



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 STAFF POLICY PLAN

THE GOVERNING BOARD OF FUSION FOR ENERGY,

HAVING regard to the Statutes annexed to the Council Decision (Euratom) No 198/2007 of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy (hereinafter "Fusion for Energy") and conferring advantages upon it¹ (hereinafter "the Statutes") and in particular Article 6(3)(d) thereof,

Whereas:

- (1) The Director should, in accordance with Article 8(4)(c) of the Statutes, draw up and regularly update the staff policy plan;
- (2) The Governing Board should adopt the staff policy plan.

HAS ADOPTED THIS DECISION:

Article 1

The staff policy plan annexed to this Decision is hereby adopted.

Article 3

This Decision shall have immediate effect.

Done at Barcelona, 1st June 2011

For the Governing Board

Carlos Varandas
Chair of the Governing Board

¹ O.J. L 90 , 30.03.2007, p. 58.



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

Multiannual Staff Policy Plan 2012-2014

May 2011

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1. General overview of the current situation of Fusion for Energy.

1.1. General information on F4E's activities.

1.1.1 Description of the agency, its mission and programmed tasks.

Although Fusion for Energy was established on 19 April 2007, its first Director took up duties on 1 October 2007 and the Joint Undertaking became financially autonomous from the Commission on 16 March 2008.

Total staff including Contract Agents amounts to 258 on 31 December 2010 – compared to 5 that were recruited in 2007 - as specified in the annex.

Taking all these elements into account, Fusion for Energy is still a young organisation, growing up in staff every month and, in parallel, establishing a policy and a comprehensive system to manage its human resources.

The European Joint Undertaking for ITER and the Development of Fusion Energy ('Fusion for Energy' – 'F4E') is a legal entity in the form of a Joint Undertaking created under the Euratom Treaty by a Decision of the Council of the European Union¹.

Its objectives are:

- to provide the contribution of Euratom to the ITER Organisation, in accordance with the ITER Agreement; F4E shall discharge the obligations of Euratom to the ITER Organisation, in particular to: provide components, equipment, materials and other resources to the ITER Organisation, manage procurement arrangements vis-à-vis the ITER Organisation and especially associated quality assurance procedures; prepare for and coordinate Euratom's participation in the scientific and technical exploitation of the ITER Project; provide Euratom's financial contribution to the ITER Organisation; provide arrangements to make human resources available for the ITER Organisation, etc. It should be noted that the construction, exploitation and dismantling of the reactor is the task of the ITER International Organisation;
- to provide the contribution of Euratom to the "Broader Approach" activities with Japan for the rapid realisation of fusion energy, in accordance with the Broader Approach International Agreement with Japan". 'Fusion for Energy' shall discharge Euratom's obligations for the implementation of Broader Approach (BA) Activities, in particular: provide components, equipment, materials and other resources, provide the Euratom's financial contribution, provide arrangements to make human resources available for BA Activities, etc.;
- to prepare and coordinate a programme of research, development and design activities other than ITER and Broader Approach activities, in preparation for the construction of a demonstration fusion reactor and related facilities including the International Fusion Materials Irradiation Facility (IFMIF).

F4E was established for a period of 35 years from 19 April 2007 and has its seat in Barcelona, Spain. Following decisions of the Governing Board on 21 April 2008 and 12

¹ Council Decision (Euratom) n° 198/2007 of 27.03.2007

March 2009 respectively, two antennas have been established in Garching (Germany) and Cadarache (France). The antenna in Garching is hosting the JT60SA Project EU Home Team; the one in Cadarache hosts the Site and buildings Activities.

Its Members are the following:

- Euratom, represented by the European Commission;
- Member States of Euratom;
- Third countries which have concluded cooperation agreements with Euratom in fusion that associate their respective research programmes with the Euratom programmes and which have expressed their wish to become Members.

The current Members are therefore the 27 Member States of the European Union, Euratom and Switzerland as a third country. Each Member sits in the Governing Board – the main body which supervises F4E.

F4E will manage approximately € 6,6 billion in the first 10 years of its existence. The Council Decision establishing the Joint Undertaking considers F4E as a Community body under Article 1a (2) of the Staff Regulations (SR), and in that context it has to follow the Staff Regulations and the Conditions of employment of others servants of the European Communities (CEOS).

F4E will adopt general provisions for implementing it in agreement with the Commission (Article 110 of the SR as foreseen by..Article 10.2 of the Annex to the F4E Statutes).

The resources of the Joint Undertaking shall consist of a contribution from Euratom, contributions from the ITER host State, the annual membership contributions and voluntary contributions from Members of the Joint Undertaking other than Euratom, and additional resources. The sum of these annual membership contributions will not exceed 10% of the administrative costs of F4E and is calculated on the basis of the proportionate participation of each Member in the Euratom fusion programme. In the first five years of its existence, the administrative expenditure of Fusion for Energy is estimated at approximately 8-12% of its overall budget.

The tasks of F4E are as follows:

In relation to ITER:

- (a) to provide the contribution of the European Atomic Energy EU (Euratom) to the ITER International Fusion Energy Organisation;
- (b) to provide the contribution of Euratom to Broader Approach Activities with Japan for the rapid realisation of fusion energy;
- (c) to prepare and coordinate a programme of activities in preparation for the construction of a demonstration fusion reactor and related facilities including the International Fusion Materials Irradiation Facility (IFMIF).
- (d) to oversee preparation of the ITER project site;
- (e) to provide components, equipment, materials and other resources to the ITER Organisation;
- (f) to manage procurement arrangements vis-à-vis the ITER Organisation and, in particular, associated quality assurance procedures;

- (g) to prepare and coordinate Euratom participation in the scientific and technical exploitation of the ITER Project;
- (h) to coordinate scientific and technological research and development activities in support of Euratom's contribution to the ITER Organisation;
- (i) to provide Euratom's financial contribution to the ITER Organisation;
- (j) to arrange to make human resources available for the ITER Organisation;
- (k) to interface with the ITER Organisation and carry out any other activities in furtherance of the ITER Agreement;

In relation to the Broader Approach:

- (l) to provide components, equipment, materials and other resources for Broader Approach Activities;
- (m) to prepare and coordinate Euratom's participation in the implementation of Broader Approach Activities;
- (n) to coordinate scientific and technological research and development activities;
- (o) to provide the Euratom financial contribution to Broader Approach Activities;
- (p) to arrange to make human resources available for Broader Approach Activities;
- (q) to carry out any other activities necessary for meeting Euratom obligations in furtherance of the Broader Approach Agreement with Japan.

In relation to DEMO:

- (r) to prepare and coordinate a programme of research, development and design activities other than ITER and Broader Approach Activities, in preparation for the construction of a demonstration fusion reactor and related facilities, including the IFMIF;

Other:

- (s) to carry out any other activities in furtherance of its overall objectives, including activities to raise public awareness of the Joint Undertaking and its mission.

1.1.2 Posts filled in the current year and figures reflecting staff evolution.

1.1.2.1 Establishment plan posts

Category and grade	Establishment plan 2010		Posts actually filled at 31.12.2009		Posts filled in by external publication in 2010		Promotion / reclassification in 2010 ²		Departures 2010		Posts actually filled at 31.12.2010 (incl. all the job offers done in 2010)	
	perm	temp	perm	temp	perm ³	temp ⁴	perm	temp	perm	temp	perm	temp
AD 16												
AD 15												
AD 14		1		1		1				-1		1
AD 13	2	1										
AD 12	15	8	15	3			1		-1	-1	15	2
AD 11	7		7		2		-1				8	
AD 10	4	20			1						1	
AD 9	10	28	4	31		5				-1	4	35
AD 8	4		1								1	
AD 7		20	1	1							1	1
AD 6	2	67		57		26				-1		82
AD 5		4	3	3						-1	3	2
Total AD	44	149	31	96	3	32	0	0	-1	-5	33	123
AST 11	2											
AST 10	2		1								1	
AST 9	4		2								2	
AST 8	1		1								1	
AST 7			1								1	
AST 6	1		2		1						3	
AST 5	3	2										
AST 4	2	3	1								1	
AST 3	3	18		17	2	3				-3	2	17
AST 2												
AST 1			1								1	
Total AST	18	23	9	17	3	3	0	0	0	-3	12	17
Total	62	172	40	113	6	35	0	0	-1	-8	45	140

² The promotion exercises for 2009/2010 are not yet finalised, however one Official (transferred from the European Commission) has been promoted in 2010 from AD11 to AD12 with a retroactive date of July 2009

³ Recruitment + transfer

⁴ All new contracts, including the inter-agency job market

Structure of the Establishment Plan

In the Establishment Plans 2009 and 2010 F4E has applied the promotion rates set by the Staff Regulations in order to establish a pyramidal scheme to increase the number of positions in higher grades. This will cover for the promotion needs for those years (3 FO AD 12, 2 FO AD11, 1 FO AD10, 1 FO AD9, 1 FO AD7, 1 FO AD5, 1 FO AST7, 2 FO AST6, 1 FO AST4 and 2 TA AD6 are to be promoted to the next grade in 2011).

Nevertheless, Fusion for Energy rarely resorted to using the available flexibility in the recruitment per grade, and when doing so has not used this flexibility to recruit externally.

Staff evolution

In 2010, 41 permanent staff were recruited even though upon taking up duty in February 2010 the Director *ad interim* decided to constitute a reserve of posts (~10% of the total staff allocation for 2010) in view of the implementation of the new organisational structure. At the end of 2010 Fusion for Energy had 185 professional staff in place from the 234 authorised by the budgetary authority, the vacancy rate in 2010 (20.9%) being lower than in 2009 (23.1%) even though the number of authorised posts had increased by 35.

In addition, 90% of the resources for 2011 have already been allocated by the Director *ad interim* (FO, TA, CA and SNE), 54 recruitments are ongoing so far in 2011 (more are in preparation) and several general selections have been launched in order to fill in the different profiles required by the organisation. Furthermore, several Project Team Manager positions (10) have already been advertised in order to recruit the new Heads of Unit in the ITER Department within the next few months.

Several elements are to be considered when taking the vacancy rate into account:

- With just over 3 years of existence, Fusion for Energy is still building up towards full staffing;
- Since 2007, Fusion for Energy's pace of recruitment has been and will continue to be considerably swift. As an example, the total number of staff in place in 2007 was 5 and it has reached 269 in 2010 (including the job offers sent and accepted, but excluding the 13 departures – 9 permanent positions and 4 Contract Agents - that took place in 2010), averaging close to 90 staff recruited per year over the course of the last 3 years;
- Due to the departure of the F4E Director in February 2010, recruitments at the beginning of the year were blocked in order to accommodate the modifications in place. In addition, following the request of the European Council to move towards a more project oriented organisation, and foreseeing the new structure which had to be put in place on 1 January 2011 and its direct impact on the type of profiles required, the vast majority of recruitments were blocked during 2010.

1.1.2.2 Positions financed under administrative expenditure

Number of Contractual Agents							
	<i>Positions actually filled at 31.12.2009</i>	<i>Envisaged 2010</i>	<i>Positions actually filled at 31.12.2010</i>	<i>Envisaged 2011</i>	<i>Envisaged 2012</i>	<i>Envisaged 2013</i>	<i>Envisaged 2014</i>
GF IV	10	20	25	60	60	60	60
GF III	16	25	17	35	35	35	35
GF II	30	50	41	50	50	50	50
GF I	2	5	1	5	5	5	5
TOTAL	58	100	84	150	150	150	150

Regarding support staff, in 2010 focus has been put on the recruitment of more Contract Agents to recruit junior scientific/technical profiles (Function Group IV). The idea is to allow junior scientific/technical staff to acquire a first concrete professional experience in fusion in support of more experienced senior staff and also to ensure a new generation of specialists. Therefore, the breakdown for Contract Agent positions has been adapted during the year while respecting the overall number of staff and corresponding budgetary envelop.

On the other hand and to make a redeployment of the existing resources available, from 2011 onward the envisaged number of Seconded National Experts will be reduced from 25 to 10 per year as they will be mainly required for highly technical and specific tasks in the starting up phase. The saved budget will be redeployed to cover for the needed increase of Contract Agents in order to:

- ✓ Develop risk analysis methodologies in line with this type of highly technological Project;
- ✓ Provide support in the preparation of project performance reports and status reports by gathering information from the project officers;
- ✓ Assist the Organisation in the implementation of the Project Management system in checking consistency between Primavera baseline and project management documentation (Cost planning, Schedule and monitoring systems);
- ✓ Prepare information and data according to the required format to the Project Office for the preparation of the work programme, Project Plan, Annual Activity Report, etc. as requested by the Governing Instances.

Finally, it should be noted that these additional positions requested will be financed within our administrative budget requested for 2012, which corresponds for the time being to the level of the expenditure in the Resource Estimates Plan.

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Number of Seconded National Experts						
<i>Positions actually filled at 31.12.2009</i>	<i>Envisaged 2010</i>	<i>Positions actually filled at 31.12.2010</i>	<i>Envisaged 2011</i>	<i>Envisaged 2012</i>	<i>Envisaged 2013</i>	<i>Envisaged 2014</i>
8	15	6	10	10	10	10

1.1.3 Current annual staff-related expenditure, in absolute terms and as percentage of the overall annual expenditure.⁵

Heading		Budget 2010	Execution (CA) 31/12/2010	% Execution 31/12/2010
TITLE 1	Staff Expenditure	25.367.000,00 €	25.246.409,75 €	99,52%
11	Salaries & allowances	20.632.000,00 €	20.602.125,00 €	99,86%
	of which establishment plan posts	16.995.000,00 €	16.995.000,00 €	100,00%
	of which external personal	3.637.000,00 €	3.607.124,87 €	99,18%
12	Expenditure relating to Staff recruitment	1.060.000,00 €	980.000,00 €	92,45%
13	Mission expenses	1.850.000,00 €	1.850.000,00 €	100,00%
14	Socio-medical infrastructure	513.000,00 €	508.364,88 €	99,10%
15	Training	447.000,00 €	440.920,00 €	98,64%
16	External Services	850.000,00 €	850.000,00 €	100,00%
17	Receptions and events	15.000,00 €	15.000,00 €	100,00%

⁵ F4E had to face a decrease of the administrative budget of EUR 3.3 million and as consequence internal transfers within the administrative budget were conducted which, amongst others, justify the difference between the adopted budget and the executed budget for 2010.



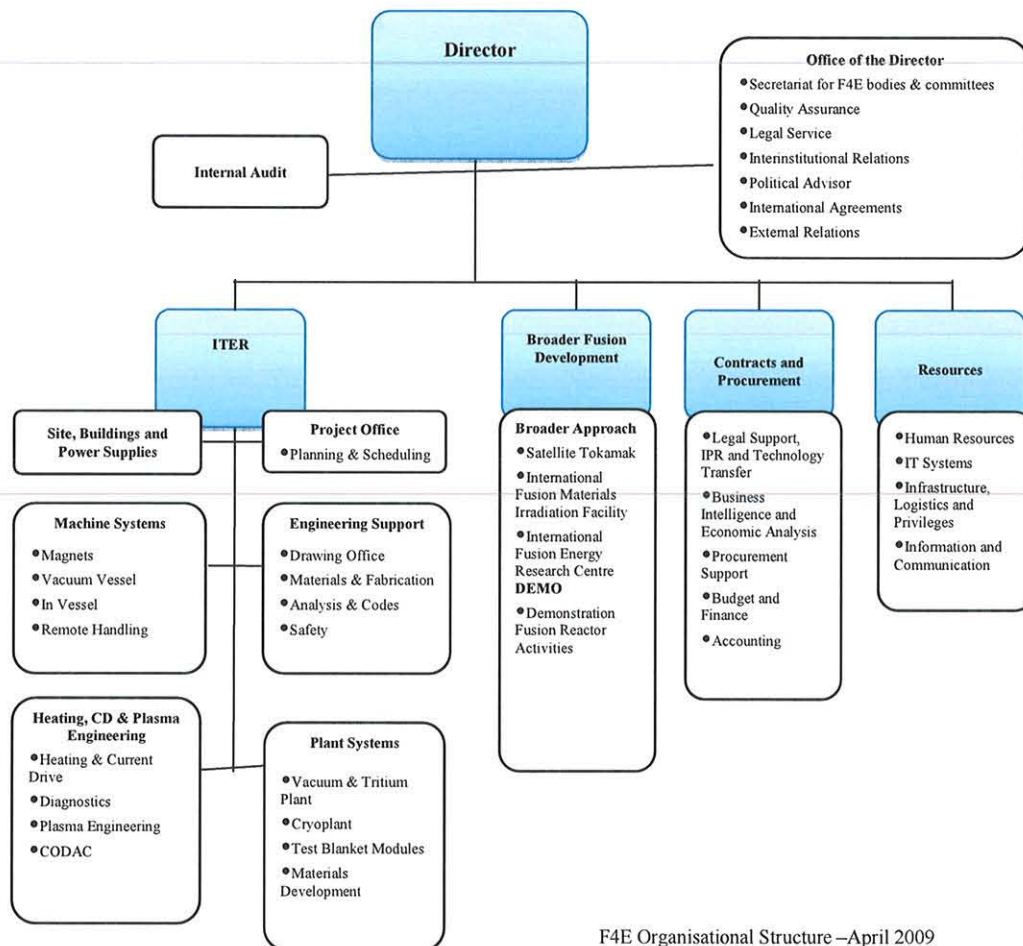
1.1.4. Organisational structure and organisational chart as of 01/01/2011

1.4.1.1 Former structure

Until 31 December 2010, F4E was structured in 4 Departments: two Departments covering the technical activities (ITER and Broader Approach) and two administrative Departments (Contract & Procurement and Resources). The main technical Department, ITER, contained six Divisions (led by a Head of Division) sub-divided in Groups (led by a Group Leader) dealing with specific areas of work. The other three departments were also sub-divided into Groups (also led by a Group Leader). There was also an Office of the Director which coordinated some horizontal activities including Support for F4E Committees, Legal Service, Quality Management, and the Internal Audit team.

The management at F4E was composed of the Director and the four Heads of Department. Only the latter were recognised as ‘managers’ in the sense of rules governing this issue; the Division Heads and Group Leaders were considered as coordinators rather than as middle managers.

This former structure is shown below. It includes the transfer made in April 2009 of most of the financial activities from the Resources Department to the Contracts and Procurement Department.



F4E Organisational Structure –April 2009

1.1.4.2 Background to the F4E Organisational Changes

In light of the status report on the ITER fusion project presented by the Commission to the Competitiveness Council on 29 May 2009, the Fusion for Energy (F4E) Governing Board (GB) during its meeting of 9 July 2009 established an independent Expert Group to assess the F4E's management of ITER-related activities. During its meeting of 26-27 November 2010, the F4E GB took note of the report from the Expert Group which contained a number of recommendations on how F4E might carry out its tasks more effectively and efficiently.

During its meeting of 7 January 2010 and following the resignation of the former Director, the F4E GB decided to appoint Dr. Frank Briscoe as F4E Director *ad interim* from 16 February 2010. During its meeting of 9-10 June 2010, the F4E GB welcomed a comprehensive Management Improvement Plan proposed by the F4E Director *ad interim* and invited him to submit an Action Plan for its implementation as soon as possible as well as proposals concerning the industrial policy and procurement rules.

On 12 July 2010, the Council adopted Conclusions in which it asked F4E to consider possible options for appropriate organisational structure and processes which meet the demands of the ITER project. The Council also asked F4E to adopt and implement monitoring and controlling systems in accordance to industrial standards, which will be certified by external auditors.

In response to both the F4E GB and the Council, in the framework of the F4E GB meeting of 5 October 2010, the F4E Director *ad interim* prepared three proposals to follow from his Management Improvement Plan: on cost containment, on a change of the F4E organisational structure and on project management systems and processes.

Concerning the organisational structure of F4E, it needed to be changed for 3 reasons:

- (a) The ITER work needed to be more project-oriented; in particular, the former structure did not sufficiently define which persons (other than the Director) are in charge of meeting the EU obligations, and did not ensure that the work was carried out in a project-like way;
- (b) The financial service within F4E needed to be given more emphasis; in particular, since the re-organisation of April 2009, the financial service had been split in several parts, there was not a single person in charge to lead the work and the team needed to be re-built after several losses;
- (c) The management at F4E needed to be strengthened by reinforcing the middle level of management. Until now, only the Heads of Department were recognised as such. In addition, delegations needed to be aligned with responsibility.

It should be noted that changes to the structure are being complemented by changes to processes and culture – structural changes alone would not be sufficient to achieve a satisfactory outcome.

The aim of the Project Management Matrix structure is to manage work in a more project oriented way using Project Teams as the core structure of the organization and to use the technical support services and administrative services to support the Project Team work.

The F4E Director *ad interim* implemented the new F4E organisational structure from the 1st January 2011.

1.1.4.3 Transition to the new structure

Following the approval of the Governing Board of the proposed changes to the organisational structure in December 2010, a transition is being made in the following way:

The Director *ad interim* has defined the Project Teams using the following principles:

- a. In line with EU obligations;
- b. In line as much as possible with IO organisation;
- c. Not too many project teams so as to facilitate as much as possible the daily management , but not too few so as to avoid requiring additional layers of management/supervision;
- d. Making good use of existing staff with the potential to be project team managers.

The Project Team Manager positions are being advertised internally and externally. The transition to this structure will be made in a progressive way over the next 6 months, starting first with those work areas which are most ready for this change.

Concerning the Administration Department, the structure has not yet been modified entirely as this will take place at a later stage. For the moment, only the position of Head of the new financial service (Budget and Finance Unit) has been advertised in November 2010. The head of this new unit will be the reference for good financial practice within F4E and will have the main interaction with the Commission on financial matters. Action is also being taken to fill the existing vacancies in the financial service, taking advantage of this opportunity to re-build an efficient team.

The positions of Head of Department (ITER and Administration) have been advertised in November 2010 and the selections are now ongoing. The recruitment is foreseen during the second trimester of 2011.

Concerning the ITER Department, depending on the experience and capabilities of the new Head it may also be necessary to recruit a Deputy as Chief Engineer to assist in some specific areas.

1.1.4.4 New Organisational Structure

Project Elements

From 1 January 2011 onward the ITER work is being organised in more traditional project lines within an 'ITER Project entity', by creating a number of project teams (rather than divisions and groups), one for each of the main ITER deliverables (or set of closely related deliverables).

Each team has a project manager – middle-management position-, responsible for the specific deliverables, with clear objectives and appropriate delegations, and with the necessary operational staff (both technical and procurement staff). The procurement staff is still mentored by an administrative service, but most of them are assigned to the appropriate project teams and are also working under the management of the project team managers (as in a normal matrix structure). Most technical staff is placed in the project teams under the direct management of the project team managers.

In addition, a technical support team has been created to provide support to project teams, e.g. in the technical analysis and CAD groups. It is placed in technical services and shall undertake tasks (performing analysis or producing drawings) at the request of the project team managers. This technical support team also has a Manager – middle management position.

Other administrative staff is providing a service to the project teams by undertaking tasks at the request of the project team managers or as agreed in annual work plans.

The standard methods for managing project work are being applied to these project teams - regular reporting in a project-oriented way and regular reviews of progress, e.g. weekly meetings of project managers and their teams, monthly reviews of each project by the Head of the ITER entity, and monthly reviews of all projects with the Director, all with project-oriented agendas.

The Broader Approach and DEMO (BA) work is similar in nature to the ITER work and is also arranged in projects. However the BA projects are separate to the ITER ones, due to the fact that the international agreements and the arrangements within Europe are different from the ITER ones. Furthermore, the contact persons are also different to the ITER ones in the Commission and in the Voluntary Contributors and in Japan. For these reasons, there is a 'BA Project entity' separate from the ITER Project entity.

New Financial Service

All the financial activities are regrouped in a new financial service comprising the budget and finance activities, the internal controls functions and the accounting function. The Head of this service is responsible for sound financial management within F4E.

This service is separated from the Procurement Support Unit as procurement is a key operational activity in F4E, and it is required in the EU financial system to separate the operational and financial functions to ensure a clear segregation of duties between the actors in the financial circuits; in particular those who deal with financial verification.

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The Accounting Officer reports directly to the Director but is placed for administrative purposes in the new financial service.

Project Control Function

The ITER Project entity needs a strong planning and reporting function (it is intimately connected to the ITER-wide planning and reporting system since until 1 January 2011, the ITER Department Project Office was providing this function). To a lesser extent, the BA Project entity and the Administration services also need a local planning and reporting function. At the same time, there needs to be a stronger central planning, reporting and controlling function where an F4E-wide view can be consolidated and translated into the terms which the Governing Board and other stakeholders can understand. Therefore a new 'Project Control' function -middle-management position- was introduced. Reporting to the Director; it will be closely linked to the Budget function in the Administrative services in order to ensure an appropriate financial reporting, especially to F4E's main contributors.

Other changes

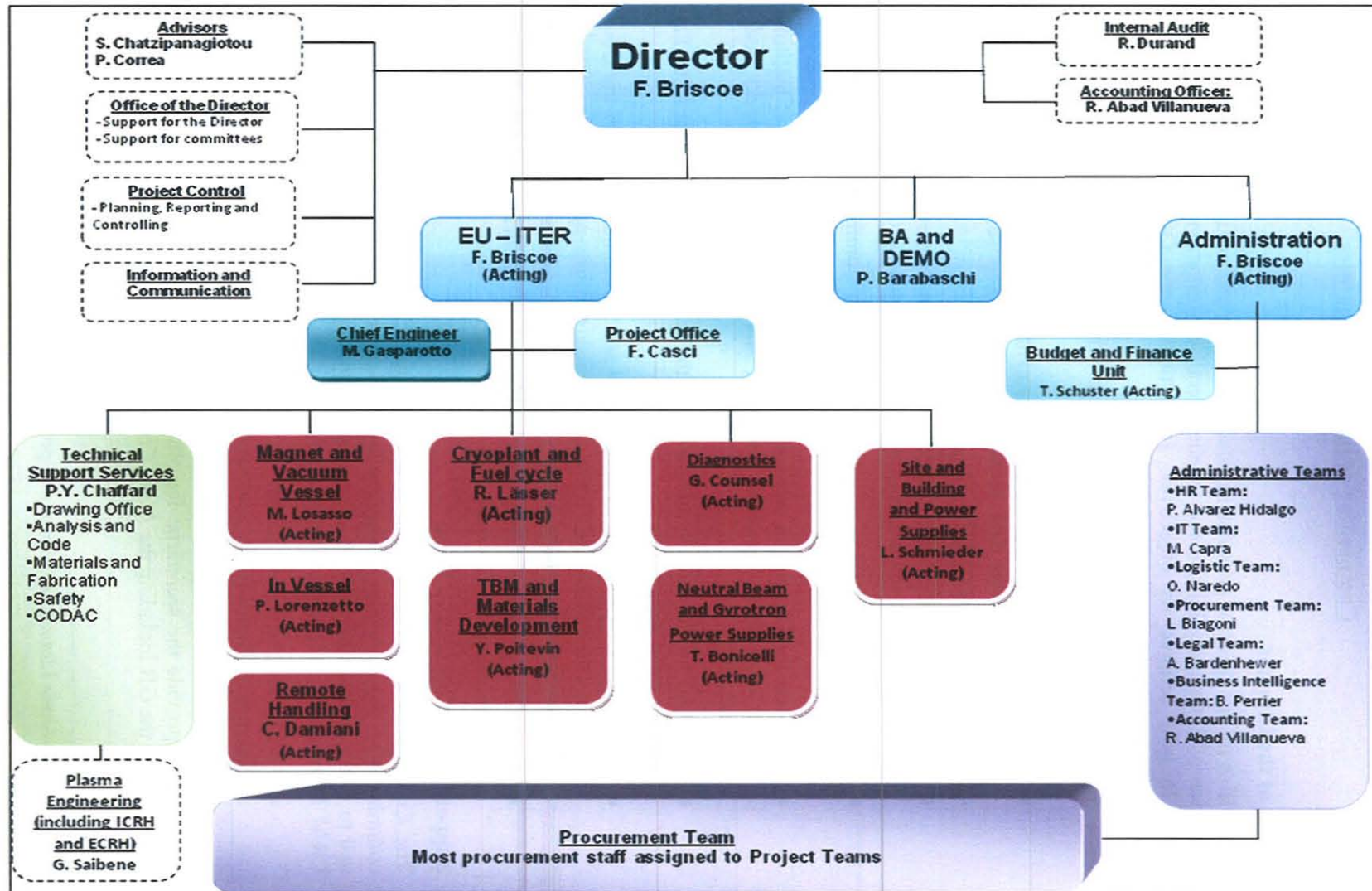
A single administrative service is created, containing all the administrative functions previously under the responsibility of the Contracts and Procurement and Resources departments. These former administrative teams will be now regrouped and structured in units, and each unit will have a manager –middle-management position-, responsible for the specific activities, with clear objectives and appropriate delegations. The definitive units are not yet decided and therefore the appointment of the managers has not intervened yet.

The Communications Team has been placed under the direct responsibility of the Director.

As explained above, the positions of Project Team Manager and Support Service Manager (technical and administrative) are recognised as middle management positions at the level of "Head of Unit" as foreseen in the EU Bodies, except in cases where a team is composed by a small number of staff.

The newly adopted organisational structure is shown further below.

Organisation Chart: the chart enclosed reflects the modification of the new organisational structure from 01/01/2011





Composition of the different entities⁶:

Office of the Director

The Office of the Director provides assistance, support and advice to the Director in the execution of his responsibilities and for the overall coordination of the activities of F4E so as to best achieve its objectives. In particular, the Office has the following responsibilities:

- to provide legal advice to the Director, the F4E Departments and their staff members;
- to co-ordinate, and support the implementation across F4E, the EU policy in relation to personal data protection and to exercise the duties of the Data Protection Officer of F4E;
- to define the overall F4E quality management framework and coordinate its development and implementation across the organisation;
- to advise the Director in relations with the Staff Committee and support him in the daily administrative management;
- to advise the Director in relations with the Commission, other EU Institutions, EU Bodies, EU Agencies (including the inter-agency network) and the Ombudsman;
- to advise the Director in relations with the relations with the Host state, France and the local authorities;
- to provide contributions to the remarks and recommendations of the Court of Auditors, coordinate their visits and to ensure follow-up and implementation of the related actions plans;
- to provide general administrative and logistical support to assist the Director in the performance of his duties.

Support to the Committees Team

The Committees and Management (C&M) Support Team provides support to F4E's committees so that they may operate in an efficient, transparent and consistent manner and to F4E's management for its coordination meetings and reporting. In particular the C&M Team has the following responsibilities:

- to provide the secretariat for the statutory bodies and committees of F4E: the Governing Board (GB), Executive Committee (ExCo) and Technical Advisory Panel (TAP);
- to provide the secretariat for other committees or working groups established by the GB including the Audit Committee and Standing Coordination Group;

⁶ Please refer to Annex I for a breakdown of staff per department.

- to coordinate the preparation of reports, papers and draft decisions for the above-mentioned committees in close collaboration with the management;
- provide the secretariat for F4E Management Meetings and to support the management in reporting and the follow-up of actions as required;
- to coordinate the preparation of the F4E Annual Report in collaboration with three Departments and the I&C Team.

Project Control Team

The Project Control (PC) Team interfaces with all three Departments to monitor the implementation of F4E’s projects and to support the management to mitigate cost & schedule risks so as to maintain them on-track, on-time and within budget. In particular, the PC Team has the following responsibilities:

- Planning, scheduling & project reporting (scope management, project deliverables, WBS, strategic schedule analysis, proposal of mitigation actions, earned value and key indices reporting);
- Cost engineering analysis and estimating (critical review and executive summary of global budget data, cost forecasting);
- Integrated change control and trend analysis;
- Overall strategic risk management and delays quantification, including forensic schedule analysis;
- Preparation of top level summary reports for the management on cost, risk, schedule, change and procurement.

Information & Communication Team

The Information and Communication (I&C) Team develops and implements F4E’s communication and information plan. In particular, the I&C Team has the following responsibilities:

- To develop, present, manage and coordinate the Annual Communication Plan for F4E covering the internal/external information and communication strategy and the communication guidelines for F4E staff;
- To coordinate and contribute to the development and content of the F4E internal and external websites;
- To develop and coordinate the look and feel of internal and external applications and platforms in order to ensure consistency;
- To draft, develop, manage and distribute F4E publications, documentation, periodical newsletters, news alerts;
- To organise and manage the communication aspects of F4E events (press conferences, technical briefings, conferences, awareness campaigns, exhibitions, seminars, media trips), including aspects of logistics (budget allocation, planning, co-ordination with partners, on site management, follow up);
- To manage contacts with communication counterparts in the EU, ITER, R&D actors (universities, schools, research organisations, policy and institutional actors etc);
- To manage contacts with communication counterparts in industry and SMEs liaising with F4E;

- To act as the interface between F4E and the media by establishing and maintaining a network of stakeholders and media contacts (written press and audiovisual organisations) and to ensure that the Information and Communication team is the single media entry and exit point to and from F4E;
- To propose, manage and monitor the communications budget;
- To draft specifications of Calls for tender relating to Information and Communication and follow up related contracts and procurement, including the approval of costs, liaise with external contractors, guide, monitor and evaluate their work;
- To represent F4E in external workshops and working teams for matters relating to Information and Communication;
- To assure compliance with internal controls and quality assurance framework for all matters relating to Information and Communication.

Internal Audit Team

The Internal Audit (IA) function provides independent internal auditing and advisory services by issuing independent opinions on governance, risk management and control processes and recommendations for improving the implementation of operations and promoting sound financial management. The main responsibilities of the IA function are:

- to define, develop and establish the most appropriate procedures and methods in relation to auditing;
- to draw-up an annual audit plan and submit it to the Director and the GB;
- to assess the effectiveness of internal management, control and audit systems and the performance of departments in implementing such systems;
- to present findings and recommendations directly to the Director, while maintaining a continuous dialogue with the auditee, to ensure the relevance of findings and the quality and feasibility of the recommendations for action;
- to follow-up actions decided in response to audit recommendations with the Director and the Department(s) concerned, in order to assure that that these have been implemented, or that the risk of not taking action has been accepted;
- to liaise with the European Commission, Agencies and Community bodies, in particular in the context of existing professional networks;
- to assist in following up the implementation of the actions plans arising from the observations and recommendations of the Court of Auditors;
- on a temporary basis, to act as the contact point for OLAF and monitor the status and progress of all related cases;
- to draw-up and submit to the Director and the Governing Board an annual internal audit report;
- to contribute to assurance-building of the Director, in particular in view of his annual Declaration of Assurance.



ITER Department

The main functions of the ITER Department are:

- to prepare the F4E Work Programme and the F4E Project Plan in line with the overall ITER Work Plan and ITER Project Plan;
- to manage the interaction with the ITER Organisation (IO) on the preparation of the technical specifications for components and systems, on the design reviews and risk assessments, and on the follow-up during fabrication of components and construction of buildings, especially with a view of achieving cost savings and/or risk reduction;
- to manage the negotiation of Procurement Arrangements and ITER Task Agreements with IO, and their subsequent follow-up and amendment;
- to manage the negotiation of contracts with industrial suppliers and grants with fusion laboratories, and their subsequent follow-up and amendment;
- to ensure that the projects are implemented according to cost and schedule;
- to develop and maintain a sound system of project management, including EVM;
- to ensure a regular reporting to the Director and relevant supervisory bodies on the progress of the project work and activities under his/her responsibility.
- to assist the Director in the management of F4E by providing him with sound advice on ITER matters, and by contributing to the overall strategy and policies;
- to ensure effective relations with IO and the Domestic Agencies of the other six ITER Parties;
- to ensure effective relations with the European Fusion Laboratories.

Broader Approach and DEMO Department

The main tasks of the Broader Fusion Development (BFD) Department are to develop and contribute to the implementation of the Broader Approach (BA) and DEMO activities. In particular its responsibilities are:

- to prepare and monitor the implementation of the Work Programme and Project Plan as concerns the activities related to the Broader Approach;
- to coordinate the in-kind contributions by the Euratom Voluntary Contributors (VCs) for components, equipment, materials and other resources for BA activities;
- to coordinate scientific and technological research and development activities with the Japanese Domestic Agency and the VCs;
- to contribute to the preparation and negotiation of the Procurement Arrangements with the Japanese Domestic Agency in collaboration with the C&P Department;

- to contribute to the preparation and negotiation of the corresponding protocols with the VCs in collaboration with the C&P Department;
- to coordinate and monitor the implementation of the Procurement Arrangements by the VCs in collaboration with the C&P Department;
- to participate to the activities of the Integrated Project Team for the BA Projects;
- to provide technical support for the provision of components, equipment, materials and other resources for BA Activities under F4E's responsibility;
- to prepare the technical and management specifications of any F4E contracts and grants related to the BA in collaboration with the C&P Department;
- to provide support to the C&P Department for cost estimates, market surveys, preparing call for tenders and proposals and evaluating offers;
- to ensure the technical follow-up and supervision of contracts and grants in collaboration with the C&P Department;
- to prepare and coordinate F4E participation in BA Steering Committees and BA Contact Persons meetings;
- to support the Office of the Director in the preparation of the Annual Report;
- to support the establishment of the Internal Control Standards and Quality Assurance including the definition of procedures under its responsibility;
- to ensure the effective implementation of the Internal Control System and Quality Assurance Programme in the execution of its activities;
- to provide contributions to the remarks and recommendations of the Court of Auditors and to ensure follow-up and implementation of the related actions plans;
- to report on a regular basis to the Director and the Project Board on the execution of the above-mentioned tasks against the agreed Work Programmes.

Administration Department

The main functions of the Administration Department are:

- to prepare an Administrative Annual Work Program in line with the overall F4E Work Programme and Project Plan;
- to develop and implement an Industrial Policy and to supervise the management of intellectual property rights taking into account the ITER requirements;
- to develop close relations with suppliers and propose sound procurement strategies;
- to develop efficient administrative policies enabling the effective provision of HR in line with the Staff Regulations as well as Logistics support and IT infrastructure;

- to develop the sound financial management within the organisation to ensure the regularity and legality of the financial transactions;
- to ensure a regular reporting to the Director and relevant supervisory bodies on the progress of the work under his/her responsibility.
- to coordinate the overall F4E Budget and the Resource Estimates Plan and monitor their implementation;
- to assist the Director in the management of organisational improvement;
- to assist the Director in the management of F4E by providing him with sound advice on administrative matters, and by contributing to the overall strategy and policies;
- to ensure effective relations with the Host Country, the European Commission, the European Parliament and the Court of Auditors.

1.2 General presentation of the staff policy followed by the Agency.

1.2.1 The agency's recruitment policy as regards the selection procedures, the entry grades of different categories of staff, the type and duration of employment and different job profiles.

The F4E personnel structure consists of established Officials (on permanent posts) and of other servants (on temporary posts), as well as support staff (Contract Agents).

This personnel structure ensures:

- the fulfilment of the legal obligations of Euratom which have been discharged to F4E;
- the successful implementation of this project of critical importance both for the European Union and the world;
- the high-level scientific and technical capacity of the organisation;
- the accountability of the project in relation to both the European citizens and the European Institutions;
- the proper use of the European taxpayers' money and other contributions.

In principle, all functions and tasks to be carried out by F4E will have a permanent nature but will be limited to the duration of the Joint Undertaking.

The tasks related to the overall mission of F4E require highly specialised scientific and technical profiles. F4E requires very qualified staff for all of its departments, especially in the core areas related to the ITER and Broader Approach projects, but this is however applicable also for all the staff working in the Administration department since the

complexity of the projects and the amount of capital involved are very high and, where a limited number of staff has to cover the full range of activities related to all the resources of the organisation.

Since the appointment of the former Director in 2007, a total of 151 selections were launched: 82 positions for Temporary Agents, 32 positions for Officials and 37 positions for Contract Agents.

The AD profiles – Officials and Temporary Agents - correspond, in conformity with the Staff Regulations, to principal technical and scientific staff, administrators, principal administrators, legal officers, financial officers (senior and junior), senior and junior contract managers, procurement experts, to be able to develop the tasks assigned.

Most of F4E support staff consists of Contract Agents (mainly within Function groups II and III). The positions required are: Secretary/administrative Clerk/administrative Support, Information Technology Support, Financial/Budget/Accounting Support Assistant, Human Resources Support Assistant, Logistical Support Assistant, Information Technology Support Assistant, Planning and Scheduling Support Assistant, Risk Assessment Support, Junior Scientist, etc. The CA profiles correspond to a large extend to secretarial support, but also include specialised staff for the planning and scheduling in particular, tasks which are developed under the supervision of Temporary Agents or Officials.

Contracts awarded in Function groups I are expected to be a minority. FG I positions are reserved to Administrative and Logistical Support Agents.

GF IV agents are qualified support specialists in a specific field (Publications and Information, IT, Planning and Scheduling, Legal Officer, Junior Scientific/Technical support, etc).

- Officials / Temporary Agents on long term employment

As mentioned previously, Fusion for Energy Officials are transferred from another EU institution (mainly the European Commission). In the majority, they occupy technical posts, but they are also assigned to the Administration Department.

In what regards Temporary Agents, the first contract being offered to the newly recruited is a 5 years renewable contract. It is foreseen to make them renewable once for a further period of 5 years, eventually followed by an offer for an indefinite period contract as foreseen in the CEOS for a 2a) contract type.

- Temporary Agents on short term employment

Few of the above mentioned Temporary Agents contracts could be limited to a period of 5 years (or 5 years plus one extension), along the lines of the different phases of the ITER project as explained above (construction, exploitation, decommissioning).



It is not yet possible to define precisely which type of positions, if any, would be affected by these considerations, as the ITER Organisation is also in the start-up period of operations. The situation should be clarified in the mid-term.

The Director's contract is foreseen for 5 years with the possibility of an extension of 5 years (short term employment).

- Contract Agents on long term employment

The first contract being offered is a 3 years contract. Although originally the intention was to propose a first renewal for 1 year, it has become clear that organisational needs as well as staff interests impose a longer term for the duration of the first renewal. The contract can therefore be renewed once for 4 years and then followed by an indefinite contract in conformity with the rules set out by article 85 of the CEOS.

First renewals on that basis will have already intervened beginning 2011.

The vast majority of the Contract Agent posts will be under this rule, as support positions will remain needed for the 35 years of duration of the project.

- Contract Agents on short term employment

Few (if any) of the Contract Agent contracts are foreseen to be short term for the same reasons that apply to some Temporary Agents. Indeed, a small amount of activities carried out by support staff is focused on the first years of the construction/design phase, and therefore these positions might not be needed on a long term basis.

-Seconded National Experts

They are recruited on a general basis for an initial period of 2 years, renewable for another period of 2 years. The maximum period of secondment in F4E is 4 years. As the Joint Undertaking is still in a start-up period and some highly specialised profiles are difficult to be at hand as quickly as the project would need, the national fusion associations or universities put these profiles at disposal of F4E for a limited amount of time, in conformity with the rules for Seconded National Experts adopted by the Governing Board in 2007.

Selection procedures

F4E applies by analogy the General Implementing Provisions (GIP) on the Procedure governing the Engagement and use of Temporary Agents as well as the General Implementing Provisions on the Procedures governing the Engagement and use of Contract Agents (GIP) in the agencies. For the selection of Officials, F4E applies by analogy the rules applied by the Commission.

However, for the selection procedures launched up to now, taking into account the urgency to fulfil posts that are crucial for the start-up of the organisation and, thus, the respect of the commitments deriving from the ITER international agreement, it has been

decided to derogate from the requirement of written tests. F4E has recently defined, after consultation of the staff representatives, guidelines that fix the framework in which written tests for the existing CAs will be implemented. Along these lines, new selection procedures including written tests are expected to be taken during 2011. The transitional period should therefore end at the end of 2011.

While no written tests are organised in the context of the current selection procedures, the Selection Committee invites the candidates who best match the criteria laid down in the vacancy notice to an interview. The content of the interview shall follow those proposed for written tests to the maximum extent.

F4E can guarantee that the selection procedures are conducted in a transparent and objective manner, ensuring a fair and equal treatment to all candidates so as to ensure the recruitment of staff possessing a high level of competences, efficiency and integrity.

After the establishment of the first Staff Committee in F4E in March 2009, the composition of the selection committees has been adapted to respect the contents of the Implementing Rules above mentioned: there is therefore at least a representative of the Staff committee, a representative of the administration and a representative of the concerned department (which usually ensures the chairmanship).

In terms of advertising, following the adoption of the Council decision establishing F4E in March 2007, F4E has been publishing its vacant posts (Temporary Agents, Permanent Posts and Contract Agents positions) on the job opportunities section of 'Fusion for Energy website (and previously to the existence of its own website, on the Energy page of the Europa server) as well as on the EPSO site (link in the agencies page).

The Governing Board as well as the Executive Committee are informed of the publications so they can disclose the information to their network. This enables F4E to benefit from a wide geographical basis for recruitments.

a) Selection of Established Officials

Vacant permanent posts intended to be occupied by established Officials and/or "lauréats de concours", are filled in full respect with the Staff Regulations. Recruitment interviews are conducted by a panel (composed by analogy to the ones related to TA position) using pre-defined criteria and a standard evaluation grid.

Officials have also been recruited on the basis of the call for expression of interests launched by the Human Resources unit of DG RTD (RTD.R.1) in January 2007. The purpose of this exercise was to constitute reserve lists, per profile, of Commission Officials interested in joining the Joint Undertaking. Following his formal appointment, the former Director approved the reserve lists and these were used to recruit several successful candidates.

Since the appointment of the former Director in October 2007, F4E has launched 32 publications following to a large extent the criteria below:

- AD5/6 for junior profiles
- AD5/9 for profiles not predefined as junior or senior, in order to allow for a larger offer of candidates
- AD9/11-12 for more senior profiles but non management positions
- AD11/12 for Heads of department – management posts
- Within the AST 3/11 – AST5/11 for assistant profiles with non predefined profile, in order to allow for a larger base of candidates. Sometimes other career brackets have been introduced depending on the type of profile sought (AST3-5 or AST 9-11)

From 2010 onward and in order to satisfy the new organisational structure which entered into force on 01.01.2011, the publications of Head of Department (ITER and Administration) have been issued at AD 13 level. The new middle management posts to be published will range between AD9 and AD12 grades, in accordance with the middle-management decision to be adopted by F4E. Other positions have been advertised to recruit financial agent in the new budget and Finance Unit.

b) Selection of Temporary Agents

Since the appointment of the former Director in October 2007, F4E has launched 82 selections, following the criteria below:

- AD5/AD6 for junior profiles (technical and administrative)
- AD9 for senior profiles (technical/scientific experts, group leaders depending on the group and functions to be developed)
- AD 12 for Heads of Department – old structure. These posts, as mentioned below, in the context of the new organisational structure, have been published at AD13 level.
- AD 12 for Heads of Division within the ITER department, taking into account the nature of the functions to be exercised. Some of them were published also in AD9 level.
- AST3 for the assistant positions (technical and administrative)

In order to satisfy the new organisational structure which entered into force on 01.01.2011, the publications of Head of Department have been issued at AD 13 level. The posts of Heads of Unit below the Head of Department will range between AD9 and AD12 grades, in accordance with the middle-management decision to be adopted by F4E.

Other general selection have been advertised to cover the new profiles needed in relation with the new organisational structure such as Project Managers, Project Management Support, Change Configuration Control, etc..

c) Selection of Contract Agents

Support staff, working under the responsibility of Temporary Agents or Officials, are employed by F4E as Contract Agents.

After the first calls for expression of interests launched in 2007 in order to provide the organisation with a minimum level of administrative and support staff, as explained in previous MSPP, 37 selections procedures have been launched for specific support; in general, the criteria followed for the publication are the following:

- GF II for secretarial tasks
- GF III for team assistants
- GF III and IV for specific technical functions (IT, planning and scheduling, legal officer notably).

Confronted to the need of increasing secretarial support, and the penury of reserve lists in this domain, F4E launched a new selection (GF II) in 2010

In order to remedy to the problems mentioned above, F4E concluded a Service level agreement (SLA) with EPSO. The aim, among others, was to use the CAST database in order to recruit contract agents, in particular for the horizontal and administrative profiles but not exclusively.

3 out of the 5 procedures launched using the CAST database have concluded with a recruitment in F4E. However, the SLA agreement has shown its limitations: in relation to administrative posts, most of the candidates included in the EPSO CAST databases are not interested in a post outside Brussels; concerning the technical profiles, very few profiles are actually adapted to F4E needs.

For the purpose of the renewal of CA contracts, it is important to note that F4E wishes to acknowledge the successful completion of an EPSO test (CAST). This would mean that the Contract Agents recruited by F4E that have successfully passed the EPSO written examination would be entitled to obtain an indefinite contract (as mentioned in the dispositions applicable to Contract Agents type 3a regarding the selection procedure) without having to pass again a written exam at F4E.

Finally, in 2010 and 2011 new selections in the profiles mentioned above have been and will be launched to satisfy the staffing needs of the organisation.



1.2.2 The agency's policy as regards performance appraisal and promotion/reclassification.

The Joint Undertaking developed its rules along the lines of the models agreed on by the European Commission and the agencies and foresees to submit the formal implementing rules for agreement of the European Commission in 2011 (for officials and temporary agents).⁷

In this respect, the specific situation of Fusion for Energy needs to be duly taken into account. In particular regarding its population of officials, Fusion for Energy is facing several challenges. As explained previously, on the one hand, it is committed to ensure the continuity of their career across the different institutions in case of transfer. The system which will be developed will therefore need to allow this. On the other hand, it is to be noted that officials in grade AD12 represent a significant part of F4E population. This is due to the fact that many officials were/are transferred from the European Commission with that grade/have been promoted by F4E to that grade (as explained in the previous MSPP) following the Conclusion of Heads of Administration of 16.10.2003.

In terms of promotion policy, this implies that the establishment plan will have to be updated in consequence in order to avoid 'bottlenecks' and offer career perspectives to these officials.

F4E has not yet adopted the implementing rules regarding evaluation and promotion. It intends however to apply the common models agreed on by the Commission and the other Agencies, adapted, as explained, to take into account the presence of officials transferred in order to ensure the continuity of career.

As agreed with the Commission for this first promotion exercise, F4E built on the situation of the officials transferred to F4E at the end of the year and the thresholds, time span and averages for promotion in the different grades set by the Commission were attempted to be followed while adapting them to the specific situation of the Joint Undertaking.

Regarding appraisal, staff performance was assessed from 2008 on and the first evaluation exercise has not yet been concluded.

1.2.3 Statistics and general orientations to promote equal opportunities and concrete measures planned in order to ensure equal treatment among the staff members.

The general orientations aiming to ensure this essential principle will be developed in line with the Commission's policy for these issues.

Parental leave and part-time provisions as well as provisions on handicap- applying by analogy the Commission's decisions on these subjects- are already in force in the Joint Undertaking. They would however need to be modified following the new Commission rules on these matters. Flexitime is also an important element of the strategy to facilitate work-life balance and thus strengthen equal opportunities.

⁷ For contract agents, following the request of the European Commission, agencies were asked to wait for the European Commission position to be finalised before submitting any draft implementing rules.

Nevertheless, selection procedures and recruitment still show the predominance of male presence, explained undoubtedly by the core tasks of the organisation which are within a domain predominantly male.

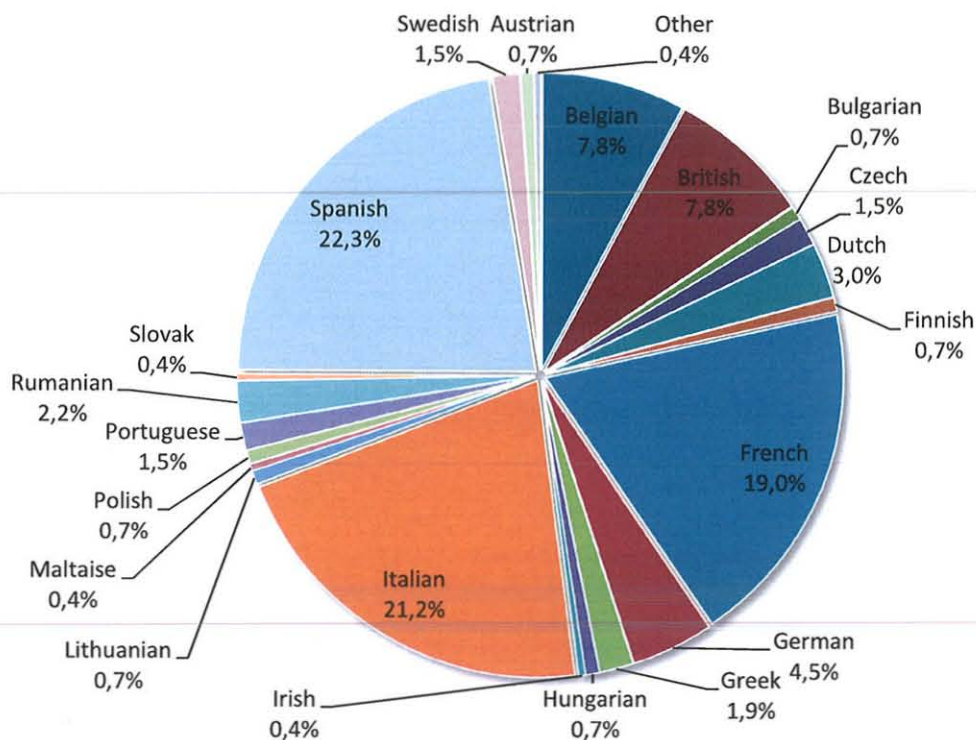
Taking into account the number of persons recruited up to 31.12.2010 (comprising Officials, Temporary and Contract Agents) Fusion for Energy is composed of 36% female and 64% male staff.



1.2.4 Statistics on geographical balance.

F4E applies the Staff Regulations and CEOS and endeavours to obtain a representative geographical balance. F4E is nevertheless dependent on the nationalities of applicants to the vacancies or calls for expression of interests. As with the balance of gender, the strong representation of certain nationalities is mainly due to the fact that experts in the core tasks of the organisation are heavily represented in those countries, which creates a deficit of applications of certain nationalities of the Member States.

These statistics are based upon the number of persons recruited up to 31.12.2010 and comprise Officials, Temporary and Contract Agents.



1.2.5 Mobility policy in regard to the different types of employment. Mobility within the agency.

Mobility policy within the Joint Undertaking has not yet been defined but F4E will ensure it within the limits imposed by the extremely specialised tasks assigned to it. While F4E is still at a growing phase, the first priority is to occupy all the posts allowed by the establishment plan, according to the profiles needed and the priorities set. Nevertheless some staff has been transferred between Departments (former structure and new structure) with their position in order to cover the needs of the organization.

As well, during 2011-12 calls for expression of interest will be launched within the Joint Undertaking in order to allow existing F4E staff to apply for the project management functions.

In addition, F4E staff has the right to apply to F4E external publications and if included in the reserve lists and maybe offered a new contract of employment. On that basis, staff might change department or service

Mobility between agencies (Interagency Jobmarket)

F4E aims to ensure that all the conditions required to participate in the Interagency Job Market are met. The implementing rule on grading already received the approval from the European Commission and will be soon adopted by F4E GB.

Mobility between the agencies and the institutions

For established EC Officials the Staff Regulations applies; EC Officials can therefore apply to inter-institutional vacancies within any EU institution and be transferred within any EU institution. It should however be noted that there is an extremely limited number of positions published in that way. Bearing this fact in mind, and with full respect of the SR and CEOS, the negotiations carried out between DG RTD, HR and the Commission Trade Unions at the time established a specific procedure for the retransfer of F4E officials to the Commission during the first years of existence of F4E.

2 - OVERVIEW OF THE SITUATION OVER NEXT THREE YEARS.

2.1 TURNOVER DUE TO RETIREMENT OR TERMINATION OF EMPLOYMENT.

2.1.1 Turnover in the Joint Undertaking because of retirement.

An Official AD11, an Official AST 10 and a Contract Agent FG IV are foreseen to enter retirement in early to mid 2013.

2.1.2 Turnover in the Joint Undertaking because of termination of employment.

During the years 2012 to 2014 a total of **152** contracts will reach their term. The following tables provide us with a detail per contract type and grade:

Temporary Agents

AD 12	2
AD 9	28
AD 7	1
AD 6	50
AD 5	2
AST 3	12
TOTAL	95

Contract Agents

EF

FG IV	17
FG III	9
FG II	31
TOTAL	57

All these contracts are first contracts arriving to expiration. In 2011 a decision will be taken concerning the approach and procedures which are to be set for the renewal of Temporary Agents contracts. Concerning Contract Agents, and as explained earlier, as a principle a first renewal of 4 years has been decided by the management, together with guidelines on regularising the situation before the contract might become indefinite (on written tests for instance).

In its meeting of 1-2 December 2010 the GB has decided to extend the mandate of the Director *ad interim* (planned to expire in early 2011) for an additional period of 18 months until 15 August 2012. In parallel, the GB has also decided to launch the selection for the future Director to be recruited in 2012. It is thus foreseen to have a transitional phase when both mandates will be active at the same time.

2.2 WORKLOAD.

2.2.1 General background – from early to recent developments

In relation to the staffing needs of the Joint Undertaking, an ad-hoc group comprising the Chairs and Vice-Chairs of the F4E Governing Board, Executive Committee and Technical Advisory Panel was constituted to examine this issue and provided a report which was endorsed by the Governing Board at its meeting of 8 July 2008. This report serves as the basis for the planning of the staffing requests of Fusion for Energy for the following 5 years and may be reviewed as necessary.

As detailed below, taking into account recent developments of the ITER project and the requirements of Euratom (represented by the European Commission) to ensure that the EU contribution is adequately managed, the report has been revised by the GB at its meeting of 1-2 December 2010 (see below, point 2.2.2).

The current report is appended to the SPP as it provides a detailed analysis of the mission, workload and staffing needs of Fusion for Energy.

It is worth reminding again that the staff needs of F4E are directly linked to the tasks entrusted to the Joint Undertaking to discharge Euratom obligations towards the ITER project, as they are set by the ITER international agreement. F4E must therefore be in a position to exert these responsibilities and to that effect must "attract specialised scientific and technical staff of the highest caliber," commensurate with its responsibilities. Experience from procurement in large public procurement institutions, including at CERN and JET, has demonstrated that to minimise risks of cost increases and delays, the provision of an adequate number of qualified staff for the technical and administrative follow up of contracts is necessary and essential. Furthermore, this will

also be beneficial in the medium to long term since the personnel costs are relatively low in comparison to the cost of industrial contracts that these staff members' expertise will help to reduce.

Euratom (EU) has committed through the international agreement to the construction and implementation of the ITER project with the other ITER parties (USA, Japan, Russia, China, South Korea and India). In particular Euratom has taken the main responsibility for the construction phase of the project, contributing 5/11 (~45%) of the total. Indeed, this project is the world largest international collaboration project within the energy field in which Europe has a strong leadership position.

This international agreement has detailed each parties' responsibilities and the deadlines to be respected.

As explained in the previous MSSP, when considering the staffing needs for the technical departments, theoretically two main scenarios were envisaged. The situation closer to reality, resulting from the experience of implementation of the ITER project up to present date, is the scenario where a strong Domestic Agency involvement is foreseen, contrary to the one envisaging limited involvement.

In case the main assumptions (R&D, associations involvement, transport, etc) are not true, the staffing level in both the scenarios will have to be revised and reinforced accordingly.

It is also to be noted that this Report is based on the current status of ITER (regarding its structure, programming, design, etc) and the information available at this stage. Depending on the progress of ITER these scenarios are subject to change.

Nevertheless, it is useful to point out that there are several essential elements which could influence the staffing needs in the short / midterm:

- The schedule and cost for ITER project has been substantially modified in conformity with the decisions of the ITER Council. This issue could have an impact on the number of staff needed by F4E in order to fulfill its international obligations. The decision of the ITER Council on 28 July 2010 approved the "ITER Baseline" (schedule and budget) and has set the path for the corresponding adjustments.
- ITER IO has appointed a new Director General as from 28 July 2010: the organization is currently undergoing restructuration. This could have an impact on F4E as well.
- Within F4E, a management assessment exercise requested by the Governing Board took place in the second term of 2009. According to the last resources estimates report - approved by the GB in November 2009 -, the situation is to be reviewed, in particular in the light of the conclusions of the F4E Management Assessment Group, and it may consequently affect the Establishment Plans for 2012 onwards. Some measures have already been implemented since the reception of the final conclusions of the Assessment Report.
- Building upon this, F4E GB in its meeting of 5 October 2010 approved the modifications to the organization chart of F4E mentioned previously and



instructed the Director *ad interim* to proceed with the procedures towards this end. F4E is progressing in the implementation of this structure. It is reflecting on ways to further improve its performance and to ensure the organization will succeed in implementing the changes needed to adapt to the new scenario.

Taking these elements into account, it can therefore not be excluded at this stage that F4E will need to modify its estimates in personnel for the years to come, and thus introduce a modified request during the budgetary exercise for the next coming years.

2.2.2. Current situation – specific requests

During its meeting of 1-2 December 2010, the F4E GB took note of the Resource Estimates Plan which foresees an additional request of 23 new posts for 2012.

These 23 additional positions are needed in order to satisfy to the specific request of the European Competitiveness Council to put in place a new organizational structure (with the corresponding increase in middle-management positions), a cost containment scheme and a project management system.

The new structure is composed by 3 Departments and it is foreseen to recruit another additional 15 Head of Unit positions (Project Managers and Administrative heads of Unit). In addition, the Project Control unit and the relevant experienced staff have to be set up according to the European Competitiveness Council resolution which requested F4E to implement a Project Management system and industrial standards. The Procurement and Budget & Finance units will also be reinforced to strengthen the Procurement Strategy, and in particular the development of an Industrial Policy as requested by the Governing Board of F4E. Regarding the financial part, the control environment will also be reinforced according to the recommendations of the Court of Auditors.

In particular, the positions will be used to recruit more staff experimented in Quality System area (certified quality auditor, QA management course, quality engineering specialization, etc.) and in particular to:

- ✓ Reinforce F4E project teams with industrial knowledge and experience, in particular in the areas of site and buildings, magnets, plant systems and vacuum vessel;
- ✓ Reinforce the project management processes of F4E, in particular in the establishment and implementation of monitoring, controlling and reporting systems in accordance with industrial standards;
- ✓ Reinforce the financial service and the sound financial management environment.

In addition to these points Fusion for Energy wishes to reinforce the procurement service in order to properly prepare the significant step-up of operational procurement procedures and expenditures as the ITER construction enters its most intense phase.

In this line, it is an essential requirement for the success of the project to make available additional resources covering the needs of the peak period of the ITER construction (2012-2015).

In order to provide a quantitative indication of the staffing needs for the increased workload, a number of F4E operational indicators were analyzed for the 2009-2010 timeframe. These indicators are as follows:

- the number of operational procedures finalized per man-month (N), which is related to the number of procedural files being managed;
- the committed amount per man-month (C), which is related to the complexity and relevance of the procedures managed;

Indicators N and C together are representative of the procedural workload, i.e. the work needed to start new financial engagements (e.g. contracts) at F4E.

- the number of finance operations per man-month (T), which is related to the number of implementation files being managed;
- the amount per man-month generated by finance operations (P), which is related to the complexity of the follow up of files.

Indicators T and P together are representative of the implementation workload, i.e. the work needed to perform and close existing financial engagements at F4E.

During 2009-2010, the procurement team at F4E managed to finalize an average of 1.5 operational procurement procedures, to commit an average of 3.1 Meur, and to pay an average of 0.9 Meur per man-month (mm). In 2010 the finance initiating agents in F4E initiated 3200 finance operations corresponding to around 800 operations per agent and an increase of around 17 % over the previous year.

The above indicators must be compared with the expected workload in the 2012-2015 timeframe, when the teams will be requested to implement and follow-up an average of more than 1 Beur in commitments (with a peak of about 1.3 Beur in 2012, excluding cash contributions) and of almost 1 Beur in payments per year (about 400 transactions, with a peak of about 1.1 Beur in 2015, also excluding cash contributions).

A more thorough analysis of the indicators will be performed in the upcoming weeks, in order to provide a better substantiation of the staffing request. However at first sight, and even assuming a progressive increase of the time efficiency of procurement and financial officers, the indicators suggest that the implementation of the ITER project procurements over the 2012-2015 timeframe will require a roughly 50% increase of procurement manpower (i.e. about 10 full time equivalent more) and a more than 200% increase of finance manpower.

Also of importance in this context, is the fact that the increase in the financial importance and complexity of contracts and transactions will require a progressive step up in the

experience level requested for the involved officer. Furthermore the progressive shift from a procedure-oriented workload (in 2012 with a high commitment volume) into an implementation-oriented workload (in 2015 with a high payment volume) will require an appropriate evolution of the profile and the skills requested for procurement officers.

Regarding support staff, in 2010 focus has been put on the recruitment of more Contract Agents to recruit junior scientific/technical profiles (Function Group IV). The idea is to progressively ensure a new generation of specialists in the field of fusion. Therefore, the breakdown for Contract Agent positions has been adapted during the year while respecting the overall number of staff and corresponding budgetary envelop (see point 1.1.2.2)

On the other hand, from 2011 onward the envisaged number of Seconded National Experts will be reduced from 25 to 10 per year as they are mainly required for highly technical and specific tasks in the starting up phase. The saved budget will be redeployed to cover for the needed increase of Contract Agents (see point 1.1.2.2).

Finally, it should be noted that this redeployment of SNE positions as Contract Agents will not have a budgetary impact in 2011 nor will it affect the 2012 budget. Furthermore, the 23 additional positions requested will be financed within F4E's administrative budget requested for 2012, which corresponds for the time being to the level of the expenditure in the Resource Estimates Plan.

2.3 CONSEQUENCES OF 2.1. AND 2.2. ON THE NUMBER OF STAFF IN THE AGENCY FOR THE NEXT 3 YEARS.

Regarding Temporary Agents

For F4E it will be extremely difficult to respect the 20% limit laid down in Article 31 of the Staff Regulations regarding the recruitment of Temporary Agents in the grades AD9-AD12. This will be particularly true during the first years for the following reasons:

- The grading has to be sufficiently high in order to be competitive and enable the recruitment of extremely qualified Temporary Agents, which are needed at the beginning of the establishment of the Joint Undertaking to cover all the sectors of the project.
- In addition, there is a very limited market in Europe of people with the appropriate profile and therefore it is particularly complicated to find suitable candidates to occupy F4E's temporary posts; furthermore, candidates tend to have a more senior profile in specific areas.

In the second phase and when the organisation structure will be stabilised, all recruitment of temporary agents will be done in the lower grades. It is expected that the situation regarding the grades of F4E staff can be normalised over the coming years and in principle over the period of 5 years as laid down in the Commission guidelines on staff policy in the Regulatory Agencies.

The statement above is already materializing as the percentage of high grades recruited has considerably decreased over the three years of full functioning of the Joint Undertaking. In 2009 the posts authorized were around 47% while the Temporary Agents recruited in higher grades represented around 35% and in 2010 the posts authorized reached 37,6% while the agents recruited were around 24,8%.

As the discussions on the final distribution of responsibilities between the ITER IO and the domestic agencies are not finalized yet, it is very difficult to provide accurate information on the specific needs. As explained in point 2.2 above, it is again to be noted that this forecast is based on the current status of ITER (regarding its structure, programming, design, etc.) and the information available at this stage. Depending on the progress of ITER the scenarios are subject to change.

Concerning the adaptation of the establishment plan in relation to eventual reclassifications for Temporary Agents, for grades AD6 and AD9, the evolution is based on the statutory averages while for the other grades the estimations are linked to the population concerned due to the fact that the number of staff concerned is very small.

Regarding Officials

Concerning F4E FO positions, it is also important to explain the additional requests for FO AD12 and AD13 posts, while maintaining the overall number of posts. Indeed, as explained F4E faces a specific challenge concerning its population of AD12 officials. Indeed, they represent a significant part of F4E staff, due to the fact that many officials were transferred from the European Commission with that grade already or have been promoted by F4E to that grade following the Conclusion of Heads of Administration 16.10.2003.

Due to the fact that F4E is conducting its first promotion exercise, the estimations on the promotion rates have been evaluated more precisely compared to the previous exercise. The estimations concerning the officials in 2011 have therefore been calculated taking into account the need to ensure career progression and the potential promotions in 2010 and 2011.

F4E has to take into account also the guarantee to have the same career progression of their Officials in the organization as agreed with the Commission services and the European Commission Trade Unions before the Officials were transferred to F4E. As such, for this first F4E promotion exercise, the Joint Undertaking has to take into account the career of the official transferred to F4E in particular by reconverting the rucksack.

For all these reasons and in order to ensure that there are enough budgetary possibilities to manage the promotion exercise – based on statutory averages, F4E proposes to adapt the Establishment plan for Officials on a yearly basis taking into account the result of the annual promotion exercise until the organization stabilizes the Establishment plan regarding the officials. The F4E Establishment plan has been adapted for 2011 taking this into account.

Following Article 34 of our Financial Regulations, Fusion for Energy Governing Board has no flexibility whatsoever in order to modify its establishment plan in the case of grades AD13 (or above). This constraint has been taken into account, notably in relation with the promotion policy. In order to comply with the limited number of posts available, Fusion



for Energy has indeed already increased the promotion thresholds required for promotion in that grade in comparison with the thresholds proposed in the model decision defined for agencies.

As explained above, Fusion for Energy is committed to ensure the continuity of officials' career across the different institutions in case of transfer. This implies that the establishment plan will have to be updated in consequence in order to avoid 'bottlenecks' and offer career perspectives to these officials.

Furthermore, the organisation is willing to strengthen its top management level and has published 2 posts in grade AD13 in the course of 2010.

On that basis, a redeployment of resources in the Establishment plan appears necessary in 2012 in order to guarantee the evolution of career of the Officials in a higher grade.

General comment

The positions published concerning the posts of Head of ITER, Administration and Head of Budget and Finances, will be filled in early 2011. The new middle-management positions to be published also covering the Heads of Unit in F4E (around 15) will also be filled in 2011.

It is only after the procedures to fill the posts are finished that F4E will dispose of an overall view on number and grade of positions still available and that a new reassessment of the situation will have to be conducted. It is not excluded that new positions will be deemed necessary.

Budget

As far as the budget is concerned, the administrative expenditure relating to the functioning and operating costs of F4E is made up of the Euratom contribution⁸. For Euratom, the relative share of the administrative contribution is set at 10.3% (FP VII) (noting the maximum of 15%). Part of the membership contributions may be added to the administrative expenditure. Administrative appropriations not used will be transferred to, or budgeted in addition of, the operational budgets.

3. Schooling

Following the F4E Governing Board decision on 28th of August 2009 allowing the Joint Undertaking to establish administrative agreements with the international schools in Barcelona and its surroundings, 12 agreements have been concluded. Inscription, tuition and transport costs are paid directly to the schools through the direct payment system which has proven to work efficiently.

⁸ The Euratom contribution for administrative expenditure is subject to the adoption of the FP7 Euratom programme 2012-2013.

Nevertheless, F4E is continuing to steer actions to establish an Associated International School type II in Barcelona, in a long term basis. To this purpose F4E had several meetings with the Catalan local authorities (Generalitat de Catalunya and Ajuntament de Barcelona) and the Spanish Government (Ministerio de Educación) to propose the establishment of a technical working group of experts with the objective to create a general interest file and an education plan to submit to the Board of Governors for its approval. Last meeting with the authorities was held in Barcelona on June 2010, but due to the very recent Catalan elections F4E interlocutors have changed. F4E intends to contact the new local authorities beginning 2011 to reactivate negotiations and involve them in the process of creation the technical working group.


4. State of play of implementing rules adopted by the Agency consistent with its Staff Policy

The second set of rules submitted to the European Commission will be submitted for adoption to the Governing Board taking place during the 1st semester of 2011. The following decisions, on which the agreement of the European Commission was already secured, are concerned:

- Appraisal for the Director;
- Decision on general implementing provisions concerning the criteria applicable to classification in grade and step on appointment or engagement.

In the near future, the following planning is foreseen:

- **Rules applicable by analogy;**
- Vademecum on absences and sickness (2011);
- **Rules which can be subject to formal/technical adjustments;**
- Decision on Article 55a and Annex IVa of the Staff Regulations concerning part-time work (2011);
- Vademecum leave (2011);
- Outside activities and assignments (2011 – provided the European Commission issues its new decision on the subject);
- Attestation (2011);
- Certification (2011);
- Interim (2011);
- **Rules subject to more substantial modifications;**

- 
- Engagement and use of temporary agents (2011);
 - Engagement and use of contract agents (2011);
 - Harassment (2001);
 - Appraisal – Article 43 of the Staff Regulations (2011);
 - Promotion – Reclassification – Article 45 of the Staff Regulations (2011);
 - Middle management (2011);
 - Maintaining individual standards (2012);
 - Disciplinary measures and investigation (2011).

Furthermore, and notably taking into account the Council Conclusions on “ITER Status and possible way forward” of July 2010, the Governing Board of F4E decided to establish a Working Group (WG) in order to develop proposals to improve the way in which the Commission, the Member States and F4E implement their responsibilities and tasks. This includes in particular an assessment, with regards to the specific needs of the Joint Undertaking, of the rules implementing the Staff Regulations. Following the conclusions of this WG (foreseen in the course of March 2011), it was already agreed with DG HR that discussions will be initiated with F4E on the modifications which could be introduced to the implementing rules.

Grade	Establishment plan 2011			Year 2012										
				Posts evolution					Organisational evolution			Establishment Plan 2012		
				Promotion / Career advancement			Turn-over (departures/arrivals)		New posts (per grade)			Requested (Provisional Draft Budget)		
				PERM	TEMP	TOTAL	Officials	TA - LT	TA - ST	Officials	TA - LT	Perm	Temp - LT	Temp - ST
AD16			0									0	0	0
AD15		1	1									0	1	1
AD14			0									0	0	0
AD13	4	1	5	5	1							9	2	11
AD12	17	8	25	-2	-1					3		15	10	25
AD11	5		5	0	7							5	7	12
AD10	5	27	32	1	-1							6	26	32
AD9	7	21	28	-2	-6					11		5	26	31
AD8	4		4	-1	15							3	15	18
AD7		43	43	1	2							1	45	46
AD6	2	50	52	-2	-16					6		0	40	40
AD5		3	3		-1							0	2	2
Total AD	44	154	198	0	0	0	0	0	0	20	0	44	174	218
AST11	3		3	1								4	0	4
AST10	2		2									2	0	2
AST9	3		3									3	0	3
AST8	2		2	-1								1	0	1
AST7			0									0	0	0
AST6			0	1								1	0	1
AST5	4		4		4							4	4	8
AST4	1	11	12									1	11	12
AST3	3	12	15	-1	-4					3		2	11	13
AST2			0									0	0	0
AST1			0									0	0	0
Total AST	18	23	41	0	0	0	0	0	0	3	0	18	26	44
Overall Total	62	177	239	0	0	0	0	0	0	23	0	62	200	262



Grade	Establishment plan 2012			Year 2013										
				Posts evolution					Organisational evolution			Establishment Plan 2013		
				Promotion / Career advancement			Turn-over (departures/arrivals)		New posts (per grade)			Requested (Provisional Draft Budget)		
	PERM	TEMP	TOTAL	Officials	TA - LT	TA - ST	Officials	TA - LT	Perm	Temp - LT	Temp - ST	Perm	Temp	Total
AD16	0	0	0									0	0	0
AD15	0	1	1									0	1	1
AD14	0	0	0									0	0	0
AD13	9	2	11									9	2	11
AD12	15	10	25									15	10	25
AD11	5	7	12									5	7	12
AD10	6	26	32									6	26	32
AD9	5	26	31									5	26	31
AD8	3	15	18									3	15	18
AD7	1	45	46									1	45	46
AD6	0	40	40									0	40	40
AD5	0	2	2									0	2	2
Total AD	44	174	218	0	0	0	0	0	0	0	0	44	174	218
AST11	4	0	4									4	0	4
AST10	2	0	2									2	0	2
AST9	3	0	3									3	0	3
AST8	1	0	1									1	0	1
AST7	0	0	0									0	0	0
AST6	1	0	1									1	0	1
AST5	4	4	8									4	4	8
AST4	1	11	12									1	11	12
AST3	2	11	13									2	11	13
AST2	0	0	0									0	0	0
AST1	0	0	0									0	0	0
Total AST	18	26	44	0	0	0	0	0	0	0	0	18	26	44
Overall Total	62	200	262	0	0	0	0	0	0	0	0	62	200	262

Grade	Establishment plan 2013			Year 2014										
				Posts evolution					Organisational evolution			Establishment Plan 2014		
				Promotion / Career advancement			Turn-over (departures/arrivals)		New posts (per grade)			Requested (Provisional Draft Budget)		
				PERM	TEMP	TOTAL	Officials	TA - LT	TA - ST	Officials	TA - LT	Perm	Temp - LT	Temp - ST
AD16	0	0	0									0	0	0
AD15	0	1	1									0	1	1
AD14	0	0	0									0	0	0
AD13	9	2	11									9	2	11
AD12	15	10	25									15	10	25
AD11	5	7	12									5	7	12
AD10	6	26	32									6	26	32
AD9	5	26	31									5	26	31
AD8	3	15	18									3	15	18
AD7	1	45	46									1	45	46
AD6	0	40	40									0	40	40
AD5	0	2	2									0	2	2
Total AD	44	174	218	0	0	0	0	0	0	0	0	44	174	218
AST11	4	0	4									4	0	4
AST10	2	0	2									2	0	2
AST9	3	0	3									3	0	3
AST8	1	0	1									1	0	1
AST7	0	0	0									0	0	0
AST6	1	0	1									1	0	1
AST5	4	4	8									4	4	8
AST4	1	11	12									1	11	12
AST3	2	11	13									2	11	13
AST2	0	0	0									0	0	0
AST1	0	0	0									0	0	0
Total AST	18	26	44	0	0	0	0	0	0	0	0	18	26	44
Overall Total	62	200	262	0	0	0	0	0	0	0	0	62	200	262

Annex I – Staff Allocation on 01.01.2011⁹

Department	Permanent posts		Temporary posts		Total (1)	Support staff posts		Total (2)	Grand Total (1+2)	% (3)	% (4)	% (3+4)
	AD	AST	AD	AST		CA	SNE					
DIR	5	1	6	0	12	8	0	8	20	3%	2%	5%
AUDIT	2	1	0	0	3	1	0	1	4	1%	0%	1%
ITER	13	2	102	10	127	49	5	54	181	33%	14%	47%
BA&DEMO	6	1	8	0	15	5	7	12	27	4%	3%	7%
ADMIN	10	11	30	13	64	58	1	59	123	16%	15%	32%
Total Allocated	36	16	146	23	221	121	13	134	355	56%	34%	90%
Reserve	8	2	3	0	13	9	12	21	34	3%	5%	10%
2011 new posts & changes			5		5			0	5	1%	0%	-10%
Total	44	18	159	23	239	130	25	155	394	61%	39%	100%

⁹ Please note that a redeployment of SNE into Contract Agent staff is expected to take place to cover for different emerging needs, as mentioned in point 1.1.2.2.