José Manuel Barroso President of the European Commission

> Brussels, 07. 02. 2014 BARROSO (2014) 153242 BARROSO (2014) 534667

Dear Prime Minister,

Thank you for your letter of 23 January providing information on recent developments regarding the cooperation agreement between Hungary and the Russian Federation in the field of nuclear energy. I thank you for your appreciation of the progress made in recent years towards a common European energy policy as well as of the Commission's constructive approach towards the long-term maintenance of capacity of the Paks Nuclear Power Plant.

Progress towards a common European energy policy is made possible because the Commission respects Member States' basic choices concerning their energy mix. Conversely, Member States' commitment to comply fully with the rules of the Treaties and secondary legislation, in particular those governing the internal energy market, and to act in a spirit of coordination and full transparency, remains vital. It is in this context that the Commission examined the draft agreement communicated by the Hungarian authorities pursuant to article 103 of the Euratom Treaty and provided your government with some substantial observations but raised no objections of principle to the agreement from the perspective of article 103.

There are, of course, other aspects of EU law to be observed, such as the rules on public procurement and state aid. I am confident that the Commission can count on the same constructive and transparent approach towards addressing these issues in relation to Paks and Hungarian energy policy more generally. I have asked my services to take contact with your Permanent Representation in Brussels to discuss the next steps.

Yours faithfully,

José Manuel BARROSO

Mr Viktor ORBÁN Prime Minister HUNGARY