

Voluntarism and compensation in French and Finnish nuclear waste governance strategies

Markku Lehtonen
GSPR/EHESS, Paris
ESSEC Business School, Cergy-Pontoise
m.lehtonen@sussex.ac.uk
lehtonen@essec.fr

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Starting points & key questions

- **Voluntarism:** “Do we have a real choice?”
- **Acceptance** – the key objective of compensation?
 - “*compensations not done properly can be considered as bribery*”
- Form and nature of compensation scheme or the broader (democratic & institutional) **context**?
- **Perceptions of** the nature (fairness) of compensation

Current status of the GDF projects

Finland

- Participatory turn & “EIA of the century” 1997-99
- Approval to GDF/URL from Eurajoki municipality 2000
- Parliament decision 2001
- Construction of URL underway since 2004
- Construction licence for GDF in 2015
- Planned entry into operation 2020
- Fennovoima waste?
- No “cracks in the system” (cf. Sweden)

France

- 1990 stalemate; 1991 Bataille Law
- gradual narrowing down of options; Bure (east of the country) chosen in 1998
- URL under construction in since 2000
- Cigéo (GDF): 2010
- Failed public consultation (débat public) 2013
- Cigéo operational 2025 (?)

Voluntarism

Finland

- Initial choice of the four candidate municipalities by Posiva
- Municipal veto on the Parliament Decision-in-Principle
- Construction and operation licence decided by the government (no municipal veto)

France

- Selection of candidate municipalities and designation of the host community by the government

Benefit packages

Finland	France
Negotiated between the municipality and the nuclear industry (Posiva & TVO)	Legally mandated (1991; 2006) economic support to the two Départements
Ear-marked funding, in the form of infrastructure development, loans, construction of an elderly care home, ice stadium...	Use of funds decided at Dept level (by a multistakeholder body, GIP*) <ul style="list-style-type: none">•local & regional development purposes•10% freely used by municipalities
EUR 7 million in loans	EUR 30 million/year for each Dept (Meuse & Haute-Marne)
Municipal property tax (higher rate for nuclear installations)	Direct support from nuclear industry (e.g. EDF archives)

*) GIP members: municipalities, regional authorities; Andra, EDF, CEA; chambers of commerce, agriculture and craft trades; prefects of the two departments

France: objectives of “accompagnement économique” (Law 2006)

- Improve the capacities of the municipality to host the facility (URL or GDF)
- Support land use planning and economic development in the **proximity** of the planned installation
- Support training, capacity building and dissemination of scientific and technical knowledge

In practice:

- Local business development and innovation
- Energy efficiency and environment-related projects
- Financing of statutory duties of local/regional authorities

Typology of compensation schemes

1. Scale for agreeing upon the schemes
 - National and legally mandated
 - Locally negotiated
2. Rationale and objective of compensation
 - Mitigation
 - Compensation
 - Incentive

Three rationales/types of compensation

1. Mitigation (of real or perceived impacts)

- Engineering or *institutional*
- Institutional: improve the *ability and capacities of the local community to host the facility* (training, institution-building, construction of roads, housing, health services for workers...)
- But also:
 - local involvement in decision-making
 - capacity building
 - development of local partnerships and support for local engagement

2. Compensation (for real impacts and for accepting increased risk)

- To generate “*a desired redistribution of the facility’s benefits and costs*” (Gregory et al. 1991) or
- “*redistributing some of the benefits of the facility to those individuals who are directly impacted by its construction or operation*” (Easterling and Kuhnreuter 1995)
- Monetary or non-monetary: arguably the non-monetary ones are more effective at enhancing acceptance
- Two purposes:
 - offsetting the negative impacts of the facility, and
 - rewarding individuals for their **responsible** behaviour

3. Incentive (encouraging acceptance and community involvement)

- “means of helping to achieve the best possible technical solution, one which might not otherwise be implemented because of social and political constraints” (Carnes et al.)
 - assumes societal desirability of the project (framing and “strong legitimisation”, Stirling 2006); or
 - seeking a mutually agreeable solution, without *a priori* assumptions of desirability (“weak legitimisation”, “fair process”)
- encourages the involvement in a siting process without binding commitment

Typology of benefit measures

	Locally negotiated	Legally imposed
Mitigation	<p>FIN: infrastructure projects, agreed between industry and municipality</p> <p>FRA: Details of GIP projects “locally” negotiated</p>	<p>FIN: local veto</p> <p>FRA: GIP for improvement of capacity; CLIS for empowerment and expertise</p>
Compensation	<p>FIN: Vuojoki agreement, loans</p> <p>FRA: EDF, Areva, CEA direct support projects</p>	<p>FIN: property tax</p> <p>FRA: GIP – reward responsibility and ‘civic duty’; also the “dotations”</p>
Incentive	<p>FIN: “Vuojoki agreement”</p> <p>FRA: -</p>	<p>FIN: -</p> <p>FRA: GIPs also to incite local municipalities to engage</p>

Trust and confidence

Finland

- little debate on / criticism against compensation
- strong trust in local decision-makers
- acceptance of a voluntary approach, with negotiations between local municipality and nuclear industry

France

- benefit packages seen as crucial by local stakeholders
 - “bribe”, “prostitution”?
 - “fair and just compensation”?
- criticism concerning the decision-making and lack of evaluation of GIPs – mistrust towards the state
- “us” and “them” – state vs. local municipalities

Distrust as democratic virtue?

Context: peripherality and dependence

“Peripherality”

(Blowers and Leroy 1994)

- geographical, political, economic, cultural, and social peripherality
- borrows from core-periphery theories: relationships of political, economic and cultural domination and exploitation
- peripheral communities: “*geographically remote, economically marginal, politically powerless and socially homogeneous*” (Blowers and Leroy 1994, 203)

Peripherality of Eurajoki & Bure

	Eurajoki	Bure area
Remoteness	±	yes
Economic marginality	no (not anymore...)	yes
Powerlessness	±	yes
Culture of acceptance (resignation, cynicism)	yes	yes
Environmental degradation	yes (nuclear industry)	no

Benefit packages creating dependence?

Eurajoki	Bure area
90% of the property tax revenue from nuclear industry	Dependence on GIP funding for: <ul style="list-style-type: none">• slowing down the demographic decline• financing infrastructure and public services• maintaining economic activity
Dependence on a single industry	Potential dependence on a single industry (cf. boom and bust cycles)
Culture of dependence?	

Mutual dependency relationships?

- Creation of dependence or interdependence through irreversibilisation?
- Communities increasingly dependent on support
- State & nuclear industry increasingly dependent on one single host community

Concluding thoughts

- Perceptions, framings, context and history
 - bribe or justified compensation?
 - compensation, mitigation, incentive
 - no risk => no need for compensation
 - peripherality, peripheralisation, dependence relationships
 - market or political framing? Responsibility or fair and justified (economic) compensation?
- did Finland avoid the bribe effect?
- de facto acceptance or principled acceptability?
 - resignation, cynicism, passivity...
- voluntarism? “But do we have a choice?”

Questions, debates, critiques

- Bribe effect: FIN avoided this? FRA: “justified bribe”
- Bure and surroundings: dependent on GIS funding that has flown in since 2000
 - Use of GIP funding to run day-to-day business?
 - Opportunism and preference for status quo: no to Cigéo, but yes to GIP funding
- Definition of the “proximity zone”: small villages complain about the recent extension of the zone
- Evaluation of the use of the funds?
- Eurajoki: Dependence on nuclear industry?
- Culture of dependence? (history of Lorraine?)

Success factors

- Finland (Kojo 2014):
 - trust in safety authorities
 - representative decision-making
 - **economic dependency**
 - **incentives and tolerance** of nuclear power technology at the municipal level

Key features of radioactive waste management policies in FIN & FRA

	FIN	FRA
Implementer	Private industry (Posiva)	State agency (Andra)
National funds for radwaste management (ultimately from the industry)	yes	yes
NGOs and communities can apply for funds	No	Yes, through local liaison committee
Independent technical oversight	No	Yes: national evaluation bodies, but also foreign experts
Licencing	Early parliamentary approval; government then approves construction and operation licence	Government decides, after approval by safety authority and evaluation bodies
Benefit packages	Negotiated between the municipality and the nuclear industry: earmarked funding, in the form of infrastructure development (Municipal property tax)	Legally mandated (1991) economic “accompaniment” to the two départements: for local and regional development purposes (in principle, at least...) Use of funds decided at the departmental level

FIN & FRA compensation: Similarities and differences

Municipal veto: yes, in Finland, no in France

Institutionalised relationships between the actors at local level

- FRA highly institutionalised; in Finland less so

Government vs. industry

- FIN industry vs. FRA government

Pro-activeness of the municipality

- Relative passivity in both countries, but Eurajoki consciously profiling itself as a “nuclear municipality”
- FRA: departmental level is active

Decisions on the use of funds

- FRA: Dept. level multistakeholder body (90%)
- FIN: earmarked project funding only

Competition between the municipalities

- FIN: Loviisa & Eurajoki competed
- FRA: Bure early on the only option

Independent expertise available to and used by municipality?

Definitions

Compensation schemes, benefit packages, economic support...

Perceptions count as much as (or more than) “objective” definitions:

- “bribe”, “prostitution” or
- “fair and just compensation”?

de facto acceptance or principled acceptability?

- resignation, cynicism, passivity...

Discursive framing of compensation: politics or market?

Voluntarism? “But do we have a choice?”

The GIPs (Haute-Marne)

- près de 29 millions d'euros de recettes par an, for each GIP
- Finances:
 - le développement des PME,
 - l'innovation industrielle,
 - le renforcement des compétences,
 - le déploiement des infrastructures et des équipements de service à la population
- Partnerships with the industry and the government
- Main areas of investment:
 - environnement et performance énergétique
 - Développement et innovation des entreprises

Decision-making at GIPs

- Assemblée générale, conseil d'administration, comité exécutif
- 123 membres à l'assemblée général (Haute-Marne)
 - conseil départemental de la Haute-Marne
 - l'Etat
 - le conseil régional
 - 113 communes proches des installations
 - la chambre de commerce et d'industrie
 - la chambre de l'artisanat et des métiers
 - la chambre d'agriculture
 - AREVA, CEA, EDF et l'ANDRA

Decisions concerning these orientations and attribution of project funding are made by vote, with the departmental authorities and the prefecture holding a

Direct support from EDF, Areva, and CEA

- Strong focus on projects on environment and sustainable development

Framing

Who defines whether compensation is indeed compensation – or instead incentive or mitigation?

- Accepting the risk or not: no damage/risk, no need for support/compensation (some in FRA industry)

Legitimacy of support: circulating GIP support through state budget designed to enhance legitimacy

Institutionalised rules or ad hoc negotiations?

- the latter often privilege industry and other powerful actors

Market or political framing?

- local Bure actors: our **responsibility** towards the nation/humankind (to market the project to locals)
- FIN: municipal tax as just compensation (market)