



FUSION FOR ENERGY

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

THE GOVERNING BOARD

SUMMARY OF DECISIONS OF THE 38th MEETING OF THE GOVERNING BOARD OF THE EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY ('FUSION FOR ENERGY')

Barcelona, 3-4 July 2017

The Governing Board (GB) of the European Joint Undertaking for ITER and the Development of Fusion Energy (Fusion for Energy – “F4E”) has decided the following:

Approval of the Agenda

1. The GB approved the agenda of its 38th meeting.

Written Procedures

2. The GB noted the written procedure since the previous GB meeting (37).

Approval of the Minutes

3. The GB approved the minutes of its 37th meeting.

Reports from EURATOM

4. The GB noted a report from Euratom on the outcome of the ITER MAC (30/05/2017), the ITER Council (IC 20) (21-22/06/2017) and the Commission`s Communication on ITER and commended the Commission for the quality and clarity of the document.

Reports from F4E

5. The GB noted F4E`s report to the Council, ready for transmission to the Council of the EU and the European Parliament, and noted a general Progress Report from F4E on the recent accomplishments related to the ITER and Broader Approach Projects and:
 - a. Commended F4E for the recent progress in many different areas;
 - b. Recommended to consider the lessons to be learned from the testing of the JT60 TF coils in relation with the potential testing of the ITER ones.

Status of Actions

6. The GB welcomed the strategic action plan and requested an updated action plan by the December GB (39) which shall contain the following improvements:
 - a. Actions shall be regrouped around coherent management objectives;
 - b. A follow up shall be considered for actions declared as closed;
 - c. The updated Strategic Action plan shall serve as the key document for the GB to assess the performance of the Director and F4E.

Status of IFMIF/DONES

(for this agenda point the chairmanship of the GB was passed to the Vice Chair Gabriele Fioni)

7. Upon the expiration of the deadline set by the GB, two expressions of interests i.e. from Croatia and Spain were received;

8. The GB noted a progress report on the follow up of the expressions of interests from above stated Member States to host IFMIF/DONES and requested that the final report will be presented at the next GB;
9. Under the request of Spain, it was agreed that the report will be distributed by the secretariat once it is finished by the *ad hoc* Working Group (AhG). This document will not require the endorsement of the GB at that stage. The TAP will report to the December GB (39).

Status of Nuclear Safety

10. The GB noted a report on the outcome of the Nuclear safety AhG and:
 - a. Thanked the AhG for the comprehensive and careful analysis performed in a short period of time;
 - b. Requested the F4E Director to prepare an action plan in response to the AhG comments and recommendations. This action plan shall be presented to the Bureau with the opinion of the AhG in October.

Reports from the Chairs

11. The GB noted the report from the Chair of the GB including the summary of the Bureau meeting of 19 June 2107;
12. The GB noted the report from the Chair of the Administration and Management Committee (AMC) including the summary of the AMC meeting of 6-7 June 2016;
13. The GB noted the report from the Chair of the Procurement and Contracts Committee (PCC) including the summary of the meeting of 23 March 2017;
14. The GB noted the report from the Chair of the Technical Advisory Panel (TAP), including the summary of the meeting of 8-9 June 2016.

ITER Vacuum Vessel

15. The GB discussed the progress on the EU Vacuum Vessel (VV) Sectors and:
 - a. Commended F4E for the encouraging progress in the project whilst reminding that risks still remain and a continuous effort will be needed;
 - b. Took note of the remarks by the TAP and requested F4E to show the progress curves with the standard format showing the baseline and actual progress;
 - c. Requested to be informed on the achievement of the August KPIs and on the possible decision on the use of the 11 M€ for the preparation of a spare sector;
 - d. Requested to be informed in case a decision of a transfer of EU VV sector(s) to IO would be presented to the ITER Council.

ITER Buildings

16. The GB discussed the progress on the Buildings and:
 - a. Discussed the progress on the Buildings and noted the achievement of the TB03 amendment 6 negotiations within the technical and financial boundaries presented to the last GB;
 - b. Noted the progress on the Final Design of the TB04 and noted the target to have it approved by September 2017; The GB received F4E's information on the planned schedule of the decision-making on the possible partial novation between F4E and IO on the TB04 contract and highlighted the need to adapt the presented time plan so as to have time to receive the necessary approval from the Commission;
 - c. Asked the AMC to monitor closely the contract novation process and requested to be informed of it, in particular in case the novation process leads to an increase in the cost Estimate At Completion (EAC);

- d. Noted that the functional interface freeze exercise managed by IO is progressing and expected to be completed by September 2017. Nevertheless space interface will have to be finalized during the Construction Phase, all systems will have to be aligned on a level by level approach and a gate decision to start installation will have to be taken by March 2018;
- e. Noted the progress on the Common Assembly Sequence and the new set-up for the TB04 contract. The GB requested that risk reduction and budgetary implications will be presented to the next December GB (39).”

Sixth Annual Assessment of F4E

- 17. The GB adopted the Terms of Reference for the 2017 annual assessment;
- 18. The GB adopted the proposal to appoint two experts i.e. Ms Rowena Sirey and Mr Victor Rodrigo and agreed to appoint the third member of the expert group by urgent written procedure;
- 19. The work of the expert group should start in September 2017 and the report shall be delivered by the end of October 2017.

Specific Reports from F4E

- 20. The GB noted the intention of the F4E Director to sign the Procurement Arrangement (PA) for the first wall blanket and recommended him to keep the preservation of the schedule as a guideline as well as to work towards cost reductions;
- 21. The GB noted the positive outcome of the External Audit report concerning cost evolution of Major Procurements as presented to GB 37;
- 22. The GB noted the updated Cost evolution of Major Procurements and requested that in the future changes with respect to the previous version should be highlighted;
- 23. The GB adopted the request to Implement the Agreements of Collaboration (AoC) regarding extra costs for the Broader Approach with the abstention of EURATOM;
- 24. The GB noted the status of Staffing and Vacancy Rate;
- 25. The GB discussed the 2017 Geographical distribution exercise;
- 26. The GB noted the Estimate at Completion-Update April 2017 and suggested that in the future it shall be reported within the financial information package.

Operational Matters

- 27. The GB noted the Status of Commitments and Payment and appreciated the acceleration of payments which provides good evidence of the increase in project activity and closer adherence to schedule whilst requiring an increased attention to the reliability of payment planning in order to ensure continuous adequacy of payment appropriations and needs;
- 28. Welcomed the commitment of Euratom and France to work towards the provision of the necessary payment appropriations and requested F4E to prepare a mitigation plan as a backup solution;
- 29. Concerning the First Amendment to the 2017 Budget, the GB:
 - a. Adopted this amendment whilst noting that the increase in the 2017 payment appropriations will be approved by the Bureau in due course, and possibly in multiple instalments, after the confirmation by Euratom of the available increases of the 2017 payment appropriations.
- 30. The GB approved the First amendment to the 2017 WP and:

- a. Stressed the need for a careful high quality planning reflected in the 2018-22 Multi Annual Project Plan (MAP);
- b. Urged F4E to finalize the 2018-22 MAP in consultation with the AMC and TAP, early enough to facilitate a Commission's opinion in time for the approval of the budget and work programme for 2018. Given the tight time schedule for the next MAP, the exact format of the AMC and TAP intervention will be discussed between the chairs of the GB and both subcommittees;
- c. Emphasized the need to preserve the 6,6 B€ commitments cap until 2020 (2008 value) and its compatibility with the payments profile;
- d. Agreed to grant the F4E Director the requested flexibility for this particular amendment.

31. The GB adopted the F4E GB Milestones update.

Fusion Roadmap

32. The GB welcomed the High level Fusion Roadmap.

Annual Reports and Accounts

33. The GB adopted the 2016 Final Annual Accounts while noting the preliminary remarks by the European Court of Auditors;

34. The GB noted the 2016 Annual Report;

35. The GB adopted the Analysis and Assessment of the 2015 Annual Report.

Audit Matters

36. The GB noted the Report from the Chair of the Audit Committee;

37. The GB noted the Annual report from the Audit Committee;

38. The GB noted the European Parliament's Discharge for the 2015 Budget;

39. The GB noted the Note from IAS on the outstanding recommendations from past IAS audits;

40. The GB noted the 2016 Annual Report of the Internal Audit Capability;

41. The GB noted the Updated Corporate Risk Register;

42. The GB adopted the Revised IAC Annual Plan.

Amendments to the Implementing Rules to F4E Financial Regulation

43. The GB adopted the Implementing Provisions for F4E's derogations from the common EU Financial Rules;

44. The GB discussed improving the efficiency of F4E's governance and agreed to give written inputs to the group in preparation of the proposal which will be submitted to the next December GB (39);

45. The GB adopted the Garching Host agreement.

Any Other Business

46. The GB noted the Status F4E's building refurbishment.

Closing

47. The GB approved this Summary of Decisions.

Done at Cadarache, 04 July 2017

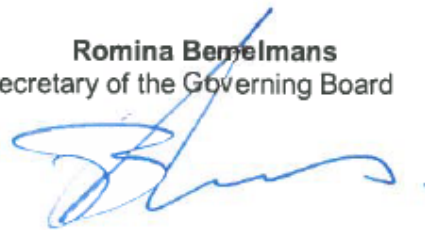
For the Governing Board

Joaquin Sanchez
Chair of the Governing Board

A handwritten signature in blue ink, appearing to be 'J. Sanchez', written over a faint circular stamp.

For the Secretariat

Romina Bemelmans
Secretary of the Governing Board

A handwritten signature in blue ink, appearing to be 'Romina Bemelmans', written over a faint circular stamp.