2021 discharge: Clean Hydrogen Joint Undertaking

2022/2130(DEC) - 10/05/2023 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the Clean Hydrogen Joint Undertaking (before 30.11.2021 the Fuel Cells and Hydrogen 2 Joint Undertaking) in respect of the implementation of the budget of the Joint Undertaking for the financial year 2021 and approve the closure of Joint Undertaking's accounts.

Noting that the Court of Auditors considered that the annual accounts of the Joint Undertaking for the financial year 2021 present fairly the financial situation of the Joint Undertaking on 31 December 2021, as well as the results of its operations, Parliament adopted, by 578 votes to 30 with 7 abstentions, a resolution containing a series of observations which form an integral part of the discharge decision.

Budgetary and financial management

The Clean H2 Joint Undertaking final available budget, which includes re-entered unused appropriations of previous years, assigned revenues and reallocations to the next year, for the financial year 2021 included commitment appropriations of EUR 15.8 million (compared to EUR 104.2 million in 2020) and payment appropriations of EUR 56.2 million (compared to EUR 103.8 million in 2020). The overall 2021 budget execution of commitment and payment appropriations reached 97 % and 87 % respectively.

Compared to 2020, the 2021 appropriations decreased by 85 % in terms of commitments and by 44 % in terms of payments. The decrease in the 2021 budget was due to the lack of calls launched in 2021.

Out of the maximum contribution of EUR 470 million, the Union contributed a total of EUR 426.5 million in cash and in-kind from the Seventh Research Framework Programme and the members of the Industry and Research Groupings contributed a total of validated resources of EUR 466 million, comprising EUR 443.9 million in-kind contributions in the Seventh Research Framework Programme projects.

At the end of 2021, the Union contributed a total of EUR 545.5 million from Horizon 2020 and that the private members contributed a total of EUR 50 million in cash and validated in-kind contributions, comprising EUR 38.6 million in in-kind contributions in the Clean

The level of validated private members' in-kind contributions for operational activities of EUR 38.6 million, is due to the fact that the Clear H2 Joint Undertaking certifies them later in the Horizon 2020 programme, when the final payment for the projects is made and the certificates of financial statement are due. On the other hand, private members contributed a total of EUR 1 039 million in-kind to additional activities as at the end of 2021, significantly more than the minimum EUR 285 million for the entire duration of the Horizon 2020.

Other observations

The resolution also contains a series of observations on procurement, staff and internal control.

In particular, it noted the following:

- in terms of volume, the operational procurement activities, IT services and the organisation of the European Hydrogen Week for 2021 were the contracts with the highest value and that launching and

publishing a call for tender, and receiving and opening of tenders have been simplified by using eTendering, eNotices and eSubmission modules;

- on 31 December 2021, the Clean H2 Joint Undertaking had 23 temporary agents, two contract agents and two seconded national experts;

- the Joint Undertaking formalised the current monitoring practices regarding risks and complexity of the grant agreements and developed internal guidance for monitoring dissemination and exploitation of the Horizon 2020 project results;

- systemic errors were found in the personnel costs declared by beneficiaries, in particular on the part of SMEs and new beneficiaries. Therefore, Parliament called on the Joint Undertaking should strengthen its internal control systems;

- specific measures have been implemented for the prevention and management of conflicts of interest of experts in charge of the evaluation of grant applications and of the review of projects and tenders.