

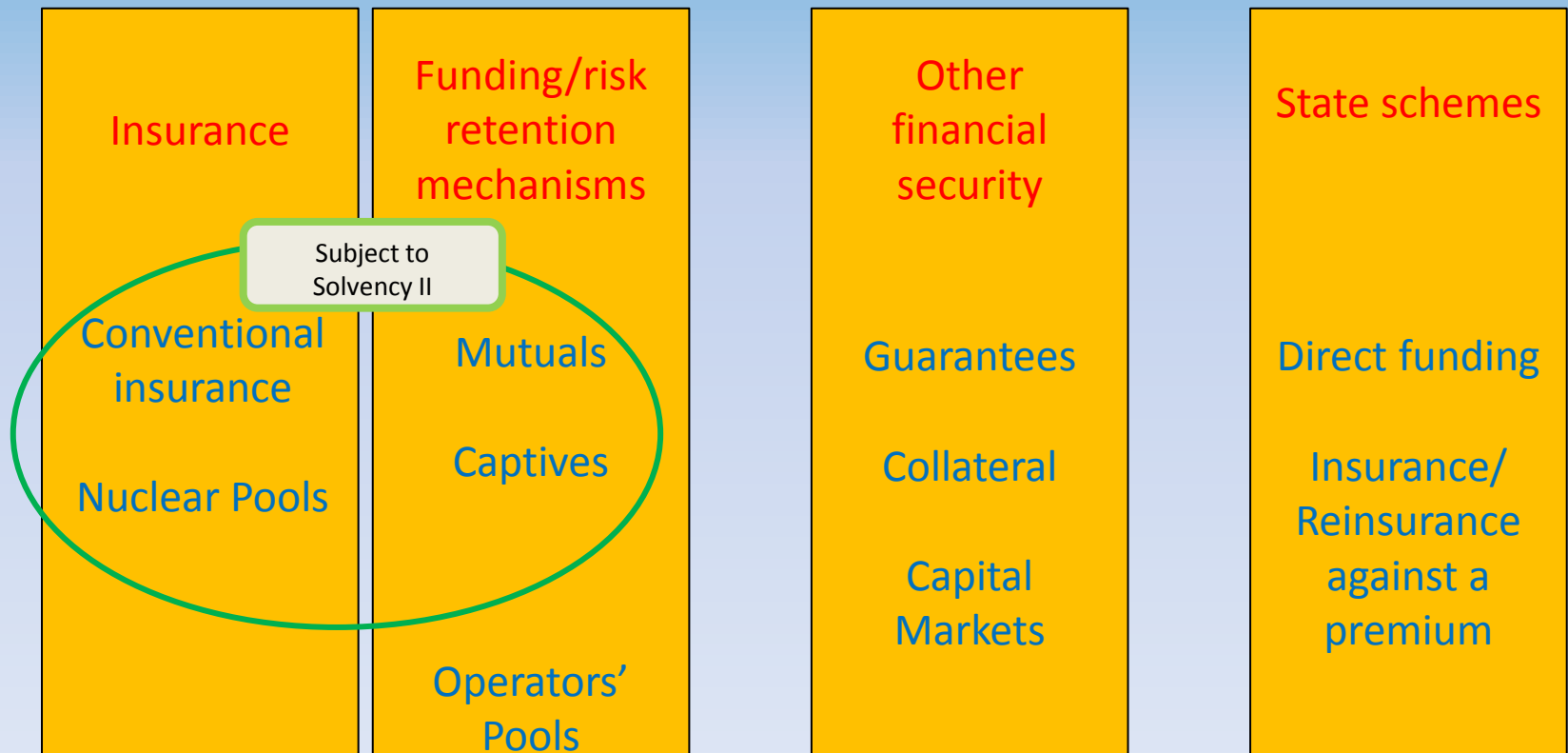
Nuclear Liability in the EU

WG 2 recommendations

Work & process of WG 2

- Initially large number of members, but no state representatives
- Group reduced to some 10 members – mainly Operators & Insurers (mutuals & pools)
- Report on status quo – identify areas for deeper analysis – make proposals for improvement
- Analysis of important factors
- Group members represented differing interests => differing views
- Would use of all available capacity distort competition?
- Legal channelling increases available capacity
- EU-wide (compulsory) pooling decreases capacity
- Responsibility of CPPC:s for compensation to the extent insurance or other financial security is not available or sufficient
- Participation of EU States – lack of available cover & market premium

Alternative methods of Risk Financing



Important factors analysed

Insurance	Funding/risk retention mechanisms	Other financial security	State schemes
Security			
Cover limit (incl. duration, renewal & reinstatement)			
Scope of cover			
Claims handling (incl. resources & cost)			
Other?			

Recommendations

The following proposals are all subject to confirmation of EU competence under Article 98 of the Euratom Treaty, to the subsidiary and proportionality principles, and to their compatibility with the VC (1997) and the PC (2004).

RECOMMENDATION 1

The member states must work jointly with nuclear operators and nuclear insurance providers, to put in place cover that fulfills the revised Convention requirements & ratify the applicable Convention as soon as possible.

RECOMMENDATION 2

The EU Commission is to clarify & communicate the acceptable conditions under which EU states are allowed to act, directly or indirectly, to cover nuclear third party liability risks (e.g. for the uninsurable Convention new heads of damage, limits & cover extensions).

RECOMMENDATION 3

Ensure that all financial security provided is sufficiently secure, stable & solvent to guarantee maximum protection for nuclear accident victims; also ensure that a robust & effective claims handling system is put in place.

RECOMMENDATION 4

In the longer term the operators & financial security providers are to continue working together to investigate any additional nuclear liability capacity that might become available in future.