2018 discharge: European Chemicals Agency (ECHA)

2019/2086(DEC) - 13/05/2020 - Text adopted by Parliament, single reading

The European Parliament decided to **grant discharge** to the Executive Director of the European Chemicals Agency (ECHA) for the financial year 2018 and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Agency's annual accounts for the financial year 2018 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 604 votes to 86 with 3 abstention, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the resolution on performance, financial management and control of EU agencies:

Agency's financial statements

The final budget of the Agency for the financial year 2018 was EUR 118 760 709, representing an increase of 7.45 % compared to 2017. Approximately 72.47 % of the Agency's budget derives from fees and charges and 26.18 % from the Union and third countries.

The fees paid by industry vary substantially year by year, and that it is therefore not possible for the Agency to make a reasonable estimate of the need for a balancing subsidy from the Union budget, which complicates budgetary planning. Moreover, the fees applicable depend on the size of the companies and the volume of chemicals registered. The Agency has identified that some 52 % of the companies had incorrectly declared their size, resulting in lower fees. This finding demonstrates the limitations of a system that relies excessively on self-declarations made by applicants.

Budget and financial management

The resolution called for funding to be granted to the Agency, as one of the Union agencies responsible for assessing regulated products, that is sufficient to allow it to carry out its tasks.

Budget monitoring efforts during the financial year 2018 resulted in a budget implementation rate of 99.92 %, representing an increase of 1.25 % compared to 2017. The payment appropriations execution rate was 87.04 %, representing a decrease of 0.59 % in comparison to 2017.

Other observations

Members also made a series of observations regarding performance, staff policy, procurement and internal controls.

In particular, they noted that:

- that 2018 was the year of the final registration deadline under the REACH Regulation. The Agency received 37 400 dossiers in that year, which represents an increase of 135 % compared to 2017. The Agency coped very well with the dramatic increase in registrations over the past year;

- efforts to streamline the Agency's organisational structure have been welcomed;

- on 31 December 2018, the establishment plan was 96.29 % executed, with 441 temporary agents appointed out of 458 temporary agents authorised under the Union budget;

- the Agency moved to its new premises in Helsinki in January 2020;

- the Agency should continue to measure the possible future decrease of part of its revenues resulting from the United Kingdom’s decision to withdraw from the European Union.