

# 2013 discharge: European Chemicals Agency (ECHA)

2014/2116(DEC) - 01/07/2014 - Court of Auditors: opinion, report

**PURPOSE:** presentation of the EU Court of Auditors' report on the annual accounts of the European Chemicals Agency (ECHA) for the year 2013, together with the Agency's reply.

**CONTENT:** in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the European Chemicals Agency (ECHA).

**Statement of assurance:** pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Agency, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2013;
- the legality and regularity of the transactions underlying those accounts.

**Opinion on the reliability of the accounts:** in the Court's opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2013 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

**Opinion on the legality and regularity of the transactions underlying the accounts:** in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2013 are legal and regular in all material respects.

The report also makes a series of observations on the budgetary and financial management of the Agency, accompanied by the latter's response. The main observations may be summarised as follows:

## The Court's observations:

- **budgetary management:** as in 2012, the level of committed appropriations carried over to 2014 remained high for operational expenses at EUR 10.6 million (46 %), this mainly resulted from the multiannual nature of planned IT development projects (EUR 6.3 million), cost for translations ordered in 2013 but not received by the year end (EUR 1.3 million) and substance evaluations for which the regulatory deadline was February 2014 (EUR 1.7 million);
- **financial management:** in 2013, the ECHA's Executive Director confirmed reasonable assurance that resources have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures in place give the necessary guarantees concerning the legality and regularity of the underlying transactions. However, a reservation to this assurance was made since the mandate of the Agency does not include controls or inspections at national level and therefore **no confirmation could be given that only registered or authorised substances and products**, for which a fee has been paid to the Agency, **were circulating on the European Union market.**

## The Agency's reply:

- **budgetary management:** ECHA will continue to be attentive to avoid any non-justified carry-over operations;
- **financial management:** the Agency recalled that the Executive Director of the European Chemicals Agency included the following text in his Declaration of Assurance for 2013: as regards the implementation of the European Union legislation and the fee regulations under the Agency's remit, this assurance has to be limited to the field of competences of the Agency. Since the mandate of the European Chemicals Agency does not include controls or inspections at national level, it cannot be confirmed that only registered or authorised substances and products, for which a fee has been paid to the Agency, are circulating on the European Union market.

Lastly, the Court of Auditors' report contains **a summary of the Agency's activities in 2013**. This is focused on the following:

**Budget:** EUR 107.7 million.

### Activities:

- number of dossiers processed: 14 839;
- number of confidentiality requests assessment completed: 662;
- number of enquiries received: 1 903;
- number of decisions issued on data-sharing disputes: 11;
- number of substances on which information made public (excluding confidential information): 10 561.

The Agency also:

- carried out evaluations for compliance checks;
- classified and labelled 6.1 million for over 125 000 substances;
- provided advice and assistance, including to institutions and EU bodies;
- established scientific IT tools to enable IT solution for Member States for single point of access to dossiers and substance data;
- ensured communication operations (including through its website);
- ensured international cooperation.