

**CALL FOR EXPRESSION OF INTEREST for the hosting and operation of European quantum computers integrated in HPC supercomputers**

**(Ref. EUROHPC-2023-CEI-QC-01)**

Summary of questions

#	Submission date	Publication date	Question	Answer
1	23/01/2024	29/01/2024	<p>In the published documents with the EUROHPC-2023-CEI-QC-01 call we find the Model Hosting Agreement - EuroHPC Quantum. We encountered a number of issues with the document:</p> <ul style="list-style-type: none"> <li>- The order of chapters and annexes seems to be mixed up</li> <li>- Annexes appear several times in the document</li> <li>- There are multiple occurrences of broken references “<b>Error! Reference source not found.</b>”</li> <li>- Page numbering is not correct, the document starts with 80 pages all numbered 26</li> </ul> <p>We would appreciate if you could publish a corrected version of this Model Hosting Agreement any time soon.</p>	<p>A corrected version of the model hosting agreement has been published on the JU website, dated 29 January 2024 (Model Hosting Agreement - EuroHPC Quantum)</p>
2	29/01/2024	30/01/2024	<p>We understand from the Expression of Interest that the Operating costs must be calculated by the use of unit costs for providing access to the quantum system. From the EuroHPC JU Governing Board decision 12/2023 we understand that both Direct costs for the hosting site preparation as well as Direct costs for the operation of the EuroHPC JU Quantum computer are part of the unit costs. Is that correct?</p>	<p>This is correct. In accordance with Section 12.3.3. of the CEI, the operating costs must be calculated based on the Executive Director Decision 12/2023 (please note there is a clerical error in the call text as the correct reference shall be the <i>Executive Director Decision no 12/2023</i>, and not the Governing Board Decision).</p> <p>As provided for in the afore-mentioned Executive Director Decision, the contribution for reimbursement costs of the operating costs shall take the form of unit costs. The Decision provides</p>

				<p>for categories of eligible direct costs (to be covered by the unit contribution), including</p> <ul style="list-style-type: none"> <li>• Direct costs for the hosting site preparation (<i>site preparation</i>)</li> <li>• Direct costs of operations (<i>personnel costs</i> and <i>maintenance and operations</i>)</li> </ul> <p>The unit cost is a sum of these costs, namely, <i>site preparation costs</i>, <i>personnel costs</i>, and <i>maintenance and operations costs</i>, calculated based on a method described in the Annex of ED Decision 12/2023.</p>
3	29/01/2024	30/01/2024	We assume that costs for personnel of the hosting site working on the hosting site preparation are also covered by the direct costs of the hosting site preparation. Is that correct?	<p>Please note in the meaning of ED Decision 12/2023, <i>personnel costs</i> shall be exclusively understood as a sub-category of direct costs for operation.</p> <p>Thus, the personnel costs are not a part of direct costs for the hosting site preparation. However, certain costs related to staff working on site preparation can be included in other broader categories (i.e., costs of contracts for site (building/ room) preparation or modification (including design and project management)). Please see the examples of costs which could be incurred under category of site preparation provided for in Section 3.2.1 of Annex of ED Decision 12/2023, taking into consideration that the costs for hosting site preparation are reimbursed only if they are directly linked to the EuroHPC supercomputer and only to the portion used by and for the EuroHPC supercomputer.</p>

4	29/01/2024	30/01/2024	<p>We understand from the EuroHPC JU Governing Board decision 12/2023 that for the indirect costs of operation of the quantum computer the standard 25% overhead rate of Horizon Europe is not applicable. A rate of 7% is instead accepted on the personnel costs. We interpret this as that for both indirect personnel cost for hosting site preparation as well as for indirect personnel costs for the quantum computer operations (both part of unit costs), the rate of 7% overhead rate should be applied. Is that correct?</p>	<p>Please note that the standard 25% overhead rate of Horizon Europe is not applicable to the model grant agreement for operational costs under this CFEI.</p> <p>The rate of 7% overhead is accepted on the <i>personnel costs</i> for some Hosting Entities where a full breakdown of costs directly linked to the implementation of the action is not possible. However, the <i>personnel costs</i> shall be understood <b>exclusively</b> as a sub-category of direct costs of operation, and therefore, cannot be extended to any additional costs related to staff working on the site preparation incurred and declared under the category of direct costs for the hosting site preparation. Please see also Q&amp;A #3.</p>
5	29/01/2024	30/01/2024	<p>What overhead rate applies for the personnel costs for integration activities, since this does not seem part of the unit costs? Would this be the standard 25% overhead rate of Horizon Europe?</p>	<p>Please note that the costs of integration will be covered by a separate grant agreement, different from the grant agreement for operational cost. For the integration cost a standard model grant agreement of Digital Europe Programme will apply. Concerning personnel costs, please note that in accordance with Article 6(2)(E) of the DEP model grant agreement, indirect costs will be reimbursed at the flat rate of 7% of the eligible direct costs, including personnel costs (except for volunteers' costs and exempted specific cost categories, if any).</p>
6	29/01/2024	30/01/2024	<p>We assume that for personnel costs for Project management and monitoring of contract execution the standard 25% overhead rate of Horizon Europe is applicable. Is that correct?</p>	<p>The assumption is incorrect. Please note that the model grant agreement for operational costs, including project management and contract execution related to the operation of the quantum computer, will follow the unit cost</p>

				methodology as per Executive Director Decision 12/2023. The standard 25% overhead rate is not applicable. Please also see Q&A #4-5.
7	15/02/2024	20/02/2024	In the Call for Expression of Interest we read: ‘The selected hosting entities should ensure to the extent possible cooperation with complementary projects launched, notably in the area of the EuroHPC-2020-01-b: “Pilot on quantum simulator” and EUROHPC-2022-CEI-QC-01 “Call for expression of interest for the hosting and operation of European quantum computers integrated in HPC supercomputer”’. Our question is if EuroHPC JU foresees or requires that granted projects in this second call will become partners of the EuroQHPC-integration project that is currently established by the six granted proposals of the first call? We would like to understand your view on this	Please be informed that there is no automatic mechanism for incorporation of new Hosting Entities into the integration grant to be signed by the Hosting Entities selected in the Call EUROHPC-2022-CEI-QC-01. As explained in the current Call, a contractual arrangement between the EuroHPC JU and the Hosting Entities will be signed to cover the costs of integrating the quantum computer with the hosting entity’s supercomputer (see section 2 of the Call). Applications should include a description of the proposed quantum computer and hosting site, including features such as a description of the integration between the quantum computer, the existing supercomputer and the rest of the EuroHPC infrastructure (technical, legal and policy aspects). Proposed activities for the integration of the quantum computer must be clearly separated and different from concepts of federation and limited to the integration of the EuroHPC quantum computer into the co-hosted supercomputer. The work on the HPC-QC integration should adopt solutions developed within the integration work performed by consortia selected in call EUROHPC-2022-CEI-QC-01. Proposals should clearly identify the solution and collaboration partners in the proposals selected in call EUROHPC-2022-CEI-QC-01. The EuroHPC Joint Undertaking foresees the close collaboration between the six Hosting Entities

				selected in the first Quantum CEI and the prospective Hosting Entities to be selected in the second Quantum CEI.
8	15/02/2024	20/02/2024	<p>We would like to start some preparatory integration work in the period between the selection of the quantum system provider (when full specs and details are known after successful completion of the procurement procedure by EuroHPC JU) and the acceptance of the system after delivery. We would like to use this period to interact and cooperate with the EuroQHPC-integration project and its partners, as well as to work on integration solutions in a testbed environment. This would result in an accelerated start to the actual integration at the hosting site. Would that be formally possible and being accepted by EuroHPC JU</p>	<p>Please be reminded that until a decision on selecting the hosting entities is adopted by the Governing Board of the EuroHPC Joint Undertaking, followed by the conclusion of the Hosting Agreement between the Parties, the Joint Undertaking is not in position to formally advise on the preparatory works and related costs.</p> <p>As indicated in Section 3 of the Call for Expression of Interest (CEI), the costs related to the integration will be covered based on the grant agreement signed with the Hosting Entities (cf. explanation provided in footnote 7 of the CEI).</p> <p>As a general legal rule, a grant shall not be awarded retroactively (Cf. Articles 188(e) and 193(1) of the EU Financial Regulation). However, Article 193(2) of the EU Financial Regulation provides for an exception, by allowing to award a grant for an action which has already begun <u>provided that the applicant can demonstrate the need for starting the action prior to signature of the grant agreement</u>. In terms of eligibility of costs incurred prior to signature of the grant agreement, Article 193(2) of the EU Financial Regulation stipulates that the costs incurred prior to the date of submission of the grant application shall not be eligible except in duly justified exceptional cases provided for in the basic act (Article 193(2), point (a)).</p>

9	15/02/2024	20/02/2024	In the CFEI, section Procedure for the Submission of Applications we read: 'Applications must be submitted by an electronically signed and encrypted email to <a href="mailto:calls@eurohpc-ju.europa.eu">calls@eurohpc-ju.europa.eu</a> .' Is it also required to submit the application to the EC Electronic Submission System?	There is no requirement to submit the application via the EC Electronic Submission System. As per the call conditions you cited, the applications shall be submitted exclusively by an electronically signed and encrypted email to <a href="mailto:calls@eurohpc-ju.europa.eu">calls@eurohpc-ju.europa.eu</a> .
10	20/02/2024	21/02/2024	From the published EUROHPC-2023-CEI-QC-01 call documents we know that "The Union financial contribution to the EuroHPC JU shall cover up to 50 % of the acquisition costs, up to 50 % of the operating costs of the quantum computer, and up to 50% of the integration costs." To ensure clarity, could you please confirm whether the Union's financial coverage in these three cost categories (acquisition, operating, and integration) includes VAT, if applicable? Your assistance in providing this clarification is highly appreciated.	Please refer to Article II.12.1, point (4) of the model Hosting Agreement which provides that the EuroHPC Joint Undertaking is not subject to Value Added Tax (VAT) linked to the procurement of the quantum computer, however depending on applicable national VAT rules where the quantum computer is to be located, VAT contributions may still have to be paid by EuroHPC JU to the vendor and later recovered from the relevant national VAT authorities.
11	27/02/2024	4/03/2024	We have the following question regarding the EUROHPC-2023-CEI-QC-01 call: Concerning Legal Identification Forms for members in a Consortium, the Call for Expression of Interest states in section 6 (Eligibility Criteria) sub c: c) The applicant(s) should have a legal personality on the date of the deadline for submission of applications and should be able to demonstrate its (their) existence as a legal person. In case the application is submitted by several Participant States working together (consortium), this criterion (c) applies to all entities.  And In order to assess the applicants' eligibility, the following supporting documents are requested: • (...)	Thank you for your question. We confirm that in case an application is submitted on behalf of a consortium, <u>all members of consortium</u> must fulfill the requirement of having a legal personality (Section 6 Eligibility criteria). For this reason, all members of the consortium are requested to submit their own Legal Entity Form, together with individual supporting documents. Concerning the type of supporting documents, we also confirm that an official extract of registration issued by competent national authorities will satisfy the requirement.  Please be also informed that an updated version of the Application Form has been uploaded.

			<p>- Hosting consortium: in addition to the supporting documents referring to their legal status, the hosting consortium members will submit a signed declaration based on the model Consortium Agreement/Power of Attorney, appointing a consortium leader and giving a mandate to him (included as annex b)).</p> <p>In the Application Form under sections 1.1.x: Identity of the applicant, below the table is stated: "The legal details are attached in the Legal Entity Form to be provided as annex."</p> <p>The Legal Entity Form has to be provided with "COPIES OF OFFICIAL SUPPORTING DOCUMENTS (REGISTER(S) OF COMPANIES, OFFICIAL GAZETTE, VAT REGISTRATION, ETC.)"</p> <p>However, in the checklist for applicants (section III), the Legal Entity Form has been marked N/A for Partners.</p> <p>Our question is whether Consortium members have to provide a Legal Entity Form, with or without the supporting documents, or that the Legal Entity Form with the supporting document (official extract of registration in Chamber of Commerce) will be sufficient?</p>	
12	13/03/2024	13/03/2024	<p>Concerning the Declaration on Honour, we doubt about the answer to give to section C: 'The applicant, including each member of the group in case of joint application, subcontractors does not have an established debt to the Union' (YES/NO). We want to declare that the hosting entity as coordinator of a consortium does not have an established debt to the Union. Do we need to tick the</p>	<p>In case the person (sole candidate/tenderer/member of consortium) does <b>not</b> have an established debt to the Union, European Atomic Energy Community or an executive agency when the latter implements the Union budget, please tick NO in Section III.C of the Declaration of Honor.</p>

			box "YES" (meaning "indeed, the hosting entity has no debt to the Union") of "NO" (meaning: the hosting entity has NO debt to the Union)?	In contrast, indication of YES under this Section would be regarded as confirmation of an established debt to the Union, when the latter implements the Union budget.
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