



**FUSION  
FOR  
ENERGY**

# **FINAL ANNUAL ACCOUNTS**

## **Financial statements & Budget implementation**

**Fifteenth financial year – 2022**

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**THE EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY**

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[www.fusionforenergy.europa.eu](http://www.fusionforenergy.europa.eu)

These annual accounts have been drawn up by the Accounting Officer of Fusion for Energy (F4E).

The final accounts, together with the opinion of the F4E Governing Board, are sent to the Commission's Accounting Officer, the European Court of Auditors, the European Parliament and the Council.

The final accounts are published on F4E's website:

<https://fusionforenergy.europa.eu/key-reference-documents/>



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## **Certification letter from F4E Accounting Officer**

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I acknowledge my responsibility for the preparation and presentation of the annual accounts of Fusion for Energy (F4E) in accordance with Article 102 of the Framework Financial Regulation ('FFR')<sup>1</sup> and I hereby certify that the annual accounts of F4E for the year 2022 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the F4E's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of F4E.

**Mr Roberto Abad Villanueva**  
Accounting Officer

Done in Barcelona, 30<sup>th</sup> May 2023

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<sup>1</sup> COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

## 1. Introduction

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F4E is a Joint Undertaking created under the Euratom Treaty by a decision of the Council of the European Union (EU)<sup>2</sup>.

F4E was established for a period of 35 years from 19th April 2007 and its seat is located in Barcelona, Spain.

The main tasks of F4E are as follows:

- In relation to the obligations stemming from the ITER International Agreement: to provide the contribution of the European Atomic Energy Community (Euratom) to the ITER International Organisation (IO).
- In relation to the obligations stemming from the Broader Approach Agreement with Japan (BA): to provide components, equipment, materials and other resources for BA activities and to prepare and coordinate Euratom's participation in the implementation of BA activities.
- In relation to DEMO: to prepare and coordinate a programme of research, development and design activities other than ITER and BA activities, in preparation for the construction of a demonstration fusion reactor and related facilities, including the IFMIF (International Fusion Materials Irradiation Facility).

Regarding the ITER project, in November 2016 the Council of IO approved a new ITER project baseline for the scope, schedule and the cost of the project. The overall project schedule is based on a progressive four-stage approach with the so-called 'First Plasma' in December 2025 and culminating in the 'Deuterium-Tritium' phase in December 2035. Following the approval of the new ITER project baseline, F4E set the new timetable and recalculated the related cost at completion of the F4E's contribution to the project construction phase.

In addition to the construction of the machine, F4E will have to contribute to the ITER operational phase and to the subsequent ITER deactivation and decommissioning phases. The F4E contribution to the deactivation and the decommissioning phases are defined as EUR 95 540 000 (in 2001 values) and EUR 180 200 000 (in 2001 values).

For the Multiannual Financial Framework (MFF) period 2021-2027, the European Council has agreed a budget for the Euratom contribution to ITER amounting to a total value of EUR 5 614 million (in current values) of which EUR 5 560 million (in current value) of direct contribution to the project. The ITER Host State and Membership contributions will be added to this figure, subject to the final decision by the relevant Budgetary Authorities.

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<sup>2</sup> Council decision 2021/281/Euratom of 22 February 2021 Amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it.

a) **F4E revenue is made up of the:**

- **Euratom contribution**

The contribution from Euratom constitutes the main source of revenue for F4E.

The annual contribution is determined in the European Union General Budget in commitment and in payment appropriations, as well as the F4E establishment plan. The revenue received from Euratom is earmarked for operational expenditure and for administrative expenditure (running costs).

- **The ITER Host State Contribution (France)**

The contribution from the ITER Host State constitutes the second source of revenue for F4E. France as the ITER Host State covers 9.09% of the total costs of the ITER construction phase, this is equivalent to 20% of the total European participation to the construction of ITER. New principles and methodology to calculate the French contribution is established in the exchange of letter<sup>3</sup> from 2022, with retroactive effect in 2021. It is calculated on the EURATOM contribution to F4E minus the domains of exclusion as agreed in the exchange of letter and defined as follows:

- Administrative expenditure,
- Test Blanket Modules cost,
- DONES cost,
- Broader Approach cost,
- The Transportation cost.

Compared to the 2011 agreement, covering the period until the end of 2020, this new methodology is no longer limited in time and covers the remaining lifetime of the project.

- **The Membership contributions (F4E Members except Euratom)**

The Annual Membership Contributions are established and adopted annually within the budget. It corresponds to 10% of the administrative budget and are universal (not assigned) revenue.

- **Reserve Fund and other tasks requested and financed by IO**

The revenue from the Reserve Fund managed by the IO is assigned to the implementation of change orders originating from IO which take place in the framework of the contractual relationships between F4E and the various suppliers.

The revenue from the Reserve Fund and from other requested tasks is earmarked for financing the corresponding requests for change from IO introduced after 5<sup>th</sup> March 2015.

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<sup>3</sup> Contribution financière française à la construction d'ITER : Lettre du Haut Représentant Français pour ITER (formal exchange of letters on 17 June 2022 and 29 July 2022 between France and the European Commission).

## **b) United Kingdom and Switzerland Participation in ITER Programme**

On 1 February 2020 the UK ceased to be a Member State of the EU. Following the conclusion of the Agreement on the withdrawal of the UK from the EU and the Euratom (the 'Withdrawal Agreement') between the two parties, the UK committed to pay all its obligations under the 2014-2020 MFF and previous financial perspectives following from its membership of the Union. The UK has paid into the 2020 EU Budget during the year as if it was a Member State.

The UK and EU concluded negotiations on future UK relationship with the EU on 24 December 2020, however the agreement was not ratified by the EU during 2022 and therefore had no effect on the herein reported F4E financial year.

According to the 2020 agreement, after its ratification the UK will become an associate member state of Euratom and shall retain participation in all parts of the Euratom programme, under equivalent conditions as full Member States.

Article 8 of the EU-UK Joint Declaration states that the UK will continue to participate as a member of F4E. The UK financial contribution is subject to negotiation. Once Britain's membership shall take effect, UK economic operators will be able to sign new contracts and grants with F4E and British citizens will be again eligible for F4E employment. Existing contracts, with companies and individuals, are not impacted, while grants with UK beneficiaries have been terminated or suspended until ratification.

On 31st December 2020 the research cooperation agreement between Switzerland and the EU expired. This cooperation agreement covered, among other fields, the Swiss participation to Euratom research programmes (including fusion and ITER), therefore on the same date Switzerland ceased being an F4E Member.

No new agreement was negotiated between Euratom and Switzerland during 2022, therefore Switzerland remained a non-member for the whole duration of the 2022 financial year and therefore paid no contribution to the F4E budget.

Existing contracts, with companies and individuals, are not impacted, while grants with Swiss beneficiaries have been terminated or suspended.

## **c) Main achievements during 2022**

During 2022 F4E has further progressed in the work and continued the delivery of some of the major components to ITER to continue the assembly activities for achievement of First Plasma.

Notably in 2022 F4E delivered the seventh (GB23) and eighth Toroidal Field coils on the ITER site which makes a total of 8 Toroidal Coils delivered out of 10 assigned to F4E.

F4E also made available to IO the Control Room (GB34) for installation and reached Ready For Equipment stage of the Cryopant Compressor Building (GB19).

F4E also delivered the 8th set of Main High Voltage Power Supplies & Body Power Supplies to the ITER Site (GB43).

The IO DG has communicated end of December 2022 to the Heads of the ITER domestic agencies, his intention to review in depth the ITER requirements and definition of the staged approach, including

reconsideration of the ITER neutron fluence or of some technical choices like the material for the First Wall blanket, in view of presenting those significant changes for decision by the ITER Council in June 2023. It is expected that a new ITER baseline will not be presented for approval by the ITER council before November 2023. F4E will subsequently adjust its planning accordingly.

Both design and manufacturing activities have progressed in Europe in laboratories and industry.

In 2022 F4E achieved an overall Schedule Performance Index (SPI):

$$SPI = \frac{\text{Number of milestones achieved to end of previous month}}{\text{Number of milestones in baseline to end of previous month}} = 0.87$$

The achievements during the year are detailed in the 2022 Consolidated Annual Activity report (with the annual accounts in annex).

#### **d) Impact of international situation**

During 2022 F4E experienced strong inflationary effects, initially due to COVID-19 induced supply chain issues and then (after February 2022) due to the war in Ukraine. The estimated impact of these on the total F4E EAC amounts to €144M (2008 value) per the latest estimate. This EAC increase is expected to materialize as additional expenditure in the years 2023-2026. This inflationary effect is clear in raw material prices, both in existing contracts and tenders received in 2022, and is likely to continue in the future depending on the developing international situation.

#### **e) 2022 Accounts**

The 2022 financial statements of F4E and its reports on budget implementation for 2022 have been prepared in conformity with:

- The Council Decision establishing F4E,
- The Financial Regulation (FR) applicable to the general budget of the European Union<sup>4</sup>,
- The F4E FR<sup>5</sup>,
- The « Inventory directive » (EC n° 643/2005),
- The European Commission's consolidation manual for the 2022 closure.

The accounts have also been drawn up in accordance with the accounting rules adopted by the Accounting Officer of the European Commission (EC). As an EU body, F4E is fully consolidated in the EU accounts. Articles 80.1 and 82.1 of the general FR state that the Accounting Officer of the EC adopts the accounting rules and the harmonised chart of accounts to be applied by all institutions and EU bodies. They are accrual

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<sup>4</sup> Financial Regulation (EC, Euratom) n° 966/2012 of the European Parliament and of the Council of 25 October 2012, last amended on 18/07/2018 (EU, Euratom) n° 2018/1046.

<sup>5</sup> F4E Financial Regulation adopted by F4E Governing Board on 9-10/12/2019 – F4E(19)-GB45-45.



based accounting policies derived from International Public Sector Accounting Standard (IPSAS) or by default, International Financial Reporting Standards (IFRS).

F4E has implemented the ABAC system (Accrual Based Accounting) owned by the EC and used by many EU bodies. The accounting and budgetary information is integrated in one system which has SAP as a back-end for the accounting part. The workflow system in ABAC allows the Authorising Officer to ensure that the “four eyes” principle has been observed for each transaction.

The representation letter related to the accounts 2022 has been transmitted to the President of the European Court of Auditors (ECA) in a separate note. It includes no reservation from the F4E Accounting Officer.

In line with Article 70.6 of the FR applicable to the general budget of the EU, Baker Tilly has been appointed as independent external auditor in order to verify that the 2022 annual accounts properly present the income, expenditure and financial position of F4E.

ECA shall prepare a specific Annual Report in line with the requirement of Article 287 (1) TFEU. When preparing this report, ECA shall consider the audit work performed by the independent external auditor and the action taken in response to the auditor’s findings.

The European Parliament is the discharge authority within the EU. This means that, following the audit and finalisation of the annual accounts, it falls under the responsibility of the Council to recommend and then to the European Parliament to give a discharge to F4E.

# Section I. 2022 Financial Statements

## 2. Balance Sheet

As at 31 December 2022

EUR thousands

	Note	2022	2021
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6.2.1.	25	46
Receivables	6.2.2.	310 904	289 869
Pre-financing	6.2.3.	13 393	37 774
		<b>324 322</b>	<b>327 688</b>
<b>NON-CURRENT ASSETS</b>			
Pre-financing	6.2.3.	67 308	70 356
Property, plant and equipment	6.2.4.	467	669
Intangible assets	6.2.4.	45	84
		<b>67 821</b>	<b>71 110</b>
<b>TOTAL ASSETS</b>		<b>392 143</b>	<b>398 798</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	6.2.5.	79 960	66 739
Accrued charges and deferred income	6.2.6.	119 642	62 830
Current provisions	6.2.7.	76	62 872
		<b>199 678</b>	<b>192 441</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-Current provisions	6.2.7.	185 560	183 060
		<b>185 560</b>	<b>183 060</b>
<b>TOTAL LIABILITIES</b>		<b>385 238</b>	<b>375 501</b>
<b>NET ASSETS</b>		<b>6 905</b>	<b>23 297</b>
<b>NET ASSETS/EQUITY</b>			
Accumulated surplus/deficit		23 297	84 769
Economic result of the year - Profit (+)/Loss (-)		-16 392	-61 472
<b>NET ASSETS</b>	6.2.8.	<b>6 905</b>	<b>23 297</b>

Fig. 1 Balance Sheet

### 3. Statement of Financial Performance

As at 31 December 2022

EUR thousands

	Note	2022	2021
<b>NON-EXCHANGE REVENUES</b>			
Revenue from Euratom		596 754	601 227
Revenue from other contributors (Member States)		155 500	135 083
Other non exchange revenue		701	173
		<b>752 955</b>	<b>736 483</b>
<b>EXCHANGE REVENUES</b>			
Reserve Fund		69 549	6 444
Other revenues		16	1 423
		<b>69 565</b>	<b>7 867</b>
<b>TOTAL REVENUE</b>	6.3.1.	<b>822 520</b>	<b>744 350</b>
<b>OPERATIONAL EXPENSES</b>			
Expenses with third parties	6.3.2.	752 147	639 154
		<b>752 147</b>	<b>639 154</b>
<b>OTHER EXPENSES</b>			
Staff costs	6.3.3.	64 994	51 608
Provisions - additions and adjustments		2 576	102 323
Property, plant and equipment related expenses		2 118	2 136
Other expenses		17 076	10 601
		<b>86 765</b>	<b>166 668</b>
<b>TOTAL EXPENSES</b>		<b>838 912</b>	<b>805 822</b>
<b>SURPLUS (+) / DEFICIT (-) OF THE YEAR</b>		<b>-16 392</b>	<b>-61 472</b>

Fig. 2 Statement of Financial Performance

## 4. Cash Flow Statement (indirect method)

As at 31 December 2022		EUR thousands	
	2022	2021	
<b>Surplus/(deficit) from ordinary activities</b>	<b>-16 392</b>	<b>-61 472</b>	
<b>Operating activities</b>			
Amortization (intangible fixed assets) +	-11	107	
Depreciation (tangible fixed assets) +	159	418	
Increase/(decrease) in Provisions for risks and liabilities	-60 296	100 923	
Increase/(decrease) in Value reduction for doubtful debts	0	0	
(Increase)/decrease in Stock	0	0	
(Increase)/decrease in Long term Pre-financing	3 048	5 141	
(Increase)/decrease in Short term Pre-financing	24 380	5 207	
(Increase)/decrease in Long term Receivables	0	0	
(Increase)/decrease in Short term Receivables	-21 035	-49 722	
Increase/(decrease) in Other Long term liabilities	0	0	
Increase/(decrease) in Accounts payable	70 033	-549	
	<b>-114</b>	<b>53</b>	
<b>Investing activities</b>			
Increase of tangible and intangible fixed assets (-)	-200	-126	
Proceeds from tangible and intangible fixed assets (+)	293	74	
	<b>93</b>	<b>-53</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-21</b>	<b>0</b>	
<b>Cash and cash equivalents at the beginning of the period</b>	<b>46</b>	<b>46</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>25</b>	<b>46</b>	

Fig. 3 Cash Flow Statement

## 5. Statement of Changes in Net Assets

As at 31 December 2022		EUR thousands		
Net assets	Accumulated Surplus (+) / Deficit (-)	Economic result of the year	Net assets (Total)	
Balance as of 31 December 2021	84 769	-61 472	23 297	
Balance as of 1 January 2022	84 769	-61 472	23 297	
Fair value movements	0	0	0	
Allocation of the Economic Result of Previous Year	-61 472	61 472	0	
Economic result of the year	0	-16 392	-16 392	
Balance as of 31 December 2022	23 297	-16 392	6 905	

Fig. 4 Statement of Changes in Net Assets

## 6. Notes to the Financial Statements

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### 6.1. Accounting Principles

The Financial statements provide information about the financial position, performance and cash flow of an entity that is useful to a wide range of users. For a public sector entity such as F4E, the objectives are more specifically to provide information useful for decision-making, and to demonstrate the accountability of the entity for the resources entrusted to it.

The accounts of the Joint Undertaking comprise the general accounts and budget accounts. These are kept in euro on the basis of the calendar year. The budget accounts give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle. The general accounts allow for the preparation of the financial statements which consist in a statement of financial performance, showing all income and expenditure for the financial year, and a balance sheet designed to establish the financial position of F4E at 31 December.

Article 98 of F4E FR sets out the accounting principles to be applied in drawing up the financial statements.

#### Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements include amounts based on estimates and assumptions by management based on the most reliable information available.

Significant estimates include, but are not limited to, amounts for provisions, accounts receivables, accrued income and charges, contingent assets and liabilities, and the degree of impairment of intangible assets and property, plant and equipment. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

#### IPSAS 11 – Construction contracts

Most of the components that make up ITER will be delivered by the ITER parties (including F4E) “in-kind” (providing directly the components rather than contributing only cash).

The EU contribution to IO through F4E is established on the ITER Agreement and Common Understanding on Procurement Allocation and its amendments, and it comprises mainly buildings, magnets, vessels and other engineering components.

On the basis of the Procurement Arrangements (PA), F4E launches procurements and concludes contracts with the industry. The industry delivers usually directly to IO, which also performs the acceptance. IO then informs F4E about the acceptance, i.e. IO recognises the credits to F4E. In order to consider that the PA obligations have been fulfilled by each party, the PA value has to be fully earned, independently of the actual cost incurred for executing the scope of work of each PA.

For each PA key milestone an ITER credit is associated and this is released to the specific Party whenever the milestone has been achieved and the related documentation verified by IO. Therefore the progress in the execution of the work and in discharging the EU from its obligation toward the ITER Agreement is recognized by means of credit earned by F4E depending on the achievement of project milestones laid down in each PA.

As there is no specific EC accounting rule covering those operations, F4E refers to IPSAS rule n° 11 “Construction contracts”.

The ITER Agreement and Common Understanding on Procurement Allocation and its amendments together with the F4E Statutes can be considered as a binding arrangement and therefore as a construction contract according to IPSAS 11.

From an IPSAS 11 perspective, F4E can be considered as contractor and the agreement with Euratom as a construction contract.

Based on the accounting guidance applicable to the type of transactions managed by F4E, the cost of the items, acquired or constructed, incurred with the purpose of the final manufacture of the research components that F4E agreed to deliver **should be expensed when incurred**.

The recognition as an expense is the approach that better capture the nature of the transaction given that :

- in most of the cases the suppliers hold the economic ownership (i.e., is not presently controlled by F4E);
- F4E does not foresee using the assets for other purpose, or
- F4E agrees/foresees to provide the legal ownership to the subcontractors for no consideration after delivery.

It is to be noted that the use of IPSAS rule n° 11 (Construction contracts) is extended to the accounting of all operational contributions within the ITER and BA agreements.

## 6.2. Notes to the Balance Sheet

### 6.2.1. Cash and Cash Equivalents

Description	31.12.2022	31.12.2021
<b>Bank accounts:</b>		
Current accounts	0.00	0.00
Imprest accounts/Cash in hand	25 000.00	45 537.20
Short-term deposits	0.00	0.00
<b>TOTAL</b>	<b>25 000.00</b>	<b>45 537.20</b>
<b>EC Central treasury:</b>	<b>50 889 047.15</b>	<b>4 964 662.70</b>

Fig. 5 Central treasury and Cash Equivalents

The cash position at the end of 2022 is composed of three imprest accounts (petty cash).

No bank interests have been generated in 2022.

In view to increase the efficiency, F4E has externalised its treasury to the EC in May 2019. In line with the accounting guidance, those funds belonging to F4E are accounted as Sundry receivables and not anymore as Cash and cash equivalent. The comparative amounts for 2021 have been adjusted accordingly.

### 6.2.2. Current Receivables

All receivables are carried out at the original amount less write-down for impairment when there is objective evidence that F4E will not be able to collect all amounts due according to the original payment terms.

**Current receivables:** EUR 28 938 107.33 referring mainly to the recoverable VAT from France.

**Sundry receivables:** EUR 50 978 025.03 composed mainly of the funds belonging to F4E but managed by the EC Central treasury (see also above point 6.2.1.).

**Deferrals:** EUR 228 272 156.09 corresponding to the deferred charges related to the 2023 cash contribution to IO (EUR 224.3 million) and deferred charges for insurance premiums paid in advance (EUR 4.0 million).

**Accrued income:** EUR 2 715 705.18 corresponding to the accrued revenue from the ITER Reserve fund.

### 6.2.3. Pre-Financing

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float (related mainly to operational procurement contracts). It may be split into a number of payments over a period defined in the specific pre-financing agreement. The float or advance is repaid or used for the purpose for

which it was provided during the period defined in the agreement. If the beneficiary does not incur eligible expenditures, he has the obligation to return the pre-financing to F4E.

The amount of the pre-financing is reduced (wholly or partially) by the acceptance of eligible costs and amounts returned.

At year-end, outstanding pre-financing amounts are valued at the original amount(s) paid less: amounts returned, eligible amounts cleared, estimated eligible amounts not yet cleared at year-end, and value reductions.

<b>Pre-financing without interest for F4E</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Pre-financing given to third parties (non-current)	67 308 376.45	70 356 400.38
Pre-financing given to third parties (current)	62 946 478.82	93 569 016.33
Accrued charges on Pre-financing given to third parties	-49 553 151.76	-55 795 460.93
<b>TOTAL</b>	<b>80 701 703.51</b>	<b>108 129 955.78</b>

**Fig. 6 Pre-Financing**

It is estimated that EUR 67.3 million of the pre-financing open at 31/12/2022 will be cleared with eligible amounts after 2023.

#### **6.2.4. Fixed Assets**

An asset shall be recognised only if it is probable that the expected future economic benefits or service potential that are attributable to that asset will flow to F4E and the cost or fair value of the asset can be measured reliably. Service potential would refer to assets that are used to achieve an objective but which do not directly generate net cash inflows. In the context of F4E this comprises all assets that are used by F4E to fulfil its objectives.

F4E books as fixed assets only items with a purchase price above EUR 5 000.00. Items with a lower value, such as monitors, digital cameras, etc., are treated as expenses of the year but are however registered in the physical inventory. All assets are stated at cost less accumulated depreciation and impairment losses.

F4E has introduced the module ABAC Assets in 2008. ABAC Assets has been developed to meet the requirements of the EC "Inventory Directive" (EC n° 643/2005) and its content is replicated in SAP Assets Accounting module.

All fixed assets are depreciated monthly, with zero residual value, over a variable useful lifetime:



Asset type	Annual depreciation rate
<b>Intangible fixed assets</b>	<b>25%</b>
<b>Tangible fixed assets</b>	
<b>Buildings</b>	<b>4%</b>
<b>Plant and equipment</b>	<b>12.5%, 25%</b>
<b>Furniture and vehicles</b>	
Office furniture	<b>10%</b>
Transport, electrical office, printing and mailing equipment	<b>25%</b>
Kitchen, Printshop and postroom equipment	<b>12.5%</b>
<b>Computer hardware</b>	<b>25%</b>
<b>Other fixtures and fittings</b>	
Audiovisual and Telecommunications equipment	<b>25%</b>
Computer, scientific and general books, documentation	<b>25%, 33%</b>
Health, safety, protective, security and medical equipment,	<b>12.5%</b>
Other	<b>10%</b>
<b>Tangible fixed assets under construction</b>	<b>0%</b>

Fig. 7 Depreciation Rate

**Intangible fixed assets:**

An intangible asset is an identifiable non-monetary asset without physical substance.

Regarding the internally developed intangible assets (e.g. software), the requirements of the accounting rule n°6 from 1/1/2010 onwards are:

- costs directly linked to an internally developed intangible asset, providing they meet the necessary criteria, must be capitalised as asset under construction. Once the project goes live, the resulting asset will be amortised over its useful life,
- the amount of research expenses incurred on IT projects and development costs not capitalised (e.g. for small projects below threshold, see Fig.10 under note 6.3.3. below) must be disclosed in the financial statements.

As of 31/12/2022, all projects identified were below the threshold of EUR 500 000.00 used by F4E for the capitalisation of internally generated intangible assets.

**Tangible fixed assets:**

A tangible asset is an identifiable non-monetary asset with physical substance.

The following table Fig.8 provides the variation of the fixed assets in 2022 :

<b>ASSETS</b>		<b>Intangible fixed assets</b>			<b>Tangible fixed assets</b>							<b>Fixed assets</b>
2022		Intangible fixed assets internally generated	Computer Software	Total Intangible fixed assets	Buildings	Plant and Equipment	Computer hardware	Furniture and vehicles	Other Fixtures and Fittings	Tangible Fixed Assets under Construction	Total Tangible fixed assets	Total fixed assets
<b>Gross carrying amounts 01.01.2022</b>	+	0.00	2 926 797.72	2 926 797.72	0.00	765 624.39	4 344 966.83	750 127.48	836 750.62	0.00	6 697 469.32	9 624 267.04
Additions	+			0.00		87 030.00	96 127.64		16 365.99		199 523.63	199 523.63
Disposals	-		-49 982.70	-49 982.70			-194 884.57	-7 735.66	-40 132.41		-242 752.64	-292 735.34
Transfer between headings	+/-			0.00							0.00	0.00
Other changes :	+/-			0.00							0.00	0.00
<b>Gross carrying amounts 31.12.2022</b>		0.00	2 876 815.02	2 876 815.02	0.00	852 654.39	4 246 209.90	742 391.82	812 984.20	0.00	6 654 240.31	9 531 055.33
<b>Accumulated amortization and impairment 01.01.2022</b>	-	0.00	-2 842 450.72	-2 842 450.72	0.00	-584 945.39	-4 035 760.83	-705 771.48	-701 802.62	0.00	-6 028 280.32	-8 870 731.04
Depreciation	-		-38 941.00	-38 941.00		-149 556.00	-186 117.64	-17 951.00	-48 118.99		-401 743.63	-440 684.63
Write-back of depreciation	+			0.00							0.00	0.00
Disposals	+		49 982.70	49 982.70			194 884.57	7 575.66	40 132.41		242 592.64	292 575.34
Impairment	-			0.00							0.00	0.00
Write-back of impairment	+			0.00							0.00	0.00
Transfer between headings	+/-			0.00							0.00	0.00
Other changes :	+/-			0.00							0.00	0.00
<b>Accumulated amortization and impairment 31.12.2022</b>		0.00	-2 831 409.02	-2 831 409.02	0.00	-734 501.39	-4 026 993.90	-716 146.82	-709 789.20	0.00	-6 187 431.31	-9 018 840.33
<b>Net carrying amounts 31.12.2022</b>		0.00	45 406.00	45 406.00	0.00	118 153.00	219 216.00	26 245.00	103 195.00	0.00	466 809.00	512 215.00
Accounts				210000	221000	230000	241000	240000	242000	244000	200000	

Fig. 8 Intangible and Tangible Fixed Assets

### 6.2.5. Accounts Payable

**Current and sundry payables** are **EUR 78 773 267.33** and are composed of the balance of the 2022 cash contribution to IO (EUR 78.5 million) and suppliers' invoices received but not paid at year end and reimbursements to staff.

**Pre-financing received from Euratom** totalled **EUR 1 186 246.02** refers to the balance of the budget outturn account 2022, to be reimbursed to the EC in 2023 (Cf. point 7.6. Budget outturn account).

### 6.2.6. Accrued Charges and Deferred Income

In accordance with EU Accounting Rule n° 3, accruals are made to recognize the amounts to be paid for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. The accruals are based on project analysis performed by the Authorizing Officer and cross-checked with the amounts actually invoiced at the time of finalization of the accounts.

The amount of **EUR 119 642 143.73** which represents mainly invoices to be received in 2023 for services rendered in 2022, includes:

- EUR 109 776 992.55 for services rendered in 2022 on operational activities and not invoiced at 31/12/2022,
- EUR 8 062 868.42 for services rendered in 2022 on administrative expenditures and not invoiced at 31/12/2022,
- EUR 1 802 282.76 for F4E staff's untaken leave as at the end of December 2022. In conformity with EC Accounting Rule n° 12, an entity shall recognize the cost of holidays carried over to the following years during the year the services were rendered by the staff members.

### 6.2.7. Provisions

Provisions are recognised when F4E has a legal or constructive obligation towards third parties as a result of past events, for which it is more likely than not that an outflow of resources will be required to settle the obligation, and when the amount can be reliably estimated. Provisions are not recognised for future operating losses. The amount of the provision is the best estimate of the expenditures expected to be required to settle the present obligation at the reporting date. The EU Accounting rule n°10 (Provision, contingent assets and liabilities) is applicable.

As at 31 December 2022

EUR

Description	Amounts at 31.12.2021	Amounts used	Amounts cancelled	Transfer to current	Addition and value adjustments	Amounts at 31.12.2022
Decommissioning fund	173 864 652.87	0.00	0.00	0.00	2 400 123.67	176 264 776.54
Additional contribution to Japan/QST	9 195 343.86	0.00	0.00	0.00	99 771.96	9 295 115.82
TB04 Contract	62 574 171.07	-59 874 171.07	-2 700 000.00	0.00	76 338.00	76 338.00
Pension contribution	297 461.78	-297 461.78	0.00	0.00	0.00	0.00
<b>Total</b>	<b>245 931 629.58</b>	<b>-60 171 632.85</b>	<b>-2 700 000.00</b>	<b>0.00</b>	<b>2 576 233.63</b>	<b>185 636 230.36</b>

Fig. 9 Non-current and current Provision

**Provision for the decommissioning fund :**

When the construction of an asset requires removal after the end of its useful life and restoration of the site, then a present obligation arises at the time of its construction.

F4E shall contribute jointly through the Budget of the IO to the accumulation of the Decommissioning Fund from the date of First Plasma through the Operation Phase. This will be done by making regular payments through the IO budget.

Based on the Overall Project Cost approved by the ITER Council<sup>6</sup>, the Decommissioning cost is estimated to EUR 530.0 million in 2001 value (not including the Deactivation cost). The EU share of the estimated costs for Decommissioning is EUR 180.2 million (34 % of EUR 530.0 million).

The following assumptions have been made for the calculation :

- the percentage of completion, discharge of obligations to ITER is 63.5 % as of 31.12.2022 (according to the F4E Monthly Dashboard),
- the cost contributions will be done in equal annual instalments of EUR 15.0 million in 2001 value (180.2 divided by 12 years) during the Operation Phase 2026 to 2037,
- EU HICP annual inflation rate from 2001 to 2022,
- an annual inflation rate of 2.3 % provided by Eurostat to reflect future prices,
- the contributions in future prices are discounted on average 2.5 % (ECB – 4 to 11 years zero coupon rate).

**Other provision - Additional financial contribution to Japan :**

Regarding the arrangements signed between F4E, the JAEA and IO, the transfer of procurement responsibilities from Europe to Japan is implemented through annual cash contributions.

In addition to the original agreements, in January 2014, Euratom and the Japanese Ministry of Science and Technology reached an agreement for settling the transfer of procurement responsibilities, following the request by Japan for an additional financial contribution of EUR 75.0 million (2014 value).

In line with the specific agreement signed in 2020, the provision has been consumed with two payments (EUR 70.0 million in 2020 and EUR 1.4 million in 2021). The balance will be executed in 2025.

<sup>6</sup> Updated Overall Project Cost (OPC) – ITER\_D\_26B8X9 v1.1 presented to IC-25

Therefore, in compliance with the accounting rules, the provision has been adjusted based on :

- EU HICP annual inflation rate from 2014 to 2022,
- an annual inflation rate of 2.3 % provided by Eurostat to reflect future prices,
- the contributions in future prices are discounted 2.5 % (ECB – 3 years zero coupon rate).

#### **Other provision – TB04 Contract**

The TB04 contract covers for the most part the design and supply of the equipment for electrical and HVAC services in the ITER Tokamak Building. Installation of this equipment is under IO's responsibility.

The provision booked in the 2021 accounts reflected in the settlement agreement that was signed with the contractor in December 2022 has been paid at the end of the financial year.

Following a number of Disputes, F4E won the adjudication against the TB04 Contractor. According to the binding decision of the Adjudication Panel issued on 11 May 2023, F4E has to pay EUR 76 338.00 (corresponding to 20% of the adjudicators' fee). More details are provided below under point 6.4.2. Contingent liabilities.

#### **6.2.8. Net Assets**

F4E net assets are decreased by the negative financial performance of the year (EUR 16.4 million) totalling **EUR 6 905 024.71** as of 31 December 2022.

The resources of F4E consist of contributions from Euratom and from the ITER Host State, annual membership, voluntary contributions from the Members other than Euratom and additional resources.

It is to be noted that according to F4E FR, if the balance of the outturn account is positive, it shall be repaid to the EC up to the amount of the Euratom contribution paid during the financial year (see point 7.6. Budget outturn account).

### **6.3. Notes to the Statement of Financial Performance**

#### **6.3.1. Revenue**

F4E's revenues consist mainly of contributions granted by Euratom as a participation in the financing of F4E, the ITER Host State, annual membership contributions from other members than Euratom, the ITER Reserve Fund, recoveries of expenses as well as revenue from liquidated damages.

A distinction is made in the Statement of financial performance between :

- revenue from **non-exchange transactions** (mainly from contributors) : the related receivables and revenue are recognized when the recovery orders are issued by F4E (in line with the payment needs and within the Budget approved by F4E's GB). At the end of each financial year, the surplus assessed for budget purposes on a modified cash basis is returned to Euratom (see point 7.6. Budget outturn account). The EU Accounting rule 17 – Revenue from non-exchange transactions is applicable.
- revenue from **exchange transactions** (mainly from the ITER Reserve Fund) : the revenue recognition criteria applied are those described in the EU Accounting rule n° 4.

It is to be noted that the revenue from ITER Reserve Fund is recognised subject to the:

- authorisation for financing from the Reserve Fund, implemented through the decisions of the Executive Project Board;
- approval of the related contractual amendment, given by the IO-DG;
- implementation of the related actions by F4E's suppliers (allowing to match the cost with the revenue from ITER).

The operating revenues, **EUR 822 519 609.35** (EUR 744 350 258.95 in 2021), include mainly the 2022:

- Euratom contribution: EUR 596 753 771.07
- ITER Host State contribution: EUR 148 800 000.00
- Membership contributions: EUR 6 700 000.00
- Revenue from ITER: EUR 69 548 606.59

### **6.3.2. Operational Expenses – EUR 752 146 997.45 (EUR 639 153 906.14 in 2021)**

The types of expenses that F4E reports include exchange expenses (where F4E receives goods or services in return) and non-exchange expenses (where F4E transfers value to another entity without receiving anything in exchange).

In line with IPSAS rule n° 11, the construction contracts for which no inflow of service potential will arise to F4E are accounted as expense (operational items that are being built by F4E's contractors and directly handed over to IO after acceptance by the latter – including tooling and work in progress).

### **6.3.3. Other Expenses – EUR 86 764 677.87 (EUR 166 668 076.24 in 2021)**

- Staff expenses: **EUR 64 994 272.16** (EUR 51 607 812.85 in 2021)  
It includes the total gross salaries (including allowances, social contributions, taxes and pension contributions), employer's contribution for social security, allowances for seconded national experts and other staff related costs. The above social contributions and taxes are transferred to and managed by the EU Paymaster Office (PMO).
- Provision for liabilities: **EUR 2 576 233.63** refers to the yearly addition and value adjustment of the provisions described here above under point 6.2.7.
- Property, plant and equipment related expenses: **EUR 2 117 891.28** refers to the yearly depreciation of fixed assets and the cost for building rent, maintenance and security.
- Other administrative expenses: the amount of **EUR 17 076 280.80** includes mainly the following items:

	2022	2021	Variation
Legal expenses	6 219 229.20	1 171 287.86	5 047 941.34
IT costs – operational/support	4 011 602.54	2 729 134.44	1 282 468.10
IT costs - development	882 896.57	707 262.83	175 633.74
Missions	1 313 947.63	252 233.77	1 061 713.86
Interim staff	900 531.15	544 344.27	356 186.88
Office supplies & maintenance	652 980.93	2 058 818.47	-1 405 837.54
Training	513 078.37	721 709.02	-208 630.65
Communications & publications	505 992.50	522 918.03	-16 925.53
Service level agreement with EU Paymaster Office	434 566.51	338 072.59	96 493.92
Experts and related expenditure	401 952.30	293 200.03	108 752.27
Recruitment	39 387.08	50 983.95	-11 596.87
Car and transport expenses	30 977.72	23 862.86	7 114.86
Interest expense on late payment	6 102.83	10 544.90	-4 442.07

Fig. 10 Other Administrative Expenses

## 6.4. Off Balance Sheet Items and Notes

### 6.4.1. Contingent Assets

A contingent asset is a possible asset that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of F4E. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

Contingent assets are assessed at each balance sheet date to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs.

#### Performance guarantees

Guarantees are possible assets (or obligations) that arise from past events and whose existence will be confirmed by the occurrence or non-occurrence of the object of the guarantee. Performance guarantees received can thus qualify as contingent assets. A guarantee is settled when the object of the guarantee no longer exists. It is crystallised when the conditions are fulfilled for calling a payment from the guarantor.

Performance guarantees are sometimes requested to ensure that beneficiaries of F4E funding meet the obligations of their contracts with F4E.

Description	31.12.2022	31.12.2021
Performance guarantees	168 242 435.58	173 301 490.76

Fig. 11 Performance guarantees

## Other

An operational contract has been terminated for cause in 2019. F4E has a contractual entitlement to recover all the sums paid, as well as to claim damages suffered that amounts in total to EUR 5.7 million approximately. So far, no commercial agreement has been reached and there is a high probability that if no agreement is reached by the end of the year, it will go to litigation. Final decision is expected by end of the year/early 2024.

To be noted that as per legal opinion of an external firm, the likelihood to win the case if F4E goes to the court and have the sums/damages recovered fully or partially is between 70-90%.

### **6.4.2. Contingent Liabilities and Significant Legal Commitment**

#### **Contingent liabilities - TB04 Contract**

A contingent liability is:

- A possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of F4E; or
- A present obligation that arises from past events but is not recognised because:
  - It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
  - The amount of the obligation cannot be measured with sufficient reliability.

On 8 July 2013, F4E and the TB04 Contractor entered into a contract for the Design, Construction and Maintenance of the HVAC (Heating, Ventilation & Air Conditioning), Electrical, I&C (Instrumentation and Control) Handling Equipment and Gas and Liquid Networks for the Tokamak Complex and Surrounding Buildings (the TB04 Contract).

The scope of Works was heavily varied via Variations procedure set out in the TB04 Contract.

The TB04 Contractor has submitted a number of claims to the Engineer and has constituted a number of Disputes under the TB04 Contract.

The actual Dispute referral was issued on 5 May 2022 bringing new documents, substantiation and explanations to the same Claims. The aggregate request of the TB04 Contractor is around EUR 22 million plus interest, recovery of legal fees incurred by the TB04 Contractor and payment of the adjudicators' fees by F4E.

F4E asked the external law firm White&Case LLP to review, provide legal and expert advice, represent F4E in the related proceedings and prepare the F4E submissions in relation to the Disputes.

The binding decision of the Panel was issued on 11 May 2023, together with an award of costs, according to which F4E won the adjudication against the TB04 Contractor.

F4E has nothing to pay to the TB04 Contractor and the TB04 Contractor did not receive any extension of time for completion of the works.

The decision of the Panel is binding but not yet final.



The decision of the Panel may be brought either by F4E or the TB04 Contractor before the General Court of the EU by 25 June 2023, who has the authority to review the Disputes in their entirety. While the decision of the Panel is clearly in F4E's favour, F4E will undertake the review of the decision of the Panel in detail to see how to best proceed.

### Other – Future obligations

The information provided under this note refers to the F4E open obligations under the ITER and BA activities. Those future obligations are considered as net deficits from future operating activities and reported as significant legal commitment.

ITER is being constructed at Cadarache in the South of France. Europe supports 45.46% of the construction cost and 34% of the cost of operation, deactivation and decommissioning of the facility as well as preparing the site.

Most of the components that make up the ITER facility are to be manufactured by each of the ITER Parties and contributed in-kind to ITER through Domestic Agencies. F4E will provide components to ITER on behalf of the EU.

In addition to the in-kind procurements F4E has also an obligation to finance the transportation of the non-EU components from the entry site in France (i.e. either Fos-sur-Mer or the Marignane airport) to Cadarache. Additionally, as far as the Test Blanket System is concerned, in 2014 F4E has signed two TBM Arrangements for the delivery of two systems to the ITER site.

The contractual commitments for which budgetary commitments have not yet been placed refers to the outstanding activities which have not yet been awarded as procurement contracts to European industry. F4E maintains an estimate of the cost of completing its obligations to ITER. This comprises the costs already committed, and the estimate of the future commitments. This is managed in EcoSys and an extract is presented to each of the biannual GB meetings.

The table below shows an update of these figures with a cut-off date of December 2022, and expressed in EUR 2008 (used as basis to ensure a comprehensive financial monitoring).

<b>Cost Estimate at 31/12/22 (MEUR-2008 value)</b>	<b>Actual Commitment (1)</b>	<b>Estimate to Complete (2)</b>	<b>Estimate at Completion (3)=(1)+(2)</b>
BA Phase 1	65.64	0.00	65.64
BA Phase 2	17.31	192.69	210.00
IFMIF/DONES Construction	0.00	100.00	100.00
ITER Construction	7 569.85	4 231.66	11 801.51
ITER Operation	0.00	1 538.20	1 538.20
ITER Support 2036-2042	0.00	221.04	221.04
<b>TOTAL</b>	<b>7 652.80</b>	<b>6 283.59</b>	<b>13 936.39</b>

**Fig. 12 Cost Estimate in Commitment (in 2008 value)**

The F4E Estimate at Completion (EaC) comprises two major elements – (a) the costs incurred directly by F4E and (b) the cash contributions representing the EU share of the IO costs. EaC covers the costs of the full Construction Phase and the costs of the Operations Phase and the Decommissioning Phase that will be incurred in the same timeframe. The only costs expected after 2035 are the final parts of the cash contributions towards the Operations Phase and Decommissioning Phases and the full costs of the Deactivation Phase.

The following key assumptions have been made in the compilation of the EaC :

- The number of requirement changes (PCR's, which have been a major problem for F4E over previous years) will be minimized according to the current policy of IO and if there are any changes they will be funded via the Reserve Fund or any other IO budget.  
It is recognized that despite strong management pressure at IO and F4E it is impossible to reduce the rate to zero. These changes may cause further delays and cost impacts to ongoing and future construction activities.
- The nuclear safety requirements: F4E is working with IO to ensure that the designs being developed respect the various nuclear safety requirements. Nevertheless, the French nuclear safety authority [ASN] has the ultimate authority and interacts only with IO, and any future changes required could have a high cost impact.
- There are no increases to the required cash contributions to IO.
- High level work on defining the approach to the Hot Cell complex is on-going, updated scope, as well as sharing of the related increased cost will be decided on at ITER Council level where EU interests are represented by EURATOM.
- The current ITER baseline leading to First Plasma in December 2025, and the start of the Deuterium-Tritium phase in December 2035 is maintained. This assumption will be updated when the ITER revised baseline integrating the updated schedule to First Plasma and beyond, and the updated Overall Project Cost, will have been proposed by IO and approved by the ITER Council in 2023.

Regarding the structure, the EaC is calculated as the sum of the EaC Base and the Risk Exposure over all activities. The EaC Base is the most likely commitment estimate for a given activity, plus the cost of planned risk mitigation activities. The Risk Exposure is the estimated impact value of the risk(s), multiplied by the probability of the risk(s) associated to a given activity.

Indicatively, the estimate to complete in commitments amounts to EUR 8 589.22 million in 2022 value.

<b>Cost Estimate at 31/12/22 (MEUR-2022 value)</b>	<b>Actual Commitment (1)</b>	<b>Estimate to Complete (2)</b>	<b>Estimate at Completion (3)=(1)+(2)</b>
BA Phase 1	91.09	0.00	91.09
BA Phase 2	24.19	271.61	295.80
IFMIF/DONES Construction	0.00	141.57	141.57
ITER Construction	10 435.00	5 854.76	16 289.76
ITER Operation	0.00	2 029.62	2 029.62
ITER Support 2036-2042	0.00	291.66	291.66
<b>TOTAL</b>	<b>10 550.28</b>	<b>8 589.22</b>	<b>19 139.50</b>

Fig. 13 Cost Estimate in Commitment (in 2022 value)

In payments, the estimate to complete amounts to EUR 9 919.18 million in 2022 value.

<b>Cost Estimate at 31/12/22 (MEUR-2022 value)</b>	<b>Actual Payment (1)</b>	<b>Estimate to be Paid (2)</b>	<b>Estimate at Completion (3)=(1)+(2)</b>
BA Phase 1	86.40	4.69	91.09
BA Phase 2	8.18	287.62	295.80
IFMIF/DONES Construction	0.00	141.57	141.57
ITER Construction	9 125.74	7 164.02	16 289.76
ITER Operation	0.00	2 029.62	2 029.62
ITER Support 2036-2042	0.00	291.66	291.66
<b>TOTAL</b>	<b>9 220.32</b>	<b>9 919.18</b>	<b>19 139.50</b>

Fig. 14 Cost Estimate in Payment (in 2022 value)

More details on the actual advancement of the works achieved at the end of the year are available in the F4E Annual report 2022.

### 6.4.3. Guarantees for pre-financing

Guarantees are possible assets (or obligations) that arise from past events and whose existence will be confirmed by the occurrence or non-occurrence of the object of the guarantee. A guarantee is settled when the object of the guarantee no longer exists. It is crystallised when the conditions are fulfilled for calling a payment from the guarantor.

In order to avoid double-counting, guarantees received on pre-financing amounts given are not disclosed as contingent assets since these amounts are already shown as pre-financing assets in the balance sheet.

<b>Description</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Guarantees for pre-financing (nominal-on going)	192 973 953.42	167 900 528.39

Fig. 15 Guarantees for pre-financing

These are guarantees that F4E in certain cases requests from beneficiaries when paying out advance payments (pre-financing). There are two values to disclose for this type of guarantee, the “nominal” and the “on-going” values. For the “nominal” value, the generating event is linked to the existence of the guarantee. For the “on-going” value, the guarantee’s generating event is the pre-financing payment and/or subsequent clearings.

#### 6.4.4. Service in-kind

Under the Host agreement with Spain, the office building used by F4E is free of charge. For the year 2022, this service in-kind amounts to EUR 2 932 316.30.

### 6.5. Financial Instruments

Financial instruments comprise cash, current receivables and recoverables, current payables, amounts due to and from consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks. Information about which and how they are managed is set out below. Pre-financings and deferrals are not included.

The carrying amounts of financial instruments are as follows:

<b>Financial assets</b>	<b>2022</b>	<b>2021</b>
Receivables with Member States	27 642 694.17	14 584 938.64
All receivables with third parties including accruals (excluding deferrals)	54 989 143.37	16 225 263.25
Cash and deposits	25 000.00	45 537.20
<b>TOTAL</b>	<b>82 656 837.54</b>	<b>30 855 739.09</b>
<b>Financial liabilities</b>	<b>2022</b>	<b>2021</b>
Current payables	78 773 267.33	60 364 519.03
Other payables	0.00	0.00
Accounts payable with EU entities	1 186 246.02	6 374 572.42
<b>TOTAL</b>	<b>79 959 513.35</b>	<b>66 739 091.45</b>

Fig. 16 Financial Instruments

### 6.5.1. Liquidity Risk

Liquidity risk is the risk that arises from selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation. Liquidity risk arises from the ongoing financial obligations, including the settlement of payables.

Details of contractual maturities for assets and liabilities form an important source of information for the management of liquidity risk.

Bank accounts opened in the name of F4E may not be overdrawn. Treasury and payment operations are highly automated and rely on modern information systems. Specific procedures are applied to guarantee system security and to ensure segregation of duties in line with the FR, the internal control standards, and audit principles. EU budget principles ensure that overall cash resources for a given year are always sufficient for the execution of all payments.

F4E's liabilities have remaining contractual maturities as summarised below:

31 December 2022	< 1 year	1 - 5 years	> 5 years	Total
Payables with third parties	78 773 267.33	0.00	0.00	<b>78 773 267.33</b>
Payables with consolidated entities	1 186 246.02	0.00	0.00	<b>1 186 246.02</b>
<b>Total liabilities</b>	<b>79 959 513.35</b>	<b>0.00</b>	<b>0.00</b>	<b>79 959 513.35</b>

Fig. 17 Liquidity Risk – Payables

### 6.5.2. Credit Risk

Credit risk is the risk of loss due to a debtor's/borrower's non-payment of a loan or other line of credit (either the principal or interest or both) or other failure to meet a contractual obligation. The default events include a delay in repayments, restructuring of borrower repayments and bankruptcy.

Treasury resources are kept with the EC since May 2019. F4E recovers contributions from Euratom and the ITER Host State in average 3 times per year to ensure appropriate cash management, taking into account payment time limits for the recovery of contributions and the total of payments executed in 2022. Requests to the EC and ITER Host State are accompanied by cash forecasts.

Following the externalisation of the treasury to the EC the counterparty risk to which F4E is exposed is minimized.

The table below shows the maximum exposure to credit risk by F4E.

Credit quality/rating	Amount of receivables with Member States
Prime and high grade	27 532 994.17
Upper medium grade	0.00
Lower medium grade	109 700.00
Non-investment grade	0.00
<b>Receivable from IO</b>	<b>1 078 990.55</b>
<b>EC treasury</b>	<b>50 889 047.15</b>

Fig. 18 Credit Risk – Receivables

### 6.5.3. Market Risk

Market Risk can be split into interest rate risk and currency risk.

Interest rate risk arises from cash. F4E treasury has been externalised to the EC and consequently it is not exposed to interest rate risk. F4E's treasury does not borrow any money.

The vast majority of transactions are executed in EUR. It is recognised that exchange rates fluctuate and F4E accepts the risk and does not consider it to be material.

### 6.6. Related Party Disclosure

The related parties of F4E are the key management personnel. Transactions between F4E and the key management personnel take place as part of the normal operations and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU Accounting rules.

Highest grade description	Grade	Number of persons of this grade
Director	AD15	1

**Fig. 19 Related Party Disclosure**

The transactions of F4E with key management personnel during financial year 2022 consist only of the payment of their remuneration, allowances and other entitlements in accordance with the EU Staff Regulations.

As event after the reporting date, it is also to be mentioned that the GB of F4E appointed Marc Lachaise as F4E Director as of 16<sup>th</sup> May 2023.

## Section II. Budget Implementation 2022

### 7. Budget Implementation

#### 7.1. Main Facts on the Implementation of the 2022 Budget of F4E

Commitments	<b>72% execution of the final available budget</b>	Final Budget: 981.18	Execution: 703.98	EUR million
	<b>82% compared to the original budget</b>	Original Budget: 854.49	Execution: 703.98	EUR million
	<b>77% without additional revenue from ITER IO</b>	Standard Budget: 887.74	Execution: 679.93	EUR million
	<b>99% in individual commitments</b>	Execution: 703.98	Ind. Commit.: 695.85	EUR million
Payments	<b>91% execution of the final available budget</b>	Final Budget: 844.02	Execution: 765.72	EUR million
	<b>91% compared to the original budget</b>	Original Budget: 845.45	Execution: 765.72	EUR million
	<b>99% without additional revenue from ITER IO</b>	Standard Budget: 760.73	Execution: 749.89	EUR million

Fig. 20 Budget Implementation 2022

The execution rate of F4E's final available budget stood at 72% in commitments and 91% in payments. The main factors impacting F4E's ability to execute it, were largely outside of its control and in particular:

- Reduction of Euratom's Cash Contribution to IO from EUR 336.8 million included in the IO Draft Budget 2023 as approved by the 29<sup>th</sup> ITER Council in November 2021 versus EUR 224.4 million finally requested and committed (- **EUR 112.4 million** under execution in commitments),
- Increase of Euratom's contribution to F4E's Operational Budget, whereby F4E was requested to absorb available appropriations coming from the European Fusion Research programme in commitment and payment appropriations (- **EUR 14.7 million** under execution in commitments),
- Increase of the ITER Host State contribution corresponding to the balance due for the period 2007-2020 (- **EUR 14.9 million** in commitments),
- Successful negotiations with the IO resulting in additional ex-post reimbursement of cost of changes associated with two Project Change Requests (PCR 698 and PCR 662) and one Task Agreement (Tokamak Crown) (- **EUR 60.5 million** under execution in commitments and **EUR 58.5 million** under execution in payments),
- Delays related to international situation, which caused additional - **EUR 30.0 million** of under-execution in commitments.

Following the conservative approach to use global commitments requested by Euratom based on commitment forecasts for 1<sup>st</sup> quarter of 2023 (and not the full year of 2023), F4E globally committed only EUR 8.13 million covering four well advanced procurement procedures. Without the factors above F4E would have reached the 95% of budget implementation in both commitments and payments.

## 7.2. Evolution of the Budget

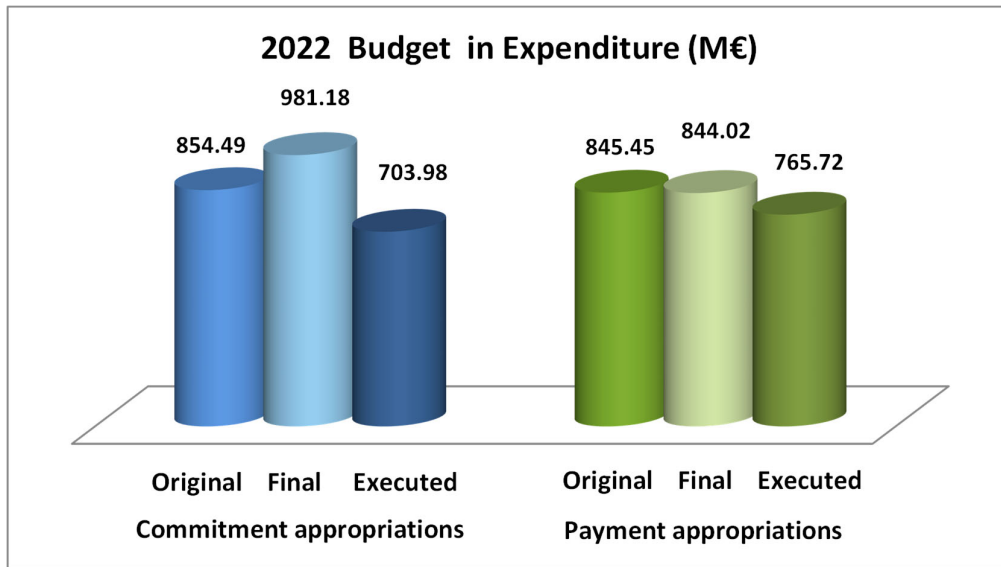


Fig. 21 Budget 2022 in Expenditure

F4E 2022 budget was originally adopted by F4E’s Governing Board (GB) for the amount of EUR 854.49 million in commitment appropriations and EUR 845.45 million in payment appropriations.

It was modified in two amendments in the GB meetings of July and December 2022.

The final available appropriations, including the carry-over from the previous year were EUR 981.18 million in commitment appropriations and EUR 844.02 million in payment appropriations.



## 7.3. Statement of Revenue

### 7.3.1. Commitment Appropriations

(EUR)

Heading of the 2022 Budget Commitment Revenue	Original Budget (1)	Amending budget 1 (2)	Amending budget 2 (3)	Final Budget (4)=(1)+(2)+(3)	Additional revenue (5)	Final Available Revenue (6)=(4)+(5)	Carry Over From previous year (7)	Final Available Budget (8)=(6)+(7)
110 PARTICIPATION FROM THE EUROPEAN UNION TO OPERATIONAL EXPENDITURE	637 938 663.00		14 685 059.24	<b>652 623 722.24</b>		<b>652 623 722.24</b>		<b>652 623 722.24</b>
111 RECOVERY FROM PREVIOUS YEARS OPERATIONAL EXPENDITURE								0.00
120 PARTICIPATION FROM THE EUROPEAN UNION TO ADMINISTRATIVE EXPENDITURE	65 043 220.66			<b>65 043 220.66</b>		<b>65 043 220.66</b>		<b>65 043 220.66</b>
121 RECOVERY FROM PREVIOUS YEARS ADMINISTRATIVE EXPENDITURE	1 008 571.34			<b>1 008 571.34</b>		<b>1 008 571.34</b>		<b>1 008 571.34</b>
210 ANNUAL MEMBERSHIP CONTRIBUTIONS	6 700 000.00			<b>6 700 000.00</b>		<b>6 700 000.00</b>		<b>6 700 000.00</b>
310 ASSIGNED REVENUE ACCRUING FROM THE CONTRIBUTION OF ITER HOST STATE	143 800 000.00	14 950 574.00		<b>158 750 574.00</b>		<b>158 750 574.00</b>	3 226 238.47	<b>161 976 812.47</b>
410 MISCELLANEOUS REVENUE		5 000.00	151 570.20	<b>156 570.20</b>	198 705.97	<b>355 276.17</b>		<b>355 276.17</b>
<i>Of which revenue of the year</i>			<i>151 570.20</i>	<i>151 570.20</i>	<i>195 551.50</i>	<i>347 121.70</i>		<i>347 121.70</i>
<i>Of which revenue from previous year</i>		<i>5 000.00</i>		<i>5 000.00</i>	<i>3 154.47</i>	<i>8 154.47</i>		<i>8 154.47</i>
510 OTHER REVENUE	p.m.			<b>0.00</b>		<b>0.00</b>	30 473.55	<b>30 473.55</b>
520 REVENUE FROM ITER ORGANISATION	p.m.			<b>0.00</b>	79 213 457.32	<b>79 213 457.32</b>	14 231 771.74	<b>93 445 229.06</b>
<i>Of which revenue of the year</i>					<i>79 213 457.32</i>	<i>79 213 457.32</i>		<i>79 213 457.32</i>
<i>Of which revenue from previous year</i>							<i>14 231 771.74</i>	<i>14 231 771.74</i>
<b>Total Revenue</b>	<b>854 490 455.00</b>	<b>14 955 574.00</b>	<b>14 836 629.44</b>	<b>884 282 658.44</b>	<b>79 412 163.29</b>	<b>963 694 821.73</b>	<b>17 488 483.76</b>	<b>981 183 305.49</b>

Note: Column (7) Carry Over from previous year also includes decommitments of assigned revenue done during the year 2022

**Fig. 22 Evolution of Statement of Revenue in Commitment Appropriations**

The evolution of statement of revenue in commitment appropriations is made of:

- The revenue added or subtracted in the amendments to the budget represents the evolution of the main contributions (Euratom, France and Members). Each change in revenue is individually detailed and submitted to the GB for adoption.
- The miscellaneous revenue mainly corresponds to reimbursement of undue payments. Defined as internal assigned revenue in F4E FR, these are not net additional revenue but re-collected revenue.
- The other revenue are assigned to the implementation of specific tasks, mainly tasks requested by the IO. Defined as external assigned revenue in the F4E FR, these are net additional revenue for which the GB authorises the principle of collection, as shown with the p.m., 'Pro Memoria', in the original budget.

F4E reports to the GB on the status of miscellaneous and other revenue with each amendment to the annual budget, together with the carry-over from the previous year.

The main changes to the statement of revenue in commitment appropriations according to the table in Fig. 22 are the following:

- **Chapter 110: + EUR 14 685 059.24** of additional Euratom contribution to F4E operational expenditure, coming from the European fusion research programme,
- **Chapter 310: + EUR 14 950 574.00** in commitments only, corresponding to the balance due for the ITER Host State contribution 2007-2020,
- **Chapter 410: + EUR 355 276.17** linked to recoveries and liquidated damages on F4E operational contracts and from recoveries on contract pre-financing and regularisations on administrative expenditure in commitments and payments,
- **Chapter 520: + EUR 79 213 457.23** on available assigned revenue from IO linked to ITER Reserve Fund earmarked to the implementation of project changes requested and financed by the IO. The detailed list of requested tasks is provided in Annex 8.1.

The automatic carry-over of commitment appropriations from the 2021 budget, including the decommitments of commitments done in 2021 or before, are the following:

- **Chapter 310: EUR 3 226 238.47** from de-commitments on ITER Host State contribution related to contracts due to change of scope or from left over at the closure of the contracts. According to the F4E FR the de-committed amounts on this chapter are immediately available again (external assigned revenue),
- **Chapter 520: EUR 14 231 771.74** from decommitments and opened commitment appropriations for revenue coming from IO.

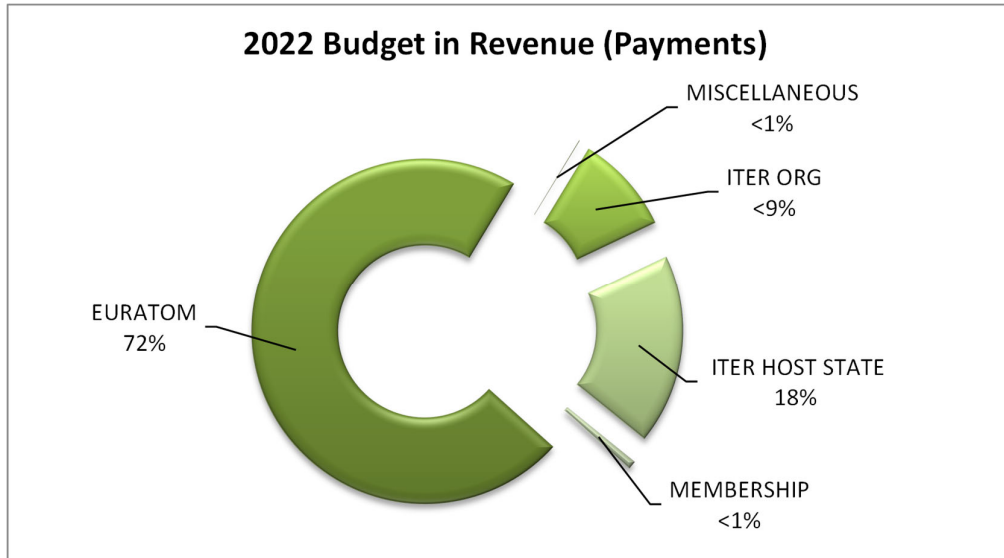
## 7.3.2. Payment Appropriations

(EUR)								
Heading of the 2022 Budget Commitment Revenue	Original Budget (1)	Amending budget 1 (2)	Amending budget 2 (3)	Final Budget (4)=(1)+(2)+(3)	Additional revenue (5)	Final Available Revenue (6)=(4)+(5)	Carry Over From previous year (7)	Final Available Budget (8)=(6)+(7)
110 PARTICIPATION FROM THE EUROPEAN UNION TO OPERATIONAL EXPENDITURE	623 767 915.49		-92 014 940.76	531 752 974.73		531 752 974.73		531 752 974.73
111 RECOVERY FROM PREVIOUS YEARS OPERATIONAL EXPENDITURE	135 250.51			135 250.51		135 250.51		135 250.51
120 PARTICIPATION FROM THE EUROPEAN UNION TO ADMINISTRATIVE EXPENDITURE	65 043 220.66			65 043 220.66		65 043 220.66	4 786 167.97	69 829 388.63
121 RECOVERY FROM PREVIOUS YEARS ADMINISTRATIVE EXPENDITURE	1 008 571.34			1 008 571.34		1 008 571.34		1 008 571.34
210 ANNUAL MEMBERSHIP CONTRIBUTIONS	6 700 000.00			6 700 000.00		6 700 000.00		6 700 000.00
310 ASSIGNED REVENUE ACCRUING FROM THE CONTRIBUTION OF ITER HOST STATE	148 800 000.00			148 800 000.00		148 800 000.00	1 384 899.99	150 184 899.99
410 MISCELLANEOUS REVENUE		5 000.00	151 570.20	156 570.20	198 705.97	355 276.17	31 081.82	386 357.99
<i>Of which revenue of the year</i>		5 000.00	151 570.20	156 570.20	195 551.50	352 121.70		352 121.70
<i>Of which revenue from previous year</i>					3 154.47	3 154.47	31 081.82	34 236.29
510 OTHER REVENUE	p.m.			0.00		0.00	736 527.90	736 527.90
520 REVENUE FROM ITER ORGANISATION	p.m.			0.00	76 973 579.10	76 973 579.10	6 315 804.48	83 289 383.58
<i>Of which revenue of the year</i>	p.m.			0.00	76 973 579.10	76 973 579.10		76 973 579.10
<i>Of which revenue from previous year</i>	p.m.			0.00			6 315 804.48	6 315 804.48
Total Revenue	845 454 958.00	5 000.00	-91 863 370.56	753 596 587.44	77 172 285.07	830 768 872.51	13 254 482.16	844 023 354.67

Note: Column (7) Carry Over from previous year also includes decommitments of assigned revenue done during the year 2022

Fig. 23 Evolution of Statement of Revenue in Payment Appropriations

The breakdown of revenue by contributors in 2022 in payment appropriations is:



**Fig. 24 Revenue Breakdown in Payment Appropriations**

The main changes to the statement of revenue in payment appropriations were as follows:

- **Chapter 110: + EUR 14.7 million** additional EURATOM contribution was received from the European fusion research programme, while at the year-end - **EUR 106.7 million** were transferred back to EURATOM mainly due to lower payments needs in 2022 coming from:
  - slowdown of F4E operational activities due to delays in the execution of contractors' obligations which affected the progress of ITER delivery contracts,
  - decision of ITER Council to decrease of the Euratom cash contribution to the IO for 2023 that affected the advance payment in December 2022 and,
  - execution of payments in 2021 initially planned for 2022.
- **Chapter 520: + EUR 76 973 579.10** revenue coming from IO related to recoveries for project changes.

The main automatic carry-overs of payment appropriations from the 2021 budget were:

- **Chapter 120: + EUR 4 786 167.97** from the automatic carry-over of administrative expenditure committed,
- **Chapter 310: + EUR 1 384 899.99** carry over from ITER Host State contribution,
- **Chapter 510: + EUR 736 527.90** related to the integration of the Upper Port 10 within the contribution from Japan Domestic Agency,
- **Chapter 520: + EUR 6 315 804.48** of carry-over of revenue from IO.

## 7.4. Statement of Expenditure

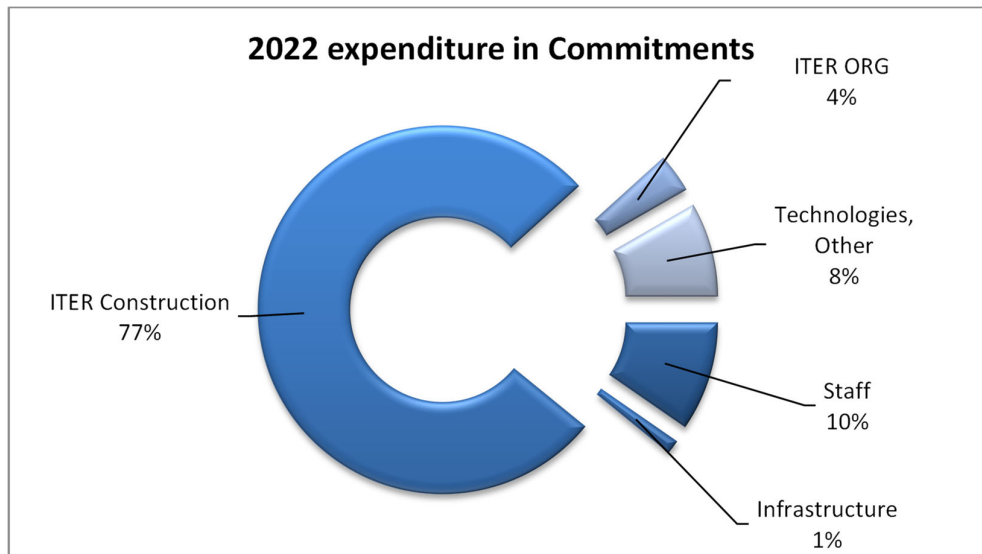
### 7.4.1. Expenditure in Commitment Appropriations

The statement of expenditure adopted with the original 2022 budget was aligned to the Single Programming Document 2022-2026<sup>7</sup>, in particular the *Work Programme 2022* that serves as financing decision for the operational budget 2022.

The statement of expenditure has been further adjusted in the course of its implementation in accordance with the successive changes in the statement of revenue and with the amendments to the Work Programme (WP). These adjustments were implemented through the amending budgets and the transfers approved by the F4E Director within the limits foreseen in article 26 of the F4E FR.

The GB is duly informed about the transfers at each GB meeting, and in the Budgetary and Financial Management Report after the closure. The appropriations accruing from assigned revenue and not used at the end of 2021 were automatically carried over to the budget 2022. No further carry-over was requested to the GB.

The final breakdown of the statement of expenditure in commitment appropriations is as follows:



**Fig. 25 Final breakdown of the Expenditure in Commitments**

<sup>7</sup> 2SGNZW (current) adopted by F4E GB on 10 December 2021

(EUR)										
Heading of the 2022 Budget Commitment Expenditure	Evolution of the statement of expenditure							Implementation		
	Original Budget (1)	Amending budget 1 (2)	Amending budget 2 (3)	Transfers adopted by F4E Director (4)	Final budget (5)=Σ(1 to 4)	Additional Revenue (6)	Carried over (7)	Final Appropriations (8)=Σ(5 to 7)	Execution (9)	% (10)=(9)/(8)
<b>A1 STAFF EXPENDITURE</b>										
A10 SALARIES AND ALLOWANCES FOR ESTABLISHMENT PLAN POSTS	38 981 810.00			8 048 916.53	47 030 726.53			47 030 726.53	47 030 726.53	100.0%
A11 SALARIES AND ALLOWANCES FOR EXTERNAL PERSONNEL	11 906 562.00			2 508 252.02	14 414 814.02			14 414 814.02	14 414 814.02	100.0%
A12 EXPENDITURE RELATING TO STAFF RECRUITMENT	814 000.00			-101 768.46	712 231.54			712 231.54	712 231.54	100.0%
A13 MISSION EXPENSES	582 000.00			-201 000.00	381 000.00			381 000.00	381 000.00	100.0%
A14 SOCIO-MEDICAL INFRASTRUCTURE	504 000.00			-2 000.00	502 000.00			502 000.00	502 000.00	100.0%
A15 TRAINING	676 620.00			-8 550.66	668 069.34			668 069.34	668 069.34	100.0%
A16 EXTERNAL SERVICES	550 000.00			410 000.00	960 000.00			960 000.00	960 000.00	100.0%
A17 RECEPTIONS/EVENTS AND REPRESENTATION	10 000.00			-4 726.19	5 273.81			5 273.81	5 273.81	100.0%
A18 SOCIAL WEALFARE	46 000.00			16 200.00	62 200.00			62 200.00	62 200.00	100.0%
A19 OTHER STAFF RELATED EXPENDITURE	3 277 000.00			-156 377.00	3 120 623.00	12 039.50		3 132 662.50	3 132 662.50	100.0%
<b>TITLE A1 - Total</b>	<b>57 347 992.00</b>			<b>10 508 946.24</b>	<b>67 856 938.24</b>	<b>12 039.50</b>		<b>67 868 977.74</b>	<b>67 868 977.74</b>	<b>100.0%</b>
<b>A2 INFRASTRUCTURE AND OPERATING EXPENDITURE</b>										
A21 RENTAL OF BUILDINGS AND ASSOCIATED COSTS	1 499 000.00			110 000.00	1 609 000.00	7 056.59		1 616 056.59	1 616 056.59	100.0%
A22 INFORMATION, COMMUNICATION TECHNOLOGY AND DATA PROCESSING	3 935 000.00			61 977.04	3 996 977.04			3 996 977.04	3 996 977.04	100.0%
A23 MOVABLE PROPERTY AND ASSOCIATED COSTS	375 000.00			-220 147.78	154 852.22			154 852.22	154 852.22	100.0%
A24 CURRENT ADMINISTRATIVE EXPENDITURE	1 616 000.00			-1 881.79	1 614 118.21			1 614 118.21	1 614 118.21	100.0%
A25 POSTAGE / TELECOMMUNICATIONS	547 000.00			-21 500.00	525 500.00			525 500.00	525 500.00	100.0%
A26 MEETING EXPENSES	443 000.00			-19 450.00	423 550.00			423 550.00	423 550.00	100.0%
A27 RUNNING COSTS IN CONNECTION WITH OPERATIONAL ACTIVITIES				0.00			30 473.55	30 473.55	30 473.55	100.0%
A28 INFORMATION AND PUBLISHING	38 000.00			-18 000.00	20 000.00			20 000.00	20 000.00	100.0%
A29 OTHER INFRASTRUCTURE AND OPERATING EXPENDITURE	250 800.00			162 792.97	413 592.97			413 592.97	413 592.97	100.0%
<b>TITLE A2 - Total</b>	<b>8 703 800.00</b>	<b>0.00</b>	<b>0.00</b>	<b>53 790.44</b>	<b>8 757 590.44</b>	<b>7 056.59</b>	<b>30 473.55</b>	<b>8 795 120.58</b>	<b>8 795 120.58</b>	<b>100.0%</b>
<b>TITLE A1 &amp; A2 - Total Administrative Expenditure</b>	<b>66 051 792.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10 562 736.68</b>	<b>76 614 528.68</b>	<b>19 096.09</b>	<b>30 473.55</b>	<b>76 664 098.32</b>	<b>76 664 098.32</b>	<b>100.0%</b>

Heading of the 2022 Budget Commitment Expenditure	Evolution of the statement of expenditure								Implementation	
	Original Budget (1)	Amending budget 1 (2)	Amending budget 2 (3)	Transfers adopted by F4E Director (4)	Final budget (5)=Σ(1 to 4)	Additional Revenue (6)	Carried over (7)	Final Appropriations (8)=Σ(5 to 7)	Execution (9)	% (10)=(9)/(8)
<b>B3 OPERATIONAL EXPENDITURE</b>										
B31 ITER CONSTRUCTION INCLUDING SITE PREPARATION	569 331 726.00	1 733 575.20	23 481 524.24	-14 262 736.68	580 284 088.76	41 412.11		580 325 500.87	429 211 076.71	74.0%
B32 TECHNOLOGY FOR ITER AND DEMO	4 339 492.00	214 943.39	55 142.61	0.00	4 609 578.00			4 609 578.00	3 497 256.59	75.9%
B33 TECHNOLOGY FOR BROADER APPROACH	41 009 373.00	-9 809 138.99	-7 957 380.01	0.00	23 242 854.00			23 242 854.00	16 842 430.93	72.5%
B35 EXTERNAL SUPPORT ACTIVITIES	24 156 472.00	7 744 181.05	-2 231 229.05	2 230 000.00	31 899 424.00	34 333.08		31 933 757.08	30 868 787.56	96.7%
B36 OTHER OPERATIONAL EXPENDITURE	5 801 600.00	121 439.35	1 488 571.65	1 470 000.00	8 881 611.00	103 864.69		8 985 475.69	7 287 206.54	81.1%
<b>Title B3 - Total</b>	<b>644 638 663.00</b>	<b>5 000.00</b>	<b>14 836 629.44</b>	<b>-10 562 736.68</b>	<b>648 917 555.76</b>	<b>179 609.88</b>	<b>0.00</b>	<b>649 097 165.64</b>	<b>487 706 758.33</b>	<b>75.1%</b>
<b>B4 EARMARKED EXPENDITURE</b>										
B41 ITER CONSTRUCTION - ITER HOST STATE CONTRIBUTION	143 800 000.00	14 950 574.00			158 750 574.00		3 226 238.47	161 976 812.47	115 556 047.00	71.3%
B42 ACTIVITIES LINKED TO ITER ORGANIZATION	p.m.				0.00	79 213 457.32	14 231 771.74	93 445 229.06	24 056 684.21	25.7%
B43 OTHER EARMARKED EXPENDITURE	p.m.				0.00			0.00	0.00	
<b>Title B4 - Total</b>	<b>143 800 000.00</b>	<b>14 950 574.00</b>	<b>0.00</b>	<b>0.00</b>	<b>158 750 574.00</b>	<b>79 213 457.32</b>	<b>17 458 010.21</b>	<b>255 422 041.53</b>	<b>139 612 731.21</b>	<b>54.7%</b>
<b>Titles B3 &amp; B4 - Subtotal</b>	<b>788 438 663.00</b>	<b>14 955 574.00</b>	<b>14 836 629.44</b>	<b>-10 562 736.68</b>	<b>807 668 129.76</b>	<b>79 393 067.20</b>	<b>17 458 010.21</b>	<b>904 519 207.17</b>	<b>627 319 489.54</b>	<b>69.4%</b>
<b>Total BUDGET in Commitment appropriations</b>	<b>854 490 455.00</b>	<b>14 955 574.00</b>	<b>14 836 629.44</b>	<b>0.00</b>	<b>884 282 658.44</b>	<b>79 412 163.29</b>	<b>17 488 483.76</b>	<b>981 183 305.49</b>	<b>703 983 587.86</b>	<b>71.7%</b>

Fig. 26 Evolution of the Expenditure in Commitments in 2022

Note: the figures for the budget Title 4 refer to the available appropriations for the 2022 budget only, whereas the details of the 2022 implementation by funds source provided in Fig. 39, Annex 8.4 from ABAC refers to the appropriations of the year plus the amounts left over on the commitments carried over from the previous years. This is due to the specific management of assigned revenue in the accounting system.

### 7.4.1.1. Administrative Expenditure

The administrative expenditure are made of non-differentiated appropriations (commitment and payment appropriations are in unison), therefore any transfers or budget amendments are identical in commitment and payment appropriations.

The F4E Director approved a series of transfers resulting in an increase of the administrative budget amounting in total to EUR 10 562 736.68. Those transfers allowed to adjust the detailed allocation to the evolution of the needs, in particular to cover the employer's pension contribution following the audit finding.

The major changes (> +/-10%) in the administrative expenditure (variation of the final implementation in % of the initial budget) by chapter are:

#### **Title 1 – Staff expenditure (+18%)**

- **Chapter A10 Salaries and allowances of which establishment plan posts (+) 21%**  
The Budget increase is due to the payment of the pension contribution (2017-2022) in accordance with the EC guidelines and the high salaries indexation in 2022,
- **Chapter A11 Salaries and allowances for external personnel (+) 21%**  
The budget increase is due to the payment of the pension contribution (2017-2022) in accordance with the EC guidelines and the high salaries indexation in 2022,
- **Chapter A12 Expenditure relating to staff recruitment (-) 13%**  
The expenses linked to taking up duties and departures (daily allowances, installation/reinstallation, removals and travel expenses) have significantly decreased due to the lower number of requests from staff compared to the forecast,
- **Chapter A13 Mission expense (-) 35%**  
The budget decrease in mission expenses is due to the fact that it was thought a post covid forecast which did not occur,
- **Chapter A16 External services (+) 75%**  
The budget increase due to a higher use of interim staff especially due to higher than expected impact of sick leaves and maternity leaves,
- **Chapter A17 Receptions/events and representation (-) 47%**  
F4E is traditionally making a very limited use of this budget,
- **Chapter A18 Social Welfare (+) 35%**  
This budget increase was due the cost of social events organised for F4E staff, not organised last year because of the pandemic.



**Title 2 – Infrastructure and operating expenditure (+ 1%)**

- **Chapter A23 Movable property and associated cost** **(-) 59%**  
 Some purchases for the refurbishment of the ground floor including equipment for the main meeting room, and also the replacement of one of the service cars were postponed due to delays in works and to changing requirements,
- **Chapter A28 Information and publishing** **(-) 47%**  
 Since Covid-19, limited number of events with physical presence have been held. The production of publications is frequently linked to these events, where our publications are offered to participants. The increase of the teleworking has also affected the production of publications, replaced sometimes by electronic publications/electronic information,
- **Chapter A29 Other infrastructure and operating expenditure** **(+) 65%**  
 The increase is due to the EUAN (inter-agencies network meeting) held in Barcelona.

**7.4.1.2. Operational Expenditure in commitment**

The statement of operational expenditure was modified with the amending budgets to reflect the changes in the statement of revenue and to align the operational budget in commitment appropriations with the successive amendments to the 2022 WP.

The major changes (> +/-10%) in the Operational expenditure (variation of the final implementation in % of the original budget) are:

**Title 3 – Operational expenditure (- 24%)**

The budget for operational expenditure increased by additional contribution of EUR 14.7 million coming from the European fusion research programme, which F4E was asked to absorb by EURATOM in 2022. Other small adjustment comes from the carry-over from the previous year and the transfer from administrative expenditure.

- **Chapter B31 ITER Construction including site preparation** **(-) 25%**  
 Substantial reduction of Euratom's Cash Contribution to IO for the year 2023 and the impact of sanctions due to the geopolitical situation as described in section 7.1. of this document,
- **Chapter B32 Technology for ITER and Demo** **(-) 19%**  
 The decrease is related to reduced contract scope for ancillary TBM systems resulting from a scope sharing with Korean Domestic Agency,
- **Chapter B33 Technology for Broader Approach** **(-) 59%**  
 The decrease is related to (i) the postponement to 2023 of the Electron Cyclotron Resonance Heating Waveguides contract as the technical discussions with QST have taken longer than expected, and (ii) uncertainties of the closure of the procurement process within the end of the year, therefore the contract signature for the supply of JT-60SA actively cooled Divertor NHF elements is moved to 2023,

- Chapter B35 External Support Activities** (+) **28%**  
 The increase is related to additional external support needs in most of the F4E’s Programme Teams;
- Chapter B36 Other Operational Expenditure** (+) **26 %**  
 The increase is related to additional external legal service support in the context of litigation with TB04 contractor.

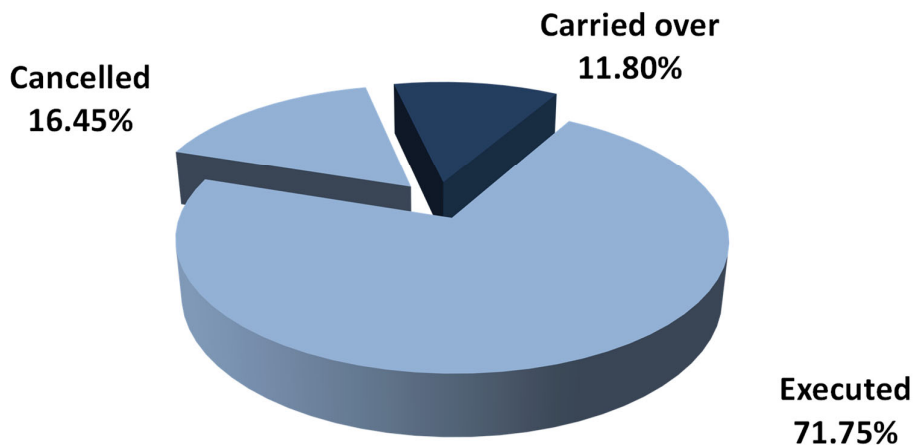
**Title 4 – Earmarked expenditure (- 3%)**

- Chapter B41 ITER Construction – ITER Host State Contribution** (-) **20%**  
 Substantial reduction of Euratom’s Cash Contribution to IO for the year 2023 and the impact of sanctions due to the geopolitical situation as described in section 7.1. of this document.

The budget appropriations for earmarked expenditure from IO were created based on additional revenue linked to project changes, direct implementations and other change instruments requested and financed by IO. These are described in section 7.5 of this document.

**7.4.1.3. Implementation of the Budget in Commitments**

**Commitments 2022: 981.2 M€**



MEUR	Budget	Cancelled	Carried over	Executed
<b>Commitment 2022</b>	<b>981.2</b>	<b>161.4</b>	<b>115.8</b>	<b>704.0</b>

**Fig. 27 Implementation of the Budget in Commitments**

#### 7.4.1.4. Open Commitments at 31 December 2022

The F4E open commitments amount to EUR 1 273.9 million at the closure of the 2022 budget, representing a decrease of about EUR 257 million compared to the end of 2021.

Remarks:

- EUR 100.87 million out of the EUR 123.74 million committed globally in 2021 were implemented in 2022 as the three on-going procurement procedures have been concluded,
- F4E made use of global commitment in 2022 for a total amount of EUR 8.1 million, for implementation in individual commitment in 2023. They are included in the total of the F4E obligations/open commitments at the end of 2022.

2022 budget Heading	(EUR)				
	from previous years (1)	from 2022 budget (2)	Open Commitments Total (3)=(1)+(2)	To be de-committed (4)	Net Total (5)=(3)-(4)
TITLE 1 - STAFF EXPENDITURE	0.00	3 633 084.35	3 633 084.35	0.00	3 633 084.35
TITLE 2 - INFRASTRUCTURE AND OPERATING EXPENDITURE	0.00	3 292 985.20	3 292 985.20	0.00	3 292 985.20
<b>Total TITLE 1 &amp; 2</b>	<b>0.00</b>	<b>6 926 069.55</b>	<b>6 926 069.55</b>	<b>0.00</b>	<b>6 926 069.55</b>
<b>B31 - ITER CONSTRUCTION INCLUDING SITE PREPARATION</b>	626 345 854.47	282 819 632.96	909 165 487.43	42 508.50	909 122 978.93
<b>B32 - TECHNOLOGY FOR ITER AND DEMO</b>	3 221 202.84	3 150 665.25	6 371 868.09	0.00	6 371 868.09
<b>B33 - TECHNOLOGY FOR BROADER APPROACH</b>	10 113 912.38	13 162 242.79	23 276 155.17	0.00	23 276 155.17
<b>B35 - EXTERNAL SUPPORT ACTIVITIES</b>	10 017 494.51	24 631 167.93	34 648 662.44	0.00	34 648 662.44
<b>B36 - OTHER OPERATIONAL EXPENDITURE</b>	0.00	3 087 927.93	3 087 927.93	0.00	3 087 927.93
<b>Total TITLE 3</b>	<b>649 698 464.20</b>	<b>326 851 636.86</b>	<b>976 550 101.06</b>	<b>42 508.50</b>	<b>976 507 592.56</b>
<b>B41 - ITER CONSTRUCTION - ITER HOST STATE CONTRIBUTION</b>	201 625 326.35	65 556 047.00	267 181 373.35	0.00	267 181 373.35
<b>B42 - ACTIVITIES LINKED TO ITER ORGANIZATION</b>	9 974 916.70	13 326 163.82	23 301 080.52	0.00	23 301 080.52
<b>B43 - OTHER EARMARKED EXPENDITURE</b>	0.00	0.00	0.00	0.00	0.00
<b>Total TITLE 4</b>	<b>211 600 243.05</b>	<b>78 882 210.82</b>	<b>290 482 453.87</b>	<b>0.00</b>	<b>290 482 453.87</b>
<b>Total TITLE 3 &amp; 4</b>	<b>861 298 707.25</b>	<b>405 733 847.68</b>	<b>1 267 032 554.93</b>	<b>42 508.50</b>	<b>1 266 990 046.43</b>
<b>Total</b>	<b>861 298 707.25</b>	<b>412 659 917.23</b>	<b>1 273 958 624.48</b>	<b>42 508.50</b>	<b>1 273 916 115.98</b>

Fig. 28 Open Commitments Carried Forward from 2022 to 2023

#### 7.4.1.5. Status of Unused Commitment Appropriations

According to the annuality principle of the F4E FR, the unused commitment appropriations at the end of each year and the de-commitments made on the budget of the previous years are cancelled, except for assigned revenue. The F4E FR also foresees the possibility to make the cancelled appropriations available again in future F4E budgets<sup>8</sup>. The situation for unused appropriations at 31/12/2022 is as follows:

<sup>8</sup> Article 12.1 F4E FR : "...Given the needs of the Joint Undertaking, the cancelled appropriations may be entered in the estimates of revenue and expenditure of the following financial years, in accordance with Article 32".

(EUR)

Operational Commitment Appropriations (EUR)		Budgets (Title 3)	Assigned revenue (Title 4)	Total
Under execution (since 2008)	+	162 051 363.87	136 164 175.32	298 215 539.19
De-commitments (since 2008)	+	1 066 061 943.91	217 000 067.89	1 283 062 011.80
Carry-over (since 2008)	-	551 436.18	136 164 175.32	136 715 611.50
Made available again (since 2008)	-	765 632 662.39	101 190 757.57	866 823 419.96
<b>Amount available for future budgets</b>	<b>=</b>	<b>461 929 209.21</b>	<b>115 809 310.32</b>	<b>577 738 519.53</b>

**Fig. 29 Status of Unused Commitment Appropriations**

As reported last year, F4E successfully executed the amount available for re-use since 2008 by the end of 2020, except for the last de-commitments done during the last quarter of 2020, achieving the objective of the full implementation of the allocated budget for the period 2007-2020. Subsequently important de-commitments were done during 2021, in particular in relation with the TB04 contract.

In 2022, the amount available for future budgets increased from EUR 115 million to EUR 577 million. See section 7.1 of this document, which provides the list of main factors contributing to this significant increase. In addition to that, F4E decommitted EUR 173.9 million on TB04 contract due to its partial termination.

#### **7.4.2. Expenditure in Payment Appropriations**

The statement of expenditure was modified in the course of its implementation in accordance with the successive changes in the statement of revenue. Additional adjustments between budgetary chapters were implemented through transfers authorised by the F4E Director, to honour all contractual obligations toward suppliers and to reach the highest possible rate of budget implementation at the year-end.

(EUR)												
Heading of the 2022 Budget Payment Expenditure	Evolution of the statement of expenditure							Implementation				
	Original Budget (1)	Amending budget 1 (2)	Amending budget 2 (3)	Transfers adopted by F4E Director (4)	Final budget (5)=Σ(1 to 4)	Additional Revenue (6)	Carried over (7)	Final Appropriations (8)=Σ(5 to 7)	On B2022 commitments (9)	On B2021 commitments (10)	Execution (11)=(9)+(10)	% (12)= (11)/(8)
<b>A1 STAFF EXPENDITURE</b>												
A10 SALARIES AND ALLOWANCES FOR ESTABLISHMENT PLAN POSTS	38 981 810.00			8 048 916.53	47 030 726.53			47 030 726.53	45 330 726.53		45 330 726.53	96.4%
A11 SALARIES AND ALLOWANCES FOR EXTERNAL PERSONNEL	11 906 562.00			2 508 252.02	14 414 814.02		48 805.94	14 463 619.96	13 803 630.90	41 895.91	13 845 526.81	95.7%
A12 EXPENDITURE RELATING TO STAFF RECRUITMENT	814 000.00			-101 768.46	712 231.54		98 072.60	810 304.14	646 067.91	56 216.24	702 284.15	86.7%
A13 MISSION EXPENSES	582 000.00			-201 000.00	381 000.00		133 578.58	514 578.58	306 909.56	42 440.77	349 350.33	67.9%
A14 SOCIO-MEDICAL INFRASTRUCTURE	504 000.00			-2 000.00	502 000.00		117 711.67	619 711.67	293 600.78	83 593.57	377 194.35	60.9%
A15 TRAINING	676 620.00			-8 550.66	668 069.34		488 514.92	1 156 584.26	280 945.10	324 909.56	605 854.66	52.4%
A16 EXTERNAL SERVICES	550 000.00			410 000.00	960 000.00		72 937.94	1 032 937.94	690 213.94	50 186.19	740 400.13	71.7%
A17 RECEPTIONS/EVENTS AND REPRESENTATION	10 000.00			-4 726.19	5 273.81		125.00	5 398.81	1 725.00	125.00	1 850.00	34.3%
A18 SOCIAL WELFARE	46 000.00			16 200.00	62 200.00		29 100.00	91 300.00	35 048.02	16 815.75	51 863.77	56.8%
A19 OTHER STAFF RELATED EXPENDITURE	3 277 000.00			-156 377.00	3 120 623.00	12 039.50	366 211.82	3 498 874.32	2 847 025.65	300 901.01	3 147 926.66	90.0%
<b>TITLE A1 - Total</b>	<b>57 347 992.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10 508 946.24</b>	<b>67 856 938.24</b>	<b>12 039.50</b>	<b>1 355 058.47</b>	<b>69 224 036.21</b>	<b>64 235 893.39</b>	<b>917 084.00</b>	<b>65 152 977.39</b>	<b>94.1%</b>
<b>A2 INFRASTRUCTURE AND OPERATING EXPENDITURE</b>												
A21 RENTAL OF BUILDINGS AND ASSOCIATED COSTS	1 499 000.00			110 000.00	1 609 000.00	7 056.59	351 200.76	1 967 257.35	1 019 087.35	285 168.89	1 304 256.24	66.3%
A22 INFORMATION, COMMUNICATION TECHNOLOGY AND DATA PROCESSING	3 935 000.00			61 977.04	3 996 977.04		1 881 492.92	5 878 469.96	2 514 443.12	1 755 974.74	4 270 417.86	72.6%
A23 MOVABLE PROPERTY AND ASSOCIATED COSTS	375 000.00			-220 147.78	154 852.22		131 163.07	286 015.29	81 835.91	120 884.26	202 720.17	70.9%
A24 CURRENT ADMINISTRATIVE EXPENDITURE	1 616 000.00			-1 881.79	1 614 118.21		591 921.32	2 206 039.53	977 203.61	482 532.38	1 459 735.99	66.2%
A25 POSTAGE / TELECOMMUNICATIONS	547 000.00			-21 500.00	525 500.00		160 155.54	685 655.54	285 065.11	80 827.79	365 892.90	53.4%
A26 MEETING EXPENSES	443 000.00			-19 450.00	423 550.00		205 891.69	629 441.69	262 975.92	110 291.42	373 267.34	59.3%
A27 RUNNING COSTS IN CONNECTION WITH OPERATIONAL ACTIVITIES				0.00	0.00		30 473.55	30 473.55	15 942.67	0.00	15 942.67	52.3%
A28 INFORMATION AND PUBLISHING	38 000.00			-18 000.00	20 000.00		7 647.71	27 647.71	16 229.15	6 257.84	22 486.99	81.3%
A29 OTHER INFRASTRUCTURE AND OPERATING EXPENDITURE	250 800.00			162 792.97	413 592.97		101 636.49	515 229.46	329 352.54	76 416.39	405 768.93	78.8%
<b>TITLE A2 - Total</b>	<b>8 703 800.00</b>	<b>0.00</b>	<b>0.00</b>	<b>53 790.44</b>	<b>8 757 590.44</b>	<b>7 056.59</b>	<b>3 461 583.05</b>	<b>12 226 230.08</b>	<b>5 502 135.38</b>	<b>2 918 353.71</b>	<b>8 420 489.09</b>	<b>68.9%</b>
<b>TITLE A1 &amp; A2 - Total Administrative Expenditure</b>	<b>66 051 792.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10 562 736.68</b>	<b>76 614 528.68</b>	<b>19 096.09</b>	<b>4 816 641.52</b>	<b>81 450 266.29</b>	<b>69 738 028.77</b>	<b>3 835 437.71</b>	<b>73 573 466.48</b>	<b>90.3%</b>

Heading of the 2022 Budget Payment Expenditure	Evolution of the statement of expenditure								Implementation			
	Original Budget (1)	Amending budget 1 (2)	Amending budget 2 (3)	Transfers adopted by F4E Director (4)	Final budget (5)=Σ(1 to 4)	Additional Revenue (6)	Carried over (7)	Final Appropriations (8)=Σ(5 to 7)	On B2022 commitments (9)	On B2021 commitments (10)	Execution (11)=(9)+(10)	% (12)= (11)/(8)
<b>B3 OPERATIONAL EXPENDITURE</b>												
B31 ITER CONSTRUCTION INCLUDING SITE PREPARATION	589 603 166.00	5 000.00	-92 003 891.76	-945 680.54	496 658 593.70	41 412.11		496 700 005.81			496 699 311.88	100.0%
B32 TECHNOLOGY FOR ITER AND DEMO	7 000 000.00			-4 581 517.65	2 418 482.35			2 418 482.35			2 418 482.35	100.0%
B33 TECHNOLOGY FOR BROADER APPROACH	13 000 000.00		129 961.20	-8 524 178.21	4 605 782.99			4 605 782.99			4 605 782.99	100.0%
								0.00				
B35 EXTERNAL SUPPORT ACTIVITIES	15 000 000.00		10 560.00	2 003 919.65	17 014 479.65	34 333.08		17 048 812.73			17 027 979.65	99.9%
B36 OTHER OPERATIONAL EXPENDITURE	6 000 000.00			1 484 720.07	7 484 720.07	103 864.69	608.27	7 589 193.03			7 538 122.62	99.3%
<b>Title B3 - Total</b>	<b>630 603 166.00</b>	<b>5 000.00</b>	<b>-91 863 370.56</b>	<b>-10 562 736.68</b>	<b>528 182 058.76</b>	<b>179 609.88</b>	<b>608.27</b>	<b>528 362 276.91</b>	<b>0.00</b>	<b>0.00</b>	<b>528 289 679.49</b>	<b>100.0%</b>
<b>B4 EARMARKED EXPENDITURE</b>												
B41 ITER CONSTRUCTION - ITER HOST STATE CONTRIBUTION	148 800 000.00				148 800 000.00		1 384 899.99	150 184 899.99			148 024 185.17	98.6%
B42 ACTIVITIES LINKED TO ITER ORGANIZATION	p.m.				0.00	76 973 579.10	6 315 804.48	83 289 383.58			15 834 380.79	19.0%
B43 OTHER EARMARKED EXPENDITURE	p.m.				0.00		736 527.90	736 527.90			0.00	0.0%
<b>Title B4 - Total</b>	<b>148 800 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>148 800 000.00</b>	<b>76 973 579.10</b>	<b>8 437 232.37</b>	<b>234 210 811.47</b>			<b>163 858 565.96</b>	<b>70.0%</b>
<b>Titles B3 &amp; B4 - Subtotal</b>	<b>779 403 166.00</b>	<b>5 000.00</b>	<b>-91 863 370.56</b>	<b>-10 562 736.68</b>	<b>676 982 058.76</b>	<b>77 153 188.98</b>	<b>8 437 840.64</b>	<b>762 573 088.38</b>			<b>692 148 245.45</b>	<b>90.8%</b>
<b>Total BUDGET in Payment appropriations</b>	<b>845 454 958.00</b>	<b>5 000.00</b>	<b>-91 863 370.56</b>	<b>0.00</b>	<b>753 596 587.44</b>	<b>77 172 285.07</b>	<b>13 254 482.16</b>	<b>844 023 354.67</b>			<b>765 721 711.93</b>	<b>90.7%</b>

Fig. 30 Evolution of the Expenditure in Payment Appropriations

### 7.4.2.1. Administrative Expenditure

As mentioned previously, the administrative expenditure are of non-differentiated nature with the following consequences:

- The main changes made during the year compared to the original budget are identical in commitment and in payment. The changes for the 2022 budget are described in section 7.4.1.1,
- The statement of expenditure in payment appropriations includes the carry-over of appropriations corresponding to administrative contracts committed but not yet paid at the end of the previous year. This carry-over amounted to EUR 4 816 641.52,
- The current budget committed but not paid at the end of the year is automatically carried over and entered in the statement of expenditure of the following year (total amount of EUR 6 926 069.55).

### 7.4.2.2. Operational Expenditure in payments

The budget for operational expenditure remained similar compared to the original budget, as the net return of payment appropriations to Euratom (EUR 92.01 million) was compensated by income from IO (EUR 83.29 million) and transfers to administrative expenditure to cover mainly the pension contributions (EUR 10.51 million).

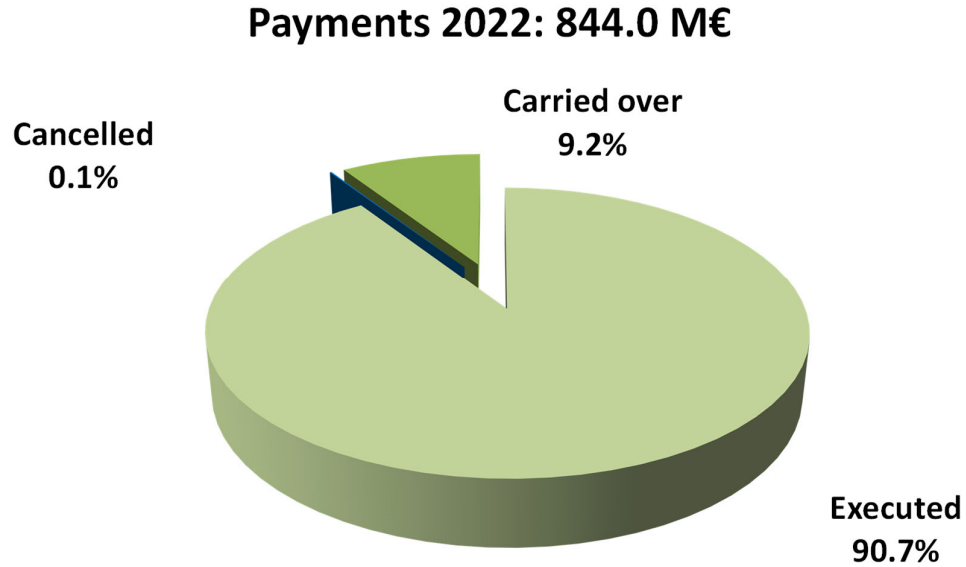
#### Title 3 – Operational expenditure

- **Chapter B31 ITER Construction including site preparation** **(-) 16%**  
Substantial reduction of Euratom's Cash Contribution to IO for the year 2023 and the impact of sanctions due to the geopolitical situation as described in section 7.1. of this document,
- **Chapter B32 Technology for ITER and Demo** **(-) 65%**  
The decrease is related to reduced contract scope for ancillary TBM systems resulting from a scope sharing with Korean Domestic Agency,
- **Chapter B33 Technology for Broader Approach** **(-) 65%**  
The decrease is related to (i) the postponement to 2023 of the Electron Cyclotron Resonance Heating Waveguides contract as the technical discussions with QST have taken longer than expected, and (ii) uncertainties of the closure of the procurement process within the end of the year, therefore the contract signature for the supply of JT-60SA actively cooled Divertor NHF elements is moved to 2023,
- **Chapter B35 External Support Activities** **(+) 14%**  
The increase is related to additional external support needs in most of the F4E's Programme Teams,
- **Chapter B36 Other Operational Expenditure** **(+) 26 %**  
The increase is related to additional external legal service support in the context of the litigation with the TB04 contractor.

**Title 4 – Earmarked expenditure**

The budget from the ITER Host State contribution, allocated to the domain of ITER construction in full, was not modified along 2022. The Budget chapters for other earmarked expenditure and from IO arose from the cashing of the respective call for funds.

**7.4.2.3. Implementation of the budget in payment**



MEUR	Budget	Cancelled	Carried over	Executed
Payment 2022	844.0	1.0	77.4	765.7

**Fig. 31 Final Implementation in PA**

90.7% of the available budget has been implemented.



**7.4.2.4. Cancelled Payment Appropriations**

2022 budget Heading	(EUR)		
	Unused Appropriations (1)	Carry over to 2023 (2)	Cancelled appropriation (3)=(1)-(2)
TITLE 1 - STAFF EXPENDITURE	4 071 058.82	3 633 084.35	437 974.47
TITLE 2 - OPERATING EXPENDITURE	3 805 740.99	3 292 985.20	512 755.79
<b>Total TITLE 1 &amp; 2 Payment</b>	<b>7 876 799.81</b>	<b>6 926 069.55</b>	<b>950 730.26</b>
TITLE 3 - OPERATIONAL EXPENDITURE	72 597.42	72 597.42	0.00
TITLE 4 - EARMARKED EXPENDITURE	70 352 245.51	70 352 245.51	0.00
<b>Total TITLE 3 &amp; 4 Payment</b>	<b>70 424 842.93</b>	<b>70 424 842.93</b>	<b>0.00</b>
<b>Total BUDGET in Payment</b>	<b>78 301 642.74</b>	<b>77 350 912.48</b>	<b>950 730.26</b>

**Fig. 32 Cancelled Payment Appropriations**

The payment appropriations not used by the 31/12/2022 are cancelled except the amount automatically carried over for non-differentiated appropriations (Title 1 and Title 2) and assigned revenue (Title 4), according to the F4E FR.

**7.4.3. Additional Information on the Final Implementation of the 2021 Budget****7.4.3.1. Final Implementation of the Administrative Expenditure 2021**

The definitive execution of the administrative budget 2021 is determined at the end of 2022, when the amounts carried over from the previous year corresponding to administrative actions committed but not yet paid are executed or cancelled. The execution of the payment appropriations carried over is shown with the implementation of the statement of expenditure above, column (10) of Fig.30.

The final execution of the 2021 administrative budget is therefore as follows:

(EUR)	Title 1	Title 2	Total
<b>Final 2021 Administrative Budget</b>	<b>53 605 471.19</b>	<b>7 681 938.22</b>	<b>61 287 409.41</b>

**Fig. 33 Final Implementation of the Administrative Expenditure 2021****7.4.3.2. Global Commitments from 2021**

No global commitments remained open at the end of 2021 for execution in 2022.

## **7.5. Tasks financed by the ITER Organization**

In 2022, the GB authorised F4E to collect revenue for any tasks requested and financed by IO, under a transparency provision consisting in the publication of the detail of the variation requested and approved for financing.

As shown in Annex 8.1, in 2022 F4E opened commitment appropriations in total amount of EUR 79.21 million.

This significant amount can be attributed in particular to successful outcome of agreements with IO regarding ex-post reimbursement of costs related to PCR 698 (EUR 48 million), PCR 662 (EUR 6.6 million) and Task Agreement on the so called Tokamak Crown (EUR 5.78 million).

Recognition of assigned revenue from PCR 811 (EUR 4 million) and PCR 1323 (EUR 9.2 million) also contributed to the final balance.

A total amount of EUR 76.97 million has been recovered from ITER IO during 2022, mostly corresponding to the items listed above.

## 7.6. Budget Outturn Account 2022

The outturn for the financial year is calculated according to the total revenue actually cashed minus the total payment incurred during the year, minus the appropriations carried over to the following year.

		(EUR)	
<b>Budget Outturn Account</b>		<b>2022</b>	<b>2021</b>
<b>REVENUE</b>			
Euratom contribution	+	597 940 017.09	607 601 868.13
ITER Host state contributions	+	148 800 000.00	129 100 000.00
Membership contributions	+	6 590 300.00	5 983 100.00
ITER Organization	+	76 973 579.10	5 319 008.98
Other revenue	+	355 276.17	1 648 135.24
Other non budgeted revenue	+	339 540.24	28 162.61
<b>TOTAL REVENUE (a)</b>		<b>830 998 712.60</b>	<b>749 680 274.96</b>
<b>EXPENDITURE</b>			
<i>Title I: Staff</i>			
Payments	-	64 235 893.39	52 688 387.19
Appropriations carried over to the following year	-	3 633 084.35	1 355 058.47
<i>Title II: Infrastructure Expenditure</i>			
Payments	-	5 502 135.38	4 747 641.84
Appropriations carried over to the following year	-	3 292 985.20	3 461 583.05
<i>Title III: Operational Expenditure</i>			
Payments	-	528 289 679.49	545 993 873.43
Appropriations carried over to the following year	-	72 597.42	608.27
<i>Title IV Earmarked revenue</i>			
Payments	-	163 858 565.96	138 991 439.28
Appropriations carried over to the following year	-	70 352 245.51	8 437 232.37
<i>Total Payments (b)</i>		<i>761 886 274.22</i>	<i>742 421 341.74</i>
<i>Appropriations carried over to the following year (c)</i>		<i>77 350 912.48</i>	<i>13 254 482.16</i>
<b>TOTAL EXPENDITURE (d)=(b)+(c)</b>		<b>839 237 186.70</b>	<b>755 675 823.90</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-d)</b>			
		<b>-8 238 474.10</b>	<b>-5 995 548.94</b>
Cancellation of unused payment appropriations carried over from previous year	+	950 730.26	708 926.68
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	8 468 314.19	11 643 308.35
Exchange differences for the year (gain +/-loss -)	+/-	5 675.67	17 886.33
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>		<b>1 186 246.02</b>	<b>6 374 572.42</b>
<b>Of which Administrative expenditure</b>		<b>957 742.88</b>	<b>726 813.01</b>
<b>Of which Operational expenditure</b>		<b>228 503.14</b>	<b>5 647 759.41</b>
<b>Administrative outturn:</b>			
Exchange differences for the year		5 675.67	17 886.33
Cancelled appropriation on title 1 and 2 from current year		0.00	0.00
Cancelled appropriation on title 1 and 2 from previous year		950 730.26	708 926.68
Non budgeted revenue from liquidated damages and Court decisions		1 336.95	
<b>Operational outturn:</b>			
Cancelled payment appropriations on title 3 from 2021		0.00	5 619 596.80
Uncashed membership contribution from the year		-109 700.00	
Uncashed budgeted amount of the Euratom Contribution		-0.15	
Non budgeted revenue from liquidated damages and Court decisions		338 203.29	28 162.61

**Fig. 34 Budget Outturn 2022**

For the 2022 financial year, the balance of the budget outturn amounts to EUR 1 186 246.02.

## 8. Annexes

### 8.1. Commitment Appropriations for assigned revenue from IO opened in 2022

FoR	Name	Name	Change Type	OBS	CA opened in 2022
F4E.13	PCR-672	Area 31 Safety Requirements Revision	PCR	IP.SB	766 003.32
F4E.15	PCR 1334	Baselining additional scope for 55.A0 (Magentics diagnostic system)	PCR	IP.SB	52 000.00
F4E.16	PCR 1295	Additional Embedded Plates (EP) and relocation of EPs in B14 upper levels from L2 to Roof	PCR	IP.SB	258 207.66
F4E.17	PCR-1231	Relocation of F1 Pump House, new network layout and SL3 verification of interfacing galleries	PCR	IP.SB	40 568.00
F4E.18	PCR-1188	Introduction of the IO tent (B73.3) and induced Handover of the batching plant area from F4E to IO	PCR	IP.SB	120 954.52
F4E.19	DI-94	2021/032 - Notification - Input Data/ Documents for PA 6.2.P2.EU.02 FFRs - IO System Loadings for Verification of Struct	DI	IP.SB	30 000.00
F4E.20	DI-103	F4E-2009-OPE-058-OS#680 Notification 2022-007 development of PDS Qualification for Concrete to Buildings with NSR	DI	IP.SB	196 630.00
F4E.22	DI-82	2021/006 Notification - Site Works Instruction to modify Inputs for PA 6.2.P2.EU.02 for implementation via PA 6.2.P2.EU.	DI	IP.SB	16 000.00
F4E.23	DI-86	2021/012 Notification - Site Works Instruction to modify Inputs for PA 6.2.P2.EU.02 for implementation via PA 6.2.P2.EU.	DI	IP.SB	155 432.17
F4E.24	DI-101	2022/002 - Notification - Input Data/ Documents for PA 6.2.P2.EU.02 FFRs for Implementation via PA 6.2.P2.EU.05 - PBS 62	DI	IP.SB	140 000.00
F4E.25	I-NC024	Resolution of NC related to Leak Tightness of HRS Basins	I-NC	IE.MG	137 519.07
F4E.26	PCR 811 (regularisation)	Additional scope of verification activity of the Embedded Plates within the Tokamak Complex	PCR	IP.SB	4 001 514.01
F4E.27	PCR 1306	Implementation of missing supporting structure for Electrical Enclosures in B74-B1/L1/L2 after HIT Cycle)	PCR	IP.SB	177 240.74
F4E.28	PCR 1411	Development of an alternative brazing solution and update of brazing	PCR	IP.SB	250 000.00
F4E.29	DI 40	2018/058 - Notification - Input Data/ Documents for PA 6.2.P2.EU.02 FFRs – PBS 62.13 – Direct Implementation Instruction	DI	IP.SB	1 019.52
F4E.30	PCR 1227	Modification of PBS 53 Interface requirements after PBS 63.37 and 63.34 FDR	PCR	IP.SB	245 910.12
F4E.31	TA 4500000174	Additional cost due to extra complexity in the TSS (crown) not captured in former PCRs (PCR 445 / 460 / 764)	TA	IP.SB	5 781 932.60
F4E.32	PCR 662 (regularisation)	Revise TCWS Design and Shielding to Mitigate Gamma Radiation and Fast Neutron Rates	PCR	IP.SB	6 623 887.12
F4E.33	PCR 824 (regularisation)	Reconciliation of additional costs for PBS26 new scope and quality issues on BIPS site works	PCR	IP.SB	1 952 525.54
F4E.34	PCR 698 (regularisation)	Tokamak Complex Building construction cost associated to the PCR-662 including sky-shine	PCR	IP.SB	48 071 181.40
F4E.35	TA 4500000182	Complementary Evaluation of the Tokamak Support Structure to address ASN prescriptions INB No. 174-07	TA	IP.SB	995 602.00
F4E.36	PCR 1368	Implementation of missing supporting structure for Electrical Enclosures in B74-B1/L1/L2 after HIT Cycle)	PCR	IP.SB	316 373.38
F4E.37	PCR 1323	Compensation of Construction Design Costs induced by regularization of PBS65 and PBS62 Building Services Technical Baseline in B11 and B74 Areas after MRR (daughter PCR of PCR-001225 and PCR-001321)	PCR	IP.SB	9 200 000.00
F4E.38	PCR 1048 (regularisation)	Installation of frames and sleeves in openings for AO and TCCO works	PCR	IP.SB	1 737 210.39
F4E.10	PCR-717	Revision/adding of handling cranes at L4 level of the TKM building (11-L4-04) as a consequence of PCR-662 and PCR 701 implementation	PCR	IP.SB	-
F4E.4	PCR 1048	Installation of frames and sleeves in openings for AO and TCCO works (deforecast)	PCR	IP.SB	- 209 469.76
F4E.4	PCR 824	Reconciliation of additional costs for PBS26 new scope and quality issues on BIPS site works (deforecast)	PCR	IP.SB	- 1 844 784.48
<b>TOTAL</b>					<b>79 213 457.32</b>

**Fig. 35 Commitment Appropriations for Assigned Revenue from IO**

## 8.2. Multi-Annual Payment Schedule for the Operational Budget

Year	Commitments	Paid until end of 2013	MFF 2014-2020									Outstanding amount	
			Paid 2014	Paid 2015	Paid 2016	Paid 2017	Paid 2018	Paid 2019	Paid 2020	Paid 2021	Paid 2022		
<= 2007	115 445 438.21	113 121 009.41	2 062 547.93	261 880.87	-	-	-	-	-	-	-	-	-
2008	162 357 720.16	154 330 986.04	8 026 734.12	-	-	-	-	-	-	-	-	-	-
2009	295 658 870.68	234 711 366.38	26 549 875.43	13 259 338.45	8 008 925.36	9 541 166.89	1 995 858.00	595 166.88	294 128.11	494 543.46	-	208 501.72	
2010	389 677 891.70	274 537 523.43	34 717 587.59	39 227 964.72	9 607 653.62	15 107 792.58	7 052 706.24	7 271 509.84	330 273.04	520 457.78	267 489.00	1 036 933.86	
2011	370 662 303.25	224 611 776.68	29 962 742.34	26 739 952.54	35 305 192.97	42 950 825.08	1 186 051.53	1 003 257.15	1 425 464.43	227 422.68	65 267.85	7 184 350.00	
2012	1 064 549 941.04	227 971 230.12	128 364 796.05	164 239 683.64	189 718 067.75	152 829 836.45	59 686 026.83	30 102 558.63	35 684 826.57	14 418 968.18	14 456 930.11	47 077 016.71	
2013	731 508 485.52	67 053 699.98	181 415 330.39	96 759 662.07	124 738 904.24	85 677 718.98	80 349 613.29	14 030 308.08	28 835 072.31	18 485 338.22	15 653 339.40	18 509 498.56	
2014	566 087 516.82	-	52 626 681.58	93 676 757.92	116 670 110.66	78 631 340.28	68 952 541.72	42 675 882.86	22 013 774.00	19 482 123.37	18 381 869.43	52 976 435.00	
2015	336 565 793.19	-	-	46 616 552.99	123 149 761.09	50 541 171.89	57 643 284.14	39 324 580.84	6 428 325.64	3 947 737.56	2 866 937.05	6 047 441.99	
2016	410 969 417.99	-	-	-	58 687 305.83	229 014 259.88	59 591 457.06	55 272 443.55	3 525 294.43	1 423 809.18	367 707.81	3 087 140.25	
2017	478 911 347.76	-	-	-	-	119 010 491.88	168 993 842.63	65 041 867.40	79 991 985.33	19 067 695.60	9 512 936.62	17 292 528.30	
2018	625 302 618.11	-	-	-	-	-	254 664 005.74	158 238 420.21	63 029 881.57	35 594 872.67	6 161 810.79	107 613 627.13	
2019	654 959 746.67	-	-	-	-	-	-	267 773 299.20	170 961 600.39	72 880 000.06	72 301 641.32	71 043 205.70	
2020	765 907 500.73	-	-	-	-	-	-	-	328 530 151.47	220 317 475.14	87 562 170.73	129 497 703.39	
2021	921 507 716.33	-	-	-	-	-	-	-	-	278 124 868.81	242 964 503.48	400 418 344.04	
2022	619 185 525.99	-	-	-	-	-	-	-	-	-	221 585 641.86	397 599 884.13	
<b>Total</b>	<b>8 509 257 834.15</b>	<b>1 296 337 592.04</b>	<b>463 726 295.43</b>	<b>480 781 793.20</b>	<b>665 885 921.52</b>	<b>783 304 603.91</b>	<b>760 115 387.18</b>	<b>681 329 294.64</b>	<b>741 050 777.29</b>	<b>684 985 312.71</b>	<b>692 148 245.45</b>	<b>1 259 592 610.78</b>	

Fig. 36 Multiannual payment schedule (Operational)

- Notes :
- The actions accounted to F4E projects and implemented by the Commission and the CEA before F4E financial autonomy in 2008 are included.
  - For information, 1 478 commitment positions are open in ABAC on the 31/12/22, representing 19% more compared to the end of 2021.
  - Indicatively, the cumulative operational expenses at 31/12/22, are estimated to EUR 7 696.44 million in current value.

Estimate cumulative expense at 31/12/22 (MEUR - current)	
Cumulative Payments	7 817 109 588.70
Open Pre-financing	-130 254 855.27
Accruals	159 315 781.57
Deferrals	-149 733 888.28
<b>Cumulative Expenses</b>	<b>7 696 436 626.72</b>

Fig. 37 Cumulative operational expenses

### 8.3. Reconciliation Between Budgetary and Accrual Based Accounts

	sign +/-	Amount (EUR)
<b>Economic result (+ for surplus and - for deficit)</b>	<b>+/-</b>	<b>-16 392 065.97</b>
<i>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</i>		
Adjustments for Accrual Cut-off (reversal 31.12.N-1)	+/-	151 652 788.15
Adjustments for Accrual Cut-off (cut- off 31.12.N )	+/-	-61 792 565.79
Unpaid invoices at year end but booked in charges (class 6)	+	78 693 431.58
Depreciation of intangible and tangible assets	+	440 844.63
Provisions (impact of the year)	+/-	-60 295 399.22
Recovery Orders issued in 2022 in class 7 and not yet cashed	-	-1 404 347.43
Prefinancing given in previous year and cleared in the year	+	76 676 456.39
Prefinancing received in previous year and cleared in the year	-	0.00
Payments made from carry over of payment appropriations	+	3 851 988.65
Other : 2022 corrections/credit notes on transactions booked in charges in previous years	+/-	-88 790.63
<i>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</i>		
Asset acquisitions (less unpaid amounts)	-	-183 157.64
New pre-financing paid in the year 2022 and remaining open as at 31.12.2022	-	-43 005 894.95
New pre-financing received in the year 2022 and remaining open as at 31.12.2022	+	1 186 246.02
Budgetary recovery orders issued before 2022 and cashed in the year	+	5 000.00
Budgetary recovery orders issued in 2022 on balance sheet accounts (not 7 or 6 accounts) and cashed	+	78 588.08
Payment appropriations carried over to 2023	-	-77 350 912.48
Cancellation of unused carried over payment appropriations from previous year	+	950 730.26
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	8 468 314.19
Other : Invoices paid in 2022 but booked in charges in previous years	+/-	-60 304 519.03
<b>Total</b>		<b>1 186 734.81</b>
<b>Budgetary result (+ for surplus)</b>	<b>+/-</b>	<b>1 186 246.02</b>
Including amount of exchange rate differences		5 675.67
Delta not explained		488.79

Fig. 38 Reconciliation between budgetary and accrual based accounts

#### 8.4. 2022 Budget Implementation – Details by Fund Source

##### Fund Source: C1 - Credits of the year (EUR)

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
A10	SALARIES AND ALLOWANCES FOR ESTABLISHMENT PLAN POSTS	C1	47 030 726.53	47 030 726.53	100.00%	47 030 726.53	45 330 726.53	96.39%
A11	SALARIES AND ALLOWANCES FOR EXTERNAL PERSONNEL	C1	14 414 814.02	14 414 814.02	100.00%	14 414 814.02	13 803 630.90	95.76%
A12	EXPENDITURE RELATING TO STAFF RECRUITMENT	C1	712 231.54	712 231.54	100.00%	712 231.54	646 067.91	90.71%
A13	MISSION EXPENSES	C1	381 000.00	381 000.00	100.00%	381 000.00	306 909.56	80.55%
A14	SOCIO-MEDICAL INFRASTRUCTURE	C1	502 000.00	502 000.00	100.00%	502 000.00	293 600.78	58.49%
A15	TRAINING	C1	668 069.34	668 069.34	100.00%	668 069.34	280 945.10	42.05%
A16	EXTERNAL SERVICES	C1	960 000.00	960 000.00	100.00%	960 000.00	690 213.94	71.90%
A17	RECEPTIONS, EVENTS AND REPRESENTATION	C1	5 273.81	5 273.81	100.00%	5 273.81	1 725.00	32.71%
A18	SOCIAL WEALFARE	C1	62 200.00	62 200.00	100.00%	62 200.00	35 048.02	56.35%
A19	OTHER STAFF RELATED EXPENDITURE	C1	3 120 623.00	3 120 623.00	100.00%	3 120 623.00	2 834 986.15	90.85%
<b>Total Title 1</b>			<b>67 856 938.24</b>	<b>67 856 938.24</b>	<b>100.00%</b>	<b>67 856 938.24</b>	<b>64 223 853.89</b>	<b>94.65%</b>

**Fund Source: C1 - Credits of the year (EUR)**

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
A21	RENTAL OF BUILDINGS AND ASSOCIATED COSTS	C1	1 609 000.00	1 609 000.00	100.00%	1 609 000.00	1 019 087.35	63.34%
A22	INFORMATION, COMMUNICATION TECHNOLOGY AND DATA PROCESSING	C1	3 996 977.04	3 996 977.04	100.00%	3 996 977.04	2 514 443.12	62.91%
A23	MOVABLE PROPERTY AND ASSOCIATED COSTS	C1	154 852.22	154 852.22	100.00%	154 852.22	81 835.91	52.85%
A24	CURRENT ADMINISTRATIVE EXPENDITURE	C1	1 614 118.21	1 614 118.21	100.00%	1 614 118.21	977 203.61	60.54%
A25	POSTAGE / TELECOMMUNICATIONS	C1	525 500.00	525 500.00	100.00%	525 500.00	285 065.11	54.25%
A26	MEETING EXPENSES	C1	423 550.00	423 550.00	100.00%	423 550.00	262 975.92	62.09%
A28	INFORMATION AND PUBLISHING	C1	20 000.00	20 000.00	100.00%	20 000.00	16 229.15	81.15%
A29	OTHER INFRASTRUCTURE AND OPERATING EXPENDITURE	C1	413 592.97	413 592.97	100.00%	413 592.97	329 352.54	79.63%
<b>Total Title 2</b>			<b>8 757 590.44</b>	<b>8 757 590.44</b>	<b>100.00%</b>	<b>8 757 590.44</b>	<b>5 486 192.71</b>	<b>62.65%</b>



**Fund Source: C1 - Credits of the year (EUR)**

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
B31	ITER CONSTRUCTION INCLUDING SITE PREPARATION	C1	580 284 088.76	429 170 358.53	73.96%	496 658 593.70	496 658 593.70	100.00%
B32	TECHNOLOGY FOR ITER AND DEMO	C1	4 609 578.00	3 497 256.59	75.87%	2 418 482.35	2 418 482.35	100.00%
B33	TECHNOLOGY FOR BROADER APPROACH	C1	23 242 854.00	16 842 430.93	72.46%	4 605 782.99	4 605 782.99	100.00%
B35	EXTERNAL SUPPORT ACTIVITIES	C1	31 899 424.00	30 842 187.28	96.69%	17 014 479.65	17 014 479.65	100.00%
B36	OTHER OPERATIONAL EXPENDITURE	C1	8 881 611.00	7 183 341.85	80.88%	7 484 720.07	7 484 720.07	100.00%
<b>Total Title 3</b>			<b>648 917 555.76</b>	<b>487 535 575.18</b>	<b>75.13%</b>	<b>528 182 058.76</b>	<b>528 182 058.76</b>	<b>100.00%</b>
<b>Total C1</b>			<b>725 532 084.44</b>	<b>564 150 103.86</b>	<b>77.76%</b>	<b>604 796 587.44</b>	<b>597 892 105.36</b>	<b>98.86%</b>

**Fund Source: C4 - Internal assigned revenues (EUR)**

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
A19	OTHER STAFF RELATED EXPENDITURE	C4	12 039.50	12 039.50	100.00%	12 039.50	12 039.50	100.00%
<b>Total Title 1</b>			<b>12 039.50</b>	<b>12 039.50</b>	<b>100.00%</b>	<b>12 039.50</b>	<b>12 039.50</b>	<b>100.00%</b>
A21	RENTAL OF BUILDINGS AND ASSOCIATED COSTS	C4	7 056.59	7 056.59	100.00%	7 056.59		0.00%
<b>Total Title 2</b>			<b>7 056.59</b>	<b>7 056.59</b>	<b>100.00%</b>	<b>7 056.59</b>	<b>0.00</b>	<b>0.00%</b>
B31	ITER CONSTRUCTION INCLUDING SITE PREPARATION	C4	41 412.11	40 718.18	98.32%	41 412.11	40 718.18	98.32%
B35	EXTERNAL SUPPORT ACTIVITIES	C5	34 333.08	26 600.28	77.48%	34 333.08	13 500.00	39.32%
B36	OTHER OPERATIONAL EXPENDITURE	C4	103 864.69	103 864.69	100.00%	103 864.69	52 794.28	50.83%
<b>Total Title 3</b>			<b>179 609.88</b>	<b>171 183.15</b>	<b>95.31%</b>	<b>179 609.88</b>	<b>107 012.46</b>	<b>59.58%</b>
<b>Total C4</b>			<b>198 705.97</b>	<b>190 279.24</b>	<b>95.76%</b>	<b>198 705.97</b>	<b>119 051.96</b>	<b>59.91%</b>

**Fund Source: C5 - Carried-over internal assigned revenues (EUR)**

B36	OTHER OPERATIONAL EXPENDITURE	C5	0.00	0.00	#DIV/0!	608.27	608.27	100.00%
<b>Total C5</b>			<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>608.27</b>	<b>608.27</b>	<b>100.00%</b>

**Fund Source: C8 - Carried over credits from previous years (EUR)**

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
A11	SALARIES AND ALLOWANCES FOR EXTERNAL PERSONNEL	C8	48 805.94	41 895.91	85.84%	48 805.94	41 895.91	85.84%
A12	EXPENDITURE RELATING TO STAFF RECRUITMENT	C8	98 072.60	56 216.24	57.32%	98 072.60	56 216.24	57.32%
A13	MISSION EXPENSES	C8	133 578.58	42 440.77	31.77%	133 578.58	42 440.77	31.77%
A14	SOCIO-MEDICAL INFRASTRUCTURE	C8	117 711.67	83 593.57	71.02%	117 711.67	83 593.57	71.02%
A15	TRAINING	C8	488 514.92	324 909.56	66.51%	488 514.92	324 909.56	66.51%
A16	EXTERNAL SERVICES	C9	72 937.94	50 186.19		72 937.94	50 186.19	
A17	RECEPTIONS, EVENTS AND REPRESENTATION	C8	125.00	125.00	100.00%	125.00	125.00	100.00%
A18	SOCIAL WEALFARE	C8	29 100.00	16 815.75	57.79%	29 100.00	16 815.75	57.79%
A19	OTHER STAFF RELATED EXPENDITURE	C8	366 211.82	300 901.01	82.17%	366 211.82	300 901.01	82.17%
<b>Total Title 1</b>			<b>1 355 058.47</b>	<b>917 084.00</b>	<b>67.68%</b>	<b>1 355 058.47</b>	<b>917 084.00</b>	<b>67.68%</b>

**Fund Source: C8 - Carried over credits from previous years (EUR)**

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
A21	RENTAL OF BUILDINGS AND ASSOCIATED COSTS	C8	351 200.76	285 168.89	81.20%	351 200.76	285 168.89	81.20%
A22	INFORMATION, COMMUNICATION TECHNOLOGY AND DATA PROCESSING	C8	1 881 492.92	1 755 974.74	93.33%	1 881 492.92	1 755 974.74	93.33%
A23	MOVABLE PROPERTY AND ASSOCIATED COSTS	C8	131 163.07	120 884.26	92.16%	131 163.07	120 884.26	92.16%
A24	CURRENT ADMINISTRATIVE EXPENDITURE	C8	591 921.32	482 532.38	81.52%	591 921.32	482 532.38	81.52%
A25	POSTAGE / TELECOMMUNICATIONS	C8	160 155.54	80 827.79	50.47%	160 155.54	80 827.79	50.47%
A26	MEETING EXPENSES	C8	205 891.69	110 291.42	53.57%	205 891.69	110 291.42	53.57%
A28	INFORMATION AND PUBLISHING	C8	7 647.71	6 257.84	81.83%	7 647.71	6 257.84	81.83%
A29	OTHER INFRASTRUCTURE AND OPERATING EXPENDITURE	C8	101 636.49	76 416.39	75.19%	101 636.49	76 416.39	75.19%
<b>Total Title 2</b>			<b>3 431 109.50</b>	<b>2 918 353.71</b>	<b>85.06%</b>	<b>3 431 109.50</b>	<b>2 918 353.71</b>	<b>85.06%</b>
B31	ITER CONSTRUCTION INCLUDING SITE PREPARATION	C8	1 221 848 558.82	976 653 722.60	79.93%	Payment appropriations under C1 Fund source		
B32	TECHNOLOGY FOR ITER AND DEMO	C8	5 313 565.32	5 293 093.85	99.61%			
B33	TECHNOLOGY FOR BROADER APPROACH	C8	11 240 429.23	11 039 507.23	98.21%			
B35	EXTERNAL SUPPORT ACTIVITIES	C8	21 752 881.73	20 807 854.53	95.66%			
B36	OTHER OPERATIONAL EXPENDITURE	C8	3 483 706.12	3 338 844.01	95.84%			
<b>Total Title 3</b>			<b>1 263 639 141.22</b>	<b>1 017 133 022.22</b>	<b>80.49%</b>			
<b>Total C8</b>			<b>1 268 425 309.19</b>	<b>1 020 968 459.93</b>	<b>80.49%</b>	<b>4 786 167.97</b>	<b>3 835 437.71</b>	<b>80.14%</b>

**Fund Source: C9 - Carried over credits from previous years (EUR)**

<b>Total Title 2</b>			<b>0.00</b>	<b>0.00</b>	<b>-</b>			
<b>Total C9</b>			<b>0.00</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>

**Fund Source: R0 - Assigned revenues (EUR)**

Official Budget Item	Budget Line Description	Fund Source	Commitment			Payment		
			Credit Com Amount (1)	Commitment Accepted Amount (2)	% Committed (2)/(1)	Credit Pay Amount (4)	Payment Accepted Amount (5)	% Paid (5)/(4)
A27	RUNNING COSTS IN CONNECTION WITH OPERATIONAL ACTIVITIES	R0	30 473.55	30 473.55	100.00%	30 473.55	15 942.67	52.32%
<b>Total Title 2</b>			<b>30 473.55</b>	<b>30 473.55</b>	<b>100.00%</b>	<b>30 473.55</b>	<b>15 942.67</b>	<b>52.32%</b>
B41	ITER CONSTRUCTION - ITER HOST STATE CONTRIBUTION	R0	461 626 323.99	415 205 558.52	89.94%	150 184 899.99	148 024 185.17	98.56%
B42	ACTIVITIES LINKED TO ITER ORGANIZATION	R0	108 524 006.16	39 135 461.31	36.06%	83 289 383.58	15 834 380.79	19.01%
B43	OTHER EARMARKED EXPENDITURE	R0	736 527.90	736 527.90	100.00%	736 527.90	0.00	0.00%
<b>Total Title 4</b>			<b>570 886 858.05</b>	<b>455 077 547.73</b>	<b>79.71%</b>	<b>234 210 811.47</b>	<b>163 858 565.96</b>	<b>69.96%</b>
<b>Total R0</b>			<b>570 917 331.60</b>	<b>455 108 021.28</b>	<b>79.72%</b>	<b>234 241 285.02</b>	<b>163 874 508.63</b>	<b>69.96%</b>

Fig. 39 Budget Implementation – Details by Fund Source

## 8.5. 2022 Establishment Plan

Function group and grade	2022 Budget			
	Authorised under the EU Budget		Filled as 31/12/2022	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16				
AD 15		1		
AD 14	3	1	2	
AD 13	7	5	6	4
AD 12	11	23	11	20
AD 11	2	21	2	16
AD 10	5	37	5	45
AD 9	5	58	4	51
AD 8	1	26	1	22
AD 7	3	20		20
AD 6		9	1	15
AD 5				
<b>AD total</b>	<b>37</b>	<b>201</b>	<b>32</b>	<b>193</b>
AST 11	1		1	
AST 10	3		1	
AST 9	1	1	2	
AST 8		2	2	1
AST 7	1	6	1	1
AST 6	1	8	2	12
AST 5	2	11	2	7
AST 4	2	3	2	6
AST 3				4
AST 2				-
AST 1				-
<b>AST total</b>	<b>11</b>	<b>31</b>	<b>13</b>	<b>31</b>
<b>AST/SC total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>48</b>	<b>232</b>	<b>45</b>	<b>224</b>
<b>GRAND TOTAL</b>	<b>280</b>		<b>269</b>	

Fig. 40 Budget 2022 Establishment Plan

## 9. Glossary and Abbreviations

<b>ABAC</b>	Accrual Based Accounting (accounting system used by F4E and managed by the EC).
<b>Accounts payable</b>	Organisation's current payables due within one year. Accounts payable are current liabilities.
<b>Accounts receivable</b>	Organisation's current receivables due within one year. Accounts receivable are current assets
<b>Accrual accounting</b>	Accounting methodology that recognises income when it is earned and expenses when they occur, rather than when they are actually received or paid, as opposed to cash accounting.
<b>Actual = Actual amounts</b>	Budget outturn = Budget execution = Budget implementation
<b>Assets</b>	Assets are items owned by an individual or an organisation, which have commercial or exchange value. Assets may consist of specific property or claims against others.
<b>BA</b>	Broader Approach
<b>Cash accounting</b>	Accounting methodology based on cash flows, i.e. transactions are recognised when cash is received or paid, as opposed to accrual accounting.
<b>Current asset</b>	The group of assets considered to be liquid in that they can be turned into cash within one year.
<b>Current liability</b>	Liabilities to be paid/settled within one year of the balance sheet date. (e.g. vendor's payables, etc.).
<b>DI</b>	Direct implementation for tasks requested by IO
<b>EaC</b>	Estimate at Completion
<b>EC</b>	European Commission
<b>EPB</b>	Executive Project Board
<b>EU</b>	European Union
<b>External assigned revenues</b>	Dedicated revenue received to finance specific items of expenditure
<b>FR</b>	Financial regulation
<b>Financial statements</b>	Written reports which quantitatively describe the financial health of an organisation. They comprise the Statement of Financial Performance, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Net Assets (capital) and the explanatory notes.
<b>GB</b>	Governing Board
<b>Imprest account</b>	Bank accounts and/or cash at hand used for the payment of low value expenses.
<b>Internal assigned revenues</b>	Funds received for specific assigned operations and activities from amounts recovered.
<b>IO</b>	ITER Organisation
<b>Liability</b>	A financial obligation, debt, claim, payable or potential loss.
<b>NCR</b>	Non conformity Report is a document issued by the supplier, F4E or the Customer detailing a condition that does not comply with a specified requirement.
<b>PA</b>	Procurement Arrangement: the PA between F4E and IO define the F4E deliverables to IO as well as the credit allocation scheme for each deliverable under the ITER unit of account.
<b>PCR</b>	Project Change Request
<b>RAL</b>	Commitments resulting in payment appropriations remaining to be paid.
<b>TB</b>	Tender Batches
<b>WP</b>	Annual Work Programme