

## ANNEX 1

### To the Governing Board decision No CleanHydrogen-GB-2022-05

### Assessment of the Clean Hydrogen Joint Undertaking consolidated Annual Activity Report (AAR) 2021 by the Clean Hydrogen JU Governing Board

## 1. INTRODUCTION

The relevance of Hydrogen and related fuel cells technologies for the achievement of the EU's climate and energy goals is well addressed. This was shown by:

- The continued programme implementation activities through the management of 134 grants resulting from calls for proposals under Horizon 2020 over previous years,
- The organisation of the second edition of the European Hydrogen Week and other impacting communication activities,
- The adoption of the Council Regulation with reference 2021/2085 establishing the Joint Undertakings, including the Clean Hydrogen Joint Undertaking benefitting from an investment of 2 billion Euros of the next decade and launched in operation at the end of the year,
- The preparation of the new strategic research and innovation agenda in collaboration with the European Commission, Hydrogen Europe and Hydrogen Europe Research, to be implemented by the Clean Hydrogen JU over the upcoming period (2021 – 2031).

The Clean Hydrogen JU has efficiently contributed in 2021 via research and demonstration activities to the development and deployment of products and technologies with a portfolio of 134 projects covering the full-spectrum of hydrogen-related research and innovation, from long-term innovative research through development and large-scale demonstration projects in the transport and energy sectors. Transport-related research includes projects on fuel cell electric vehicles, hydrogen refuelling stations, fuel cell buses. In the energy sector, significant achievements were made, in particular to provide combined heat and power in buildings and off-grid applications. Research projects include support for electrolysis research, including high-temperature electrolysis and multi-MW scale electrolysis.

By the end of 2021, the JU had a combined public–private investment close to EUR 1.2 billion. In addition, by the end of 2021, industry and research members made in-kind contributions in additional activities (IKAA) to the value of EUR 1.04 billion. By combining committed EU and private funds in the JU actions with the amount of the additional activities, at the end of 2021, a total EUR 2.22 billion programme can be observed, which means a leverage effect of 2.56.

Budget execution reached 98.3 % in terms of commitment appropriations, recording the best performance in the JU's history, and 88 % in terms of payment appropriations.

## **2. ANALYSIS**

The Clean Hydrogen Joint Undertaking's Consolidated Annual Activity Report 2021 (Authorising Officer's report) was sent to the JU Governing Board on 27 April 2022 and will be submitted for approval by the Governing Board before the end of June 2022. The Governing Board is of the opinion that the Clean Hydrogen JU AAR 2021 adequately covers the main activities of the JU in 2021, identifies the risks associated with the JU operations, duly reports on the use made of the JU resources provided, and indicates the efficiency and effectiveness of the FCH 2 JU's internal control system.

The Governing Board recognizes the continuous progress made by the Clean Hydrogen JU and the achieved results in year 2021 and positively notes in particular the following elements:

### **2.1 Operations**

- The Governing Board is pleased to note the high leverage generated by the JU with a figure of EUR 2.56 of contributions from Members other than the Union, or their constituent or affiliated entities, and participation of non-members, in the form of in-kind contributions to projects and through additional activities, for each 1 EUR of EU contribution.
- The Governing Board takes note of the good budget execution level, 98.3% for Commitment Appropriations, and the 88% for Payment Appropriations. It also takes the opportunity to congratulate the JU for its best execution rate ever in the history of the JU for commitment appropriations.
- The Governing Board takes note of the progress made for the development of the Strategic Research and Innovation Agenda for the upcoming period.
- The Governing Board congratulates the Clean Hydrogen JU for its launch in operations at the end of the year, which results from an intense preparatory work and paves the way for a new decade of reinforced investment in research and innovation on hydrogen.

### **2.2 Communication**

- The Governing Board congratulates the JU for making use of the political momentum created by the Hydrogen Strategy and the European Clean Hydrogen Alliance to increase the visibility of the JU and its activities. This was particularly seen in the second edition of the European Hydrogen Week, bringing together over 2 000 participants from the public and private sectors across Europe.
- The Governing Board also appreciates the focus on general public outreach, as public awareness and acceptance remains a significant issue for the deployment of hydrogen and fuel cells technologies.
- The Governing Board praises the flexibility and speed demonstrated by the JU in adapting to the restrictions put by the COVID-19 crisis.

### **2.3 Risk management process**

- The Governing Board is satisfied with the risk management actions, particularly given the special attention given to the COVID-19 crisis.

### **2.4 Human resources**

- The Governing Board is pleased with the effort put on training and on professional and personal development.

## 2.5 Internal control system

- The Governing Board is pleased that the implementation by Clean Hydrogen JU of the Internal Control Framework and related principles has had a positive impact and has supported the JU in its efforts to achieve its objectives.
- The Governing Board trusts that the necessary controls and monitoring mechanisms are in place to ensure that all errors detected are timely and effectively corrected.

## 3. CONCLUSION

The declaration of the Executive Director and the Clean Hydrogen JU CAAR 2021 give a fair assessment of operational and financial management needed for achieving the objectives. Based on the information provided, the JU key objectives set up for 2021 have been met in compliance with the principles of legality and regularity of operations.

Improvements are, nevertheless, recommended and supported on the few aspects stated in the analysis of this report.

The Governing Board notes that the management of the Clean Hydrogen JU has reasonable assurance that, overall, suitable controls are in place and working as intended, risks are being properly monitored and mitigated. Therefore, the Executive Director, in his capacity as Authorising Officer, has signed the Declaration of assurance without any reservation.