

2020 discharge: Electronic Components and Systems for European Leadership (ECSEL Joint Undertaking)

2021/2150(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the ECSEL Joint Undertaking (now the Key Digital Technologies Joint Undertaking) in respect of the implementation of its budget for the financial year 2020 and approve the closure of the Joint Undertaking's accounts.

Noting that the Court of Auditors found that the annual accounts of the Joint Undertaking for the financial year 2020 present fairly the financial situation of the Joint Undertaking on 31 December 2020 and the results of its operations, Parliament adopted, by 576 votes to 62 with 3 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision.

Budgetary and financial management

The Joint Undertaking's total available budget for year 2020 included EUR 218 342 000 for commitment appropriations and EUR 215 849 000 for payment appropriations, and that the utilisation rate was 99.59 % for commitment appropriations and 88.63 % for payment appropriations. At the end of 2020, the Union contributed EUR 573 197 000 for the co-financing of the Joint Undertaking's Seventh Framework programme activities and a further EUR 10 390 000 for the co-financing of the related administrative costs.

In regard to the Joint Undertaking's 2020 payment budget available for Seventh Framework programme projects (EUR 20 317 158), the implementation rate for payment appropriations was 70 %.

As regards the implementation of the Horizon 2020 budget, the Participating States are required to make financial contributions of at least EUR 1 170 000 to the operational activities of the Joint Undertaking and that at the end of 2020, the Participating States taking part in the 2014 - 2019 calls for proposals, signed contractual commitments amounting to EUR 936 588 004 and declared in total, financial contributions of EUR 374 748 810 (or 40 % of the total committed contributions).

Parliament called for harmonisation of the calculation of in-kind contributions to the Joint Undertaking

Other observations

The resolution also contains a series of observations on performance, staff and internal control.

In particular, it noted the following:

- the Joint Undertaking launched its last calls, namely two Research and Innovation Actions, one Innovation Action and one Coordination and Support Action, for which 44 eligible proposals were submitted;

- on 31 December 2020, the Joint Undertaking employed 29 staff, which included temporary and contract agents and seconded national experts;

- the Joint Undertaking moved to a principle-based system to align its internal control framework (ICF) to the revised control framework adopted by the Commission;
- persistent systemic errors were found in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries. Parliament encouraged the Joint Undertaking to strengthen its internal control systems given that SMEs and new beneficiaries are more error-prone.