# Procedure file

## Basic information

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| DEC - Discharge procedure | 2010/2185(DEC) | Procedure completed |
| 2009 discharge: European Chemicals Agency ECHA<br><br>Subject<br>8.70.03.07 Previous discharges | | |

## Key players

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|---|---|---|---|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | CONT Budgetary Control | | 23/03/2010 |
| | | S&D STAVRAKAKIS Georgios | |
| | | Shadow rapporteur | |
| | | PPE MACOVEI Monica | |
| | | ALDE GERBRANDY Gerben-Jan | |
| | | Verts/ALE STAES Bart | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
| | ENVI Environment, Public Health and Food Safety | | 05/10/2010 |
| | | S&D HAUG Jutta | |
| European Commission | Commission DG | Commissioner | |
| | Budget | ŠEMETA Algirdas | |

## Key events

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|---|---|---|---|
| 20/07/2010 | Non-legislative basic document published | SEC(2010)0963 | Summary |
| 07/10/2010 | Committee referral announced in Parliament | | |
| 21/03/2011 | Vote in committee | | Summary |
| 06/04/2011 | Committee report tabled for plenary | A7-0127/2011 | |
| 10/05/2011 | Results of vote in Parliament | | |
| 10/05/2011 | Debate in Parliament | | |
| 10/05/2011 | Decision by Parliament | T7-0170/2011 | Summary |
| 10/05/2011 | End of procedure in Parliament | | |

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|---|---|---|---|
| 27/09/2011 | Final act published in Official Journal | | |

## Technical information

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| Procedure reference | 2010/2185(DEC) |
| Procedure type | DEC - Discharge procedure |
| Other legal basis | Rules of Procedure EP 165 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | CONT/7/04069 |

## Documentation gateway

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|---|---|---|---|---|---|
| Non-legislative basic document | | SEC(2010)0963 | 20/07/2010 | EC | Summary |
| Court of Auditors: opinion, report | | N7-0013/2011<br>OJ C 338 14.12.2010, p. 0034 | 16/09/2010 | CofA | Summary |
| Document attached to the procedure | | 05892/2011 | 03/02/2011 | CSL | Summary |
| Committee draft report | | PE450.710 | 03/02/2011 | EP | |
| Committee opinion | ENVI | PE454.730 | 16/03/2011 | EP | |
| Committee report tabled for plenary, single reading | | A7-0127/2011 | 06/04/2011 | EP | |
| Text adopted by Parliament, single reading | | T7-0170/2011 | 10/05/2011 | EP | Summary |

## Final act

Decision 2011/576
OJ L 250 27.09.2011, p. 0150 Summary

# 2009 discharge: European Chemicals Agency ECHA

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2009, as part of the 2009 discharge procedure.

Analysis of the accounts of the European Chemicals Agency (ECHA).

CONTENT: this Commission document sets out the consolidated annual accounts of the European Union for the financial year 2009 as prepared on the basis of the information presented by the institutions, organisations and bodies of the EU, in accordance with Article 129 (2) of the Financial Regulation applicable to the EU?s General Budget, including the European Chemicals Agency (ECHA).

In 2009, the tasks and budget of this agency were as follows:

- description of ECHA?s tasks: ECHA, located in Helsinki, was set up by Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006. Its main tasks are to ensure a high level of protection of human health and the environment, as well as the free movement of substances, on their own, in preparations and in articles, while enhancing competitiveness and innovation. The Agency also promotes the development of alternative methods for the assessment of hazards of substances;
- ECHA?s budget for the 2009 financial year: the Agency?s 2009 budget amounted to EUR 70.4 million, compared with EUR 66.4 million the previous year. The number of staff employed by the Agency at the end of the year was 355, as compared with 244 the previous year.

The complete version of ECHA?s final accounts may be found at the following address:

http://echa.europa.eu/publications/annual_accounts_en.asp

# 2009 discharge: European Chemicals Agency ECHA

PURPOSE: presentation by the Court of Auditors of its report on the annual accounts of the European Chemicals Agency (ECHA).

CONTENT: in accordance with the tasks and objectives conferred on it by the Treaty on the Functioning of the European Union (TFEU), the

Court of Auditors, in the context of the discharge procedure, addresses to the European Parliament and the Council a Statement of Assurance on the reliability of the annual accounts, as well as of the legality and regularity of the transactions underlying them of each EU institution, body or agency, on the basis of an external, independent audit.

This audit also covered the annual accounts of the European Chemicals Agency (ECHA).

In the Court?s opinion, the Agency?s annual accounts presented ?fairly, in all material respects?, its financial position as of 31 December 2009 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also stated that the transactions underlying the annual accounts of the Agency for the financial year ended 31 December 2009 were, ?in all material respects, legal and regular?.

The report again confirmed that the Agency?s 2009 final budget amounted to EUR 70.4 million, EUR 66.6 million of which were a direct contribution from the EU. It employed 355 agents during the 2009 financial year.

The report also included comments on the Agency?s budgetary and financial management, together with the Agency?s replies. The main comments are as follows:

The Court?s comments:

- carry-over and cancellation of a large number of appropriations: EUR 20 million (29% of appropriations) were carried forward to 2010 and EUR 3.3 million (5%) were cancelled. EUR 17.6 million euro (88 % of the appropriations carried forward) correspond to activities not yet implemented (or, in some cases, goods not received) at the year end. This situation indicated delays in the implementation of the activities of the Agency and was at odds with the budgetary principle of annuality.

The Agency?s reply:

- the Agency was faced with unforeseen delays in the implementation of some of its activities and contracting, resulting in the carry-over of the funds. It will continue to further develop the planning and monitoring of its procurement and budget execution in 2010.

Lastly, the Court of Auditor?s report contained a summary of the Agency?s activities in 2009 in the following areas:

- preparatory work on the establishment of the Agency;
- capacity-building in the areas of registration, evaluation, authorisations and restrictions, classification and labelling of substances;
- set up of committees;
- development of REACH-IT and other IT systems;
- set-up of administrative and management systems.

## 2009 discharge: European Chemicals Agency ECHA

The Committee on Budgetary Control adopted the report by Georgios STAVRAKAKIS (S&D, EL) on discharge to be granted to the Executive Director of the European Chemicals Agency in respect of the implementation of the Agency?s budget for the financial year 2009.

Noting that the Agency?s annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of the Agency?s accounts. However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see DEC/2010/2271):

- performance: Members note that the Agency has increased the number of completed registration dossiers (500 in 2009 and 70 in 2008), the number of enquiries (1000 in 2009 and 250 in 2008). They note, in addition, an increase in both the number of compliance checks completed (14 in 2009 and 1 in 2008) and the number of proposals for harmonised classification and labelling (30 in 2009 and 14 in 2008). In this context, they welcome the progress of this agency and the smooth and relatively rapid establishment of its activities. They also congratulate the Agency for enhancing its customer focus and feedback procedures and for having increased assistance activities for industry (such as offering a phone advice service for lead-registrants, workshops, network meetings, public consultations, etc);
- carryover appropriations: Members note that the Agency carried forward 29% of its appropriations (i.e. EUR 20 million) because certain contracts could not be concluded before the end of 2009. They also note that 5% of the appropriations (EUR 3 million) were cancelled. They welcome the Agency's commitment to reduce for 2010 the carryover of commitment appropriations to below 20% and limit the cancelled appropriations to a considerably lower level as compared to 2008;
- human resources: Members note that the total number of posts in the establishment plan has increased by 47% compared to 2008 and that at the end of the year the Agency had achieved 90% execution of the establishment plan. They recall, nevertheless, the importance for the Agency to keep monitoring the implementation of its budget and recruitment plan;
- internal audit: Members call on the Executive Director of the Agency to inform the discharge authority of the content of its audit plan and to inform the discharge authority of the steps taken to improve its control system.

## 2009 discharge: European Chemicals Agency ECHA

PURPOSE: to grant discharge to the European Chemicals Agency in respect of the implementation of the Agency's budget for the financial year 2009.

NON-LEGISLATIVE ACT: Decision 2011/576/EU of the European Parliament on discharge in respect of the implementation of the budget of the European Chemicals Agency for the financial year 2009.

CONTENT: with the present decision, the European Parliament grants discharge to the Executive Director of the European Chemicals Agency for the implementation of its budget for the financial year 2009.

This decision is in line with the European Parliament's resolution adopted on 10 May 2011 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 10/05/2011).

A parallel decision, adopted on the same day, approves the closure of this Agency's accounts.

## 2009 discharge: European Chemicals Agency ECHA

The European Parliament adopted by 510 votes to 80, with 27 abstentions a decision to grant discharge to the Executive Director of the European Chemicals Agency in respect of the implementation of the Agency?s budget for the financial year 2009.

Noting that the Agency?s annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, Parliament approves the closure of the Agency?s accounts. However, it makes a number of recommendations that need to be taken into account when the discharge is granted (in addition to the general recommendations that appear in the resolution on financial management and control of EU agencies - see DEC/2010/2271):

- performance: Parliament notes that the Agency has increased the number of completed registration dossiers (500 in 2009 and 70 in 2008), the number of enquiries (1000 in 2009 and 250 in 2008). It welcomes the progress of this agency and the smooth and relatively rapid establishment of its activities. It also congratulates the Agency for enhancing its customer focus and feedback procedures and for having increased assistance activities for industry (such as offering a phone advice service for lead-registrants, workshops, network meetings, public consultations, etc);
- carryover appropriations: Parliament notes that the Agency carried forward 29% of its appropriations (i.e. EUR 20 million) because certain contracts could not be concluded before the end of 2009. It also notes that 5% of the appropriations (EUR 3 million) were cancelled. It welcomes the Agency's commitment to reduce for 2010 the carryover of commitment appropriations to below 20% and limit the cancelled appropriations to a considerably lower level as compared to 2008;
- human resources: Parliament notes that the total number of posts in the establishment plan has increased by 47% compared to 2008 and that at the end of the year the Agency had achieved 90% execution of the establishment plan. It recalls, nevertheless, the importance for the Agency to keep monitoring the implementation of its budget and recruitment plan.