BUSINESSEUROPE

SPEAKING NOTES

GO FOR GROWTH
AN AGENDA FOR THE EU IN 2010-2014

11 May 2010

EUROPEAN NUCLEAR ASSEMBLY (ENA) MEETING
11 May 2010

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Economic and social credentials of nuclear power

World picture :countries involved in nuclear power generation:
- 31 countries operating nuclear power plants
- 12 countries considering starting a civil nuclear programme
- 22 countries having expressed an interest

Situation in the EU:
- 15 EU countries operate nuclear power plants
- 5 countries where nuclear plant construction is in project (Bulgaria, Finland, Italy, Romania and Slovakia)
- 1 country has stopped nuclear power generation (Austria, in 1978)
- 2 countries have announced their intention to phase out nuclear (Germany, Belgium)

European business wants to take part in the nuclear renaissance:
- Europe is the leader in this technology (33% of the global market)
- Nuclear opportunities would be positive for the internal market and exports as well
- Nuclear will create “green jobs” by contributing to economic development while tackling climate change

BUSINESSEUROPE supports the development of nuclear power generation:
- Well-known reasons for this: nuclear contributes to security of supply, reduction of greenhouse gas emissions and industry’s competitiveness
- European nuclear industry represents 400.000 direct and indirect jobs. It is no longer just one option among many but an important solution to achieve the EU’s ambitious objectives to tackle climate change
- The cost-competitiveness of nuclear energy can support European growth (see chart at annex)

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Need for predictability:

- Better policy predictability would give an investment signal to business, helping to achieve EU long-term objectives: political impetus is expected
- Ambiguity involves risks (cf.: uncertainty with nuclear future in Germany):
    - Leads to underinvestment in nuclear and renewables
    - Increases prices for consumers

Actions are expected from the EU:

- Greater harmonisation (safety requirements for nuclear installations, licensing procedures, mutual recognition of regulatory certificates)
- National plans for management radioactive waste in countries which do not yet have one
- Recognition of the interest of long-term contracts between energy suppliers and users as a strategic energy policy tool: the EXELTIUM/EDF agreement is a best practice that should be promoted by the Commission. This model helps fully converting the cost-competitiveness of nuclear energy at the level of electricity prices billed to consumers. BUSINESSEUROPE is very pleased that EXELTIUM has just reached financial close with banks

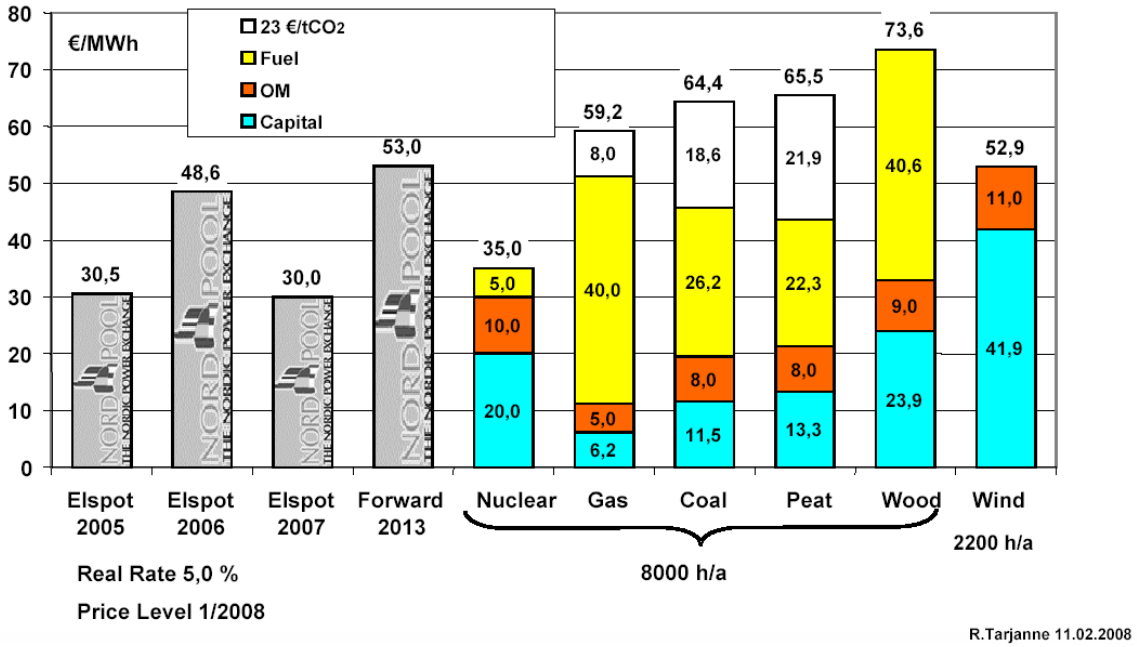
Waste management is key for public acceptance of nuclear power:

- The nuclear industry knows how to isolate and dispose of nuclear waste, and therefore protect the community from its possible negative effects
- The Radioactive Waste Management directive will set up a common framework making international safety standards legally binding
- According to the directive, Member States will have to set up national waste management programmes and provide the public with a high level of transparency
- The issue of the smaller member states' needs for storage equipment has to be addressed by the EU in the name of European solidarity (Euratom should be provided with additional financial resources)

Nuclear is among the safest energy sources:

- Nuclear is probably the most regulated industry in the world
- No severe accidents with at least 5 fatalities were reported in OECD and EU countries from 1970 to 2005
- The nuclear waste problem is easier to solve and manage than the global warming problem

Electricity production costs at 23 €/tonCO_2



Source: Lappeenranta University of Technology, 2008, [8].