



FUSION FOR ENERGY

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

THE GOVERNING BOARD

SUMMARY OF DECISIONS OF THE 26th MEETING OF THE GOVERNING BOARD OF THE EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY ('FUSION FOR ENERGY')

Barcelona, 10-11 December 2012

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

Approval of the Agenda

1. Approved the agenda of its 26th meeting.

Approval of the Minutes

2. Approved the minutes of its 24th and 25th meetings.

Reports from the Committees

3. Taken note of information from the Chairs of the GB and Bureau, the Administration and Finance Committee (AFC), the Executive Committee (ExCo), the Technical Advisory Panel (TAP) and the Audit Committee (AFC).

Report from Euratom

4. Taken note of information from Euratom about the outcome of the 11th meeting of the ITER Council, noted that the Council and the European Parliament are finalising a budget for 2013, and supported the initiative by Euratom to promote cost containment in the ITER Organization.

Address by the Nominated Director

5. Taken note of an address by the nominated F4E Director, Dr. Henrik Bindslev and welcomed his intention to take up his duties from 1st January 2013.

Report from F4E

6. Taken note of reports on the overall ITER schedule and cost performance, the status of F4E's main contracts in 2012 and budget implementation.
7. Endorsed the signature by the Acting F4E Director of the contract for “*Civil Engineering and finishing Works for the Tokamak Complex, Assembly Hall and Surrounding Buildings including Design, Manufacture and Installation of Heavy Nuclear Doors*” (TB03).
8. Taken note of information concerning two cooperation agreements between F4E and the ITER Organization, and, in accordance with Article 7(1) of the F4E Statutes, delegated the decision for the approval of these agreements to the ExCo.
9. Underlined the GB's commitment to provide the European in-kind contributions to the ITER project within the capped budget of EUR 6.6 billion (in 2008 values).
10. Noted the potential for a greater emphasis on cost containment by the ITER Organization and encouraged Euratom to support F4E in this regard.
11. Encouraged F4E to:
 - a) Pursue with vigour all cost containment actions which are under its direct control, in particular, by *inter alia* optimising its procurement strategy and internal processes;
 - b) Scrutinise any changes to requirements proposed by the ITER Organization that might lead to increased costs to be borne by Europe;

Report from F4E (continued)

12. Noted the potential for further cost containment in a number of areas under F4E's responsibility and invited F4E to:
 - a) Continue the analysis of these options to allow for a timely implementation of decisions taking into account progress made under the previous points 9 and 10;
 - b) Minimise expenditure in those areas until such time as the GB has been able to take such decisions;
 - c) In collaboration with Euratom, to eliminate any cost increases and/or seek savings from other areas and/or credits to compensate;
 - d) Propose a special meeting of the GB whenever F4E is ready to invite the GB to take decisions.
13. In view of obtaining cost savings and increasing the worldwide competitiveness of European suppliers, invited the F4E Director to open participation in procurement procedures for goods and services to organisations from outside the countries of the Members of F4E. Such a decision should follow an assessment of potential cost savings versus strategic technological value to Europe and/or possible ensuing management costs to F4E associated to remotely located suppliers.

Audit Matters

14. Taken note of the final report from the Internal Audit Service of the European Commission on Procurement Arrangements.
15. Requested legal advice to be provided by F4E on the role of the ExCo in the "prior approval" of contracts and grants in order to inform the GB's deliberations on amendment to the Statutes.
16. Endorsed the Annual Audit Plan of the Internal Audit Capability for 2013.
17. Taken note of F4E's replies to the observations of the European Court of Auditors on the 2011 annual accounts of F4E.

2012 and 2013 Corporate Objectives

18. Taken note of the progress made in relation to the GB's 2012 corporate objectives.
19. Adopted the GB's corporate objectives for 2013 including an additional action concerning supervision of progress on cost containment by F4E.
20. Invited the F4E Director to draw up his 2013 corporate objectives and associated performance indicators and communicate them to the GB.

Management System Improvement

21. Taken note of F4E's overall control and monitoring strategy.
22. Taken note of the F4E's multi-annual *ex-post* control strategy.
23. Take note of an update on corporate risk management by F4E and suggested the inclusion of further items for consideration by F4E and requested an update to future GB meetings.
24. Taken note of an update on the status of F4E's project management and reporting systems.
25. Reminded F4E to define a reporting template for the necessary high-level information to enable the GB to more effectively supervise F4E.

Operational Matters

26. Adopted the Project Plan.
27. Adopted the third amendment to the 2012 Work Programme.
28. Adopted the second amendment to the 2012 Budget.

Operational Matters (continued)

29. Adopted the 2013 Work Programme.
30. Adopted *ad referendum* the 2013 Budget and invites F4E to identify possible reductions to the administrative expenditure by end-March 2013.
31. Adopted the Resource Estimates Plan (2012 Edition).
32. Adopted two amendments to the Implementing Rules of the Financial Regulation in order to:
 - a) Facilitate the management of assigned revenue for commitments;
 - b) Modify the procedure for opening procurements to organisations from outside Europe.

Policy Matters

33. On the amendment to the F4E statutes in view of the forthcoming accession of Croatia to the European Union:
 - a) Exchanged views on the scope of possible amendments;
 - b) Invited Euratom to provide the GB with a formal written proposal.
34. Approved amended Rules of Procedure for the ExCo and AFC.
35. Adopted F4E's Industrial Policy subject to a positive opinion of the European Commission and Invited F4E to report to the next GB meeting on how the Industrial Policy will be implemented.
36. On the geographic distribution of F4E's grants and contracts:
 - a) Welcomed the information provided to the GB;
 - b) Invited F4E to consider how to disseminate this information;
 - c) Requested F4E to provide more detailed information to each GB Member.
37. Concerning partnerships with European Fusion Associations:
 - a) Taken note of a paper from F4E.
 - b) Decided to establish an Ad Hoc Group (AHG) chaired by Mr. Joaquín Sánchez and composed of Mr. Henrik Bindslev, Mr. Tony Donné and a representative from the European Commission.
 - c) Invited the AHG to report to the GB at its June meeting.
38. Adopted six Implementing Rules of the Staff Regulations pursuant to Article 6(3)(i) of the F4E statutes.
39. Took note of a paper concerning F4E's information and communication activities and invited F4E to draw-up a communications strategy for consideration at a future GB meeting.

Reviews and Assessments

40. Took note of information concerning an external research study "Potential for reorganization within the ITER project to improve cost effectiveness" contracted to Ernst and Young by the European Parliament following a request of the Committee on Budgetary Control.
41. Endorsed the action plan in response to the first annual assessment of performance, internal organisation and supply chain of F4E performed by Deloitte.
42. Approved the general terms of reference for the second annual assessment of F4E to be performed by Deloitte.
43. Decided to maintain the Assessment Steering Committee (ASC) chaired by Mr. Stuart Ward and composed of Mr. Andrea Carignani, Mr. Cor Katerberg and Mr. Carlos Varandas.

43. Reviews and Assessments (continued)

44. Took note of the third report on the implementation of the recommendations of the GB's Working Group on F4E Improvement.

Committee Matters

45. Appointed Mr. Maciej Chorowski as a member of the ExCo for a term of two years effective immediately and to place Mr. David Emmery on a reserve list.

46. Took note of a paper concerning the need for a number of renewal and replacements of committee members in summer 2013.

47. Took note of a paper concerning the management of conflicts of interest in committees and invited F4E to review the guidelines adopted in 2007 by the GB and proposed amendments for approval at the June GB meeting.

48. Reviewed the scheme for the payment of indemnities to Chairs of committees and decided to maintain it for another year.

49. Confirmed that the next regular meetings of the GB in Barcelona will take place on:

a) 26 – 27 June 2013 (annual accounts, annual report, etc.).

b) (Provisionally) 10 – 11 December 2013 (budget, work programme, etc.).

Closing

50. Approved this summary of decisions.

51. Expressed its deep appreciation for the work carried out by the Acting Director, Mr. Hans Jahreiss and the Heads of Department, Mr. Jean-Marc Filhol and Mr. Pietro Barabaschi in the period since the retirement of the previous F4E Director.

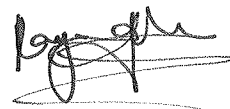
Done at Barcelona, 11th December 2012

For the Governing Board



Stuart Ward
Chair of the Governing Board

For the Secretariat



Raymond Monk
Secretary of the Governing Board