

# 2009 discharge: European Chemicals Agency ECHA

2010/2185(DEC) - 16/09/2010 - Court of Auditors: opinion, report

**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.