Basic information

2023/2180(DEC) DEC - Discharge procedure	Procedure completed
2022 discharge: Key Digital Technologies Joint Undertaking (KDT JU) **Subject** 8.70.03.12 2022 discharge	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	WIEZIK Michal (Renew)	23/05/2023
	Shadow rapporteur WINZIG Angelika (EPP) CREȚU Corina (S&D) THIOLLET François (Greens/EFA) CZARNECKI Ryszard (ECR) ADINOLFI Matteo (ID) OMARJEE Younous (The Left)	

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
28/06/2023	Non-legislative basic document published	COM(2023)0391	
12/09/2023	Committee referral announced in Parliament		

22/02/2024	Vote in committee		
12/03/2024	Committee report tabled for plenary	A9-0101/2024	
10/04/2024	Debate in Parliament		
11/04/2024	Decision by Parliament	T9-0277/2024	Summary
11/04/2024	Results of vote in Parliament		
10/10/2024	Final act published in Official Journal		

Technical information

Procedure reference	2023/2180(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/13023

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE753.500	15/12/2023	
Amendments tabled in committee		PE757.346	31/01/2024	
Committee report tabled for plenary, single reading		A9-0101/2024	12/03/2024	
Text adopted by Parliament, single reading		T9-0277/2024	11/04/2024	Summary

Council of the EU

Document type	Reference	Date	Summary
Supplementary non-legislative basic document	06182/2024	12/03/2024	

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2023)0391	28/06/2023	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Court of Auditors: opinion, report	N9-0085/2023 OJ C 000 16.11.2023, p. 0000	14/11/2023	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act
Budget 2024/2361 OJ OJ L 10.10.2024

2022 discharge: Key Digital Technologies Joint Undertaking (KDT JU)

2023/2180(DEC) - 11/04/2024 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the Chips Joint Undertaking discharge in respect of the implementation of the Joint Undertaking's budget for the financial year 2022.

Noting that the Court of Auditors found that the annual accounts of the Joint Undertaking for the financial year 2022 present fairly the financial situation of the Joint Undertaking on 31 December 2022 and the results of its operations, Parliament adopted, by 535 votes to 48 with 11 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision.

Budgetary and financial management

In 2022 the total available appropriations reached **EUR 261.4 million** for commitment (compared to EUR 214 million in 2021) and EUR 222.2 million for payment appropriations (compared to EUR 199.3 in 2021). The budget implementation reached **100 %** in terms of commitment appropriations and 55 % in terms of payment appropriations.

Members noted that, in its 2022 annual accounts, the Joint Undertaking did not disclose important information regarding members' contributions at programme level, relevant for the complete communication of the Joint Undertaking's achievements at the year-end. It did not disclose the Participating States' contributions to the Joint Undertaking. Members called on the Joint Undertaking to address these issues and welcomed its commitment to provide information, in particular regarding the comparison of the legal targets of the respective programmes.

Parliament noted that most of the KDT Joint Undertaking's private members' in-kind contributions remain to be validated (EUR 1 172.5 million).

At the end of 2022, the Joint Undertaking had fully committed the maximum Union operational contribution of **EUR 1 169.7 million** for signed grant agreements under the Horizon 2020 programme and that, of this committed amount, around EUR 139.2 million (or 11.9 %) remains to be paid in the coming years for projects yet to be completed.

The Joint Undertaking can only calculate and validate private members' in-kind contributions once all payments have been made by both the KDT Joint Undertaking and the Participating States and all end-of-project certificates and related certificates of financial statements have been received. In this context, and given that at the end of 2022 only a limited number of Horizon 2020 projects had been finalised, the validated industry in-kind contributions amounted to EUR 406.5 million (or 25 %) of the target.

The implementation of the 2022 budget payments for Horizon 2020 activities worsened as beneficiaries faced rising costs and delivery problems.

Other observations

The resolution also contains a series of observations on the management and controls systems, procurement and staff.

In particular, it noted the following:

- the Joint Undertaking ran very few procurement procedures, essentially for low value contracts and that no procurement procedures related to operational activities were launched during that year;

- the Joint Undertaking's staff establishment plan for 2022 provides for 30 temporary agents or contract agents and that, at the end of 2022, the Joint Undertaking employed 25 statutory members of staff, with 8 nationalities, including 11 male and 14 female members of staff;

- the Court found no errors or control weaknesses at the Joint Undertaking beneficiaries sampled;

- the Joint Undertaking reported a representative error rate of 2.6 % and a residual error rate of 0.8 %;

- the Joint Undertaking implemented a risk-based monitoring of projects in line with the Commission’s baseline, as well as a risk assessment of small and medium sized enterprises and newcomers;

- Participating States closely cooperated with the Joint Undertaking and notified it of detected major errors, irregularities, and registered bankruptcies on a timely basis;

- the Joint Undertaking should ensure that all reinforced monitoring actions are accompanied by specific control actions targeting the identified risks, and that they are followed-up at a pre-defined deadline.