Basic information

2013/2233(DEC) DEC - Discharge procedure	Procedure completed
2012 discharge: European Chemicals Agency (ECHA) **Subject** 8.70.03.07 Previous discharges	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	SARVAMAA Petri (PPE)	10/10/2013
	Shadow rapporteur KADENBACH Karin (S&D) GERBRANDY Gerben-Jan (ALDE) STAES Bart (Verts/ALE) ANDREASEN Marta (ECR) DE JONG Dennis (GUE/NGL) VANHECKE Frank (EFD) EHRENHAUSER Martin (NI)	

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Food Safety	HAUG Jutta (S&D)	10/10/2013

European Commission

Commission DG	Commissioner
Budget	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
26/07/2013	Non-legislative basic document published	COM(2013)0570	Summary
22/10/2013	Committee referral announced in Parliament		

17/03/2014	Vote in committee		
21/03/2014	Committee report tabled for plenary	A7-0229/2014	Summary
02/04/2014	Debate in Parliament		
03/04/2014	Decision by Parliament	T7-0309/2014	Summary
03/04/2014	Results of vote in Parliament		
03/04/2014	End of procedure in Parliament		
05/09/2014	Final act published in Official Journal		

Technical information

Procedure reference	2013/2233(DEC)
Procedure type	DEC - Discharge procedure
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/7/14206

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE521.652	24/01/2014	
Committee opinion	ENVI	PE524.568	27/01/2014	
Amendments tabled in committee		PE521.765	26/02/2014	
Committee report tabled for plenary, single reading		A7-0229/2014	21/03/2014	Summary
Text adopted by Parliament, single reading		T7-0309/2014	03/04/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	05849/2014	05/02/2014	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2013)0570	26/07/2013	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofA	Court of Auditors: opinion, report	N7-0020/2014 OJ C 365 13.12.2013, p. 0097	10/09/2013	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Budget 2014/0577 OJ L 266 05.09.2014, p. 0201	Summary

2012 discharge: European Chemicals Agency (ECHA)

2013/2233(DEC) - 26/07/2013 - Non-legislative basic document

PURPOSE: presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2012, as part of the 2012 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 2012 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 2012, 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 and its main tasks are to : (i) help businesses comply with the legislation in force; (ii) promote the safe use of chemicals; (iii) provide information on chemicals; (iv) assess hazardous substances;

ECHA's budget for the 2012 financial year: the Agency's budget for 2012, as presented in the Commission document on the consolidated annual accounts of the European Union, gives the following figures:

§ **Commitment appropriations** :

- **committed** : EUR 99 million;

- **paid** : EUR 96 million;

- **carried-over** : 0.

§ **Payment appropriations** :

- **committed** : EUR 113 million;

- **paid** : EUR 94 million;

- **carried-over** : EUR 15 million.

Please refer also to the final accounts of the ECHA.

2012 discharge: European Chemicals Agency (ECHA)

2013/2233(DEC) - 10/09/2013 - 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 2012, 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).

In the Court's opinion, the European Chemicals Agency's **Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2012** 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.

The Court also considers that the **transactions underlying the annual accounts** of the Agency for the financial year ended 31 December 2012 are, in all material respects, **legal and regular.**

The report confirms that the Agency's 2012 budget amounted to EUR 98.9 million.

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: while the rate of committed appropriations carried over was high for title III at 50 % (EUR 11.3 million), this primarily relates to the multiannual nature of significant IT development projects.

The Agency's reply:

- the Agency indicates it will continue to ensure justification for carry-over operations.

Lastly, the Court of Auditors' report contains **a summary of the Agency's activities in 2012**. This is focused on registration of chemical products:

- number of dossiers processed: 9.773 ;
- number of confidentiality requests assessment completed: 871 ;
- number of enquiries received: 1 632 ;
- number of decisions issued on data-sharing disputes: 1 ;
- number of susbstances on which information made public (excluding confidential information): 7 884.

2012 discharge: European Chemicals Agency (ECHA)

2013/2233(DEC) - 05/02/2014

Having examined the revenue and expenditure accounts for the financial year 2012 and the balance sheet at 31 December 2012 of the European Chemicals Agency (ECA), and the report by the Court of Auditors on the annual accounts of the Agency for the financial year 2012, accompanied by the Agency's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Executive Director of the Agency in respect of the implementation of the budget for the financial year 2012.

The observations in the Court of Auditors' report in relation to the financial year 2012 call for some comments by the Council, which may be summarised as follows:

- in general, the Council welcomes the Court's opinion that, in all material respects, the Agency's annual accounts present fairly its financial position as at 31 December 2012 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Agency's Financial Regulation and the accounting rules adopted by the Commission's accounting officer, and that the underlying transactions for that financial year are legal and regular.
- **Carry-overs**: the Council urges the Agency to continue improving its financial management by further scrutinising carry-overs of appropriations to the following budgetary year and by limiting them to the minimum necessary, taking into account the multiannual nature of some of its activities and projects, in line with the budgetary principle of annuality.
- **Assets**: furthermore, the Council encourages the Agency to remedy the weaknesses identified by the Court in the Agency's assets inventory management. It invites the Agency to enhance its processes for the safeguarding and tracking of its fixed and intangible assets.

2012 discharge: European Chemicals Agency (ECHA)

2013/2233(DEC) - 03/04/2014 - Text adopted by Parliament, single reading

The European Parliament adopted a decision concerning the 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 2012. The vote on the discharge decision approved the closure of the accounts (in accordance with Annex VI, Article 5(1) of the Rules of Procedure of the European Parliament.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Agency for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Parliament adopted by 503 votes to 66, with 16 abstentions, a resolution containing a series of recommendations that form an integral part of the discharge decision and as well as the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

These recommendations are summarised as follows:

- **Budget and financial management**: Parliament noted that the budget implementation rates for the year 2012 were satisfactory but the rate of committed appropriations carried over was high due to the multiannual nature of significant IT development projects and the start of two new activities, Biocides and PIC in the second half of 2012. It recalled that the Agency received Union subsidies of EUR 4.2 million from the Commission, as well as a pre-financing sum of EUR 500 000 from DG Environment as **contractual compensation** for undertaking preparatory activities for the Regulation on Biocide Products and IPA pre-financing amounting to EUR 0.2 million. It noted that for the second consecutive year, the **Agency did not receive any contribution from the Union budget in 2012** in compliance with the REACH and CLP Regulation and that budgetary revenue from fees and charges in terms of cash received amounted to EUR 26.6 million.
- **Performance**: Parliament expected that the Agency provides the Commission, Parliament and the Council with a detailed analysis on possible measures to improve the implementation of REACH in order to: (i) reduce administrative burden for businesses, (ii) reduce uncertainty in the authorisation process, i.e. measures that will make the outcome of REACH procedures more predictable, (iii) improve the proportionality of REACH procedures including considerations on limiting the scope of analyses of alternative substances, (iv) ensure confidence in REACH procedures, including considerations on the avoidance of retroactive charging in the context of joint submissions and lead registrants, (v) improve legal clarity, including **considerations on the definition of criteria for the admissibility of joint submissions**. Parliament also requested that the Agency communicate the results and impact its work has on European citizens in an accessible way, mainly through its website.

Parliament also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

Lastly, it acknowledged that the Agency will include information and statistics on the management of conflicts of interests in its 2013 annual activity report.

2012 discharge: European Chemicals Agency (ECHA)

2013/2233(DEC) - 21/03/2014 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Petri SARVAMAA (EPP, FI) in which it recommended the European Parliament 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 2012.

Noting that the Court of Auditors stated that it has obtained reasonable assurances that the annual accounts of the Agency for the financial year 2012 are reliable, and that the underlying transactions are legal and regular, Members approved the closure of the Agency's accounts. They made, however, a number of recommendations that needed to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies.

- **Budget and financial management**: Members noted that the budget implementation rates for the year 2012 were satisfactory but the rate of committed appropriations carried over was high due to the multiannual nature of significant IT development projects and the start of two new activities, Biocides and PIC in the second half of 2012. Members recalled that the Agency received Union subsidies of EUR 4.2 million from the Commission, as well as a pre-financing sum of EUR 500 000 from DG Environment as contractual compensation for undertaking preparatory activities for the Regulation on Biocide Products and IPA pre-financing amounting to EUR 0.2 million.

Members also made a series of observations on transfers, procurement and recruitment procedures as well as comments on internal controls.

Lastly, they acknowledged that the Agency will include information and statistics on the management of conflicts of interests in its 2013 annual activity report.

2012 discharge: European Chemicals Agency (ECHA)

2013/2233(DEC) - 03/04/2014 - Final act

PURPOSE: to grant discharge to the European Chemicals Agency (ECHA) for the financial year 2012.

NON-LEGISLATIVE ACT: Decision 2014/577/EU of the European Parliament on discharge in respect of the implementation of ECHA's budget for the financial year 2012.

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 2012.

This decision is in line with the European Parliament's resolution adopted on 3 April 2014 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 3 April 2014).

Amongst the main observations made, Parliament called on the Agency to provide the Commission, Parliament and the Council with a detailed analysis on possible measures to **improve the implementation of REACH** in order to reduce administrative burden for businesses and the uncertainty in the authorisation process of placing chemical substances on the market.