



News

Japan rejects EU ITER deal

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An offer from the EU for Japan to drop its bid to become the home of the international thermonuclear experimental reactor (ITER) project has been rejected. The European Union offer, said to closely mirror a similar Japanese offer made last year, was rejected over preferential issuance of orders to Japanese companies. Japan had previously proposed to issue about \$Y57 billion (euro 422 million) worth of orders to EU companies and to fund around half the costs of constructing research facilities in the EU. However, the EU's proposal called for contract orders to be issued through a joint venture between the two players, a structure that would leave the Japanese limited authority to issue orders to Japanese firms and a distinct difference between the two proposals.

Japan and the EU have both been vying to lead the project for some time, and more talks are to be held later this year. The joint project between Japan, the EU, the US, Russia, China and South Korea will see the development of reactor over a 10 year period with a total 30-year budget of \$Y1.3 trillion (euro 9.6 billion).

Japan, backed by the US and South Korea, wants the reactor in the Japanese village of Rokkasho. The EU, supported by Russia and China proposes the French town of Cadarache for the development. Meanwhile, the Russian contingent has suggested a two-centre project which would benefit all participants in the project.

In a related development, South Korea has announced a budget of \$27.8 million this year for a new fusion research facility to be known as the Korea Superconducting Tokamak Advanced Research (KSTAR). The facility is being built in Daejeon, 164 km south of Seoul, for a total of won 309 billion (euro 231 million) Work is expected to be complete by August 2008 and will see South Korea shed its mantle as the only nation out of the alliance players without a nuclear fusion research facility.