'Lithuania's long march towards Europe' from Le Figaro (26 May 1999)

Caption: On 26 May 1999, the French daily newspaper Le Figaro comments on Lithuania's determination to accede to the European Union and speculates on the security of the Ignalina nuclear power plant.

Source: Le Figaro. 26.05.1999, n° 17039. Paris. "Lituanie : la longue marche vers l'Europe ", auteur:Osser, Bernard , p. 11.

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Baltic countries keen to join the 'club of 15'

Lithuania's long march towards Europe

Bernard Osser

Lithuania is impatient to join the European Union. 'We are ready to begin membership talks with Brussels at the EU Summit in Helsinki in December,' emphasised Alvydas Stancikas, one of the leaders of the Lithuanian Government's European Committee, in perfect French.

This time, Brussels might agree with him. In July 1997, the lack of progress in adapting its economy and public administration to the requirements of the European Union prevented Lithuania from joining the club of six countries invited to discuss their future membership with Brussels.

Again last year, the Commission blamed the largest of the Baltic countries (its population is 3.7 million) for not having a medium-term economic strategy and for delaying the privatisation of large state-owned enterprises. It criticised the delay in reforming the public sector, taxation and customs. 'Major progress has been made since then,' Stancikas assures us, and the European Commission Representation in Vilnius agrees: 'The Lithuanians have showed signs of maturity.'

In all economic sectors, barring agriculture, Alvydas Stancikas thinks that Vilnius should complete the 'screening' by July. This is the comparison between its legislation and that in force in the EU. A competition law has been adopted, and others, governing the internal market and public administration, are being considered by Parliament.

Less dependent on the Russians

'Brussels might agree to begin accession negotiations with Lithuania,' according to a senior Commission official in Vilnius. 'If the reforms continue,' Lithuania could, as of next year, become the seventh country to negotiate accession.

The country's economy has not suffered too much from the Russian crisis. Vytas Gruodis, Director of the National Development Agency, believes that 'the Russian crisis showed that our economy is changing direction. Before, 25 % of Lithuanian exports went to Russia. That figure has now been reduced five-fold.' Last March, unemployment did rise above the 8 % mark, and the trade deficit is worsening, but growth could become more sustained in 1999 at between 4.5 % and 5 %, compared with 4.4 % last year and 6.1 % in 1997, according to IMF estimates.

'What is perhaps most important is the fact that the Lithuanian banking system has shown that it is stable and dependable,' Stancikas points out. More than three-quarters of the country's economy has been privatised. This year Vilnius hopes to sell off the State's remaining 35 % share in the national telecoms company and begin privatisation of its energy sector.

One of the two largest banks that are still in State hands, the Savings Bank, will also be offered to the highest bidder. Foreign investors are generally happy. By 1998 they had invested 6.5 billion litas in Lithuania, the equivalent of 1.5 billion euros.

Concern over Ignalina

The Lithuanian authorities have closed this large nuclear plant for a month in order to carry out safety improvements.

Lithuanian nuclear authorities said recently that the Ignalina nuclear plant would temporarily suspend operations because of delays in implementing safety measures on reactor number one. Reactor number two has been closed since March. This is the second total shut-down of the plant in fifteen years of operation.



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The cost could reach 250 000 dollars each day and it could take one month to bring it up to safety standards.

From a distance, the Ignalina nuclear plant looks like a huge ship with two decks, built of grey concrete and recumbent on the banks of a calm lake in the aftermath of a storm. Two enormous chimneys rise up into the sky and hundreds of electric wires pin it down on the banks of the lake for evermore.

Inside, the unwary visitor is met by a maze of damp and dimly-lit corridors that run for several kilometres. Dressed in white from head to toe, dozens of people pass silently by. Behind doors under heavy surveillance, some of the most powerful reactors in the world hum away.

Located roughly 160 kilometres east of the Lithuanian capital, Vilnius, and a few kilometres from the border with Belarus, 10 % of whose territory was contaminated by the Chernobyl accident, Ignalina used to be one of the glories of the Soviet Union. Today it is independent Lithuania's main energy source. It is also a bone of contention between Vilnius and Brussels. The experts fear that it could eventually even delay EU membership for the largest of the Baltic States.

The plant's Director, Viktor Shevaldin, proudly claims that 'we produce up to 85 % of the country's electricity — more than France's nuclear plants — and it is very cheap.' Indeed, one kWh produced at Ignalina costs only four US cents, a godsend for the developing Lithuanian economy.

Misgivings in Brussels

The plant is also a major source of foreign currency. Last year, energy sales, mainly to Belarus, brought in almost 100 million dollars. But now Ignalina is also generating major problems. Its safety has been questioned. Its two RBMK-1 500 reactors, each with a capacity of 1 500 MW, are the most recent version of those that caused the greatest nuclear catastrophe in history at Chernobyl, thirteen years ago. Neither the modifications introduced following the accident nor even the 220 million dollars spent in the 1990s provide any genuine reassurance.

For Westerners, Ignalina suffers from 'an inherent design flaw'. It should be shut down immediately. They particularly accuse it of 'lacking adequate containment' for the reactor. In the event of an accident, nothing could prevent the spread of radioactivity.

The talks between Vilnius and Brussels about the timetable and cost of shutting down Ignalina have been going on for several years and could soon enter their decisive stage. Next December, at the EU Summit in Helsinki, Lithuania might be invited to the negotiating table to discuss its future accession. If the two parties suggest that Ignalina should not be discussed, the issue could poison the atmosphere at the talks.

Today, Vilnius wants to extend the life of the plant for as long as possible and plans the closure of the first and oldest reactor around 2004–05. This seems like a long time to Brussels, especially since Lithuania 'is taking its time to draft and implement a new energy strategy' that would allow it to function without Ignalina. 'Such a possibility exists,' it is being said in Vilnius, 'but it is still too expensive for the country.' According to Gediminas Vagnorius, 'We could even shut down Ignalina today, but we will demand compensation.' The total bill could be a hefty one for both parties. Estimates suggest that the cost of closing the Ignalina plant could range from 3 to 4 billion dollars.

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