

**Nuclear Liability and Research Reactor Fuel,  
A Plant Supplier's View**

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## Nuclear Liability Conventions (Part 1)

	Parties	Characteristics
Paris Convention 1960	EC Member States plus Norway and Turkey	<ul style="list-style-type: none"> <li>• Strict liability of the operator</li> <li>• Limitation of liability in both amount and time</li> <li>• The liability of the operator is not less than 5 million SDRs *)</li> <li>• Financial security for compensation</li> <li>• Unity of jurisdiction and enforcement of judgements, non-discrimination</li> </ul>
Vienna Convention 1963	Contracting parties from around the world ( $\approx$ 35 signat. states)	<ul style="list-style-type: none"> <li>• The principles of the Vienna and Paris Convention are the same</li> <li>• The only major difference is the minimum liability of the operator, which is US \$ 5 million, and has no maximum</li> </ul>
Brussels Supplement. Convention to the Paris Convention 1963/74	The same parties as of the Paris Convention, exc. Greece, Turkey and Portugal	<ul style="list-style-type: none"> <li>• Public funds are provided if compens. under the Paris Conv. is insufficient</li> <li>• Means for compensation up to a max. of 300 million SDRs</li> <li>• This max. compensation comprises three tiers (operator, state, collective of the parties)</li> </ul>
Joint Protocol 1988, Vienna	Parties are either Paris or Vienna Conv. states (by end of 1997: 32 signatory states)	<p>The Joint Protocol creates a link between Paris and Vienna Convention:</p> <ul style="list-style-type: none"> <li>• Extends the operator's liability of one Convention on nuclear damage suffered in territories of the Parties to the other Convention</li> <li>• Determines the applicable one of the Conventions</li> </ul>

\*) SDR = Special Drawing Rights  $\sim$  1.5 US \$

## Nuclear Liability Conventions (Part 2)

	Parties	Characteristics
Protocol to Amend the Vienna Conv. and to Adopt a Convention on Supplementary Funding 1997, Vienna	9: Argentina, Hungary, India, Lebanon, Lithuania, Morocco, Poland, Romania, Ukraine	<ul style="list-style-type: none"> <li>• Compatible with Paris and Vienna Convention</li> <li>• Defines nuclear damage and nuclear incident</li> <li>• Amount of compensation as in Brussels Supplem. Convention</li> <li>• Exclusive jurisdiction by the courts of the country where the incident occurs</li> </ul>
Convention on Supplementary Compensation for Nuclear Damage 1997, Vienna	11: Argentina, Australia, Indonesia, Italy, Lebanon, Lithuania, Morocco, Philippines, Romania, Ukraine, USA	Dealing with contributions to and height of compensations

## Vienna Convention Principles

A) Article II, 5.

"Except as otherwise provided in this Convention, no person other than the operator shall be liable for nuclear damage."

B) Article IV, 1.

"The liability of the operator for nuclear damage under this Convention shall be absolute."

C) Article IV, 3.

a) "No liability under this Convention shall attach to an operator for nuclear damage caused by a nuclear incident directly due to an act of armed conflict, hostilities, civil war or insurrection."

b) "Except in so far as the law of the Installation State may provide to the contrary, the operator shall not be liable for nuclear damage caused by a nuclear incident directly due to a grave natural disaster of an exceptional character."

## The Signatory States to the Vienna Convention

Argentina (1966)	Egypt (1965)	Philippines (1963)
Armenia (1993)	Estonia (1994)	Poland (1990)
Belarus (1997)	Hungary (1989)	Romania (1992)
Bolivia (1968)	Israel (1997)	Russian Feder. (1996)
Bosnia & Herzegovina	Latvia (1995)	Slovak Republic (1995)
Brazil (1993)	Lebanon (1997)	Slovenia (1997)
Bulgaria (1994)	Lithuania (1992)	Spain (1963)
Cameroon (1964)	Macedonia (1994)	Trinidad & Tobago (1996)
Chile (1988)	Mexico (1989)	Ukraine (1996)
Colombia (1963)	Moldavia	United Kingdom (1964)
Croatia (1992)	Morocco (1984)	Yugoslavia (1963)
Cuba (1964)	Niger (1979)	
Czech Republic (1994)	Peru (1984)	

red: with NPP  
 green: with Research Reactor  
 black: with Research Reactor shutdown  
 blue: without Nuclear Facility

Austria

The Netherlands

Belgium

Norway

Denmark

Portugal

Finland

Spain

France

Sweden

Germany

Switzerland

Greece

Turkey

Italy

United Kingdom

Luxembourg

red: States with NPP  
green: States with Research Reactor  
blue: States without Nuclear  
Facility

## **Channeling of Responsibility for Nuclear Damage to the Operator**

- Paris Convention and Vienna Convention:
  - Legal channeling such that the operator is the only legal entity liable for damage from a nuclear event
  
- Price-Anderson Act
  - Economic channeling such that the operator bears all economical consequences of the damage from a nuclear event, even though other persons might be legally liable

**Enhancement and Conservation of National  
Environmental Quality Act  
Chapter IV, Civil Liability, Section 96**

If leakage or contamination caused by or originated from any point source of pollution is the cause of death, bodily harm or health injury of any person or has caused damage in any manner to the property of any private person or of the State, the owner or possessor of such point source shall be liable to pay compensation or damages therefor, regardless of whether such leakage or contamination is the result of a willful or negligent act of the owner or possessor thereof, except in case it can be proved that such pollution leakage or contamination is the result of:

- (1) Force majeure or war.
- (2) An act done in compliance with the order of the Government or State authorities.
- (3) An act or omission of the person who sustains injury or damage, or of any third parties who is directly or indirectly responsible for the leakage or contamination.

## **Deed of Indemnity between Commonwealth of Australia and Australian Nuclear Science and Technology Organization of 1998**

**Principle:** Indemnification of ANSTO and ANSTO's  
Officers  
(includes employees, agents, contractors)

**Restrictions:** In case of an ANSTO's officer serious or willful  
misconduct, the Commonwealth reserves the  
right to

- declare the indemnity no longer applying
- terminate the deed

The deed lasts only 10 years.

**Consequence:** The Commonwealth can be released from its  
obligations; it even can demand repayment of  
related expenses.

⇒ The indemnification is not irrevocable.

## Nuclear Liability Example: Russia



МИНИСТЕРСТВО НАУКИ И ТЕХНИЧЕСКОЙ ПОЛИТИКИ  
РОССИЙСКОЙ ФЕДЕРАЦИИ

от \_\_\_\_\_ № МГ-10-53-69

### INDEMNITY STATEMENT

In connection with the preparation of a Contract for manufacturing and supply by SIEMENS AKTIENGESELLSCHAFT, Germany (SIEMENS) of a movable reflector for the IBR-2 nuclear research, pulsed reactor of the Joint Institute for Nuclear Research in Dubna, Russia (JINR), the following Statement is made:

1. All equipment to be supplied under the Contract is dedicated for the IBR-2 reactor and under no circumstances will the said equipment be transferred or sold to any other nuclear establishment in Russia or outside Russia.

2. SIEMENS, its subcontractors and/or co-operation partners, and/or licensors of any and all tiers, or any of the personnel employed by them, are indemnified from all claims (whether in court of arbitration or out of court) should nuclear accidents occur where the equipment procured under the Contract has been used.

3. This indemnity shall be valid and binding for the lifetime of all equipment concerned as per items 1 and 2, including the period of decommissioning.

4. This indemnity does not release SIEMENS from its obligations to fulfil the Contract including all of its responsibilities.

Plenipotentiary of the Government  
of the Russian Federation for JINR

B.G. Saltykov  
Minister of Science  
and Technical Policy

Moscow on

17 " 03 1995

Doc. 4303

The Government  
of the Republic of ...

represented by

## **INDEMNITY STATEMENT**

Taking into account that the NUCLEAR RESEARCH CENTER ORGANISATION, town, state ("NRCO") and SIEMENS AKTIENGESELLSCHAFT, Berlin and Munich, Federal Republic of Germany ("SIEMENS") have concluded a contract for the NUCLEAR RESEARCH CENTER in the Republic of ..., the Government of the Republic of ... herewith makes the following Indemnity Statement.

1. The Republic of ... irrevocably guarantees to fulfill all rightful claims and demands, whether in court or out of court, to which SIEMENS, its subcontractors and/or licensors or any of the personnel employed by any of them might be exposed due to nuclear damages caused by nuclear events occurring at the installation site in the Republic of ... in which the supplies and services and parts thereof which are procured by SIEMENS and the beneficiaries mentioned above are being used at any time and, if necessary, hold SIEMENS and the other beneficiaries mentioned above harmless and indemnify them from all such claims and demands.
2. This guarantee and any indemnity embodied therein shall be valid and binding for the lifetime of the installation concerned as per item 1 (including the period of decommissioning).