

**Summary**  
**on the audit of the spending of the Central Nuclear Financial Funds**  
**(0509)**

Our audit examined the period between 2000-2004. Since the Funds was established (1998) this was the second audit. During the audit we comprehensively examined the managing and control activities of the organization, which are incorporated in the administration of the Funds, and evaluated its utilization for accrual-based accumulation. The deficiencies revealed by our audit occurred partly because of not implementing our proposals. For this reason we had to repeat several proposals that had been recommended earlier.

The Nuclear Energy Act secured the legal background of the safe use of the nuclear energy. The direction and supervision of the task was referred to the sphere of authority of the government. The Act also ordered the setting up of the Central Nuclear Financial Funds. This instruction secured the finances of the placing of the nuclear waste, so that it should not burden the future generations. The trustee of the Funds is the National Nuclear Energy Office (OAH); the minister supervising the operation has a right of authority as well. Both rights of authority had been referred to the sphere of authority of the Minister of the Interior in 2003 (from the Minister of Economics), so the responsibilities of the trustee for the conservation of energy and that of the nuclear waste were separated. Both authorities had been conferred to the Minister of Justice to in 2004. The decision-making concerning the nuclear security has changed as well. The National Nuclear Energy Commission (OAB) was stepped up, the competence of the AOH has widened. The State Nuclear Energy Coordination Council was set up; it carries out the task of the coordination. The disposal of the radioactive waste and the burst out fuel were supplied by the Community society for the disposal of radioactive waste material (RHK Kht.), which was established by the AOH in 1997 and was 100 percentages in state-run.

The income of the Funds covers the temporary and permanent costs of the radioactive waste and burnt out fuel cassettes, and the costs of the operating of the storage units. The Funds had HUF 93,8 billion between 2000-2004, and the free funds stock of the Funds was HUF 65 billion at the end of 2004.

The resources and expenses of the Funds haven't been set according to the timing that was fixed in the long-range and short-range plans. The reasons for this are complex. The law that ordained the budget subsidy for

the Founds was abrogated in 2001, and came into force again only in 2003. The PA Rt. (Paks Nuclear Power Plant, Inc.) will pay the deficiency pro rata by 2017. The Ministry of Finance reduced the statement of costs for the investment. This was HUF 14,1 billion in 2004-2005. In consequence of the restriction the annual free founds stock of the Founds rose, and that resulted in a more favorable judgment of the budget deficiency, however it increased the amount of the budget subsidy for the next years.

In the examined period the temporary disposal of the nuclear waste was secured only for a short-range. The 4 year research program, which has prepared the building of the permanent storage unit in Bábaapáti was stopped in 2004; the expert opinions and permissions are available, but the investment has suffered a delay, because the starting should have been rescheduled, and it is subject to the previous in-principle consent of the National Assembly. Also, the documents needed for the building have not been handed over to the government yet. The deficiency here is that the definition of the establishment is not fully specified in the law. As a result of the delay the starting of the enlargement of the storage unit could be necessary, and that can result in extra costs. On the basis of the previous researches the area for the nuclear waste was selected (Boda), the geological research of the surface has started in 2003, and the building of the storage unit must be finished by 2047.

To inform regularly the population living in the surrounding of the operating and planned waste storage units, four association were set up the end of 2004 and they get HUF 2,1 billion subsidy from the Founds. The proportion and the basis of the subsidy are not fixed in a rule. The given founds served only partly the information service of the associations. An infrastructural investment took place, which helped to gain the trust of the residents and which had not been fixed in the current regulations.

The conditions of the security - property, environment and radiation security, the regulating of the supervision, the established security guard, the supervision of the public health and environmental authorities, the supply of the supervision tasks were secured by international supervision in the examined period. According to the examination of the radiation protection the results of the environmental control of the radioactive contamination was under the permitted values in the environs of the nuclear waste-storage unit. In the field of the handling of the nuclear waste Hungary lived up to the international expectations.

The objections of our audit were the result mostly because of lack of legal deficiency. For this reason we had to repeat several of our recommendations, made at the previous audits. We put forward a recommendation for the government concerning the modification of the current regulation of the appropriation of the Funds, another recommendation concerned the more accurate definition of the storage unit and we put forward a recommendation for the more accurate definition of the calculation basis of the information and budgetary subsidies. We recommended the supervision of the subsidy possibility of the infrastructural investments aiming to gain the trust of the population and to shape the required legal background. We proposed to accelerate the arrangements of the waste storage unit in Bábaapáti and the handling of the necessary documents.

We recommended the Ministry of Justice to accelerate the arrangements of the nuclear waste storage unit in Bábaapáti and accelerate the handling in of the necessary documents needed for the obtaining of the previous principle assent of the National Assembly. We also asked the Ministry of Justice to follow the appropriation of the Funds with attention to a greater extent.