Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 Joint Undertaking)

2013/0245(NLE) - 06/05/2014 - Final act

PURPOSE: to prolong the Fuel Cells and Hydrogen Joint Undertaking (Fuel Cells and Hydrogen 2 JU) in order to strengthen industrial research and innovation across the Union.

NON-LEGISLATIVE ACT: Council Regulation (EU) n° 559/2014 establishing the Fuel Cells and Hydrogen 2 Joint Undertaking.

CONTENT: the Framework Programme for Research and Innovation, Horizon 2020, supports public-private partnerships in research and innovation in order that the Union might tackle certain key challenges.

In order to increase activities in relation to hydrogen production, storage and distribution, this Regulation aims to establish **a new Joint Undertaking** (JU) for the implementation of the Joint Technology Initiative on Fuel Cells and Hydrogen (FCH 2), for a period up to **31 December 2024**.

FCH 2 JU replaces the previous FCH JU, set up under the Seventh Framework Programme.

It is a body entrusted with the **implementation of a public-private partnership.** Its seat will be located in Brussels, Belgium.

The Members of the FCH 2 Joint Undertaking shall be the Union and upon acceptance of the Statutes: the *New Energy World Industry Grouping AISBL* and the *New European Research Grouping on Fuel Cells and Hydrogen* AISBL, two non profit organisations established under Belgian Law.

In order to take into account the duration of Horizon 2020, calls for proposals under the Joint Undertaking must be launched **at the latest by 31 December 2020** (in duly justified cases, by 31 December 2021). Calls for proposals will be published on the **single portal for participants** as well as through other Horizon 2020 electronic means of dissemination managed by the Commission.

The rules for **participation and dissemination** of the Horizon 2020 programme will apply to the JU.

Objectives of the JU: the Fuel Cells and Hydrogen Joint Undertaking was set up for the period up to 31 December 2017. The FCH 2 Joint Undertaking should provide continued support to the Fuel Cells and Hydrogen research programme by **implementing the remaining actions.**

The JU will **contribute to the implementation of Horizon 2020** and in particular the Secure, Clean and Efficient Energy Challenge and the Smart, Green and Integrated Transport Challenge and aim to:

- €€€€€€€ reduce the **production cost** of fuel cell systems to be used in transport applications, while increasing their lifetime to levels which can compete with conventional technologies;

- €€€€€€€ increase the **electrical efficiency and the durability** of the different fuel cells used for power production to levels which can compete with conventional technologies, while reducing costs;

- €€€€€€€ increase the **energy efficiency of production of hydrogen** mainly from water electrolysis and renewable sources while reducing operating and capital costs;

- €€€€€€€ demonstrate on a large scale the **feasibility** of using hydrogen to support integration of renewable energy sources into the energy systems;

- €€€€€€€ reduce the use of the EU defined '**Critical raw materials'**, for instance through low-platinum or platinum-free resources and through recycling or reducing or avoiding the use of rare earth elements.

Funding: the Union financial contribution to the JU shall come from Horizon 2020 and amount up to **EUR 665 million**. The members of the FCH 2 Joint Undertaking other than the Union shall make a total contribution of at least **EUR 380 million** of which in kind contributions will be at least EUR 285 million.

The Commission **may terminate**, proportionally reduce or suspend the Union's financial contribution to the JU or trigger the winding-up procedure if members other than the Union, including their constituent entities and affiliated entities, do not provide contributions.

The Regulation contains provisions that aim to ensure the **protection of the financial interests of the Members.**

The **discharge** for the implementation of the budget of the JU shall be given by the European Parliament, upon recommendation of the Council in accordance with the procedure provided for in the financial rules of the FCH 2 JU.

Evaluation: by 30 June 2017 the Commission shall carry out, with the assistance of independent experts, an interim evaluation of the JU. It shall send that report to the European Parliament and to the Council by 31 December 2017. The results of the interim evaluation shall be taken into account in the interim evaluation of Horizon 2020.

FCH 2 JU's mandate will end on 31 December 2024 and the JU will be wound up.

ENTRY INTO FORCE: 27.06.2014.