

ORGANISATION EUROPÉENNE POUR LA RECHERCHE NUCLÉAIRE  
**CERN** EUROPEAN ORGANIZATION FOR NUCLEAR RESEARCH

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THIRTY-FIRST SESSION OF THE COUNCIL

Geneva - 15-16 December, 1965

INSTRUCTION BY THE COUNCIL TO THE FINANCE COMMITTEE

CONSIDERING the importance of securing the greatest possible degree of agreement in any Council decision on the budget of the Organization,

THE COUNCIL asks the Finance Committee to ensure that any figures for budgets, firm estimates or provisional determinations recommended to the Council by the Finance Committee are supported by a two-thirds majority of the Member States represented and voting.

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RESTRICTED CIRCULATION

CERN/FC/814  
Original: English  
16 November, 1965

ORGANISATION EUROPÉENNE POUR LA RECHERCHE NUCLÉAIRE  
**CERN** EUROPEAN ORGANIZATION FOR NUCLEAR RESEARCH

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FINANCE COMMITTEE

Seventy-second Meeting

Geneva - 25 November, 1965

PROCEDURE FOR THE ESTABLISHMENT AND CONTROL  
OF A SUPPLEMENTARY PROGRAMME FOR THE CONSTRUCTION  
OF INTERSECTING STORAGE RINGS

The Finance Committee, at its Seventy-first Meeting, approved the principles contained in the attached documents CERN/613/Draft/Rev. and CERN/614/Draft/Rev. The text of these documents is now submitted to the Finance Committee for approval and transmission to Council.

Document CERN/615/Draft, which is also attached, summarizes the programme and the outstanding decisions to be made at the Thirty-first Session of Council. It includes as an Annex a table showing the main pattern of expenditure over the whole construction period, calculated at 1966 prices according to the procedure set out in document CERN/FC/810. The Finance Committee is invited to approve this document also for presentation to Council in December.

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CERN/613/Draft/Rev.  
Original: English  
16 November, 1965

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Geneva - 15-16 December, 1965

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Description and approval of the programme

1. The intersecting storage rings project (ISR) is described in detail in document CERN/542.

The programme essentially provides for the construction

of:

- (a) two intersecting storage rings, connected to the proton synchrotron for the purpose of storing protons at energies up to about 28 GeV, with associated power, cooling and control equipment, and certain experimental equipment;
- (b) two colliding beam halls;
- (c) one 25 GeV hall;
- (d) the necessary buildings to house the facilities referred to in (a) above, as well as laboratories, workshops and other services;
- (e) roads, drainage, power and water supplies and other services.

2. This supplementary programme was approved by the Council at its Thirtieth Session, on 16-17 June 1965, in accordance with the provisions of Article II, 4 of the Convention.

3. In taking such a decision, Member States desired to take account of the scientific and financial interdependence of the basic programme as set out in Article II, 3 of the Convention, now including a programme of improvements, and the supplementary programme for the construction of intersecting storage rings, the latter being a logical development of the basic programme.

4. The paragraphs which follow set out the principles to be applied in the execution and control of the ISR programme to ensure that this programme is scientifically and financially in harmony with the basic programme. The figures quoted are at 1965 prices throughout.

Estimated cost and financing of the programme

5. The estimated total cost of the project is 332 million Swiss francs.

The apportionment of the expenditure for the execution and completion of the project over a period of six years is set out in the following estimate by the Director-General:



(in millions of Swiss francs)

<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Total</u>
21.7	68.6	73.3	74.6	67.1	26.7	332

To these construction costs must be added in 1971 the first expenses for commissioning the intersecting storage rings, estimated by the Director-General at 43 million Swiss francs.

6. Both CERN, as it is at present organized, and outside suppliers will participate in the execution of the project. The costs of supplies and services for the ISR, charged to the CERN basic budget, shall be reimbursed to that budget. The annual amount involved will be shown separately in the budget and in the accounts for the financial year, both of which are submitted to Council for approval.

These amounts are included in the figures given in the table in paragraph 5. They are set out in the following estimates by the Director-General:

(in millions of Swiss francs)

<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Total</u>
1.1	1.5	3.5	5.8	8.8	4.3	25.0

7. The basic programme and the ISR programme both entail the use of the proton synchrotron. Consequently the needs of each programme must be carefully co-ordinated. Taking account of the need to ensure an appropriate financial balance between the basic programme, including the improvements, and the ISR programme, the Director-General estimates for the basic programme, including the improvements, the following expenditures:

(in millions of Swiss francs)

<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
142	163	181.5	200	210	220

8. In accordance with the provisions of paragraphs 5, 6 and 7, CERN expenditure during the next six years is estimated by the Director-General at the following amounts:

(in millions of Swiss francs)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Total for 6 years</u>
(i) <u>ISR</u>							
(a) Construction							
( Direct costs	20.6	67.1	69.8	68.8	58.3	22.4	307
( Supplies and services	1.1	1.5	3.5	5.6	8.3	4.3	25
(b) Commissioning	-	-	-	-	-	43	
Total	<u>21.7</u>	<u>68.6</u>	<u>73.3</u>	<u>74.6</u>	<u>67.1</u>	<u>69.7</u>	<u>332</u>

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
(ii) Basic programme:						
( Running costs	136	145	154	171.5	182	206
( Improvements	6	13	27.5	20.5	28	14
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total	142	163	181.5	200	210	220

Budget for the programme

9. The programme shall be governed and the annual budget shall be determined by the Council in accordance with Article V of the Convention.
10. Any index of cost variation applied by the Council to the ISR budget shall be calculated in accordance with the same principles as those applied to the basic programme.
11. The budget shall be approved in accordance with the procedure agreed for the basic programme budget and contained in document CERN/442 (the "Banner Report").
12. The Finance Committee, in recommending to Council figures for the annual budget, as well as the firm estimate and provisional determinations (Banner procedure), shall follow the procedure set out in document CERN/614.



Determination of contributions

13. The Council shall assess the contributions to the supplementary programme in accordance with Article VII of the Convention.
14. The Council shall require Member States joining the supplementary programme after 1 January, 1966 to make a special contribution towards the capital expenditure of the Organization already incurred in addition to contributing to future capital expenditure and current operating expenses. The amount of this special contribution shall be fixed by the Council in accordance with the terms of the Convention.
15. The budget and accounts shall be presented in accordance with the terms of the Convention and Financial Protocol thereto, and other procedures from time to time approved by the Council.
16. The Financial Rules and Internal Regulations, the Staff Regulations and Rules, and all other rules and procedures shall apply equally to the basic programme, including improvements, and to the supplementary programme.

Withdrawal

17. Member States may withdraw from the supplementary programme by giving the notice required by Article XII of the Convention. In this event, any participating State may seek a new decision in accordance with Article II, 4.
18. Exceptionally, participating Member States agree not to withdraw during the first five years, unless withdrawing from the Organization under the terms of Article XII of the Convention. This undertaking by Member States shall continue to apply in the event that the Council by a two-thirds majority amends the principles under which the programme is conducted, unless notice of withdrawal is given within two months of that decision. This notice shall conform to Article XII of the Convention.

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