

# EREF

European Renewable Energies Federation

## Press Declaration 31st of May 2007

### **EREF filed annulment action against the European Commission on questions on illegal state aid in connection with the financing of the Finnish nuclear power plant Olkiluoto of the electricity company TVO.**

“Nuclear power plants can not be built under normal economic framework conditions. They need a multiplicity of aids, not only open subsidies but hidden ones as well. High subsidies, cheap credits, national export credit guarantees and immunity from liabilities for the nuclear power industry lead to a market distortion and a discrimination of the Renewable Energies. The only presently existing construction of nuclear power plants in Finland is a descriptive example of this”. This is the position of Dr. Doerte Fouquet, representing EREF, the European Renewable Energies Federation and senior lawyer of the law firm of Kuhbier Sprl.

EREF brought action for annulment before the responsible European Court of First Instance (EuGEI) in Luxembourg against decisions of the EU Commission concerning the financing of the planned nuclear reactor Olkiluoto of the Finnish Company TVO and questions on illegal state aid.

On the occasion of the annual EREF Convention in Vienna, Dr. Dörte Fouquet demonstrated confidence. “With this action, the decisions for the financing of the planned Finnish nuclear power plant will be reviewed. This partiality of some member states towards the nuclear power industry is placing Renewable Energies at a disadvantage.”

#### **The Case of Nuclear Power Plant Olkiluoto**

The nuclear power plant was assigned by the Finnish electricity company TVO to a consortium of the companies Framatome-ANP (national French enterprises) and German Siemens company at a fixed price of 3,2 billion EUR. These companies are currently building the plant and will deliver it to TVO. The financing of 1.6 billion EUR is achieved by a credit to the Finnish company TVO with an interest rate under 2.6% by a consortium of five banks, under prominent participation of the public Bayerische Landesbank and of the state influenced French bank Paribas. After a complaint by EREF and after more than two years, the European Commission decided that this financing scheme did not constitute state aid. The EREF annulment action was brought to the European Court of First Instance on March 26<sup>th</sup> 2007 and is only now made public for the first time.

President: Peter Danielsson (SERO Sveriges Energiföreningars  
RiksOrganisation, Sweden), Kungsgårdsvägen 50,S - 68154 Kristinehamn,  
Tel.: +46 550 13761, Fax: +46 550 16483

EREF – Brussels Representative Office – Avenue de la Fauconnerie 73, B-1170 Brussels,  
Dr. Dörte Fouquet, Director  
Tel.: + 32 2 6724367, Fax: +32 2 6727016  
[www.eref-europe.org](http://www.eref-europe.org)

In order to secure the loan agreement, the French government had given the second highest export guarantee ever granted in energy cases at the order of 570 Mio. EUR.. Concerning this guarantee by the French Public Export Agency COFACE the Commission has earlier this year and in following EREF's complaint in this point opened full investigation procedure (case Nr. C 45/2006) into questions of illegal state aid.

Dr. Doerte Fouquet explains: "The use of export guaranties in inner - community trade was several times and regularly evaluated by the European Commission as being illegal and judged accordingly in several decisions by the European Court. Those guarantees are reserved for extra-European Trade and especially concerning countries with insecure political conditions."

The action for annulment before the Court of First Instance got the case number: T 94/07.

For further questions: EREF – Brussels Representative Office Dörte Fouquet, Director,  
Tel.: + 32 2 6724367, Fax: +32 2 6727016

President: Peter Danielsson (SERO Sveriges Energiföreningars  
RiksOrganisation, Sweden), Kungsgårdsvägen 50, S - 68154 Kristinehamn,  
Tel.: +46 550 13761, Fax: +46 550 16483

EREF – Brussels Representative Office – Avenue de la Fauconnerie 73, B-1170 Brussels,  
Dr. Dörte Fouquet, Director  
Tel.: + 32 2 6724367, Fax: +32 2 6727016  
[www.eref-europe.org](http://www.eref-europe.org)