

Notice to proceed contracts for El Dabaa NPP construction signed in the presence of Presidents of Russian Federation and Egypt

Cairo, 11th December 2017

Director General of Rosatom State Atomic Energy Corporation Alexey Likhachev and Egypt's Minister of Electricity and Renewable Energy Mohamed Shaker signed today the notices to proceed the contracts for the construction of the El Dabaa nuclear power plant. The signing ceremony was held in the presence of the President of the Russian Federation Vladimir Putin and the President of the Arab Republic of Egypt Abdel Fattah El Sisi.

According to the signed contracts, Rosatom will build four VVER-1200 units of the El Dabaa NPP in the Matrouh region on the Mediterranean coast, as well as supplying nuclear fuel throughout the plant's entire operational lifetime. This will help ensure competitive electricity pricing in Egypt over a period of 60 years. Rosatom will also be conduct personnel training and will assist its Egyptian partners in the operation and maintenance of the El Dabaa NPP for the first ten years of its operation. As part of yet another contract, the Russian side will construct a purpose-built storage and supply containers for storing spent fuel. The first unit of the El Dabaa NPP is to be commissioned in 2026.

'The contracts we've signed are a record-breaking deal in the history of the nuclear industry. The total cost of all four contracts amounts to billions of US dollars, also being the biggest non-feedstock deal in Russian history. We offered our partners in Egypt a unique comprehensive agreement that spans the power plant's entire life cycle, i.e. 70 to 80 years. Today Rosatom is the only company in the world that is capable of providing the full range of peaceful nuclear services. The development of Egypt's nuclear power industry is also important to Russia's economy as dozens of Rosatom enterprises will be awarded significant contracts and will have an opportunity to showcase to the global community the advantage of Russian nuclear technologies', said Director General of Rosatom Alexey Likhachev.

As part of the El Dabaa NPP project implementation, Rosatom will also aid Egypt in developing its nuclear infrastructure, as well as increasing the level of project localization and supporting Egypt in training nuclear cadre and driving the public acceptance of nuclear power.

The training of future NPP employees will be conducted in both Russia and Egypt. Over the next few years, hundreds of Egyptian students will study nuclear disciplines in Russia. The construction of the El Dabaa NPP will provide a stimulus for Egypt's industrial development, with several dozens of Egyptian companies to be involved in the construction. The construction of the first unit is expected to have a localization level of at least 20%, while further units will be even more localized.

The 1,200 MWe reactor unit is a modern, internationally referenced Generation 3+ nuclear power plant that is fully compliant with post-Fukushima IAEA requirements and already implemented in Russia. On December 8, 2017 first criticality procedures was begun at the innovative Unit 1 of Leningrad NPP-2, a generation 3+ plant, that is referential to "El Dabaa" NPP project. Leningrad NPP-2 operating personnel successfully loaded the first of the 163 fuel assemblies with fresh nuclear fuel. Earlier, on August 5, 2016 the world's first innovative Generation 3+ nuclear power unit was connected to the grid at the Novovoronezh NPP in Russia.

Below is some Experts comments on the event

Dr Yousry Abu Shady, Former IAEA Chief Inspector:

The signing of the notices to proceed for the contracts with Rosatom for the construction of 4 nuclear power units at the El Dabaa NPP is a dream of over 50 years in the making for most Egyptians.

The cooperation between Russia and Egypt in the nuclear field was established when USSR constructed the nuclear research center in Inshass and delivered the first Russian research reactor to Inshass which started operation in 1961 as the first reactor in the Arab World and the Middle East. Currently the strong relations between both countries are returning to their high point, and it is believed that the signing of the contract will contribute to furthering the political and economic relations between the two countries.

The power generation from the four reactors (VVER-1200) at the El Dabaa NPP when completed should contribute to over 10% of total power generation in Egypt. The particular economic contract between Egypt and Russia for the nuclear project is one of the best contracts to a developing country I had ever known. There will be no real financial burden on Egypt due to the construction loan provided by Russia, which extends for over 30 years while the first settlement of the loan will start years after the commissioning of all four units.

Rosatom is a company with many years of experience in the nuclear field. It is clear that Rosatom reactors are today considered number one in the market. The recent development of the nuclear power reactors (VVER-1000 and VVER-1200) types are developed with experience gained from their operations for years. VVER-1200 [to be used at the El Dabaa NPP] is the most advanced type of reactor (Generation 3+), which includes in its design all accumulated past experience. The safety and security features of the VVER-1200 are highly developed, which makes redundant any possible concern on behalf of the public.

Abdel Aty Salman, Former Chairman, Nuclear Materials Authority, Egypt

The signing of the notices to proceed for the contracts for the El Dabaa Nuclear Power Plant between Egypt and Rosatom is very important for Egypt's economy. As Egypt is performing great development projects in various industrial, agriculture, new cities etc, these projects demand more power energy for their sustainable continuation. The nuclear power which will be generated from El Dabaa Nuclear Power Plant will be a valuable addition to Egypt's energy mix. It is important to mention that the nuclear energy represents a sustainable, clean and safe type of energy. It does not produce any harmful gases which can have negative effects on the environment.

Egypt and Russia have long-standing relations of cooperation and friendship, especially in the technical and technological fields. Rosatom's success in setting up the El Dabaa Nuclear Power Plant will open up good opportunities for Russia in many Arabian and African countries.

Rosatom is one of the most advanced companies in the establishment and operation of nuclear power plants worldwide. It has built many nuclear power reactors inside and outside Russia. El Dabaa Nuclear Power Plant will be a future of high safety. The site of the NPP fulfills all the requirements according to the international standards for the establishment of nuclear plants and have been carried out by companies specialized in the studies of the site selection for nuclear power plants. These specifications confirm that Egypt will get reliable and safe energy.

Egypt's benefit from the Russian experience in this area will be great, because Russia has a long and distinguished experience in constructing nuclear power plants.

Dr. Mohamed Mounir Megahed, Former vice chairman of Nuclear Power Plants Authority

The signing of the notices to proceed for the contracts between Rosatom and Egypt to construct the first nuclear power The NPP is very important in providing jobs and in providing badly needed electricity. However, its importance does not only stem from this.

The NPP's construction will also contribute to the development of Egyptian industry through a long-term program for the establishment of nuclear plants in which local manufacturing share increases according to a clear and committed plan. The relationship between Egypt and Russia can build on the achievements of their historic cooperation. Rosatom is a company with a vast experience not only in the construction of NPPs but also in all aspects of the nuclear fuel cycle.

Dr. Ibrahim El Osery, former IAEA Chief Inspector

The El Dabaa NPP will be the first nuclear power plant in North Africa; this will encourage tourism and keep people aware of the benefits of nuclear energy. The relations between Russia and Egypt are historical. We do not forget the aid of Russia in building the Aswan High Dam and other industrial objects. Rosatom is one of the biggest players in nuclear energy, and it will give good support to Egypt in all aspects of the El Dabaa project.

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