



Europe's ITER Budget Deal Falls Through, Threatening Fusion Project

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A plan to cover a budget shortfall for the ITER fusion reactor project in France appears to have fallen apart just 2 weeks before the end-of-year budget deadline. The plan was to use €1.4 billion in unused 2010 budget funds to fill a gap in 2012-13 caused by the project's ballooning costs. But that money will now be returned to European Union member governments.

The ITER rescue plan fell victim to a dispute over the European Unions's overall 2011 budget between the directly elected European Parliament and governments of its 27 member states. The parliament had originally wanted to increase the 2011 budget by 6.2%, but individual governments pushed successfully to have it scaled back to 2.9%. In return, however, the legislators wanted more involvement in setting the union's next long-term budget, which will run from 2014. They also wanted the European Union to be able to raise its own funds independently of member states, such as via a directly levied tax. Those demands caused negotiations to break down in November, forcing the European Commission, the E.U.'s executive agency, back to the drawing board.

Contained in that budget plan was the provision to cover ITER's funding hole. The projected cost of ITER, a global project supported by China, the European Union, India, Japan, Korea, Russia, and the United States, has more than doubled in the past few years. After the seven partners <u>signed off</u> on the final design, schedule, and budget for the project in July, the European Union found that it was short by €1.4 billion for 2012 and 2013. The <u>plan</u> was to raid unspent 2010 money earmarked for research and agricultural subsidies.

In the negotiations over the commission's new budget proposal that ended yesterday, the parliament and governments agreed on the budget as a whole but failed to reach agreement on ITER funding. According to the commission's research spokesperson Mark English, €570 million will now be returned to member governments and lost to ITER. Another €330 million, not currently earmarked for ITER, will be carried over and conceivably could be used to support the project. It's not clear what will happen to the remaining €500 million.

"It is important to remember that ITER's additional financing needs must be met only in 2012, 2013," says English. "So there is still time to find a comprehensive solution. Having said that, it is undeniable that this is a lost opportunity."





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