

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 439

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

Commission financial support for uranium prospecting programmes within the territories of the Member States of the Community.

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Implementation of the first paragraph of Article 70 of the Euratom Treaty.

1. At its meeting on 13 February 1975, the Council advocated in particular the development of "economical and secure resources in the Community",¹ and examination of whether and how action should be taken in several fields, including programmes for "prospecting for minerals".
2. Under the powers afforded it by the first paragraph of Article 70 of the Euratom Treaty the Commission may decide to give financial support, "within the limits set by the budget of the Community, on such conditions as it shall determine,.... to prospecting programmes in the territories of Member States".
3. This initiative should be the first in a series of proposals designed to establish long-term supply conditions which are satisfactory from both the economic and the stability viewpoint.
4. The Commission has obtained an amount of 1 000 000 u.a. for its support for prospecting programmes, which is entered in line 323 of the 1976 Budget.²

¹ OJ of the European Communities of 9 July 1975, No C 153 p. 7 and 8.

² OJ of the European Communities of 15 March 1976, No L 66, p. 306.

5. In order to be in possession of the most relevant opinions prior to allocating the available budget, the Commission requested the Advisory Committee of the Euratom Supply Agency to advise it. Within the Committee, which is composed of representatives of public authorities and of the producers and users of nuclear fuels, there is a Working Party on uranium and a geologists' subgroup - it is, therefore particularly qualified to advise the Commission on matters of prospecting. The Committee, at its meeting of 12 February 1976, agreed to the request.
6. As regards the allocation of the budget available in 1976, the Advisory Committee sent the following recommendations to the Commission on 22 June 1976.

" Suggested criteria for evaluating projects

- " 1. Preferably funds should be allocated to projects that might not otherwise be pursued.
- " 2. Funds should be divided between reconnaissance and programmes where one can expect to delineate further reserves.
- " 3. Funds should not be spread too thinly between projects.

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- " 4. A higher percentage of funding should be given to high risk reconnaissance programmes than to more advanced programmes.
- " The range of Community support envisaged is 30 % - 70 %.
- " 5. The project would be selected bearing in mind :
- " a. The expertise and the personnel available.
- " b. The rapidity with which the project can commence and make significant progress.
- " c. The project merit as assessed by the Geologists Sub-Group taking into account adverse factors such as :
- " i. Costs up to the feasibility stage.
- " ii. Expected costs of mining and milling.
- " iii. Availability of mineral rights and land access.
- " iv. Environmental factors.
- " 6. The possibility for multinational partnerships will be a favourable but not decisive factor.

" Note

" These criteria have been defined for the pilot scheme involving the allocation of 1 million u.a. to be committed in 1976 and spent in 1977) and are without prejudice to the allocation of further funds."

The Commission should take these considerations into account in the selection of prospecting projects to which it will give financial support.

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7. As regards continuation of Commission financial support, in accordance with the first paragraph of Article 70, beyond the current financial year, the Commission could adopt the following procedure:

a) under the budget, the Commission may request the Budgetary Authority to grant the proposed commitments shown below:

Financial year	1977	1978	1979	(1980)
million u.a.	5	10	20	(20)	

The proposed expenditure corresponding to these annual commitments would be phased as follows :

<u>Commitments</u>		1977	1978	<u>Expenditure</u>	
				1979	(1980)	
1977	5	2	2	1	-	-
1978	10	-	4	4	(2)	-
1979	20	-	-	8	(8)	(2)
(1980)	(20)	-	-	-	(8)	(8)
Total		2	6	13	()	()

b) At the same time as the budgetary procedure, which will be under way in autumn 1976, the Commission, in conjunction with the Advisory Committee of the Supply Agency and in the light of preliminary information gained from implementation of the allocation procedures for the 1976 budget, will decide on the principles and means for its long-term policy on financial support.

8. At each stage of the budgetary talks, the Commission will inform the Council and the European Parliament of the results of its action.

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