



Nucleareurope views on the European Commission Roadmap towards ending Russian Energy Imports

Nucleareurope welcomes the recent communication from the European Commission in relation to Russian energy imports, particularly in relation to nuclear. In this respect, as highlighted by the Commission, measures have already been taken by the European nuclear industry to reduce its dependence on Russia. Nevertheless, switching away from Russian nuclear fuels, components, services and radioisotopes will take time, and a sudden policy change could affect security of supply in Europe. This is due to a number of factors including technological complexity and market uncertainty, as well as the fact that alternatives would need to be developed, tested and licensed in a Member State before they can replace Russian fuels or nuclear services. It is therefore essential that any measures taken by the EU are fully assessed in advance to ensure that security of supply is not put at risk. This should also go hand in hand with EU support for the nuclear fuel supply chain.

We therefore recommend consideration of the following points ahead of the legislative proposal expected in June 2025:

- The EU needs to rapidly put in place policies, funding and financing mechanisms which will support the ramp up of capacity in the EU. Without this, it will prove challenging to encourage such long-term investments and could put security of supply at risk. Furthermore, whilst ramping up capacity in the EU should remain a priority, it is important to maintain cooperation between OECD countries as this can bring benefits to European companies and so the focus should not be placed solely on the EU.
- Trade measures based on tariffs would not be the most suitable solution as they would have an immediate inflationary effect across markets, thus harming European competitiveness, particularly at a time when European utilities are unable to replace Russian supplies due to the lack of spare capacity in OECD facilities. The implementation of a quota system for Russian supplies would be more appropriate as it will help quantify the volumes imported from Russia based on a timeline (gradual decrease overtime). This will give EU producers visibility in terms of what additional capacity will be needed by when. In this respect, the Euratom Supply Agency (ESA) could oversee the implementation of those quotas, align them with the deployment of new capacity in OECD countries and review them periodically.

- Regarding the Euratom Supply Agency and the proposal to no longer sign new contracts or to prolong existing ones as of a certain date, the nuclear sector would be open to such a proposal in the near-term for as long as it includes waivers and exemptions to ensure security of supply aligned with the ramp up of capacity in the EU and the existence of alternatives. Areas where waivers/exemptions would need to be envisaged include
 - When there is a risk to security of supply
 - For reprocessed uranium (RepU). The only existing conversion plant for RepU is located in Russia, which means that it is currently impossible to switch to another supplier. Therefore, the RepU supply chain must be preserved until the construction of a new European conversion plant is completed in the 2030's. In the event that this new plant is not ready by the time that the current contracts with Russian companies terminate, a waiver should be applied to enable a valid contractual relationship.
 - Spare parts and services: restrictions in this field have the potential to paralyse countries with VVERs. Waivers will therefore be essential for those parts which will replace original parts as they can only come from the original supplier. This applies also to some services

Deferral of existing contracts, where only duration of the contract is prolonged without any increase in the quantities originally contracted should also be permitted. This is necessary to avoid deliveries and payments during the ongoing war of aggression in Ukraine.

Furthermore, contracts approved by ESA must be protected from "hidden sanctions" (i.e. quotas, banking restrictions, licensing issues & transport). Given the current difficulties which companies are facing in terms of executing contracts due to restrictions on payments and logistics, guarantees in these areas are essential and must be obtained.
- Measures should be implemented to avoid circumvention of Russian supplies via third countries (through the application of, for example, quotas on non-Western producers under the supervision of the Euratom Supply Agency).