

**Meeting with the Prime Minister's Office (PMO) on the PAKS case– 09/03/2016**

This meeting was not part of the mission to Budapest, but as we were there and were asked for a meeting by Mr Balázs Sonkodi, Secretary of State for Strategic Affairs we participated in a bilateral meeting at the premises of the Hungarian Parliament.

The Hungarian party confirmed that they have already started working on the questions that were addressed to them during the last meeting in Brussels. It was confirmed that contrary to PAKS II, which is under the PMO, PAKS I is under the Ministry of National Economy and because of this the PMO does not have any direct information on its refurbishment, but they have already started collecting data from the Ministry.

We pointed out to the difficulty to understand which law would be applied under the current public procurement framework, since there are different provisions in this regard.

The lawyer of HU stressed that on the one hand the PP rules for the Contractor are contained in the PP Appendix and its job is to subcontract according to those, and on the other hand the term "applicable law" means any law applicable to the Contractor apart from PP which will be carried out on the bases of the Appendix and not according to the PP law of HU.

We underlined that the EPC contract and the IGA contain PP rules that are not fully in line with EU law and this raises concerns, we requested a clarification in this regard, elaborating the differences. It is important that competition is open according to the EU law.

We emphasized that HU should first focus on the technical questions and after that during the next meeting, or video conference give a short presentation on the PP rules related to the project.

The PMO confirmed that the questions are clear to them, they are open to discussions on PP procedures to be followed and want to be transparent.