

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 221 final

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Draft

Council Decision containing directives to
the Commission for the negotiation of an
extension of the Dragon Agreement

COM(75) 221 final



COMMUNICATION FROM THE COMMISSION TO THE COUNCILExtension of the Agreement concerning the High-Temperature
Gas-Cooled Reactor Project (OECD Dragon Project)

The DRAGON Agreement (which is implemented under the auspices of the OECD) is due to expire on 31 March 1976. On 17 April 1975, the Board of Management of the Dragon Project approved a proposal to extend the Agreement up to 31 March 1981, i.e., for a period of five years instead of three as in the past. In this proposal, however, provision is made for the programme to be reviewed after three years, i.e., by 31 March 1979. If, when this review takes place, there does not seem to be any further point in continuing the Agreement, the next two years would be spent in winding up the programmes in an orderly manner, on both the technical and on the financial side. If, on the other hand, it is considered desirable to go on with the Agreement, a decision to this effect would likewise have to be taken by 31 March 1979. One advantage of this approach is it would do much to facilitate the administration of Project personnel, and thus improve their efficiency and the quality of the services which the project can provide for the signatories of the Agreement. In accordance with Article 3 of the Agreement currently in force, the decision concerning a further extension must be taken not later than 30 June 1975. In the absence of any decision by that date, the project management would become so critical that preliminary action to wind up the project would have to be taken in July 1975. This would mean in particular giving the three months notice laid down in the staff regulations to practically all the staff, shutting down the reactor to start unloading, and giving notice of the termination of all outside contracts (irradiation, helium loops for testing materials, etc.). The project is now left with very little room for manoeuvre, and it will not be long before irreversible steps have to be taken. The financial position has been made very difficult by the rate of inflation, which is much higher than was anticipated when the current extension was being negotiated.

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Having regard to the medium-and long-term importance of high-temperature reactors both for power production and for other applications (synthetic fuels, high-temperature chemical and metallurgical processes, etc.), and the fact that the Dragon Project might contribute substantially to facilitate and speed up the attainment of these objectives, the Commission feels that it would be expedient to extend the Agreement on the lines proposed by the Board of Management. The technical programme would include the following objectives :

- 1) The operation of the Dragon reactor up to March 1980
- 2) The rational utilization of the irradiation facilities in the Dragon reactor and other European test reactors, supplemented by an appropriate programme of post-irradiation examinations, with the twofold aim of supporting any commercial initiatives that might be taken, and later developing the fuel technology with a view to advanced applications
- 3) Use of the primary circuit of the reactor for testing materials and components associated with power reactors (e.g., thermal insulation, heat exchangers)
- 4) Use of the primary circuit of the reactor for studies on the diffusion, deposition and entrainment of fission products. These studies should enable the advantages of the HTR concept to be more clearly defined from the point of view of component accessibility and of safety
- 5) A general evaluation of the HTR concept in regard to safety
- 6) Research and development on materials for the primary circuit, with special emphasis on the problems posed by advanced applications. The tests planned under this programme will be carried out in the Dragon reactor itself, as well as in existing loops which are being used under contracts concluded with outside contractors

- 7) Definition and quantification of the major problems associated with materials for advanced applications : this would be undertaken by a small team, who would proceed to evaluate these systems in cooperation with bodies and industrial undertakings in the signatory states.

For the implementation of this programme, the Board of Management for the Dragon project has recommended a total budget of 28 M £ (67.2 MJC) for five years. This amount allows for the estimated effects of inflation, as well as for the closing down of the reactor if it is finally taken out of service on termination of the Agreement.

The Commission proposes that the contributions should be on the same basis as in the current Agreement, namely, that Austria, Sweden and Switzerland should continue to bear 9.64 % of the total budget between them, and that the overall contribution of the United Kingdom (UKAEA contribution plus the UK participation in the joint programme of the Nine) should remain at 48.30 %. Having regard to the timescale for the forecast expenditure, this should represent a contribution of 6.48 MJA (9.64 %) for Austria, Switzerland and Aktiebolaget Atomenergi of Sweden, 24.86 MJA (36.99 %) for the UKAEA and 35.86 MJA (53.37 %) for the Community.

In view of the foregoing, the Commission requests the Council issue the necessary authorization, in accordance with Article 101 of the Euratom Treaty, to negotiate an extension of the Dragon Agreement with Austria, Switzerland and the Aktiebolaget Atomenergi of Sweden, and to take note of the Commission's intentions in regard to the sharing of the financial burden between the Community and the UKAEA.



DRAFTCouncil Decision containing directives to the Commission for the
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The Council of the European Communities,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular the second paragraph of Article 101 thereof;

Whereas the Agreement relating to a further extension of the revised Agreement concerning the High-Temperature Gas-Cooled Reactor Project (Dragon), signed on 8 December 1972, provides in Article 3 (1) that a Decision on a further extension of the Agreement shall be adopted not later than 30 June 1975;

Having regard to the draft presented by the Commission;

Whereas it is desirable that the Dragon Agreement should be extended for a further period;

HAS DECIDED AS FOLLOWS :

Sole Article

In its negotiations with Austria, Switzerland and the Aktiebolaget Atomenergi of Sweden for a further extension of the Dragon Agreement, the Commission shall comply with the directives annexed to this Decision.



ANNEX

Directives from the Council to the Commission
for the negotiation of an extension of the Dragon Agreement

1. The Commission shall negotiate with Austria, Switzerland and the Aktiebolaget Atomenergi of Sweden an extension of the Dragon Agreement for a period of five years, namely from 1 April 1976 to 31 March 1981, to permit the implementation of the proposed technical programme.

The said programme shall be reviewed before 31 March 1979, and it shall be decided by that date whether the Agreement should be extended beyond 31 March 1981 or allowed to lapse on the latter date.

2. The Commission shall negotiate this extension as soon as possible on terms similar to those of the Agreement now in force, and on the basis of a financial contribution by the three Parties aforesaid amounting to 9.64 % of the total budget.

