

In January, Romanian Prime Minister Ludovic Orban announced that the Government will withdraw from the agreement signed with Chinese partner on the construction of units 3 and 4 at the country's sole nuclear power plant Cernavoda.

Romanian electricity producer Nuclearelectrica will begin talks to terminate the agreement signed with China General Nuclear Power (CGN) for the construction of reactors 3 and 4 at Romania's sole nuclear power plant Cernavoda.

The company's management formally asked for the shareholders' approval to take further steps in this direction. PM Orban stressed that it is now clear that the partnership with China General Nuclear Power Corporation (CGN) is not going to work, adding that the Government has already started to look for a new partner and financing for this project. He also said that all the new projects in Romania's energy sector will depend on the European Union's Green Deal from now on, an initiative aimed at reducing CO2 emissions in the EU. Romanian Minister of Economy and Energy Virgil Popescu said that, in his opinion, the expansion of NPP Cernavoda should be done with companies from NATO or European Union member countries, adding that the operator Nuclearelectrica would have the capacity to build a nuclear reactor by itself, given that the state has a policy that provides for the non-payment of dividends from the company, as happened also last year. In November 2015, The Memorandum of Understanding (MoU) on the design, construction, operating and decommissioning of units 3 and 4 at NPP Cernavoda has been officially signed between Nuclearelectrica and CGN. The project involves the construction of two new CANDU 6 reactors with power output of 700 MW each. Last May, the two sides have signed a preliminary investor agreement on the construction of units 3 and 4 at NPP Cernavoda. The signed agreement envisages the establishment of the project company (JVCO) which will be the only technical and operational platform for the subsequent development of the project. The deadline for the set-up of the joint venture is 60 working days from the date of signing of the agreement. Their joint venture will be a joint stock company that will exist for at least two years. CGN will have a stake of 51 % in the project company, while Nuclearelectrica will have the remaining 49 %. However, the cooperation between Nuclearelectrica and CGN became uncertain after Romania's president Klaus Iohannis and US president Donald Trump signed a joint declaration last August, that mentioned, among others, a closer cooperation between the United States and Romania in the field of nuclear energy. In September, former PM Viorica Dancila also signed a memorandum in this regard with US Energy Secretary Rick Perry. CGN was accused of nuclear espionage and blacklisted by the US Government.

Romania: NPP Cernavoda and CNG agreement for units 3 and 4 will
be terminated