

SESSION 2

Concluding Remarks by Dirk Harbrücker

Dear Mr Chairman,
Ladies and Gentlemen,

Please allow me a more general view on session: 2 insurance, it's costs and available capacity, while my co-rapporteur will summarize the contributions made:

Again we have heard the demand for unlimited liability. I fully see the concern of the industry, it must be most chocking when you realize that you are liable with all your financial resources and assets and moreover there is no insurance coverage available.

However when you look to Germany and Switzerland, unlimited liability has been introduced in these two countries already in the mid-eighties and the operators have survived this threat so far. But did this help in the public acceptance of nuclear energy? Not at all in Germany! So why should this be further considered?

There are simple rules: everyone is responsible for his actions, any individual is liable for a motor car accident he caused. Enterprises in any industry are liable for their products, for their activities and this without any limitations, but nuclear. I admit that dimensions and the probability of losses are quite different.

Chemical industries are buying about € 1 bn in environmental liability coverage on a voluntary basis in Germany to cover potential losses. As heard during this session EdF is buying an equal amount in insurance coverage for general third party liability.

It is a characteristic for a wealthy and social minded society to care about thirds, what is reflected in a high demand for third party liability insurance in highly developed countries, and the member states of the EU surely are.

Many operators – not all – buy higher insurance coverage to protect their shareholders by insuring their property with much higher amounts than their potential liability. Do they care less about the society?

Let me give you an idea on insurance costs: currently two countries request the full limit of the Revised Paris Convention of € 1200 mio (i.e. including the possible state intervention of € 500 mio) to be covered by insurance: Belgium and Netherlands – the operators in these two countries did not have problems in finding sufficient and financially sound insurance capacity for this amount and even did not have to exhaust the available market capacities in full. It is also worth mentioning that premiums to be paid for third party liability insurance would be less than for a material own damage insurance on an all risk basis including machinery breakdown and a deductible (insured's self-retention) of € 5 mio which is common.

What does this mean for the customer – as all costs involved will be added to the production costs: for the indicated limit of € 1200 mio insurance premium will amount to two hundredth of a €-cent (2/100) not considering insurance tax.

Still, what would be the effect on the customer: my private household has an annual electricity consumption of a little bit less than 5000 KWh what will result in 100 €-cent or 1 € charge per year!