

PRELIMINARY CONCLUSIONS

**48TH MANAGEMENT BOARD MEETING
14-15 DECEMBER 2017, BRUSSELS**

1. Appointment of ECHA's next Executive Director

The Management Board concluded the appointment of Mr Bjorn Gaarn Hansen as ECHA's next Executive Director. Mr Hansen's initial 5-year term as ECHA's Executive Director will commence on 1 January 2018.

The Management Board selected Mr Hansen for this position on 29 September 2017. He was afterwards invited to make a statement before the European Parliament Committee for Environment, Public Health and Food Safety on 12 October 2017, and to answer questions from Members of the Parliament. The President of the European Parliament subsequently informed the Board that the Parliament supports the appointment.

Mr Hansen and Ms Sharon McGuinness, the Chair of the Management Board, signed his employment contract during this 48th meeting of the Management Board.

The Board warmly thanked ECHA's retiring Executive Director, Mr Geert Dancet, for his services and members expressed their appreciation for his achievements. They highlighted in particular Mr Dancet's merits, as ECHA's first Executive Director, in setting up the Agency, successfully managing the registration deadlines under REACH so far, and laying the foundations of an efficient and transparent Agency. They also thanked him for 30 years of European public service and wished him well for future challenges.

2. ECHA's budget

The Management Board adopted ECHA's final budget 2018 and the establishment plan.

The expenditure budget for 2018 amounts to EUR 115 m (2017: EUR 110.1 m). REACH and CLP activities will be funded with fees and charges totalling ca. EUR 70.9 m and a balancing EU subsidy amounting to EUR 30.5 m. A high degree of uncertainty remains with respect to the budgeted income, as for the first time, there is no prudency margin applied. BPR activities will be funded with fees and charges totalling c. EUR 9.6 m and a balancing EU subsidy amounting to EUR 2.3 m. ECHA's PIC activities will be financed solely from the EU subsidy of EUR 1.1 m.

The establishment plan foresees a total of 458 posts for all four ECHA regulations (REACH/CLP/BIOCIDES/PIC), which in total is two posts less than last year. The REACH and CLP establishment plan will decline by six posts.

As regards the budget for 2017, the Management Board took note of the budget transfers carried out under the responsibility of the Executive Director since September. The Board also adopted a specific financing decision for the development of the International Uniform Chemical Information Database (IUCLID) tool. This was necessary because this project was not included in ECHA's initial work programme.

The budget for 2018 will be duly notified to the Budgetary Authority, the Court of Auditors and the Commission and will also be published.

3. ECHA Work Programming

Updated Programming Document 2018-2020

The Management Board adopted an updated ECHA Programming Document 2018-2020. The decision had been prepared by the Board's Working Group on Planning and Reporting.

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 2018.

The Programming Document has also been updated according to the development of the negotiations regarding potential additional tasks for ECHA, as discussed in the Management Board in September 2017.

- In regard to EU Poison Centres, the Programming Document has been amended to reflect that in 2018, ECHA will develop – with the resources allocated to ECHA's 2017/18 budget for this purpose – an EU portal enabling notification from companies, dispatching of notifications to the relevant poison centres or equivalent appointed bodies, and central storage of the notifications for auditing purposes and possible retrieval by submitters. Moreover, ECHA will be ready to develop an option for Member States who wish to get a searchable access to the notification database. This is dependent on the longer-term financing options and clarifications on other aspects of the activity, which are still under discussion between the Agency and the Commission services. The Board noted that sufficient resources have to be made available to ECHA, should the Commission decide to allocate new tasks to the Agency. The Commission would also have to carefully consider the legal framework before deciding to request ECHA to undertake the additional tasks in the area of poison centre notifications.
- The delegation agreement for the EU Chemicals Legislation Finder was signed on 8 December 2017, allowing the Commission to issue the payment for a tranche of EUR 300 000 in 2017. This will make it possible for ECHA to start in Q1 2018 the first phase of the project and develop the appropriate conceptual and architectural models for the portal.
- No updates have been made concerning tasks related to occupational exposure limits (OELs) nor endocrine disruptor criteria, as discussions on these tasks have not been finalised in the Commission yet.

The Management Board also approved the Agency's reply to the European Commission's opinion on this Programming Document of 1 September 2017. In relation to this Programming Document, Board members took note of the ECHA IT Masterplan.

Draft Programming Document 2019-2021

On the recommendation of the Working Group on Planning and Reporting, the Management Board adopted ECHA's Draft Programming Document for the years 2019-2021.

The adopted draft Programming Document comprises the draft multi-annual and annual work programmes, the draft establishment plan and ECHA's budget estimates for 2019.

The draft multi-annual work programme is based on elements of ECHA's draft strategic plan 2019-2023, providing guidance and direction on a time horizon beyond the 3-year planning cycle. The draft has been elaborated with the participation of the Management Board and stakeholders. It will continue to be discussed in 2018 with the Working Group on Planning and Reporting, and the agreed changes will be reflected in the further drafts of the Programming Document 2019-2021. It is planned to submit a 5-year strategic plan for public consultation after the March 2018 Board meeting.

The annual work programme 2019 contains an updated structure for activities in line with the new priorities of the draft strategic plan.

The draft Programming Document will require technical adaptations to take into account the final budget implementation for 2017. It will be submitted to the Commission, the European Parliament and the Council by 31 January 2018, as ECHA's input into the 2019 budget process. The Programming Document foresees a number of new tasks for ECHA, which are under discussion with the Commission services. They will require additional financial and human resources in the period 2019-2021. The Management Board invited the Commission to clarify as soon as possible the extent of the foreseen new tasks, so that the appropriate extra resources can be added to the Programming Document.

The document will be further developed following the opinion from the Commission services. In this regard, the Management Board welcomed the commitment from the Commission to use the next version of the draft strategic plan, scheduled for adoption in March 2018, as reference for their opinion on the multi-annual part. The final Programming Document will be adopted in September 2018.

4. Audit matters

The Management Board heard a report from its Working Group on Audit. The report included audit reports from ECHA's Internal Audit Capability (IAC) and Information Security Manager and the results of an ex post evaluation conducted in 2017. The Board welcomed in particular that the ex post evaluation addressed the Efficiency Programme, given the importance of this programme in light of the reduced staffing levels.

Upon recommendation from the Working Group, the Management Board approved the annual audit plan of the IAC for 2018 and the revised Charters of the Internal Audit Service (IAS) of the Commission and of the IAC. The Board took note of the audits and evaluations planned for 2018-2019, as well as of the planned 2018 activities of the IAS.

5. Report from the Quality Manager

The Management Board took note of the Quality Manager's annual report outlining the progress made in 2017 and appreciated in particular that ECHA passed in October 2017 the re-certification audits for the ISO 9001:2015 (Quality Management Systems) and ISO 14001:2015 (Environmental Management Systems) of ECHA's Integrated Management System. The Management Board expressed its strong support for the Agency to aim for an Eco-Management and Audit Scheme (EMAS) certification as soon as possible.

6. Cooperation with Switzerland

The Management Board approved a limited technical/scientific cooperation between ECHA and the Swiss Notification Authority for Chemicals in the areas of REACH and CLP. This cooperation will be formalised via an exchange of letters.

7. Appointment of Committee members

The Management Board renewed the membership of Ms Sonja KAPELARI, Mr Marian RUCKI, Ms Lea Stine TOBIASSEN and Ms Stine HUSA in the Committee for Risk Assessment (RAC) and the membership of Mr Joao ALEXANDRE, Mr Richard LUIT, Mr Andreas LÜDEKE and Mr Gary DOUGHERTY in the Committee for Socio-Economic Analysis (SEAC).

It was agreed that further pending renewals will be considered in March 2018 when the Committee Chairs will present a report on the functioning of the Committees. This will allow the Board to consider the general criteria to be applied for renewal of mandates.

8. Report on the implementation of the roadmap on authorisation applications under REACH

The Management Board took note of the final report from the Secretariat on the implementation of the roadmap on authorisation applications under REACH. The

Secretariat noted a number of further comments from members and the report will remain open to proposals for amendments by Board members until 22 December.

This final report follows the intermediate report that was presented to the Board in December 2016. This report also takes account of a number of Management Board discussions that addressed the follow-up to a European Parliament resolution of November 2015 regarding the draft Commission decision on one of the first applications for which ECHA's Committees issued an opinion. The final report will be submitted to the European Parliament. The cover letter to the European Parliament, to be signed by the Chair, will emphasise that ECHA is continuously improving the authorisation process. The report to the Parliament is one step, but not the end, of the process.

9. Preparations for the 2018 REACH registration deadline

The Management Board took note of an update on the preparations for the 2018 REACH registration deadline. The report included information about ECHA's cloud service for SMEs, the ongoing work of the Directors' Contact Group (DCG), and highlighted the uncertainties ECHA is facing with regard to the expected number of registration dossier submissions. The Management Board welcomed the report and noted that a number of issues which require clarification in due course are being assessed by the Commission services, e.g. the future of substance information exchange forums (SIEFs) and the status of phase-in substances after the last registration deadline.

10. Potential ECHA tasks under the EU POP Regulation

The Management Board took note of an update on potential tasks for ECHA under the regulation on persistent organic pollutants (POPs). Under the recast POP Regulation, ECHA is expected to receive new tasks with regard to the administrative, technical and scientific aspects of the implementation of this regulation and the exchange of information. The Management Board recognised that the tasks link to or are analogous to ECHA's current work in several areas. The Board welcomed the potential tasks under the POP Regulation as a good match for ECHA and agreed they fit well with the Agency's current and future strategic priorities.

11. Open session with institutional partners

The Management Board held an open session, where interested staff from Commission services, Permanent Representations of the Member States, the Council Secretariat, the European Parliament Secretariat as well as representatives of ECHA accredited stakeholder organisations had the opportunity to join the discussion on the three agenda items noted below. The open discussion allowed the participants to comment and contribute to ECHA's work in three areas of mutual interest and will serve as a basis for continued exchanges on these topics. The ECHA Secretariat will share the presentations shown in the meeting with the invited guests and invite further comments.

Value of chemicals data/harmonisation of tools

The Management Board heard a report and held an exchange of views on the value of chemicals data held by ECHA and on the opportunities related to the harmonisation of tools and formats. In presenting this report, ECHA aims also to contribute to Union initiatives in the area of the Digital Single Market and Data Union, including those related to the free flow of non-personal data or the building of the European data economy.

The Management Board welcomed the report, highlighting that the focus of activities in this area should be firstly on the implementation of its regulatory mandate. The ECHA cloud services were highlighted as a good example for IT services in support of industry, which could be extended also to other legislation, e.g. the BPR. The Commission offered to host a workshop in early 2018, with concerned Commission services, to discuss opportunities, challenges and restrictions of using ECHA's data capabilities in more detail.

ECHA strategy on substances in nanoforms

The Management Board took note of the progress made by the ECHA Secretariat in implementing the work plan on nanomaterials. This included in particular a reflection on the challenges of using dossier and substance evaluation under the current legal text of REACH to verify safe use of nanomaterials on the EU market. The lack of information on hazardous properties of nanomaterials hampers not only the identification of specific concerns but also the assessment of whether additional risk management measures are needed. It was noted in this regard that the revision of REACH Annexes is therefore even more urgent than before. These developments, however, do not eliminate the responsibility of industry in ensuring the safe use of substances, in whatever form.

The Management Board welcomed the progress made by ECHA and invited the Commission to conclude as a matter of urgency the revision of the annexes to REACH on the information requirements of nanomaterials.

ECHA strategy on substitution with safer alternatives

The Management Board took note of ECHA's strategy to promote substitution to safer chemicals through innovation. The purpose of the strategy is to accelerate substitution, supporting and complementing the stimulus provided by the EU chemicals acquis. The four action areas of this strategy are incorporated in ECHA's draft Programming Document 2019-23. The substitution strategy will be incorporated in ECHA's annual work programmes and will be continuously refined according to the lessons learnt over time.

The Management Board welcomed the strategy and ECHA's efforts to promote safer substitution. At the same time, they underlined the need to clarify the context of the strategy, i.e. that the focus of ECHA's efforts should remain on regulatory intervention.

12. Other topics

The Management Board:

- adopted an opinion on the request of the current Executive Director to perform certain occupational activities after retirement. The opinion will be forwarded to the Commission, which will take the final decision on the request.
- received the quarterly report on ECHA's progress in reaching the 2017 Work Programme targets. The report included as a standing item an update on the implications of the withdrawal of the United Kingdom from the EU.
- took note of the update on the selection process for the appointment of a new Accounting Officer for ECHA. The recruitment process has proved unsuccessful and a new selection procedure will be launched.
- took note of a report from the Secretariat on the measures taken in light of the recommendations made with the 2015 budgetary discharge.
- took note of an update from the Commission on the REACH Review/REFIT.
- welcomed Dr Olwenn Viviane Martin and Prof Peter Van Puyvelde as members appointed by the European Parliament from 1.12.2017 – 30.11.2021.
- bid farewell to the Board member Ms Parvoleta Luleva, Chair of the Working Group on Transfer of Fees, from Bulgaria.
- will hold its 49th meeting on 22 and 23 March 2017 in Helsinki, Finland¹.

The Board warmly thanked the Belgian Federal Public Service for Health, Food Chain Safety and Environment for hosting the meeting in Brussels.

¹ 2018 meeting dates: 22-23 March (Helsinki), 20-21 June (Helsinki), 27-28 September (Vienna), 13-14 December (Helsinki).