



**EUROPEAN COMMISSION**  
Impact Assessment Board

Brussels,  
D(2013)

**Opinion\***

**Title**

**DG RTD - An EU initiative on a Proposal for a Regulation on the Fuel Cells and Hydrogen Joint Undertaking 2014-2024**

**(draft version of 1 February 2013)**

**(A) Context**

In 2008, Council Regulation (EC) 521/2008 established the Fuel Cells and Hydrogen (FCH) Joint Undertaking (FCH JU) for a period up to 31 December 2017, set-up as a Private Public Partnership (PPP) with 50/50 co-financing between the European Commission and other members. Maximum EU contribution was fixed at 470M€. An interim evaluation was completed in 2011. The impact assessment considers how this initiative could continue.

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*The initiative is based on the Commission's proposal for the "Horizon 2020 Framework Programme for Research and Innovation in the European Union (2014-2020)" that provides a basis for future EU PPPs in Research and Innovation. The focus of IAB analysis has been adapted accordingly.*

**(B) Overall opinion**

**The report should be improved in several respects. Firstly, it should clarify the parameters already set in the Horizon 2020 proposals relating to the FCH JU. Secondly, by more transparently relying on the interim evaluation and stakeholder consultation, the report should clearly identify the problems encountered by the JU and their underlying drivers as well as any need to adapt the JU to changing objectives. Against this background, the report should better justify the choice and feasibility of its specific and operational objectives, such as the targeted efficiency gains, cost reductions, increases in Member States participation and cuts in time-to grant and pay. In addition, the report should clearly describe what the concretely available policy options are within the Horizon 2020 framework. It should also better highlight the difference between the current JU and the "modernised one" and better explain how proposed changes (such as the clustering of application areas and the joint actions with Member States) would lead to the identified objectives. The report should explain why, the "modernized JU", would meet the objectives in the most cost effective and efficient manner. Finally, stakeholder views should be better presented.**

\* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted

### **(C) Main recommendations for improvements**

**(1) Better present the problem.** The report should clarify the parameters already set in the Horizon 2020 proposals relating to the FCH JU. It should concentrate on any issue affecting the way in which FCH JU met its stated objectives or on any change in the latter's relevance. In order to do so, the report should give greater relevance to the findings of the 2011 interim evaluation and to the actual performance of the FCH relative to the targets set in the impact assessment preparing its establishment in 2008. Results could be succinctly presented in a table akin to those for monitoring proposed in section 7. The specific issues directly addressed by the initiative and their underlying factors should be more clearly identified and discussed, for instance with regard to the longer than expected time to market, the fragmentation of EU R&D efforts and the parallel concentration of EU support to R&D in this sector in one Member State only. The report should also discuss in more detail the implications for the JU of the increasing attractiveness of FCH from an energy storage point of view. The context of the initiative should only be briefly described and the reasons for public EU support to R&D in this area succinctly recalled. The report should, however, provide additional background on the current JU, including a description of its governance arrangements and institutional specificities.

**(2) Better justify the objectives.** The report should clarify what underpins the proposed specific and operational objectives, and their specific numerical value and timelines. It should, for instance, explain the reasoning behind the targeted efficiency gains, cost reductions, increases in Member States participation and cuts in time-to grant and pay. In so doing it should ensure that objectives are relevant, feasible and can be monitored.

**(3) Better present options content.** The report should clearly describe what the concretely available policy options are within the Horizon 2020 framework. It should provide further details about the scope, governance structure and modus operandi of the available options. On that basis the report should better explain the mechanisms through which the various options would affect the targeted issues and explain in substance what these differences actually mean in terms of the selection of priorities, projects, financing level and sources and achievement of the objectives. The report should, for instance, explain how a new governance structure would trigger the inflow of new funds. In so doing, the report should describe more extensively the links with other relevant EU initiatives, such as the Energy Roadmap 2050 and the EU 2020 strategy. It should also discuss how the different options would deal with lower than committed industry financing.

**(4) Better justify the preferred option.** The assessment of the options should be underpinned by more concrete evidence, e.g. from the interim report or stakeholder evaluation. Social and regional impacts, e.g. employment effects/job creation, link to structural funds, should also be addressed in more detail. Impacts should be compared against the business as usual scenario and options assessed in terms of their effectiveness, efficiency and coherence in meeting the objectives. Finally, the report should explain why the preferred option would meet the objectives in the most cost effective and efficient manner, and how it would relate to (existing and planned) Member States FCH research programmes.

**(5) Better present stakeholder views.** The report should include a full summary of the process of consultation, including the results of the targeted and public consultation in an

annex, together with a clarification of the overlap between respondents to the targeted and public consultations. It should also clarify the extent to which stakeholders who are not recipients of the funds provided under the current programmes have responded to the public consultation.

*Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report*

**(D) Procedure and presentation**

The report should be more accessible for the non-expert reader. Technical terms should be better explained in the relevant context and the language simplified. In presenting the options it should avoid already prejudging them.

**(E) IAB scrutiny process**

Reference number	2013/RTD/010
External expertise used	No
Date of IAB meeting	27 February 2013