

Periodic review of the Management Board Code of Governance

62nd Meeting of the Management Board 23-24 June 2021

Key messages

The Management Board (MB) is invited to take note of the upcoming periodic review of its Code of Governance ('the Code'), adopted in 2019. The Code is composed of the Management Board's Rules of Procedure, its Operating Framework, the Code of Conduct of its members, as well as of the Terms of Reference of the MB subgroups.

All parts of the Code and in particular the Rules of Procedure and Operating Framework are reviewed at least every two years and revision is proposed as necessary. The 2021 periodic review will include proposals for updates from the Chair, submitted to the 63rd Management Board meeting in September 2021. Board members are invited to provide input to the Chair and the Secretariat by 31 July 2021.

It is to be noted that the Secretariat will conduct a survey among Board members in summer 2021, to assess their satisfaction with the current working arrangement and identify areas for potential improvement (similarly to 2020). Learnings from this survey may feed into the review of the Code, if appropriate.

Background

The Management Board adopted its Code of Governance in 2019¹, further to the 2018 review of its working methods. The Code sets out the overall framework for the role, principles, tasks, responsibilities and working methods of the MB and it is the central source of reference for the Board, which supports its work in a transparent manner.

The Code is composed of:

- The Rules of Procedure, setting out the formal rules for voting, meetings, chairing and the procedures of the Management Board.
- The Operating Framework, describing the main responsibilities of the Board and its Members, as well as their working practices.
- The Code of Conduct of Board Members, providing the ethical framework for Members. Members accept this Code of Conduct by signing it when joining the Management Board.
- The Terms of Reference of the Management Board subgroups, setting out the role, composition, tasks and ways of working of the subgroups.

Rationale

The Code includes a periodic review, i.e. that all its elements and in particular the Rules of Procedure and the Operating Framework are reviewed at least every two years and changes are proposed as necessary. While some parts of the Code were technically updated during the last two years (e.g. after the adoption of the Terms of Reference of the Subgroups, to reflect remote working arrangements), the first periodic review is scheduled for 2021.

The review will include an assessment of all elements of the Code, conducted by the Chair with the support of the Secretariat. Board members are also invited to communicate any views they may have with respect to the Code and its elements, by 31 July 2021. The MB Chair will, on this basis, formulate recommendations or proposals for the Board in the 63rd Management Board meeting in September 2021.

¹ MB/M/04/2019 and MB/M/05/2019.

It is to be noted that the efficiency and functioning of the Management Boards of decentralised EU agencies is the subject of wider scrutiny and attention at the time of this review. In particular, the Special Report of the European Court of Auditors (ECA) on the "Future of EU agencies – Potential for more flexibility and cooperation" proposed² that the 'legislator reviews the size of management boards where needed to improve the efficiency of the decision-making process'.

The European Parliament has recently commissioned a study about the effectiveness and efficiency of the management boards of decentralised agencies, which examines their working methods and will aim to identify areas for improvement. It is expected that the results of this study are available in July 2021 and may bring valuable insights into the ECHA Management Board's reflections about the review of its Code and more widely that of its working methods. The Secretariat will make the study available to Board members and the relevant elements will be brought forward for consideration in due course.

Finally, it is to be noted that the Secretariat will conduct a survey among Board members in summer 2021, to assess their satisfaction with the MB practical working arrangements, including the remote arrangements. Feedback from this survey may further input the review of the Code, as appropriate.

Attachments:

- Annex 1: [Management Board Code of Governance](#)
 - [Rules of Procedure](#)
 - [Operating Framework](#)
 - [Code of Conduct of Management Board members](#)
 - Terms of Reference of Management Board Subgroups
 - [Subgroup Strategy, Planning and Implementation](#) (SPI)
 - [Subgroup Finance, Audit and Risks](#) (FAR)
 - [Subgroup Board of Appeal](#) (BoA)
 - [Subgroup Reporting Officers Executive Director](#)
 - [Subgroup Reporting Officers Board of Appeal members](#)
- Annex 2: Draft survey questions on the MB practical working arrangements

For questions: mb-secretariat@echa.europa.eu

² MB/69/2020.