



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 15.11.1995
COM(95) 549 final

95/0284 (CNS)

Proposal for a Council decision
adopting a supplementary research programme to be implemented
by the Joint research centre
for the European Atomic Energy Community
(1996-1999)

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. On 29 April 1992, the Council adopted a four-year supplementary research programme to be implemented by the Joint Research Centre for the European Atomic Energy Community (1992-1995) concerning the operation of the High Flux Reactor (HFR) of Petten. This programme is therefore due to expire on 31 December 1995.

The present communication concerns a new four-year programme (1996-1999).

2. The High Flux Reactor (HFR) of Petten is operated by the Commission in accordance with the Euratom / Netherlands agreement of 25 July 1961. Under this agreement, on behalf of the Community, the Commission has committed itself to build the necessary facilities and to provide additional equipment in order to make "optimum use" of these facilities (including the HFR).

This agreement, signed for a period of 99 years, has no cancellation clause. In order to execute it, the two parties concluded a long lease for 99 years conferring a right *in rem* (bail emphytéotique) on 31 October 1962.

3. Under the supplementary programme which is drawing to a close, the activities of the HFR were essentially the outcome of a balanced co-operation between two partners: Germany and the Netherlands, which guaranteed its financing. Additional financing, which has steadily increased, came from external contracts.

The work programme was planned, therefore, to meet the requirements expressed under the terms of this cooperation.

4. The new proposal for a programme contains significant changes reflecting a dramatic shift in the work which will be carried out by the HFR.

The Commission and the Dutch authorities have jointly engaged in a brainstorming exercise based on a study carried out by a private consultant. This has resulted in a series of internal reforms aimed at increasing the HFR's competitiveness without damaging either its safety, or its reliability.

The main features of this new proposal are:

- the Netherlands will continue to contribute at the same level as that of the previous programme;
- the German contribution will be reduced;
- a new Member State, France, will be participating;
- a sharp decrease in the HFR's "institutional budget", implying in exchange that the finance from long-term external contracts must be stepped up.

In its financial statement, the appended proposal for the supplementary programme mentions only the contributions to come from the three participating Member States. The establishment of formal contracts, to be drawn up by the Commission with external partners, cannot in fact take place until a legal basis exists. The Council's Decision will constitute this legal basis.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 7 thereof,

Having regard to the proposal from the Commission submitted after consultation of the Scientific and Technical Committee,

Having regard to the opinion of the European Parliament,

Whereas, the development of nuclear medicine within the European Union contributes to the target of ensuring human health protection which the Union set itself and which necessitates an increased use of Testing Reactors for medical purposes;

whereas, within the framework of the common policy relating to the field of science and technology, the research programme is one of the principal means available to the European Atomic Energy Community to contribute to a safe use of nuclear energy;

whereas the contributions to this supplementary programme will come from the Netherlands, Germany and France, either directly or through agreements with research institutions.

HAS ADOPTED THIS DECISION

Article 1

The supplementary programme on the operation of the high flux reactor (HFR), hereinafter referred to as "the programme", the objectives of which are set out in Annex I, is hereby adopted for a period of four years, starting on 1 January 1996.

Article 2

The financial contributions estimated as necessary for the execution of the programme amount to ECU 39,7 million. The breakdown of this amount is given in Annex II.

Article 3

The Commission, assisted by the Board of Governors of the Joint Research Centre (JRC) shall be responsible for carrying out the programme and, to this end, shall call upon the services of the JRC.

Article 4

The Commission shall decide on the terms of reference of the Board of Governors.

Article 5

1. The Commission shall each year, before 15 April, submit to the European Parliament, the Council, and the Economic and Social Committee a report on the implementation of this Decision.
2. This report shall be accompanied by the observations of the Board of Governors. The Board of Governors may also submit through the Commission to the European Parliament, the Council, and the Economic and Social Committee a separate report on any aspect of the implementation of this Decision.

Article 6

This Decision is addressed to the Member States.

ANNEX I

SCIENTIFIC AND TECHNICAL OBJECTIVES

The programmes aims are primarily:

- 1) the reliability of the high-flux reactor (HFR) at Petten; this activity involves the normal use of the installation for more than 250 days a year, the management of the fuel cycle and control of safety and quality;
- 2) the rational use of this reactor in a broad range of disciplines including isotope production and the work related to it; the experimental irradiation of the materials intended for fission reactors and future fusion, the applications of neutrons in research in solid state physics and materials science, neutroradiography as a non-destructive testing method and the treatment of certain forms of cancer using neutrons (BNCT) and related research.

ANNEX II

BREAKDOWN OF THE CONTRIBUTIONS

The contributions to this supplementary programme will come from the Netherlands, Germany and France.

The breakdown of these contributions is as follows:

The Netherlands	ECU 32.5 million
Germany	ECU 6 million
France	ECU 1.2 million



Financial statement

1. TITLE OF OPERATION

Supplementary programme concerning the operation of the high-flux research reactor (HFR).

2. BUDGET HEADINGS INVOLVED

6221: Revenue from operating the HFR reactor making it possible to obtain additional appropriations

B6-441: Joint Research Centre - Operation of the HFR reactor;*

B6-111: Joint Research Centre - Persons associated with the institution (in part);

B6-121: Joint Research Centre - Resources (in part).

** Line proposed for the 1996 budget.*

3. LEGAL BASIS

- Article 96(1) of the Financial Regulation;
- Proposal for a Council Decision adopting a complementary research programme to be carried out by the Joint Research Centre (JRC) for the European Atomic Energy Community (1996-99).

4. DESCRIPTION OF OPERATION

4.1 General objective

The proposed supplementary programme concerns the operation of the HFR situated at the Joint Research Centre in Petten for the Netherlands, Germany and France to pursue research projects.

The programme aims essentially to:

- guarantee the safe running of the HFR; this means normal operation of the facility for more than 250 days annually, management of the fuel cycle, safeguards and quality;
- make rational use of the reactor in a wide range of disciplines including the manufacture of isotopes and connected projects; the experimental irradiation of materials for fission reactors and for future fusion reactors, neutron applications in solid state physics research and in materials science, neutron radiography as a non-destructive testing method and the treatment of some forms of cancer with the aid of neutrons (BNCT) and related research.

4.2 Period covered and arrangements for renewal or extension

The proposed programme is planned to run for four years as from 1 January 1996. Subsequent operations will be the subject of a new proposal for an operational programme or a proposal to shut down the facility.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 NCE (Non-compulsory expenditure)

5.2 DA (Differentiated appropriations)

5.3 Type of revenue involved

Revenue from services provided by the Joint Research Centre to third parties against payment.

6. TYPE OF EXPENDITURE OR REVENUE

The revenue originating from the three Member States concerned will be entered in the receipts column of item 6221 for the financial years 1996 to 1999. This revenue will make it possible to obtain additional appropriations to cover the expenditure on staff, project execution and operational appropriations (normal running costs, investment and contracts).

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation

The total cost of the proposed operation has been calculated by considering:

- a forecast of expenditure on staff on the basis of forecasts for medium-term economic trends in the various Member States in which the Joint Research Centres are established, and in particular the Netherlands;
- the expenditure forecast for execution resources (scientific and technical resources and proportionate share in the cost of general services);
- a forecast of trends in operational appropriations needed to carry out the planned programme (direct running, equipment and contracts expenditure).

As with previous supplementary programmes, Community funds will not be requested for the execution of this programme.

The three Member States concerned will contribute to the financing of this supplementary programme, either directly or through agreements with the research bodies.

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[REDACTED]

The indicative breakdown of contributions to the total cost is as follows:

- Netherlands ECU 32.5 million
- Germany ECU 6 million
- France ECU 1.2 million.

7.2 Itemized breakdown of cost

**CA in ECU million
(current prices)**

Breakdown	1996	1997	1998	1999	2000 and subs. yrs	Total
Direct staff	1 821	1 876	1 932	1 990	p.m.	7 619
Support staff	0.901	0.928	0.956	0.985	p.m.	3 770
Operational appropriations	0.426	0.439	0.452	0.466	p.m.	1 783
Support appropriations	6 341	6 531	6 727	6 929	p.m.	26 528
Of which:						
- running of the HFR reactor	5 669	5 839	6 014	6 195	p.m.	23 717
- other administrative and technical resources	0.672	0.692	0.713	0.734	p.m.	2 811
Total	9 489	9 774	10 067	10 370	p.m.	39 700

7.3 Indicative schedule of appropriations

CA in ECU million

	1996	1997	1998	1999	2000 and subs. yrs	Total
Commitment appropriations	9 489	9 774	10 067	10 370	p.m.	39 700
Payment appropriations						
1996	8 920					8 920
1997	0.569	9 188				9 757
1998		0.440	9 463			9 903
1999		0.146	0.453	9 748		10 347
2000 and subsequent years			0.151	0.622	p.m.	0.773
Total	9 489	9 774	10 067	10 370	p.m.	39 700

8. FRAUD PREVENTION MEASURES

Internal audit and inspection programme concerning scientific and budgetary aspects to be carried out by the staff responsible at the Joint Research Centre.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1 Specific and quantifiable objectives, target population

The specific objectives of the programme are summarized in point 4.1 above (General objective). The target population consists of members of the European industrial and scientific population concerned with, in particular, energy research, safety in reactors and the nuclear fuel cycle and with the use of the HFR reactor for medical purposes.

9.2 Grounds for the operation

- Need for Community financial aid:

The Petten high-flux reactor is operated by the Commission in accordance with the agreement between Euratom and the Netherlands of 25 July 1961. This agreement, signed for a period of 99 years, has no cancellation clause. (In contracts of this type, the consequences of cancellation are negotiated on a case-by-case basis by the contracting parties.)



Choice of ways and means:

In the context of this agreement, the Dutch authorities use the reactor to carry out their own research programme. A supplementary programme - for which the Netherlands is providing most of the financing - appeared the only appropriate legal instrument.

For the Commission, this offers the major advantages of not having to assume alone, but to share with the Member States taking part in the supplementary programme, some of the responsibilities (safety, end-of-cycle, etc.) linked to the operation of reactors.

9.3 Monitoring and evaluation of the operation

The nature and frequency of the internal evaluation process should enable the Commission to meet its obligations.

The indicators and the quantitative and qualitative criteria for evaluating the results of the programme will be determined for each project and the results forwarded to those responsible in the Member States concerned.

In addition to an annual report devoted only to the HFR, the Joint Research Centre publishes every year an annual report submitted to its Board of Governors for prior approval. The report relating to 1994, dated 10 April 1995, has the reference COM(95)121 final.

10. ADMINISTRATIVE EXPENDITURE (PART A OF SECTION III OF THE BUDGET)

Not applicable.

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