

Ms Margrethe Vestager
Commissioner for Competition
European Commission
B-1049 Brussels

By e-mail to margrethe-vestager-contact@ec.europa.eu

21 November 2016

Concerning: State aid to the Paks II nuclear power plant (Hungary)

Dear Commissioner,

The European Commission will soon decide on the compatibility with the Treaty of the aid that the Hungarian government intends to provide to the construction of a new nuclear power plant at Paks.

You are certainly aware that Greenpeace opposes the very principle that governments might use public resources to subsidise a technology that is hazardous, unreliable, expensive, ineffective in decarbonizing the EU electricity system, and intrinsically linked to the proliferation of nuclear weapons.

In the case of Paks II, you should also be aware that your decision will have far reaching consequences on the regulatory framework that governs nuclear safety: indeed, on 28 October 2016, the Hungarian Government has tabled a legislative proposal,¹ by which it will be entrusted with the power of defining "*possible ways and conditions for derogating from the official licenses at a nuclear facility being established*" (Section 14(1)(d)(h)) and "*possible ways and conditions for derogating from the licenses at the radioactive waste repository being established*" (Section 14(2)(w)).

We are extremely concerned with these provisions, since they determine a transfer of powers from the Hungarian nuclear regulatory authority to the government, allowing the latter to derogate from the authority's decision.

Such transfer of power will compromise the independence of nuclear regulatory activities in Hungary and the authority's ability to adopt and enforce robust and transparent measures to protect the public from nuclear risks, without undue interferences.

¹ Proposal no. T/12743 on the Modification of Energy Acts, available at the following URL: <http://www.parlament.hu/irom40/12743/12743.pdf>. The Economy Committee of the Hungarian Parliament has discussed this proposal on 8 November 2016 and the Plenary Session will examine it in the coming days.

The fact that the Hungarian government will be financially involved in the construction and operation of Paks II aggravates our concerns even further.

The independence and transparency of national regulatory authorities is a basic safeguard for nuclear safety, and is enshrined in Euratom law.² It is your duty to ensure that governments and nuclear operators do not put these principles into question.

In light of the foregoing, we ask you to suspend any decision on the State aid to Paks II and to conduct an in-depth assessment of the compatibility of the measures proposed by the Hungarian government with Euratom law.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jorgo Riss', with a stylized, cursive script.

Jorgo Riss
Director, Greenpeace European Unit

² See Directive 2009/71/Euratom, as amended by Directive 2014/87/Euratom, and Directive 2011/70/Euratom.