

EU gives green light for Hungarian nuclear deal with Russia

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People protest against the government's plan to expand the country's nuclear power plant Paks on February 1, 2014 in Budapest

Hungary said Monday that the EU's nuclear body Euratom has signed a fuel supply agreement, clearing the way for Russia to build the extension of the country's sole nuclear plant.

Under the [deal](#)—agreed with Euratom at the end of March—Russia will

be able to supply fuel for two new reactors at the Paks plant in central Hungary over a 10-year period.

Euratom had initially expressed concerns over plans for Russia to be the only fuel supplier, threatening to unravel the planned 12.5 billion euro (\$13.4 billion) project.

A European source confirmed Monday's go-ahead of the deal to AFP.

Janos Lazar, the chief of staff for Prime Minister Viktor Orban, called the agreement a "milestone".

However, negotiations with the European Commission, the EU's executive arm, are expected to last several more months to address concerns over competition and procurement, Lazar said.

Hungary signed an agreement with Russia's Rosatom last year to expand Paks with two power blocks of 1,200 megawatts financed with a 10-billion-euro (\$11-billion) loan from Moscow.

Under the original deal, Russia would have supplied [fuel](#) for the new reactors for 20 years.

The pact was seen as a sign of increasingly close ties between Orban and the Kremlin, and has sparked concerns in the EU at a time when the bloc's relations with Russia are strained over the Ukraine conflict.

"This (deal) is about the security of Europe's energy supply, about Hungary's energy independence, about becoming less reliant on gas, and not about becoming more dependent on Russia," Lazar said.

Construction of the reactors is scheduled to begin in 2018.

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