

2011 discharge: Fuel Cells and Hydrogen Joint Undertaking (FCH Joint Undertaking)

2012/2220(DEC) - 17/04/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a decision on discharge to be granted to the Executive Director of the Joint Undertaking for the implementation of the Fuel Cells and Hydrogen Joint Undertaking for the financial year 2011. The vote on the decision to grant discharge covers the closure of the accounts (in accordance with Annex VI, Article 5(1) of the European Parliament's Rules of Procedure).

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Joint Undertaking for the financial year 2011 are reliable but that it had delivered **a qualified opinion on the legality and the regularity of the transactions underlying the Undertaking's accounts**, Parliament approved the closure of the accounts. It, however, adopted a series of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the [draft resolution on performance, financial management and control of EU agencies](#).

- **Financing, budget and financial management:** Parliament recalls that the maximum contribution for the period of 10 years from the Union to the Joint Undertaking is EUR 470 million to be paid from the budget of the Seventh Research Framework Programme. It also notes that the 2011 Joint Undertaking's final budget included commitment and payment appropriations amounting to EUR 117 million and EUR 60 million respectively.
- **Implementation rate of appropriations and carryovers:** Parliament welcomes the utilisation rates for the available commitment and payment appropriations which were 99.8% and 87.9% respectively. It notes with concern that the budgetary procedure outlined in the Joint Undertaking's financial rules was not followed.
- **Treasury management:** Parliament highlights the fact that at the end of December 2011, the balance on the Joint Undertaking's bank account was EUR 9 200 000 and between the months of August 2011 and December 2011, the Joint Undertaking's cash balance ranged between approximately EUR 30 million and EUR 60 million. It urges the Joint Undertaking to implement, together with the Commission, all the necessary measures to minimise the cash balances held on account to the levels that are required within the limits provided in the financing agreements with the Commission.
- **Qualified opinion of the Court of Auditors:** Parliament is concerned that the Joint Undertaking's annual accounts received a qualified opinion from the Court of Auditors on the legality and the regularity of the transactions underlying those accounts on the grounds that errors were detected in some *ex-post* audits.

Parliament also makes a series of observations as regards the Joint Undertaking's control systems, on the assessment of the level of the in-kind contributions, as well as other management matters.

Lastly, Parliament invites the Court of Auditors to provide, within a reasonable deadline, a special report to Parliament on common issues which occur due to the nature of the joint undertakings in order to ensure their **added value and efficient execution of Union research, technological development and demonstration programmes**. It further notes that the same report should include **an assessment of the effectiveness of the joint undertakings' establishment and structure**.