

Romania and The United States will sign cooperation and financing agreements worth 8 billion dollars for the modernization of unit 1 of nuclear power plant Cernavoda and the construction of units 3 and 4, said The United States Ambassador to Romania Adrian Zuckerman.

Ambassador Zuckerman said that the financing package is the largest financing package ever received by Romania to date and is indicative of the confidence that the United States has in its longstanding partner and ally.

In July, Romanian Prime Minister Ludovic Orban said that by 2030 Romania, through electricity producer Nuclearelectrica, will invest 9 billion euros in the upgrade of unit 1 of NPP Cernavoda, as well as construction of two new units. He stressed that the Government has big plans for NPP Cernavoda and aims to build two new reactors by the end of 2030, adding that the financing scheme for the project is currently in development. He said that these investment should be made in cooperation with serious partners from the Euro-Atlantic area, who have the expertise and the necessary technology to support the implementation of these investments which are fundamental for Romania's economic development. In June, Nuclearelectrica announced that its shareholders decided to terminate the agreement signed with China General Nuclear Power (CGN) for the construction of reactors 3 and 4 of NPP Cernavoda. PM Orban said that it is 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. The main shareholders of Nuclearelectrica are the Ministry of Energy, which owns 82.49 % of the shares, and Fondul Proprietatea with 7.05 % stake.

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. Last 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.