

State Council of the People's Republic of China

Official Reply of the State Council to Questions on the Liabilities of Compensation for Damages Resulting From Nuclear Accidents*

China Atomic Energy Authority:

We hereby give our official reply as follows to your questions regarding the liabilities of compensation for damages from nuclear accidents:

1. The organizations within the territory of the People's Republic of China which have obtained legal personality according to law, and operate nuclear power stations, civil research reactors and/or civil engineering test reactors, or engaged in the production and transportation of civil nuclear fuels and the storage, transportation and post-treatment of spent fuels and have nuclear installations, are the operators of such nuclear power stations or nuclear installations.
2. The operators shall be liable to compensate for the personal casualties, property losses or environmental damages arising out of nuclear accidents, while no persons other than the operators shall be liable to compensate therefore.
3. Where a nuclear accident causes damages across the border of the People's Republic of China, such damages shall be handled in accordance with the treaty or protocol between the People's Republic of China and the relevant country. If there is no such treaty or protocol, such damages shall be handled in the principle of reciprocity.
4. If one operator operates several nuclear installations at one site, these nuclear installations shall be deemed as one nuclear installation.
5. Where the damages caused by nuclear accident involve two or more operators and the liabilities that should be assumed by each of these operators cannot be clearly determined, the relevant operators shall be jointly and severally liable for the damages.
6. With regard to the damages caused by a nuclear accident directly resulting from armed conflict, hostile action, war or riot, the relevant operator shall not be liable to compensate for such damages.
7. For the operators of nuclear power stations and the operators of spent fuel storage, transportation and post-treatment, the maximum amount of compensation for the damages caused by one nuclear accident is RMB 300 million; and for other operators the maximum amount of compensation for the damages caused by one nuclear accident is RMB 100 million. Where the total amount of compensation payable for the damages caused by a nuclear accident exceeds the relevant maximum amount of compensation specified above, the State shall provide a financial indemnity up to RMB 800 million.

* Unofficial translation by the Beijing office of EDF. This translation does not engage the responsibility of the author.

As to the compensation for damages resulting from an extraordinary nuclear accident where the amount of financial indemnity from the State needs to be increased, the amount to be increased shall be decided after appraisal by the State Council.

8. An operator shall make appropriate financial guarantees and arrangements to ensure, when nuclear accident causes damages, timely and effective performance of its liabilities of compensation for such damages.

Before operating a nuclear power station or carrying out the storage, transportation or post-treatment of spent fuels, an operator must purchase sufficient insurance to cover its limits of liability.

9. If a written contract between an operator and another person provides for the right of recourse, the operator may, after compensating the victim, exercise its right of recourse against such person in accordance with the provisions of the contract.

If a damage caused by nuclear accident is due to a natural person's willful act or omission, the relevant operator may, after compensating the victim, exercise its right of recourse against this natural person.

10. The natural persons, legal persons and other organizations that have suffered from damages caused by nuclear accidents are entitled to claims compensation for damages resulting from nuclear accidents.

The Atomic Energy Law of the People's Republic of China (Draft) shall be drafted to expressly provide for the foregoing matters as well as the limitation of actions, jurisdiction, etc.

State Council of the People's Republic of China (Seal)

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