

CHINESE TAIPEI

NUCLEAR DAMAGE COMPENSATION LAW*

Promulgated and effective on 26 July 1971

Amendment of Article 27 promulgated and effective on 6 May 1977

Amendments of the Law promulgated on 14 May 1997 and effective on 14 May 1998

Chapter I

GENERAL PROVISIONS

Article 1

This Law is enacted according to Article 29 of the Atomic Energy Law.

This Law shall apply to the compensation for nuclear damage resulting from the peaceful uses of atomic energy. Where this Law does not provide, the provisions of other laws shall apply.

Article 2

For the purposes of this Law “nuclear fuel” means material which is capable of producing energy by a self-sustaining chain process of nuclear fission.

Article 3

For the purposes of this Law “radioactive products or waste” means radioactive material produced, or material made radioactive by exposure to the radiation, in the production or utilization of nuclear fuel; but not including radioisotopes and the wastes thereof generated in the final process of fabrication and manufactured for scientific, medical science, agricultural, commercial or industrial use.

* Translation kindly prepared by LEE & LI, Attorneys-at-Law, Taipei, and approved by the Atomic Energy Commission.

Article 4

For the purposes of this Law “nuclear reactor” means any structure filled with nuclear fuel in such a proper arrangement that a controllable self-sustaining chain process of nuclear fission can occur therein.

Article 5

For the purposes of this Law “nuclear material” means:

1. nuclear fuel other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a nuclear reactor, either alone or in combination with some other material; and
2. radioactive products or waste.

Article 6

For the purposes of this Law “nuclear installation” means:

1. nuclear reactor, but not including any nuclear reactor used in air and sea transportation conveyances for producing power for propulsion or other purposes;
2. any installation producing nuclear material, including installation for re-process of spent nuclear fuel; and
3. any installation exclusively for the processing, storage or disposition of nuclear material.

Several nuclear installations belonging to one operator and located at the same site shall be considered as a single nuclear installation.

Article 7

For the purposes of this Law “operator”, in relation to a nuclear installation, means anyone designated or approved by the government as responsible for the operation of that installation.

Article 8

For the purposes of this Law “nuclear damage” means loss of life, personal injury or loss of property which arises out of or results from the radioactive or radiation compounded toxic, explosive or other hazardous properties of nuclear fuel or radioactive products or waste in, or of nuclear material coming from or sent to, a nuclear installation.

Article 9

For the purposes of this Law “nuclear incident” means any single occurrence or series of occurrences happened simultaneously or successively having the same origin which causes nuclear damage.

Article 10

Other laws shall be applied where the quantity of the nuclear fuel, radioactive product or waste is within a certain limit; the limit of the quantity shall be announced by the Atomic Energy Council of the Executive Yuan.

Chapter II

LIABILITIES FOR DAMAGE COMPENSATION

Article 11

When a nuclear incident occurs, the operator thereof shall be liable for compensation of the nuclear damages resulting therefrom.

Article 12

In case a nuclear incident is caused by nuclear material of a nuclear installation, the original operator shall be liable for damage compensation resulting therefrom under any one of the following conditions:

1. the liability for compensation has not been assumed by another nuclear installation operator under written agreement.
2. in the absence of such written agreement, before another nuclear installation operator has taken over or possessed the nuclear material.
3. where the nuclear material is intended to be used in a nuclear reactor with which a transportation conveyance is equipped for use of producing power for propulsion or for other purposes, before the person duly authorized to operate such reactor has taken charge of the nuclear material.

Article 13

Where a nuclear incident happened on the way the nuclear material is transported outbound this country, the nuclear installation operator transporting the said material shall be liable for compensation of the nuclear damage occurred within the territory of Chinese Taipei.

Article 14

The nuclear installation operator providing temporary storage of nuclear material shall not be liable for the nuclear damage involving the said nuclear material in temporary storage incidental to transport in case that another nuclear installation operator shall be liable for the nuclear damage according to the preceding two Articles.

Article 15

In case several operators are liable for the nuclear damage according to this Law, these operators shall be jointly and severally liable for the compensation thereof.

Article 16

In case the nuclear incident occurs during the transportation of nuclear material in one and the same transportation conveyance, or the nuclear material is temporarily stored in one and the same nuclear installation during transportation, the several operators shall be liable for compensation of the nuclear damage resulting therefrom.

Article 17

Where several nuclear installations of one and the same operator are involved in one nuclear incident, such operator shall be liable for compensation in respect of each nuclear installation involved.

Article 18

The operator of a nuclear installation shall, in accordance with this Law, be liable for nuclear damages arising from the occurrence or expansion of a nuclear incident regardless of whether it is caused intentionally or through negligence, except when the nuclear incident is caused directly by international armed conflicts, hostilities, domestic rebellion, or grave natural calamity.

Article 19

In case the nuclear installation operator can prove that the occurrence or expansion of the nuclear damage was caused by the victim's intentional act or negligence, the court may reduce or dispense with the compensation.

Article 20

All damages caused by a nuclear incident alone or in combination with other incidents in which the other damages can not be completely distinguished from the nuclear damage are to be deemed as nuclear damage caused by the nuclear incident.

Article 21

Other laws shall be applied where the nuclear installation operator is liable for compensation of nuclear damages to the following properties:

1. the nuclear installation itself or any property on the site of that installation which is used or to be used in connection with that installation.
2. transportation conveyance used for transporting nuclear material which caused a nuclear incident.

Article 22

The nuclear installation operator who follows the stipulated compensation of this Law has the right of recourse against any person other than another nuclear installation operator only under one of the following conditions:

1. having specific stipulations in written agreement;
2. the nuclear damage is caused by intentional acts of individuals, and the recourse can be asserted against the individuals with that intent.

Article 23

Any person other than the nuclear installation operator shall not be liable for nuclear damages except as provided in the preceding Article.

Chapter III

MAXIMUM AMOUNT AND GUARANTEE FOR LIABILITIES

Article 24

The liability of a nuclear installation operator for nuclear damages arising out of each single nuclear incident shall be limited to Four Billion Two Hundred Million Chinese Taipei Dollars (TWD 4 200 000 000).

The preceding maximum amount does not include interest and costs of litigation.

Article 25

A nuclear installation operator shall maintain liability insurance or financial guarantee sufficient to cover the maximum amount of nuclear damage compensation liability and may operate the nuclear installation or transport nuclear material only upon the approval from the Atomic Energy Council of the Executive Yuan.

The preceding stipulation is not applicable to the nuclear installations of the Central Government, provincial or municipal government and their research organizations.

In respect of operation of a nuclear installation or transportation of nuclear material, applications may be filed with the Atomic Energy Council of the Executive Yuan for reduction of the amount of liability insurance or financial guarantee within a certain limit; the said limit shall be stipulated by the Atomic Energy Council of the Executive Yuan.

Article 26

The insurer of liability insurance or the guarantor of the financial guarantee prescribed in the preceding Article shall not cease or terminate the said liability insurance or financial guarantee during

the term of the insurance or guarantee unless the Atomic Energy Council of the Executive Yuan is notified in writing two months in advance and has given approval therefor.

Liability insurance or financial guarantee for transportation of nuclear material shall not be ceased or terminated during the course of transportation.

Article 27

Should the amount received from the liability insurance or financial guarantee not suffice to cover the finalized nuclear damage compensation liability, the nation shall loan the balance to the nuclear installation operator to cover its complete liability; but only to the maximum amount prescribed in Article 24.

The nuclear installation operator shall indemnify the nation for the loan under the preceding paragraph.

Chapter IV

RIGHT TO CLAIM FOR DAMAGE COMPENSATION

Article 28

Claims of compensation for nuclear damage shall be extinguished if an action is not brought within three (3) years after knowledge of the damage and of the nuclear installation operator liable for the damage; however, the period shall in no case exceed ten (10) years from the date of the nuclear incident.

Article 29

Where the nuclear material causing a nuclear incident is stolen, lost, jettisoned or abandoned, the statute of limitations of the right to claim compensation shall be governed by the preceding Article. However, when making a claim for compensation against the original nuclear installation operator of the said nuclear material, the claim shall be made within twenty (20) years from the time the nuclear material is stolen, lost, jettisoned or abandoned.

Article 30

Any person who claims to have suffered nuclear damage and who has brought an action for compensation within the period applicable pursuant to the two preceding Articles may amend his/her claims to take into account any aggravation of the damage even if the statute of limitations has expired, provided that it is made before the closing of the oral argument in the first appeal.

Article 31

Any person suffering nuclear damage may claim directly for compensation against the liability insurer or financial guarantor of the operator if the operator is not able to compensate the nuclear damage.

Chapter V

SUPPLEMENTAL PROVISIONS

Article 32

After the occurrence of a nuclear incident, the Atomic Energy Council of the Executive Yuan may establish a Committee on Nuclear Accident Investigation and Evaluation to perform the duties and exercise the rights as follows:

1. determination of a nuclear incident and investigation of the causes thereof;
2. investigation and evaluation of the nuclear damage;
3. recommendation on compensation, relief and rehabilitation measures for the nuclear incident;
and
4. recommendation on improvements of safety protections of nuclear installation.

Reports of the aforementioned investigation, evaluation, and recommendation shall be prepared for announcement by public notice.

The rules governing the establishment of the Committee on Nuclear Accident Investigation and Evaluation shall be stipulated by the Atomic Energy Council of the Executive Yuan.

Article 33

Where the amount of nuclear damage exceeds or may exceed the limit of the nuclear installation operator's liability, the priority of compensation shall be given to loss of life and personal injury, and ten percent (10%) of the total amount for compensation shall be reserved for later discovered nuclear damage.

Where the victims of a nuclear incident seek compensation by way of a judicial proceeding, the court may, in accordance with the degrees of damages and the number of victims, take into account the investigation reports and compensation recommendations prepared by the Committee on Nuclear Accident Investigation and Evaluation to make appropriate distributions.

Article 34

After the occurrence of a serious nuclear incident, the nation shall take necessary relief and rehabilitation measures.

Article 35

Where the victim is a foreign national, this Law shall be applied on a reciprocal basis.

Article 36

The rules implementing this Law shall be stipulated by the Atomic Energy Council of the Executive Yuan.

Article 37

This Law becomes effective on the day of promulgation.

The revised provisions of this Law shall come into force one year after being promulgated.

**ENFORCEMENT RULES
OF
NUCLEAR DAMAGE COMPENSATION LAW**

*Promulgated on 25 March 1998
by the Atomic Energy Council of the Executive Yuan
(87)-Hui-Zong-Zi-5370*

Article 1

These Enforcement Rules are enacted pursuant to Article 36 of the Nuclear Damage Compensation Law (hereinafter referred to as the "Law").

Article 2

The term "the final process of fabrication" as mentioned in the proviso of Article 3 of the Law refers to the process of fabricating and processing radioisotopes after removal thereof from a nuclear reactor.

Article 3

The term "radiation compounded toxic property" as mentioned in Article 8 of the Law refers to the physiological symptoms and the successively occurring symptoms jointly caused by radiation injury and chemical toxic injury resulted from exposure to, intake or inhale of radioactive material by the human body.

Article 4

The financial guarantee stipulated in Chapter III of the Law refers to the following guarantees deposited in a designated account established by a nuclear installation operator at any bank or at a bank designated by the government treasury:

1. cash;
2. government bond, treasury note;
3. cashier's check, bank guaranteed check or certificate of deposit.

The designated account in the preceding paragraph shall be jointly established by the nuclear installation operator and the Atomic Energy Council of the Executive Yuan.

Article 5

With respect to the yields accrued on the guarantee deposited by a nuclear installation operator in accordance with the first paragraph of the preceding Article, the nuclear installation operator may,

after the approval of the Atomic Energy Council of the Executive Yuan, withdraw the excess of the guarantee including the yields over the amount required to be deposited.

Article 6

When reporting its liability insurance or financial guarantee in accordance with the first paragraph of Article 25 of the Law, the nuclear installation operator shall submit the following information to the Atomic Energy Council of the Executive Yuan for approval:

1. name and address of the applicant; in the event of a juridical person, the name and address of the juridical person and the name of its representative;
2. type of nuclear installation;
3. name and address of nuclear installation
4. with respect to the operation of a nuclear reactor, the thermal power output shall be specified;
5. for an installation producing nuclear materials, the type and quantity shall be specified;
6. for the transportation of nuclear materials, the type, usage and quantity shall be specified;
7. for an installation engaged in processing, storing or final disposition, the type and quantity shall be specified;
8. the anticipated commencing date and the anticipated completion date for the operation of nuclear installation or the transportation of nuclear materials;
9. the means of liability insurance or financial guarantee adopted for the performance of nuclear damage compensation liability.

With respect to sub-paragraph 9 of the preceding paragraph, evidential documents shall be submitted as well.

Article 7

In respect of operation of a nuclear installation or transportation of nuclear materials, the rules governing the reduced amount for liability insurance or financial guarantee in accordance with the third paragraph of Article 25 of the Law are as follows:

1. For nuclear reactor whose thermal power is greater than one hundred kilowatts (100 kw) but less than ten thousand kilowatts (10 000 kw), including the transportation, processing, storage or disposition of nuclear materials accompanying such nuclear reactor on the site of the nuclear installation, the amount is reduced to Eight Hundred Forty Million Chinese Taipei Dollars (TWD 840 000 000).
2. For nuclear reactor whose thermal power is less than one hundred kilowatts (100 kw), including the transportation, processing, storage or disposition of nuclear materials accompanying such nuclear reactor on the site of the nuclear installation, the amount is reduced to Two Hundred Ten Million Chinese Taipei Dollars (TWD 210 000 000).

3. For an installation producing nuclear materials, the amount is reduced to Eight Hundred Forty Million Chinese Taipei Dollars (TWD 840 000 000).
4. For an installation exclusively for the processing, storage or disposition of nuclear materials, the amount is reduced to Two Hundred Ten Million Chinese Taipei Dollars (TWD 210 000 000).
5. For an installation disposing spent nuclear fuel or the waste produced during the reprocessing of the spent nuclear fuel, the amount is reduced to Eight Hundred Forty Million Chinese Taipei Dollars (TWD 840 000 000).
6. For the transportation of nuclear fuel where the quantity of each transport is less than ten thousand kilograms (10 000 kg), the amount is reduced to Two Hundred Ten Million Chinese Taipei Dollars (TWD 210 000 000).
7. For the transportation of nuclear fuel where the quantity of each transport is at ten thousand kilograms (10 000 kg) or more, the amount is reduced to Four Hundred Twenty Million Chinese Taipei Dollars (TWD 420 000 000).
8. For the transportation of radioactive product or waste where the quantity of each transport is less than ten thousand (10 000) times of a certain limited quantity, the amount is reduced to Two Hundred Ten Million Chinese Taipei Dollars (TWD 210 000 000).
9. For the transportation of radioactive product or waste where the quantity of each transport is at ten thousand (10 000) times or more of a certain limited quantity, the amount is reduced to Eight Hundred Forty Million Chinese Taipei Dollars (TWD 840 000 000).

With respect to installations producing nuclear materials as stipulated in sub-paragraph 3 of the preceding paragraph, installations for reprocessing of spent nuclear fuel are excluded.

Article 8

Where several nuclear installations belonging to one and the same nuclear installation operator and located at the same site, the amount of liability insurance or financial guarantee the operator shall maintain shall be the highest amount among those required of such several nuclear installations.

Article 9

In order to ensure that a nuclear installation operator maintains liability insurance or financial guarantee sufficient to cover the maximum amount of nuclear damage compensation liability, the Atomic Energy Council of the Executive Yuan may, where necessary, examine the above at any time.

In the event that the result of examination as stipulated in the preceding paragraph reveals that the coverage is insufficient to cover the maximum amount of nuclear damage compensation liability, the Atomic Energy Council of the Executive Yuan may order the nuclear installation operator to make up for the difference within a limited period of time.

Article 10

When the insurer of liability insurance or the guarantor of financial guarantee notifies the Atomic Energy Council of the Executive Yuan in writing to cease or terminate said liability insurance or financial guarantee in accordance with Article 26 of the Law, the following information shall be submitted:

1. name and address of the applicant; in the event of a juridical person, the name and address of the juridical person and the name of its representative;
2. in the case of liability insurance, a copy of the liability insurance agreement;
3. in the case of financial guarantee, the account number of the designated account established at any bank or at a bank designated by the government treasury;
4. the reasons for ceasing or terminating the liability insurance or financial guarantee.

Article 11

In the event of any one of the following circumstances, the nuclear installation operator may, with the approval of the Atomic Energy Council of the Executive Yuan, cease or terminate the financial guarantee it maintains in accordance with Article 4:

1. completion of compensation for nuclear damage and no possibility whatsoever of the reoccurrence of any nuclear incident or nuclear damage;
2. completion of transportation of nuclear materials;
3. completion of decommissioning of nuclear installation or exemption from supervision/control of such nuclear installation.

Article 12

These Rules shall come into force on 14 May 1998.

**ANNOUNCEMENT OF
THE ATOMIC ENERGY COUNCIL
OF THE EXECUTIVE YUAN**

*Promulgated on 4 March 1998
(87)-Hui-Zong-Zi-3537*

Subject: Where the quantity of the nuclear fuel, radioactive product or waste is within a certain limit, the Nuclear Damage Compensation Law shall not apply.

Authority: Article 10 of the Nuclear Damage Compensation Law

Announced matters:

1. Announcements for the limited amount of the following nuclear fuel:
 - (1) For uranium and its compound, the ratio of uranium-235 to uranium-238 exceeds the natural mixing ratio but less than five percent (5%), and for materials containing one or two or more of the above items, the content of uranium-235 is limited to 2 000 g.
 - (2) For uranium and its compound, the ratio of uranium-235 to uranium-238 exceeds five percent (5%), and for materials containing one or two or more of the above items, the content of uranium-235 is limited to 800 g.
 - (3) For plutonium and its compound, the weight of plutonium is limited to 500 g.
 - (4) For uranium-233 and its compound, the weight of uranium-233 is limited to 500 g.
2. The announced limit for radioactive product or waste is with an activity of 3.7×10^{10} Becquerel (one Curie).

