

# **Third Party Nuclear Liability: The Case of a Supplier in the United Kingdom**

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**Anthony Thomas and Raphael J. Heffron**

## **Abstract**

The law surrounding third party nuclear liability is important to all parties in the nuclear supply chain whether they are providing decommissioning services, project management expertise or a new reactor. This paper examines third party nuclear liability, and in particular, in relation to a Supplier in the nuclear energy sector in the United Kingdom (UK). The term “Supplier” is used in this paper and, depending on the context, is intended to cover all parties in the supply chain providing services, equipment or technology (e.g. the EPC contractor, the reactor vendor, the owner engineer, architect engineer, or the Parent Body Organisation responsible for decommissioning one the UK legacy nuclear installations).

With a return to nuclear new build expected in the UK, the clarification of the position of a Supplier and their potential to be liable for nuclear damage is of vital importance for a functioning nuclear supply chain. The research explores the nuclear liability legislation in the UK and identifies the gaps and limitations in existence. The latter problems pose a risk for the Suppliers to operators in the nuclear energy industry, and consequently some approaches that can mitigate those risks are advanced and assessed. The nuclear liability regime in the UK is largely based on international conventions and hence, the risks posed to the Supplier in the UK also exist for Suppliers in other countries. There are resource shortages already in the nuclear energy industry, and currently the Supplier to the nuclear industry is over exposed. This situation needs to



be resolved and a new legal definition of nuclear damage enacted. Further, the level of liability exposure for a UK Supplier involved in a nuclear project outside the UK needs to be reviewed as there remains too much ambiguity regarding liability in an international nuclear law context.

**Keywords** nuclear liability, nuclear energy, third party, supplier, nuclear accident, nuclear damage

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Contact  
Publication  
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rjh211@cam.ac.uk  
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AMEC plc and Electricity Policy Research Group,  
University of Cambridge  
[www.eprg.group.cam.ac.uk](http://www.eprg.group.cam.ac.uk)