Session 3 - Risk Management: The European Court of Auditors Evaluations of the Implementation of EU Nuclear Decommissioning Assistance Programmes

Introduction
What is the European Court of Auditors (ECA)?
What we do?

EU Nuclear Decommissioning Assistance Programmes
Where are the Nuclear Power Plants under this Programme?
Governance structure
Risk environment

ECA’s Audit Question, Observations, Conclusions and Recommendations

Questions and Answers

Disclaimer: The audits in this presentation in no way examined the security or safety of the installations, nor the case for or against nuclear energy, nor drew conclusions on the appropriate energy supply mix in the EU.
EU institutions

Development impetus

Political direction

Legislative

Executive

Judiciary

European Parliament

Council of the European Union

European Commission

Court of Justice of the EU

Monetary policy and supervision

External audit
Mission as EU’s independent external auditor

- Carries out the audit of EU finance
- Contributes to improving EU financial management
- Promotes accountability and transparency
- Acts as the independent guardian of the financial interests of the citizens of the Union

Tasks

- Examines all revenue and expenditure in the accounts of the EU and its agencies and decentralised bodies
- Assesses whether financial management has been sound
- Provides a Statement of Assurance on the reliability of the accounts and the legality and regularity of the transactions underlying them
- Delivers opinions at the request of one of the EU institutions and reviews on its own initiative
- Assists the European Parliament and the Council by providing the audit reports used in the discharge procedure
- Draws up reports and opinions that have no binding force but are of help to those managing EU funds
- Has no judicial powers

The audit approach

International auditing standards

- Audits are carried out in line with international standards on audit and quality control
- The ECA takes an active part in the development of international standards

Statement of assurance

- Examination of supervisory and control systems intended to prevent or detect and correct errors of legality and regularity
- Detailed check of a sample of transactions (revenue and payments)
- When systems are tested and found to be reliable, fewer transactions can be audited to arrive at a robust conclusion

Performance audit

- Variety of audit methodologies is used to assess management and monitoring systems and information
- Criteria are derived from legislation and the principles of sound financial management
- The ECA selects audit subjects which are likely to yield high impact in terms of identifying potential improvements in the management of EU funds

* The ECA’s role and tasks are set out in articles 285, 286 and 287 of the Treaty on the Functioning of the EU (TFEU)
Types of audits

Financial audit
Reliability of the accounts

Obtain evidence on the extent to which transactions, assets and liabilities have been completely, correctly and accurately entered in the accounting records and presented in the financial statements.

Compliance audit
Legality and regularity of transactions

Obtain evidence on the extent to which EU revenue and spending operations have been carried out in accordance with contractual and legal requirements and are correctly and accurately calculated.

Performance audit
Soundness of financial management

Obtain evidence on the extent to which EU funds have been used economically, efficiently and effectively, and provide value for money.

Statement of assurance (annual reports)
Nuclear Decommissioning Assistance Programmes - General

- **The Chernobyl accident** in 1986 and its cross-border impact highlighted the global importance of nuclear safety. This event generated broad concern with regard to the operation of non-upgradeable nuclear reactors in Central and Eastern Europe, first generation VVER-440 and RBMK-type reactors. Hence, with a view to increasing nuclear safety, the international community, and the European Union in particular, decided, from the early 1990s, to provide various forms of financial assistance to several Countries: Bulgaria, Czech Republic, Hungary, Lithuania, Romania, Slovakia, Slovenia, Armenia, Kazakhstan, Russia and Ukraine.

- **Lithuania, Bulgaria** and **Slovakia** joining the **European Union (EU)**, the closure and subsequent decommissioning of eight Soviet-designed, first generation nuclear reactors at three nuclear power plant sites a *condition* for their *accession*.

- The EU launched the **nuclear decommissioning assistance programmes (NDAP)** to help them. The programmes provide financial assistance for:
  - *decommissioning and dismantling projects*, waste management projects such as the design and construction of radioactive waste treatment plants, landfills for very low-level radioactive waste (VLLW) and near surface repositories for final disposal of short-lived low-and intermediate level radioactive waste (LILW-SL)
  - *energy sector projects* to mitigate the consequences of shutting down reactors such as having to replace lost electricity generation capacity
  - *projects to mitigate social consequences* such as lost employment.

Total financial support given to the programmes between **1999 and 2020** is foreseen to be **€3816 million**.
Nuclear Power Plants in the EU, Status in January 2016

United Kingdom
- Shut down: 30
- Operational: 15
- Under construction: -
- Total: 45

Netherlands
- Shut down: 1
- Operational: 7
- Under construction: -
- Total: 8

Belgium
- Shut down: 28
- Operational: 8
- Under construction: -
- Total: 36

France
- Shut down: 12
- Operational: 58
- Under construction: 1
- Total: 71

Spain
- Shut down: 3
- Operational: 7
- Under construction: -
- Total: 10

Italy
- Shut down: 4
- Operational: -
- Under construction: -
- Total: 4

Slovenia (shared with Croatia)
- Shut down: -
- Operational: 1
- Under construction: -
- Total: 1

Hungary
- Shut down: -
- Operational: 4
- Under construction: -
- Total: 4

United Kingdom
- Shut down: 91
- Operational: 129
- Under construction: 4
- Total: 224

Finland
- Shut down: -
- Operational: 4
- Under construction: 1
- Total: 5

Sweden
- Shut down: 3
- Operational: 10
- Under construction: -
- Total: 13

Lithuania
- Shut down: -
- Operational: -
- Under construction: -
- Total: 6

Czech Republic
- Shut down: -
- Operational: 6
- Under construction: -
- Total: 6

Romania
- Shut down: -
- Operational: 2
- Under construction: -
- Total: 2

Bulgaria
- Shut down: 4
- Operational: 2
- Under construction: -
- Total: 6

Slovakia
- Shut down: 3
- Operational: 4
- Under construction: 2
- Total: 9
## NDAP Governance and Regulatory Environment - legal basis

<table>
<thead>
<tr>
<th>Ignalina, Lithuania</th>
<th>Kozloduy, Bulgaria</th>
<th>Bohunice, Slovakia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-accession</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Accession Treaties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Post-accession</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
A. **General life cycle of a nuclear facility**

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Construction and operation of the reactor units</td>
</tr>
<tr>
<td>2</td>
<td>Shutdown and preparation for the technical decommissioning of the reactor units</td>
</tr>
<tr>
<td>3</td>
<td>Technical decommissioning of the reactor units and release from institutional control</td>
</tr>
<tr>
<td>4</td>
<td>Pre-disposal radioactive waste and spent nuclear fuel management</td>
</tr>
<tr>
<td>5</td>
<td>Disposal of radioactive waste and spent nuclear fuel</td>
</tr>
</tbody>
</table>

**Member State responsibility**

Member States concerned must have a nuclear programme covering all waste management costs from generation to the disposal of the waste and spent nuclear fuel, with due regard for the polluter pays principle. The MS is ultimately responsible for any funds not covered by the operator.

See: Directives 2011 and 2009

**Nuclear facility operator responsibility**

Funds should be collected throughout the operational period to cover all costs, applying the polluter pays principle and without transferring the burden to future generations.

Funds collected and managed by other instruments, levies, capacity payments, taxes, etc. Fund/insurance schemes/security.

However, not all MS require operators to cumulate the funds to cover disposal of high level waste and spent fuel.

**Estimating the NPP decommissioning costs and liabilities**

Cost estimation according to ISDC methodology

<table>
<thead>
<tr>
<th>Liabilities identified by the operator and shown on the accounts (as Net Present Value or Current Market Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- National legislation</td>
</tr>
<tr>
<td>- IAS 37</td>
</tr>
<tr>
<td>- Accounting rules</td>
</tr>
<tr>
<td>- Reserve accumulation</td>
</tr>
</tbody>
</table>

Unknown or uncovered liabilities from NPP activities

**Financing the decommissioning costs and liabilities (NDAP-assisted programmes)**

<table>
<thead>
<tr>
<th>Resource</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPPs own resources</td>
<td>[Cost estimation without international or European harmonised methodology]</td>
</tr>
<tr>
<td>Cumulated national funds</td>
<td></td>
</tr>
<tr>
<td>National budgetary appropriations</td>
<td></td>
</tr>
<tr>
<td>EU Nuclear Decommissioning Assistance Programme to assist BG, LT and SI by covering some of the decommissioning costs</td>
<td></td>
</tr>
<tr>
<td>Financing gap to be covered</td>
<td></td>
</tr>
</tbody>
</table>
NDAP Governance and Regulatory Environment – Main Actors

- Main Actors:
  - European Commission
    - DG ENER
  - Member States
  - Authorities
  - NPPs
  - EBRD
  - IIDSF
  - BIDSF
  - KIDSF
  - CPMA
NDAP Decommissioning Risk Environment

Licencing
Project Interface
Project Management

Safeguards

Legal
Environment
Political

Financial

Delay and cost overrun
Physical
Terror

Security

Critical path
Radiological
Natural Disaster
Capacity
Human Error

Safety

Waste and Spent Nuclear Fuel Management

Processing, Storage, Transport
SNF for future use Management
Predisposal Waste Management
SNF for Predisposal Management
Disposal
Final repository

Nuclear decommissioning processes

Ongoing tasks at the site:
- set up and maintain radiological inventory and characterisation of the facility
- set up, maintain and modify containment systems
- decontamination

Non-controlled area (mainly outside the reactor building):
- decontaminate, dismantle and remove systems, structures and machinery
- remove and contain contaminated/activated material
- remove/store low-level and intermediate-level waste

Controlled area (mainly inside the reactor building):
- decontaminate, dismantle and remove systems, structures and machinery
- remove and contain contaminated/activated material
- remove and store low-, intermediate- and high-level waste

Release from institutional surveillance
Leave site in brownfield or greenfield state as pre-defined
Questions and Observations of Special Report No 16/2011

• **Questions to be answered:**
  - Have the programme actions for decommissioning been designed in accordance with identified needs and have they been carried out as planned?
  - Have programme actions to mitigate the consequences of the early closure of the reactors been designed in accordance with identified needs and have they been carried out as planned so far?
  - Have the accountability and governance arrangements been adequate to ensure an effective use of EU funds?

• **Observations**
  - **Progress achieved in the decommissioning of the reactors**
    - The identification of decommissioning activities is still in progress
    - Major infrastructure projects face delays and cost-overruns
    - The funding shortfall is significant
  
  - **Progress achieved in mitigating the effects of the plant’s closure**
    - Inadequate mitigation needs assessment
    - Broad variety of mitigation activities financed
  
  - **Programme accountability and management organisation**
    - Weak accountability for programmes’ performance
    - Incomplete organisational changes
Conclusions of Special Report No 16/2011

• EU financial assistance has helped Bulgaria, Lithuania and Slovakia to meet their commitments towards the early closure of eight nuclear reactors.

• Reactors are now closed and partly defueled, major preparatory works have been implemented and dismantling works have started.

• However, after more than 10 years of EU assistance, progress has been slow, as many projects still involve preparatory activities.

• Moreover, the situation is rather unclear concerning the needs still to be met as a result of the early closure since no comprehensive needs assessment exist.

• As a result of a relatively loose policy framework, the programmes do not benefit from a comprehensive needs assessments, prioritisation and the setting of specific objectives and results to be achieved.

• Basic data on radioactive waste management inventories (and their characterisations) are either missing or have not yet been developed into detailed decommissioning plans.

• Required radioactive waste processing and storage technologies and facilities have not yet been fully designed.

• Responsibilities are diffused. The Commission’s supervision focuses on the budgetary execution and project implementation, rather than on the achievement of the programme objectives as a whole.

• Although the overall cost for the completion of the programmes is unknown, it is clear that there is a significant funding short fall. This puts at risk the completion of the decommissioning.
Recommendations of Special Report No 16/2011

- **Recommendation (a)**
  - The Commission should put in place the conditions for an effective, efficient and economical use of EU funds. To this effect:
    - It should establish a **detailed needs assessment** showing the progress of the programmes so far, the activities still to be performed and an overall financing plan identifying the funding sources from the different stakeholders.
    - Before further spending takes place, the Commission should analyse the **resources available and the expected benefits**. This should lead in turn to objectives being aligned with the budget made available and to the establishment of meaningful performance indicators, which can subsequently be monitored and reported on as necessary for the programme implementation as a whole.

- **Recommendation (b)**
  - Should the EU decide, as proposed by the Commission, to provide further financial assistance in the next multiannual financial framework, this support should be based on an **ex ante evaluation** of the EU added value of such intervention, identifying the specific activities to be financed through the EU budget, taking account of other funding facilities such as Structural Funds and the conditions for EU disbursements.
• **Question to be answered:**
  • Has a progress been made in the implementation of the EU’s nuclear decommissioning assistance programmes since 2011?

• **Some decommissioning progress made since 2011, but critical challenges ahead**
  • Progress made in non-controlled areas, but
    • decommissioning of reactor buildings yet to begin and radioactive waste management infrastructure only partially complete
    • Nearly all the key decommissioning infrastructure projects have experienced delays
  • ECA’s assessment of achievement of expected outputs indicating irreversible closure of the three nuclear power plants as at 31 December 2015:

<table>
<thead>
<tr>
<th>Expected outputs</th>
<th>Ignalina, Lithuania</th>
<th>Kozloduy, Bulgaria</th>
<th>Bohunice, Slovakia</th>
</tr>
</thead>
</table>
| 1. The nuclear power plant is safely maintained in post-shutdown mode until complete defuelling | Partially achieved
Safe maintenance ongoing.
Reactor 1 is defuelled.
Reactor 2 not yet defuelled. | Achieved
Reactors and fuel ponds defuelled. | Achieved
Reactors and fuel ponds defuelled. |
| 2. Decommissioning licence is in place | Not achieved
Licence not yet issued. | Partially achieved
Licence issued for units 1-2, expected for units 3-4 in 2016. | Achieved
Licence issued in 2015. |
| 3. The design for the dismantling of the reactor core/primary circuit is complete | Partially achieved
Design of the dismantling process not yet completed, study under way | Partially achieved
Project to design dismantling process in the procurement phase. | Partially achieved
Project to design dismantling process still in progress |
| 4. Dismantling in the reactor building has started | Partially achieved
Only minor works in the reactor building to date. | Partially achieved
Only minor works in the reactor building to date. | Partially achieved
Only minor works in the reactor building to date. |

N.B. Kozloduy, Bulgaria received decommissioning licence for units 3-4 in July 2016
• Nearly all the key decommissioning infrastructure projects have experienced delays
  • Lithuania
    • interim spent fuel storage facility project (10 years)
    • the solid waste retrieval treatment and storage facility (9 years)
  • Bulgaria
    • the national disposal facility for low- and intermediate-level radioactive waste (6 years)
    • plasma melting facility (5 years)

Projects in Turbine hall
• Lithuania, Bulgaria and Slovakia
  • Dismantling projects well advanced

Projects in Controlled area
• Slovakia
  • decontaminating the primary circuit, which needs to be completed before the heart of the reactor building can be dismantled, was originally scheduled for completion in 2014 - delayed
• Lithuania
  • Main cooling circuit Unit1, delayed, Unit 2, not yet started
### Observations of Special Report No 22/2016

#### Progress in constructing infrastructure for managing very low- to intermediate-level waste, 2011 and 2015

<table>
<thead>
<tr>
<th>Location</th>
<th>2011</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ignalina, Lithuania</strong></td>
<td><img src="image1.png" alt="Image" /> Work on the “buffer storage” for the landfill facility for very low-level waste ongoing.</td>
<td><img src="image2.png" alt="Image" /> Buffer storage completed and filled to 80% of its current capacity.</td>
</tr>
<tr>
<td></td>
<td><img src="image3.png" alt="Image" /> Construction of the above-surface facility not yet started.</td>
<td><img src="image4.png" alt="Image" /> Construction of the above-surface facility not yet started since tendering is delayed due to changes in the technical design.</td>
</tr>
<tr>
<td></td>
<td><img src="image5.png" alt="Image" /> Near-surface repository for low and medium, short-lived, waste in design phase.</td>
<td><img src="image6.png" alt="Image" /> Near-surface repository is still in the design phase and delayed by 1 year.</td>
</tr>
<tr>
<td></td>
<td><img src="image7.png" alt="Image" /> Solid waste management and storage facility for long-lived medium level waste delayed by 3.5 years.</td>
<td><img src="image8.png" alt="Image" /> Solid waste management and storage facility is delayed by 9 years. Operational acceptance planned for 2018. No facility available for storage of reactor dismantling waste, although a related project has begun.</td>
</tr>
<tr>
<td><strong>Kozloduy, Bulgaria</strong></td>
<td><img src="image9.png" alt="Image" /> Use of existing storage and treatment facilities on site, but additional storage and treatment capacity needed for future decommissioning.</td>
<td><img src="image10.png" alt="Image" /> According to an assessment made by the decommissioning licence holder State Enterprise Radioactive Waste Management (SERAW), the capacity of the existing radioactive waste storage facilities should suffice until 2022.</td>
</tr>
<tr>
<td></td>
<td><img src="image11.png" alt="Image" /> National disposal facility for low- and intermediate-level radioactive waste to be constructed by the end of 2015.</td>
<td><img src="image12.png" alt="Image" /> The national disposal facility for low- and intermediate-level radioactive waste, the main missing element, is delayed by 6 years. Expected completion 2021.</td>
</tr>
<tr>
<td><strong>Bohunice, Slovakia</strong></td>
<td><img src="image13.png" alt="Image" /> Use of existing storage and treatment facilities on site. Additional storage and treatment capacity needed for future decommissioning.</td>
<td><img src="image14.png" alt="Image" /> Ongoing project to increase the capacity of the national radioactive waste repository for very low-level waste to be finished in 2018.</td>
</tr>
</tbody>
</table>
• Progress in infrastructure for the interim storage of spent nuclear fuel, 2011 and 2015

<table>
<thead>
<tr>
<th>Location</th>
<th>2011</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ignalina, Lithuania</td>
<td>Units could not be defuelled until the interim storage facility for spent fuel was operational, but this project was 4 years behind schedule.</td>
<td>Construction of the interim spent fuel storage facility has been delayed by a further 6 years, putting it 10 years behind schedule compared with the 2005 Final Decommissioning Plan. Its completion is a precondition to obtaining a decommissioning licence.</td>
</tr>
<tr>
<td>Kozloduy, Bulgaria</td>
<td>Significant delays and budget overruns affecting the design and construction of an interim spent fuel dry storage facility for storing spent fuel assemblies in casks.</td>
<td>Take-over certificate was obtained in March 2013 and, by 2015, six loaded casks had been stored out of the 34 planned. A 10-year licence to operate the storage facility was obtained on 29 January 2016.</td>
</tr>
<tr>
<td>Bohunice, Slovakia</td>
<td>Interim spent fuel wet storage facility available.</td>
<td>Spent fuel from the V1 nuclear power plant is stored in the interim spent fuel storage facility on site. Its storage capacity will suffice until 2024 when including spent nuclear fuel from other plants. Pending a decision on final disposal, there are plans to build an interim spent fuel dry storage facility.</td>
</tr>
</tbody>
</table>
• **Estimated cost of decommissioning will be at least 5.7 billion euro and double this if the cost of final disposal is included**
  - Total estimated decommissioning cost has increased by 40% to 5.7 billion euro since 2010
  - The total estimated cost would double if the cost of final disposal of high-level waste is included
  - The Member States, and in particular Lithuania, face financial challenges
  - The Commission’s assessment of financing and decommissioning plans was inadequate
  - The EU budget finances the vast majority of costs in all three Member States
  - Liabilities for future costs are not properly accounted for in the three Member States

• **Financing gap in 2011 and 2015**

![Financing gaps when taking into account both decommissioning and final disposal](image)

![Graph showing financing gaps](image)
Staffing at the time of reactor closure and in 2015

1Full operation figure as at 31.12.2004 for Ignalina, as at 31.12.2002 for Kozloduy, and as at 1.4.2006 for Bohunice.

2Of the staff at Ignalina, 1 377 were working on nuclear decommissioning and 701 on safe maintenance.

3Figures for Ignalina cover EU support from first unit closure in 2005 until 2016; for Kozloduy, from first unit closure in 2003 until 2017; for Bohunice, from first unit closure in 2008 until 2016.

Source: ECA, based on figures provided by Member State authorities.

<table>
<thead>
<tr>
<th></th>
<th>Number of staff</th>
<th>EU support granted (million euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>during full operation(^1)</td>
<td>in 2015</td>
</tr>
<tr>
<td>Ignalina, Lithuania</td>
<td>3 517</td>
<td>2 127(^2)</td>
</tr>
<tr>
<td>(2 reactor units)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kozloduy, Bulgaria</td>
<td>1 400</td>
<td>650</td>
</tr>
<tr>
<td>(4 reactor units)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bohunice, Slovakia</td>
<td>1 060</td>
<td>239</td>
</tr>
<tr>
<td>(2 reactor units)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>5 977</td>
<td>3 016</td>
</tr>
</tbody>
</table>
Conclusions of Special Report No 22/2016

- The dedicated EU funding programmes for nuclear decommissioning have not created the right incentives for timely and cost-effective decommissioning.

- Since we published our previous report in 2011, some progress has been made in decommissioning the nuclear power plants of Ignalina in Lithuania, Kozloduy in Bulgaria, and Bohunice in Slovakia.

- Key components in the plants’ non-controlled areas have been dismantled. However, nearly all the key decommissioning infrastructure projects have experienced delays, and the critical challenges involved in working in the controlled areas still lie ahead for all three Member States.

- According to all of the national authorities, the progress achieved means that closure is now effectively irreversible. However, the expected outputs by which the Commission assesses progress towards irreversible closure have not yet been fully met at any of the three plants.

- The financing gap in Lithuania has increased since our last audit and now stands at 1.6 billion euro. The estimated cost of decommissioning at the three plants will be at least 5.7 billion euro in total, and 11.4 billion if the cost of final disposal is included.

Some decommissioning progress made since 2011 but critical challenges ahead

- Since 2011, the three Member States have dismantled certain key components in the non-controlled area and, except in the case of Lithuania, advanced in obtaining the relevant licences for starting work in the controlled area. Lithuania has yet to obtain such a licence, the granting of which is now scheduled for 2022, 10 years later than originally planned.

- According to all of the national authorities, the progress achieved means that closure is now effectively irreversible. However, the expected outputs by which the Commission assesses progress towards irreversible closure have not yet been fully met at any of the three plants. The designs for the dismantling of the reactor cores/primary circuits are not yet complete and only minor works in the reactor building have been carried out to date. This means that the critical challenges involved in working in the controlled areas, including the reactor buildings, still lie ahead for all three Member States.

- There has been some progress in putting in place waste management infrastructure, but many key infrastructure projects in the three Member States experienced delays in the 2011-2015 period. The longest delays have been in Lithuania, where the decommissioning end-date has, since 2011, been postponed by a further nine years to 2038.

- Challenges remain in each of the three Member States, such as a reliance on external experts and dealing with first-in-kind technical solutions

- The EU-wide shortage of qualified, experienced engineers poses a risk, particularly in Lithuania.
• **Recommendation 1 - Ensure progress in decommissioning**
  The three Member States concerned should:
  • (a) further improve their project management practices in order to have the necessary waste and spent fuel management infrastructure in place when planned;
  • (b) take steps to build up their own technical capacity, so as to achieve a better balance between in-house and external expertise;
  • (c) find better ways to exchange best practices and technical knowledge, both among themselves and with the wider nuclear decommissioning community in the EU and beyond. The Commission should facilitate this in a cost-effective way.

• **Recommendation 2 - Solutions for the final disposal of spent nuclear fuel**
  • (a) The Commission should, together with all relevant EU Member States, explore options for the disposal of spent fuel and high-level waste, including any regional and other EU-based solutions, duly considering safety, security and the cost-effectiveness of the alternatives. The Commission should include a review of this matter in its first report to the European Parliament and the Council on the implementation of the Radioactive Waste Directive.
  • (b) The three Member States should, in parallel, progress with their plans for final disposal, in order to establish more complete cost estimates and financing plans for the disposal of spent fuel and radioactive waste, as required by the Radioactive Waste Directive.
• **Recommendation 3 - Respecting the polluter pays principle by increasing national financing for 2014-2020 and beyond**
  - The three Member States should recognise their own role in ensuring that the polluter pays principle is respected, and be prepared to use national funds to cover decommissioning costs, including as well as the cost of final disposal, both in the current financing period and thereafter.

• **Recommendation 4 - Increase in national co-financing in the 2014-2020 financing period**
  - The Commission should seek increases in national co-financing during the 2014-2020 financing period. It should define clearly, for example, in a Commission decision, the “well-founded exceptional” conditions under which projects can be fully financed by the EU under the nuclear decommissioning assistance programmes.

• **Recommendation 5 - Discontinue dedicated funding programmes for nuclear decommissioning in Lithuania, Bulgaria and Slovakia after 2020**
  - Dedicated funding programmes for nuclear decommissioning in Lithuania, Bulgaria and Slovakia should be discontinued after 2020. If a clear need for the use of EU funds beyond 2020 is established, in one or more of these three Member States, any future EU funding proposed by the Commission and agreed by the legislator should include the right incentives to pursue decommissioning, including by being time-limited and by being based on appropriate levels of Member State co-financing. One way to do this would be to consider widening access to the European Structural and Investment Funds to allow nuclear decommissioning activities to be covered, fulfilling these conditions.
• **Recommendation 6 - EU funding only for cost of decommissioning**
  • *The Commission* should allow EU financing under the nuclear decommissioning assistance programmes to be used to finance only the costs of staff working fully on decommissioning activities.

• **Recommendation 7 - Improving Commission oversight**
  • *The Commission* should complete its assessment of the ex ante conditionalities.

• **Recommendation 8 - Accounting treatment**
  • *The Commission* should work together with all relevant Member States so that all future costs associated with nuclear decommissioning and the final disposal of spent fuel are accounted for properly, in a transparent manner, consistent with relevant accounting standards.
Questions/Answers

Thank you for your attention!
Publications

Audit reports and opinions

**Annual reports**
Statement of assurance on compliance of EU budget with rules, and findings on results achieved (also EDFs)

**Opinions and reviews**
Issues of EU legislation and public sector management and audit

**Special reports**
Selected audits on specific budgetary areas or management topics, mainly performance audit

**Specific annual reports**
Financial audit of EU agencies, decentralised bodies and other institutions
Publications

ECA and its work

Annual activity reports
Yearly overview of the activities and performance of the ECA

Information material
Information for citizens about the ECA and its role

ECA Journal
Monthly publication on audit or EU topics of relevance for the ECA and its community
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