

PRELIMINARY CONCLUSIONS

**44TH MANAGEMENT BOARD MEETING
13-14 DECEMBER 2016, HELSINKI**

1. ECHA's budget

The Management Board took note of the budget transfers carried out under the responsibility of the Executive Director within the 2016 budget and adopted the final budget of the Agency for 2017, including the establishment plan.

ECHA's expenditure budget for 2017 amounts to EUR 109.8m (2016: EUR 107.6m).

The establishment plan has a total of 460 temporary agent posts for all four ECHA regulations (REACH/CLP/BIOCIDES/PIC), which in total is five posts less than last year.

The decision will be notified to the Budgetary Authority, the Court of Auditors and the Commission and will also be published.

2. ECHA's Work Programming

Programming Document 2017-2019

The Management Board adopted the updated version of ECHA's Programming Document 2017-2019.

The Board agreed that references to the pilot project on a collaborative approach for (substance and dossier) evaluation would not be added to the document.

The Board also increased the workload drivers for compliance checks concluded to 220 per year and confirmed that the drivers for final decisions on compliance checks will remain unchanged compared to the previous version of the Programming Document (as adopted in September 2016, i.e. 180 per year).

With respect to the proposed pilot project, the Board found merit in a number of elements of the collaborative approach to address groups of substances under evaluation. In particular, the proposed collaboration between ECHA, industry, Member States to improve compliance and addressing groups of substances found support. These elements were identified as valuable additional means of improving the quality and compliance of existing registrations. It was further noted that the proposed pilot project would fit within the Integrated Regulatory Strategy. The concerns raised in relation to the implementation of the proposed project will be further discussed by the Management Board Working Group on Planning and Reporting. The proposal will also be submitted to the competent authorities for REACH and CLP (CARACAL) for them to discuss and endorse.

This updated version of the Programming Document includes the annexes on resources per activity, budget, the establishment Plan and the procurement Plan, stemming from the final budget for 2017.

The Management Board also approved the Agency's reply to the European Commission's opinion on this Programming Document of September 2016. In relation to this Programming Document, Board members took note of the ECHA IT Masterplan.

ECHA's Integrated Regulatory Strategy

The Management Board took note of and expressed its appreciation for the update on the implementation of ECHA's Integrated Regulatory Strategy.

This strategy is built on the compliance check strategy endorsed by the Management Board in September 2014. It has been further developed with the aim to meet the chemicals management goal set by the World Summit on Sustainable Development (WSSD) by 2020.

The secretariat took note of a number of comments, in particular on incentives for regulatory compliance, the optimal use of regulatory data and the definition of substances of no or lower concern.

Draft Programming Document 2018-2020

The Management Board adopted ECHA's Draft Programming Document for the years 2018-2020, subject to the following changes:

- (a) the removal of references to the pilot project on collaborative approach, and the increase of the target for final compliance check decisions;
- (b) the introduction to the observatory for nanomaterials (1.6.1) to emphasise that delegated tasks are included in the document only for information.

The Management Board took note of the reservation from one Member State representative with respect to the subsidy and staff ceilings exceeding the MFF programming for 2018. The Commission informed that it will study the request of ECHA to backload the staff reduction to after 2018 but till then the Agency should not depart from the ceilings in the MFF.

The draft Programming Document comprises the draft multi-annual and annual work programmes, draft establishment plan and preliminary draft budget for 2018.

It will be further fine-tuned and sent to the Commission, the European Parliament and the Council by 31 January 2017. The adoption of the final version will take place in September 2017, after a written consultation of all Board members and taking into account the opinion of the Commission services.

3. ECHA's Ambition towards 2025

The Management Board endorsed ECHA's draft Ambition towards 2025, noting that the document is evolving and will have to take into account the upcoming Environment Council conclusions on Chemicals as well as the REACH review and REFIT exercises.

The draft Ambition provides the overall strategic and operational direction for ECHA and represents an interim step in preparing the Agency's next long term strategic plan.

The Management Board will adopt the first outline of ECHA's next strategic objectives in June 2017, followed by the endorsement of ECHA's draft strategic plan in December 2017. A public consultation will be organised before the final adoption of the plan in 2018.

4. Appointment of committee members

The Management Board re-appointed 10 members for the Committee for Risk Assessment (RAC). Board members also appointed two new nominees and re-appointed 12 members for the Committee for Socio-Economic Analysis (SEAC).

The names of the committee members will be published on ECHA's website together with their annual declarations of interest.

5. Audit matters

The Management Board heard a report from its Working Group on audit matters, which included the Internal Audit Service's (IAS) audit report on the Operations under the

Biocidal Products Regulation, two audit reports from ECHA's Internal Audit Capability (IAC) and the results of *ex ante* and *ex post* evaluations conducted in 2016.

Board members also approved the Annual audit plan of the IAC for 2017.

6. Update of the ECHA Anti-Fraud Strategy

The Management Board adopted the updated ECHA Anti-Fraud Strategy and took note of the actions carried out in 2015-2016, under the initial Anti-Fraud Strategy, adopted in December 2014.

7. Quarterly report on ECHA's activities

The Management Board received the quarterly report on ECHA's progress in reaching the 2016 Work Programme targets.

Board members congratulated ECHA on the progress since the previous quarter, in particular on the progress made on the manual verification and retroactive completeness check, where the first results indicate a meaningful improvement in dossier content and first revocations.

8. Intermediate report on the implementation of the roadmap on authorisation applications under REACH

The Management Board took note of an interim report on the progress made by the ECHA Secretariat in reviewing the REACH authorisation application process. In particular, the practical guide to assist applicants in creating their dossier was welcomed, whilst acknowledging further development will be needed.

The Management Board appreciated the improvements made in line with the Roadmap of April 2016. They recognised authorisations for applications as a maturing process with a high reputational impact. It was noted that all ECHA opinions so far have only been positive and, therefore, the process was open to criticism from stakeholders. It was mentioned that the practical guide should avoid giving the impression that a negative opinion is not possible or highly unlikely or that a good application ensures a positive opinion.

Board members pointed out a number of areas where further efforts are needed: the transparency of the overall process; the conformity check and minimum information requirements; the consistency and standardisation of formulations of opinions especially for applications following the socio-economic route; addressing broad upstream applications and clarifying the role and responsibility of ECHA's committees.

The Board recognised that further improvements need the optimal technical-scientific cooperation of ECHA, the Commission, Member States and stakeholders representatives, in the Taskforce for authorisation applications. Moreover, further debate is needed at the policy level to weigh the economic advantages of authorisation against the incurred risks.

The final report on the implementation of the roadmap on authorisation applications will be provided to the Management Board in December 2017. The interim report will be forwarded to the European Parliament's ENVI Committee by the Chair.

9. Other topics

- The Management Board took note of the Quality Manager's annual report outlining the progress made in 2016.

In November 2016, ECHA passed the Regular Surveillance Audit according to ISO 9001:2015; the certification audit for extending the scope of certification to processes under the Biocidal Products Regulation and the initial certification of the Agency's environmental management system according to ISO 14001:2015.

- The Management Board heard a presentation on the targeted support provided to SMEs in the registration process, in particular in the preparation for the 2018

REACH registration deadline. The presentation included a preview of the SME Cloud Service (the service was earlier approved in June 2016).

- The Management Board heard a report from its advisory group on ECHA's future premises. It was noted that ECHA's future building project is progressing according to the timeline endorsed by the Management Board in March 2016.
- The Management Board received a procedural update on the process of selecting ECHA's new Executive Director.
- The Management Board took note of a report from the secretariat on the measures taken in light of the recommendations made with the 2014 budgetary discharge.
- The Management Board took note of its meeting dates for 2017:
 - o 30-31 March
 - o 21-22 June
 - o 28-29 September
 - o 14-15 December
- Board members attended an optional briefing session on ECHA's Efficiency Programme. The importance of ensuring the quality of outputs while improving the workflows was highlighted and members welcomed that a cost/benefit evaluation of the programme will be performed during 2017.
