

Hungary: Joint venture company established by MVM and Russian Rosatom

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European Power Services (EPS) is a joint venture company established by State-owned Hungarian Electricity Works (MVM) with Rusatom Service, a subsidiary of Russian state-owned nuclear energy company Rosatom. The two founders have an equal 50 % share in the new company, but it will operate as part of MVM group. The company is established with 14,000 euros share capital.

MVM said that EPS will primarily provide development and maintenance services for the safe operation of power plant systems and equipment in domestic and other European markets.

In January 2014, Hungarian Government has signed deal with Russia`s Rosatom, with a goal to increase the output of nuclear power plant Paks 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.