



FUSION FOR ENERGY

The European Joint Undertaking for ITER and the Development of Fusion Energy
THE GOVERNING BOARD

DECISION OF THE GOVERNING BOARD ON THE AMENDING BUDGET no 2 FOR THE FINANCIAL YEAR 2010 OF THE EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY

THE GOVERNING BOARD,

HAVING REGARD to the Financial Regulation of the Fusion for Energy and in particular its Article 29,

HAVING REGARD to Article 6 (3) (e) of the Statutes attached to the Council decision (2007/198/Euratom) establishing Fusion for Energy,

WHEREAS:

- (1) The Governing Board adopted the 2010 Fusion for Energy budget on 27th November 2009 and the first amendment to the 2010 budget on June 2010.
- (2) There is a need to amend again the 2010 budget in particular due to the new developments in the implementation of the ITER project.

HAS ADOPTED THIS DECISION:

Sole Article

The second amendment to the Fusion for Energy budget for the financial year 2010 annexed to this Decision is hereby adopted.

Done at Barcelona, 2nd December 2010

For the Governing Board



Carlos Varandas
Chair of the Governing Board



ANNEX

**AMENDING BUDGET No. 2 FOR THE FINANCIAL YEAR 2010
OF THE EUROPEAN JOINT UNDERTAKING FOR ITER AND
THE DEVELOPMENT OF FUSION ENERGY
(FUSION FOR ENERGY)**

I- Revenue

Table 1 below presents the revenues of F4E for 2010.

Table 1: Revenue (2010)

Title / Chapter	Heading (Euros)	Budget for 2010 adopted by GB on 27 November 2009		1st Amendment				2nd Amendment			
		Commitments (1)	Payments (1)	Variations amount of the Amending Budget 1 adopted on the 10 June 2010		Amended Budget adopted by GB on the 10 June 2010		Variations amount of the Amending Budget 2		Amended Budget 2 for approval by GB on the 2nd December 2010	
				Commitments (2)	Payments (2)	Commitments (3)=(1)+(2)	Payments (3)=(1)+(2)	Commitments (4)	Payments (4)	Commitments (5)=(3)+(2)	Payments (5)=(3)+(2)
I- 1	PARTICIPATION FROM EUROPEAN COMMUNITY										
I- 1 1	PARTICIPATION FROM EUROPEAN COMMUNITY	343,340,000	193,700,000	-	6,260,000	343,340,000	187,440,000		6,260,000	343,340,000	193,795,827
I- 1 2	REVENUE FROM ADMINISTRATIVE EXPENDITURE	34,200,000	34,200,000	3,300,000	3,300,000	30,900,000	30,900,000			30,900,000	30,900,000
	Title I - 1 - Total	377,540,000	227,900,000	- 3,300,000	- 9,560,000	374,240,000	218,340,000	-	6,260,000	374,240,000	224,695,827
I- 2	ANNUAL MEMBERSHIP CONTRIBUTIONS										
I- 2 1	ANNUAL MEMBERSHIP CONTRIBUTIONS	3,400,000	3,400,000			3,400,000	3,400,000			3,400,000	3,400,000
	Title I - 2 - Total	3,400,000	3,400,000	-	-	3,400,000	3,400,000	-	-	3,400,000	3,400,000
I- 3	ASSIGNED REVENUE ACCRUING FROM THE CONTRIBUTION OF ITER HOST STATE										
I- 3 1	CONTRIBUTION FROM ITER HOST STATE	66,500,000	23,600,000	-	10,000,000	66,500,000	13,600,000			66,500,000	13,600,000
	Title I - 3 - Total	66,500,000	23,600,000	-	- 10,000,000	66,500,000	13,600,000	-	-	66,500,000	13,600,000
I- 4	REVENUE FROM FEES AND CHARGES										
I- 4 1	REVENUE FROM FEES AND CHARGES	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
I- 4 2	ADDITIONAL REVENUE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
I- 4 3	OTHER REVENUE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	Title I - 4 - Total	p.m.	p.m.	p.m.	p.m.	-	-	p.m.	p.m.	-	-
I- 5	OTHER ASSIGNED REVENUE TO SPECIFIC ITEM OF EXPENDITURE										
I- 5 1	ASSIGNED REVENUE TO SPECIFIC ITEM OF EXPENDITURE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	Title I - 5 - Total	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
	TOTAL	447,440,000	254,900,000	- 3,300,000	- 19,560,000	444,140,000	235,340,000	-	6,260,000	444,140,000	241,695,827

* = 95 827 €. 2008 cancelled payment appropriations that had not been taken into account in the budget 2010 presented to the Governing Board in November 2009.



Main highlight since June 2010 amendment

In agreement with Euratom the revenue of F4E is increased by an amount of EUR 6.260 million in payment appropriations compared to the 1st amending budget adopted to the Governing Board in June.

II- Expenditure

Table 2 below presents the expenditure of F4E for 2010:

Title / Chapter	Heading (Euros)	1st Amendement										2nd Amendement	
		Budget for 2010 adopted by GB on 27 November 2009		Variations amount of the Amending Budget 1		Amending Budget 1 adopted by GB on 10 June 2010		Variations amount of the Amending Budget 2		Amending Budget 2 for approval by GB on the 2nd December 2010			
		Commitments (1)	Payments (1)	Commitments (2)	Payments (2)	Commitments (3)=(1)+(2)	Payments (3)=(1)+(2)	Commitments (4)	Payments (4)	Commitments (5)=(3)+(4)	Payments (5)=(3)+(4)		
A - 1	STAFF EXPENDITURE												
A - 1.1	STAFF EXPENDITURE IN THE ESTABLISHMENT PLAN	18,500,000	18,500,000	- 2,090,000	- 2,090,000	16,410,000	16,410,000	1,110,000	1,110,000	17,520,000	17,520,000		
A - 1.2	EXTERNAL STAFF EXPENDITURE (CONTRACT AGENTS, INTERIM STAFF AND NATIONAL EXPERTS)	6,383,000	6,383,000	- 1,773,000	- 1,773,000	4,610,000	4,610,000	- 50,000	- 50,000	4,560,000	4,560,000		
A - 1.3	MISSIONS AND DUTY TRAVEL	1,790,000	1,790,000	- 115,000	- 115,000	1,675,000	1,675,000			1,675,000	1,675,000		
A - 1.4	MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT AND TRANSFER	893,600	893,600	140,400	140,400	1,034,000	1,034,000	26,000	26,000	1,060,000	1,060,000		
A - 1.5	REPRESENTATION	25,000	25,000			25,000	25,000	- 10,000	- 10,000	15,000	15,000		
A - 1.6	TRAINING	430,000	430,000	167,000	167,000	597,000	597,000	- 150,000	- 150,000	447,000	447,000		
A - 1.7	OTHER STAFF MANAGEMENT EXPENDITURE	149,400	149,400	317,600	317,600	467,000	467,000	46,000	46,000	513,000	513,000		
A - 1.8	TRAINEESHIPS	227,000	227,000	- 180,000	- 180,000	47,000	47,000	- 32,000	- 32,000	15,000	15,000		
	Title 1 - Total	28,398,000	28,398,000	- 3,533,000	- 3,533,000	24,865,000	24,865,000	940,000	940,000	25,805,000	25,805,000		
A - 2	BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE												
A - 2.1	BUILDINGS AND ASSOCIATED COSTS	848,000	848,000	77,000	77,000	925,000	925,000	- 157,000	- 157,000	768,000	768,000		
A - 2.2	INFORMATION AND COMMUNICATION TECHNOLOGIES	3,094,000	3,094,000	74,500	74,500	3,168,500	3,168,500	- 353,500	- 353,500	2,815,000	2,815,000		
A - 2.3	MOVABLE PROPERTY AND ASSOCIATED COSTS	227,000	227,000	- 18,000	- 18,000	209,000	209,000	16,000	16,000	225,000	225,000		
A - 2.4	EVENTS AND COMMUNICATION	300,000	300,000	50,000	50,000	350,000	350,000	- 203,000	- 203,000	147,000	147,000		
A - 2.5	CURRENT ADMINISTRATIVE EXPENDITURE	624,000	624,000	- 38,500	- 38,500	585,500	585,500	534,500	534,500	1,120,000	1,120,000		
A - 2.6	POSTAGE AND TELECOMMUNICATIONS	280,000	280,000	88,000	88,000	368,000	368,000	- 87,000	- 87,000	281,000	281,000		
A - 2.7	EXPENDITURE ON FORMAL AND OTHER MEETINGS	429,000	429,000			429,000	429,000			429,000	429,000		
	Title 2 - Total	5,802,000	5,802,000	233,000	233,000	6,035,000	6,035,000	- 250,000	- 250,000	5,785,000	5,785,000		
	TOTAL 1+2	34,200,000	34,200,000	- 3,300,000	- 3,300,000	30,900,000	30,900,000	690,000	690,000	31,590,000	31,590,000		
B - 3	OPERATIONAL EXPENDITURE												
B - 3.1	ITER CONSTRUCTION INCLUDING THE ITER SITE PREPARATION	330,530,000	176,970,000	- 3,925,000	- 3,000,000	327,005,000	173,970,000	7,829,000	12,950,000	334,834,000	187,055,827		
B - 3.2	TECHNOLOGY FOR ITER	13,890,000	15,570,000	- 2,098,000	- 5,000,000	11,792,000	10,570,000	- 8,042,000	- 7,070,000	3,750,000	3,500,000		
B - 3.3	TECHNOLOGY FOR BROADER APPROACH AND DEMO	620,000	3,260,000	6,023,000	1,740,000	6,643,000	5,000,000	- 477,000		6,166,000	5,000,000		
B - 3.4	OTHER EXPENDITURE	1,300,000	1,300,000			1,300,000	1,300,000		- 350,000	1,300,000	950,000		
B - 3.5	ITER CONSTRUCTION - APPROPRIATION ACCRUING FROM THE ITER HOST STATE CONTRIBUTION	66,500,000	23,600,000		- 10,000,000	66,500,000	13,600,000			66,500,000	13,600,000		
B - 3.6	APPROPRIATION ACCRUING FROM THIRD PARTIES TO SPECIFIC ITEM OF EXPENDITURE	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.			p.m.	p.m.		
	Title 3 - Total	413,240,000	220,700,000	-	- 16,260,000	413,240,000	204,440,000	- 690,000	5,570,000	412,550,000	210,105,827		
	TOTAL	447,440,000	254,900,000	- 3,300,000	- 19,560,000	444,140,000	235,340,000	-	6,260,000	444,140,000	241,695,827		

Table 2: Expenditure (2010)

Main highlights since June 2010 amended budget

The amendment to the June 2010 budget takes into consideration:

- The EUR 6.260 million increase in payment appropriations mentioned above.
- Transfers from line to line in both commitment and payment appropriations, keeping the same budgetary envelope in commitment appropriations (EUR 444.140 million).

II-1 Operational part

Transfers and variations (commitment appropriations mainly)

- Delays have been accumulated from 2009 in relation to the execution of contracts and grants under *Chapter 3.2 – Technology for ITER*, resulting in further postponement of 2010 activities to 2011 (EUR 8.042 million decrease in commitment appropriations and EUR 7.070 million decrease in payment appropriations).

This decrease is partially covered by an increase of:

- a) EUR 0.340 million in commitment and payment appropriations for the Administrative budget on *Chapter 1.1 – Staff Expenditure in the Establishment Plan* (see below).
- A transfer of EUR 0.350 million in commitment appropriations has been done to *Chapter 2.5* to cover contracts for legal services related to litigation against F4E. A corresponding amount in payment appropriations is taken from the *Chapter 3.4 Other Expenditure*. The final implementation of the Broader Approach Work Programme 2010 results in a decrease of EUR 0.477 million on the *Chapter 3.3*.

The EUR 7.829 million made available¹ are marked as increase in commitment appropriations under *Chapter 3.1*;

- Variation for F4E's contribution to Japan (*Chapter 3.1 : ITER Construction*): EUR 17.7 million foreseen and EUR 9.09 million executed in commitment and payment appropriations, thus EUR 8.61 million left available. This decrease is in great part due to delays in the signature of PAs with Japan;
- Postponement to 2011 of some activities (approximately amounting to EUR 63 million) foreseen under ITER Construction (*Chapters 3.1 and 3.5*) as illustrated in the second amended 2010 Work Programme;
- Cancellation of activities foreseen under ITER Construction (*Chapters 3.1 and 3.5*) approximately EUR 16.5 million. As explained in the 2nd amendment of the 2010 WP.

¹ EUR 7.829 million = EUR 8.042 million + EUR 0.477 million – EUR 0.69 million (0.340 +0.350).

The changes described above are mainly covered by the decision to already exercise in 2010 some of the options foreseen in the contracts already signed. This decision to activate options is substantiated in the explanatory note to the , December 2010 amended work programme².

All these transfers allow F4E to **stay within the budgetary envelope adopted in June 2010** for commitment appropriations (**EUR 444.140 million**). The detail of these transfers is indicated in Table 2.

Focus on the Variations in F4E's contribution to IO:

- An increase of EUR 7.9 million for 2010 as decided by 12-14 May 2010 ITER Council,
- A decrease of EUR 23.2 million for 2011 between the ITER Council in May as decided during 17-18 November 2010 ITER Council (*EUR 83.9 million in May compared with EUR 60.7 million in November*).
- The total amount of EUR 77.8 million which will be committed for 2010 corresponds to: EUR 9.2 million for 2010 contribution, EUR 7.9 million for 2010 supplementary request and EUR 60.7 million for 2011 IO contribution (to be committed entirely in 2010 and partially pre-paid in 2010).

As a consequence, the contribution to IO increases by 17.8 million compared to the first amending Work Programme adopted in June by the Governing Board.

Payment appropriations

In addition to the above-mentioned increase of EUR 6.260 million, the total of compensations in payment appropriations **stays within the envelope foreseen for the June 2010 budget** (at **EUR 235.340 million**), notwithstanding limited uncertainties related to the need for timely signature and pre-financing payments to be executed for certain contracts.

² The anticipating on the activation of these options – already foreseen for flexibility purpose in our contracts will generate at least EUR 0.500 million of economic performance which will contribute directly to the rebuilding of contingencies for F4E.

II-2 Administrative part (Title I and II)

Main highlights since June 2010 amended budget

Title 1:

Increase of:

- EUR 1.110 million for *Chapter 1.1 – Staff Expenditure Establishment plan* and related EUR 0.026 million in *Chapter 1.4 – Miscellaneous expenditure on staff recruitment and transfer*;
- EUR 0.046 million in *Chapter 1.7 - Other staff management expenditure*.

This total increase of EUR 1.182 million is covered by (see Table 2):

- Postponements of some activities and austerity measures allowing for:
 - EUR 0.242 million to be transferred from other chapters in Title 1 (Chapters 1.2, 1.5, 1.6 and 1.8).
 - EUR 0.250 million to be transferred from Title 2 (Chapters 2.1, 2.2, 2.4 and 2.6).
- EUR 0.690 million transferred from Title 3 (EUR 0.340 million from Chapter 3.2 and EUR 0.350 million from Chapter 3.4)³.

Title 2:

- An increase of EUR 0.016 million for *Chapter 2.3 - Movable property and associated cost* - revised calculation concerning the leasing of photocopy machines.
- An increase of EUR 0.534 million for *Chapter 2.5 – Current Administrative Expenditure* - to cover in particular the legal services agreement mentioned above (EUR 0.350 million).

This increase in EUR 0.534 million is partially covered by transfers from *Chapter 2.2* on IT projects postponed to 2011, *Chapter 2.1 : Buildings and Associated Costs and Chapter 2.6 : Postage and Communications*.

³ Since the administrative budget financed by Euratom cannot exceed EUR 30.9 million (as endorsed by the EU budgetary authorities for 2010), the additional budget brought from Title 3 to the administrative part (Title I and II) will be covered by the membership contributions (to be re-adjusted in 2011).