

[The European Commission](#) has approved the contract modifications for the expansion of the **Hungarian Paks nuclear power plant** (NPP), said Hungary's Foreign Affairs and Trade Minister, Péter Szijjártó on Thursday (25 May).

In 2014, the "Paks II" expansion project was awarded to Russian state-owned nuclear company, **Rosatom** to build two Russian-made VVER reactors, each with a capacity of 1.2 gigawatts (GW). The Paks NPP currently has four working reactors.

Minister Szijjártó said that because the project's construction and financing contracts had been signed nine years ago, and the legal, technical and physical circumstances had all changed since then, it was necessary to modify the contracts. He noted that the Hungarian government reached an agreement with the Russian government and Rosatom in April on the changes to the contracts.

Minister Szijjártó said the changes to the contracts and the EU's approval will make it possible for the plant's new blocks to begin operating by the very beginning of the next decade.

"The new Paks investment is the guarantee that we can preserve the achievements of the price caps on utility bills in the long run and sustain Europe's lowest prices for the Hungarian people," Minister Szijjártó said.

Paks accounts for half of Hungary's electricity production. The [Hungarian government](#) maintains that Hungary needs nuclear energy for the security of supply and to meet its climate policy goals.

Hungary's natural resources and geographical position make nuclear energy the most suitable to protect the country from the uncertainties of the international markets, Minister Szijjártó said. This makes it important for the new blocks to be completed as soon as possible, he added.

Paks II is now the only major industrial project involving Russian-supplied VVER-1200 reactors in the EU after the Finnish nuclear energy consortium, Fennovoima abandoned a contract with Rosatom in May 2022.

Source: ceenergy news