

SPEECH

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It gives me great pleasure to be in Helsinki today, together with **Prime Minister Vanhanen**, and **Mayor Pajunen**, to mark the entry into force of the REACH regulation, and with it the European Chemicals Agency, commonly known as ECHA.

We have with us also the Acting Executive Director, Mr. **Geert Dancet**, who will head the Agency until the Executive Director to be appointed by ECHA's Management Board can take over.

The fact that we are celebrating the entry into force of this legislation is due to the determination and skill of the Finnish Presidency which succeeded in finding the key compromises after a very difficult and lengthy negotiation.

REACH - AMBITIOUS CHEMICALS LEGISLATION

REACH is arguably the most ambitious chemicals legislation in the world; it aims at highest level of health and environmental protection, while at the same time fostering innovation and competitiveness. It is important to remember that the chemicals industry is not all about big international companies. Vast majority of chemicals companies are Small and Medium Size enterprises. REACH will also place serious obligations on manufacturing industry generally, a sector in which SMEs are equally important. This highlights the importance of simplification and cost-efficiency in the application of the rules, and the need for special attention to the problems of SMEs.

We now face the important challenge to put this ambitious legislation into practice. This must be done in a way which respects the political aims of the new policy and which at the same time is pragmatic. We want to show other countries, including those which have tended to be critical of what we have set out to achieve, that this legislation works in practice, and delivers the expected results.

EUROPEAN CHEMICALS AGENCY – CRITICAL 12 MONTHS AHEAD

All the indications are that implementing REACH will be a challenging operation. This is due to the importance and number of decisions to be taken by the Commission and by the Agency within a very short time span.

The new Agency has a central role in implementing REACH. The task of converting the REACH regulation into reality will very much depend on the quality and effectiveness of the Agency's work. This concerns its own operating procedures, the IT systems and the guidance and support it provides to companies and to Member States.

I expect the Agency to meet our very high expectations. Sound scientific judgement should underpin the Agency's work. The Agency will also have to bring together the best technical expertise and it has to work in full independence. Only then will the Agency be able to ensure that there is an objective basis for its decisions and that more innovative substances and technologies are generated that will replace substances or uses of substances which pose the highest risks to man or the environment.

The Agency should provide specific tailored-made support to SMEs. These companies have an essential place in the industry, and are major contributors to innovation. They face specific challenges in implementing REACH and the political aim of the regulation to do everything possible to help SMEs must be converted to reality.

At the same time, it is essential that the Agency, while fully respecting its independence, will develop and maintain fruitful working relationships with the Commission which will be called upon to take important decisions based on the Agency's work. This can be assured through maintaining the highest quality of scientific and technical performance.

For our part, the Agency can be assured of the Commission's full support. Making a success of the Agency is a priority for me and for my colleague, Stavros Dimas, Environment Commissioner, who is unavoidably absent today. We, and our respective services, will continue the very close and constructive cooperation which has enabled us to achieve important progress in setting up the Agency.

The Commission has made exceptional efforts to plan the setting up of this Agency and equip it with the means to be successful. In particular, the Commission is seconding 40 members of its staff to help the Agency to get the operations started. This includes experienced Commission personnel who have dealt with chemicals in Brussels and at the European Chemicals Bureau in Ispra, Italy.

Council and Parliament have also played their part, especially in agreeing to set aside enough financial resources to meet the Agency's budgetary needs in the first 3 years until the revenue from fees paid by companies can finance most of the annual costs. Today the Agency marks the start of its operations by **launching** its **website**. In the months to come, it is facing other important organisational challenges: It must

- **recruit some 150 Agency staff members** covering a wide range of disciplines, namely, scientific, technical and administrative.
- **establish ECHA's organisational structures**, including the Management Board, the Board of Appeal, and various technical Committees which will provide advice and will ensure a consistent approach to implementing the rules at the level of Member States,
- **execute the 2007 work programme** and plan for 2008 and 2009
- **put into place the Agency's financial, operational and control procedures**,
- **complete guidance tools** to companies and to the competent authorities of the Member States, and
- **establish a performing REACH-IT system to** support the REACH operations for all parties affected by the legislation, namely companies, Member States, Commission, the public and the agency itself.

Once the Management Board is in place and the permanent Executive Director has been appointed later this year there will be the formal inauguration of this Agency. I hope that it will be possible to have the President of the Commission, José Manuel Barroso, as well as my colleague Stavros Dimas, with us on that occasion.

COOPERATION WITH FINLAND

The successful creation of a large-scale regulatory agency depends on the support provided by the host country.

Here, I would like to pay tribute to the Finnish authorities who have worked in close cooperation with the Commission to help resolve the many problems we have faced. To give examples of this, invaluable support has been given by Finland in

- identifying and renting of the **suitable building** for the Agency,
- drawing up a **seat agreement** which stipulates all the provisions that concern the agency and its staff.

I would also like to express my thanks to the City of Helsinki for its proactive approach to ensure that the personnel who come to Helsinki and their families will have all the necessary support and advice to find accommodation, and to avail of other essential services. This will help ECHA attract top calibre staff, and is important in establishing the reputation of the city as welcoming and supportive of the development of technology and innovation.

Success of REACH will rely on ECHA. The Commission will make every effort to ensure that Helsinki will be seen not only as a beautiful and modern city on the Baltic Sea, but also the home of a leading European Agency at the forefront of improving the lives of our citizens and promoting innovation.

My final thanks go to all of you here today who have helped us in this endeavour.