



Press Release
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Nuclear decommissioning and final waste disposal in Lithuania, Bulgaria, Slovakia could cost €11.4 billion, say EU Auditors

The estimated cost of decommissioning Soviet-designed, first generation nuclear reactors in Lithuania, Bulgaria and Slovakia will be at least €5.7 billion, and could be double that if the cost of final disposal of high-level waste is included, according to a new report from the European Court of Auditors.

Member States' co-financing of EU programmes remains very limited, say the auditors. The gap between decommissioning costs and financing in Lithuania has increased to €1.56 billion since their last audit in 2011. The financing gaps are now estimated at €28 million in Bulgaria and €92 million in Slovakia. The dedicated EU funding programmes for nuclear decommissioning have not created the right incentives for timely and cost-effective decommissioning, with nearly all the key infrastructure projects having experienced delays.

"I am concerned that key decommissioning projects have suffered delays, that financing gaps remain, and that insufficient progress is being made towards final disposal of high-level nuclear waste", said Phil Wynn Owen, the Member of the European Court of Auditors responsible for the report.

The auditors examined the progress made in the EU's nuclear decommissioning assistance programmes since 2011. Member State authorities claim the plants have been irreversibly closed; however, not all of the expected outputs used by the European Commission to assess progress towards irreversible closure have been fully met. The dismantling of key components in lower radiation-level areas, such as turbine halls, is well advanced at plants in Ignalina (Lithuania), Kozloduy (Bulgaria) and Bohunice (Slovakia). But critical challenges still lie ahead for work in higher-radiation-level areas, such as the reactor buildings. The three Member States have put in place some key, temporary waste-management infrastructure on-site, but nearly all the key infrastructure projects have experienced delays. The longest were in Lithuania, where the decommissioning end-date has, since 2011, been postponed by a further nine years to 2038.

Future costs associated with nuclear decommissioning and final disposal of spent nuclear fuel are not always recognised as provisions and/or included in the notes to the accounts. This limits transparency and hampers authorities' ability to plan adequately how to meet the future decommissioning and disposal costs.

The auditors make a number of recommendations to the Commission and to the Member States. Among the key recommendations to **the Commission** are:

- seek increases in national co-financing during the 2014-2020 financing period;
- dedicated funding programmes for nuclear decommissioning in Lithuania, Bulgaria and Slovakia should be

The purpose of this press release is to convey the main messages of the special report adopted by the European Court of Auditors. The full report is on www.eca.europa.eu

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discontinued after 2020. If a clear need for the use of EU funds beyond 2020 is established, in one or more of these Member States, any future EU funding proposed by the Commission and agreed by the legislator should include the right incentives to pursue decommissioning, including by being time-limited and by being based on appropriate levels of Member State co-financing. One way to do this would be to consider widening access to the European Structural and Investment Funds to allow nuclear decommissioning activities to be covered, fulfilling these conditions;

- allow EU nuclear decommissioning assistance to finance only staff working fully on decommissioning;
- work with the Member States so that all future costs associated with nuclear decommissioning and the final disposal of spent fuel are accounted for properly, in a transparent manner;
- explore options with all Member States for final disposal of spent fuel and high-level waste, including any regional and other EU-based solutions.

Among the key recommendations to **the relevant Member States** are:

- further improve project management to have the necessary waste and spent fuel management infrastructure in place when planned; and build up their technical capacity with a better balance between in-house and external expertise;
- improve exchange of best practices and technical knowledge among themselves and with the wider nuclear decommissioning community in the EU and beyond;
- establish more complete cost estimates and financing plans for the disposal of spent fuel and radioactive waste;
- recognise their own role in ensuring that the polluter pays principle is respected, and be prepared to use national funds to cover decommissioning and the cost of final disposal, both in the current financing period and thereafter.

Notes to Editors

When Lithuania, Bulgaria and Slovakia were candidate countries to join the EU, the closure and subsequent decommissioning of eight Soviet-designed, first generation nuclear reactors at three nuclear power plant sites at Ignalina (Lithuania), Kozloduy (Bulgaria) and Bohunice (Slovakia) was made a condition for their accession.

The shutdown and subsequent decommissioning of these nuclear reactors before the end of their design lifetimes represented a significant financial and economic burden. The EU therefore agreed to provide financial support, starting in 1999. By 2020, EU support will have totalled €2 955 million for nuclear decommissioning, with Lithuania receiving the biggest share (€1 553 million), followed by Bulgaria (€731 million), and then Slovakia (€671 million). In addition, in the period up to 2013, €890 million was made available for projects designed to help mitigate some of the effects of lost national energy production capacity due to early closure.

The auditors visited all three sites and interviewed the main authorities in the Member States. They also visited the European Commission, the EBRD and the construction site of the world's first deep geological repository for spent nuclear fuel in Finland.

This audit in no way examined the security or safety of the installations, nor the case for or against nuclear energy, nor drew conclusions on the appropriate energy supply mix in the EU.

Special report No 22/2016: "EU nuclear decommissioning assistance programmes in Lithuania, Bulgaria and Slovakia: some progress made since 2011, but critical challenges ahead" is available in 23 EU languages.