

Belene NPP in Bulgaria

The case: The Bulgarian energy authorities (Ministry of Economy and Energy and the National Electricity Company) continue with the development of a new nuclear power plant (2 x 1000 MW) at Belene in spite of number of problems that have no solution. There is growing opposition to the project both among the society, independent experts and political parties. Nevertheless, the ruling coalition and the President ignore all the opposite voices and block any discussion for better, cheaper, safe solutions that would support bigger energy independency. Bulgaria is on the top of the most energy wasting countries in Europe in spite programmes drafted, laws adopted and IFIs loans and grants for energy efficiency projects.

The problems of Belene NPP: There are number of problems, which could be classified under the following items:

1. Safety and design problems.
 - The reactor chosen by the Bulgarian side (VVER 1000/V 466 in AES-92 module) is not licensed anywhere in Europe. AES-92 is not yet constructed anywhere in the world (one NPP in India is under construction), and therefore Belene would be the first plant of that type in Europe. The Russian side doesn't provide specific information about safety systems that could be investigated by independent experts.
 - Due to the problems with the quality of the supplies the construction of AES-91 reactor system in China was delayed by more than 3 years.
 - Last statements of some Bulgarian energy top officials are even more worried. Claiming that VVER 1000/V 466 is more or less similar to the existing VVER 1000/320, they indirectly agree that the existing problems would be transferred in the "new" reactor.

2. Bad EIA procedure, violation of people's rights, predetermined bidding procedure.
 - EIA procedure has been compromised:
 - The society got only the minimum allowed term of one month for getting familiar with the EIA report (more than 1500 pages technical text).
 - People were blocked to present their questions and concerns in Svishtov and Nikopol;
 - Lot of important information was not available in the report. The EIA experts have acknowledged that they made the report without having full information and when the type of reactor would be chosen a new EIA probably should be done (the existing one was done in 2004 and made quite rough observation of 7 types of reactors, some of them existing only on papers);
 - Green Policy Institute (GPI)¹ sent a letter (early February) to the Minister of Economy and Energy and to the Minister of Environment and Waters with a request for new EIA procedure. There is no answer as of today (April 17) that means for more than 60 days both of the Ministries ignore the issue.
 - Treat of anti-nuclear activists.
 - An NGO activist got life treat due to her involvement in the anti-Belene campaign and the police and other authorities didn't proceed properly to protect her. Only an internationally-wide public campaign saved her from bigger problems.
 - Other activist got several phone call treats in Svishtov.
 - Predetermined bidding procedure.

¹ Member of the National Coalition "NO to Belene NPP!" that unites 24 Bulgarian NGOs.

- The bidding was organized in a way that only Russian type of reactor to be selected. This was done through EIA procedure and further by the NEK's announcement for the bid. Thus only companies with experience in VVER 1000 have been allowed to participate. In reality this led to a bid with two consortiums with strong Gazprom-ownership.

3. Financial problems.

- We might see illegal state support for the project as the government is discussing state loans and/or state guaranteed loans for the project. Long-term contracts for buying electricity on preferable (fixed price or buy-out contract) conditions are also under discussions.
- Belene NPP is blocking finances for energy efficiency and renewables investments in Bulgaria and – to some extent – in the whole SEE region.

4. Political and geo-political problems.

- Belene NPP is a project with strong involvement of Gazprom (Gazprom is a majority owner of Atomstroyeksport). Gazprom (together with other Russian energy companies) is also involved in several other energy projects in Bulgaria (Burgas – Alexandropoulos oil pipeline, AMBO oil pipeline, Blue steam 2 gas pipeline, national gas distribution network, privatization of Sofia district heating, etc.). Thus, Russia would become even bigger player in the energy sector of Bulgaria (already controlled oil (more than 75 %) and gas (more than 90 %) supply, nuclear (100% fuel for Kozloduy NPP and some coal import). Such a development would be completely against the EU common strategy for diversification of resources' supply and bigger energy independency.
- By keeping the existing structure of energy sector with adding new nuclear capacity the government is preventing the development of new policies and strategies that would ensure safe, clean and financially viable energy services for the next decades.

Recommendations towards the Commission: There are several steps that European Commission could take to ensure that the problems would not expand.

First, the EC should not issue a positive communication regarding Belene NPP under Art. 43 of EURATOM Treaty, unless all the problems (including the ones related to the strategic development of the Bulgaria's energy sector) are solved properly and in a democratic manner.

Secondly, the EC should consider an infringement procedure against Bulgaria on the basis of the violation of EIA procedure.

Third, the Commission should make any EURATOM loan for Belene NPP conditional upon the results of a deep analysis of the implementation of EURATOM loan for safety upgrade of Kozloduy 5 and 6. We have good reason to believe that the EURATOM money were used improperly and didn't fulfill the main goal – to support the higher safety of the existing nuclear plant in Bulgaria.

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