2020 discharge: European High Performance Computing Joint Undertaking (EuroHPC)

2021/2151(DEC) - 04/05/2022 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European High Performance Computing Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's 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 554 votes to 18 with 62 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision.

General comments

Parliament noted that on 18 September 2020, the Commission proposed a new Council regulation allowing the Joint Undertaking to continue the development of high performance computing in Europe for the next decade in the context of the newly adopted multiannual financial framework 2021-2027. This resulted in the adoption of Council Regulation (EU) 2021/1173 on establishing the new European High Performance Computing Joint Undertaking.

Moreover, the accounting system migration took place in September 2020 and the Commission transferred funds in October 2020. The accounting officer of the Commission was appointed as the accounting officer of the Joint Undertaking in June 2020.

Budgetary and financial management

The Joint Undertaking's final available budget for the financial year 2020 included EUR 509 075 000 in commitment appropriations and EUR 181 489 000 in payment appropriation. The implementation rates for commitment and payment appropriations were 95.5 % and 22.5 % respectively for Horizon 2020 projects. The low implementation level for the payment appropriations is partially explained by the fact that the Commission migrated the full annual payment budget to the Joint Undertaking when it achieved its financial autonomy on 23 September 2020.

At the end of 2020, contributions made comprised a total of EUR 190 919 000 in cash from the Union, including EUR 188 549 000 to operational costs and EUR 2 370 000 to administrative costs.

Parliament also noted delays in the recruitment of key staff together with the impact of the COVID-19 pandemic on planned costs for IT, communication, missions, meetings, events and other services, significantly reduced the implementation rates for administrative payment budget, representing around 1.5 % of the total available budget, down to 16.5 % at the end of 2020.

Other observations

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

In particular, it noted the following:

- by the end of 2020, a total of 11 recruitments have been completed, including the executive director, and the selected staff are working for the Joint Undertaking;

- as the need for key administrative staff has yet to be addressed, it presents risks in terms of weaknesses in financial, budgetary and staff management, and in internal control processes for operational payments and in-kind contributions, and that the high proportion of contractual staff (74 %) may result in a significant level of staff turnover in the near future, further increasing the risks to its management systems. This could negatively affect the Joint Undertaking's overall performance;

- calls for eight supercomputers (three precursor to exascale and five petascale) were launched in 2019 and evaluated throughout 2020.