Basic information

2011/0091(NLE) NLE - Non-legislative enactments Regulation	Procedure completed
Fuel Cells and Hydrogen Joint Undertaking: funding Amending Regulation (EC) No 521/2008 2007/0211(CNS) **Subject** 3.50.01.05 Research specific areas 3.50.08 New technologies; biotechnology 3.60.05 Alternative and renewable energies 3.70.03 Climate policy, climate change, ozone layer	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	REUL Herbert (PPE)	25/05/2011

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	3123	2011-11-14

European Commission

Commission DG	Commissioner
Research and Innovation	OETTINGER Günther

Key events

Date	Event	Reference	Summary
20/04/2011	Legislative proposal published	COM(2011)0224	Summary
07/06/2011	Committee referral announced in Parliament		
30/06/2011	Vote in committee		Summary
04/07/2011	Committee report tabled for plenary, 1st reading/single reading	A7-0261/2011	
13/09/2011	Decision by Parliament	T7-0358/2011	Summary

13/09/2011	Results of vote in Parliament		
14/11/2011	Act adopted by Council after consultation of Parliament		
14/11/2011	End of procedure in Parliament		
19/11/2011	Final act published in Official Journal		

Technical information

Procedure reference	2011/0091(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consultation of Parliament
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation (EC) No 521/2008 2007/0211(CNS)
Legal basis	Treaty on the Functioning of the European Union TFEU 188 -a1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/7/05906

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE467.180	17/06/2011	
Committee report tabled for plenary, 1st reading/single reading		A7-0261/2011	04/07/2011	
Text adopted by Parliament, 1st reading/single reading		T7-0358/2011	13/09/2011	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2011)0224	20/04/2011	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0224	29/09/2011	

Additional information

Source	Document	Date

National parliaments	IPEX	
European Commission	EUR-Lex	

Final act	
Regulation 2011/1183 OJ L 302 19.11.2011, p. 0003	Summary

Fuel Cells and Hydrogen Joint Undertaking: funding

2011/0091(NLE) - 20/04/2011 - Legislative proposal

PURPOSE: to amend Council Regulation (EC) No 521/2008 setting up the Fuel Cells and Hydrogen Joint Undertaking.

PROPOSED ACT: Council Regulation.

BACKGROUND: fuel cells and hydrogen (FCH) technologies are promising, long-term energy options that can be used in all the sectors of the economy and that offer a broad range of benefits for energy security, transport, environment and resource efficiency. They are expected to play a major role in the transition of the EU to a low-carbon society and to achieve the goal of cutting GHG emissions by over 85% by 2050.

In the transport sector, a recent study concludes that:

- fuel cell electric vehicles (FCEVs) and battery electric vehicles (BEVs) have significant potential to reduce CO2 and local emissions. Both will be viable and complementary alternatives to conventional vehicles with internal combustion engines (ICEs) by 2025, or earlier with appropriate tax exemptions and incentives;
- over the course of the next decades, costs for a hydrogen distribution and retail infrastructure will be 5% of the overall cost of FCEVs (EUR 1,000-2,000 per car) which justifies building a dedicated hydrogen infrastructure.

In order to enable the full contribution of FCH technologies continuous and stable public support and accompanying policy measures are still needed to overcome the remaining technological, economic and institutional barriers to their widespread commercialisation. The major EU competitors in this field (US, Japan, South Korea and China) continue to conduct comprehensive efforts to overcome these barriers via RTD programmes, policy measures and commercialisation exercises.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASIS: Articles 187 and 188 of the Treaty on the Functioning of the European Union.

CONTENT: the Joint Undertaking for Fuel Cells and Hydrogen (FCH JU) was established by Council Regulation (EC) No 521/2008. The three members, the Industry Grouping (IG), the Research Grouping (RG) and the European Commission share the funding of administrative and operational costs.

A requirement for the participation of industry from the outset was that industry should make a financial contribution of 50% of the running costs (shared with the Commission), and that industry's in-kind contribution to the operational costs should at least match the Commission's financial contribution.

Since its establishment the FCH JU has published three calls for proposals: the first covering EUR 28.1 million, the second EUR 73.1 million and the third EUR 89.1 million. The provision for matching contributions from industry for operational costs means that industry also has to cover contributions to the other participants (including universities, research centres, public bodies, etc.) for all types of activities (including basic research).

The result in the first two FCH JU calls for proposals is that the maximum funding levels have to be systematically evaluated and reduced for all participants. For the first two calls the matching requirement resulted in a significant reduction of reimbursement of direct costs: for large industries from 50% to 33% FCH JU contribution and for SMEs and research bodies from 75% to 50%.

The low funding rates and the financial and economic crisis, which affects the industry working with this future technology, result in the current level of participation in the actions of the FCH JU being below initial expectations. A general loss of interest by both industry and the research community can be expected if we continue along the same path. Accordingly, the proposal aims to adapt the Regulation as follows:

- contributions from public national and regional sources to the projects are encouraged and are expected in several cases. However, the current Regulation does not take it into account. The new text states that the matching of EU funds shall allow taking into account not only industry's own contribution but also that coming from the other legal entities participating in the activities;
- the running costs of the Programme Office of the Joint Undertaking should be provided by its three members. It is appropriate to provide that all members of the Joint Undertaking have the same payment schedule;
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- the Commission should be given some flexibility as to the measures to take in case of insufficient matching;
- at present the funding level is determined after each evaluation of received proposals. In order to allow the beneficiaries to estimate the extent of the potential funding, a possibility to specify the minimum funding level for a call should be provided for.

BUDGETARY IMPLICATIONS: there are no financial implications compared to the budget initially adopted for this Council Regulation. The amendments suggested will improve the possibility of spending the amounts provided. The EU contribution, totalling 470 million EUR, will come from the following FP7 "Cooperation" Specific Programme budget lines: Energy; Nanosciences, Nanotechnologies, Materials and New Production Technologies; Transport (including Aeronautics); and Environment (including Climate Change) in DG RTD and Transport in DG MOVE and Energy in DG ENER.

Fuel Cells and Hydrogen Joint Undertaking: funding

2011/0091(NLE) - 13/09/2011 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 592 votes to 18, with 57 abstentions, a legislative resolution on the proposal for a Council regulation amending Regulation (EC) No 521/2008 setting up the Fuel Cells and Hydrogen Joint Undertaking.

Parliament approved the Commission proposal unamended.

Fuel Cells and Hydrogen Joint Undertaking: funding

2011/0091(NLE) - 14/11/2011 - Final act

PURPOSE: to amend Regulation (EC) No 521/2008 setting up the Fuel Cells and Hydrogen Joint Undertaking to facilitate financial and in-kind contributions.

NON-LEGISLATIVE ACT: Council Regulation (EU) No 1183/2011 amending Regulation (EC) No 521/2008 setting up the Fuel Cells and Hydrogen Joint Undertaking.

BACKGROUND: the fuel cells and hydrogen joint technology initiative is a public-private partnership supporting research, development and demonstration activities in fuel cell and hydrogen energy technologies in Europe. Its aim is to accelerate the market introduction of these technologies realising their potential as a vector in a carbon-lean energy system. To implement the initiative, the founding members set up a joint undertaking in May 2008 for the period up to 2017 with the objective of pooling resources from public and private sources. The Fuel Cells and Hydrogen Joint Undertaking (the ‘FCH Joint Undertaking’) was set up under Council Regulation (EC) No 521/2008 by its founding members, the European Fuel Cell and Hydrogen Joint Technology Initiative Industry Grouping Aisbl (the ‘Industry Grouping’) and the Commission. The Research Grouping became a member of the FCH Joint Undertaking on 14 July 2008 and contributes both financially and in kind to the objectives of the FCH Joint Undertaking. Since the members of the Research Grouping may benefit from the results achieved by the FCH JU in the same manner as the members of the Industry Grouping, it is justified to allow the in-kind contribution from both the Industry Grouping and Research Grouping to be counted as matching funds.

CONTENT: this Regulation amends the current provisions governing the Fuel Cells and Hydrogen Joint Undertaking in order to facilitate research actions and make it easier to increase funding levels for the project.

The main amendments are as follows:

the new text states that the matching of EU funds shall take into account not only industry's own contribution but also that coming from the other legal entities participating in the activities;

the operational costs of the Programme Office of the Joint Undertaking should be provided by its three members. It is appropriate to provide that all members of the Joint Undertaking have the same payment schedule;

the Commission is given some flexibility as to the measures to take in case of insufficient matching;

the funding level is determined after each evaluation of received proposals. In order to allow the beneficiaries to estimate the extent of the potential funding, the new Regulation provides for the possibility of specifying the minimum funding level for a call.

ENTRY INTO FORCE: 09/12/2011.