



LES ENTRETIENS EUROPEENS – 20th EDITION

A timely dialogue

The future of European nuclear power investments in a context of global instability and geopolitical change

Let's start the ten emergency projects together for a coherent energy transition in Europe

The 20th edition of “Les Entretiens Européens”, held on October 13, 2022 in Brussels (face to face and by zoom) on the eve of COP 27, played host to **200 participants, including 37 speakers from nine European countries for a dialogue with community and international institutions¹.**

It was held in unprecedented circumstances, full of risks and opportunities, during a worldwide crisis the scale of which can be readily grasped: massive economic stress liable to become a full-blown financial and monetary crisis, the climate crisis, geopolitical tension with Russia revealing changes that have been brewing for a number of years, with a world once again carved into power blocs under American pressure and China jockeying for global supremacy. And an energy crisis.

An endogenous energy crisis

This latter is being seen as a consequence of geopolitical tension, but it too has been brewing for ten years, if not longer. It should not be underestimated, and still less should we just wait for it to blow over. We bear some historical responsibility, primarily to understand it, because the causes are not only external, but they are also within us, inside our economic system and way of life.

We need to evaluate our policies, our “complicity” and, as regards energy, we urgently need to review our choices over the last 20 years².

A competitive market without solidarity or industrial policy

In fact, although we opened up our domestic markets, the European energy market has been poorly constructed. It is flimsy, governed by competition alone, with no solidarity component and lingering dependence on external gas, a dependence aggravated by opting for ever more intermittent renewable energy sources (IRES) in the electricity mix... This means that to compensate for the intermittence of renewables, use is made of dispatchable sources, first of all nuclear, then coal, then gas. However, prices in Europe are determined by the final kWh required to meet demand, and therefore by the price of gas. A lack of wind and sun, low nuclear generation because of lower productivity in the installed base, and excessive demand for gas have caused prices to rocket.

Too much dependence on gas

If gas prices are rocketing, it means we are consuming too much of it, and that is obviously down to us and only us. Too many renewables means too much gas; they go together. Furthermore, the market works in favour of short-termism, volatile prices and competition between companies and States, whereas we need long-term visibility, in particular over prices for financing, and for cooperation. It must be reformed.

¹ See the programme for the 20th edition and the videos of the debates: www.entretiens-europeens.org

² See the interview with Claude Fischer: “The Energy crisis in Europe. How did we get there?” published in La Lettre des Entretiens Européens at the end of September 2022.

The Green Deal targets must be revised

When the Commission maintains the Green deal target of 80% renewables by 2050, it stubbornly signs it off despite the perverse effects of this choice. Is this target the result of national plans, or is Germany's choice being imposed on all of us? Neither France nor Finland, still less Poland, has opted for such targets. Not even the Czech Republic or Belgium has done so. Yet we subsidise them anyway, giving them priority on power grids and penalising other sources, particularly nuclear. And assuming that Member States had all decided on 80% in their mix, should the Commission's role not have been to warn them, alert them to why this was not a good decision, explaining the perverse effects of such choices?

Include emergency measures in the long-term reform

What do we do now? The Commission has proposed emergency measures and announced a reform of the electricity market. Both are obviously needed, while ensuring that emergency measures to help people unable to handle such price increases (or indeed businesses, some of which are threatened with bankruptcy) do not hinder the long-term reform needed to make it possible for nuclear power generators – currently penalised – to supply electricity continuously for all, and to invest in renewal of the installed base of reactors.

Nuclear power is part of the solution

For nuclear power – referred to by the director of the IAEA as “this misunderstood hero” – is a way out of the crisis that also meets the challenges of a new economy. It is a public good that works for the good of the public. It has re-entered the public debate around coherent energy transition in Europe, and countries are wondering about their energy mix with nuclear power. A more balanced mix with nuclear, renewables and gas, which will need to be supported by carbon capture and storage (CCS) projects. Everywhere, even in Germany, the question is back on the table.

A societal choice at the service of a low-carbon future

Nuclear States – they are in the majority with the return of Sweden – have to go on the offensive and make it possible for their societies to buy into this future-facing technology. Without denying the risks, we must talk about its advantages, inform, educate and create all the conditions needed for its safe development. It is a societal choice that Europe needs to make again, just as it did post-war by creating Euratom, which played an unprecedented promotional role; in so doing, it can meet new demands brought about by the growth in electrification and by changes in lifestyles and production methods in all sectors of industry and services, and meet the needs of socially-responsible development worldwide. It's not nostalgia; it's a matter of the future.

A democratic issue

It is also a crucial question of democracy, because it cannot be summed up in a debate between “for and against”. On the contrary, that kind of debate undermines democracy and stops society getting involved, depriving it of its choices.

We are the allies of reform, the Commission's best allies for a coherent and inclusive energy transition, which has a responsibility to propose it and then lead it. As we know, positions are entrenched, the opposition is real, and it will be difficult to change minds, but the Commission can count on us, and we want to work on it together.

It is in this spirit that we make ten recommendations – which are all projects to be undertaken urgently - to succeed in the reform of the market of electricity and a coherent energy transition in Europe. They will be sent to the Commission before the ENEF, European Nuclear Forum meeting of 10 and 11 November in Prague, and to the Czech Presidency and to the Member States before December summit.



Let's start together the ten projects for the reform:

► **Put an evaluation in place, involving public debate about the nature of the crises and the changes** that are forcing us to re-examine certain objectives in the Green Deal and certain measures proposed by the Commission, to take better account of the huge inequalities between States and the diversity of national systems, and the real costs of energy transition.

► **Construct an energy solidarity pact between States.** Problems around solidarity have proved to be crucial during the crisis, within the EU and at a wider geopolitical level. Should the pact be between all 27 Member States, or only voluntary? We suggest that Parliament grasps this issue and "surveys" people and States to find the best solution.

► **Reform the electricity market to ensure a continuous basic supply of electricity,** and propose that nuclear power, which is an essential public good, be defined as a service of general economic interest (SGEI). Redefine its role in the energy mix and alter the PINC (Nuclear Illustrative Programme) objectives for a better balance between decarbonised sources.

► **Clarify the problem of financing for long-term investment.** The problem of state aid has already been raised, but we propose regulated asset base (RAB) model incentives and, so it does not remain a matter for nations individually (which would be unaffordable for many States), that the EU establish an asset class that would provide a scale effect with a market dedicated to long-term obligations.

► **Include long-term investments in particular for energy in the Stability and Growth Pact** currently being revised, in the EU budget reforms, by giving the EU borrowing capacity.

► **Boost Euratom's resources again and set it fresh objectives to promote the nuclear sector.** Its applications in energy (electricity, heat, hydrogen...), health-care and aerospace would breathe new life into the industry and the services of the future.

More than one reform to Euratom would be needed with this in mind (qualified majority voting, European Parliament opinion, etc.). A redefinition of its role would have to be based on a real choice by society,

as was the case in 1958, and as is done in the world's major countries.

► **Develop enhanced cooperation between Member States on a voluntary basis,** to create a European nuclear industry that values skills and innovations, and consider permanent structured cooperation between nuclear States that would make it possible to "bypass" any obstacles erected by States that choose not to join. They are entitled to do so, but not to frustrate the general interest.

This PESCO (as with defence) could culminate in common projects across the whole industry, and the pooling of their financing (new power plants as EPR or SMRs, research for Generation 4 and fusion, fuel recycling and waste management centres, a European nuclear vocational training school, etc.)

► **Pay particular attention to the issue of skills,** with strong incentives aimed at getting young people involved in scientific training, and the creation of jobs in industries that are changing with the switch to electrical power in various uses.

► **Build a network of public agencies open to society,** in individual countries and Europe-wide, to implement a coherent decarbonised energy transition. In this way, choosing nuclear energy involves society, which must be able to buy into the technology and its risks and benefits. Implementing serious objectives will require profound changes in living and employment conditions, so it is vital that we involve all stakeholders in setting them, and that we drop governance that makes technological choices seemingly regardless of important issues such as the energy mix and solidarity.

► **At the EU level, any real strategy requires a schedule to be set,** and this would be the outcome of decentralised public initiatives and cooperation between countries. It would perform an oversight function and offer guidance and incentives to ensure consistency and synergy across the Union, and would propose a desirable rebalancing of the mix for 2030, then 2050.

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Find in the spring issue
the **Point of view** of Claude Fischer Herzog
**Grammar for a coherent energy
transition in Europe**
www.transitionsenergies.com

The 20th edition of Les Entretiens Européens A first outcome of a long series

Les Entretiens Européens were formed in 2002 after a trip to China, organised by Areva, on which French and European elected representatives were wondering not about nuclear power, but about waste management. Their ruminations culminated in a first international conference at Nogent (in eastern France, to the south-west of Nancy) attended by 300 people from 15 countries, including Japan, and by the Commission represented by its DG for Energy in François Lamoureux and Loyola de Palacio. This was the first in a long series, interspersed with meetings, conferences, articles and publications with newsletters and white papers (*La Lettre* and *Les Cahiers des Entretiens Européens*).

A special evening in 2023 « Nuclear saves lives »

In 2023, ASCPE will extend the meetings for nuclear education within the framework of the cinéphile circle « Open World, Cross-views » created and led by Claude Fischer Herzog and Philippe Herzog during a special evening with a conference followed by the screening of a film about Marie Curie.



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LES ENTRETIENS of ASCPE since 2003

- October 2022 in Brussels : **The future of European nuclear power investments in a context of global instability and geopolitical change**
- October 2021 in Brussels : **Promoting nuclear projects in Europe and their financing. Comparison between Member States and with the major regions of the world (China, United States, Russia)**
- November 2020 by zoom: **Nuclear and its innovations for a sustainable recovery in Europe?**
- November 2019 in Helsinki: **New Nuclear: a response to the electrical changes in our society in Europe?**
- Octobre 2018, Paris: **The management of spent fuel and nuclear waste in Europe. Solutions existe, they must be implemented.**
- October 2017, Brussels: **The issues of competitiveness of nuclear energy in Europe**
- October 2016, in Brussels: **Building a long-term framework to allow the upgrading and nancing of projects**
- April 2016, in Brussels: **Energy security in Europe. Which interdependencies with third countries?**
- October 2015, in Brussels: **The social ownership of nuclear waste management in Europe, a safety issue**
- November 2014, in Paris: **Towards societal ownership of nuclear waste management**
- October 2014, in Brussels: **How to nance the move towards carbon-free and competitive electricity on the European market?**
- October 2013, in Warsaw and Krokowa: **A civil society initiative for nuclear in Poland**
- April 2013, in Brussels: **EU/Russia Dialogue. Nuclear sector: competition and cooperation**
- June 2011, in Brussels: **Bulgaria, Hungary, Lithuania and the Czech Republic... The economic challenges of sharing European safety**
- 2011 in Brussels: **Sustainable agriculture (4 lunchtime-debates)**
- 2010 in Budapest: **Nuclear energy in Europe, from acceptability to social ownership**
- 2010 in Paris: **Sustainable mobility and clean cars (after 8 lunchtime-debates on biofuels)**
- 2009 in Brussels: **Food and public health**
- 2008 in Brussels with ASN: **Nuclear safety, a global public good**
- 2008 in Paris: **The revival of nuclear energy in Europe and worldwide**
- 2006 in Berlin with the CERES of Rofi Linkhor: **Europe invests again in nuclear energy**
- 2006 in Paris: **The legislative issues in France and in Europe for nuclear waste management**
- 2005 in Reims: **Ethical and democratic issues in nuclear waste management**
- 2004 in Barle-Duc: **Financial and economic issues in nuclear waste management**
- 2003 in Nogent: **Scientists issues in nuclear waste management**

Find the 12 videos in English of the debates, by clicking on the link

<https://m.youtube.com/playlist?list=PLfLpAq6WFg92IHJX-n4PODMTbrZFc2n0J>



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**The future of European nuclear power investments
in a context of global instability and geopolitical change**



**L'avenir des investissements dans le nucléaire en Europe dans
un contexte d'instabilité mondiale et de changements géopolitiques**

