To whom it may concern

St-Paul-lez-Durance, 21 February 2019

Reference: DG/2019/OUT/0078 (Y9T2B5)

Subject: Withdrawal of the United Kingdom from the European Union (BREXIT)
Consequences for the ITER Organization (IO) Procurement Procedures and on-going
Contracts

Dear Madam, Dear Sir,

The United Kingdom (UK) submitted on 29 March 2017 the notification of its intention to withdraw
from the European Union (EU) and Euratom (BREXIT). This withdrawal is expected to take effect on
30 March 2019. From that date, the UK will no longer be a member State of Euratom, and therefore
effectively becoming a non ITER-Member.

Indeed, the UK is not a Party to the ITER Agreement, as it is the case for all EU Member States: the
contracting Party to the ITER Agreement is EURATOM, represented by the European Commission.
The IO shall only enter into contracts with companies established in the territories of the ITER
Members. So the BREXIT is likely to have significant consequences on the contracting capabilities of
the UK companies.

This communication provides guidance regarding the consequences of this withdrawal for the ITER
Organization (IO) procurement procedures and ongoing IO contracts with entities established in the
UK. This communication is based on the currently most likely scenario of a BREXIT without a
withdrawal agreement between the EU and the UK or a delay of the BREXIT date (no deal BREXIT).

1) Access to IO procurement procedures

Until 30 March 2019, the UK remains a full member of the EU and until that date UK entities
retain the right to participate in IO procurement procedures. For any procurement procedure
resulting in a contract signed by both IO and a UK entity before 30 March 2019, the contract shall
be signed with the inclusion of a BREXIT clause\(^1\).

\(^1\) "This Contract may be terminated or amended according to Article 24 of the General Conditions
"Termination by convenience by the ITER Organization" following the decision of the ITER Council
regarding the implementation of the withdrawal of the United Kingdom of Great Britain and Northern
Ireland from the European Atomic Energy Community (EURATOM)".
However, should an IO procurement procedure not be concluded before 30 March 2019, any UK entity bidding as a prime contractor or as consortium partner, will be rejected from that procurement procedure, as from 30 March 2019, UK entities will no longer have the right to participate in IO procurement procedures.

2) Implementation of ongoing IO contracts

Any contract signed with UK entities before 30 March 2019 that are ongoing on that date, will be implemented in accordance with their terms until their end-date. This includes the signature of modifications to these contracts, the exercise of options under these contracts and the signature of specific contracts under framework contracts, if considered necessary by IO to achieve its objectives. Further, any contractual obligation remaining after the end date of such contract shall be respected (e.g. obligations related to warranties, financial guarantees, confidentiality, etc.).

Some adjustments might need to be implemented for the ongoing contracts in particular in terms of intellectual property rights or taxation. It is therefore recommended to the UK entities concerned to contact the Procurement responsible officer in the IO Procurement and Contracts Division (PCD) regarding the above in view of assessing the impacts and adjusting the contracts.

Yours sincerely,

Bernard Bigot  
Director General  
ITER Organization