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From: Budget Committee
To: Permanent Representatives Committee/Council
Subject: Council recommendations on the discharge to be given to the joint undertakings in respect of the implementation of the budget for the financial year 2020
– *Adoption*

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COUNCIL RECOMMENDATION
of
on the discharge to be given to the Director
of the European Joint Undertaking for ITER and the Development of Fusion Energy
in respect of the implementation of the budget
of the European Joint Undertaking for ITER and the Development of Fusion Energy
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Decision 2007/198/Euratom of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it¹, and in particular Article 5(3) thereof and the fourth subparagraph of Article 15(1) of the Annex thereto,

Having regard to the Financial Regulation of the European Joint Undertaking for ITER and the Development of Fusion Energy adopted by its Governing Board on 2 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the European Joint Undertaking for ITER and the Development of Fusion Energy, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 90, 30.3.2007, p. 58.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council
The President

COMMENTS ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF
FUSION ENERGY

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council draws attention to the Court's observation that the Joint Undertaking's annual accounts for the financial year 2020 disclose its estimate of the total cost for completing its delivery obligations for the ITER project but that there is still a risk that changes in key assumptions for the estimate and risk exposure could lead to significant costs increases and/or to further delays in the implementation of the ITER project.

The Council notes the Court's findings of several shortcomings of the Joint Undertaking's IT application managing legal commitments and contracts (DACC) and for document management (IDM). These shortcomings include, inter alia, legal aspects related to the implementation of the JU's framework of delegations and the use of advanced electronic signatures, technical aspects including the setting up of user access rights and the use of virtual group accounts, and internal control aspects related to the full compliance of the local IT systems with the delegations of authorisation rights and to the correctness of accounting and financial data. The Council calls on the Joint Undertaking to ensure the proper alignment of the delegations of authorisation rights in its local IT systems with the Commission's central financial information system (ABAC).

The Council also calls on the Joint Undertaking to improve transparency in its recruitment procedures, fully align the calculation method for the annual membership contributions with the respective provisions of its Financial Regulation, and synchronise any further enhancement of its e-Procurement portal with the Commission's eProcurement solution.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Single European Sky Air Traffic Management Research (SESAR) Joint Undertaking
in respect of the implementation of the budget
of the SESAR Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR)¹, and in particular Article 4b thereof,

Having regard to the Financial Rules of the SESAR Joint Undertaking adopted by its Administrative Board on 25 June 2015,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the SESAR Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 64, 2.3.2007, p. 1.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for a certain comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council

The President

COMMENT ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE SINGLE EUROPEAN SKY AIR TRAFFIC MANAGEMENT RESEARCH (SESAR)
JOINT UNDERTAKING

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

The Council notes the Court's finding that the Joint Undertaking has neither entered the received CEF funds as assigned revenue into its 2020 budget by means of an amending budget, nor considered them when planning actual needs for the budget line concerned. This has in turn led to a significant under-implementation of the budget line. While acknowledging the Joint Undertaking's reply, the Council calls on the Joint Undertaking to improve its budget planning and management for assigned revenue to avoid such under-implementation.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Clean Sky 2 Joint Undertaking
in respect of the implementation of the budget
of the Clean Sky 2 Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 558/2014 of 6 May 2014 establishing the Clean Sky 2 Joint Undertaking¹, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Clean Sky 2 Joint Undertaking adopted by its Governing Board on 19 April 2016,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the Clean Sky 2 Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 169, 7.6.2014, p. 77.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council
The President

**COMMENTS ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE CLEAN SKY 2 JOINT UNDERTAKING**

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Regulation, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council draws attention to the Court's observation that the Joint Undertaking has not fully followed the financial rules on the implementation order of available budget appropriations and calls for the Joint Undertaking to improve its budgetary planning and management in this respect.

The Council also calls on the Joint Undertaking to refrain from circumventing the stable staffing objective by using interim staff on work, which is permanent by nature and invites the Joint Undertaking to find other means, like prioritising or reorganising, to fill any supplementary staffing needs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Innovative Medicines Initiative 2 Joint Undertaking
in respect of the implementation of the budget
of the Innovative Medicines Initiative 2 Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 557/2014 of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking¹, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Innovative Medicines Initiative 2 Joint Undertaking adopted by its Governing Board on 22 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the Innovative Medicines Initiative 2 Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 169, 7.6.2014, p. 54.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for a certain comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council

The President

COMMENT ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE INNOVATIVE MEDICINES INITIATIVE 2 JOINT UNDERTAKING

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

The Council takes note of the Court's observation that the Joint Undertaking's practice of reactivating unused administrative payment appropriations from previous years to the extent of open administrative commitments, has resulted in an accumulation of unused payment appropriations and a low implementation rate for the Joint Undertaking's administrative budget (around 3% of the total budget). While noting the impact of the COVID-19 pandemic on planned administrative costs, the Council agrees with the Court's opinion and invites the Joint Undertaking to reactivate for the administrative budget, the previous years' unused payment appropriations only to the extent where the administrative payment appropriations of the year are insufficient to cover the administrative payment obligations of the year.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Fuel Cells and Hydrogen 2 Joint Undertaking
in respect of the implementation of the budget
of the Fuel Cells and Hydrogen 2 Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 559/2014 of 6 May 2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking¹, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Fuel Cells and Hydrogen 2 Joint Undertaking adopted by its Governing Board on 20 May 2016,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the Fuel Cells and Hydrogen 2 Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 169, 7.6.2014, p. 108.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council

The President

COMMENTS ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE FUEL CELLS AND HYDROGEN 2 JOINT UNDERTAKING

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Regulation, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council takes note of the Court's observation that the Joint Undertaking's practice of reactivating unused administrative payment appropriations from previous years to the extent of open administrative commitments, has resulted in an accumulation of unused payment appropriations and a low implementation rate for the Joint Undertaking's administrative budget (around 3% of the total budget). While noting the impact of the COVID-19 pandemic on planned administrative costs, the Council agrees with the Court's opinion and invites the Joint Undertaking to reactivate for the administrative budget, the previous years' unused payment appropriations only to the extent where the administrative payment appropriations of the year are insufficient to cover the administrative payment obligations of the year.

The Council also takes note of the Court's observation that due to shortcomings in the use of an open procurement procedure for a framework contract in a situation of knowledge advantage, the best price-quality ratio could not be demonstrated. The Council invites the Joint Undertaking to improve its procurement procedures in a situation of knowledge advantage to secure the best possible price-quality ratio and to confirm it through appropriate documentation.

The Council calls on the Joint Undertaking to refrain from using interim staff with constant assignments and thus creating permanent-like posts, in addition to those foreseen in the staff establishment plan. The Council invites the Joint Undertaking to find other means, like prioritising or reorganising, to fill any supplementary staffing needs.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Electronic Components and Systems for European Leadership (ECSEL) Joint
Undertaking
in respect of the implementation of the budget
of the ECSEL Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 561/2014 of 6 May 2014 establishing the ECSEL Joint Undertaking¹, and in particular Article 12 thereof,

Having regard to the Financial Rules of the ECSEL Joint Undertaking adopted by its Governing Board on 10 October 2016,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the ECSEL Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 169, 7.6.2014, p.152.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for a certain comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council

The President

COMMENT ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE ELECTRONIC COMPONENTS AND SYSTEMS FOR EUROPEAN LEADERSHIP
(ECSEL) JOINT UNDERTAKING

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2020 are legal and regular. Nevertheless, one observation needs to be made.

The Council notes the lack of clarity and completeness in its financial reporting on the other partners' contributions to the FP7 projects that the Joint Undertaking has taken over for implementation from its predecessor Joint Undertakings (ARTEMIS and ENIAC), and calls on the Joint Undertaking to rectify it in the future.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Bio-based Industries Joint Undertaking
in respect of the implementation of the budget
of the Bio-based Industries Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking¹, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Bio-based Industries Joint Undertaking adopted by its Governing Board on 23 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the Bio-based Industries Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 169, 7.6.2014, p. 130.

² OJ C 380, 11.11.2020, p. 6.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council

The President

COMMENTS ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE BIO-BASED INDUSTRIES JOINT UNDERTAKING

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council notes with concern that at the end of 2020 the industry members' in-kind contributions to Horizon 2020 additional activities have only achieved 53 % of the minimum target set. While acknowledging the Joint Undertaking's reply, the Council calls for continued efforts to meet the target set for the industry members' contributions to additional activities.

The Council encourages the Joint Undertaking to ensure the fullest coverage of the four strategic demonstration topics, in line with its research agenda in the work plan.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the Shift2Rail Joint Undertaking
in respect of the implementation of the budget
of the Shift2Rail Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 642/2014 of 16 June 2014 establishing the Shift2Rail Joint Undertaking ¹, and in particular Article 12 thereof,

Having regard to the Financial Rules of the Shift2Rail Joint Undertaking adopted by its Governing Board on 11 December 2015,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the Shift2Rail Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 177, 17.6.2014, p. 9.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for a certain comment by the Council, which is annexed to this recommendation; whereas the Council stresses the importance it attaches to this comment being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council

The President

**COMMENT ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE SHIFT2RAIL JOINT UNDERTAKING**

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Regulation, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, one observation needs to be made.

The Council notes with concern that the Governing Board of the Joint Undertaking does not respect its rules on the prevention and management of conflict of interests applicable to the bodies of the Joint Undertaking. While acknowledging the Joint Undertaking's reply, the Council calls for the publication of all the private members' up-to-date CVs and conflict of interest declarations on the Joint Undertaking's website as soon as possible.

COUNCIL RECOMMENDATION
of
on the discharge to be given to the Executive Director
of the European High Performance Computing Joint Undertaking
in respect of the implementation of the budget
of the European High Performance Computing Joint Undertaking
for the financial year 2020

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) 2021/1173 of 13 July 2021 on establishing the European High Performance Computing Joint Undertaking and repealing Regulation (EU) 2018/1488¹, and in particular Article(4) thereof,

Having regard to the Financial Rules of the European High Performance Computing Joint Undertaking adopted by its Governing Board on 20 February 2020,

Having examined the revenue and expenditure accounts for the financial year 2020 and the balance sheet as at 31 December 2020 of the European High Performance Computing Joint Undertaking, hereinafter referred to as the "Joint Undertaking", as well as the Court of Auditors' report on the annual accounts of the Joint Undertaking for the financial year 2020, accompanied by the Joint Undertaking's replies to the Court's observations²,

¹ OJ L 256, 19.7.2021, p. 3.

² OJ C 458, 12.11.2021, p. 20.

Whereas the observations in the Court of Auditors' report in relation to the financial year 2020 call for certain comments by the Council, which are annexed to this recommendation; whereas the Council stresses the importance it attaches to these comments being followed up,

Whereas, following the above examination, the implementation of the budget of the Joint Undertaking is such as to allow a discharge to be given in respect of that implementation,

HEREBY RECOMMENDS to the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2020.

Done at Brussels,

For the Council
The President

COMMENTS ACCOMPANYING
THE COUNCIL RECOMMENDATION ON THE DISCHARGE TO BE GIVEN TO
THE EUROPEAN HIGH PERFORMANCE COMPUTING JOINT UNDERTAKING

The Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts present fairly its financial position as at 31 December 2020 and the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Regulation, and that the underlying transactions for 2020 are legal and regular in all material respects. Nevertheless, some observations need to be made.

The Council takes note of the low levels of payment implementation both for administrative and operational payments and encourages the Joint Undertaking to step up its payment implementation.

The Council notes, regarding the internal controls of the Joint Undertaking, that, at the end of 2020, the Joint Undertaking still needed to complete several actions regarding the control principles related to risk assessment, and control and monitoring activities. The Council therefore calls on the Joint Undertaking to complete those actions as soon as possible.

In the same way, at the end of 2020, the Joint Undertaking had neither developed reliable procedures for the validation and certification of in-kind contributions declared by its private members and Participating States, nor established an appropriate accounting procedure for the recognition of these in-kind contributions. Therefore, the Council calls on the Joint Undertaking to address this situation as soon as possible, in order to allow for the management, monitoring and reporting on the achievement of the minimum level of in-kind contributions to be made by its private members and Participating States.