



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 16 November 2010**

**16142/10**

**RECH 366  
ATO 67  
BUDGET 82**

**COVER NOTE**

---

from: Secretary-General of the European Commission,  
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 10 November 2010

to: Mr Pierre de BOISSIEU, Secretary-General of the Council of the European  
Union

---

Subject: Commission staff working paper: Towards a robust management and  
governance of the ITER project

---

Delegations will find attached document SEC(2010) 1386.

Encl.: SEC(2010) 1386 final



EUROPEAN COMMISSION

Brussels, 9.11.2010  
SEC(2010) 1386 final

**COMMISSION STAFF WORKING PAPER**

**Towards a robust management and governance of the ITER project**

## COMMISSION STAFF WORKING PAPER

### Towards a robust management and governance of the ITER project

#### 1. INTRODUCTION

The Commission transmitted to the European Parliament and to the Council on 4 May 2010 a communication entitled "ITER status and possible way forward"<sup>1</sup> addressing the financing gap concerning ITER.

In its conclusions of 12 July 2010<sup>2</sup>, the Council reaffirmed its strong commitment to the successful completion of the ITER project, acknowledged its estimated financing needs and made a number of considerations on cost control and containment, governance and management, reporting and review, as well as financial aspects. The Council also mandated the Commission to support the adoption of the so called ITER Baseline<sup>3</sup>.

On 20 July 2010, the Commission adopted a proposal for a decision by the European Parliament and the Council for amending the Inter-institutional Agreement on the Multiannual Financial Framework in order to cover the additional financing needs of €1.4 billion for ITER for 2012 and 2013 stating that no more than one third of the needs will be covered by redeploying funds within the Seventh Framework Programme.

At the extraordinary ITER Council meeting of 28 July 2010, the Commission supported the adoption of the ITER Baseline *ad referendum*. Both arms of the budgetary authority (European Parliament and Council) are now to approve and secure the financing of ITER. The Baseline was unanimously adopted.

This document responds to the request of the Council of 12 July 2010 that the European Commission, in close collaboration with the Member States, examines and addresses the way in which the Commission, the Member States and F4E implement their responsibilities and tasks.

#### 2. ITER BACKGROUND

The ITER project is conducted under the terms of an **International Agreement**<sup>4</sup> between the European Atomic Energy Community (**Euratom**), represented by the Commission, and 6 other Parties - People's Republic of China, India, Japan, Republic of Korea, the Russian Federation, the United States-, which was signed in Paris in November 2006 and entered into force in October 2007. The Agreement established the **ITER Organization (IO)** with full

---

<sup>1</sup> COM (2010) 226, of 4.5.2010

<sup>2</sup> 11902/10.

<sup>3</sup> The Baseline refers to the inter-related elements of scope (specifications of the machine to be built), the schedule (timetable for construction) and the cost.

<sup>4</sup> Agreement on the Establishment of the ITER International Fusion Energy Organization for the Joint Implementation of the ITER Project. OJ L 358, of 16.12.2006, p.62

international legal personality to be responsible for the joint implementation of the ITER project. The Members of IO are the Parties to the Agreement and they jointly direct and supervise its conduct through their representation in the **ITER Council** which is the principal organ of IO. The ITER Council decides on a number of relevant issues by unanimity. This system represents *de facto* a so-called "veto right" for all the Parties and it represents an additional challenge in the decision making process. The **Director General** is the chief executive officer and the representative of IO.

According to the International Agreement, each Party provides its contribution to IO through an entity called **Domestic Agency (DA)**. IO holds the responsibility for the construction and performance of the machine (including design and assembly of the components, and quality and safety requirements), while the Parties commit to provide through their DAs the various constituent components/systems as **contributions in kind** under their own financial responsibility.

The International Agreement was the result of over five years of negotiation with the six other Parties. The room for changes in the **governance** of the project at international level is limited by this framework.

**At EU level**, the Euratom contribution to ITER is managed through the European Joint Undertaking for ITER – "**Fusion For Energy**" (**F4E**), established as the European DA by the Council in March 2007<sup>5</sup> and based in Barcelona.

The responsibility for the supervision of F4E in the pursuit of its objectives falls on the **Governing Board (GB)**, which is composed of two representatives of all the members of the Joint Undertaking (27 Member States, Switzerland and Euratom). It is currently assisted by an **Executive Committee (ExCo)** in the preparation of its decisions. In addition, the **Scientific Programme Board (TAP)** advises the GB and the Director, mainly on scientific and technical matters. The role of the F4E **Director**, as chief executive officer responsible for the day to day management of F4E, completes the governance of this Joint Undertaking.

The Community funds, through the Framework Programme of the European Atomic Energy Community (Euratom) for nuclear research and training activities, represent about 80% of the **European contribution** to the ITER project and the Commission is ultimately accountable for the use of these public resources. The **European Parliament** is responsible for giving budgetary discharge to the European Joint Undertaking for ITER.

As announced in the Commission Communication of 4 May 2010, the cost of the project has significantly exceeded the original estimates on which the EU budget commitment was based. In order to fill the corresponding gap for 2012-2013, the Council requested on 12 July 2010 financing proposals drawing on resources beyond the Euratom budget. In its proposal of 20 July 2010, the Commission followed this principle.

This means that if a financing solution for ITER is agreed along this line by the budgetary authority, the construction of ITER will be supported both by the Euratom budget and the EC budget.

The **voting rights** distribution among the Members of the GB gives Euratom **5 votes out of a total of 70** (as much as France, Germany, Italy or United Kingdom).

At international level, **the Commission, representing Euratom:**

---

<sup>5</sup> OJ L 90, 30.3.2007, p. 58.

- leads the EU participation in the ITER Council (this political role is strengthened by the fact that the EU is the host party).
- represents bilaterally the EU vis-à-vis the international partners
- is responsible for the defence of EU positions in the ITER Council
- is accountable to the ITER Council for the implementation of the EU level contribution.

The Commission has effectively exercised its leadership at international level on several occasions in the past, e.g. at the end of 2009 by opposing the adoption of the ITER Baseline due to the unacceptable risks and costs it entailed. This leadership was supported by the F4E Governing Board and the EU Council allowing a successful outcome in a very challenging international context.

### 3. CHALLENGING ISSUES

#### 3.1. At international level: IO

- The ITER Agreement, while providing the Parties with a number of advantages in terms of development and sharing of know-how, sets a **very challenging structure**. It attributes differentiated roles and responsibilities to IO and the seven Parties. IO holds the overall responsibility of the construction of the machine while the DAs are in charge of the procurement of the components and its funding. In this essential aspect, ITER deviates from standard projects, where the responsibility and the funds are controlled by the same authority. The separation of technical and financial responsibilities between IO and DAs represents a testing challenge for the successful implementation of the project.
- The fact that the number of Parties to the project is seven creates a high number of interfaces, many more than if the Parties had been three, as initially foreseen. In particular, the process of assembling the thousands of ITER components coming from seven different parts of the world will be uniquely challenging.
- The **ITER Council** operates for relevant issues on **unanimity** basis. Proposals for specific improvements need to be developed in consultation with all the partners to achieve the high degree of convergence needed to assure their adoption by the ITER Council. This basis often represents an additional hurdle for Euratom that frequently finds itself isolated at the ITER Council when protecting its interests as the major stakeholder and Host Party.
- The appointment of the IO senior staff was initially done based on a certain geographical equilibrium: each Party to the Agreement appointed one Deputy Director General. This selection procedure was not mainly based on merits as it would be required in a project oriented organisation such as IO.
- In 2009, a **management assessment** of IO was performed. It revealed a number of **weaknesses** in the organisation, and concluded, inter alia, that a new and strong management group capable of commanding the ITER construction in a ‘global project management way’ was needed. The report also recommended measures to be taken in several areas of the organisation.

### 3.2. At European level: F4E Joint Undertaking

- The **cost of the project** has significantly exceeded the original estimates on which the EU budget commitment was based, mainly due to the increase in the in kind contributions. This increase, even if duly justified by a number of factors, calls for the development and implementation of strict cost containment policies and measures.
- ITER, as a large scale first of a kind project, is subject to certain budgetary uncertainties and possible cost overruns. This is hardly compatible with the **limited flexibility** provided by the strict budgetary discipline and medium-term predictability of EU expenditure.
- Due the current set-up, the capacities for the **Commission** to play an influential role in the governance of **F4E are limited**. Considering its role at international level, the fact that it is the major stakeholder and that it is responsible for the proper use of Community resources, these capacities are insufficient.
- Without prejudice to its role as part of the budgetary authority, and considering the framework defined by the Euratom Treaty, the **European Parliament** is not structurally involved in the ITER Project. Nevertheless, the Treaty of Lisbon strengthens the budgetary control of the European Union with a stronger role for the European Parliament. Moreover, the demand of the Council to fill the financing gap for 2012-2013 from EC budget, primarily by redeployment within the 7th Framework Programme, definitively calls for its involvement.
- Upon request of the Commission, a **management and governance assessment** was performed at F4E by an ad-hoc external Expert Group at the end 2009. It concluded, inter alia, that **radical changes** to the organisation and culture of F4E were required in order that it is in a position to fulfil the Euratom obligations to ITER. F4E needed to be reoriented towards sound and specific **management of the project**. Its structure needs to focus on the **procurement** processes and on the placing and supervision of **industrial** contracts.
- The assessment also pointed out that the 59-member **Governing Board** is ill-suited for the efficient executive control and steering of F4E.
- Providing Euratom representatives in the ITER Council and subsidiary bodies with **technical support** when exercising their responsibilities at international level is a function not formally assigned to any structure, nor to F4E. This fact could potentially leave Euratom in a weaker position when preparing for decision making at international level on issues exceeding the strict scope of the EU contribution.
- The 2009 **Annual report of the Internal Auditor** of F4E produced in May 2010, revealed weaknesses in the existing financial circuits and concluded that improvements need to be made in this area as well as in the F4E Internal Control System. It is necessary to **create a financial service** and to review the financial circuits in order to ensure sound financial management of the resources .
- The **Court of Auditors** recommended in its annual report for 2008 (issued by the end of 2009) and in its 2009 Report, *inter alia*, that the Commission's internal auditor should exercise the same powers with respect to EU bodies, including the Joint Undertakings, as with respect to Commission Departments.

- The existing **monitoring and reporting** systems do not fully allow for effective decision making and control processes. Audit systems are not yet completely in place.

#### 4. GOAL AND GUIDING PRINCIPLES FOR IMPROVEMENT

##### 4.1. Overall goal

The overall goal is the **successful construction of ITER** in accordance with the technical requirements, within the agreed schedule and with the resources fixed to that end. To this aim, integral adequate project management, including cost containment and risk management (technical, industrial, financial, legal) must be at the core of the ITER implementation at all levels

Building on the existing context, the Commission services consider it desirable that a number of guiding principles be followed:

##### 4.2. Guiding Principles for the improvement measures at international level (IO)

###### 4.2.1. Principles for governance

- The **EU**, as host Party and largest contributor should keep on exercising strong **political leadership** in the implementation of the ITER project.
- **The Commission**, representing Euratom in the ITER Council, needs the support of **the Council, the Parliament** and the **F4E Governing Board** to effectively exercise leadership in the international field.
- **Member States** should **take full responsibility** of the project in the framework of their bilateral relations with the ITER international Parties.
- **The ITER Council** should focus its activity on steering the project and promote ownership among the Parties.
- Without prejudice of the division of responsibilities as provided for in the Agreement and due to the specific nature of the governance structure of the project, the **DAs have to closely co-ordinate their competences and means with those of IO** so as to provide the project with industrial capacities.

###### 4.2.2. Principles for management

- The organizational structure, management processes and culture of IO should be **project oriented** and should include a robust risk-assessment process.
- **Cost containment** policies and measures should be at the core of the structure, processes and culture of IO. Every measure for cost containment shall be taken during the finalisation of the designs, and at the control of the design changes.
- **Specific management processes** should be in place to overcome the challenges derived from the peculiar governance structure of the project as defined by the ITER Agreement.

- **IO** should be a professional **organisation** focused on project management to complete the construction of the machine. To that end, IO should be able to effectively bring into line the activities implemented by the DAs.

### 4.3. Guiding Principles for the improvement measures at European level (F4E)

#### 4.3.1. Principles for governance

- The **Commission**, representing Euratom who has taken obligations under the ITER Agreement and as major stakeholder, **should have a specific role** in the governance and management of the ITER project, especially in F4E as implementing organisation to discharge Euratom from its obligations.
- The support of the **European Parliament** to the project is essential. It should have the opportunity for a closer scrutiny of the project.
- **Member States** should **take full responsibility** of the project in the F4E Governing Board.

#### 4.3.2. Principles for management

- The organizational structure, management processes and culture of F4E should be **project oriented** and should include an integral adequate project management including robust risk-assessment process to ensure effective implementation of the project.
- **Cost containment** policies and measures shall be at the core of the structure, processes and culture of F4E. Every measure for cost containment shall be taken **at all levels** of the tendering procedures and of the procurement follow-up.
- **F4E** is a professional **procurement organisation**. Qualified expertise in technical (including specific industrial expertise), financial and administrative matters is essential. Outsourcing should be considered whenever additional expertise is needed.
- Without prejudice to the special role of the Commission in the implementation of the project, F4E must enjoy the management **autonomy** needed to fulfil its mission.

## 5. IMPROVEMENT MEASURES IN THE SHORT AND MEDIUM TERM

### 5.1. At ITER Organization level

#### 5.1.1. Management

**First improvement measures taken so far**, notably as follow up of the management assessment report issued by the end of 2009:

- A new Director General, Prof. Motojima, was appointed by the ITER Council on 28 July 2010
- A new IO structure was also adopted in July 2010.

- In addition, the adoption of the Baseline of the project represents a milestone that provides the project with the basis for its sound management.

**Further improvement measures considered desirable by the Commission services:**

The Commission services regard the following measures as desirable to ensure the success of the project and will do its utmost to have them implemented within the limits provided by the International Agreement. Some measures would require the support of the six other Parties at the ITER Council, while other measures would fall under the direct responsibility of the IO Director General.

- The recently appointed **Director General** should take full **leadership** in the management of the ITER Project.
- Within the limits of the ITER Agreement and considering the existing constraints on resources availability, IO needs to further exercise its **authority to take decisions** on technical requirements in the interest of the project when collaborating with the DAs in the design, preparation and execution of the procurement processes.
- Streamlining of the **management structure** of IO and functions of its senior staff, to make them project-oriented rather than institutionally-oriented.
- Senior executive posts should be appointed on the basis of **best qualifications and professional competence** and not as representatives of the individual ITER Parties.
- Management processes need to effectively address the **specific governance structure** of the project with one central structure (IO) ultimately responsible for the construction of the ITER facility and seven decentralised agencies (DAs) responsible for the procurement of its components.
- Implementation of established **best practices for managing** complex projects, including:
  - (a) systematic breakdown of project scope down to design specification;
  - (b) increased rigour and realism in **planning** and cost estimating;
  - (c) establishment of a **cost containment** culture and implementation of cost containment policies at all levels;
  - (d) establishment of a quality culture and application of **strict quality assurance and control** mechanisms for all processes and procedures;
  - (e) regular and transparent internal **auditing** of technical, financial and management processes and procedures;
  - (f) **effective monitoring and regular reporting** on the execution of the project and its budget by stakeholders (the ITER Parties) for increased transparency and effective decision making, and
  - (g) high standards of **accountability** for tax-payer funded activities, independent and effective **audit** and control systems.

- (h) Guarantee that **Quality Assurance** is fully carried out within IO and DAs at the required standards.

A closer integration of IO and DAs may require appropriate amendments to the ITER Agreement which would have to be discussed with the other ITER Parties.

#### 5.1.2. Governance

Improvements on the challenging structure of **governance** of the project at international level are limited considering its legal framework. This structure requires for strengthened management processes to cope with the existing constraints. No changes in the IO governance are proposed at this stage.

### 5.2. At EU level, F4E Joint Undertaking

#### 5.2.1. Management

##### **First measures for management improvement taken so far:**

As follow up of the management and governance assessment report issued by the end of 2009, the Commission called for a number of changes to be implemented:

A **new Director** has been appointed on February 2010. In addition, the GB created a "Standing Coordination Group" to increase its efficiency. The Chair and Vice-chair of the GB, one Euratom representative, one member from the ITER Host State, and three representatives chosen every year from the Board (at present Germany; Spain; Greece) are its members.

New measures to improve the technical, administrative and financial management of the processes in the organisation are being implemented by the new Director of F4E. Following his proposals **on measures for improvement**, the GB at its meeting of 5 October 2010:

- Approved a new F4E Basic **Organisation Structure**<sup>6</sup>, including *inter alia* the creation of a **new financial service**. This structure responds to the changes needed in F4E towards a project oriented organisation. The financial circuits and responsibilities have been reviewed according to the recommendations made by the Auditor and the establishment of a separate financial service will contribute to a sound financial management of the resources.
- Endorsed the **cost containment and reduction plan**<sup>7</sup> with regard to the actions to be taken by F4E, and encouraged F4E to advise the EU representatives in the different ITER Council instances on the IO proposals. The plan outlines the main actions to be undertaken at F4E level: review of the planned activities, review of the procurement strategy and industrial policy, suggestions to enhance joint work with the other DAs and IO. A regular reporting to the GB on the implementation and results of this plan is foreseen.
- Endorsed F4E's proposal to introduce an **industry-standard project management system** and noted the proposals concerning the introduction of **control processes and reporting**

---

<sup>6</sup> F4E(10)-GB17-06 Final 20/09/2010

<sup>7</sup> F4E(10)-GB17-08 Final 20/09/2010

**mechanisms**<sup>8</sup>. This will provide support to the F4E management and to the GB in the establishment of transparent and effective decision making processes, and in keeping control of the implementation of the project and of the EU contribution. In addition, the proposed system allows integration with those being established in IO.

In order to fulfil its obligations, F4E should further ensure the availability of qualified **expertise in technical, financial and administrative** matters (including project and risk management). Whenever internal resources are not adequate to satisfy F4E's needs, calling upon external expertise should be considered, in particular to address specific industrial management problems in the transition towards a project-oriented organisation.

Moreover, work is ongoing in F4E on the development of a comprehensive **industrial policy**. The main role of such policy should be to provide the right framework conditions for value creation for European industrial development, taking account of the fact that most businesses are small and medium-sized enterprises (SMEs). This would help to make ITER technologies and in the long term future fusion power plants attractive for industrial investment and job creation. In order to reach that objective, a number of conditions are to be fulfilled:

- Clear, pragmatic and industry oriented procurement processes.
- Legal framework adapted to common industrial practices (i.e. liability, liquidated damages, etc.).
- Industrially recognised approach to quality management and implementation.
- Stimulation and facilitation of the participation and competition of industry in the procurement processes in a level playing field, paying especial attention on the SMEs.
- Transfer of fusion technology and know-how to the European industry.
- Due consideration must be given to the intellectual property rights.

In order to increase flexibility in the procurement processes, work on the **adaptation of the current implementing rules of the financial regulation** is being carried out.

The implementation of such measures needs to be **carefully and systematically monitored**.

The above mentioned actions constitute a **good basis** to improve the sound management of the project without changing the existing legal framework.

### 5.2.2. *Governance*

#### **Further improvement measures considered desirable by the Commission services:**

The current political context, especially considering the Lisbon Treaty, calls for a closer scrutiny of the project by the **European Parliament**.

The **protection of the Community interests** in F4E governance would benefit from a close scrutiny of the project also by the European Parliament and a stronger role and enhanced capacities of the Commission in its governance.

---

<sup>8</sup> F4E(10)-GB17-07 Final 20/09//2010

**To enhance the governance of the project on the short and medium term, the services of the Commission intend to submit to the College in due course a formal proposal for amending the statutes of F4E<sup>9</sup> taking into account issues such as:**

*a. The objectives of the Joint undertaking*

In addition to the objectives already established for the Joint Undertaking, and considering the responsibilities of Euratom in the ITER Council, effective support from F4E to the Commission on international aspects related to the implementation of the project should be ensured.

*b. Structure of Governance*

**b.1 The Governing Board (GB)**

The GB should enhance its focus on **strategic direction, organisational purpose and corporate governance** engaging all stakeholders to that purpose. The GB must provide leadership and direction to the organisation for it to be effective and fit for purpose.

A more strategically oriented GB, adequately supported by a committee, would benefit from a **reduced size**.

Considering the specific responsibility of Euratom in the financing of the Joint Undertaking, the voting majority needed for a number of predefined decisions should require a **positive vote of Euratom**. For budget matters a **direct correlation between the financial contribution and the capability of decision making of the members of the GB** should be introduced.

In addition, certain procedures for decision making in the Joint Undertaking, such as the requirements for amending its statutes, should be reviewed.

**b.2 Committees assisting the Governing Board**

In order to ensure sound management of the project and assist effectively the governing bodies in the preparation of its decisions, the structure of the committees needs to be effectively enhanced

The Executive Committee (**ExCo**) has so far focussed its activity on the procurement contracts and has not taken major action on management monitoring. The supervision and monitoring of the implementation of the responsibilities of F4E need to be strengthened.

The current **ExCo** should therefore be replaced by two committees: the "Management Supervisory Committee" (**MSC**) and the "Procurements and Grants Committee" (**PGC**). The charges and the members of these two committees would be differentiated:

- The **MSC** would be of a limited size (5-8 people), including Euratom and France (as host State) as permanent members. The MSC would be project oriented and its charges would be twofold: 1) monitoring the implementation of the project considering its financial and technical progress, and overseeing the industrial policy and procurement strategies, and 2)

---

<sup>9</sup> Upon approval of the F4E GB and proposal from the Commission to the Council.

preparing the GB meetings and decisions. The MSC would make recommendations to the Director of F4E. Its members would be nominated on the basis of their experience in the technical and financial management of large projects.

- The **PGC** would also be of a limited size (8-10 people) and chaired by Euratom to minimise any possible conflict of interest. The tasks of this committee would be similar to those currently entrusted to the ExCo for the award of contracts. In addition, an early intervention of this committee in the procurement process would allow F4E to consider its opinion and recommendations in a more efficient manner. It would also monitor and make recommendations to the GB on the procurement processes. Its members would be nominated by the Governing Board on the basis of a short list presented by Euratom built upon a call for expression of interest.

The Scientific Programme board (**TAP**) has so far had a role in giving advice of a scientific nature. Without prejudice to requests of external expertise on any technical or industrial matter whenever it considers it necessary, F4E would benefit from a more prominent technical role of this committee on: 1) the assessment of expected technical difficulties in the fabrication of various components and advice on the most efficient way to solve them, and 2) the monitoring of the technical progress of the project and also on remedy actions to any delays and technical difficulties. Its members would be nominated by the Governing Board on the basis a short list presented by Euratom built upon a call for expression of interest.

### b.3 Supervision of the Joint undertaking

According to F4E's statutes, the annual accounts of the Joint Undertaking are subject to the control of the **Court of Auditors**, while the **European Anti-Fraud Office (OLAF)** enjoys the same powers in respect of F4E as it enjoys in respect of Commission Departments. In addition, internally, F4E's structure includes an "Internal Auditor" and has recently set up the "Audit Committee".

In line with the arrangements in place for other Community bodies and as recommended by the Court of Auditors, F4E should also be subject to the **Internal Audit Service** of the Commission.

## 6. FURTHER IMPROVEMENT MEASURES TO BE EXPLORED IN THE LONG TERM

**At EU level**, certain large scale projects requiring multi billion Euro contributions over long periods, such as ITER, are acknowledged to be of major strategic importance and could have long-term commercial potential. However, they are also subject to significant cost overruns and their governance is not well-suited to the direct management of the EU institutions. As the budgetary uncertainties are hardly compatible with the way in which the EU budget is planned, an alternative approach would be for the project promoters to set up a support structure as a separate entity, with the active interest of the EU to ensure effective governance, and to which the EU budget would make a stable contribution in the form of a fixed annual contribution with no assumption that the EU should make up any shortfalls.

The specificity of ITER, compared to other large scale European funded projects is its international dimension and its specific legal framework set by the International Agreement signed by Euratom. It confers to the Commission representing Euratom, as signatory to the Agreement and major stakeholder of the project, a special responsibility beyond a typical

European project only involving European partners, which needs to be reflected in the governance.

In this context, the services of the Commission should examine whether in the long run the legal status of a Joint Undertaking represents the best approach for managing a project such as ITER and whether changes are needed in the future.

**At international level**, amendments to the ITER Agreement would have to be discussed with the other ITER Parties considering that unanimity is required for their acceptance.

## 7. NEXT ACTIONS

- The Commission services consider it desirable for the Commission to continue to **actively exercise EU leadership**. It would be appropriate to strengthen its role in the governing bodies of IO and F4E counting on the support from the Institutions and Member States.
- The services of the Commission, representing Euratom in the governance of IO and F4E principally through its membership in the ITER Council (together with the international Parties) and on the F4E Governing Board (together with the Member States), should actively pursue the **implementation of the guiding principles** reflected in this document and should support effective actions and measures addressing the identified areas for improvement at the different levels and within the remits of the institutional framework.
- The services of the Commission intend to submit to the College in due course **a proposal for amending the statutes of F4E** in order to enhance the structure for governance of the Joint Undertaking in the short and medium term and to acknowledge the specific role of the Commission.
- The services of the Commission should also examine whether in the long run **the legal status** of a Joint Undertaking represents the best approach for managing a project such as ITER and whether changes are needed.
- At **international level**, the services of the Commission should also examine whether amendments to the ITER Agreement would be needed. In that case, they would have to be discussed with the other ITER Parties as they require unanimity for their acceptance.