

P R E S S C O N F E R E N C E

Given by three Members of the Commission
of the European Atomic Energy Community
(Euratom) - Mr. de Groot, Mr. Krekeler and
Mr. Sassen - at the Savoy Hotel, London,
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Mr. de GROOTE, who took the chair, began by expressing the deep gratitude of the Commission for the hospitality of Her Majesty's Government, the Atomic Energy Authority and the Electricity Generating Board. He then invited M. SASSEN to give a brief outline of the structure of the Community. 1

Mr. SASSEN

There are now three European Communities, independent one from another, but interdependent because of a number of links.

Euratom has four main organs:

1. Commission (three of whose Members are present)
2. Council of Ministers representing the Governments of the six member states
3. Assembly
4. Court of Justice

The two latter are common to the three Communities.

There is a number of questions on which the Commission can take the necessary decisions. In other fields - as is the usual practice of such institutions - the decisions are taken by the Council of Ministers; but the Council can only act on proposals made by the Commission. When a proposal is made to the Council, it has to act, and has no power to amend, unless its desire to do so is unanimous. This division of power was deliberate, in order to give the Commission its great weight and influence in the shaping of the Community's policy. It is, so to speak, the motor which makes the machine go - in the right direction, of course.

The task of the Community which is that of pooling effort and resources in the atomic field in order to raise the standard of living of its people is divided into four main sections:

1. External relations. Agreements can be and have been made with other countries in order to further the above-named purpose of the Community. These are, of course like all the activities of the Community, exclusively concerned with the peaceful uses of atomic energy.

2. Supply. A Supply Agency has been instituted for the Community, which is apart from the Community but under the control of the Commission. In the present market situation, the rôle of the Agency will be primarily if not exclusively that of a good broker.

3. Controls and safeguards. The Commission has the specific task of setting up and maintaining a system of controls and safeguards. This extends to special fissile materials when these are used for peaceful purposes. If and when such fissile material is used for other than peaceful purposes, Euratom's control system extends up to the door of the arsenal - up to the moment, that is, when the material is taken over for a military purpose.

4. Exchange of knowledge. This function of the Community has already begun. It is the Commission's duty to bring about a common treasure of knowledge for the Community as a whole, thus taking care that the Community is not divided into members with less and members with more knowledge.

Mr. de GROOTE next invited Mr. KREKELER to sum up the Agreements already made with third countries.

Mr. KREKELER

The Treaty which it was our privilege to sign two days ago, and which entered into force immediately, provides for cooperation in the peaceful application of nuclear energy between the United Kingdom and the Community. It has three main aspects:

1. Exchange of knowledge (including the exchange of scientific personnel).
2. Exchange of equipment and material (i.e. purchase of reactors and of fuel and provision for the reprocessing of spent fuel). The Commission is not itself a purchaser of power reactors; the establishment of reactors is the concern of public and private utilities in the member countries and the rôle of the Commission is to help and to foster this establishment of nuclear industry in the Community.
3. Control. This important matter, which has of course already been included in all the bilateral treaties concluded with the individual member states, forms an essential part of the Agreement with the U.K., since the peaceful use of atomic energy is the basic condition of the Treaty. Mechanism for the necessary control has been drawn up.

It is the intention of the Commission that the Agreement shall not be an empty shell, but that it shall be the basis of real and intensive cooperation. Article 17 provides for the meeting from time to time of representatives of the contracting parties for consultation and discussion of arrangements for cooperation additional to those provided for in the present Agreement. The Commission hopes that a start can be made as soon as possible on the mechanism for this consultation, in order to carry out the Agreement as soon as possible.

Since another Agreement similar to this one has already been signed with the U.S.A., Euratom now has formal relations with the two leading powers in the field of atomic energy.

M. de GROOTE then invited questions from the audience.

Q. Dr. Krekeler has just said that the purchase of atomic reactors is not the concern of Euratom but of public and private utility companies in the individual countries. How was Euratom nevertheless able to arrange under the U.S. Agreement for the building of a specific number of reactors in Europe?

A. The U.S. Agreement provides only the basis and framework for purchases which have to be made as in the case of the U.K. Agreement by private or public utilities.

Q. A specific programme was mentioned in the U.S. Agreement. Who will build these reactors, who will own them, where will they be built and when will they start building?

A. The U.S. Agreement is not yet in force. When it comes into force, which we hope will be soon, there will be the possibility of a programme of 1000 megawatts. Tenders have still to be made; we do not know who will make purchases, although we have certain indications as to who is interested. The contracts have to be negotiated between those in the United States who want to furnish the equipment and those in the Community who want to buy it.

Q. How was it that you could specify figures in the U.S. Agreement (\$135m. to be spent on six to eight reactors in the six countries)? How did you arrive at this figure without consulting the public and private utilities in the member countries who must buy individually?

A. The 1000 megawatts of electricity capacity (\$135m.) is a target, and one that is quite easy to achieve in the six countries, as it is well under their needs. There is a difference in the wording of the two Agreements: the Agreement with the U.S., which was proposed by that side, mentions 1000 megawatts (i.e. about six big first generation power reactors); the U.K. Agreement leaves the question open as to how many power reactors should be purchased. Let me make it clear that 1000 megawatts for the six countries is not a high figure; it is very much under what we hope for altogether and it therefore leaves ample room for reactors other than those which we envisaged in the U.S. Agreement.

Q. How many reactors and how much fuel is likely to be ordered from Britain?

A. The Agreement only came into force two days ago, and we are therefore not able to give any figures. It depends upon demand, but the market is open for British fuel.

Q. Has any target been set?

A. No.

Q. What is Euratom's own target?

A. No target has been fixed yet. The only thing we know is what is already planned and under way. The Community has been in existence for only one year. On the basis of the survey which we made at the beginning, we can give the following very conservative estimate: - within the next six years (i.e. the period of the American Agreement, in which provision is made for 1000 megawatts), we shall certainly aim to have 4000 megawatts of electricity from nuclear reactors. There is therefore ample room for cooperation under the U.K. Agreement. This matter is, however, dependent upon decisions by private and public utilities

Q. Have you made any mental reservations for the other 3000?

A. No - mental reservations are not provided for in the Treaty.

Q. In these next six years, what is the building capacity of the six? You must have figured that out.

A. We cannot give an answer to that. We can only build with the aid of the experienced countries, i.e. the U.S. and the U.K.

Q. And France?

A. And France also.

Q. Could you give us an estimate of how many megawatts these countries - France, Germany perhaps - might build, so that we know how many more you need to arrive at your target?

A. The German Government has stated several times that in the next five years it would like to set up 500 megawatts. In Germany and in Belgium we are just beginning to make fuel elements. Progress is about the same in the construction of reactor cores and things like that. You can see for yourselves from these facts how wide is the scope for third-country contribution to our effort.

Q. What proportion of the installed capacity do you think will be of the Calder Hall Type?

A. We cannot say, but we can tell you that we are very keenly interested in fuel elements using natural uranium.

Q. Does the U.S. Agreement provide for the absorption of the quota within a certain period?

A. Yes: up to 1963 for five reactors and two years more for two supplementary reactors. That provision was made because there are some types which are not yet proved but which are of great interest (i.e. organic moderated types).

Q. How can the Commission make arrangements like this when it has no powers with relation to the buying?

A. Sometimes countries make Agreements between themselves, and they are not buyers. This Agreement with the U.S. does not provide for the purchase of reactors; it is not a commitment; it is merely a possibility, an opportunity. We are only opening the door for producers of electricity. Under the Treaty of Rome, every investment planned must be announced to us, and we then have to give to the member Governments our opinion about that investment. We have one main interest and that is to have a diversified programme. It would not be in their interest for us to follow one line only, and we therefore use our power of persuasion. We shall try to see that what the utilities decide to invest in contributes to this diversification, so that after the six years we shall know where we stand. Therefore countries who have something to offer and yours is certainly one, are free to prove that their reactors are competitive, good and suitable for our purposes. The Commission will try its utmost to see that its influence is applied in all fairness - not only because that is obviously right but also because it is in our interest. We can be of great use to the builders, because we have a budget of \$200m. to start a common research centre.

Q. What is the total programme for the expansion of electrical power in the next six years - what proportion would 4000 megawatts be?

A. We cannot give a figure, but we can say that it would be a very low proportion.

Q. The Agreement says that commercial information will be exchanged on a commercial basis. If a British firm sells some commercially valuable information to a continental firm, will this information become the common property of all the other companies working in Euratom?

A. Not automatically; it will remain with the firm who has bought it. But any firm in the Community will have an equal right to buy and build a reactor of the same type.

Q. So there would be a separate private agreement between the parent company and any other interested firm?

A. Yes.

Q. What are the likely credit requirements of Euratom? The U.S. Agreement makes provision for these.

A. Yes. \$135m. credit is provided for in that Agreement. We think that the total investment without the interest during construction, will be about \$350m. for the 1000 megawatts, so you see what proportion is covered by the credit allowance. There is no provision about loans in the U.K. Agreement.

Q. Is it likely that you will require something of the same sort when dealing with this country?

A. That we do not know. For the time being we have no requirements, but there could be private agreements about this between manufacturers in the U.K. and utilizers on the Continent.

Q. Could there be bilateral agreements between the British and the Dutch etc. if they wished to buy a reactor, or would such agreements be made directly with Euratom?

A. Such bilateral agreements would not be necessary, because our Agreement with the U.K. covers everything that is required in the way of Governmental agreement to purchase reactors.

Q. Are there not already in existence bilateral agreements, and is this Agreement therefore necessary?

A. It is necessary, first because agreements do not exist with all of the six countries. There is provision in this Agreement (and in the U.S. Agreement) for renegotiating existing agreements in order to bring them up-to-date, because these take in a wider field of cooperation. Our Agreement with the U.K. was of course concluded with the knowledge and blessing of the six member Governments, represented on our Council.

Q. Which of the Six have no bilateral agreement with the U.K.?

A. So far only the Italian and the Belgian Governments have Agreements about power reactors.

Q. I believe that the Commissioners were disappointed that the British Government did not set up a permanent ministerial committee to negotiate with Euratom. Is this the Agreement you would have drafted for yourselves? Were there any snags leading up to the signing?

A. This Agreement is exactly as we wanted it (Unless of course the U.K. had said no payment was necessary).

Q. Would you have welcomed the setting-up of a permanent ministerial body to negotiate the purchase of reactors?

A. I could of course say that we are disappointed not to have any such body, but that would be completely without any good reason. On the contrary, there is not only a stipulation in the Agreement (Article 17) that both parties "shall consult with each other from time to time", but also, furthermore, thanks to the conversations we have had, there is a specification to the effect that both parties are envisaging the practical application of this clause in due course. Moreover, the contacts we have made spell an extremely good omen for the future.

Q. Is it proposed to set up a permanent group in Brussels with the British in the same way as the Americans have a joint group working there now?

A. There are several thousand miles between us and the U.S.A., whereas you are so close that it is not necessary to make the same arrangements.

Q. Does the Commission hope that in due course there will be joint research projects in which Euratom and Britain will be taking part (i.e. other than OEEC projects)? I understand that about six months ago Euratom hoped to participate in the Winfrith Heath project.

A. That is now under OEEC - and we do take an interest.

Q. Do you hope for something in place of the Winfrith Heath cooperation project?

A. I am sure there will be such participation, largely within the OEEC framework.

Q. What is the association at present between Euratom and OEEC?

A. We have very close links. Examples of special cooperation are: (1) health protection; (2) solution of the problem of insurance of nuclear risks (the Treaty excludes third party liability because it can only be solved in a large framework); (3) the Halden reactor project (the Community's financial contribution is \$1m., which is not negligible in comparison with the U.K.'s \$6,500).

Q. In the U.S. Agreement there is the figure of 1000 megawatts of power reactors; there is no such figure mentioned in the U.K. Agreement; would you have liked to see a figure in our Agreement and if not why not?

A. I do not know why we should ask for a figure, since the possibilities are quite open. When there is a credit line there must be a limit; the \$135m. credit is the equivalent of the 1000 megawatts. When no maximum credit allowance is mentioned, there is no need to state an amount for the goods concerned.
