



EDITORIAL: THE HINDU

GENERAL STUDIES 2: POLITY

DATE: 13.02.2025

Nuclear energy — dangerous concessions on liability

Nuclear Liability Law and Its Impact on India's Energy Strategy

Introduction

- The Finance Minister, Nirmala Sitharaman, announced in the Union Budget of February 1, 2025, that the government intends to amend the Atomic Energy Act and the Civil Liability for Nuclear Damage Act.
- This move aims to address concerns from Washington regarding the minimal responsibilities placed on nuclear manufacturers in case of accidents.
- While this may please the U.S., the prospect of indemnifying nuclear suppliers raises serious concerns about nuclear safety in India.

Concerns Over Supplier Indemnity

- Any move to indemnify suppliers against liability in case of accidents could undermine nuclear safety.
- Accidents involving nuclear reactors, such as the Fukushima disaster in Japan, highlight the catastrophic consequences.
- The law currently caps the liability of the operator (NPCIL) at ₹1,500 crore, which is grossly inadequate compared to the actual economic damage, like the estimated ₹20 lakh crore to ₹46 lakh crore cleanup cost of Fukushima.

The Right of Recourse

- Under India's current law, a "right of recourse" exists, allowing the operator to recover compensation from the supplier if an accident is caused by faulty equipment or substandard services.
- Many countries, particularly the U.S., have successfully lobbied for complete indemnification of nuclear suppliers, removing any economic incentives for suppliers to ensure reactor safety.
- This results in reduced accountability for nuclear suppliers, as seen in past accidents like Three Mile Island and Fukushima.

Historical Background of Nuclear Liability

- The Bhopal gas tragedy of 1984 led to the principle of "absolute liability" in hazardous activities, which was diluted in India's nuclear liability law in 2010.



- The UPA government weakened the right of recourse, and the NDA government continued to downplay its significance.
- The U.S. lobbying for full indemnity from nuclear suppliers continues to influence Indian nuclear policy.

Economic and Safety Implications of U.S. Reactors

- The reactors being pushed by the U.S. are extremely expensive and economically unfeasible for India.
- The AP1000 reactor, a leading design from the U.S., has seen substantial cost overruns and delays in its home country.
- The cost of electricity from these reactors in India would be significantly higher than competing energy sources, including renewable energy.

Questioning Safety Claims

- U.S. nuclear companies make exaggerated safety claims, such as Westinghouse's assertion that a major radiation release would occur only once in 50 million years.
- If these reactors are so safe, why are the suppliers unwilling to accept liability or financial risk in case of accidents?
- This raises questions about the real safety of these reactors and the risks to the Indian population.

Conclusion

- The government's decision to amend the nuclear liability law seems to prioritize the interests of U.S. corporations over the safety of Indian citizens.
- While global relations and energy needs are important, India must not compromise on nuclear safety standards.
- The liability law should be strengthened to ensure that suppliers remain accountable for the consequences of their actions, especially when dealing with such hazardous technologies.

Source: <https://www.thehindu.com/opinion/lead/nuclear-energy-dangerous-concessions-on-liability/article69211997.ece>



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MAINS PRACTICE QUESTION:

Discuss the implications of amending the Atomic Energy Act and the Civil Liability for Nuclear Damage Act in India, in the context of nuclear safety, economic feasibility, and international relations.(15 MARKS / 250 WORDS)

