



**FUSION  
FOR  
ENERGY**

# FINAL ANNUAL ACCOUNTS

## Financial statements & Budget implementation

**Thirteenth financial year – 2020**

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

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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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## 1. 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 2020 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, 28 May 2021

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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.

## 2. 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 ITER Organization 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 next 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. It corresponds to the commitment from the Host State to cover 9.09% of the total costs of the ITER construction phase, equivalent to 20% of F4E budget for ITER construction excluding expenditure related to Transportation and Test Blanket Modules. The precise scope, conditions and the global amount of the French contribution until 2020 have been established in a formal exchange of letters between France and the European Commission in 2011<sup>3</sup>.

- **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 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 05/03/2015.

**b) United Kingdom 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 current MFF and previous financial perspectives following from its membership of the Union. The UK has paid into the 2020 EU Budget during the year, and received payments, as if it was a Member State.

The UK and EU concluded negotiations on future UK relationship with the EU on 24 December 2020.

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<sup>3</sup> Contribution financière française à la construction d'ITER - Letter from The Haut Representant Français pour ITER to the EU Commission on 08/09/11 and reply on 17/11/11.

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, pending ratification of the agreement.

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 third party membership shall take effect, UK companies will be able to sign new contracts with F4E and new British staff will be eligible for employment. Current contracts, with companies and individuals are not impacted however.

### **c) Main achievements during 2020**

During 2020 F4E has further progressed in the work and commenced the delivery of some of the major components to ITER in order to start the assembly activities according to plan for the achievement of First Plasma at the end of 2025. Notably F4E has handed over to IO the Tokamak building to allow the start of machine assembly, and three of the very large Toroidal Field coil magnets have been delivered.

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

In 2020 F4E achieved an overall Schedule Performance Index (SPI):

$$SPI = \frac{\text{Number of milestones achieved to end of previous month}}{\text{Number of milestones in baseline to end of previous month}} = 0.97$$

Among the achieved milestones, F4E achieved seven out of the eight ITER Council/Governing Board (GB) milestones set for 2020.

The achievements during the year are detailed in the 2020 Consolidated Annual Activity report (with the annual accounts in annex).

### **d) Impact of Covid19**

During 2020, the coronavirus outbreak has had huge impacts on the EU economy.

Many of the F4E suppliers have been affected by the covid19 pandemic, with varying restrictions on work attendance and travel, and ongoing and future efficiency impacts due to the enhanced sanitation measures required in most EU member states. The consequences have been assessed as a delay in some deliveries of up to 4 months, and a cost impact of €57M (2008 euros) on the overall project. Further repercussions are possible should the pandemic worsen in 2021 before the worldwide vaccination programme becomes effective.

This impact is serious but not substantial, and the result on the 2020 financial statements is not material.

### e) 2020 Accounts

The 2020 financial statements of F4E and its reports on budget implementation for 2020 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 2020 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 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 2020 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 2020 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.

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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.



# Section I. 2020 Financial Statement

## 3. Balance Sheet

As at 31 December 2020		EUR thousands	
	Note	2020	2019
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7.2.1.	5 535	11 171
Receivables	7.2.2.	234 657	219 737
Pre-financing	7.2.3.	42 980	33 369
		<b>283 173</b>	<b>264 277</b>
<b>NON-CURRENT ASSETS</b>			
Pre-financing	7.2.3.	75 497	66 477
Property, plant and equipment	7.2.4.	1 084	1 211
Intangible assets	7.2.4.	141	259
		<b>76 722</b>	<b>67 947</b>
<b>TOTAL ASSETS</b>		<b>359 895</b>	<b>332 224</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	7.2.5.	84 432	63 551
Accrued charges and deferred income	7.2.6.	45 686	71 512
Current provisions	7.2.7.	1 400	0
		<b>131 518</b>	<b>135 064</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-Current provisions	7.2.7.	143 609	213 223
		<b>143 609</b>	<b>213 223</b>
<b>TOTAL LIABILITIES</b>		<b>275 126</b>	<b>348 286</b>
<b>NET ASSETS</b>		<b>84 769</b>	<b>-16 063</b>
<b>NET ASSETS/EQUITY</b>			
Accumulated surplus/deficit		-16 063	-28 045
Economic result of the year - Profit (+)/Loss (-)		100 832	11 982
<b>NET ASSETS</b>	7.2.8.	<b>84 769</b>	<b>-16 063</b>

Fig. 1 Balance Sheet

## 4. Statement of Financial Performance

As at 31 December 2020

EUR thousands

	Note	2020	2019
<b>NON-EXCHANGE REVENUES</b>			
Revenue from Euratom		632 450	568 430
Revenue from other contributors (Member States)		156 100	150 600
Other non exchange revenue		195	1 269
		<b>788 745</b>	<b>720 298</b>
<b>EXCHANGE REVENUES</b>			
Reserve Fund		9 278	12 396
Other revenues		5	715
		<b>9 283</b>	<b>13 111</b>
<b>TOTAL REVENUE</b>	7.3.1.	<b>798 028</b>	<b>733 409</b>
<b>OPERATIONAL EXPENSES</b>			
Expenses with third parties	7.3.2.	631 988	661 226
		<b>631 988</b>	<b>661 226</b>
<b>OTHER EXPENSES</b>			
Staff costs	7.3.3.	50 338	47 451
Property, plant and equipment related expenses		2 301	2 206
Other expenses		12 570	10 544
		<b>65 209</b>	<b>60 201</b>
<b>TOTAL EXPENSES</b>		<b>697 196</b>	<b>721 427</b>
<b>SURPLUS (+) / DEFICIT (-) OF THE YEAR</b>		<b>100 832</b>	<b>11 982</b>

Fig. 2 Statement of Financial Performance

## 5. Cash Flow Statement (indirect method)

As at 31 December 2020		EUR thousands	
	2020	2019	
<b>Surplus/(deficit) from ordinary activities</b>	<b>100 832</b>	<b>11 982</b>	
<b>Operating activities</b>			
Amortization (intangible fixed assets) +	143	236	
Depreciation (tangible fixed assets) +	-948	501	
Increase/(decrease) in Provisions for risks and liabilities	-68 214	18 129	
Increase/(decrease) in Value reduction for doubtful debts	0	0	
(Increase)/decrease in Stock	0	0	
(Increase)/decrease in Long term Pre-financing	-9 021	-14 122	
(Increase)/decrease in Short term Pre-financing	-9 611	-8 165	
(Increase)/decrease in Long term Receivables	0	0	
(Increase)/decrease in Short term Receivables	-14 921	23 725	
Increase/(decrease) in Other Long term liabilities	0	0	
Increase/(decrease) in Accounts payable	-4 946	-25 716	
	<b>-6 686</b>	<b>6 571</b>	
<b>Investing activities</b>			
Increase of tangible and intangible fixed assets (-)	-422	-950	
Proceeds from tangible and intangible fixed assets (+)	1 471	-15	
	<b>1 050</b>	<b>-965</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-5 636</b>	<b>5 606</b>	
<b>Cash and cash equivalents at the beginning of the period</b>	<b>11 171</b>	<b>5 565</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>5 535</b>	<b>11 171</b>	

Fig. 3 Cash Flow Statement

## 6. Statement of Changes in Net Assets

As at 31 December 2020		EUR thousands		
Net assets	Accumulated Surplus (+) / Deficit (-)	Economic result of the year	Net assets (Total)	
<b>Balance as of 31 December 2019</b>	<b>-28 045</b>	<b>11 982</b>	<b>-16 063</b>	
<b>Balance as of 1 January 2020</b>	<b>-28 045</b>	<b>11 982</b>	<b>-16 063</b>	
Fair value movements	0	0	0	
Allocation of the Economic Result of Previous Year	11 982	-11 982	0	
Economic result of the year	0	100 832	100 832	
<b>Balance as of 31 December 2020</b>	<b>-16 063</b>	<b>100 832</b>	<b>84 769</b>	

Fig. 4 Statement of Changes in Net Assets

## **7. Notes to the Financial Statements**

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### **7.1. 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 conclude 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.

## 7.2. Notes to the Balance Sheet

### 7.2.1. Cash and Cash Equivalents

Description	31.12.2020	31.12.2019
<i>Bank accounts:</i>		
Central treasury (EC)	5 489 620.53	11 125 304.73
Current accounts	625.00	925.00
Imprest accounts/Cash in hand	45 000.00	45 000.00
Short-term deposits	0.00	0.00
<b>Total</b>	<b>5 535 245.53</b>	<b>11 171 229.73</b>

Fig. 5 Central treasury and Cash Equivalents

In view to increase the efficiency, F4E has externalised its treasury to the EC in May 2019. The cash position at the end of 2020 is composed of one account with the EC and three imprest accounts (petty cash).

No bank interests have been generated in 2020.

### 7.2.2. 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 10 977 118.49 referring mainly to the recoverable VAT from France (EUR 10.8 million).

**Sundry receivables:** EUR 2 042.95 composed mainly of advances to staff (salaries and missions) and amounts due by other EU bodies.

**Deferrals and accruals:** EUR 213 777 348.38 corresponding to the deferred charges related to the 2021 cash contribution to IO (EUR 210.1 million) and deferred charges for insurance premiums paid in advance (EUR 3.6 million).

**Accrued income:** EUR 9 900 826.49 corresponding to the accrued revenue from the ITER Reserve fund (Cf. point below 7.4.3).

### 7.2.3. Pre-Financing

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. 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>31.12.2020</b>	<b>31.12.2019</b>
Pre-financing given to third parties (non-current)	75 497 219.36	66 476 537.75
Pre-financing given to third parties (current)	87 550 377.00	69 743 259.40
Accrued charges on Pre-financing given to third parties	-44 569 986.35	-36 374 055.25
<b>Total</b>	<b>118 477 610.01</b>	<b>99 845 741.90</b>

**Fig. 6 Pre-Financing**

It is estimated that EUR 75.5 million of the pre-financing open at 31/12/2020 will be cleared with eligible amounts after 2021.

These pre-financings are related mainly to the following operational procurement contracts:

<b>Contract Reference</b>	<b>Contractor</b>	<b>Amount</b>
OPE-1003-01_TB13_Emergency electrical power distribution	ANSALDO NUCLEARE	31 371 530.00
OPE-301_TB04_Buildings	AXIMA	24 866 074.80
OPE-0688_TB12_Buildings	DEMATHIEU BARD CONSTRUCTION	24 116 857.80
OPE-0996-01_TB18_Completion of civil works	VINCI CONSTRUCTION	4 983 593.52
OPE-0969_Magnet supply	ASG SUPERCONDUCTORS	3 266 671.80
OMF-605-01-02 Supply of beam source for MITICA	ALSYOM	2 646 153.06
OPE-285_TB02_Tokamak cargo lift and crane	NKM NOELL SPECIAL CRANES	2 332 391.68
OPE-046 Supply of 2 Ion source and extraction power supplies	ENERGY TECHNOLOGY	2 015 167.68
OPE-068-01 Supply VV Sectors	ANSALDO NUCLEARE	1 679 939.41
OMF-0795-01-01 Supply of the beam components	AVS ADDED VALUE IND. ENG.	1 640 993.98
OPE-570_PF Coils manufacturing and cold test	CNIM	1 339 589.83

**Fig. 7 Main Operational Pre-Financings**

#### **7.2.4. 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:

<b>Asset type</b>	<b>Annual depreciation rate</b>
<b><u>Intangible fixed assets</u></b>	<b>25%</b>
<b><u>Tangible fixed assets</u></b>	
<b><u>Buildings</u></b>	<b>4%</b>
<b><u>Plant and equipment</u></b>	<b>12,5%, 25%</b>
<b><u>Furniture and vehicles</u></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><u>Computer hardware</u></b>	<b>25%</b>
<b><u>Other fixtures and fittings</u></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><u>Tangible fixed assets under construction</u></b>	<b>0%</b>

**Fig. 8 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 note 7.3.3. below) must be disclosed in the financial statements.

As of 31/12/2020, 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.9 provides the variation of the fixed assets in 2020 :



ASSETS		Intangible fixed assets			Tangible fixed assets							Fixed assets
		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>2020</b>												
Gross carrying amounts 01.01.2020	+	0.00	2 851 380.21	2 851 380.21	0.00	765 624.39	5 415 277.19	765 766.07	823 124.23	0.00	7 769 791.88	10 621 172.09
Additions	+		39 347.91	39 347.91			224 376.74	14 438.13	143 450.00		382 264.87	421 612.78
Disposals	-		-13 655.35	-13 655.35			-1 282 147.25		-175 528.01		-1 457 675.26	-1 471 330.61
Transfer between headings	+/-			0.00							0.00	0.00
Other changes :	+/-			0.00							0.00	0.00
<b>Gross carrying amounts 31.12.2020</b>		<b>0.00</b>	<b>2 877 072.77</b>	<b>2 877 072.77</b>	<b>0.00</b>	<b>765 624.39</b>	<b>4 357 506.68</b>	<b>780 204.20</b>	<b>791 046.22</b>	<b>0.00</b>	<b>6 694 381.49</b>	<b>9 571 454.26</b>
Accumulated amortization and impairment 01.01.2020	-	0.00	-2 592 391.21	-2 592 391.21	0.00	-297 197.39	-4 784 642.19	-669 031.07	-807 914.23	0.00	-6 558 784.88	-9 151 176.09
Depreciation	-		-157 137.91	-157 137.91		-148 287.00	-299 238.74	-44 826.13	-17 125.00		-509 476.87	-666 614.78
Write-back of depreciation	+			0.00							0.00	0.00
Disposals	+		13 655.35	13 655.35			1 282 147.25		175 528.01		1 457 675.26	1 471 330.61
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 31.12.2020</b>		<b>0.00</b>	<b>-2 735 873.77</b>	<b>-2 735 873.77</b>	<b>0.00</b>	<b>-445 484.39</b>	<b>-3 801 733.68</b>	<b>-713 857.20</b>	<b>-649 511.22</b>	<b>0.00</b>	<b>-5 610 586.49</b>	<b>-8 346 460.26</b>
<b>Net carrying amounts 31.12.2020</b>		<b>0.00</b>	<b>141 199.00</b>	<b>141 199.00</b>	<b>0.00</b>	<b>320 140.00</b>	<b>555 773.00</b>	<b>66 347.00</b>	<b>141 535.00</b>	<b>0.00</b>	<b>1 083 795.00</b>	<b>1 224 994.00</b>

Fig. 9 Intangible and Tangible Fixed Assets

### 7.2.5. Accounts Payable

**Current and sundry payables** are **EUR 83 288 076.22** and are composed of the balance of the 2021 cash contribution to IO (EUR 83.0 million) and suppliers' invoices received but not paid at year end and reimbursements to staff.

**Pre-financing received from Euratom** totalled **EUR 1 143 821.85** refers to the balance of the budget outturn account 2020, to be reimbursed to the EC in 2021 (Cf. point 8.7. Budget outturn account).

### 7.2.6. 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 45 686 285.01** which represents mainly invoices to be received in 2021 for services rendered in 2020, includes:

- EUR 39 936 384.59 for services rendered in 2020 on operational activities and not invoiced at 31/12/2020,
- EUR 3 856 909.08 for services rendered in 2020 on administrative expenditures and not invoiced at 31/12/2020,
- EUR 1 892 991.34 for F4E staff's untaken leave as at the end of December 2020. 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.

### 7.2.7. 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 10 (Provision, contingent assets and liabilities) is applicable.

Description	Amounts at 31.12.2019	Amounts used (Payment in 2020)	Transfer to current (Payment in 2021)	Addition and value adjustments*	Amounts at 31.12.2020
Decommissioning fund (2001)	127 071 231.12	0.00	0.00	7 863 670.97	134 934 902.09
Additional financial contribution to Japan (2014)	86 151 425.07	-70 000 000.00	-1 399 515.87	-6 078 138.50	8 673 770.70
<b>Total</b>	<b>213 222 656.19</b>	<b>-70 000 000.00</b>	<b>-1 399 515.87</b>	<b>1 785 532.47</b>	<b>143 608 672.79</b>

\* including the impact of change in inflation rate used for calculation (from fixed 2% in previous years to EU HICP/Eurostat rate in 2020)

**Fig. 10 Non-current and current Provision**

#### **Non-current 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).

Based on :

- the percentage of completion as of 31.12.2020 (49.8 % according to the F4E Monthly Dashboard), this results in an applicable cost base of EUR 89.8 million in 2001 value (49.8 % of EUR 180.2 million),
- the assumption that 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,
- the assumption that the contributions relating to the applicable cost of EUR 89.8 million will be paid into the fund in the years 2026 to 2031 (5 times EUR 15.0 million and the remaining balance of EUR 14.7 million),
- EU HICP annual inflation rate from 2001 to 2020,
- an annual inflation rate of 0.9 % provided by Eurostat to reflect future prices,
- the contributions in future prices are not discounted due to negative interest rates,

the resulting provision is recognised at the reporting period for an amount of **EUR 134 934 902.09** (in 2020 value).

#### **Provision for 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).

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

In line with the specific agreement signed in 2020, the provision has been consumed by EUR 70.0 million in 2020. It is estimated that a payment of EUR 1.4 million will be executed in 2021 and the balance in 2025.

Therefore, in compliance with the accounting rules, and based on :

- EU HICP annual inflation rate from 2014 to 2020,
  - an annual inflation rate of 0.9 % provided by Eurostat to reflect future prices,
  - the contributions in future prices are not discounted due to negative interest rates,
- an amount of **EUR 8 673 770.70** has been booked as non-current provision and **EUR 1 399 515.87** as current provision at 31.12.2020.

### 7.2.8. Net Assets

F4E net assets are increased by the positive financial performance of the year (EUR 100.8 million) totalling **EUR 84 768 814.11** as of 31 December 2020.

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 (Cf. point 8.7. Budget outturn account).

## 7.3. Notes to the Statement of Financial Performance

### 7.3.1. 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 8.7. 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.

The operating revenues, **EUR 798 028 009.01** (EUR 733 409 478.11 in 2019), include mainly the 2020:

- Euratom contribution: EUR 632 449 912.32
- ITER Host State contribution: EUR 150 000 000.00
- Membership contributions: EUR 6 100 000.00
- Revenue from ITER: EUR 9 278 439.24

### 7.3.2. Operational Expenses – EUR 631 987 784.64 (EUR 661 225 934.13 in 2019)

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).

The operational expenses include mainly the following items:

Contract Reference	Contractor	2020 Expenses	% cumulative expenses as of 31/12/2020 (*)
2020 Cash contribution for ITER IO	ITER IO	202 631 820.30	100.00%
OPE-286_TB03_Building	VINCI CONSTRUCTION	64 372 825.03	97.42%
OPE-301_TB04_Buildings	AXIMA/IO	52 089 341.62	48.87%
OPE-068_Supply VV Sectors	ANSALDO NUCLEARE	26 563 819.55	70.70%
OPE-636_TB16_Site infrastructure works	SPIE BATIGNOLLES	25 088 453.26	77.80%
OPE-058_Civil engineering	ENGAGE	22 712 343.38	90.38%
OPE-428_TB06_EPD_Buildings	FERROVIAL AGROMAN	19 598 602.49	96.57%
OFC-755_Finishing and retrofit works for buildings	DALKIA FRANCE	19 176 077.58	70.44%
OPE-0688_TB12_Buildings	DEMATHEU BARD CONST.	9 124 549.40	11.84%
OPE-0969_Magnet supply contract	ASG SUPERCONDUCTORS	8 490 923.21	35.41%
OPE-090_Civil engineering & construction consultancy	ALTRAN TECHNOLOGIES	7 446 500.73	89.75%
OMF-444-03-01_First of a kind standard cassette bodies	WALTER TOSTO	7 212 287.77	45.37%
OMF-605-01-02_Supply of beam source for MITICA	ALSYOM	6 449 889.24	46.81%
OPE-570_PF Coils manufacturing and cold test	CNIM	5 649 055.94	44.04%
OPE-906 Painting and coating works for Buildings	GDES	5 310 550.36	55.46%
OPE-053_Toroidal Field coils winding packs	IBERDROLA	5 208 169.46	96.95%
OPE-285_TB02_Building	NKM NOELL	4 570 688.31	73.91%
OPE-0966 Manufacture of the torus and cryostat cryopumping system	RESEARCH INSTRUMENTS	4 415 092.06	24.16%
OPE-454_HV Power supplies for electron cyclotron heating/current drive system	AMPEGON POWER	3 994 203.49	66.39%
OPE-0843_Design/supply Torus and cryostat cold value boxes	RESEARCH INSTRUMENTS	3 717 277.29	57.47%
OPE-0654_Supply impreg syst. & add. toolings	ELYTT ENERGY	3 199 058.51	90.11%
OPE-0781_Supply 3 pre compression rings	CNIM	2 922 308.50	98.25%
OPE-0568_PF Coil site, Infrastructure and facilities management	DALKIA FRANCE	2 570 065.10	56.24%
OMF-340-LOT3-01-04 Design Pipe cutting and welding and crane compl.	AMEC NUCLEAR UK	2 154 054.73	70.98%
OMF-444-01-01 Fabrication of ITER Divertor cassette bodies	SIMIC	1 999 052.90	39.23%
Cash contributions to Japan	JAEA/QST	1 786 069.22	98.50%
OMF-0577-02-01_CPRHS Preliminary design of EPP port cell 11	CNIM	1 766 306.24	62.90%
LGA-2020-A-95 Transfer of scope of port plug structures	ITER IO	1 727 785.00	34.28%
FPA-408-04_Design/prototyping: core plasma charge exch. Recomb. Spectrometer	JULICH	1 658 745.00	54.21%
OPE-0982-01 Supply primary vacuum and cryostat leak detection systems	IDOM	1 580 000.00	9.35%
OFC-433-04_Design of diagnostics ports and in-vessel feedouts	IDOM	1 497 736.93	49.12%
OPE-025-01_Health and safety protection coordination for the Constructions	APAVE	1 481 796.54	88.09%
OMF-340-3-01-05_I&C Design for NBRHS MCS and lifting adaptors	AMEC NUCLEAR UK	1 421 304.34	55.07%

(\*) In relation to amounts financially committed and opened at 01/01/2020

Fig. 11 Main Operational Expenses

### 7.3.3. Other Expenses – EUR 65 208 712.17 (EUR 60 201 369.14 in 2019)

- Staff expenses: **EUR 50 337 727.59** (EUR 47 451 130.62 in 2019)  
This 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).
- Property, plant and equipment related expenses: **EUR 2 300 669.74** (EUR 2 205 857.33 in 2019) refers to the yearly depreciation of fixed assets and the cost for building rent, maintenance and security.
- Provision for liabilities: **EUR 1 785 532.47** refers to the yearly addition and value adjustment of the provisions described here above under point 7.2.7.
- Other administrative expenses: the amount of **EUR 10 784 782.37** includes mainly the following items:

	2020	2019	Variation
IT costs – operational/support	3 820 523.69	2 591 546.26	1 228 977.43
IT costs - development	888 895.66	689 666.32	199 229.34
Office supplies & maintenance	1 617 108.14	1 672 607.87	-55 499.73
Missions	1 081 263.21	2 257 494.08	-1 176 230.87
Interim staff	638 537.66	497 432.59	141 105.07
Communications & publications	630 018.68	683 799.58	-53 780.90
Training	519 674.60	556 939.83	-37 265.23
Service level agreement with EU Paymaster Office	385 394.17	479 720.54	-94 326.37
Experts and related expenditure	242 749.82	489 509.64	-246 759.82
Recruitment	32 673.20	74 953.62	-42 280.42
Car and transport expenses	24 680.72	59 058.24	-34 377.52
Legal expenses	11 709.94	1 595.00	10 114.94
Interest expense on late payment	4 755.77	5 608.27	-852.50
<b>Total</b>	<b>9 897 985.26</b>	<b>10 059 931.84</b>	<b>-161 946.58</b>

Fig. 12 Other Administrative Expenses

## 7.4. Off Balance Sheet Items and Notes

### 7.4.1. 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.

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. Guarantees can thus qualify as contingent assets (or liabilities). 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.

Description	31.12.2020	31.12.2019
Guarantees for pre-financing (nominal-on going)	163 565 947.70	129 820 784.75
Performance guarantees	204 287 575.36	217 249 821.26
<b>Total - Guarantees received</b>	<b>367 853 523.06</b>	<b>347 070 606.01</b>

Fig. 13 Guarantees

Guarantees received in respect of 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.

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

#### 7.4.2. Contingent Liabilities and significant legal commitment

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

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 2020, and expressed in €2008 (used as basis to ensure a comprehensive financial monitoring).

<b>Cost Estimate at 31/12/20 (MEUR-2008 value)</b>	<b>Actual Commitment (1)</b>	<b>Estimate to Complete (EtC) (2)</b>	<b>Estimate at Completion (EaC) (3)=(1)+(2)</b>
Construction Phase	6 610.00	5 148.00	11 758.00
Operation Phase until 2035	0.00	1 638.00	1 638.00
Post-2035	0.00	221.00	221.00
<b>Total</b>	<b>6 610.00</b>	<b>7 007.00</b>	<b>13 617.00</b>

**Fig. 14 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 will be minimized according to the new policy of IO and if there are any changes, they will be funded via the Reserve Fund.  
The positive effect of this policy has been noted by F4E with the number of changes reducing. However, it is recognised that despite strong management pressure at IO and F4E it is impossible to reduce the rate to zero.
- 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.
- The cost estimate for the Hot Cell Complex has not been revised. The maturity of the design requirements from IO does not allow F4E to prepare a credible cost estimate.
- The current ITER baseline leading to First Plasma in December 2025, and the start of the DT phase in December 2035 is maintained.

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 9 195.20 million in 2020 value.

<b>Cost Estimate at 31/12/20 (MEUR-2020 value)</b>	<b>Actual Commitment (1)</b>	<b>Estimate to Complete (2)</b>	<b>Estimate at Completion (3)=(1)+(2)</b>
Construction Phase	8 772.77	6 837.30	15 610.07
Operation Phase until 2035	0.00	2 077.64	2 077.64
Post-2035	0.00	280.34	280.34
<b>Total</b>	<b>8 772.77</b>	<b>9 195.28</b>	<b>17 968.05</b>

**Fig. 15 Cost Estimate in Commitment (in 2020 value)**

In payments, the estimate to complete amounts to EUR 10 623.40 million in 2020 value.

<b>Cost Estimate at 31/12/20 (MEUR-2020 value)</b>	<b>Actual Payment (1)</b>	<b>Estimate to be Paid (2)</b>	<b>Estimate at Completion (3)=(1)+(2)</b>
Construction Phase	7 344.65	8 265.42	15 610.07
Operation Phase until 2035	0.00	2 077.64	2 077.64
Post-2035	0.00	280.34	280.34
<b>Total</b>	<b>7 344.65</b>	<b>10 623.40</b>	<b>17 968.05</b>

**Fig. 16 Cost Estimate in Payment (in 2020 value)**

Based on the above Actual Payment, the cumulative expenses at 31/12/2020 are estimated at EUR 7 056.19 million in 2020 value (Actual Payment – Open Pre-financing + Accruals - Deferrals).

More details on the actual advancement of the works achieved at the end of the year are available in the F4E Annual report 2020.

### 7.4.3. Other Significant Disclosures

#### Reserve Fund

The terms of reference of the ITER Reserve Fund were approved in 2015 in order to compensate the DAs for cost increases incurred due to changes which are requested by the IO and have cost impacts. The IO Director General has approved the eligibility to finance from the Reserve Fund Project Change Requests (PCRs) for a cumulative amount of EUR 132 640 468.37. An additional amount of 9 739 319.87 EUR has been allocated to F4E under the ITER Undistributed Budget/other (see also point 8.6 below).

F4E recognises the revenue in the year of approval of the legal commitment/contract amendment by the IO DG (EUR 9 278 439.24 for 2020).

#### Services In-Kind

Under the Host agreement with Spain, the office building used by F4E is free of charge. For the year 2020, this service in-kind amounts to EUR 2 943 577.36.

### 7.5. 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 are not included.

The carrying amounts of financial instruments are as follows:

<b>Financial assets</b>	<b>2020</b>	<b>2019</b>
Receivables with Member States	10 776 787.04	11 164 405.93
All receivables with third parties including accruals & deferrals (excluding receivables with MS)	223 880 549.27	208 572 360.58
Cash and deposits	5 535 245.53	11 171 229.73
<b>TOTAL</b>	<b>240 192 581.84</b>	<b>230 907 996.24</b>
<b>Financial liabilities</b>	<b>2020</b>	<b>2019</b>
Current payables	83 248 909.98	62 637 547.38
Other payables	39 166.24	89 599.86
Accounts payable with EU entities	1 143 821.85	824 174.13
<b>TOTAL</b>	<b>84 431 898.07</b>	<b>63 551 321.37</b>

Fig. 17 Financial Instruments

### 7.5.1. 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 2020	< 1 year	1 - 5 years	> 5 years	Total
Payables with third parties	83 288 076.22	0.00	0.00	83 288 076.22
Payables with consolidated entities	1 143 821.85	0.00	0.00	1 143 821.85
<b>Total liabilities</b>	<b>84 431 898.07</b>	<b>0.00</b>	<b>0.00</b>	<b>84 431 898.07</b>

Fig. 18 Liquidity Risk – Payables

### 7.5.2. 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 2020. 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	10 776 787.04
Upper medium grade	0.00
Lower medium grade	0.00
Non-investment grade	0.00
<b>Receivable from IO</b>	<b>194 008.98</b>

Fig. 19 Credit Risk - Receivables

### 7.5.3. 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.

### 7.6. 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	AD14	1

**Fig. 20 Related Party Disclosure**

The transactions of F4E with key management personnel during financial year 2020 consist only of the payment of their remuneration, allowances and other entitlements in accordance with the EU Staff Regulations.

## Section II. Budget Implementation 2020

### 8. Budget Implementation

#### 8.1. Main Facts on the Implementation of the 2020 Budget of F4E

Commitments	<b>100% of implementation of the final available budget</b>	Final Budget: 885.67	Execution: 885.35	EUR million
	<b>108.8% compared to the original budget</b>	Original Budget: 813.61	Execution: 885.35	EUR million
	<b>100.0% in individual commitments</b>	Execution: 885.35	Ind. Commit.: 885.35	EUR million
Payments	<b>98% of implementation of the final available budget</b>	Final Budget: 816.46	Execution: 800.35	EUR million
	<b>101.3% compared to the original budget</b>	Original Budget: 789.69	Execution: 800.35	EUR million

Fig. 21 Budget Implementation 2020

To be noted:

- In Commitment appropriations, F4E made use of instalments in 2020, resulting in a total amount of signed legal commitments higher than the executed budget, by EUR 137.35 million (see Chapter 8.5.1.3),
- The amount of VAT paid on contracts and not yet reimbursed by Members Tax Authorities to F4E was EUR 10.78 million at the 31/12/2020. This deficit of treasury was lower than the total appropriations not executed and to be carried over to the budget 2021. It had therefore no impact on the final execution of the 2020 budget in payment appropriations.

#### 8.2. The Principles for the Budget Implementation

The budget is the instrument which forecasts and implements the revenue and expenditure considered necessary for F4E for each financial year.

The budget is established and implemented in compliance with the principles of unity, budgetary accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency.

- **unity and budgetary accuracy:** all F4E's expenditure and revenue must be incorporated in a single budget document, must be booked on a Budget Chapter and expenditure must not exceed authorised appropriations;
- **annuality:** the appropriations entered are authorised for a single year and must therefore be used during that year;
- **equilibrium:** the revenue and expenditure shown in the budget must be in balance (estimated revenue must equal payment appropriations);
- **unit of account:** the budget is drawn up and implemented in euro (EUR) and the accounts are presented in EUR;

- **universality:** this principle comprises two rules: – the rule of non-assignment, meaning that revenue must not be earmarked for specific items of expenditure (total revenue must cover total expenditure); – the gross budget rule, meaning that all revenue and expenditure are entered in full in the budget without any adjustment against each other;
- **specification:** each item of appropriations is assigned to a specific purpose and a specific objective;
- **sound financial management:** Appropriations are used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness;
- **transparency:** the budget is established and implemented and the accounts are presented in compliance with the principle of transparency - the budget and amending budgets are published in the website of F4E.

### 8.3. Evolution of the Budget

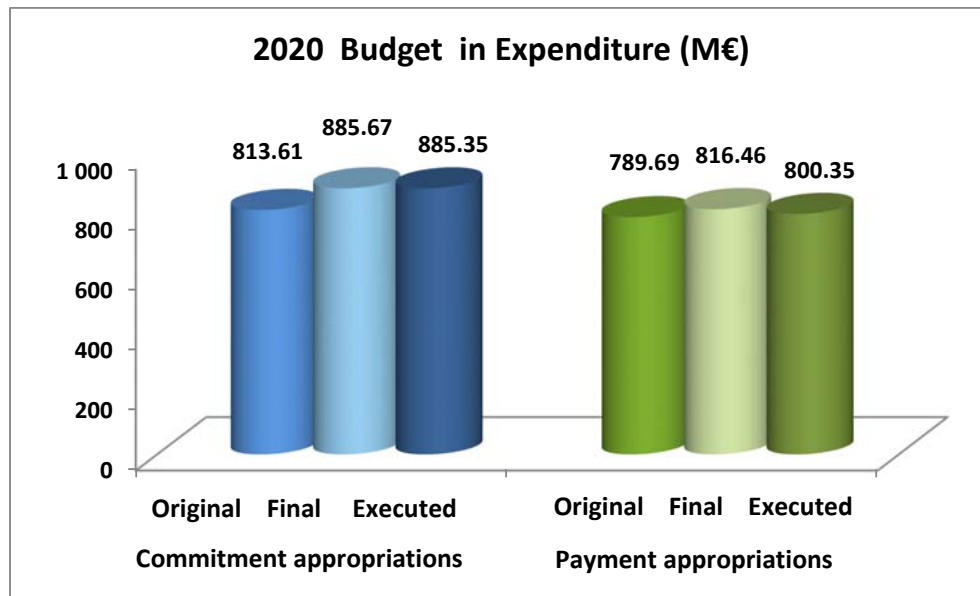


Fig. 22 Budget 2020 in Expenditure

F4E 2020 budget was originally adopted by F4E’s Governing Board<sup>7</sup> (GB) for the amount of EUR 813.61 million in commitment appropriations and EUR 789.69 million in payment appropriations.

It was successively amended in the July<sup>8</sup> and in the December<sup>9</sup> GB meetings.

The final available appropriations, including the carry-over from the previous year were EUR 885.67 million in commitment appropriations and EUR 816.46 million in payment appropriations.

<sup>7</sup> Decision of the F4E GB F4E\_D\_ 2HUBTF adopted on 10/12/2019

<sup>8</sup> Decision of the F4E GB F4E\_D\_ 2HUGX4 adopted on 10/07/2020

<sup>9</sup> Decision of the F4E GB F4E\_D\_ 2HUP45 adopted on 10/12/2020

## 8.4. Statement of Revenue

### 8.4.1. Commitment Appropriations

Heading of the 2020 Budget Commitment Revenue	Original budget Dec-2019 (1)	Amending budget Jul-2020 (2)	Amending budget Dec-2020 (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	305 609 356.00		30 630 000.00	<b>336 239 356.00</b>		<b>336 239 356.00</b>		<b>336 239 356.00</b>
111 RECOVERY FROM PREVIOUS YEARS OPERATIONAL EXPENDITURE	368 339 607.77	17 530 008.77	4 826 922.52	<b>390 696 539.06</b>		<b>390 696 539.06</b>		<b>390 696 539.06</b>
120 PARTICIPATION FROM THE EUROPEAN UNION TO ADMINISTRATIVE EXPENDITURE	52 781 500.00			<b>52 781 500.00</b>		<b>52 781 500.00</b>		<b>52 781 500.00</b>
121 RECOVERY FROM PREVIOUS YEARS ADMINISTRATIVE EXPENDITURE	1 064 483.52			<b>1 064 483.52</b>		<b>1 064 483.52</b>		<b>1 064 483.52</b>
210 ANNUAL MEMBERSHIP CONTRIBUTIONS	6 100 000.00			<b>6 100 000.00</b>		<b>6 100 000.00</b>		<b>6 100 000.00</b>
310 ASSIGNED REVENUE ACCRUING FROM THE CONTRIBUTION OF ITER HOST STATE	78 945 115.00	1 545 735.00		<b>80 490 850.00</b>		<b>80 490 850.00</b>	2 572 783.55	<b>83 063 633.55</b>
410 MISCELLANEOUS REVENUE	771 042.15	521 941.48	31 731.44	<b>1 324 715.07</b>	185 101.25	<b>1 509 816.32</b>	200 483.91	<b>1 710 300.23</b>
<i>Of which 2020 revenue</i>	<i>771 042.15</i>	<i>189 383.93</i>	<i>31 731.44</i>	<i>992 157.52</i>	<i>185 101.25</i>	<i>1 177 258.77</i>		<i>1 177 258.77</i>
<i>Of which revenue from previous year</i>		<i>332 557.55</i>		<i>332 557.55</i>		<i>332 557.55</i>	<i>200 483.91</i>	<i>533 041.46</i>
510 OTHER REVENUE								
520 REVENUE FROM ITER ORGANISATION	p.m.	7 878 563.98	1 454 740.93	<b>9 333 304.91</b>	863 247.04	<b>10 196 551.95</b>	3 816 704.54	<b>14 013 256.49</b>
<i>Of which 2020 revenue</i>	<i>p.m.</i>	<i>7 878 563.98</i>	<i>1 454 740.93</i>	<i>9 333 304.91</i>	<i>863 247.04</i>	<i>10 196 551.95</i>		<i>10 196 551.95</i>
<i>Of which revenue from previous year</i>							<i>3 816 704.54</i>	<i>3 816 704.54</i>
<b>Total Revenue</b>	<b>813 611 104.44</b>	<b>27 476 249.23</b>	<b>36 943 394.89</b>	<b>878 030 748.56</b>	<b>1 048 348.29</b>	<b>879 079 096.85</b>	<b>6 589 972.00</b>	<b>885 669 068.85</b>

Fig. 23 Evolution of Statement of Revenue in Commitment Appropriations

The table in Fig. 23 describes the evolution of statement of revenue in commitment appropriations.

It shall be noted that the presentation of the amendments to the budget adopted by the GB has evolved in 2020, with the following new inclusions:

- The status of collection of revenue from reimbursement of undue payments at the time of each amendment to the budget. Defined as internal assigned revenue in F4E Financial Regulation (FR), these are not net additional revenue but re-collected revenue;
- The status of collection of revenue assigned to the implementation of specific tasks, mainly tasks requested by the ITER Organization (IO). Defined as external assigned revenue in the F4E FR, these are net additional revenue for which the GB authorised the principle of collection in advance, as shown with the p.m., 'Pro Memoria', in the original budget.

As consequence, the data for 'additional revenue' now corresponds to the internal and external assigned revenue received between the amendment 2 of the budget and the end of the year. It was the full figures for assigned revenue in the previous occurrences of the Annual Accounts.

All amounts carried-over from the previous year are also included in the tables adopted by the GB with the amendments to the budget.

The changes to the statement of revenue in commitment appropriations are:

- **Chapter 110: + EUR 30 630 000.00** of additional Euratom contribution, to reach the full compensation of the previous contribution from F4E to the EU defence initiative;
- **Chapter 111: + EUR 17 530 008.77** (July amendment) and **+ EUR 4 826 922.52** (December amendment) called from the unused commitment appropriations from previous years with the purpose to implement all unused commitment appropriations until the end of 2020, in order to execute the full envelope allocated to F4E project before the end of 2020;
- **Chapter 310: + EUR 1 545 735.00** of additional ITER Host State contribution, to comply with France obligation to contribute to '20 %' in the annual F4E budget;
- **Chapter 410: + EUR 738 774.17** (made of EUR 521 941.48, EUR 31 731.44 and EUR 185 101.25) of additional miscellaneous revenue corresponding to liquidated damages and reimbursements of undue payments (internal assigned revenue). It also includes an additional revenue cashed but not budgeted in 2019;
- **Chapter 520: + EUR 10 196 551.95** of revenue earmarked to the implementation of project changes requested and financed by the IO, corresponding to the ITER Reserve Fund (RF) and from the ITER Undistributed Budget (UB).

The automatic carryover of commitment appropriations from the 2019 budget are:

- **Chapter 310: + EUR 2 572 783.55**, corresponding to de-commitments done on contracts all along 2020, due to change of scope or from left over at the closure of contracts. According to the F4E FR the corresponding amounts are immediately available again (external assigned revenue). It shall be noted



that the information given to the GB on those carry-over corresponds to the situation at the time of each amendment, not reflecting the final amount available;

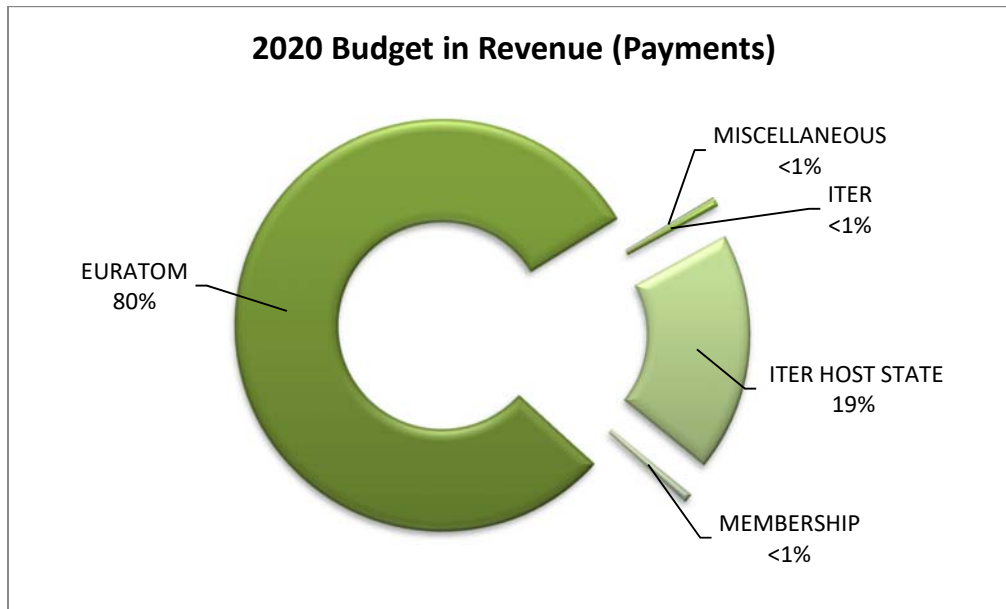
- **Chapter 410: + EUR 200 483.91** of carry-over from 2019 of revenue from reimbursement of undue payments (internal assigned revenue), cashed at the end of 2019;
- **Chapter 520: + EUR 3 816 704.54** corresponding to the carry-over from 2019 of revenue received from IO but not yet implemented at the end of the year, and de-commitments done during 2020.

**8.4.2. Payment Appropriations**

Heading of the 2020 Budget Payment Revenue	Original budget Dec-2019 (1)	Amending budget Jul-2020 (2)	Amending budget Dec-2020 (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	579 495 500.00			579 495 500.00		579 495 500.00		579 495 500.00
111 RECOVERY FROM PREVIOUS YEARS OPERATIONAL EXPENDITURE	252 250.65			252 250.65		252 250.65		252 250.65
120 PARTICIPATION FROM THE EUROPEAN UNION TO ADMINISTRATIVE EXPENDITURE	52 781 500.00			52 781 500.00		52 781 500.00		52 781 500.00
121 RECOVERY FROM PREVIOUS YEARS ADMINISTRATIVE EXPENDITURE	1 064 483.52			1 064 483.52		1 064 483.52	4 541 384.95	5 605 868.47
210 ANNUAL MEMBERSHIP CONTRIBUTIONS	6 100 000.00			6 100 000.00		6 100 000.00		6 100 000.00
310 ASSIGNED REVENUE ACCRUING FROM THE CONTRIBUTION OF ITER HOST STATE	150 000 000.00			150 000 000.00		150 000 000.00		150 000 000.00
410 MISCELLANEOUS REVENUE	p.m.	510 691.48	31 731.44	542 422.92	185 101.25	727 524.17	200 483.91	928 008.08
<i>Of which revenue of the year</i>	<i>p.m.</i>	189 383.93	31 731.44	221 115.37	185 101.25	406 216.62		406 216.62
<i>Of which revenue from previous year</i>	<i>p.m.</i>	321 307.55		321 307.55		321 307.55	200 483.91	521 791.46
510 OTHER REVENUE								
520 REVENUE FROM ITER ORGANISATION	p.m.	13 700.00	4 561 749.25	4 575 449.25	88 025.48	4 663 474.73	16 632 282.09	21 295 756.82
<i>Of which revenue of the year</i>	<i>p.m.</i>	13 700.00		13 700.00	88 025.48	101 725.48		101 725.48
<i>Of which revenue from previous year</i>	<i>p.m.</i>		4 561 749.25	4 561 749.25		4 561 749.25	16 632 282.09	21 194 031.34
Total Revenue	789 693 734.17	524 391.48	4 593 480.69	794 811 606.34	273 126.73	795 084 733.07	21 374 150.95	816 458 884.02

Fig. 24 Evolution of Statement of Revenue in Payment Appropriations

The breakdown of revenue by contributors in 2020 in payment appropriations is:



**Fig. 25 Revenue Breakdown in Payment Appropriations**

To be noted, F4E receives a contribution from Switzerland, member of F4E providing its annual membership contribution, which represents about EUR 0.35 million.

The changes to the statement of revenue in payment appropriations are:

- **Chapter 410: + EUR 727 524.17** of additional miscellaneous revenue corresponding to liquidated damages and reimbursements of undue payments (internal assigned revenue). The source and amounts of this revenue are identical in commitment and in payment except the case of the additional revenue cashed but not budgeted in 2019;
- **Chapter 520: + EUR 4 663 474.73** of revenue earmarked to the implementation of project changes requested and financed by the IO, corresponding to the ITER RF and UB. Such funds are normally called according to treasury needs for the overall set of request changes, except for small actions, automatically paid by IO just after the decision.

The automatic carryover of payment appropriations from the 2019 budget are:

- **Chapter 121: + EUR 4 541 384.95** from the automatic carry-over of administrative expenditure committed in 2019 and not yet liquidated at the year-end (non-differentiated appropriations);
- **Chapter 410: + EUR 200 483.91** of carry-over from 2019 of revenue from reimbursement of undue payments (internal assigned revenue), cashed at the end of 2019. This is identical to the commitment amount;
- **Chapter 520: + EUR 16 632 282.09** of carry-over from 2019 of revenue received from the IO but not yet implemented at the end of this previous year.

## 8.5. Statement of Expenditure

### 8.5.1. Commitment Appropriations

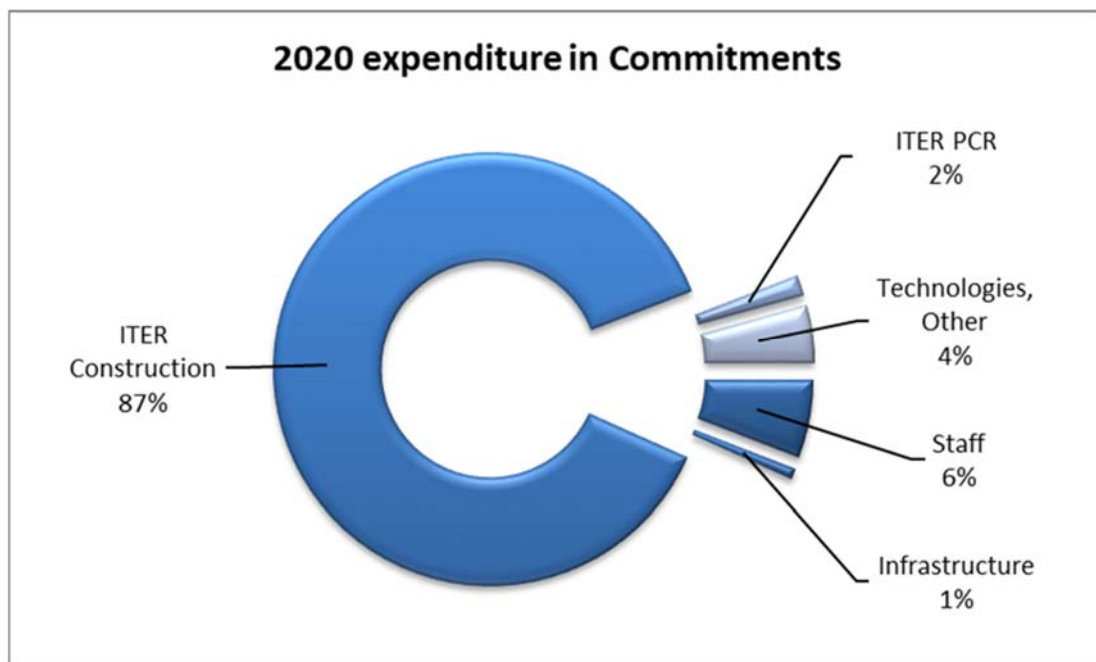
The statement of expenditure adopted with the original 2020 budget is in balance with the Annual and Multi annual Programme 2020-2024<sup>10</sup>, in particular with its section *IV Work Programme 2020*, the financial decision for the operational budget 2020.

It 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. These adjustments were implemented with the two amending budgets and through the transfers approved by the F4E Director within the limits foreseen in article 27 of the F4E Financial Regulation.

The GB is duly informed about the transfers at each GB meeting with the “Status of Commitments and Payments” document.

The appropriations accruing from assigned revenue and not used at the end of 2019 were automatically carried over to the budget 2020. No further carry over was requested to the GB.

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



**Fig. 26 Final breakdown of the Expenditure in Commitments**

<sup>10</sup> 2GUK27 adopted by F4E GB on 10 December 2019

## Evolution of the Statement of Expenditure in Commitment (EUR)

Heading of the 2020 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 from previous year (7)	Final Appropriations (8)=Σ(5 to 7)	Execution (9)	% (10)=(9)/(8)
A1 STAFF EXPENDITURE										
A11 STAFF EXPENDITURE IN THE ESTABLISHMENT PLAN	35 298 783.52			598 937.77	35 897 721.29			35 897 721.29	35 897 721.29	100.0%
A12 EXTERNAL STAFF EXPENDITURE (CONTRACT AGENTS, INTERIM STAFF AND NATIONAL EXPERTS)	11 588 500.00			-298 508.33	11 289 991.67			11 289 991.67	11 289 991.67	100.0%
A13 MISSIONS AND DUTY TRAVEL	460 000.00			-234 180.98	225 819.02			225 819.02	225 819.02	100.0%
A14 MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT AND TRANSFER	891 000.00			-198 090.25	692 909.75			692 909.75	692 909.75	100.0%
A15 REPRESENTATION	10 000.00			-9 500.00	500.00			500.00	500.00	100.0%
A16 TRAINING	676 000.00			-36 762.27	639 237.73			639 237.73	639 237.73	100.0%
A17 OTHER STAFF MANAGEMENT EXPENDITURE	2 863 000.00		641.41	-118 549.06	2 745 092.35	110 888.24		2 855 980.59	2 855 980.59	100.0%
A18 TRAINEESHIPS	220 000.00			60 000.00	280 000.00			280 000.00	280 000.00	100.0%
TITLE A1 - Total	52 007 283.52	0.00	641.41	-236 653.12	51 771 271.81	110 888.24	0.00	51 882 160.05	51 882 160.05	100.0%
A2 BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE										
A21 BUILDINGS AND ASSOCIATED COSTS	1 619 000.00	240.92		-194 167.32	1 425 073.60	1 090.55		1 426 164.15	1 426 164.15	100.0%
A22 INFORMATION AND COMMUNICATION TECHNOLOGIES	3 642 200.00			-32 583.93	3 609 616.07			3 609 616.07	3 609 616.07	100.0%
A23 MOVABLE PROPERTY AND ASSOCIATED COSTS	231 000.00			3 200.00	234 200.00			234 200.00	234 200.00	100.0%
A24 EVENTS and COMMUNICATION	331 000.00			-51 358.40	279 641.60			279 641.60	279 641.60	100.0%
A25 OUTSOURCING AND OTHER CURRENT EXPENDITURE	1 410 000.00			-214 086.38	1 195 913.62		567.46	1 196 481.08	1 196 481.08	100.0%
A26 POSTAGE AND TELECOMMUNICATIONS	358 000.00			90 200.00	448 200.00			448 200.00	448 200.00	100.0%
A27 EXPENDITURE ON FORMAL AND OTHER MEETINGS	347 500.00			-200 550.00	146 950.00			146 950.00	146 950.00	100.0%
A28 APPROPRIATION ACCRUING FROM THIRD PARTIES TO THE BUILDING REFURBISHMENT EXPENDITURE	p.m.	33 161.55			33 161.55			33 161.55	0.00	
TITLE A2 - Total	7 938 700.00	33 402.47	0.00	-599 346.03	7 372 756.44	1 090.55	567.46	7 374 414.45	7 341 252.90	99.6%
TITLE 1 & 2 - Total Administrative Expenditure	59 945 983.52	33 402.47	641.41	-835 999.15	59 144 028.25	111 978.79	567.46	59 256 574.50	59 223 412.95	99.9%

Heading of the 2020 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 from previous year (7)	Final Appropriations (8)=Σ(5 to 7)	Execution (9)	% (10)=(9)/(8)
<b>B3 OPERATIONAL EXPENDITURE</b>										
B31 ITER CONSTRUCTION INCLUDING THE ITER SITE PREPARATION	640 213 356.54	15 443 374.55	33 255 454.77	1 941 333.36	690 853 519.22	73 122.46	199 916.45	691 126 558.13	691 126 558.13	100.0%
B32 TECHNOLOGY FOR ITER	3 110 000.00	-1 432 145.00	-433 992.60	-443 728.00	800 134.40			800 134.40	800 134.40	100.0%
B33 TECHNOLOGY FOR BROADER APPROACH AND DEMO	17 401 158.88	2 403 693.37	-312 959.06	-22 038.52	19 469 854.67			19 469 854.67	19 469 854.67	100.0%
B34 OTHER EXPENDITURE	13 995 490.50	1 603 624.86	2 979 509.44	-639 567.69	17 939 057.11			17 939 057.11	17 939 057.11	100.0%
B35 ITER CONSTRUCTION - APPROPRIATION ACCRUING FROM THE ITER HOST STATE CONTRIBUTION	78 945 115.00	1 545 735.00			80 490 850.00		2 572 783.55	83 063 633.55	83 063 633.55	100.0%
B36 APPROPRIATION ACCRUING FROM THIRD PARTIES TO SPECIFIC ITEM OF EXPENDITURE	p.m.	7 878 563.98	1 454 740.93		9 333 304.91	863 247.04	3 816 704.54	14 013 256.49	13 726 368.69	98.0%
<b>TITLE 3 - Total Operational Expenditure</b>	<b>753 665 120.92</b>	<b>27 442 846.76</b>	<b>36 942 753.48</b>	<b>835 999.15</b>	<b>818 886 720.31</b>	<b>936 369.50</b>	<b>6 589 404.54</b>	<b>826 412 494.35</b>	<b>826 125 606.55</b>	<b>100.0%</b>
<b>Total BUDGET in Commitment appropriations</b>	<b>813 611 104.44</b>	<b>27 476 249.23</b>	<b>36 943 394.89</b>	<b>0.00</b>	<b>878 030 748.56</b>	<b>1 048 348.29</b>	<b>6 589 972.00</b>	<b>885 669 068.85</b>	<b>885 349 019.50</b>	<b>100.0%</b>

Fig. 27 Evolution of the Expenditure in Commitments in 2020

Note: the figures for the budget chapters 35 and 36 refer to the available appropriations for the 2020 budget only, whereas the details of the 2020 implementation by funds source provided in Fig. 41, Annex 8.8.3. 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.

### 8.5.1.1. Administrative Expenditure

The administrative expenditure comprises non-differentiated appropriations (commitment and payment appropriations are in unison), therefore any transfers or budget amendments are authorised or adopted in both commitment and payment appropriations.

The F4E Director approved a series of transfers globally resulting in a reduction of the administrative budget by EUR 835 999.15 to the benefit of the operational budget.

The transfers also allow to adjust the detailed allocation according to the evolution of the needs, F4E having the obligation to submit an original budget strictly equal to the detailed allocation of the administrative expenditure provisionally established for the preparation of the Draft Single Programming Document in September N-2, meaning more than 24 months before the final execution of the budget.

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**

- **Chapter 13 Missions and duty travel:** **(-) 51%**  
The Budget decrease in missions is obviously due to the crisis of the Covid 19 and the various form of confinements.
- **Chapter 14 Miscellaneous expenditure on staff recruitment and transfer:** **(-) 22%**  
The recruitment rate was lower than the original forecast due to the reduction of the establishment plan by 11 positions at the beginning of 2020, therefore a reduction in the expenditure linked to recruitment in particular the travel for taking up duties, daily and installation allowances, travel expenses for medical visits.
- **Chapter 15 Representation:** **(-) 95%**  
Minor change in value considering this is the lowest amount for a budget chapter. This budget decrease is also due to the Covid-19 crisis.
- **Chapter 18 Traineeships:** **(+) 27%**  
The success of the traineeship scheme is confirmed each year since the adoption of the new policy in 2018. F4E believes in this training scheme for the mutual benefit of the organisation and of 27 young trainees.

#### **Title 2 – Building and associated cost (- 8%)**

- **Chapter 21 Buildings and associated cost:** **(-) 12%**  
The budget decrease is linked to the Covid-19 crisis with a lower occupancy of the building, reducing the maintenance fees (electricity, water, air conditioning...).
- **Chapter 24 Events and communication:** **(-) 16%**  
The budget decrease is also due to the Covid-19 crisis meaning that some conferences, congresses and exhibitions were cancelled.

- **Chapter 25 Outsourcing and other current expenditure:** **(-) 15%**  
 Less requests to external providers have been executed in 2020 and the cost of the various Service Level Agreements with the EC have been less expensive compared to the original plan.
- **Chapter 26 Postage and Telecommunications:** **(+) 25%**  
 The budget increase is mainly due to the migration to Microsoft phone system, made obligatory with the generalisation of full time teleworking.
- **Chapter 27 Expenditure on formal and other meetings:** **(-) 58%**  
 The Budget decrease in missions is obviously due to the crisis of the Covid-19 and the various form of confinements, in particular all governance meeting held by videoconference.

### 8.5.1.2. Operational Expenditure in commitment

The statement of operational expenditure was modified with the two 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 2020 WP in July and December.

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

#### **Title 3 – Operational expenditure (+10%)**

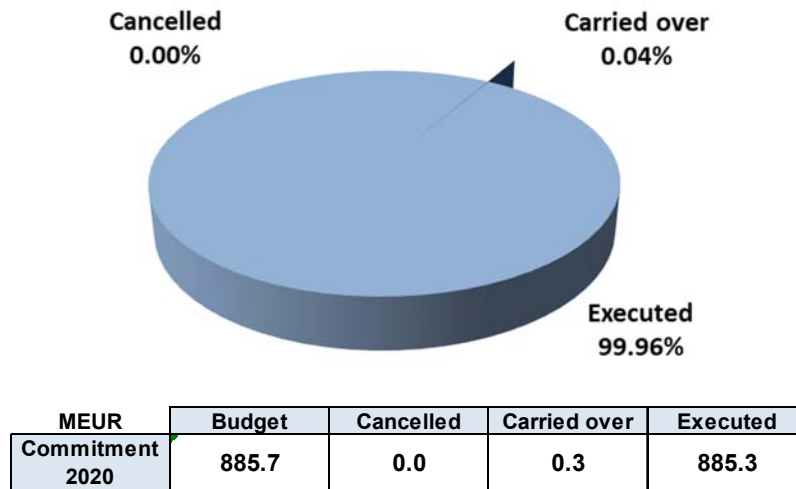
The budget for operational expenditure increased by 10% compared to the original budget. This is the result of the additional revenue, the carry over from the previous year and the transfer from administrative expenditure. This budget increase was mainly allocated to the domain of ITER construction, the main F4E project. It favoured the anticipation of some contracts originally foreseen in 2021-2023.

- **Chapter 32 Technology for ITER:** **(-) 74%**  
 The variations on the Chapter 32 are related to changes in the planning of Test Blanket Modules activities and Plasma Engineering, mainly due to the postponement of specific contracts to 2021.
- **Chapter 33 Technology for Broader Approach (BA) and DEMO:** **(+) 12%**  
 This budget increase compensated the decrease of the previous year, in particular for the signature of some contracts of JT-60SA for the preparation of the BA phase 2, signed beginning of 2020 instead of the end of 2019. The final budget 2020 allows a full execution of the envelope allocated to the Broader Approach project until 2020.
- **Chapter 34 Other expenditure:** **(+) 28%**  
 The increase of the Chapter 34 has been mainly due to the Increase in the Engineering Support Activities, in particular for activities linked to Antenna and Plasma Engineering. Additional supporting activities have been also implemented for most of the ITER-D Projects (Magnets, NBEC PSS, In-Vessel, RH).



**8.5.1.3. Implementation of the Budget in Commitments and Instalments**

**Budget 2020 in Commitments: 885.7 M€**



**Fig. 28 Final breakdown of the Expenditure in Commitments**

Beyond the budget available, F4E used instalments on four multi-annual contracts.

F4E is authorised to use instalments according to its Financial Regulation, Article 74 (2):

*“Budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments only where the constituent act so provides or where they relate to administrative expenditure.”*

Its constituent act, the Council Decision 2007/198/Euratom establishing F4E, as amended by Council Decision 2015/224, includes the necessary provision at the Point 5, annex III:

*“For the purposes of point (d) the budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments;”*

After consultation of Euratom and the GB, the first use of this instalment tool allowed to sign without delays those contracts, originally foreseen on the budgets 2021 to 2023.

Four contracts were partially committed using instalments. Some of these these contracts are competitive frameworks, for which the information regarding the individual commitments would disclose commercially sensitive aspects and undermine the competition for the subsequent specific contracts, therefore F4E decided to only disclose the total amount (EUR) :

Contract	Contract amount	Instalment 2020	Balance 2021
Total	340 526 761.42	203 179 419.58	137 347 341.84

**Fig. 29 Contracts committed by instalments**

The balance between signed legal commitments and budgetary instalments committed in 2020, amounting to EUR 137 347 341.84 will be executed with the 2021 budget.

#### 8.5.1.4. Open Commitments at 31 December 2020

The F4E obligations amount to EUR 1 332.88 million at the closure of the 2020 budget, plus EUR 159.86 million of instalments to be committed on the budget 2021.

It shall be noted that there are no global commitments from the 2020 Budget to be carried over for implementation in individual commitments in 2021.

2020 budget Heading	Open Commitments at the beginning of 2021				
	from previous years (1)	from 2020 budget (2)	Total (3)=(1)+(2)	To be de-committed (4)	Net Total (5)=(3)-(4)
TITLE 1 - STAFF EXPENDITURE	0.00	974 226.68	974 226.68	0.00	974 226.68
TITLE 2 - OTHER OPERATING EXPEND.	366.56	2 561 210.73	2 561 577.29	366.56	2 561 210.73
<b>Total TITLE 1 &amp; 2</b>	<b>366.56</b>	<b>3 535 437.41</b>	<b>3 535 803.97</b>	<b>366.56</b>	<b>3 535 437.41</b>
B31 - ITER CONSTRUCTION INCLUDING ITER SITE PREPARATION	623 024 684.76	404 918 254.80	1 027 942 939.56	18 160.00	1 027 924 779.56
B32 - TECHNOLOGY FOR ITER	3 534 596.99	602 458.52	4 137 055.51		4 137 055.51
B33 - TECHNOLOGY FOR BROADER APPROACH AND DEMO	2 238 390.26	6 503 716.41	8 742 106.67		8 742 106.67
B34 - OTHER EXPENDITURE	5 414 256.57	12 703 867.54	18 118 124.11		18 118 124.11
B35 - ITER CONSTRUCTION - APPROPRIATIONS ACCRUING FROM THE HOST STATE CONTRIBUTION	184 034 573.71	61 856 276.29	245 890 850.00		245 890 850.00
B36 - APPROPRIATION ACCRUING FROM THIRD PARTIES TO SPECIFIC ITEM OF EXPENDITURE	13 518 287.97	11 010 881.52	24 529 169.49		24 529 169.49
<b>Total TITLE 3</b>	<b>831 764 790.26</b>	<b>497 595 455.08</b>	<b>1 329 360 245.34</b>	<b>18 160.00</b>	<b>1 329 342 085.34</b>
<b>Total</b>	<b>831 765 156.82</b>	<b>501 130 892.49</b>	<b>1 332 896 049.31</b>	<b>18 526.56</b>	<b>1 332 877 522.75</b>

Fig. 30 Open Commitments Carried Forward from 2020 to 2021

#### 8.5.1.5. 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.

The situation for unused appropriations at 31/12/2020 is as follows:

Operational Commitment Appropriations (EUR)		Budgets (B31-B34)	Assigned revenue (B35-B36)	Total
Under execution (since 2008)	+	660 956.56	16 706 923.35	17 367 879.91
De-commitments (since 2008)	+	766 863 426.39	199 025 547.90	965 888 974.29
Carry-over (since 2008)	-	551 436.18	16 706 923.35	17 258 359.53
Made available again (since 2008)	-	765 632 662.39	199 025 547.90	964 658 210.29
<b>Amount available for future budgets</b>	<b>=</b>	<b>1 340 284.38</b>	<b>0.00</b>	<b>1 340 284.38</b>

**Fig. 31 Status of Unused Commitment Appropriations**

From 2008 to 2020, the total of commitment appropriations made available again amounts to EUR 964.66 million.

F4E planned the re-use of all the canceled appropriations since 2008, achieving the objective for the full implementation of the allocated budget envelope for the period until 2020, envelope known as the EUR ‘6.6 billion’ in 2008 value.

The balance available corresponds to the de-commitments executed between October and December 2020, not included and approved in the budget.

### 8.5.2. 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.

## Evolution of the Statement of Expenditure in Payment Appropriations (EUR)

Heading of the 2020 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 from previous year (7)	Final Appropriations (8)=Σ(5 to 7)	On B2020 commitments (9)	On B2019 commitments (10)	Execution (11)=(9)+(10)	% (12) =(11)/(8)
<b>A1 STAFF EXPENDITURE</b>												
A11 STAFF EXPENDITURE IN THE ESTABLISHMENT PLAN	35 298 783.52			598 937.77	35 897 721.29			35 897 721.29	35 897 721.29		35 897 721.29	100.0%
A12 EXTERNAL STAFF EXPENDITURE (CONTRACT AGENTS, INTERIM STAFF AND NATIONAL EXPERTS)	11 588 500.00			-298 508.33	11 289 991.67		157 835.95	11 447 827.62	11 128 632.83	105 785.85	11 234 418.68	98.1%
A13 MISSIONS AND DUTY TRAVEL	460 000.00			-234 180.98	225 819.02		513 042.08	738 861.10	140 176.61	513 042.08	653 218.69	88.4%
A14 MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT AND TRANSFER	891 000.00			-198 090.25	692 909.75		70 173.88	763 083.63	661 394.81	44 786.94	706 181.75	92.5%
A15 REPRESENTATION	10 000.00			-9 500.00	500.00		2 027.82	2 527.82	440.00	491.84	931.84	36.9%
A16 TRAINING	676 000.00			-36 762.27	639 237.73		289 792.00	929 029.73	236 550.24	202 535.21	439 085.45	47.3%
A17 OTHER STAFF MANAGEMENT EXPENDITURE	2 863 000.00		641.41	-118 549.06	2 745 092.35	110 888.24	323 215.90	3 179 196.49	2 580 296.89	83 846.05	2 664 142.94	83.8%
A18 TRAINEESHIPS	220 000.00			60 000.00	280 000.00			280 000.00	262 720.70		262 720.70	93.8%
<b>TITLE A1 - Total</b>	<b>52 007 283.52</b>	<b>0.00</b>	<b>641.41</b>	<b>-236 653.12</b>	<b>51 771 271.81</b>	<b>110 888.24</b>	<b>1 356 087.63</b>	<b>53 238 247.68</b>	<b>50 907 933.37</b>	<b>950 487.97</b>	<b>51 858 421.34</b>	<b>97.4%</b>
<b>A2 BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE</b>												
A21 BUILDINGS AND ASSOCIATED COSTS	1 619 000.00	240.92		-194 167.32	1 425 073.60	1 090.55	511 989.68	1 938 153.83	1 022 223.44	461 723.29	1 483 946.73	76.6%
A22 INFORMATION AND COMMUNICATION TECHNOLOGIES	3 642 200.00			-32 583.93	3 609 616.07		1 709 854.32	5 319 470.39	2 206 944.98	1 607 492.09	3 814 437.07	71.7%
A23 MOVABLE PROPERTY AND ASSOCIATED COSTS	231 000.00			3 200.00	234 200.00		73 745.51	307 945.51	79 887.85	59 693.97	139 581.82	45.3%
A24 EVENTS and COMMUNICATION	331 000.00			-51 358.40	279 641.60		118 155.17	397 796.77	116 876.68	102 242.00	219 118.68	55.1%
A25 OUTSOURCING AND OTHER CURRENT EXPENDITURE	1 410 000.00			-214 086.38	1 195 913.62		364 938.73	1 560 852.35	985 435.83	214 338.86	1 199 774.69	76.9%
A26 POSTAGE AND TELECOMMUNICATIONS	358 000.00			90 200.00	448 200.00		145 507.81	593 707.81	278 092.92	102 985.52	381 078.44	64.2%
A27 EXPENDITURE ON FORMAL AND OTHER MEETINGS	347 500.00			-200 550.00	146 950.00		261 673.56	408 623.56	90 580.47	108 694.35	199 274.82	48.8%
A28 APPROPRIATION ACCRUING FROM THIRD PARTIES TO THE BUILDING REFURBISHMENT EXPENDITURE	p.m.	33 161.55			33 161.55			33 161.55			0.00	
<b>TITLE A2 - Total</b>	<b>7 938 700.00</b>	<b>33 402.47</b>	<b>0.00</b>	<b>-599 346.03</b>	<b>7 372 756.44</b>	<b>1 090.55</b>	<b>3 185 864.78</b>	<b>10 559 711.77</b>	<b>4 780 042.17</b>	<b>2 657 170.08</b>	<b>7 437 212.25</b>	<b>70.4%</b>
<b>TITLE 1 &amp; 2 - Total Administrative Expenditure</b>	<b>59 945 983.52</b>	<b>33 402.47</b>	<b>641.41</b>	<b>-835 999.15</b>	<b>59 144 028.25</b>	<b>111 978.79</b>	<b>4 541 952.41</b>	<b>63 797 959.45</b>	<b>55 687 975.54</b>	<b>3 607 658.05</b>	<b>59 295 633.59</b>	<b>92.9%</b>

Heading of the 2020 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 from previous year (7)	Final Appropriations (8)=Σ(5 to 7)	On B2020 commitments (9)	On B2019 commitments (10)		Execution (11)=(9)+(10)
<b>B3 OPERATIONAL EXPENDITURE</b>												
B31 ITER CONSTRUCTION INCLUDING THE ITER SITE PREPARATION	549 787 750.65	315 893.01	31 090.03	1 454 011.37	551 588 745.06	73 122.46	199 916.45	551 861 783.97			551 861 783.49	100.0%
B32 TECHNOLOGY FOR ITER	4 760 000.00	161 396.00		-3 297 893.17	1 623 502.83			1 623 502.83			1 623 502.83	100.0%
B33 TECHNOLOGY FOR BROADER APPROACH AND DEMO	10 200 000.00			6 138 816.21	16 338 816.21			16 338 816.21			16 338 816.21	100.0%
B34 OTHER EXPENDITURE	15 000 000.00			-3 458 935.26	11 541 064.74			11 541 064.74			11 541 064.74	100.0%
B35 ITER CONSTRUCTION - APPROPRIATION ACCRUING FROM THE ITER HOST STATE CONTRIBUTION	150 000 000.00				150 000 000.00			150 000 000.00			150 000 000.00	100.0%
B36 APPROPRIATION ACCRUING FROM THIRD PARTIES TO SPECIFIC ITEM OF EXPENDITURE	p.m.	13 700.00	4 561 749.25		4 575 449.25	88 025.48	16 632 282.09	21 295 756.82			9 685 610.02	45.5%
<b>TITLE 3 - Total Operational Expenditure</b>	<b>729 747 750.65</b>	<b>490 989.01</b>	<b>4 592 839.28</b>	<b>835 999.15</b>	<b>735 667 578.09</b>	<b>161 147.94</b>	<b>16 832 198.54</b>	<b>752 660 924.57</b>			<b>741 050 777.29</b>	<b>98.5%</b>
<b>Total BUDGET in Payment appropriations</b>	<b>789 693 734.17</b>	<b>524 391.48</b>	<b>4 593 480.69</b>	<b>0.00</b>	<b>794 811 606.34</b>	<b>273 126.73</b>	<b>21 374 150.95</b>	<b>816 458 884.02</b>			<b>800 346 410.88</b>	<b>98.0%</b>

Fig. 32 Evolution of the Operational Expenditure in Payment Appropriations

### 8.5.2.1. 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 2020 budget are described in section 8.5.1.1;
- The statement of expenditure in payment appropriations includes the carryover of appropriations corresponding to administrative contracts committed but not yet paid at the end of the previous year. This carry-over to the 2020 Budget amounted to EUR 4 541 384.95<sup>11</sup>;
- The amounts from the current budget committed but not paid at the end of the year are automatically carried over and entered in the statement of expenditure of the following year.

### 8.5.2.2. Operational Expenditure in payments

Compared to the original budget, there were no extraordinary additional needs or excesses in payment appropriations beyond the evolution of revenue for the miscellaneous revenue and the calls for tasks requested by the IO.

### 8.5.2.3. Implementation of the budget in payment

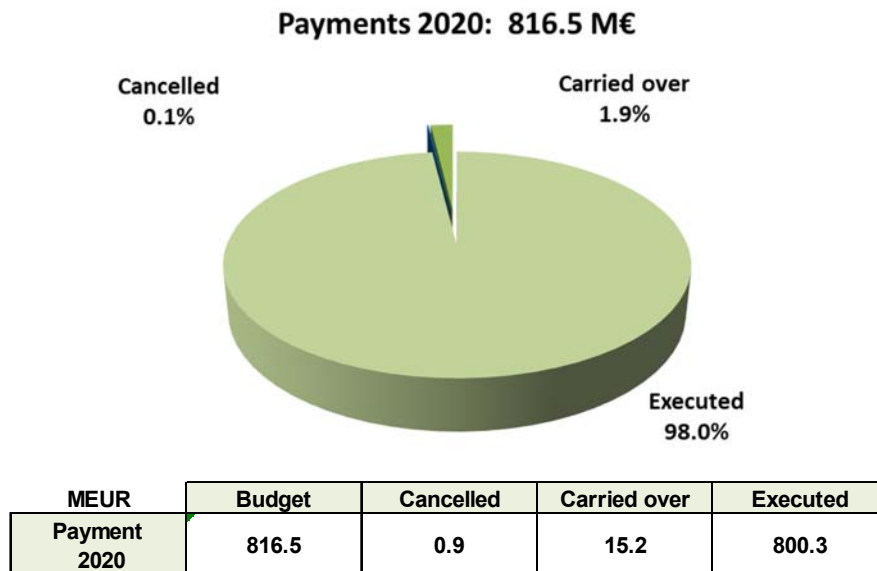


Fig. 33 Final Implementation in PA

<sup>11</sup> An additional amount of EUR 567.47 of additional revenue was carried-over on the 2020 budget too.

98.0% of the available budget has been implemented, and in particular 100% of the operational budget received from Euratom, France and F4E members.

The non-execution is:

- EUR 11 610 146.80 for the set of tasks requested and financed by the IO, carried over to the 2021 Budget according to the rules for assigned revenue;
- EUR 46 150.04 for the administrative expenditure from additional revenue, equally carried over to the 2021 budget;
- EUR 3 522 448.92 for administrative expenditure from the budget 2020, corresponding to committed expenditure, not yet paid. This amount is carried over the budget 2021 according to the rules for non-differentiated appropriations;
- EUR 933 726.90 for unused administrative appropriations from the 2019 budget and EUR 0.48 not used on operational budget, cancelled.

#### 8.5.2.4. Cancelled Payment Appropriations

2020 budget Heading	Unused Appropriations (1)	Carry over to 2021 (2)	(EUR)
			Cancelled appropriation (3)=(1)-(2)
<b>TITLE 1</b>	<b>1 379 826.34</b>	<b>974 226.68</b>	<b>405 599.66</b>
<b>TITLE 2</b>	<b>3 122 499.52</b>	<b>2 594 372.28</b>	<b>528 127.24</b>
<b>Total TITLE 1 &amp; 2 Payment</b>	<b>4 502 325.86</b>	<b>3 568 598.96</b>	<b>933 726.90</b>
<b>B31 - ITER CONSTRUCTION INCLUDING ITER SITE PREPARATION</b>	<b>0.48</b>	<b>0.00</b>	<b>0.48</b>
<b>B32 - TECHNOLOGY FOR ITER</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>B33 - TECHNOLOGY FOR BROADER APPROACH AND DEMO</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>B34 - OTHER EXPENDITURE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>B35 - ITER CONSTRUCTION - APPROPRIATIONS ACCRUING FROM THE HOST STATE CONTRIBUTION</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>B36 - APPROPRIATION ACCRUING FROM THIRD PARTIES TO SPECIFIC ITEM OF EXPENDITURE</b>	<b>11 610 146.80</b>	<b>11 610 146.80</b>	<b>0.00</b>
<b>TITLE 3 - Payment</b>	<b>11 610 147.28</b>	<b>11 610 146.80</b>	<b>0.48</b>
<b>Total BUDGET in Payment</b>	<b>16 112 473.14</b>	<b>15 178 745.76</b>	<b>933 727.38</b>

**Fig. 34 Cancelled Payment Appropriations**

The payment appropriations not used by the 31/12/2020 are cancelled except the amount automatically carried over for non-differentiated appropriations (Title 1 and Title 2) and assigned revenue (B35 and B36), according to the respective rules in the F4E FR.

### 8.5.3. Additional Information on the Final Implementation 2019

#### 8.5.3.1. Final Implementation of the Administrative Expenditure 2019

The definitive execution of the administrative budget 2019 is determined at the end of 2020, 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.

The final execution of the 2019 administrative budget is therefore as follows:

(EUR)	Title 1	Title 2	Total
<b>Final 2019 Administrative Budget</b>	<b>49 664 318.09</b>	<b>6 965 795.78</b>	<b>56 630 113.87</b>

**Fig. 35 Final Implementation of the Administrative Expenditure 2019**

#### 8.5.3.2. Global Commitments from 2019

No global commitments were left open at the end of 2019 for execution in 2020, but a very small balance (EUR 2 225.00) was de-committed in 2020.

### 8.6. Tasks financed by the ITER Organization

The tasks requested and financed by the IO correspond to the RF and UB.

According to the Terms of Reference of the ITER Reserve Fund<sup>12</sup> and to the ITER Reserve Fund Management Plan<sup>13</sup>, the requests for changes (PCR) introduced by the IO shall be financed from the ITER RF, subject to:

- The authorisation for financing from the RF given by the Director General of ITER Organization (IO-DG), implemented through the decisions of the Executive Project Board (EPB);
- The approval of the related contractual amendment, also given by the IO-DG.

The assigned revenue from the ITER UB covers the cost incurred by F4E on specific requests of the IO-DG, mainly for resolution of cases of non-conformities (NCR) and for Direct Implementation (DI) in the best interest of the project<sup>14</sup>.

Due to the complex characteristics of the changes requested by IO and their frequent instability, there was during 2020 many changes in the scope and agreed cost on past-approved PCR's.

<sup>12</sup> Approved by ITER Council on 17 July 2017

<sup>13</sup> ICS/2015/OUT/0071(RML3XE)

<sup>14</sup> IC-23/10.2 (MAC-26/05.2) Proposal for ITER- Organization Non-Conformity Resolution Mechanism and Process



The table “Obligations from the RF and UB” reflects the re-adjustments of budget allocation (called “2020 adjustments”) which gather year 2020 modifications affecting changes included in past exercises.

These modifications are due to the fact that most of changes approved in past exercises are still open and some of them may have been cancelled, the approved amounts may have been modified or the financing source (RF, UB) has been changed.

In order to maintain the consistency with past reports, the original amount has been kept and the variations to the original value have been included in those additional lines mentioned above.

The following revenue in commitment appropriations were opened since 2015 according to the procedures above for the RF and UB:

IO Reserve Fund (RF) and Undistributed Budget (UB)	2015	2016	2017	2018	2019	2020	Total
<b>Contribution to the RF through payment of the in-cash contribution</b>							(EUR)
RESERVE FUND IN							
IO Budget (paid with cash contribution)	21 479 595.00	34 231 380.00	34 095 000.00	13 665 276.00	23 002 198.57	9 851 302.01	136 324 751.58
Note: Those amounts are booked on specific GL 60010020 to trace the total contribution to the IO Reserve Fund.							
<b>Obligations from the RF and UB</b>							(EUR)
RESERVE FUND ( EPB Decisison)	47 103 414.76	14 322 477.63	39 376 251.35	12 716 290.29	15 126 241.27	3 995 793.07	132 640 468.37
PCR	47 103 414.76	12 933 863.30	39 281 090.98	13 454 203.74	9 162 150.23	3 663 236.22	125 597 959.23
2020 ADJUSTMENTS corresponding to past changes		475 282.70		-1 871 523.98	4 660 958.83		3 264 717.55
Dis, NCS AND OTHERS		913 331.63	145 703.52	202 855.52		332 556.85	1 594 447.52
2020 ADJUSTMENTS corresponding to past changes			-50 543.15	930 755.01	1 303 132.21		2 183 344.07
UNDISTRIBUTED BUDGET	0.00	518 107.70	126 360.49	3 495 856.62	4 019 810.85	848 334.46	9 008 470.12
PCR				1 782 075.00	5 121 822.81		6 903 897.81
2020 ADJUSTMENTS corresponding to past changes				1 039 159.98	-4 532 957.69		-3 493 797.71
Dis, NCS AND OTHERS		518 107.70	546 370.49	685 162.65	2 793 346.87	848 334.46	5 391 322.17
2020 ADJUSTMENTS corresponding to past changes			-420 010.00	-10 541.01	637 598.86		207 047.85
SOURCE OF FINANCING PENDING TO BE DECIDED BY IO	0.00	0.00	0.00	0.00	22 213.00	708 636.75	730 849.75
PCR							0.00
2020 ADJUSTMENTS corresponding to past changes							0.00
Dis, NCS AND OTHERS					22 213.00	708 636.75	730 849.75
2020 ADJUSTMENTS corresponding to past changes							0.00
<b>Total IO obligations</b>	<b>47 103 414.76</b>	<b>14 840 585.33</b>	<b>39 502 611.84</b>	<b>16 212 146.91</b>	<b>19 168 265.12</b>	<b>5 552 764.28</b>	<b>142 379 788.24</b>
<b>Obligations, in cumulative value</b>							
RESERVE FUND	47 103 414.76	61 425 892.39	100 802 143.74	113 518 434.03	128 644 675.30	132 640 468.37	
UNDISTRIBUTED BUDGET	0.00	518 107.70	644 468.19	4 140 324.81	8 160 135.66	9 008 470.12	
SOURCE OF FINANCING TO BE DECIDED BY IO	0.00	0.00	0.00	0.00	22 213.00	730 849.75	
<b>Total IO obligations</b>	<b>47 103 414.76</b>	<b>61 944 000.09</b>	<b>101 446 611.93</b>	<b>117 658 758.84</b>	<b>136 827 023.96</b>	<b>142 379 788.24</b>	
<b>Commitment appropriations from the RF and UB</b>							
<b>RF / CONTRACT APPROVAL</b>	<b>1 301 314.76</b>	<b>14 983 791.90</b>	<b>714 815.39</b>	<b>13 346 994.26</b>	<b>3 315 032.51</b>	<b>9 201 190.14</b>	<b>42 863 138.96</b>
Commitments	1 301 314.76	14 983 791.90	714 815.39	12 646 429.26	3 315 032.51	9 201 190.14	42 162 573.96
2020 ADJUSTMENTS				700 565.00			700 565.00
<b>UB / CONTRACT APPROVAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>300 000.00</b>	<b>9 579 682.57</b>	<b>995 370.81</b>	<b>10 875 053.38</b>
Commitment appropriations on budget chapter 36				1 000 565.00	9 579 682.57	995 370.81	11 575 618.38
2020 ADJUSTMENTS				-700 565.00			-700 565.00
<b>Total Commitment appropriations received from IO</b>	<b>1 301 314.76</b>	<b>14 983 791.90</b>	<b>714 815.39</b>	<b>13 646 994.26</b>	<b>12 894 715.08</b>	<b>10 196 560.95</b>	<b>53 738 192.34</b>
<b>Budgetary Execution of the RF and UB</b>							
<b>COMMITMENTS</b>	<b>1 077 591.26</b>	<b>13 421 875.98</b>	<b>1 052 652.34</b>	<b>3 511 792.34</b>	<b>20 661 015.41</b>	<b>13 726 368.69</b>	<b>53 451 296.02</b>
Commitments	1 301 314.76	14 248 373.45	1 052 652.34	3 511 792.34	22 870 710.91	13 726 368.69	56 711 212.49
De-commitments	-223 723.50	-826 497.47	0.00		-2 209 695.50		-3 259 916.47
<b>Total available appropriaions</b>	<b>1 301 314.76</b>	<b>15 207 515.40</b>	<b>2 500 454.81</b>	<b>15 094 796.73</b>	<b>24 477 719.47</b>	<b>14 013 265.01</b>	<b>99.47%</b>
<b>% implementation</b>	<b>82.81%</b>	<b>88.26%</b>	<b>42.10%</b>	<b>23.26%</b>	<b>84.41%</b>	<b>97.95%</b>	<b>99.47%</b>
<b>Payment appropriations from the RF and UB</b>							
Launched recovery orders	0.00	4 120 733.99	11 184 575.01	13 148 645.00	11 976 593.85	295 734.46	40 726 282.31
Opening in Payment on B036 (cashed)	0.00	4 120 733.99	11 184 575.01	13 148 645.00	7 414 844.60	4 663 474.73	40 532 273.33
Total available payment appropriaions (current + carry over)	0.00	4 120 733.99	15 305 309.00	23 782 974.27	21 726 369.94	21 295 756.82	
<b>PAYMENTS TO SUPPLIERS</b>	<b>0.00</b>	<b>0.00</b>	<b>4 670 979.73</b>	<b>9 471 448.93</b>	<b>5 094 087.85</b>	<b>9 685 610.02</b>	<b>28 922 126.53</b>
Carry over	0.00	4 120 733.99	10 634 329.27	14 311 525.34	16 632 282.09	11 610 146.80	
<b>% implementation (payments /available payment appropriations)</b>	<b>0.00%</b>	<b>0.00%</b>	<b>30.52%</b>	<b>39.82%</b>	<b>23.45%</b>	<b>45.48%</b>	<b>71.36%</b>

Fig. 36 Obligations from Reserve Fund and Undistributed Budget

## 8.7. Budget Outturn Account 2020

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.

<b>Budget Outturn Account</b>		<b>2020</b>	<b>2019</b>
<b>REVENUE</b>			
Euratom contribution	+	633 593 734.17	569 253 760.63
ITER Host state contributions	+	150 000 000.00	145 000 000.00
Membership contributions	+	6 311 400.00	5 512 600.00
ITER Organization	+	4 663 474.73	7 414 844.60
Other revenue	+	727 524.17	1 604 231.14
Other non budgeted revenue	+	0.00	11 250.00
<b>TOTAL REVENUE (a)</b>		<b>795 296 133.07</b>	<b>728 796 686.37</b>
<b>EXPENDITURE</b>			
<i>Title I: Staff</i>			
Payments	-	50 907 933.37	48 713 830.12
Appropriations carried over	-	974 226.68	1 356 087.63
<i>Title II: Infrastructure Expenditure</i>			
Payments	-	4 780 042.17	4 308 625.70
Appropriations carried over	-	2 594 372.28	3 185 864.78
<i>Title III: Operational Expenditure</i>			
Payments	-	741 050 777.29	681 329 294.64
Appropriations carried over	-	11 610 146.80	16 832 198.54
<i>Total Payments (b)</i>		<i>796 738 752.83</i>	<i>734 351 750.46</i>
<i>Total Appropriations carried over (c)</i>		<i>15 178 745.76</i>	<i>21 374 150.95</i>
<b>TOTAL EXPENDITURE (d)=(b)+(c)</b>		<b>811 917 498.59</b>	<b>755 725 901.41</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-d)</b>		<b>-16 621 365.52</b>	<b>-26 929 215.04</b>
Cancellation of unused payment appropriations carried over from previous year	+	933 726.90	910 116.73
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	16 832 766.00	26 853 065.07
Exchange differences for the year (gain +/loss -)	+/-	-1 305.53	-9 792.63
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>		<b>1 143 821.85</b>	<b>824 174.13</b>
<b>Of which Administrative expenditure</b>		<b>1 008 571.34</b>	<b>900 324.10</b>
<b>Of which Operational expenditure</b>		<b>135 250.51</b>	<b>-76 149.97</b>

Fig. 37 Budget Outturn 2020

For the 2020 financial year, the balance of the budget outturn amounts to EUR 1 143 821.85.

The breakdown between administrative and operational expenditure for the outturn 2020 includes the correction of the negative operational outturn 2019.

## 8.8. Annexes

### 8.8.1. 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	
<= 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	703 045.18
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	1 824 880.64
2011	370 662 303.45	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	7 477 040.73
2012	1 097 778 809.24	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	109 181 783.20
2013	814 514 409.13	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	135 654 099.79
2014	575 524 761.43	-	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	100 277 672.41
2015	366 862 276.25	-	-	46 616 552.99	123 149 761.09	50 541 171.89	57 643 284.14	39 324 580.84	6 428 325.64	43 158 599.66
2016	412 158 853.33	-	-	-	58 687 305.83	229 014 259.88	59 591 457.06	55 272 443.55	3 525 294.43	6 068 092.58
2017	484 222 376.02	-	-	-	-	119 010 491.88	168 993 842.63	65 041 867.40	79 991 985.33	51 184 188.78
2018	626 809 459.45	-	-	-	-	-	254 664 005.74	158 238 420.21	63 029 881.57	150 877 151.93
2019	664 074 975.15	-	-	-	-	-	-	267 773 299.20	170 961 600.39	225 340 075.56
2020	826 125 606.55	-	-	-	-	-	-	-	328 530 151.47	497 595 455.08
<b>Total</b>	<b>7 201 873 750.75</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>1 329 342 085.54</b>

Fig. 38 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, 1 084 commitment positions are open in ABAC on the 31/12/20.
  - Indicatively, the cumulative operational expenses at 31/12/20, are estimated to EUR 5 580.19 million in current value.

Estimate cumulative expense at 31/12/20 (MEUR - current value)	
Cumulative Payments	5 872 531 665.21
Open Pre-financing	-163 047 596.36
Accruals	84 480 584.28
Deferrals	-213 777 348.38
<b>Cumulative Expenses</b>	<b>5 580 187 304.75</b>

Fig. 39 Cumulative operational expenses

## 8.8.2. Reconciliation Between Budgetary and Accrual Based Accounts

	sign +/-	Amount (EUR)
<b>Economic result (+ for surplus and - for deficit)</b>	<b>+/-</b>	<b>100 831 512.20</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)	+/-	95 737 200.67
Adjustments for Accrual Cut-off (cut- off 31.12.N )	+/-	-135 314 894.85
Unpaid invoices at year end but booked in charges (class 6)	+	83 248 909.98
Depreciation of intangible and tangible assets	+	666 614.78
Provisions (impact of the year)	+/-	-68 214 467.53
Recovery Orders issued in 2020 in class 7 and not yet cashed	-	-200 331.45
Prefinancing given in previous year and cleared in the year	+	39 093 118.13
Prefinancing received in previous year and cleared in the year	-	0.00
Payments made from carry over of payment appropriations	+	3 607 658.05
Other : Correction invoices related to assets booked as expenses	+/-	73 766.77
<i>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</i>		
Asset acquisitions (less unpaid amounts)	-	-397 491.74
New pre-financing paid in the year 2020 and remaining open as at 31.12.2020	-	-65 376 220.47
New pre-financing received in the year 2020 and remaining open as at 31.12.2020	+	1 143 821.85
Budgetary recovery orders issued before 2020 and cashed in the year	+	5 034 786.28
Budgetary recovery orders issued in 2020 on balance sheet accounts (not 7 or 6 accounts) and cashed	+	155 369.72
Payment appropriations carried over to 2021	-	-15 178 745.76
Cancellation of unused carried over payment appropriations from previous year	+	933 726.90
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	16 832 766.00
Other : Invoices paid in 2020 but booked in charges in previous years	+/-	-61 533 233.23
<b>total</b>		<b>1 143 866.30</b>
<b>Budgetary result (+ for surplus)</b>	<b>+/-</b>	<b>1 143 821.85</b>
Including amount of exchange rate differences		-1 305.53
Delta not explained		44.45

Fig. 40 Reconciliation between budgetary and accrual based accounts

**8.8.3. 2020 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)
A-1100	STAFF EXPENDITURE IN THE ESTABLISHMENT PLAN	C1	35 897 721.29	35 897 721.29	100.00%	35 897 721.29	35 897 721.29	100.00%
A-1200	EXTERNAL STAFF EXPENDITURE (CA, SNE, INTERIM STAFF)	C1	11 289 991.67	11 289 991.67	100.00%	11 289 991.67	11 128 632.83	98.57%
A-1300	MISSIONS AND DUTY TRAVEL	C1	225 819.02	225 819.02	100.00%	225 819.02	140 176.61	62.07%
A-1400	MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT	C1	692 909.75	692 909.75	100.00%	692 909.75	661 394.81	95.45%
A-1500	REPRESENTATION	C1	500.00	500.00	100.00%	500.00	440.00	88.00%
A-1600	TRAINING	C1	639 237.73	639 237.73	100.00%	639 237.73	236 550.24	37.01%
A-1700	OTHER STAFF MANAGEMENT EXPENDITURE	C1	2 744 450.94	2 744 450.94	100.00%	2 744 450.94	2 481 755.73	90.43%
A-1800	TRAINEESHIPS	C1	280 000.00	280 000.00	100.00%	280 000.00	262 720.70	93.83%
<b>Total Title 1</b>			<b>51 770 630.40</b>	<b>51 770 630.40</b>	<b>100.00%</b>	<b>51 770 630.40</b>	<b>50 809 392.21</b>	<b>98.14%</b>
A-2100	BUILDINGS AND ASSOCIATED COSTS	C1	1 424 832.68	1 424 832.68	100.00%	1 424 832.68	1 020 891.97	71.65%
A-2200	INFORMATION AND COMMUNICATION TECHNOLOGIES	C1	3 609 616.07	3 609 616.07	100.00%	3 609 616.07	2 206 944.98	61.14%
A-2300	MOVABLE PROPERTY AND ASSOCIATED COSTS	C1	234 200.00	234 200.00	100.00%	234 200.00	79 887.85	34.11%
A-2400	EVENTS and COMMUNICATION	C1	279 641.60	279 641.60	100.00%	279 641.60	116 876.68	41.80%
A-2500	OUTSOURCING AND OTHER CURRENT EXPENDITURE	C1	1 195 913.62	1 195 913.62	100.00%	1 195 913.62	984 868.37	82.35%
A-2600	POSTAGE AND TELECOMMUNICATIONS	C1	448 200.00	448 200.00	100.00%	448 200.00	278 092.92	62.05%
A-2700	EXPENDITURE ON FORMAL AND OTHER MEETINGS	C1	146 950.00	146 950.00	100.00%	146 950.00	90 580.47	61.64%
<b>Total Title 2</b>			<b>7 339 353.97</b>	<b>7 339 353.97</b>	<b>100.00%</b>	<b>7 339 353.97</b>	<b>4 778 143.24</b>	<b>65.10%</b>

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

(cont'd)

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)
B3-100	ITER CONSTRUCTION - INCL. SITE PREPARATION	C1	690 650 950.03	690 650 950.03	100.00%	551 386 175.87	551 386 175.39	100.00%
B3-200	TECHNOLOGY FOR ITER	C1	638 738.40	638 738.40	100.00%	1 462 106.83	1 462 106.83	100.00%
B3-300	TECHNOLOGY FOR BROADER APPROACH AND DEMO	C1	19 469 854.67	19 469 854.67	100.00%	16 338 816.21	16 338 816.21	100.00%
B3-400	OTHER EXPENDITURE	C1	17 939 057.11	17 939 057.11	100.00%	11 541 064.74	11 541 064.74	100.00%
<b>Total Title 3</b>			<b>728 698 600.21</b>	<b>728 698 600.21</b>	<b>100.00%</b>	<b>580 728 163.65</b>	<b>580 728 163.17</b>	<b>100.00%</b>
<b>Total C1</b>			<b>787 808 584.58</b>	<b>787 808 584.58</b>	<b>100.00%</b>	<b>639 838 148.02</b>	<b>636 315 698.62</b>	<b>99.45%</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)
A01700	OTHER STAFF MANAGEMENT EXPENDITURE	C4	111 529.65	111 529.65	100.00%	111 529.65	98 541.16	0.00%
<b>Total Title 1</b>			<b>111 529.65</b>	<b>111 529.65</b>	<b>100.00%</b>	<b>111 529.65</b>	<b>98 541.16</b>	<b>88.35%</b>
A-2100	BUILDINGS AND ASSOCIATED COSTS	C4	1 331.47	1 331.47	100.00%	1 331.47	1 331.47	0.00%
<b>Total Title 2</b>			<b>1 331.47</b>	<b>1 331.47</b>	<b>100.00%</b>	<b>1 331.47</b>	<b>1 331.47</b>	<b>100.00%</b>
B3-100	ITER CONSTRUCTION - INCL. SITE PREPARATION	C4	275 691.65	275 691.65	100.00%	275 691.65	275 691.65	0.00%
B3-200	TECHNOLOGY FOR ITER	C4	161 396.00	161 396.00	100.00%	161 396.00	161 396.00	0.00%
<b>Total Title 3</b>			<b>437 087.65</b>	<b>437 087.65</b>	<b>100.00%</b>	<b>437 087.65</b>	<b>437 087.65</b>	<b>100.00%</b>
<b>Total C4</b>			<b>549 948.77</b>	<b>549 948.77</b>	<b>100.00%</b>	<b>549 948.77</b>	<b>536 960.28</b>	<b>97.64%</b>

**Fund Source: C5 - Carried-over 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)
A-2500	OUTSOURCING AND OTHER CURRENT EXPENDITURE	C5	567.46	567.46	100.00%	567.46	567.46	100.00%
<b>Total Title 2</b>			<b>567.46</b>	<b>567.46</b>	<b>100.00%</b>	<b>567.46</b>	<b>567.46</b>	<b>100.00%</b>
B03100	ITER CONSTRUCTION - INCL. SITE PREPARATION	C5	199 916.45	199 916.45	100.00%	199 916.45	199 916.45	100.00%
<b>Total Title 3</b>			<b>199 916.45</b>	<b>199 916.45</b>	<b>100.00%</b>	<b>199 916.45</b>	<b>199 916.45</b>	<b>100.00%</b>
<b>Total C5</b>			<b>200 483.91</b>	<b>200 483.91</b>	<b>100.00%</b>	<b>200 483.91</b>	<b>200 483.91</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)
A-1200	EXTERNAL STAFF EXPENDITURE (CA, SNE, INTERIM STAFF)	C8	157 835.95	105 785.85	67.02%	157 835.95	105 785.85	67.02%
A-1300	MISSIONS AND DUTY TRAVEL	C8	513 042.08	513 042.08	100.00%	513 042.08	513 042.08	100.00%
A-1400	MISCELLANEOUS EXPENDITURE ON STAFF RECRUITMENT	C8	70 173.88	44 786.94	63.82%	70 173.88	44 786.94	63.82%
A-1500	REPRESENTATION	C8	2 027.82	491.84	24.25%	2 027.82	491.84	24.25%
A-1600	TRAINING	C8	289 792.00	202 535.21	69.89%	289 792.00	202 535.21	69.89%
A-1700	OTHER STAFF MANAGEMENT EXPENDITURE	C8	323 215.90	83 846.05	25.94%	323 215.90	83 846.05	25.94%
<b>Total Title 1</b>			<b>1 356 087.63</b>	<b>950 487.97</b>	<b>70.09%</b>	<b>1 356 087.63</b>	<b>950 487.97</b>	<b>70.09%</b>
A-2100	BUILDINGS AND ASSOCIATED COSTS	C8	511 989.68	461 723.29	90.18%	511 989.68	461 723.29	90.18%
A-2200	INFORMATION AND COMMUNICATION TECHNOLOGIES	C8	1 709 854.32	1 607 858.65	94.03%	1 709 854.32	1 607 492.09	94.01%
A-2300	MOVABLE PROPERTY AND ASSOCIATED COSTS	C8	73 745.51	59 693.97	80.95%	73 745.51	59 693.97	80.95%
A-2400	EVENTS and COMMUNICATION	C8	118 155.17	102 242.00	86.53%	118 155.17	102 242.00	86.53%
A-2500	OUTSOURCING AND OTHER CURRENT EXPENDITURE	C8	364 371.27	214 338.86	58.82%	364 371.27	214 338.86	58.82%
A-2600	POSTAGE AND TELECOMMUNICATIONS	C8	145 507.81	102 985.52	70.78%	145 507.81	102 985.52	70.78%
A-2700	EXPENDITURE ON FORMAL AND OTHER MEETINGS	C8	261 673.56	108 694.35	41.54%	261 673.56	108 694.35	41.54%
<b>Total Title 2</b>			<b>3 185 297.32</b>	<b>2 657 536.64</b>	<b>83.43%</b>	<b>3 185 297.32</b>	<b>2 657 170.08</b>	<b>83.42%</b>

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

(cont'd)

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)
B3-100	ITER CONSTRUCTION - INCL. SITE PREPARATION	C8	902 246 791.83	888 678 164.92	98.50%	Payment appropriations under C1 Fund source		
B3-200	TECHNOLOGY FOR ITER	C8	6 374 617.67	4 960 423.94	77.82%			
B3-300	TECHNOLOGY FOR BROADER APPROACH AND DEMO	C8	7 041 790.35	5 611 068.21	79.68%			
B3-400	OTHER EXPENDITURE	C8	12 615 648.79	11 720 131.74	92.90%			
<b>Total Title 3</b>			<b>928 278 848.64</b>	<b>910 969 788.81</b>	<b>98.14%</b>			
<b>Total C8</b>			<b>932 820 233.59</b>	<b>914 577 813.42</b>	<b>98.04%</b>	<b>4 541 384.95</b>	<b>3 607 658.05</b>	<b>79.44%</b>

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

No appropriations under the Fund Source C9

**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)
A-2800	APPROPRIATION ACCRUING FROM THIRD PARTIES TO THE BUILDING REFURBISHMENT EXPENDITURE	R0	33 161.55		0.00%	33 161.55		0.00%
<b>Total Title 2</b>			<b>33 161.55</b>	<b>0.00</b>	<b>0.00%</b>	<b>33 161.55</b>	<b>0.00</b>	<b>0.00%</b>
B3-500	ITER CONSTRUCTION - APPROPRIATION ACCRUING FROM THE ITER HOST STATE CONTRIBUTION	R0	395 890 850.00	395 890 850.00	100.00%	150 000 000.00	150 000 000.00	100.00%
B3-600	APPROPRIATION ACCRUING FROM THIRD PARTIES TO SPECIFIC ITEM OF EXPENDITURE	R0	34 501 667.31	34 214 779.51	99.17%	21 295 756.82	9 685 610.02	45.48%
<b>Total Title 3</b>			<b>430 392 517.31</b>	<b>430 105 629.51</b>	<b>99.93%</b>	<b>171 295 756.82</b>	<b>159 685 610.02</b>	<b>93.22%</b>
<b>Total R0</b>			<b>430 425 678.86</b>	<b>430 105 629.51</b>	<b>99.93%</b>	<b>171 328 918.37</b>	<b>159 685 610.02</b>	<b>93.20%</b>

Fig. 41 Budget Implementation – Details by Fund Source

## 8.8.4. 2020 Establishment Plan

Function group and grade	Budget 2020			
	Authorised under the EU Budget		Actually filled as of 31/12/2020	
	Permanent posts	Temporary posts	Permanent posts	Temporary posts
AD 16				
AD 15		1		1
AD 14	5	3	2	
AD 13	14	9	7	6
AD 12	15	21	10	15
AD 11	2	27	5	19
AD 10		31		30
AD 9		41	10	60
AD 8	1	33	1	24
AD 7	2	21		20
AD 6	1	16	1	20
AD 5				
<b>AD TOTAL</b>	<b>40</b>	<b>203</b>	<b>36</b>	<b>195</b>
AST 11	5		1	
AST 10	1		1	
AST 9	4		2	
AST 8	1	2	2	
AST 7		4	1	2
AST 6		9	-	9
AST 5		9	3	7
AST 4		2	2	6
AST 3			1	7
AST 2				
AST 1				
<b>AST TOTAL</b>	<b>11</b>	<b>26</b>	<b>13</b>	<b>31</b>
<b>AST/SC TOTAL</b>				
<b>TOTAL</b>	<b>51</b>	<b>229</b>	<b>49</b>	<b>226</b>
<b>GRAND TOTAL</b>	<b>280</b>		<b>275</b>	

Fig. 42 Budget 2020 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 within one year of the balance sheet date
<b>DI</b>	Direct implementation for task requested by IO
<b>EC</b>	European Commission
<b>EPB</b>	Executive Project Board
<b>EU</b>	European Union
<b>External assigned revenues</b>	Funds received from sources other than the European Commission for specific purpose
<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>Instalment</b>	Breakdown of a budgetary commitment on multiple budget years, for multi-annual contracts.
<b>Internal assigned revenues</b>	Funds received for specific assigned operations and activities from amounts recovered
<b>IO</b>	ITER Organization
<b>Liability</b>	A financial obligation, debt, claim, payable or potential loss

<b>NCR</b>	Non Conformity Resolution -Tasks requested by IO
<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