

# 2016 discharge: Fuel Cells and Hydrogen 2 Joint Undertaking - FCH 2 Joint Undertaking

2017/2185(DEC) - 18/04/2018 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Director of the Fuel Cells and Hydrogen 2 Joint Undertaking in respect of the implementation of the budget of the Joint Undertaking for the financial year 2016 and to approve the closure of the accounts of the joint venture for the same financial year.

Noting that the Court of Auditors considered that the annual accounts of the Joint Undertaking for the financial year 2016 accurately reflected the financial position of the Joint Undertaking as at 31 December 2016, as well as the results of its operations, Parliament adopted 567 votes in favor, 121 against and 7 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision:

**Budget and financial management:** the FCH2's final budget for the financial year 2016 included commitment appropriations of EUR 127 762 297 and payment appropriations of EUR 115 535 426. Commitment appropriations increased by 5 % compared to 2015 due to the addition to the initial budget of unused appropriations from previous years, mainly used for the 2016 call for proposals and payment appropriations increased by 17 %, reflecting the higher pre-financing needs for the 2016 call.

Members regretted that the overall 2016 budget execution of commitment and payment appropriations reached 77.7 % and 83.9 % respectively, representing **a lower commitment execution rate compared to previous year** due to the outcome of the evaluation for the 2016 call. They noted that the payment execution represented the best execution rate of payments for the FCH2 to date.

Out of the EUR 470 million of **in-kind and cash contributions** to be made by the members of the Industry Grouping and the Research Grouping to the operational activities of the FCH by the end of 2016, the governing board had validated contributions of EUR 299 million. From 31 December 2016, the estimated in-kind contributions in operational activities for the 30 projects signed in relation to Horizon 2020 (2014 and 2015 calls for proposals) was EUR 16 802 191. The total estimated value of in-kind contributions in additional activities for the period covering 2014 to 2017 is EUR 565 200 000.

**Other observations:** the resolution contains a series of observations on calls for proposals, internal audits, prevention and management of conflicts of interest. Members welcomed the fact that the Joint Undertaking has set up *ex-ante* **control procedures** based on financial and operational desk reviews, and performs *ex-post* **audits** of grant cost claims under the Seventh Framework Programme. The residual error rate for the ex-post audits reported in the FCH2's 2016 annual activity report was 1.24 %.

Parliament recognised the need for the FCH2 to **communicate** with Union citizens, through the Union institutions, concerning the significant research and collaboration that it is undertaking. It stressed the importance of highlighting the real improvements achieved as a consequence of its work, which are an important part of its mandate.

Lastly, Members called on the Commission to ensure the direct involvement of the Joint Undertaking in the process of the Horizon 2020 mid-term review in the sphere of further simplifications and harmonisation of joint undertakings.