

The European Commission (EC) has approved draft amendments to a Government's decree on the groundwork for the expansion of NPP Paks, Janos Suli Hungarian Minister without portfolio, who is in charge of the project for the expansion of the country's sole nuclear power plant Paks announced.

Minister Suli said that the amendment to the decree is aimed to allow the groundwork to start earlier, ensuring the conditions for continuous work at the construction site, adding that it does not modify regulations or requirements, nor does it affect the rights of regulatory authorities. He said that the groundwork could start early in 2021, ahead of the application for the implementation license. The groundwork will involve moving about 8 million cubic meters of earth, construction of a 2,570 slurry wall, and reinforcement of the entire area, which will take 18-26 months.

The application for the implementation license will be submitted by 30 June, while the application for the start of the groundwork could be submitted three months later. If the technical plan is without faults, the groundwork can start after a three-month evaluation period.

In January 2014, Hungarian Government has signed deal with Russia's Rosatom, with a goal to increase output of the power plant, from current 2,000 MW to 4,400 MW by adding two more reactors. Under the agreement, Russia will provide 10 billion euros loan for the construction of new unit in existing NPP, which is around 80 % of estimated construction cost. According to initial plan, first unit should become operational in 2023. However, In mid-January the European Commission released a report in which it states that Hungary has failed to provide sufficient information to support its argument that the agreement for the expansion of NPP Paks will not provide the company unfair economic advantage.

In March 2017, EC has granted its approval to the Hungarian state providing a subsidy for the project. According to the statement, EC concluded that Hungary's financial support for the construction of two new reactors at NPP Paks involves state aid, but it has approved this support under EU state aid rules on the basis of commitments made by Hungary to limit distortions of competition.