2021 discharge: European Chemicals Agency (ECHA)

2022/2101(DEC) - 10/05/2023 - 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 2021 and to approve the closure of the accounts for that year.

Noting that the Court of Auditors has stated that it has obtained reasonable assurance that the Agency's annual accounts for the financial year 2021 are reliable and that the underlying transactions are legal and regular, Parliament adopted, by 556 votes to 66 with 7 abstentions, a resolution containing a series of recommendations which form an integral part of the discharge decision and which complement the general recommendations contained in the resolution on the performance, financial management and control of EU agencies.

Agency's financial statements

The Agency's final budget for the financial year 2021 was EUR 110 728 826 representing an increase of 1.25 % compared to 2020. Approximately 26 % of the Agency's budget derives from fees and charges and 72 % from the Union and third countries.

Budgetary and financial management

Budget monitoring efforts during the financial year 2021 resulted in a budget implementation rate of current year commitment appropriations of 98.39 %, representing a slight decrease of 0.10 % compared to 2020. Payment appropriations execution rate was 86.23 %, representing a decrease of 1.31 % in comparison to 2020.

In 2021, the Agency collected fee and charges income totalling EUR 30 198 445, while it received EUR 79 665 478 (including third countries' contributions) from the Union budget and EUR 4 349 206 from contributions under specific agreements. The Agency's fee income has significantly decreased, requiring it to rely increasingly on the Union to finance its operations. The Commission is called on to strengthen the governance of the Agency and increase the sustainability of its financing model without delay.

Other observations

Parliament also made a series of observations concerning performance, staff policy, internal control and digitalisation.

In particular, it noted that:

- the Agency reviewed the strategic plan for 2019-2023 and achieved 194 out of 214 actions and outputs set in the 2021 work programme. The remaining 18 actions and outputs were not met mainly due to the COVID-19 pandemic;

- compliance monitoring efforts have been stepped up and have been largely successful in detecting non-compliant registrations and in following up on companies that need to clarify the data supplied;

- on 31 December 2021, the establishment plan was 97.41 % executed, with 453 temporary agents appointed out of 467 temporary agents authorised under the Union budget (compared to 463 authorised posts in 2020). There is a continued gender imbalance;

- in 2021, the Agency organised harassment prevention training for all staff;

- more systematic rules on transparency, incompatibilities, conflict of interests, illegal lobbying and revolving doors should be put in place. The Agency should also strengthen its internal control mechanisms, including the setting up of an internal anticorruption mechanism;

- the Agency applies and follows state-of-the-art security practices in order to protect confidential information at rest in the Agency's Information Systems and in transit with authorised users such as Member State authorities;

- the digitalisation of procedures should be accelerated;

- the Agency has continued its efforts to phase out animal testing in Europe to the extent possible under the current regulatory framework. The Agency should therefore work with all stakeholders in order to accelerate the transition to full use of non-animal methods for chemical safety testing;

- a taskforce should be established to focus on reducing and replacing animal testing.