

INFORMATION

ENERGY

Supply policy for nuclear fuels (1)

76/74

The Commission will send to the Council a memorandum and a proposal for resolution concerning a supply policy for nuclear fuels.

The proposed policy gives practical expression in the nuclear sector to the meeting of the goals defined in the global objectives of the new energy policy strategy of the Commission.

The aim of the policy is to ensure that with the rapid development of nuclear power within the Community - a proposed 200 GWe by the end of 1985 - adequate supplies of uranium, enrichment services and reprocessing facilities will be available. Other objectives are the security of supply for nuclear fuels, particularly natural uranium, reasonable prices, adequate stability in development and reinforcement of the infrastructure of the European nuclear fuel industry.

In the next ten years, the annual demand for nuclear fuels will increase almost ten times. The corresponding capital investment for production of materials and services will amount to nearly 7000 million u.a. and the turnover in the nuclear fuels sector could be 3,500 million u.a. in 1985.

Two implications are of major importance if these objectives are to be met: the diversification of sources of supply and the establishment by the European Industry of sufficient capacity to enable it to meet an appropriate proportion of Community requirements and to operate on the world level.

The first step taken by the Community should be aimed at securing access to source materials - and especially natural uranium - by establishing suitable conditions for the operations of its mining industry in non-member countries and on its own territory. The Community should establish with countries having uranium resources trade terms satisfactory to both parties. The Community should encourage the identification and utilization of its own uranium resources and foster efforts by European companies to strengthen their industrial base by offering financial assistance if necessary. Technological and industrial incentives for research and development in the mining industry should also be available.

(1) COM(74) 1963

On stocks which are fundamental in any security of supply policy the Commission will consult the interested circles and if any action at the Community level is necessary, proposals will be submitted to the Council.

The Community must also plan a number of measures to be taken in the event of nuclear supply difficulties. The Commission intends to consult the Member States on the principles of the scheme and then submit to the Council a communication outlining the measures to be taken in the event of difficulties. In the implementation of this ambitious programme the Supply Agency has an important role to play. A redefinition of its sphere of action and the principles of its work is necessary to ensure that it can react with the speed and flexibility called for by market conditions.

Ref. Information P-71 of the Spokesman's Group.

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