

FINAL ANNUAL ACCOUNTS

Financial Year 2018

**Financial statements and reports on the
implementation of the budget**

Accompanied by

**Report on budgetary and financial
management 2018**

Table of Contents	Page
INTRODUCTION	3
CERTIFICATION BY THE ACCOUNTING OFFICER.....	4
1. FINANCIAL STATEMENTS	5
1.1. Balance Sheet	5
1.2. Statement of Financial Performance	6
1.3. Cash Flow Statement (Indirect method)	6
1.4. Statement of Changes in Capital	7
2. NOTES TO THE FINANCIAL STATEMENTS	8
2.1. Notes to the balance sheet	8
2.1.1. Intangible and tangible fixed assets	8
2.1.2. Exchange receivables	12
2.1.3. Non-Exchange receivables.....	13
2.1.4. Cash and Cash equivalents	13
2.1.5. Current pre-financing open	13
2.1.6. Long and short-term Provisions for risks and charges	14
2.1.7. Current payables	14
2.1.8. Accrued charges and deferrals.....	14
2.1.9. Accrued liabilities (including consolidated entities)	15
2.1.10. Deferred Income (liability)	15
2.1.11. Pre-Financing liability	16
2.2. Notes to the statement of financial performance.....	17
2.2.1. Revenue	17
2.2.2. Expenses	18
2.2.3. Financial revenue and expenditure	19
2.3. Off balance sheet items.....	19
2.4. Financial assets and liabilities.....	20
2.4.1. Financial assets credit ratings.....	20
2.4.2. Credit Risk analysis	20
2.4.3. Remaining maturities of liabilities.....	21
2.4.4. Analysis of foreign currency exposure	21
2.5. Related party disclosures.....	21
2.6. Events after the balance sheet date.....	21
2.7. Accounting principles, rules and methods.....	22
3. REPORTS ON THE IMPLEMENTATION OF THE BUDGET	23
3.1. Budget outturn account (amounts in EUR).....	23
3.2. Budget and Financial Management 2018	24
3.2.1. Budget	24
3.2.2. Revenue	25
3.2.3. Expenditure	29
4. FINANCIAL MANAGEMENT.....	31
5. ANNEX I - STATISTIC ON FINANCIAL MANAGEMENT AND BUDGET	32

INTRODUCTION

Basis for preparation

The Final annual accounts of the European Chemicals Agency include the financial statements and the budgetary implementation reports. They are accompanied by the reports on budget and financial management during the year, drawn up under the responsibility of the Executive Director with the technical assistance of the Accounting Officer.

The financial statements comprise of the balance sheet, the statement of financial performance, the cash flow table and the statement of changes in capital. The notes to the financial statements supplement and comment on the information presented in the statements.

The objective of financial statements is to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of users. For a public sector entity such as the European Chemicals Agency the objectives are more specifically to provide information useful for decision making and to demonstrate the accountability of the entity for the resources entrusted to it.

The financial statements have been prepared in accordance with the Financial Regulation of the European Chemicals Agency and with the European Union (EU) accounting rules and methods adopted by the European Commission's Accounting Officer, following the principles of accrual based accounting. The budgetary implementation reports are prepared on the basis of the modified cash accounting principle. All the figures presented in this document are in EURO.

Reporting entity

The European Chemicals Agency, located in Helsinki, Finland is a public sector entity established by the Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).

The Agency is established for the purposes of managing and in some cases carrying out the technical, scientific and administrative aspects of the REACH Regulation so as to ensure consistency at EU level in relation to these aspects (Article 75 of the REACH Regulation).

The Agency shall also provide the Member States and the institutions of the EU with the best possible scientific and technical advice on questions relating to chemicals which fall within its remit and which are referred to in accordance with the provisions of the REACH Regulation.

In addition, the Agency has tasks related to the classification and labelling of chemical substances deriving from the CLP Regulation (EC) 1278/2008. In particular, the Agency shall provide Member States and the Institutions of the EU with the best possible scientific advice and, also, provide industry and Member State authorities with technical and scientific guidance.

As from 2012, the Agency was given the task to manage and carry out technical, scientific, and administrative aspects of the Biocidal Products Regulation as well as similar tasks related to the export and import of dangerous chemicals under the PIC Regulation. The Agency commenced invoicing of applicants under the Biocidal Products Regulation as from 01 September 2013.

The Agency's expenditure, in 2018, in respect of the PIC regulation, was financed by a subsidy from the general budget of the EU. The Agency's REACH and CLP and Biocidal Products expenditure was financed from a subsidy and from the fee-generated income.

CERTIFICATION BY THE ACCOUNTING OFFICER
of ECHA's Final Annual Accounts 2018

The annual accounts of the European Chemicals Agency for the year 2018 have been prepared in accordance with the Title IV Chapter 4 Section 3 and Title XIII of the Financial Regulation applicable to the general budget of the European Union, the accounting rules adopted by the Commission's Accounting Officer and the accounting principles and methods adopted by myself.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Chemicals Agency in accordance with Article 77 of the Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the European Chemicals Agency 's assets and liabilities and the budgetary implementation.

I hereby certify that based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the European Chemicals Agency.

A handwritten signature in black ink, appearing to read 'Boursalian', with a large, stylized flourish above the name.

Simos Boursalian
Accounting Officer

04.06.2019

1. FINANCIAL STATEMENTS**1.1. Balance Sheet**

ASSETS	Note	31.12.2018	31.12.2017
NON CURRENT ASSETS			
Intangible fixed assets	2.1.1		
Computer software		23 029 390	31 363 731
Intangible fixed assets under development		5 349 068	1 865 480
Tangible fixed assets	2.1.1		
Computer hardware		541 403	798 458
Furniture and vehicles		336 548	428 119
Other fixtures and fittings		838 354	2 858 477
Other assets under finance lease		31 308	-
TOTAL NON CURRENT ASSETS		30 126 071	37 314 264
CURRENT ASSETS			
Exchange receivables	2.1.2	3 993 588	4 477 337
Non-exchange receivables	2.1.3	1 139 844	1 138 919
Current financial assets (Deposits)		-	185
Cash and cash equivalents	2.1.4	20 033 946	18 850 174
Current pre-financing	2.1.5	76 376	-
TOTAL CURRENT ASSETS		25 243 754	24 466 615
TOTAL ASSETS		55 369 825	61 780 880

LIABILITIES	Note	31.12.2018	31.12.2017
CAPITAL			
Accumulated result		34 184 003	40 604 569
Economic result of the year: - loss / + profit	1.2	(5 847 970)	(6 420 566)
TOTAL CAPITAL	1.4	28 336 033	34 184 003
NON CURRENT LIABILITIES			
Long term financial lease liability		19 483	-
Provisions for risks and charges	2.1.6	126 645	87 500
TOTAL NON CURRENT LIABILITIES		146 129	87 500
CURRENT LIABILITIES			
Short-term financial lease liability		11 130	-
Current payables	2.1.7	7 656 588	9 668 951
Accrued charges and deferrals	2.1.8	19 219 946	17 840 425
TOTAL CURRENT LIABILITIES		26 887 664	27 509 376
TOTAL LIABILITIES		55 369 825	61 780 880

1.2. Statement of Financial Performance

Statement of Financial Performance	Note	2018	2017
Exchange revenue		86 121 580	39 727 870
Non-exchange revenue		28 758 918	66 226 910
TOTAL REVENUE	2.2.1	114 880 499	105 954 781
Administrative expenses			
- Staff expenses		(67 806 865)	(61 755 174)
- Fixed asset related expenses		(15 157 452)	(13 256 851)
- Other administrative expenses		(13 266 163)	(13 549 243)
Operating expenses		(24 487 693)	(23 807 127)
Financial expenses		(10 296)	(6 952)
TOTAL EXPENSES	2.2.2	(120 728 469)	(112 375 346)
ECONOMIC RESULT OF THE YEAR		(5 847 970)	(6 420 566)

1.3. Cash Flow Statement (Indirect method)

Cash Flow Statement	Note	2018	2017
Economic result of the year	1.2	(5 847 970)	(6 420 566)
<u>Adjustments</u>			
Amortisation (intangible fixed assets)	2.1.1	12 626 811	11 049 911
Depreciation (tangible fixed assets)	2.1.1	2 147 868	2 206 940
Impairment (tangible fixed assets)	2.1.1	383 736	-
(Increase)/decrease in exchange receivables		483 749	(108 776)
(Increase) in non-exchange receivables		(925)	(255 682)
(Increase)/decrease in current pre-financing		(76 376)	494 103
Increase/(decrease) in provisions for risks		39 145	(64 772)
Increase in other long-term liabilities		19 483	-
Increase/(decrease) in current payables		(2 001 233)	1 478 345
Increase in accrued charges and deferrals		1 379 521	1 722 529
Net cash flow from ordinary activities		9 153 810	10 102 034
Cash flows from investing activities			
Increase of intangible & tangible fixed assets		(7 970 223)	(10 879 703)
Decrease in current financial assets (Deposits)		185	9 999 828
Net cash flow from investing activities		(7 970 038)	(879 875)
Net increase in cash and cash equivalents		1 183 772	9 222 159
Cash & cash equivalents beginning of the year	2.1.4	18 850 174	9 628 015
Cash & cash equivalents end of the year	2.1.4	20 033 946	18 850 174

1.4. Statement of Changes in Capital

Statement of Changes in Capital	Accumulated Surplus / (Deficit)	Economic result of the year	Capital (Total)
Balance as of 01.01.2017	54 527 420	(13 922 851)	40 604 569
Allocation of the economic result of previous year	(13 922 851)	13 922 851	-
Economic result of the year 2017	-	(6 420 566)	(6 420 566)
Balance as of 31.12.2017	40 604 569	(6 420 566)	34 184 003
Allocation of the economic result of previous year	(6 420 566)	6 420 566	-
Economic result of the year 2018	-	(5 847 970)	(5 847 970)
Balance as of 31.12.2018	34 184 003	(5 847 970)	28 336 033

2. NOTES TO THE FINANCIAL STATEMENTS

2.1. Notes to the balance sheet

2.1.1. Intangible and tangible fixed assets

General

Items acquired with purchase price at EUR 1 000 or above and with a period of use greater than one (1) year, are recorded in the fixed assets accounts. Items with an acquisition price below EUR 1 000 are charged to the statement of financial performance in the financial period that they are acquired. Intangible assets (mainly IT developments) are recognised if the criteria of recognition are met in accordance with EU Accounting Rule No 6 and the cumulative development costs, including internal resources, exceeds EUR 500 000.

Intangible and tangible fixed assets are stated at historical cost (purchase cost/development cost less amortisation and depreciation and impairment losses). Historical cost includes expenditure that is directly attributable to the acquisition or development costs of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Agency and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

As at 31 December 2018 specific tangible assets were subject to finance lease arrangement (none as at 31 December 2017). Their net carrying amount is disclosed in the Tangible Assets tables below.

The depreciation method chosen is the monthly straight-line method. The annual depreciation rates per asset type are as follows:

Intangible fixed assets:

Computer software (including licences)	25%
Internally developed IT software	25%

Tangible fixed assets:

Furniture and vehicles	10% to 25%
Computer hardware	25%
Other fixtures and fittings	10% to 33%

Intangible fixed assets

Intangible fixed assets are mainly computer software, acquired licences and activated costs for internally developed software.

From 01 January 2010 internally developed intangible assets must be capitalised in accordance with the principles laid out in the EC Accounting Rule 6 on intangible fixed assets.

The following table represents the capitalised intangible fixed assets as at 31 December 2018 and 2017.

Intangible fixed assets		Internally generated Computer Software	Purchased Computer Software	Intangible fixed assets under Development	Total
Gross carrying amounts 01.01.2017	+	52 095 610	5 789 115	2 046 774	59 931 499
Additions	+	-	21 498	10 749 082	10 770 579
Transfer between headings	+/-	10 930 376	-	(10 930 376)	-
Gross carrying amounts 31.12.2017		63 025 987	5 810 613	1 865 480	70 702 079
Accumulated amortisation and impairment 01.01.2017	-	(20 950 676)	(5 472 282)	-	(26 422 959)
Amortisation	-	(10 911 851)	(138 060)	-	(11 049 911)
Accumulated amortisation and impairment 31.12.2017		(31 862 527)	(5 610 342)	-	(37 472 869)
Net carrying amounts 31.12.2017		31 163 459	200 270	1 865 480	33 229 209

Gross carrying amounts 01.01.2018	+	63 025 987	5 810 613	1 865 480	70 702 079
Additions	+	-	32 740	7 743 319	7 776 059
Transfer between headings	+/-	4 259 731	-	(4 259 731)	-
Gross carrying amounts 31.12.2018		67 285 718	5 843 353	5 349 068	78 478 138
Accumulated amortisation and impairment 01.01.2018	-	(31 862 527)	(5 610 342)	-	(37 472 869)
Amortisation	-	(12 545 780)	(81 031)	-	(12 626 811)
Accumulated amortisation and impairment 31.12.2018		(44 408 307)	(5 691 373)	-	(50 099 680)
Net carrying amounts 31.12.2018		22 877 411	151 980	5 349 068	28 378 458

All projects relating to internally developed IT tools that were either on-going or put into operation in 2018 were analysed. The main costs of development relate to external consultancy as well as to ECHA employee salary costs. Employee salary costs directly related to software development for 2018 amounted to EUR 1 826 244 (EUR 2 065 485 in 2017).

During 2018, sixteen (16) internal IT projects fulfilled the criteria for asset recognition, five (5) of which commenced prior to 01 January 2018. The costs relating to ten (10) of these projects are recognised as intangible assets under construction as at 31 December 2018.

Intangible Fixed Assets under development as at 31 December 2018:

Project name	Cumulative Development Costs 31.12.2017	Development Costs 2018	Cumulative Development Costs 31.12.2018
ECHA Interact v.1	-	724 886	724 886
Poison Centre	-	1 230 894	1 230 894
EU Nano Observatory v.1	-	165 008	165 008
ELM v.1	-	401 818	401 818
Planning & Reporting for ECHA WP	286 580	148 904	435 484
IQMS v.1.0-v.1.3	195 218	260 989	456 207
QSAR Toolbox v.4.3	285 429	273 097	558 526
Text Analytics	-	116 261	116 261
SDAP	-	177 966	177 966
Data Management Platform v.3	-	1 082 018	1 082 018
TOTAL	767 228	4 581 840	5 349 068

The remaining six (6) internally developed IT projects were taken into use during 2018. The total recognised cost of these completed assets amounted to EUR 4 259 731 (EUR 10 930 376 in 2017). These projects had development costs totalling EUR 1 098 252 recognised in "Intangible fixed assets under development" as at the 31 December 2017. In 2018, further costs of EUR 3 161 478 were incurred completing these developments, prior to being transferred to intangible assets. The total costs transferred from "under construction" to completed internally developed assets in 2018 amounts to EUR 4 259 731 (EUR 1 098 252 + EUR 3 161 478) as shown in the table below:

Intangible Fixed Assets (IT Assets) completed in 2018:

Project name	Cumulative Development Costs 31.12.2017	Development Costs 2018	Capitalised amount during 2018
ECHA Interact 2017	-	45 679	45 679
Dissemination V4	557 040	932 158	1 489 198
R4BP V3.11-V3.12	-	1 097 262	1 097 262
IUCLID 6 v3.0	-	520 055	520 055
Chesar 3.4	-	290 862	290 862
ECHA Website	541 212	275 463	816 675
TOTAL	1 098 252	3 161 478	4 259 731

The value of research and development expenditure relating to internally developed IT projects, recognised as an expense during the period, was EUR 1 464 059 and EUR 40 653 respectively.

Tangible fixed assets

The tangible fixed assets are mainly computer hardware, furniture, vehicles and other fixtures and fittings.

The gross carrying value of "Other fixtures and fittings" of EUR 16 919 876 as at 31 December 2018 consists mainly of the improvements costs incurred on the conference centre and two parts of the rented building, namely the second floor and lobby of EUR 14 076 926, with a net carrying amount of EUR 587 468 as at 31 December 2018. This amount is expected to be charged to the Statement of Financial Performance through depreciation during 2019. An impairment loss of EUR 383 736 was recognised during 2018 mainly resulting from the upcoming termination of the building lease at the end of 2019.

Tangible fixed assets		Computer hardware	Furniture and vehicles	Other Fixtures and Fittings	Assets under Finance Lease	Total
Gross carrying amounts 01.01.2017	+	4 054 533	966 235	16 866 233	-	21 887 000
Additions	+	7 524	8 824	92 775	-	109 122
Disposals	-	(1 332 216)	-	(36 700)	-	(1 368 916)
Gross carrying amounts 31.12.2017		2 729 841	975 058	16 922 308	-	20 627 207
Accumulated depreciation and impairment 01.01.2017	-	(2 873 859)	(444 742)	(12 385 527)	-	(15 704 128)
Depreciation	-	(388 228)	(102 197)	(1 702 159)	-	(2 192 583)
Disposals	+	1 330 704	-	23 855	-	1 354 559
Accumulated depreciation and impairment 31.12.2017		(1 931 383)	(546 939)	(14 063 831)	-	(16 542 153)
Net carrying amounts 31.12.2017		798 458	428 119	2 858 477	-	4 085 054
Gross carrying amounts 01.01.2018	+	2 729 841	975 058	16 922 308	-	20 627 207
Additions	+	129 279	-	32 521	33 395	195 195
Disposals	-	-	(48 789)	(19 740)	-	(68 529)
Other changes	+/-	32 174	-	(15 213)	-	16 962
Gross carrying amounts 31.12.2018		2 891 294	926 270	16 919 876	33 395	20 770 835
Accumulated depreciation and impairment 01.01.2018	-	(1 931 383)	(546 939)	(14 063 831)	-	(16 542 153)
Depreciation	-	(385 326)	(91 547)	(1 668 908)	(2 087)	(2 147 868)
Disposals	+	-	46 749	19 740	-	66 489
Impairment	-	-	-	(383 736)	-	(383 736)
Other changes	+/-	(33 182)	2 016	15 213	-	(15 954)
Accumulated depreciation and impairment 31.12.2018		(2 349 891)	(589 721)	(16 081 522)	(2 087)	(19 023 222)
Net carrying amounts 31.12.2018		541 403	336 548	838 354	31 308	1 747 613

The original value of tangible fixed assets retired during 2018 amounted to EUR 68 529 while their net carrying amount was EUR 2 040. The profit incurred on disposals of tangible fixed assets during 2018 amounted to EUR 37 015 relating to the sale of an Agency car which was not required by the Executive Director (loss of EUR 14 357 during 2017 on the disposal mainly of IT Hardware Assets).

2.1.2. Exchange receivables

Details	31.12.2018	31.12.2017
REACH fee income receivables	2 932 194	3 773 018
Biocides fee income receivables	487 000	501 800
REACH fee bad debt provision	(1 354 002)	(2 795 827)
Net fees & charges receivables	2 065 192	1 478 991
Accrued Income - Interentity recoveries	14 364	-
Accrued Income - REACH	9 376	1 086 306
Accrued Income	23 740	1 086 306
European School	632 218	610 179
Building Rent	515 843	508 449
Prepaid software maintenance fees & subscriptions	555 869	459 510
Deferred expenditure included in Accounts payable	193 962	228 076
Deferred charges	1 897 892	1 806 214
Staff	6 764	105 827
Total sundry receivables	6 764	105 827
Total - Exchange receivables	3 993 588	4 477 337

As mentioned in Section 2.4.2., only the REACH Administrative charges issued, as a result of the SME verification process, are subject to impairment review. The table below shows the movement of the impairment account (REACH fee bad debt provision) during the year:

Movement of Impairment Account (Exchange Receivables)	Note	EUR
REACH fee bad debt provision 01.01.2018		(2 795 827)
Used Provision due to Write-offs		749 145
Reversal of Unused Provision due to collections	2.2.1	746 123
Reversal of Unused Provision due to cancellations		212 831
New Provision		(266 274)
REACH fee bad debt provision 31.12.2018		(1 354 002)

REACH fee income receivables as at 31 December 2018 include an amount of EUR 1 449 323 relating to overdue administrative charges arising from the SME verification work (EUR 3 180 116 as at 31 December 2017). This decrease in the outstanding amount mainly relates to the efforts made by the Agency during 2018 on the collection of the overdue administrative charges. In particular, 24 new contracts for pre-litigation actions with three law firms were signed, covering ECHA claims in 24 Member States. Based on a detailed case by case analysis a total amount of EUR 749 145 relating to 43 invoices of overdue outstanding administrative charges have been written off against the already recorded provision for bad debts, mainly relating to cases where the companies have ceased to exist (companies bankrupt, liquidated, dormant, insolvent, inactive, dissolved, etc). Furthermore, based on the efforts, a total amount of EUR 870 401 of overdue administrative charge invoices has been collected and as a result EUR 746 123 of the recorded provision has been reversed to income.

2.1.3. Non-Exchange receivables

Non-exchange receivables	31.12.2018	31.12.2017
VAT receivable from Finnish authorities	985 840	1 101 523
Miscellaneous	154 004	37 396
Total - Non-exchange receivables	1 139 844	1 138 919

Non-exchange receivables relate to value added tax (VAT) recoverable from the Finnish Authorities. According to the Seat Agreement signed between the Government of Finland and the Agency, the latter can file an application for reimbursement of VAT paid on purchases in Finland, if the invoice value is greater than EUR 80 including VAT.

The miscellaneous non-exchange receivables includes EUR 138 304 contribution from Swiss Confederation under the Biocidal Products Regulation as well as EUR 15 700 recoveries of litigation costs. The majority of the non-exchange receivables were cashed in early 2019.

2.1.4. Cash and Cash equivalents

Bank account name	31.12.2018	31.12.2017
Pohjola Admin Ac	13 482 553	8 188 405
Pohjola Appeal Ac	176 922	123 603
Pohjola REACH Ac	2 464 820	5 756 729
Pohjola Bond Interest Ac	2 075 453	489 192
Pohjola Biocide Ac	1 515 001	3 782 960
Pohjola PIC Ac	210 309	295 426
Pohjola IPA Ac	102 899	207 870
Nordea Current Ac	5 989	5 989
Total - Current accounts	20 033 946	18 850 174

The amount held on current accounts as at 31 December 2018 totals EUR 20 033 946. The majority of this amount was held with ECHA's operational bank, OP Corporate Bank plc.

2.1.5. Current pre-financing open

Pre-financing	31.12.2018	31.12.2017
Contracts	16 491	7 816
<i>Less accrued charges - contracts</i>	<i>(28 859)</i>	<i>(13 677)</i>
Contracts - Outstanding pre-financing	(12 368)	(5 862)
Translations	154 326	134 806
<i>Less accrued charges - translations</i>	<i>(77 949)</i>	<i>(162 478)</i>
Translations - Outstanding pre-financing	76 376	(27 672)
Total Pre-financing receivable at year end	76 376	-
Total Pre-financing net in accrued payables at year end	(12 368)	(33 534)

The pre-financing given in the year and not consumed by payments on invoices is consumed by accrued charges recorded for the services ordered.

2.1.6. Long and short-term Provisions for risks and charges

Provisions	31.12.2018	31.12.2017
Long-term provisions - legal	126 645	87 500
Short-term provisions	-	-
Total - Provisions	126 645	87 500

Movement of Provisions	Note	EUR
Provisions 01.01.2018		87 500
Reversal of Unused Provision	2.2.1	(24 449)
New Provision for Legal Cases		78 645
Used Provision		(15 051)
Provisions 31.12.2018		126 645

2.1.7. Current payables

Current payables	Note	31.12.2018	31.12.2017
Supplier invoices received		1 457 635	2 155 822
Current payable consolidated entities		-	20 000
Total Accounts Payable		1 457 635	2 175 822
Appeal fees received		169 747	123 603
Fee refunds due		233 090	10 075
Other payables - staff		3 207	94 048
Total Sundry Payable		406 044	227 727
Pre-financing received from consolidated entities		5 771 826	7 224 024
Pre-financing Confederation of Switzerland		21 083	41 378
Pre-financing open Commission and others	2.1.11	5 792 909	7 265 402
Total - Current payables		7 656 588	9 668 951

The sundry payables relating to appeal fees of EUR 169 747 (EUR 123 603 in 2017) are recognised as Accounts Payable until the cases are decided upon by the Board of Appeal. The Agency will have to refund the appeal fee in cases where the appeal is decided in the applicant's favour or will recognise the appeal fee as income, of the Agency, where the Board of Appeal concludes in ECHA's favour.

2.1.8. Accrued charges and deferrals

Accrued Charges and Deferrals	Note	31.12.2018	31.12.2017
Accrued liabilities incl. consolidated entities	2.1.9	6 171 853	6 378 324
Deferred income	2.1.10	13 048 092	11 462 100
Total - Accrued liabilities and deferrals		19 219 946	17 840 424

2.1.9. Accrued liabilities (including consolidated entities)

The accrued liabilities are the amounts estimated by the Authorising Officer, based on relevant commitments already established, in respect of the cost incurred for services and goods delivered but not yet invoiced on or before 31 December 2018. The accrued liabilities, including consolidated entities, as at 31 December 2018 amount to EUR 6 171 853 (EUR 6 129 172 plus EUR 42 682) and are further analysed per category in the following table.

Accrued liabilities type	2018	2018 with consolidated entities	2017	2017 with consolidated entities
Administrative expenses				
Staff related expenses	84 104		116 380	
Untaken leave by staff	1 464 606		1 412 721	
Recruitment related expenses	-		3 782	
Interim staff - administrative	69 541		95 207	
European School Helsinki	-		16 473	
Annual Medical	15 253		7 353	
Missions	7 399		11 288	
Training	40 907	7 473	59 620	5 500
Building costs	223 480		118 688	
Other	70 067		41 115	7 723
Total - Administrative expenses	1 975 355	7 473	1 882 627	13 223
Operational expenses				
Management Board meetings	8 148		14 505	
Committee meetings and workshops	45 068		41 203	
Operational missions	64 379		55 328	
Translations	-	-	-	27 672
IT related	3 340 263		3 292 238	
Interim staff - operational	105 218		228 579	
Substance evaluation	280 075		418 206	
Other	282 444	35 209	385 826	9 240
Total - Operational expenses	4 125 596	35 209	4 435 885	36 912
Other expenses				
Financial expenses	300		2 154	
Accruals relating to fixed assets	27 921		7 524	
Total - Other expenses	28 221	-	9 678	-
Total - Accrued liabilities	6 129 172	42 682	6 328 190	50 135

2.1.10. Deferred Income (liability)

The deferrals recorded at the year-end relate to REACH Authorisation and Biocidal Product fees and charges invoiced and receipted in the periods 2015 to 2018 (for REACH Authorisations all deferrals as at 31 December 2018 related to fees cashed in 2018 only) for which the Agency still has to complete a portion of the work in respect of the applications. This work will be performed from 2019 onwards.

Deferred Income	31.12.2018	31.12.2017
REACH Authorisation fees & charges	43 280	226 273
BPR fees & charges	13 004 812	11 235 827
Total - Deferred income	13 048 092	11 462 100

2.1.11. Pre-Financing liability

Pre-financing liability - consolidated entities and Switzerland	Note	31.12.2018	31.12.2017
EU subsidy		30 347 121	69 343 068
EU subsidy consumed in the year	2.2.1	(26 756 577)	(63 828 878)
EFTA contribution		653 625	1 623 765
EFTA contribution consumed in the year	2.2.1	(592 488)	(1 504 691)
Switzerland contribution - Biocide		179 682	147 341
Switzerland contribution expended in the year	2.2.1	(158 599)	(105 964)
EUON/EUCLEF open pre-financing at the beginning of the year		1 382 963	900 000
EUON/EUCLEF additional pre-financing received		1 600 000	900 000
EUON/EUCLEF total income accrued during the year	2.2.1	(970 442)	(417 037)
IPA 2015 open pre-financing at the beginning of the year		27 798	175 784
IPA 2015 contribution consumed in the year	2.2.1	(11 650)	(147 986)
IPA 2017 open pre-financing at the beginning of the year		180 000	180 000
IPA 2017 income accrued during the year	2.2.1	(88 523)	-
Open pre-financing received		5 792 909	7 265 402
Subsidy incl. EFTA repayable		3 651 680	5 633 263
Other payables to EU institutions and agencies		2 120 146	1 590 761
Switzerland repayable		21 083	41 378
Pre-financing repayable at year end		5 792 909	7 265 402

During 2018, the Agency received EU subsidy of EUR 30 347 121 (EUR 69 343 068 in 2017) for the implementation of the REACH, Biocidal Products and PIC Regulations. The amounts received were EUR 24 374 800, EUR 4 876 000 and EUR 1 096 321 respectively (EUR 64 289 500, EUR 3 867 798 and EUR 1 185 770 respectively in 2017). An amount of EUR 3 590 544 in total (EUR 5 514 189 in 2017) of this money is repayable to the Commission in 2019. In addition, during 2018 under the REACH and Biocidal Products Regulation, the Agency received EUR 653 625 of EFTA contribution (EUR 1 623 765 in 2017). The amounts received were EUR 609 612 and EUR 44 013 for the two regulations respectively (EUR 1 587 950 and EUR 35 815 respectively in 2017). An amount of EUR 61 137 (EUR 119 074 in 2017) from this EFTA contribution is repayable by the Agency in 2019. Finally Switzerland's contribution under the Biocidal Products Regulation during 2018 amounts to EUR 179 682 (EUR 147 341 in 2017). The amount repayable of EUR 21 083, is expected to be offset against the 2019 contribution.

In December 2016, the Agency signed a delegation agreement with DG GROW in respect of implementing the tasks under the European Union Observatory for Nanomaterials (EUON) and the European Union Chemical Legislation Finder (EUCLEF). The Agency received EUR 900 000 for the implementation of these tasks in December 2016, for which an expenditure of EUR 417 037 was incurred in 2017 and EUR 410 145 in 2018. In December 2017 the Agency signed two transfer of funds agreements with DG GROW in respect of implementing further tasks under EUON and EUCLEF receiving EUR 600 000 and EUR 300 000 respectively in late December 2017, thus no expenditure was incurred in 2017, while an expenditure of EUR 560 297 was incurred in 2018. In December 2018 the Agency signed another two transfer of funds agreements with DG GROW for implementing further tasks under EUON and EUCLEF, receiving EUR 600 000 and EUR 1 000 000 respectively in late December 2018. No expenditure was incurred in 2018. The total expenditure incurred under all EUON and EUCLEF agreements during 2018 amounted to EUR 970 442.

Under the IPA programme (Instrument for pre-accession assistance) a total pre-financing of EUR 300 000 was received in 2015, from DG NEAR. Total expenditure of EUR 272 202 has been incurred as at 31 December 2017 and the balance of this pre-financing, totalling EUR 27 798 was used to fund 2018 expenditure under this programme. During 2018 the program of 2015 was completed with an additional EUR 11 650 expenditure. The remaining balance of EUR 16 148 is repayable to DG NEAR by the Agency as at 31 December 2018.

Finally in December 2017 the Agency signed a new IPA grant agreement with DG NEAR and received a pre-financing of EUR 180 000 in late December 2017. No expenditure was incurred in 2017 while an expenditure of EUR 88 523 was incurred in 2018. The balance of this pre-financing, totalling EUR 91 477, will be used to fund 2019 expenditure under this programme

2.2. Notes to the statement of financial performance

2.2.1. Revenue

The Agency executes its REACH fee income in accordance with the Regulation (EC) No 1907/2006 (the "REACH Regulation") and the Commission Regulation No 340/2008 on the fees and charges payable to the European Chemicals Agency (the "Fee Regulation"). The CLP income is executed in accordance with Regulation (EC) No 1272/2008 of the European Parliament and Council. The Agency commenced invoicing of applicants under the Biocidal Products Regulation (EU) No 528/2012 as from 01 September 2013.

On the table below the Revenue for the year is split between Exchange and Non-Exchange revenue in line with EU Accounting Rules No 4 and 17 respectively.

Revenue	Note	31.12.2018	31.12.2017
<u>Non-exchange revenue</u>			
EU subsidy	2.1.11	26 756 577	63 828 878
EFTA contribution	2.1.11	592 488	1 504 691
Federation of Switzerland Contribution	2.1.11	158 599	105 964
Revenue with consolidated entities (IPA, EUON, EUCLEF)	2.1.11	1 070 615	565 023
Reversal of provisions related to legal cases		24 449	120 348
Miscellaneous administrative revenue		156 190	102 006
Total - Non-exchange revenue		28 758 918	66 226 910
<u>Exchange revenue</u>			
a) Fee income			
REACH fee income		80 704 079	35 176 758
Biocide fee income		4 572 125	4 484 933
Appeal Fees income		27 504	38 234
Reversal of REACH Administrative charge bad debt provision due to collections	2.1.2	746 123	-
b) Other revenue			
Inter-entity recoveries (GNSS)		28 728	26 286
Profit from sale of fixed Assets	2.1.1	37 015	-
c) Financial revenue			
Bank interest		-	-
FX gains		6 006	1 660
Total - Exchange revenue		86 121 580	39 727 870
Total - Revenue		114 880 499	105 954 781

Fees and charges income is recognised as revenue in the accounts when the service is rendered, except in the case of REACH SME verification income (see section 2.7). The service is considered to be rendered, by ECHA, when the company submits a request for registration or submits a notification. An invoice is created and sent to the company normally within two (2) working days. Every submission undergoes a technical and financial completeness check during a period set by the relevant regulations. If a submission is technically or financially incomplete (e.g. not "paid in

full”) by the relevant deadline, the registrant is informed that the submission has been rejected. If the rejection stems from the absence of the payment, the related open invoice is set to the status “unpaid”. Consequently the rejection reduces the accrued revenue. In preparation for the Final accounts 2018, all known rejections were taken into account.

A deferral for fee income upon which the work will be performed in 2019 and onwards has been provided in the accounts. Details of the deferred amounts are shown in the Note 2.1.10.

2.2.2. Expenses

Administrative expenses	2018	2017	change%
Staff related expenses	67 186 632	61 128 099	10%
Seconded National Experts expenses	620 233	627 075	-1%
Recruitment related expenses	144 359	166 058	-13%
Interim staff - administrative	1 352 294	1 451 106	-7%
European School Helsinki	1 200 578	1 126 749	7%
Annual medical	438 319	402 233	9%
Missions	187 803	174 683	8%
Training	617 113	791 171	-22%
Rent	6 101 389	5 985 864	2%
Building costs	1 677 052	1 769 384	-5%
Depreciation/Amortisation	14 774 679	13 256 851	11%
Tangible Fixed Assets Impairment	383 736	-	-
Operating lease	-	18 112	-100%
Other	1 546 293	1 663 883	-7%
Total - Administrative expenses	96 230 480	88 561 268	9%
Operational expenses	2018	2017	change%
Management Board meetings	144 944	141 718	2%
Committee meetings and workshops	1 956 532	2 358 137	-17%
Operational missions	633 889	653 802	-3%
Translations	1 354 144	2 734 185	-50%
IT operational costs	14 926 808	13 143 972	14%
Interim staff - operational	3 279 472	1 509 164	117%
Substance Evaluation	348 115	591 201	-41%
Other	1 843 789	2 674 948	-31%
Total - Operational expenses	24 487 693	23 807 127	3%
Financial expenses	2018	2017	change%
Bank charges and Other financial cost	161	701	-77%
Interest on late payments	-	1 954	-100%
FX losses	10 135	4 297	136%
Total - Financial expenses	10 296	6 952	48%
Total - Expenses	120 728 469	112 375 346	7%

Overall the expenditure incurred for 2018 increased by 7% (approx. EUR 8.4 million) compared to 2017. The bulk of the monetary increase concerns Staff related expenses for approx. EUR 6.1 million as well as Operational interim staff expenditure for approx. EUR 1.8 million. This is mainly attributable to the employer’s pension contribution (aprox. EUR 3.6 million increase), arising from the fact that the Agency’s pension contribution payable to the Commission is based on a coefficient relating to the proportion of the Agency’s financing by own fees (this coefficient was 69% for REACH during 2018 compared to 26% during 2017). The increase further relates to increased resources and additional interim staff contracted by the Agency in order to properly

manage the final REACH 2018 registration deadline (ECHA received/managed 135% more registration dossiers compared to 2017).

Other increase concerns IT operational costs (approx. EUR 1.8 million), as well as depreciation & amortisation expenses (EUR 1.5 million). On the other hand, this is partly offset by a decrease in translation costs (approx. EUR -1.4 million), a decrease in the expenses for committee meetings and workshops (approx. EUR -0.4 million) as well as a decrease in other operating expenses (approx. EUR -0.83 million).

2.2.3. Financial revenue and expenditure

Financial revenue and expenditure	31.12.2018	31.12.2017
Revenue		
Bank interest	-	-
FX gains	6 006	1 660
Total - Financial revenue	6 006	1 660
Expenses		
Bank charges and other financial cost	161	701
Interest on late payments	-	1 954
FX Losses	10 135	4 297
Total - Financial expenses	10 296	6 952
Net financial loss	(4 290)	(5 292)

The net loss recorded on foreign exchange transactions in 2018 is EUR 4 290 (EUR 5 292 in 2017). The Agency generated no interest on investments and bank accounts in the year as it has no longer a reserve.

2.3. Off balance sheet items

Contingent assets and liabilities are off balance sheet items. It is uncertain whether they may occur in the future and are dependent on the future outcome of past events.

The Agency had contingent assets totalling EUR 135 000 as at 31 December 2018 (EUR 171 952 in 2017). This relates to performance guarantees provided by contractors.

Commitments for future funding are also off balance sheet items and specified as follows:

Category	31.12.2018	31.12.2017
Commitments against appropriations not yet consumed	10 301 012	7 847 073
Operating lease (Building)	65 347 942	69 670 319
Contractual commitments for which budget commitments have not yet been made (maintenance, IT, cleaning, security)	4 866 176	8 647 325
Contingent liabilities (legal cases)	360 000	270 000
Total	80 875 130	86 434 717

Commitments against appropriations not yet consumed is the remaining net amount to be paid (RAL) after deducting eligible expenses (cut-off postings) that have already been booked in the statement of financial performance.

Operating Lease (Building) includes the contractual monthly lease payments for the current building (expected during the year 2019) as well as for the new building (expected during the years 2020 – 2029). The new building future rental payments in the table have been adjusted for the amount of certain change instructions agreed between the Agency and the landlord, which will reduce the initially agreed rental payments by EUR 172 328 in total and are expected to be

settled in 2020. It should be noted that this amount may further increase/decrease during 2019 before the handover of the new premises.

The contingent liabilities consist of twelve (12) on-going legal cases (nine as at 31.12.2017) estimated at a total amount of EUR 360 000 (EUR 270 000 as at 31.12.2017). This contingent liability covers the possible costs of the complainants, which is dependent on the future outcome of the individual cases.

2.4. Financial assets and liabilities

In line with Accounting rule No 11 additional disclosures are provided below:

2.4.1. Financial assets credit ratings

Details	Note	2018			2017		
		Credit rating	Rating Agency	EUR	Credit rating	Rating Agency	EUR
Bank deposits - BCEE		AA+	S&P	-	AA+	S&P	185
Investments				-			185
Bank current accounts - Pohjola	2.1.5	A-1+	S&P	20 027 957	A-1+	S&P	18 844 185
Bank current accounts - Nordea	2.1.5	A-1+	S&P	5 989	A-1+	S&P	5 989
Cash and cash equivalents				20 033 946			18 850 174
Total short-term financial assets (including cash)				20 033 946			18 850 359

The Agency had no excess cash or cash reserves available for investment in 2018 and 2017.

2.4.2. Credit Risk analysis

Credit quality of financial assets that are neither past due nor impaired	Total	Receivables with Member States and third Countries	All receivables with third parties (including accruals & deferrals)	Receivables with EU consolidated entities (including accruals & deferrals)	Bank accounts
Prime and high grade	21 158 089	1 124 144	-	-	20 033 946
Unrated - Debtors who have never defaulted	4 085 665	-	3 352 648	733 017	-
As at 31 December 2018	25 243 754	1 124 144	3 352 648	733 017	20 033 946
Prime and high grade	19 988 276	1 137 917	-	-	18 850 359
Unrated - Debtors who have never defaulted	4 478 340	-	3 847 159	631 181	-
As at 31 December 2017	24 466 615	1 137 917	3 847 159	631 181	18 850 359

Included in "all receivables with third parties" are the receivables in relation to REACH and Biocidal Products Regulation fees and charges. Under these regulations, if fees are not paid by the due dates, the invoice is cancelled and the applicant's submission is not accepted, e.g. the applicant will not receive a registration number.

However, under the REACH SME verification process the administrative charge for incorrect company size declarations will not be cancelled if the due date expires. These invoices remain outstanding and as a consequence a bad debt provision has been provided in the accounts (see Note 2.1.2).

2.4.3. Remaining maturities of liabilities

Maturities of liabilities 31.12.2018	< 1 year	1 - 5 years	> 5 years	Total
Payables with third parties	1 884 762	-	-	1 884 762
Payables (consolidated entities)	5 771 826	-	-	5 771 826
Accrued Liabilities with third parties	6 129 172	-	-	6 129 172
Accrued Liabilities (consolidated entities)	42 682	-	-	42 682
Finance Lease Liabilities	11 130	19 483	-	30 614
Total - Liabilities	13 839 572	19 483	-	13 859 055

Maturities of liabilities 31.12.2017	< 1 year	1 - 5 years	> 5 years	Total
Payables with third parties	2 424 927	-	-	2 424 927
Payables (consolidated entities)	7 244 024	-	-	7 244 024
Accrued Liabilities with third parties	6 328 190	-	-	6 328 190
Accrued Liabilities (consolidated entities)	50 135	-	-	50 135
Finance Lease Liabilities	-	-	-	-
Total - Liabilities	16 047 276	-	-	16 047 276

The main outstanding contractual liabilities at the year-end mainly relate to supplier invoices of EUR 1 457 635 received and recorded in the financial system as at 31 December 2018 (EUR 2 155 822 as at December 31 2017), as well as the Budget outturn for the year returnable to the Commission (incl. EFTA) of EUR 5 771 826 (EUR 7 224 027 as at 31 December 2017). See Note 2.1.7.

In addition, all accrued liabilities recorded as at 31 December 2018 are expected to be finally settled within the next year. As at 31 December 2018, there is also a financial lease liability outstanding for the acquisition of certain audio visual equipment, with a contractual maturity up to mid 2021, and a total carrying amount of EUR 30 614 out of which 11 130 is expected to be settled during 2019.

2.4.4. Analysis of foreign currency exposure

The Agency does not have any significant exposure to foreign currency risk in respect to its monetary assets or liabilities.

2.5. Related party disclosures

The highest staff grade of the Agency in 2018 was AD14 (Executive Director-Authorising Officer, Deputy Executive Director as well as two other Directors). In 2017 the highest staff grade of the Agency was AD15 (the former Executive Director-Authorising Officer)

2.6. Events after the balance sheet date

No material issues came to the attention of the Accounting Officer of the Agency or were reported to him that would require separate disclosure under this section.

2.7. Accounting principles, rules and methods

Accounting principles

The Final annual accounts of the Agency have been prepared in accordance with Article 95 of the Agency's Financial Regulation which sets out the following accounting principles to be applied in drawing up the financial statements:

- going concern basis;
- prudence;
- consistent accounting methods;
- comparability of information;
- materiality;
- no netting;
- reality over appearance;
- accrual-based accounting;

and in accordance with the accounting rules and methods adopted by the EU Commissions' Accounting Officer (Article 50 of the Agency's Financial Regulation).

The accounting system of ECHA comprises of general accounts and budget accounts. These are maintained in EUR and run from 01 January to 31 December.

Transactions and balances in foreign currency

Foreign currency transactions are converted into EUR using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

Use of estimates

In accordance with generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions made by management. Significant estimates include, but are not limited to, accrued income and charges, provisions, contingent assets and liabilities. The actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

Receivables

Receivables are carried at original invoice amounts less any write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that the Agency will not be able to collect all amounts due according to the original terms of the receivables. A provision has been provided on a case by case basis where applicable (Note 2.1.2)

REACH SME Verification Income

The Agency levies fees and charges related to the REACH Regulation based on self-declaration of enterprise. In accordance with Article 13(3) of the REACH fees and charges Regulation, "The Agency may request, at any time, evidence that the conditions for a reduction of fees or charges or for a fee waiver apply". Consequently, the Agency is permitted to interrogate the information submitted by enterprises and following verification adjust the fees and charges invoiced for any errors identified. When errors are identified these are accounted for as revenue at the time when invoiced.

3. REPORTS ON THE IMPLEMENTATION OF THE BUDGET

3.1. Budget outturn account (amounts in EUR)

Budget Outturn Account		2018	2017
REVENUE			
EU subsidy	+	31 180 428	71 114 174
Other contributions from Commission (EUON/EUCLEF,IPA, etc)	+	1 600 000	1 080 000
Fee income	+	87 975 256	42 087 956
Other revenue	+	211 625	210 883
TOTAL - REVENUE (a)		120 967 308	114 493 013
EXPENDITURE			
<i>Title I: Staff</i>			
Payments	-	73 712 495	67 970 303
Appropriations carried over	-	271 740	519 395
<i>Title II: Administrative Expenses</i>			
Payments	-	12 777 715	12 770 314
Appropriations carried over	-	4 014 693	2 020 431
<i>Title III: Operating Expenditure</i>			
Payments	-	15 393 706	15 702 211
Appropriations carried over	-	13 164 813	11 449 680
TOTAL - EXPENDITURE (b)		119 335 162	110 432 334
OUTTURN FOR THE FINANCIAL YEAR (a-b)		1 632 146	4 060 679
Cancellation of unused payment appropriations carried over from previous year	+	279 265	364 031
Adjustment for carry-over from the previous year of appropriation available at 31.12. arising from assigned revenue	+	1 764 451	1 251 575
Exchange differences for the year (gain +/-loss -)	+/-	(3 099)	(1 644)
BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR		3 672 763	5 674 641
Balance year N-1	+/-	5 674 641	5 350 644
Subsidy and contributions from year N-1 reimbursed in year N	-	(5 674 641)	(5 350 644)
BUDGET OUTTURN		3 672 763	5 674 641
EU subsidy - agency registers accrued revenue and EU accrued expense		27 507 664	65 439 533
EU pre-financing to be reimbursed to the Commission in year N+1		3 651 680	5 633 263
Pre-financing to be reimbursed from contribution by the Swiss Confederation		21 083	41 378

The detailed budget execution is set out in Section 3.3.3.

3.2. Budget and Financial Management 2018

3.2.1. Budget

As stated in Article 92 of the Financial Regulation applicable to the budget of ECHA, the annual accounts of the Agency are accompanied by a report on budgetary and financial management for the year which is also part of the Consolidated Annual Activity Report.

In accordance with the REACH Regulation (No 1907/2006), ECHA is financed through fees paid by industry and by an EU balancing subsidy, as referred to in Article 208 of the general Financial Regulation. In 2018, ECHA collected fee income totalling EUR 81.61 million (EUR 33.96 million in 2017), while the EU subsidy amounted to EUR 24.37 million (64.29 million in 2017). Additionally, the received European Free Trade Association (EFTA) contribution totalled EUR 0.61 million in the year.

In accordance with the Regulation on Biocidal Products (BPR, No 528/2012), ECHA is financed through fees paid by industry and a balancing EU subsidy, as referred to in Article 208 of the general Financial Regulation. In 2018, ECHA collected fee income totalling EUR 6.37 million (EUR 8.13 million in 2017), while the EU subsidy amounted to EUR 4.88 million (EUR 3.87 million in 2017). Additionally, the received EFTA contributions, including one from Switzerland, totalled EUR 0.22 million in the year.

In accordance with the Prior Informed Consent (PIC) Regulation (No 649/2012), ECHA is fully financed by an EU subsidy, as referred to in Article 208 of the general Financial Regulation. In 2018, this subsidy amounted to EUR 1.10 million (EUR 1.19 million in 2017).

The initial total budgetary payment appropriations for the expenditure of 2018, as concluded by the Management Board in December 2017, amounted to EUR 115.68 million. In addition, the Agency has signed a Delegation agreement with the Commission on the European Union Observatory for Nanomaterials and for the implementation of the European Union Chemical Legislation Finder. In 2018 ECHA received an amount of EUR 1.60 million for these tasks.

During the year 2018, the Management Board adopted two amending budgets. The first amending budget in September 2018 adapted the Agency's revenue estimate to the observed trend in the area of REACH/CLP Regulations. The fee income budget estimate was increased by EUR 8.5 million and at the same time, the REACH expenditure was increased by EUR 2.4 million i.a. to accommodate the higher than estimated salary costs as well as the further development of the Poison Centre portal. Consequently, the need for a balancing EU subsidy was reduced by an amount of EUR 6.0 million.

For Biocides, the first amending budget aligned the Agency's revenue estimate to the observed trend in the area of Biocidal Products Regulation. The budget estimate for Biocides fee income was decreased by EUR 2.4 million, due to lower than expected number of applications. At the same time, the expenditure was reduced by an amount of EUR 0.4 million and the need for a balancing EU subsidy was increased by an amount of EUR 1.9 million.

In the second amending budget in December 2018, the REACH/CLP income estimates were revised upwards by an amount of EUR 0.9 million and expenditure was increased accordingly to provisionally accommodate the development of a prototype database service under the Waste Framework Directive (WFD) in 2019.

The second amending budget in December 2018 further aligned the Agency's revenue estimate to the real income situation in the area of Biocidal Products Regulation. The budget estimate for Biocides fee income was further reduced by EUR 1.2 million, again due to the lower than expected numbers of active substance applications, for which the legal deadline was 01 January 2019. At the same time, the expenditure was reduced further by an amount of EUR 0.4 million and the need for balancing EU subsidy was increased by an amount of EUR 0.8 million.

Budget overview (in EUR '000)

Revenue	Initial voted budget	Amending budgets	Final voted budgeted
Total revenue	116 611 156	2 370 039	118 981 195
Expenditure	Initial voted budget	Amending budgets	Final voted budgeted
Commitment appropriations	117 281 746	1 478 963	118 760 709
Payment appropriations	116 611 156	2 370 039	118 981 195

3.2.2. Revenue

The budget funding of ECHA in 2018 consisted of the following (amounts in EUR):

Description	Initial Budget 2018	Amending Budgets 2018	Final Budget 2018	Entitlements established 2018	Revenue received 2018
Fees and charges from Registrations	68 198 170	10 009 830	78 208 000	79 116 508	79 116 508
Fees and charges from Authorisations	1 186 000	(615 923)	570 077	610 652	610 652
Fees SME Administration	1 357 000	-	1 357 000	1 725 546	1 725 546
Fees and charges from CLP	148 000	-	148 000	136 500	136 500
Fees and charges from Appeals	-	20 329	20 329	20 329	20 329
Total REACH Fee & Charges Income (incl. Appeals)	70 889 170	9 414 236	80 303 406	81 609 535	81 609 535
Fees relating to Biocidal Active Substances	4 288 333	(2 268 333)	2 020 000	2 045 200	2 045 200
Fees for Union Authorisation of Biocidal products	3 256 555	(1 111 555)	2 145 000	2 312 400	2 312 400
Miscellaneous fees	2 006 070	(246 070)	1 760 000	2 008 121	2 008 121
Total BPR Fee & Charges Income (incl. Appeals)	9 550 958	(3 625 958)	5 925 000	6 365 721	6 365 721
REACH subsidy	30 517 000	(6 000 000)	24 517 000	24 374 800	24 374 800
BPR subsidy	2 226 000	2 650 000	4 876 000	4 876 000	4 876 000
PIC subsidy	1 096 320	-	1 096 320	1 096 320	1 096 320
EFTA Contribution - REACH	609 611	(142 199)	467 412	609 612	609 612
EFTA Contribution - BPR	40 068	3 945	44 013	44 013	44 013
Confederation of Switzerland Contribution - BPR	82 029	70 015	152 044	179 682	179 682
TOTAL EU Contributions	34 571 028	(3 418 239)	31 152 789	31 180 427	31 180 427
Delegation Agreements (EUON, EUCLEF)	1 600 000	-	1 600 000	1 600 000	1 600 000
Delegation Agreements (EUON, EUCLEF)	1 600 000	-	1 600 000	1 600 000	1 600 000
Total Other income - miscellaneous	-	-	-	227 325	211 625
Total	116 611 156	2 370 039	118 981 195	120 983 008	120 967 308

REACH/CLP Revenue

A) REACH/CLP Fees and Charges

The fees and charges collected by ECHA are determined by the REACH Fee Regulation and by the decisions of the Management Board. Due to the one-off nature of REACH fees and their dependence on strategic decisions of the chemical industry players, there is high uncertainty as to their amount and timing. The budgetary revenue from REACH fees/charges in 2018 in terms of the cash received amounted to EUR 81.59 million (EUR 33.92 million in 2017). In addition, income of EUR 0.02 million (EUR 0.04 million in 2017) was recorded in relation to REACH appeal fees giving a total of fees and charges of EUR 81.61 million (EUR 33.96 million in 2017). Income from appeal fees is recognised by ECHA only when a case has been decided and the Board of Appeal rules that the fee should not be refunded to the applicant.

During 2018, which was the year of the final REACH registration deadline, ECHA received 37 400 dossiers, compared to 15 900 dossiers during 2017, representing an increase of almost 135%. Approximately 35% of the REACH/CLP fees and charges income generated in 2018 (41% for 2017) relates to a relatively small quantity of registration dossiers, with a high monetary value, for registration of substances above 1 000 tonnes and in the range 100 to 1 000 tonnes. Registration of substances in the range 10 to 100 tonnes represent a share of 30% (18% for 2017) and the lowest tonnes range 1 to 10 tonnes a share of 14% (8% for 2017). ECHA continued to observe a constant number of high tonnage registrations within 2018, which have a significant impact on the overall income.

In 2018, the Agency received payments for six applications (12 in 2017) for REACH Authorisation. In addition, ECHA collected EUR 0.16 million as a result of invoices issued for top-up fees issued to four authorisation applicants subsequent to the SME verification process (during 2017, four applicants self-declared their company size as larger for previously paid applications generating additional income of EUR 0.01 million). The total REACH authorisation income collected in 2018 amounts to EUR 0.61 million (EUR 0.76 million in 2017). For three out of the six applications, work will still be performed in 2019. The Agency received payments for 36 applications under the CLP regulation (35 applications under Article 24 and one application under CLH). The total receipts for 2018 amount to EUR 0.14 million (EUR 0.18 million in 2017).

The additional registration fee income generated via the SME size verification process (included in the REACH Registration income) in 2018 amounted to EUR 1.13 million (EUR 1.50 million in 2017). A total of 414 enterprises (332 in 2017) were verified for their company size during the year. On top of the additional registration fees, the Agency generated EUR 1.73 million in administrative charges (EUR 1.40 million in 2017) levied on companies who were not eligible for the already received rebates. A declining trend of wrong-size cases was observed in verifications during 2018. The percentage of wrong size cases identified during 2018 was 32% while the error rate in the 2011-2017 period was 55%. On the other hand, income collected from administrative charges increased during 2018 mainly due to the initiative for collection of the unpaid debts via law firms, which resulted in collection of EUR 0.87 million of overdue administrative charge invoices (please see also section "Fee Invoicing 2018" below).

B) REACH/CLP Contributions:

During 2018, the Agency received an EU subsidy for REACH/CLP of EUR 24.37 million (EUR 64.29 million in 2017) and an EFTA contribution of EUR 0.61 million (EUR 1.59 million in 2017).

The Agency had signed a delegation agreement with the Commission to build an EU-wide observatory for Nano-materials (EUON) and to develop an EU Chemical Legislation finder (EUCLEF). In 2018, the Agency signed two transfer of funds agreements for the above and received an amount of EUR 0.60 million for EUON and EUR 1.00 million for EUCLEF.

BPR Revenue

A) BPR Fees and Charges

The biocide fees and charges collected by ECHA are determined by the Biocidal Product Regulation, the Fees and Charges Regulation and by the decisions of the Management Board. The budgetary revenue from Biocidal product fees/charges, for 2018, in terms of the cash received amounted to EUR 6.37 million (EUR 8.13 million in 2017). Despite the fact that the majority of the resources and work required to process these applications will be utilised in 2019 and onwards, ECHA is required to fund this work from future income. In addition, ECHA completed 20 ex-ante SME verifications in 2018 (28 in 2017) under the Biocidal Product Regulation, representing all incoming cases for which the verification deadline fell within the year. This verification process is a non-fee generating activity.

B) BPR Contributions

During 2018, the Agency received an EU subsidy of EUR 4.88 million (EUR 3.87 million in 2017) and an EFTA contribution of EUR 0.044 million (EUR 0.036 million in 2017). In addition, the Agency received a contribution from the Federation of Switzerland of EUR 0.18 million (EUR 0.15 in 2017).

PIC Revenue

ECHA received an EU contribution for the PIC Regulation totalling EUR 1.10 million in 2018 (EUR 1.19 million in 2017).

Other miscellaneous income

The table below shows the other miscellaneous income received by the Agency in 2018 (amounts in EUR).

Description	Entitlements established 2018	Revenue received 2018
Legal recoveries	76 868	61 168
Carparking recovery	78 660	78 660
Sale of Goods	39 010	39 010
Other cost recoveries	32 787	32 787
Miscellaneous Income	227 325	211 625

Fee Invoicing 2018 (other information in accordance with Article 67 of FR)

In accordance with Article 67 of the Agency's Financial Regulation, the number of debit notes issued and their global amount shall be provided in the Agency's report on budgetary and financial management. In addition, where fees and charges are entirely determined by legislation or decisions of the Management Board, the Authorising Officer may abstain from issuing recovery orders and directly draw up debit notes after having established the amount receivable. Where the Agency uses a separate invoicing system, the Accounting Officer shall regularly, and at least on a monthly basis, enter the accumulated sum of fees and charges received into the accounts.

The Agency uses a separate invoicing and debtors system for daily transactions related to fee income, namely the REACH IT (REACH/CLP Fees and charges) and REACH-NG (Biocidal Product Fees and charges) invoicing modules. The invoices raised and the payments received are recorded in the central accounting system on a monthly basis.

A) REACH Fees and Charges

The total net invoiced by the Agency in 2018 amounted to EUR 80.29 million (EUR 34.11 million in 2017). The table below depicts the breakdown of the net invoiced REACH fees during the year.

REACH Description	2018		2017	
	No of Transactions	EUR	No of Transactions	EUR
Invoices issued	28 473	86 297 847	9 535	41 355 205
Credit Notes	607	(4 420 295)	693	(6 291 392)
Unpaid	198	(840 926)	138	(954 452)
Considered paid	71	(1 131)	25	(540)
Write offs	43	(749 145)	-	-
Net Invoiced		80 286 350		34 108 821

In accordance with Article 65 of the Agency’s Financial Regulation, the Accounting Officer shall keep a list of the amounts due to be recovered. On the 31 December 2018, the invoiced amount to be recovered for REACH/CLP fees and charges stood at EUR 3.45 million (EUR 4.70 million as at 31 December 2017). Included in this amount is EUR 1.45 million (EUR 3.18 million as of 31 December 2017) relating to invoiced overdue administrative charges arising from the SME verification work. This decrease in the outstanding amount mainly relates to the efforts made by ECHA during 2018 on the collection of the overdue administrative charges. In particular, 24 new contracts for pre-litigation actions with three law firms were signed, covering ECHA claims in 24 Member States. Based on a detailed case by case analysis, as had been recommended by the Commission in 2017, a total amount of EUR 0.75 million relating to 43 invoices of overdue outstanding administrative charges have been written off. Furthermore, as a result of the efforts, a total amount of EUR 0.87 million of overdue administrative charge invoices has been collected.

Finally, during 2018, bank charges were deducted by the senders’ banks for 71 invoices (25 invoices in 2017) relating to REACH fee income. For management efficiency reasons, these invoices have been “considered paid” and therefore a total amount of EUR 1 131 (EUR 540 in 2017) has been waived.

B) Biocidal Products Fees and Charges

The total net invoiced by the Agency in 2018 amounted to EUR 6.33 million (EUR 8.20 million in 2017). The table below depicts the breakdown of the net invoiced BPR fees during the year.

BPR Description	2018		2017	
	No of Transactions	EUR	No of Transactions	EUR
Invoices issued	1 830	8 671 400	1 828	8 888 100
Credit Notes	97	(2 244 500)	89	(274 580)
Unpaid	97	(93 600)	73	(410 200)
Considered paid	-	-	2	(40)
Net Invoiced		6 333 300		8 203 280

In accordance with Article 65 of the Agency’s Financial Regulation, the Accounting Officer shall keep a list of the amounts due to be recovered. On the 31 December 2018, the amount to be recovered for Biocidal product fees and charges stood at EUR 0.55 million (EUR 0.58 million as of 31 December 2017). This list shall also indicate decisions by the Authorising Officer to waive or partially waive recovery of established amounts. In 2018, there were no cases where bank charges were deducted by the senders’ banks (two cases in 2017).

3.2.3. Expenditure

Budget expenditure includes payments made during the year and the carry-over of budgetary appropriations. The following paragraphs and table summarises the execution of appropriations per Title and a more detailed breakdown is provided in Annex I.

Budget 2018: Breakdown & changes in commitment appropriations and implementation of the appropriations for the current year (C1) per Title* (EUR)

Title	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
A-1	STAFF	74 397 206	431 896	74 829 102	73 946 905	98.8%	74 829 102	73 690 517	98.5%	256 388	0.3%	882 197
A-2	BUILDING, EQUIPMENT AND MISCELL. OPER EXPEND	17 021 310	-247 359	16 773 951	16 596 556	98.9%	16 773 951	12 700 154	75.7%	3 896 402	23.5%	177 395
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	21 704 060	1 800 602	23 504 662	23 065 058	98.1%	23 725 148	12 877 586	54.3%	10 361 391	44.9%	439 604
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	2 331 786	-529 572	1 802 214	1 735 591	96.3%	1 802 214	1 309 340	72.7%	426 251	24.6%	66 623
B0-5	OPERATIONAL EXPENDITURE - PIC	227 384	23 396	250 780	241 560	96.3%	250 780	110 278	44.0%	131 282	54.3%	9 220
		115 681 746	1 478 963	117 160 709	115 585 671	98.7%	117 381 195	100 687 876	85.8%	15 071 714	13.0%	1 575 038

*Note: As ECHA operates with both differentiated (multiannual) and non-differentiated (annual) budget lines, the funds reserved for commitments (commitment appropriations) do not equal the funds reserved for payments (payment appropriations). The results for the administrative titles 1 and 2 are combined for all three Regulations.

Budget 2018: Implementation of differentiated appropriations (EUR)

Budget line	Available commitment appropriations	Commitments made	%	Available payment appropriations	Payments made	%
B3-111	Substance evaluation and Rapporteurs (Multiannual)	1 413 123	98%	794 018	751 756	95%
B3-801	Cooperation with international organisations for IT programs	1 272 671	99%	612 380	607 438	99%
Total	2 685 794	2 649 296	99%	1 406 398	1 359 194	97%

Out of the total available commitment appropriations, EUR 1 499 882 are stemming from commitments made in earlier financial years. The available commitment appropriations for 2018 totalled EUR 1 185 912 out of which EUR 1 185 274 (99%) were committed. The amount of commitments carried forward to 2019 totals EUR 1 290 103.

Title 1: staff expenditure

The initially adopted budget for Title 1 in 2018 was EUR 74.4 million and the overall increase during the year, including transfers and amending budgets, was EUR 0.4 million to arrive at EUR 74.8 million. The final executed amount totalled EUR 73.9 million corresponding to an execution rate of 99% for the payment appropriations. The carry-over appropriations, totalling EUR 0.3 million for Title 1, mainly relate to the commitments for trainings and interim services. An amount of EUR 16 858 carried over from the previous year (C8) was not used in payments and was cancelled (overall implementation per Title presented in Annex I).

Title 2: infrastructure expenditure

The initial Title 2 appropriations totalled to EUR 17.0 million and during the year the amount was reduced by EUR 0.2 million to arrive at EUR 16.8 million. For the year, EUR 16.6 million were committed which corresponds to an execution rate of 99%.

The largest expenditure areas, apart from the rent of the building, were the IT outsourced services, the costs of security, cleaning and electricity of the building, purchases of IT hardware, software and their maintenance. The carry-over appropriations, totalling EUR 3.9 million for Title 2, is mainly stemming from outsourced IT services and costs related to the new ECHA building project. An amount of EUR 39 103 carried over from the previous year (C8) was not used in payments and was cancelled (overall implementation per Title presented in Annex I).

Title 3: operational expenditure REACH and CLP

Title 3 contains the operational expenditure needed to implement the REACH and CLP regulations. The initial budgeted payment appropriations amounted to EUR 21.7 million and were subsequently increased during the year by EUR 1.8 million to arrive at EUR 23.5 million. The executed commitment appropriations for 2018 were EUR 23.1 million corresponding to an execution rate of 98% and the appropriations carried over amounted to EUR 10.4 million representing 45% of the committed amount.

The expenditure related to IT projects and services for ECHA's operations, totalling to c. EUR 14.3 million, represents c. 65% of the total expenditure in Title 3 and the related carry-over accounts for c. 60% of the overall amounts carried over in Title 3 totalling EUR 8.3 million. The significant carry-over of appropriations is largely due to the fact that IT projects cannot be exactly aligned with the annuality, as the durations can be more than 12 months and not all projects can be started at the beginning of the year. Furthermore, due to the uncertainty related to the fee income, ECHA had to wait that sufficient income was received, before proceeding with certain projects. Consequently, some of the large-scale projects started only towards the end of the year resulting in a full carry-over. In 2018, the further development of a Poison Centre Portal and start of WFD database development are some of the examples. Furthermore, due to the budgetary constraints in 2019, it was decided to use some of the 2018 budget available to frontload certain IT projects from 2019, again resulting in a full carry-over as the projects will only be finalised in the course of the following year. In addition, the carry-over of appropriations is resulting from retention of payments, from payments to be done for accepted work and ongoing work that is to be finalised in 2019.

Other significant expenditure items in REACH/CLP operational expenditure are the Registration related expenditure totalling EUR 1.7 million and Communication and Translation costs totalling EUR 1.5 million.

An amount of EUR 206 979 carried over from the previous year (C8) was not used in payments and was cancelled (overall implementation per Title presented in Annex I).

Title 4: operational expenditure Biocides

The Biocides related operational expenditure in the initial budget totalled to EUR 2.3 million. Due to the shortfall in income, the expenditure was reduced during the year by EUR 0.5 million to EUR 1.8 million. The total committed amount was EUR 1.7 million corresponding to 96% commitment rate and the carried over amount was EUR 0.4 million, representing 25% of the committed amount. The carry-over appropriations mainly stem from the area of IT. An amount of EUR 16 278 carried over from the previous year (C8) was not used in payments and was cancelled (overall implementation per Title presented in Annex I).

Title 5: operational expenditure PIC

The adopted budget for Title 5 was EUR 0.23 million and, during the year, was increased to EUR 0.25 million. The executed commitment appropriations amounted EUR 0.24 million corresponding to a 96% execution rate, whereas the carried over amount was EUR 0.13 million (54%). As with REACH, the expenditure related to IT services is the biggest expenditure item representing c. 90% of the total expenditure in Title 5. The carry-over of appropriations relates mainly to expenditure for IT investment in the area of ePIC further development and enhancements. Furthermore, the carry-over also stems from support, maintenance and application management of ePic system, where the carry-over of appropriations is resulting from retention of payments, from payments to be done for accepted work and ongoing work that is to be finalised in 2019, as IT services cannot be exactly aligned with the annuality in all cases due to necessity to secure uninterrupted continuity of delivery of the business applications.

The amount of EUR 47 carried over from the previous year (C8) was not used in payments and was cancelled (overall implementation per Title presented in Annex I).

Late interest payments

During the year 2018, ECHA did not pay late interest for commercial invoices.

Transfers

During 2018, 17 internal budget transfers totalling EUR 1 854 678 were carried out.

Procurement procedures

In 2018, in implementation of its budget, ECHA signed 595 contracts and purchase orders. Moreover, ECHA issued 284 catering orders and 668 travel orders through the electronic ordering tools of the relevant framework contracts. Out of the 595 signed contracts, 475 were specific contracts and orders under framework contracts, 76 were contracts resulting from tendering procedures, three were renewals. A total of 41 contracts were signed following exceptional negotiated procedures based on the relevant rules of the Financial Regulation, 30 of which refer to legal services and the remaining ones mainly refer to subscriptions, participation to events and direct purchase of services for technical reasons.

In 2018, the performance of the suppliers of the Agency was overall satisfactory and in accordance with the terms of the contracts, with no relevant exceptions. Green procurement continued being a priority for ECHA as an integral part of the Agency's management system. In this regard the Agency purchased a 'Renewable Energy Certificate for 2019' and fully outsourced the data centres and moved into the Cloud.

The annual list of contractors is published by ECHA by 30 June of each year for the previous year to ECHA website^[1].

4. FINANCIAL MANAGEMENT

In year 2018, the main achievements in financial management were:

- Rigorous budget and liquidity management amid high uncertainty on fee income;
- Intensified verification of the SME status of companies;
- Regular reporting to the Commission and the Management Board;
- A correct closure of the 2017 accounts.

^[1] https://echa.europa.eu/view-article/-/journal_content/title/annual-list-of-awarded-contracts

5. ANNEX I - STATISTIC ON FINANCIAL MANAGEMENT AND BUDGET (EXPENDITURE)

Budget 2018: Breakdown & changes in commitment appropriations and implementation of the appropriations for the current year (C1) per Regulation and Title

REACH/CLP

Title	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
A-1	STAFF	66 014 722	786 785	66 801 507	65 953 886	98.7%	66 801 507	65 726 477	98.4%	227 410	0.3%	847 621
A-2	BUILDING, EQUIPMENT AND MISCELL. OPER EXPEND	14 967 589	-206 426	14 761 163	14 601 047	98.9%	14 761 163	11 166 210	75.6%	3 434 837	23.5%	160 116
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	21 704 060	1 800 602	23 504 662	23 065 058	98.1%	23 725 148	12 877 586	54.3%	10 361 391	44.9%	439 604
		102 686 371	2 380 961	105 067 332	103 619 992	98.6%	105 287 818	89 770 273	85.3%	14 023 639	13.5%	1 447 340

Biocide

Title	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
A-1	STAFF	7 751 434	-335 850	7 415 584	7 391 244	99.7%	7 415 584	7 364 504	99.3%	26 740	0.4%	24 340
A-2	BUILDING, EQUIPMENT AND MISCELL. OPER EXPEND	1 815 835	-36 576	1 779 259	1 764 491	99.2%	1 779 259	1 356 373	76.2%	408 117	23.1%	14 768
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	2 331 786	-529 572	1 802 214	1 735 591	96.3%	1 802 214	1 309 340	72.7%	426 251	24.6%	66 623
		11 899 055	-901 998	10 997 057	10 891 326	99.0%	10 997 057	10 030 217	91.2%	861 109	7.9%	105 731

PIC

Title	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
A-1	STAFF	631 050	-19 039	612 011	601 775	98.3%	612 011	599 537	98.0%	2 238	0.4%	10 236
A-2	BUILDING, EQUIPMENT AND MISCELL. OPER EXPEND	237 886	-4 357	233 529	231 018	98.9%	233 529	177 571	76.0%	53 447	23.1%	2 511
B0-5	OPERATIONAL EXPENDITURE - PIC	227 384	23 396	250 780	241 560	96.3%	250 780	110 278	44.0%	131 282	54.3%	9 220
		1 096 320	0	1 096 320	1 074 353	98.0%	1 096 320	887 386	80.9%	186 967	17.4%	21 967

Budget 2018: Breakdown & changes in commitment appropriations and implementation of the appropriations for the year (C1) per Chapter

Chapter	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
A-11	STAFF IN ACTIVE EMPLOYMENT	68 983 900	391 800	69 375 700	68 947 238	99%	69 375 700	68 947 238	99%	0	0%	428 462
A-12	MISCELL EXPEND ON STAFF RECRUITMENT AND TRANSFER	582 656	72 801	655 457	581 063	89%	655 457	566 005	86%	15 059	3%	74 394
A-13	MISSIONS AND DUTY TRAVEL	65 000	-11 916	53 084	41 602	78%	53 084	39 802	75%	1 800	4%	11 482
A-14	SOCIO-MEDICAL INFRASTRUCTURE AND SOCIAL WELFARE	1 874 255	-24 131	1 850 124	1 748 120	94%	1 850 124	1 669 181	90%	78 939	5%	102 004
A-15	TRAINING	977 270	-42 484	934 786	758 873	81%	934 786	675 184	72%	83 689	11%	175 913
A-16	EXTERNAL SERVICES	1 898 124	57 576	1 955 700	1 866 841	95%	1 955 700	1 790 186	92%	76 656	4%	88 859
A-17	ENTERTAINMENT AND REPRESENTATION EXPENSES	16 001	-11 750	4 251	3 168	75%	4 251	2 922	69%	246	8%	1 083
Total		74 397 206	431 896	74 829 102	73 946 905	99%	74 829 102	73 690 517	98%	256 388	0%	882 197

Chapter	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
A-20	RENTAL OF BUILDINGS AND ASSOCIATED COSTS	7 978 773	-500 745	7 478 028	7 472 823	100%	7 478 028	7 176 283	96%	296 540	4%	5 205
A-21	INFORMATION AND COMMUNICATION TECHNOLOGY	7 585 699	-278 557	7 307 142	7 192 828	98%	7 307 142	5 117 711	70%	2 075 118	29%	114 314
A-22	MOVABLE PROPERTY AND ASSOCIATED COSTS	1 194 905	520 806	1 715 711	1 698 877	99%	1 715 711	294 340	17%	1 404 537	83%	16 834
A-23	CURRENT ADMINISTRATIVE EXPENDITURE	249 802	16 445	266 247	225 691	85%	266 247	105 703	40%	119 988	53%	40 556
A-25	MEETINGS EXPENDITURE	12 131	-5 308	6 823	6 336	93%	6 823	6 117	90%	219	3%	487
Total		17 021 310	-247 359	16 773 951	16 596 556	99%	16 773 951	12 700 154	76%	3 896 402	23%	177 395

Chapter	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
B3-0	REACH	19 547 060	2 771 690	22 318 750	21 879 784	98%	22 318 750	11 518 392	52%	10 361 391	47%	438 966
B3-1	Multiannual activities	1 477 000	-941 088	535 912	535 486	100%	794 018	751 756	95%	0	0%	426
B3-8	INTERNATIONAL ACTIVITIES	680 000	-30 000	650 000	649 788	100%	612 380	607 438	99%	0	0%	212
Total		21 704 060	1 800 602	23 504 662	23 065 058	98%	23 725 148	12 877 586	54%	10 361 391	45%	439 604

Chapter	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
B4-0	BIOCIDES	2 331 786	-529 572	1 802 214	1 735 591	96%	1 802 214	1 309 340	73%	426 251	25%	66 623
Total		2 331 786	-529 572	1 802 214	1 735 591	96%	1 802 214	1 309 340	73%	426 251	25%	66 623

Chapter	Description	Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
B5-0	PIC	227 384	23 396	250 780	241 560	96%	250 780	110 278	44%	131 282	54%	9 220
Total		227 384	23 396	250 780	241 560	96%	250 780	110 278	44%	131 282	54%	9 220

Total ECHA		Budget 2018 (1)	Transfers (2)	Final Available Commitment Appropriations (3)	Executed Commitment Amount (4)	% Committed (4)/(3)	Final Available Payment Appropriations (5)	Executed Payment Amount (6)	% Paid (6)/(5)	Carried over RAL (C8) (7)	Carried over % (7)/(4)	Cancelled (3)-(4)
		115 681 746	1 478 963	117 160 709	115 585 671	99%	117 381 195	100 687 876	86%	15 071 714	13%	1 575 038

Budget 2018: Implementation of assigned revenue (C4, C5, R0)

Title	Description	CD/ CND	FS	Commitments Appropriations	Commitments Established	Com %	Payments Appropriations	Payments Executed	Pay%	Carried over commitment appropriations	Carried over payment appropriations
A-1	STAFF	CND	C4	29 506	14 154	48%	29 506	14 154	48%	15 352	15 352
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	CND	C4	119 292	1 001	1%	119 292	1 001	1%	118 291	118 291
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	CND	C4	62 826	682	1%	62 826	682	1%	62 144	62 144
			C4	211 625	15 838	7%	211 625	15 838	7%	195 787	195 787

Title	Description	CD/ CND	FS	Commitments Appropriations	Commitments Established	Com %	Payments Appropriations	Payments Executed	Pay%	Carried over commitment appropriations	Carried over payment appropriations
A-1	STAFF	CND	C5	7 824	7 824	100%	7 824	7 824	100%	0	0
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	CND	C5	76 560	76 560	100%	76 560	76 560	100%	0	0
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	CND	C5	82 501	82 501	100%	82 501	82 501	100%	0	0
			C5	166 885	166 885	100%	166 885	166 885	100%	0	0

BL	Description	CD/ CND	FS	Commitments Appropriations	Commitments Established	Com %	Payments Appropriations	Payments Executed	Pay%	Carried over commitment appropriations	Carried over payment appropriations
B03902	IPA programme agr. 2012/291-934	CND	R0	180 000	111 422	62%	180 000	87 758	49%	68 578	92 242
B03903	IPA programme agr. 2015/361-049	CND	R0	27 870	27 870	100%	27 870	11 722	42%	0	16 148
B03911	Delegated tasks	CND	R0	2 989 192	1 101 588	37%	2 989 192	913 837	31%	1 887 603	2 075 354
			R0	3 197 062	1 240 881	39%	3 197 062	1 013 318	32%	1 956 181	2 183 744

Budget 2018: Implementation of the appropriations carried forward from previous year (C8) Per Title

Title	Description	Carried Forward from 2017	Paid	Cancelled	% cancelled
A-1	STAFF	511 571	494 713	16 858	3%
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	1 943 872	1 904 769	39 103	2%
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	7 649 547	7 442 568	206 979	3%
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	1 947 865	1 931 587	16 278	1%
B0-5	OPERATIONAL EXPENDITURE - PIC	172 705	172 658	47	0%
		12 225 559	11 946 295	279 265	2%