

PRELIMINARY CONCLUSIONS

**30TH MANAGEMENT BOARD MEETING
19-20 JUNE 2013, HELSINKI**

1. Election of a Deputy-Chair of the Management Board

Mr Martin LYNCH, the Irish Board member, was unanimously re-elected as the Deputy-Chair of the Board, for his second and last term of office of two years.

2. Report from the Executive Director

The Management Board received the quarterly update on important developments related to the Agency's activities, since the previous meeting, including the results on ECHA Work Programme indicators and the 2nd REACH registration deadline.

The Board expressed its high satisfaction with the achievements made in implementing the work programme and congratulated ECHA for successfully managing the 2nd REACH registration deadline. It was positively acknowledged that the 2nd registration deadline went almost "noiseless" which was attributed to the increased experience of ECHA as regulatory authority. The efforts by industry in order to comply with the REACH obligations were equally acknowledged.

A broad exchange of views took place on the intermediate outcome of the registration deadline but also on other deliverables from the past quarter. Some members questioned also the progress made towards the 5% compliance check target for this year and the split between full and targeted compliance checks.

The Chair noted that, in line with the mandate given by the Board, the Working Group on Planning and Reporting will continue at its next meeting to look into the issue of quality of the registration dossiers. On request, the Chair also confirmed to look into the way the report is generating long debate on a vast area of topics often unrelated to the past quarter and to make a practical proposal for dealing with this recurring agenda point.

3. Budgetary, accountancy and audit issues

3.1 Budget 2014 and MFF 2014-20 update

The Management Board took note of the report on the recent developments in the budgetary area, following the information given in March 2013.

This concerned the following issues:

1. Commission proposal for the 2014 budget and for the Multi-annual Financial Framework 2014-2020 as regards ECHA
2. Payment of employer's part of the pension contribution
3. Ring-fenced reserve fund for ECHA to compensate for shortfalls in fee revenue

4. Alternative way of financing associated European schools

It was noted that the Commission had indicated to keep insisting on a 2% (in 2014 - 2017 and another 1% per year until 2020) staff cut for cruising speed agencies and is likely to propose this to the Budgetary Authority. However, no draft budget has yet been formally adopted. The European Parliament had expressed support to agencies that they should see the same staff cuts as the other institutions, i.e. 1% per year from 2013-2017. The Commission also remains reluctant towards establishing a ring fenced reserve fund for fee receiving agencies, like ECHA. A new budgetary issue emerged related to the financing of Associated European schools, which would have to come from the agencies' budget to be compensated by additional subsidies unless there is a revenue reserve.

The Board mandated the Executive Director to propose Commission a solution for a reserve fund for ECHA and to take the necessary steps to avoid an unequal treatment of ECHA compared to other EU bodies with respect to the financing of Accredited European Schools.

3.2 Amendments to the budget and the establishment plan 2013

The Management Board adopted the:

- amendments to the budget and establishment plan for 2013 as annexed to document MB/20/2013, approved the transfer of € 44k from budget line 3902 to budget line 1113
- took note of the budget transfers made under the authority of the Executive Director since the last notification.

There were three reasons calling for amending the Agency's 2013 budget:

1. Now that ECHA has finalised its 2012 accounts, the remaining balance of the budgetary outturn account could now be entered to the budget as revenue (Financial Regulation, Art. 16).
2. As ECHA strives to optimise its allocated human resources, the Secretariat proposed to make a minor (3 posts) and budget-neutral amendment to the 2013 establishment plan (Financial Regulation, Art. 32).
3. As the level of fee revenue from i.a. the 2013 Registration deadline was much higher than initially budgeted, ECHA wished to adjust the income for the whole year and the end reserve.

4. Opinion on the Agency's final accounts 2012

The Management Board took note of ECHA's final accounts 2012 as well as the Court of Auditor's observations thereon. Based on a recommendation prepared by the Working Group on audit matters it adopted its opinion on the accounts and instructed the Executive Director to forward the opinion the Commission's Accounting Officer, the Court of Auditors, and the budgetary authority (European Parliament and the Council), by 1 July 2013 latest.

5. Report from the WG audit and annual reports of IAC and IAS

The Board took note of a report from its Working Group on audit matters, covering amongst others the annual audit reports which were prepared in addition to the observations from the Court of Auditors, namely the reports from the Commission's Internal Audit Service (IAS) and the ECHA Internal Audit Capability (IAC). The Working Group on audit had noted the pro-active way the audit recommendations are addressed by ECHA.

6. ECHA IT Security Declaration - revision of the Standard Security Requirements

Based on a proposal from the Security Officers Network, the Management Board approved amended Standard Security Requirements for the access to ECHA's IT systems, including new Teleworking Rules. Furthermore, the Board endorsed a set of minimum security requirements which will allow access to competent authorities under the Biocidal Product Regulation to access on a temporary basis Biocides IT systems in case they are unable to implement all requirements in time for the entry into operation of the new Regulation.

One Commission representative objected to the first approval on the grounds that REACH and CLP databases contain more confidential information than biocides and in the absence of any real need remote access should not be allowed for these two systems.

7. Biocides issues

7.1 Preparation for Biocides tasks - state of play

The Management Board took note of the state of play of the Agency preparations for the Biocides tasks before the forthcoming entry into operations of the Biocidal Product Regulation (BPR) on 1 September.

It was noted that ECHA's operational capacity is still under development and while significant progress has been made in the last six months, ECHA's prudent approach to recruitment – as a result of the financial constraints in the 2013 budget - impacts the ability to advance on all aspects of the planned preparations which will now be concluded in 2014. The Board noted that the prioritisation of the tasks was agreed with the Member States and the Commission. The Board was also informed of a new agreed service on chemical similarity, which would require a charge for its decision upon an agreement from the Commission. A written procedure will be launched on the matter in the coming weeks after the publication of the BPR Fee Regulation.

7.2 Rules of Procedure for the Biocidal Product Committee (BPC) / Participation of applicants/stakeholders in the BPC

The Management Board approved the Rules of Procedure for the Biocidal Product Committee and took note of the information provided in relation to the participation of applicants and stakeholder observers.

The Board adopted the proposed rules submitted by the Committee subject to a minor clarification.

8. Report from the Chairman of the Board of Appeal

The Management Board took note of the annual report from Board of Appeal by its Chairman.

The Chairman reported on the latest appeal decisions, resource issues and challenges faced by the Appeal body. The report and the work done by the Board of Appeal was appreciated. Some discussion took place on the issue of possibilities for supporting registrants after a final decision has been taken to comply with the requirements, and the ways of collaboration between the Secretariat and the Board of Appeal. The Board's established working group on Board of Appeal matters will look into these and other issues in the course of its regular work.

9. Functioning of the Committees / Remuneration of the co-opted Committee members and experts / Appointment of the Committee members

The Management Board took note of the Secretariat's assessment of the functioning of the REACH and CLP Committees and a number of proposed measures to address the capacity constraints that these bodies are or will be facing. The measures proposed included the recourse to co-opted members for which a proposal was added for a revised Decision on the remuneration of co-opted members and experts invited by the ECHA Committees or the Forum.

Whilst thanking the Secretariat for bringing the important issue in a well prepared manner on the agenda, the members of the Board identified in a broad exchange of views raised doubts the concrete actions proposed by the Secretariat to improve the capacity and functioning of the Committees, especially the RAC. Overall the Board identified a need to make a broader analysis of the issue at stake, to reflect the discussions at the meeting and to find ways to ensure the commitment of Committee members and Member States to the work of the Agency.

By way of conclusion, it was decided to take no action in relation to Committee issues at the present meeting. This included the (re)appointment of Committee members, which was a consequence of the need for a broader analysis of the functioning of the Committees. Possible policy choices that would come out of the next MB meeting will be decisive for the appointment of committee members. The Board decided to mandate its Working Group on Planning and Reporting on an ad hoc basis to look into the matter at its next meeting, scheduled for 5 September 2013 and to present a proposal to the September Management Board meeting.

10. Rules of procedure for cooperation with EFSA on food safety issues and with other EU bodies on worker protection issues

Following the Commission's agreement and agreeing with the minor modification it inserted, the Management Board adopted:

- Rules of Procedure for cooperation of the European Chemicals Agency with the European Food Safety Authority, and the
- Rules of Procedure for cooperation between the European Chemicals Agency and other relevant European Union bodies in the area of worker protection.

These rules are foreseen in Art 110 of the REACH Regulation and will be published.

11. Amendments to the Rules of Procedure of the Forum

The Management Board adopted the amendments to the Rules of Procedures of the Forum for Exchange of Information on Enforcement. The revision aimed in particular at improving the management of potential conflicts of interests, including consequences when the annual declarations of interest have not been submitted.

12. Amendments to the ECHA Code of Conduct

The Management Board adopted an amendment to ECHA's Code of Good Administrative Behaviour in order to take account of a suggestion made by the European Ombudsman.

13. Items for information

Management Board members were invited to take note of:

- The updated MB Rolling Plan
- A Commission document on REACH/CLP and Customs, cooperation of authorities
- The outcome of the written procedures since the last meeting
- The discharge 2011 adopted by the European Parliament in May 2013

14. Any other business

Meeting with MB Chairs organised by the European Commission

The Chair gave a report from the meeting with MB Chairs organised by the Commission's Secretariat General on 14 May in the Commission's headquarters in Brussels.

The purpose of the meeting was to present the Common Approach on decentralised EU agencies and the Commission's implementation roadmap thereon. Both documents have been formally presented to previous Management Board meetings.

Composition of MB working groups

With regard to a change in the Commission representation in the Management Board, the Board concluded that Mr Hansen will replace Mr Borchardt (DG ENV) in the relevant sub groups of the Management Board (AG dissemination / WG Board of Appeal). The Board also agreed that representatives from both DG ENTR and ENV will participate in the AG Dissemination and the WG Planning and reporting.

Sharing of confidential documents with Member States/Committee members outside REACH-IT

The Board was informed that ECHA is working on an own collaboration platform, replacing CIRCABC. The MB will be able to take part in the pilot phase in the autumn when the MB Secretariat will start using the new platform for sharing MB documents.

Annual appraisal of BoA members and ED

The Chair informed of the closure of all annual appraisal reports for the ED and BoA members.

ECHA SME ambassador

The floor was given to Andreas HERDINA, Director for Cooperation to report on his new function as SME ambassador which the Executive Director assigned to him. The Commission representatives underlined the importance of the new function and thanked ECHA for the positive attitude in responding to the Commission's suggestion.

MSCA Directors' planning meeting

The Chair informed that the annual meeting with MSCA directors is planned for 20 November 2013 and will include Biocides authorities. More information on this will follow in due course.

Work programme 2014

The Chair informed that the Board will soon after the meeting receive the draft Work Programme 2014 for consultation until mid-August. After review of the comments by the WG P&R, the draft programme will then be put for adoption at the September 2013 meeting. The Chair also remind that the draft MAWP is still in public consultation in all EU languages until mid-July.

SETAC workshop

The Board heard a report from Cristina Rudén about the outcome of a recent SETAC workshop on the gap between academic research and regulatory risk management of chemicals. ECHA had also participated in this workshop. Member were invited to contact Ms Rudén if they are interested in the work in this area.

Changes in membership

The Management Board welcomed four new members:

- Kristina BIRÓ, Hungary
- Paul RASQUÉ, Luxembourg
- Peter HAVE; Denmark
- Bjorn HANSEN, Commission

Furthermore, the Management Board bid farewell to Gustaaf Borchardt who participated for the last time in a meeting. The Board warmly thanked Mr Borchardt for his contributions over the last years, including the work in the sub-groups of the Management Board.

Next meeting

The next meeting of the Management Board will take place on 26-27 September 2013 in Helsinki.
