



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Budgets

2011/0046(NLE)

22.9.2011

OPINION

of the Committee on Budgets

for the Committee on Industry, Research and Energy

on the proposal for a Council decision concerning the Framework Programme of the European Atomic Energy Community for nuclear research and training activities (2012 - 2013)
(COM(2011)0072 – C7-0077/2011 – 2011/0046(NLE))

Rapporteur: Carl Haglund

PA_Legam

SHORT JUSTIFICATION

The Rapporteur of the Committee on Budgets

- Takes the view that the ITER research project is valuable as one of the possible future energy sources for Europe and that its financing should not be discontinued;
- Considers that ITER is a project with a clear European added-value and that its European component should continue to be Community based, with important spill-over perspectives in terms of research and innovation;

- Observes that the project is now under way; welcomes the significant changes of the governance, control and audit structures of ITER and F4E over the last 12 months; expects the commitments of the ITER and F4E management vis-à-vis the Parliament to be implemented in due time; expects continued review of all processes with a view to creating a stable decision making environment of a cost effective management;
- Recommends that, on the basis of the overall cost of the EUR 6,6 billion ITER baseline for the construction phase, the funding should be ring fenced in order to guarantee the funding for ITER without jeopardising other EU priorities like the Framework programme for Research;
- Recommends that the funding should be released once the following criteria are met:
 - regular information to the Parliament and strong guarantees of transparency,
 - a clear roadmap of the project, including objectives and milestones, including ex-ante assessment and ex-post conformity checks,
 - regular reports on the project's financial needs, especially in the light of design modifications, raw material costs increases, changes to the ITER timeline due to the earthquake in Japan and its consequences for certain Japanese installation linked to the ITER project and difficulties encountered by the other ITER Parties,
 - alignment of F4E financial regulation with the position of the European Parliament expressed in the discharge report and the recommendations of the Court of Auditors, expressed in its opinion No 4/2008,
 - full transparency and access for the European Parliament to internal audit documentation;
- Reiterates its concerns about the non-transparent procedures employed in the re-calculation of the cost of the ITER project which involved the Commission, the Council and the member states, all represented at the ITER Council, while not consulting the European Parliament, whose participation, being one arm of the budgetary authority, is necessary for any decision-making processes concerning the funding of ITER;
- Urges the Commission, the European Council, the Council and the member states to start a process to amend the Euratom Treaty strengthening the treaty provisions on the information and co-legislation rights of the Parliament also on Euratom research issues to facilitate, inter alia, future budgetary procedures;

- Reminds that the Commission on 20 April 2011 presented a proposal based on points 21 to 23 of the current Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (IIA) which will serve as the basis for negotiations; affirms that an agreement on the funding of ITER through additional transfers to Heading 1a of the MFF would allow for swift adoption of the Euratom research programme in 2011;
- Is strongly of the opinion that the additional financing of ITER cannot be solved through re-deployments within Heading 1a by cutting FP7 funding by EUR 100 million in 2012 and by EUR 360 million in 2013, as this would significantly reduce the contributions of FP7 for achieving the headline goals and implementing the flagship initiatives of the Europe 2020 strategy;
- Strives to make visible the determination to protect the FP7 funding; sees no other solution for this than provisionally cutting the ITER funding by EUR 460 million in 2012 and 2013 in order to clearly set the position of the Parliament and, thus, to foster inter-institutional negotiations to come to a mutually acceptable agreement on the full financing of ITER in 2012 and 2013 as soon as possible;
- Indicates its readiness to negotiate with the Commission and the Council on a supplementary amendment of the MFF for the years 2012 and 2013 increasing the ceiling of Heading 1a in 2012 and 2013 for the financing of ITER on the basis of the Commission proposal of 20 April 2011 based of Points 21 to 23 of the current IIA;
- Stresses the specific importance of avoiding any conflict of interests of persons involved in the management structures of ITER and F4E with contractors of the project;
- Expresses its disagreement with the Commission position of waiving an impact assessment also in a situation in which the overall annual funding of the programme is proposed to double in comparison to the 2007-2011 programme which must be seen as a substantial change;
- Stresses the need for a strengthening of the aspects of nuclear safety and radiation protection, thus demanding an re-deployment of appropriations to nuclear safety and radiation protection while respecting the overall ceiling of the programme proposed by the Commission;
- Affirms the importance also of the international partners of the ITER project to fully contribute financially and in kind to the ITER project in respect of their obligations under the international ITER agreement;
- Emphasizes that any decision of the legislative authority in favour of the Euratom Framework Programme shall be without prejudice of the decisions of the budgetary authority in the context of the annual budgetary procedure.

AMENDMENTS

The Committee on Budgets calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Draft legislative resolution Paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Considers that the prime reference amount set in the legislative proposal is not compatible with the ceiling of Heading 1a of the current Multiannual Financial Framework 2007-13 (MFF); takes note of the proposal of the Commission of 20.04.2011 (COM (2011)0226) to revise the current MFF on the basis of points 21 to 23 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission of 17 May 2006 on budgetary discipline and sound financial management (IIA) in order to accommodate the additional unforeseen funding for ITER for the years 2012-2013; is willing to enter into negotiations with the other arm of the budgetary authority, on the basis of all the means provided in the IIA, with a view to reaching a swift agreement on the financing of the Euratom research programme by the end of 2011; recalls its opposition to any form of redeployment from the Seventh Framework Programme for research as proposed in the above-mentioned Commission proposal;

Amendment 2

Proposal for a decision Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) The Commission, the European Council, the Council and the Member States are to start a process to amend the Euratom Treaty, strengthening its

provisions on the information and co-legislation rights of the European Parliament on Euratom research issues in order to facilitate, inter alia, future budgetary procedures.

Amendment 3

Proposal for a decision Recital 16

Text proposed by the Commission

(16) This Decision should establish, for the entire duration of the Framework Programme (2012-2013), a financial envelope that constitutes the prime reference, within the meaning of point 37 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission of 17 May 2006 on budgetary discipline and sound financial management, for the budgetary authority during the annual budgetary procedure;

Amendment

(16) This Decision should establish, for the entire duration of the Framework Programme (2012-2013), a financial envelope that constitutes the prime reference, within the meaning of point 37 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission of 17 May 2006 on budgetary discipline and sound financial management (*IIA*), for the budgetary authority during the annual budgetary procedure. *On 20 April 2011, the Commission tabled a proposal (COM (2011)0206) to revise the current MFF 2007-13 on the basis of points 21 to 23 of the IIA, in order to accommodate the additional unforeseen additional funding needs for ITER for the years 2012-2013 by raising the ceiling of Heading 1a. That proposal should serve as a basis for an agreement between the two arms of the budgetary authority which should be concluded with recourse to all the means provided in the IIA and without deployments from the Seventh Framework Programme for Research to the Euratom Framework Programme;*

Amendment 4

Proposal for a decision Recital 16 a (new)

Text proposed by the Commission

Amendment

(16a) For the 2014-2020 MFF, the financial resources dedicated to the ITER project should be fixed for the whole programming period so that any over-running of the costs beyond the EU share of EUR 6.6 billion for the ITER construction period, currently planned to be finalised in 2020, should be financed outside the MFF ceilings ('ring fencing');

Amendment 5

Proposal for a decision

Recital 18

Text proposed by the Commission

Amendment

(18) The international and global dimension of European research activities is important with a view to obtain mutual benefits. The Framework Programme (2012-2013) should be open to the participation of countries that have concluded the necessary agreements to this effect, and should also be open, at project level and on the basis of mutual benefit, to the participation of entities from third countries and of international organisations for scientific cooperation.

(18) The international and global dimension of European research activities is important with a view to obtain mutual benefits. The Framework Programme (2012-2013) should ***therefore on the one hand*** be open to the participation of countries that have concluded the necessary agreements to this effect, and should also be open, at project level and on the basis of mutual benefit, to the participation of entities from third countries and of international organisations for scientific cooperation. ***On the other hand, this also means that, particularly with regard to the ITER project, the international partners must fully respect their financial obligations.***

Amendment 6

Proposal for a decision

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

The maximum amount for the implementation of the Framework

The maximum amount for the implementation of the Framework

Programme (2012-2013) shall be EUR **2.560.270.000**. This amount shall be distributed as follows (in EUR):

Programme (2012-2013) shall be EUR **2.100.270.000**. This amount shall be distributed as follows (in EUR):

Amendment 7

Proposal for a decision

Article 3 – paragraph 1 – point a – indent 1

Text proposed by the Commission

– fusion energy research **2.208.809.000**;

Amendment

– fusion energy research **1.748.809.000**;
these figures include the necessary funds for the continuation of the JET programme in Culham;

Amendment 8

Proposal for a decision

Article 3 – paragraph 1 – point a – indent 2

Text proposed by the Commission

– nuclear fission and radiation protection
118.245.000;

Amendment

– nuclear fission, ***especially safety, improving the management of nuclear waste*** and radiation protection
118.245.000;

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	22.9.2011
Result of final vote	+: 19 -: 0 0: 1
Members present for the final vote	Francesca Balzani, Reimer Böge, James Elles, Göran Färm, Eider Gardiazábal Rubial, Ivars Godmanis, Carl Haglund, Lucas Hartong, Jutta Haug, Monika Hohlmeier, Sidonia Elżbieta Jędrzejewska, Anne E. Jensen, Sergej Kozlík, Jan Kozłowski, Giovanni La Via, Vladimír Maňka, Barbara Matera, Angelika Werthmann
Substitute(s) present for the final vote	Jan Mulder
Substitute(s) under Rule 187(2) present for the final vote	Kinga Gál