential that the Community should have the capability and means to respond to challenges arising in the field of nuclear safety, radiation protection and nuclear safeguards in any third countries, building on the experience of the Community and of its Member States in these fields within the European Union.

With this in mind, the proposed Instrument for Nuclear Safety Cooperation (INSC) will continue the actions initiated in the 1990s in Central Europe and in the countries of the former Soviet Union, which have been extended since 2007 to third countries.

Remediation of mining sites (the legacy of uranium mining which did not respect basic environmental requirements), disposal of spent fuel, waste management and decommissioning of installations will need to be dealt with as a programme priority.

The Commission's intervention is being shifted from technical assistance to cooperation. It focuses on activities designed to improve nuclear safety radiation protection and safeguards, including studies, development of legislation, institution building, improvement of procedures and methodologies, including for the safe management of radioactive waste and spent nuclear fuel. Given the international commitments related to nuclear safety improvements, cooperation under the INSC should further exploit synergies with the Euratom Framework Programmes on nuclear research and training activities.

IMPACT ASSESSMENT: the Commission carried out an Impact Assessment, which reviewed four options as follows:

- Option 1: No further EU action (no Nuclear Safety Cooperation Instrument). Some cooperation activities on nuclear safety could be included in the geographical cooperation instruments and be implemented as such.
- Option 2: No change (cooperation with third countries would continue under the existing INSC Regulation). This option would not allow

the incorporation of lessons learnt, the revision of the geographic scope and the setting of criteria for cooperation and priorities in the regulation.

- Option 3: Amend the INSC Regulation. The amended Regulation could provide for a revision of the geographical scope to include all third countries (including those currently covered by the Instrument for Pre-Accession (IPA)) and specify the priorities and criteria for cooperation. This would lead to a simplification and a more efficient implementation than is the case with the current regulation.
- Option 4: A new instrument, which could include the current INSC scope plus part of the scope of the existing Instrument for Stability (IFS). This could provide a unified approach towards nuclear safety, security and safeguards (the 3S); however, it would require a dual legal basis (the Euratom Treaty and the Treaty of the Functioning of the European Union).

The option to amend the Regulation was found to be the preferred one. In comparison with the options of 'no change' and 'a new Instrument', it would allow continuity and using the experience of a well tried system, while resolving a number of issues which have been identified.

LEGAL BASIS: Article 203 of the Treaty establishing the European Atomic Energy Community (Euratom Treaty).

CONTENT: with this proposed Regulation, the Commission proposes to establish an Instrument for Nuclear Safety Cooperation which will support the promotion of a high level of nuclear safety, radiation protection and the application of efficient and effective safeguards in third countries worldwide that are seeking cooperation in these fields.

Objectives: three specific objectives are established:

1. promotion of an effective nuclear safety culture and implementation of the highest nuclear safety standards and radiation protection;
2. responsible and safe management of spent fuel and radioactive waste, decommissioning and remediation of former nuclear sites and installations;
3. establishment of frameworks and methodologies for the application of efficient and effective safeguards for nuclear material in third countries.

The overall progress in achieving the above specific objectives shall be assessed, respectively, through the following performance indicators set out in the proposal. Specific measures supported by this Regulation and criteria applying to nuclear safety cooperation are detailed in the Annex.

Third countries concerned: the Annex sets out the countries which will benefit from the present instrument. Two types of countries will be concerned:

- Countries with installed nuclear generating capacity: in the case of countries which have already benefited from Community financing, additional cooperation should depend on the evaluation of actions funded by the Community budget and on proper justification of new needs. The evaluation should make it possible to determine more precisely the nature of the cooperation and the amounts to be granted to those countries in the future;
- Countries without installed nuclear generating capacity: in the case of countries which have research reactors but do not wish to develop nuclear generating capacity, cooperation will depend on the degree of urgency in the light of the situation as regards nuclear safety and security. In the case of countries that wish to develop nuclear generating capacity, whether or not they have research reactors and for which the issue arises of intervention at the appropriate moment to ensure that a nuclear safety and security culture is fostered in parallel with the development of the nuclear generating programme.

Programming and indicative allocation of funds: this Title includes two parts:

- strategy papers: the multi-annual strategy paper(s) shall constitute the general basis for the cooperation setting out the Union's strategy for cooperation under the Regulation;
- multiannual indicative programmes: the multiannual indicative programmes shall set out the priority areas selected for financing, the specific objectives, the expected results, the performance indicators and the indicative financial allocations.

Implementation: the implementation has been greatly simplified as an Article stipulates that the decision shall be implemented in accordance with the future Regulation establishing common implementation rules for external relations financing instruments.

BUDGETARY IMPLICATIONS: in accordance with the Multiannual Financial Framework for 2014-2020, the Commission proposes to allocate 70 billion for the period 2014-2020 for the external instruments. The allocation earmarked for the INSC over the period 2014 to 2020 is EUR 631.1 million (EUR 560 million at 2011 prices).