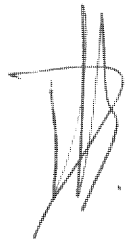
Final Report of Negotiations on the Broader Approach Agreement
Tokyo, 20 June 2006

The delegations to the negotiations on the Agreement between the European Atomic Energy Community and the Government of Japan for the Joint Implementation of the Broader Approach Activities in the Field of Fusion Energy Research ("the Broader Approach Agreement") express their readiness to submit, subject to a final verification and the establishment of the authentic Japanese version of the Broader Approach Agreement, to their authorities the two attachments to this report, with a view to concluding the Broader Approach Agreement as soon as possible.





Shuichiro Itakura
Director
Office of Fusion Energy
Ministry of Education, Culture
Sports, Science and Technology
JAPAN

Didier Gambier
Head of Unit
Joint Development of Fusion
DG Research
European Commission

Attachment 1

[Attachment 1 comprises the text of the Draft Broader Approach Agreement]

Attachment 2

Record of Subsidiary Documents

At the conclusion of their work on the draft of the Broader Approach Agreement, the representatives of EURATOM and Japan finalised the following subsidiary documents:

A) the draft of a proposed Joint Declaration by the Representatives of EURATOM and Japan for the implementation of the Broader Approach Activities, to be made by the Parties at the time of initialling of the Agreement, with the following attached documents and tables: 1. Common Understanding on Parties' Contribution to the BA Projects, 2. Value Estimates and Allocation of Contributions of the Parties, 3. Provisional Schedule for Implementation of the BA Projects, set out in Attachment 2 A) to this Record of Subsidiary Documents; and

B) the Common Understandings on the Technical Reports of the Projects for the Broader Approach Activities, set out in Attachment 2 B) to this Record of Subsidiary Documents.

Attachment 2A

Draft
Joint Declaration by the Representatives of EURATOM and Japan for the implementation of the Broader Approach Activities
XXX 2006

The Representatives of the European Atomic Energy Community (EURATOM) and the Government of Japan (Japan),

Having regard to the Joint Declaration by the Representatives of the parties to the ITER negotiations adopted on the occasion of the ministerial meeting for ITER in Moscow on 28 June 2005;

Recalling the Joint Paper attached to the Joint Declaration that sets out the common views reached by the Heads of Delegations of EURATOM and Japan to ITER negotiations on their respective roles in the joint implementation of ITER;

Noting that the Joint Paper sets out the candidate projects for the Broader Approach Activities on the basis that those contribute to a rapid realisation of fusion energy;

Share the following understandings:

1. The joint Broader Approach activities will be implemented on the basis of the Agreement between the Government of Japan and the European Atomic Energy Community for the Joint Implementation of the Broader Approach Activities in the Field of Fusion Energy Research (hereinafter "the Broader Approach Agreement").

2. EURATOM and Japan will make contributions in cash and in-kind to the Broader Approach Activities as referred to in the "**Value Estimates and Allocation of Contributions of the Parties**" and in accordance with the "**Common Understanding on Parties' Contribution to the BA Projects**" attached to this Declaration and in accordance with the laws and regulations in force in each Party.

3. The joint Broader Approach Activities will be implemented in accordance with the attached "**Provisional Schedule for Implementation of the BA Projects**" on a time frame compatible with the ITER construction phase on the basis of the technical reports adopted by experts from EURATOM and Japan which will be updated by the Steering Committee to be established under the Broader Approach Agreement.

4. To fullfil the requirement determined in the Broader Approach Agreement, Japan will designate the Japan Atomic Energy Agency as the Japanese Implementing Agency after

the revision of its foundation law. As a result, as for the Satellite Tokamak Programme under the Broader Approach Activities, JT60 will be the tokamak experimental equipment owned by the Japanese Implementing Agency, to be upgraded to the Advanced Superconducting Tokamak "JT60 Super Advanced".

5. Pending the entry into force of the Broader Approach Agreement, the Parties will implement the provisional activities in accordance with laws and regulations in force in each Party.

Signed on..... at.....;

SIGNATURES

Attached Documents and Tables

1. Common Understanding on Parties' Contribution to the BA Projects
2. Value Estimates and Allocation of Contributions of the Parties
3. Provisional Schedule for Implementation of the BA Projects

Common Understanding on Parties' Contribution to the BA Projects

1. EURATOM and Japan will each make contributions to joint Broader Approach activities in the territory of Japan of five hundred thousand Broader Approach Units of Account (BAUA). One thousand BAUA equal to ninety two million Yen (value 5 May 2005) and also equal to six hundred seventy eight thousand EURO (value 5 May 2005). The total contributions are equivalent to the amounts that were agreed in the Joint Paper on 5 May 2005 in Geneva.

2. Regarding the agreed in-kind contributions, both Parties shall be responsible for providing the specified items irrespective of the actual cost of fabrication incurred during the course of the project.

3. Regarding the cash contributions, each Party shall provide the agreed amount in its own currency, escalated for inflation at the time of the transfer of the cash from the value of 5 May 2005, according to the relative increase of the price index with respect to the index of May 2005 in the Party concerned. For EURATOM, the Harmonized Index of Consumer Prices (HICP) of the European Central Bank shall apply. For Japan, the (official inflation index of Japanese Central Bank) shall apply.

Value Estimates and Allocation of Contributions of the Parties

Value Estimates and Allocation of Contributions of the Parties to Projects of the Broader Approach Activities (in kBAUA)

One thousand BAUA equal to ninety two million Yen (value 5 May 2005) and also equal to six hundred seventy eight thousand EURO (value 5 May 2005). The total contributions set out below are equivalent to the amounts that were agreed in the Joint Paper on 5 May 2005 in Geneva.

Project	EU(kBAUA)	JA(kBAUA)	Sum(kBAUA)
IFMIF-EVEDA	143.75	76.49	220.24
IFERC	119.84	187.10	306.93
Satellite Tokamak (JT-60SA)	236.41	236.41	472.83
Total	500.00	500.00	1000.00

Value Estimates and Allocation of Contributions of the Parties to IFMIF-EVEDA (in kBAUA)

One thousand BAUA equal to ninety two million Yen (value 5 May 2005) and also equal to six hundred seventy eight thousand EURO (value 5 May 2005).

		BA(kBAUA)	EU(kBAUA)	EU (%)	JA(kBAUA)	JA(%)
Accelerator Facility	Management and Design	32.79	29.95	91.32	2.85	8.68
	Injector	4.58	4.58	100	0.00	0
	RFQ	26.51	25.37	95.69	1.14	4.31
	1st DTL	6.11	6.11	100	0.00	0
	MS	5.96	5.96	100	0.00	0
	RF Power	23.20	23.20	100	0.00	0
	Full Power Beam Dump, Transport Line	5.49	5.49	100	0.00	0
	Auxiliary Systems (Control Systems and Support)	4.79	1.60	33.33	3.20	66.67
	Diagnostics	1.52	1.52	100	0.00	0
	Installation, Checkout, Start-up & Commissioning	17.14	7.51	43.82	9.63	56.18
	Accelerator Prototype Building	10.83	0.00	0	10.83	100
	Sub Total	138.91	111.27	80.10	27.64	19.90
Target Facility	Li Test Loop Construction & Operation	13.82	0.80	5.82	13.01	94.18
	Diagnostics	1.70	0.00	0	1.70	100
	Erosion/corrosion	1.22	1.22	100	0.00	0
	Purification System	2.16	0.49	22.61	1.67	77.39
	Remote Handling	3.90	1.71	43.73	2.20	56.27
	Engineering Design	5.97	0.68	11.48	5.28	88.52
	Sub Total	28.76	4.90	17.04	23.86	82.96
Test Facility	Engineering Design of HFTM	2.65	2.07	77.87	0.59	22.13
	Irradiation Tests in Fission Reactor	1.83	1.83	100	0.00	0
	Small Specimen Test Technique	0.65	0.00	0	0.65	100
	Other Engineering Validation Tasks	5.34	5.34	100	0.00	0
	Engineering Design of "Post Irradiation Examination"	1.43	0.00	0	1.43	100
	Other Engineering Design Tasks	5.18	5.18	100	0.00	0
	Sub Total	17.09	14.41	84.35	2.67	15.65
Joint Team	Professional Staff (JA 48 ppy, EU 48 ppy)	24.41	13.16	53.92	11.25	46.08
	Support Staff (JA 96 ppy)	11.07	0.00	0	11.07	100
	Sub Total	35.48	13.16	37.10	22.32	62.90
	Grand Total	220.24	143.75	65.27	76.49	34.73

Value estimates and Allocation of Contributions of the Parties to IFERC (in kBAUA)

One thousand BAUA equal to ninety two million Yen (value 5 May 2005) and also equal to six hundred seventy eight thousand EURO (value 5 May 2005).

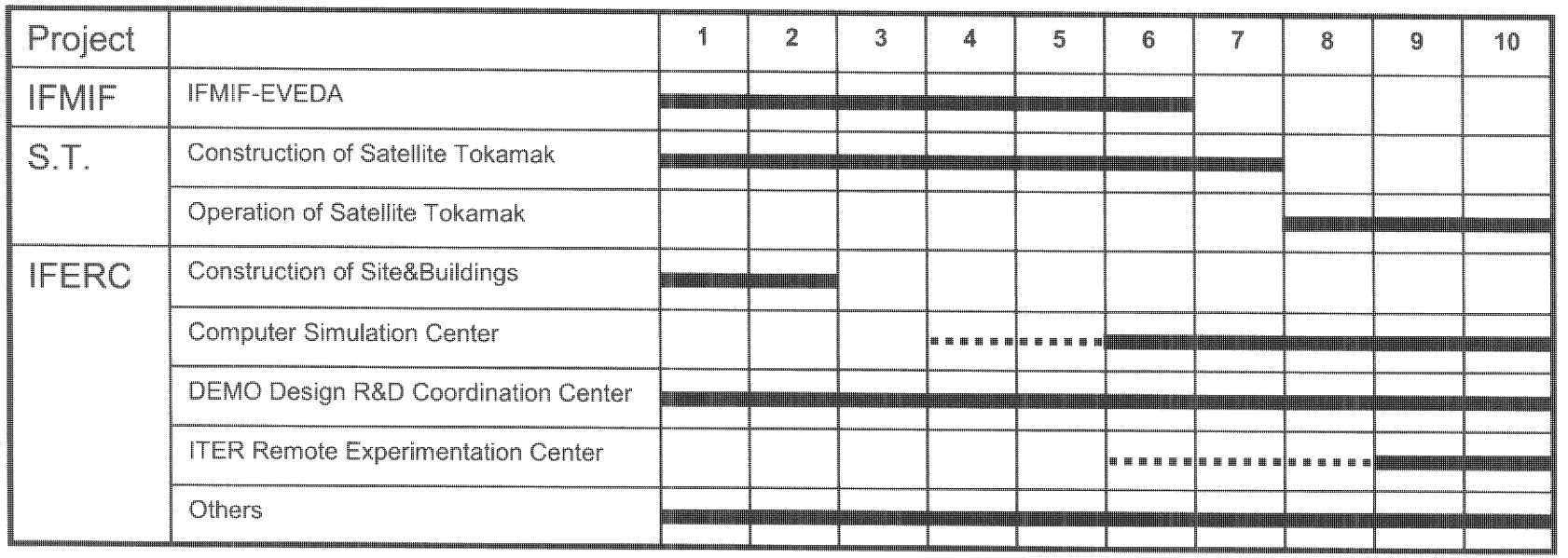
			BA(kBAUA)	EU(kBAUA)	EU (%)	JA(kBAUA)	JA (%)	Comment
CSC	Computer Center	Computer Rental Charge	81.52	81.52	100.00	0	0.00	In kind with operation cost
		Peripheral Equipment	16.30	16.30	100.00	0	0.00	In kind with operation cost
		Professional Staff	2.17	1.09	50.23	1.09	50.23	In kind EU:5ppy, JA:5ppy
		Sub Total	99.99	98.91	98.92	1.09	1.09	
DDR&DC	Demo Design R&D Coordination Center	R&D	38.60	7.88	20.41	30.72	79.59	In kind
		Professional Staff	7.61	3.26	42.84	4.35	57.16	In kind EU:14ppy, JA: 20ppy
		Sub Total	46.21	11.14	24.11	35.07	75.89	
REC	Remote Experimentation Center	Remote Exp. System	10.87	5.43	49.95	5.43	49.95	In kind
		Professional Staff	1.09	0.54	49.54	0.54	49.54	In kind EU:2ppy, JA:2ppy
		Sub Total	11.96	5.97	49.92	5.97	49.92	
Others	Mobility for EU		3.80	3.80	100.00	0	0.00	In kind: Expatriation allowance for EU 21ppy
	Environmental Preparation	Buildings	32.03	0	0.00	32.03	100.00	In kind
		OA Facilities	10.87	0	0.00	10.87	100.00	Cash
		Electric Power Station	3.26	0	0.00	3.26	100.00	In kind
	Maintenance	Electricity Charge	50.00	0	0.00	50.00	100.00	Cash
		Computer Electricity Charge	16.30	0	0.00	16.30	100.00	Cash
		Others	6.30	0	0.00	6.30	100.00	Cash
		Broadband Internet Connection	1.30	0	0.00	1.30	100.00	Cash
	Support	Management Support	5.00	0	0.00	5.00	100.00	In kind JA:46ppy
		Technical Support	17.17	0	0.00	17.17	100.00	In kind JA:158ppy, coordinated with PL and JAEA
	Management	Professional Staff	2.72	0	0.00	2.72	100.00	JA:12.5ppy
		Sub Total	148.75	3.80	2.55	144.95	97.45	
		Grand Total	306.93	119.84	39.04	187.10	60.96	

Value estimates and Allocation of Contributions of the Parties to the Satellite Tokamak JT-60SA (in kBAUA)

One thousand BAUA equal to ninety two million Yen (value 5 May 2005) and also equal to six hundred seventy eight thousand EURO (value 5 May 2005).

		BA(kBAUA)	EU(kBAUA)	EU(%)	JA(kBAUA)	JA(%)
Component	TF magnet	90.954	87.518	96.222	3.436	3.778
	PF magnet	78.433	2.536	3.233	75.897	96.767
	VV	40.979	0	0	40.979	100
	In-vessel	28.122	0	0	28.122	100
	PS+Contr.	40.433	40.433	100	0	0
	Cryostat	23.743	17.391	73.247	6.352	26.753
	Cryogenic	37.024	37.024	100	0	0
	Assembly	14.116	0	0	14.116	100
	ECRF4MW,140GHz	26.087	13.467	51.625	12.620	48.375
	Remote Handling	16.304	0	0	16.304	100
	Shift in in-kind	0	0.272	0	-0.272	0
	Transportation cost	0.543	0	0	0.543	100
	Common cost	0.543	0	0	0.543	100
Sub Total		397.283	198.641	50.000	198.641	50.000
Operation		75.543	37.772	50.000	37.772	50.000
Grand Total		472.83	236.413	50.000	236.413	50.000

Provisional Schedule
for Implementation of the BA Projects



Attachment 2B

Common Understandings
on the Technical Reports of the Projects for the Broader Approach Activities

The Representatives of the delegations to the negotiation on the Broader Approach Activities from EURATOM and Japan,

Having regard to the Joint Declaration by the Representatives of the parties to the ITER negotiations adopted on the occasion of the ministerial meeting for ITER in Moscow on 28 June 2005;

Recalling the Joint Paper attached to the Joint Declaration that sets out the common views reached by EURATOM and Japan on their respective roles in the joint implementation of ITER;

Noting that the Joint Paper sets out the candidate projects for the Broader Approach Activities;

Share the following common understandings:

1. Experts from EURATOM and Japan have adopted the attached technical reports.

2. The joint Broader Approach Activities will be implemented based on these technical reports.

3. These technical reports will be updated as necessary by the Steering Committee to be established under the Agreement between the European Atomic Energy Community and the government of Japan for the joint implementation of the Broader Approach Activities in the field of fusion energy.

Tokyo, 20th June 2006

EUROPEAN COMMISSION
RESEARCH DIRECTORATE-GENERAL

Directorate J - Energy

Brussels,
J.5/SCL/or I(2006) 22434

NOTE FOR THE FILE

Subject: Budgetary impact of the Broader Approach activities

This proposed agreement has no direct financial consequences for the Community budget as the Community contribution will be provided through the European Joint Undertaking for ITER and the Development of Fusion Energy[1]. In accordance with the latest Commission proposal[2] and Council Decision modifying the ITER negotiation directives, the EU contribution to the Broader Approach activities are to be financed by voluntary contributions from Members of the Joint Undertaking and by contributions from the Community.

Voluntary contributions from Members of the Joint Undertaking. The voluntary contributions will be in kind contributions of components and staff. An indicative overview of the estimated value of the pledged voluntary contributions as of 5 July 2006 is as set out in the table[3]. The contributions to be financed by the Community are set out in the first table of heading 4.1.1. calculated on the basis of an assumed inflation of 2%.

Voluntary Contributor	Estimated value in EUR million
Spain	40,3
France	158,88
Italy	84,06
Germany	13.30
TOTAL	296.54

Community contribution. EURATOM will discharge its obligations to contribute under the Broader Approach Agreement through the European Joint Undertaking for ITER and

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1 Commission proposal foreseen to be adopted in the first half of the year 2006.

2 SEC(2004)1389 RESTRICTED.

3 Letters confirming the pledged contributions have been received by the Commission from France, Germany, Italy and Spain. Germany, Spain and Switzerland have indicated informally their intention to make voluntary contributions in addition to those set out in the table. Such additional contributions would reduce the part to be covered by the Community budget.

Commission européenne, B-1049 Bruxelles/Europeses Commissie, B-1049 Brussel – Belgium. Telephone 299.11.11.
Office: MO75 4/04. Telephone: direct line (32-2)295.34.61. Fax: (32-2)296.42.52.

the Development of Fusion Energy which will be established in accordance with chapter V of Title II of the EURATOM Treaty. Consequently, the budgetary implications of the conclusion of the Agreement will be part of the Community contribution to the Joint Undertaking as set out in the proposal for a Council Decision establishing the Joint Undertaking.

Thus, the proposal for this Council Decision has no direct budgetary implications. For information, a financial statement is included, which sets out the operational expenditure that is expected to be covered by contributions from the Community to the Joint Undertaking.

SCL, GVR, J5