

FINAL ANNUAL ACCOUNTS

Financial Year 2022

Financial statements and reports on the implementation of the budget

Accompanied by

Report on budgetary and financial management 2022

Helsinki, 26 May 2023

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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.

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

The objective of the 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 that is 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 figures presented in this document are in EURO.

Reporting entity

The European Chemicals Agency ("the 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 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 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 (BPR) 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 BPR as from 01 September 2013.

As from July 2019, the Agency was given the task to support the Commission and the Member States under the Stockholm Convention for the identification of new Persistent organic pollutants and the reporting on regulatory actions under the POPs Regulation. As part of the implementation of the EU's action plan for the circular economy, the revised Waste Framework Directive (WFD) entered into force in July 2018. This directive gave ECHA the task to develop the SCIP database with information on articles containing substances of very high concern. As from January 2021 the revised Drinking Water Directive (DWD) came into effect, based on which ECHA supports the European Commission by setting up EU-wide positive lists of chemicals that can be safely used in materials that come into contact with drinking water. As from 2022, the Agency, together with the European Environment Agency (EEA) supports the European Commission in achieving the objectives of the 8th Environmental Action Programme (8th EAP), by establishing a new monitoring and reporting framework. In these Accounts, the tasks related to PIC, POPs, SCIP, DWD and 8th EAP are grouped under the heading of Environmental Directives and International Conventions.

The Agency's expenditure, in 2022, in respect of the Environmental Directives and International Conventions was financed by a Contribution from the general budget of the EU. The Agency's REACH / CLP and BPR expenditure was financed through a combination of an EU Contribution and fee-generated income.

**Certification by the Accounting Officer
of ECHA's Final Annual Accounts 2022**

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Chemicals Agency in accordance with Article 102 of the Framework Financial Regulation ('FFR')¹ and I hereby certify that the annual accounts of the European Chemicals Agency for the year 2022 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

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. 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.



**Simos Boursalian
Accounting Officer**

26.05.2023

¹ COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

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

ASSETS	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
Intangible fixed assets	2.1.1		
Computer software		12 233 516	15 178 746
Intangible fixed assets under development		8 182 433	3 176 553
Tangible fixed assets	2.1.1		
Computer hardware		25 188	74 371
Furniture and Other fixtures & fittings		710 899	1 017 380
Assets under finance lease		-	95 164
TOTAL NON-CURRENT ASSETS		21 152 036	19 542 214
CURRENT ASSETS			
Exchange receivables	2.1.2	3 503 321	3 441 895
Non-exchange receivables	2.1.3	504 717	403 076
Cash and cash equivalents	2.1.4	26 049 107	20 663 866
Current pre-financing	2.1.5	225 321	132 621
TOTAL CURRENT ASSETS		30 282 466	24 641 458
TOTAL ASSETS		51 434 502	44 183 672

NET ASSETS AND LIABILITIES	Note	31.12.2022	31.12.2021
NET ASSETS			
Accumulated result		8 967 566	8 008 277
Economic result of the year - (loss) / gain	1.2	(786 984)	959 289
TOTAL NET ASSETS	1.4	8 180 582	8 967 566
NON-CURRENT LIABILITIES			
Provisions for risks and charges	2.1.6	60 000	108 000
TOTAL NON-CURRENT LIABILITIES		60 000	108 000
CURRENT LIABILITIES			
Short-term financial lease liability		-	74 857
Current payables	2.1.7	10 736 896	7 490 797
Accrued charges	2.1.9	10 368 085	8 227 305
Deferred revenue	2.1.8	22 088 939	19 315 147
TOTAL CURRENT LIABILITIES		43 193 920	35 108 106
TOTAL NET ASSETS AND LIABILITIES		51 434 502	44 183 672

1.2. Statement of Financial Performance

Statement of Financial Performance	Note	2022	2021
Exchange revenue		38 824 520	33 457 779
Non-exchange revenue		75 261 778	78 628 492
TOTAL REVENUE	2.2.1	114 086 298	112 086 271
Administrative expenses			
- Staff expenses		(71 809 744)	(69 383 513)
- Fixed asset related expenses		(7 824 059)	(9 272 007)
- Other administrative expenses		(12 833 062)	(11 641 049)
Operating expenses		(22 403 059)	(20 825 991)
Financial expenses		(3 358)	(4 422)
TOTAL EXPENSES	2.2.2	(114 873 282)	(111 126 982)
ECONOMIC RESULT – (loss) / gain		(786 984)	959 289

1.3. Cash Flow Statement

Cash Flow Statement	Note	2022	2021
Economic result – (loss) / gain	1.2	(786 984)	959 289
<u>Adjustments</u>			
Amortisation (intangible fixed assets)	2.1.1	7 329 013	8 475 566
Depreciation (tangible fixed assets)	2.1.1	491 941	515 068
Impairment / Write-off of fixed assets	2.1.1	3 106	281 373
Decrease in exchange receivables		(61 426)	35 486
(Increase) / Decrease in non-exchange receivables		(101 641)	168 698
(Increase) / Decrease in current pre-financing		(92 700)	31 115
Decrease in provisions		(48 000)	(45 000)
Decrease in other long-term liabilities		-	(74 856)
Increase in current payables		3 171 240	481 803
Increase / (Decrease) in accrued charges excluding fixed assets related		793 289	(1 058 123)
Increase / (Decrease) in deferred income		2 773 793	(1 142 352)
Net cash flow from ordinary activities		13 471 630	8 628 067
Cash flows from investing activities			
Payments for intangible fixed assets additions		(8 042 170)	(5 537 715)
Payments for tangible fixed assets additions		(44 219)	(17 557)
Net cash flow from investing activities		(8 086 389)	(5 555 272)
Net decrease in cash & cash equivalents		5 385 241	3 072 795
Cash & cash equivalents beginning of the year		20 663 866	17 591 071
Cash & cash equivalents end of the year	2.1.4	26 049 107	20 663 866

1.4. Statement of Changes in Net Assets

	Accumulated Surplus / (Deficit)	Economic result of the year	Net Assets
Balance as of 01.01.2021	11 715 181	(3 706 904)	8 008 277
Allocation of the economic result of previous year	(3 706 904)	3 706 904	-
Economic result of the year 2021	-	959 289	959 289
Balance as of 31.12.2021	8 008 277	959 289	8 967 566
Allocation of the economic result of previous year	959 289	(959 289)	-
Economic result of the year 2022	-	(786 984)	(786 984)
Balance as of 31.12.2022	8 967 566	(786 984)	8 180 582

2. NOTES TO THE FINANCIAL STATEMENTS

Accounting principles, rules and methods

Accounting principles

The final annual accounts of the Agency have been prepared in accordance with Title IX of the Agency's Financial Regulation, which complies with Title IX of the Framework Financial Regulation ('FFR')² as well as in accordance with and the rules adopted by the European Commission's Accounting Officer, as are to be applied by all the institutions and Union bodies. In accordance with EU Accounting Rule 1 the annual accounts have been prepared under the following principles:

- Fair presentation.
- Accrual basis accounting.
- Going concern basis.
- Consistency of Presentation.
- Comparability of information.
- Materiality and Aggregation.
- No Offsetting.
- Understandability.
- Relevance.
- Reliability.

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.

Use of estimates

In accordance with the 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 and revised EAR 11

The only financial instruments of the Agency, are the receivables from exchange transactions. The entity has applied the impairment requirements of the revised EAR 11 "Financial Instruments" which is based on IPSAS 41 "Financial Instruments", the amended IPSAS 28 "Financial Instruments: Presentation" and the amended IPSAS 30 "Financial Instruments: Disclosures". In accordance with the provisions of the revised EAR 11, the entity recognises the required impairment loss allowance. Please refer to [Note 2.1.2](#) and [Note 2.4.2](#).

REACH SME Verification Income

The Agency levies fees and charges related to the REACH Regulation that depend on several parameters, including company size. The Agency levies these fees and charges based on self-declaration of enterprises. 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 reduced fees or charges or for a fee waiver apply". Thus, 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 as revenue at the time when invoiced.

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

² COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

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 6 – “Intangible Assets” 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.

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.

Internally developed intangible assets are capitalised in accordance with the principles laid out in the EU Accounting Rule 6 - "Intangible Assets".

The following table represents the capitalised intangible fixed assets as at 31 December 2021 and 2022.

Intangible fixed assets		Internally generated Computer Software	Purchased Computer Software	Intangible fixed assets under Development	Total
Gross carrying amounts 01.01.2021	+	78 643 314	5 870 648	3 228 190	87 742 152
Additions	+	-	-	5 378 175	5 378 175
Write-off / Impairment	-	-	-	(281 373)	(281 373)
Transfers between headings	+/-	5 148 439	-	(5 148 439)	-
Other Changes	+/-	(24)	-	-	(24)
Gross carrying amounts 31.12.2021		83 791 729	5 870 648	3 176 553	92 838 930
Accumulated amortisation and impairment 01.01.2021	-	(60 182 591)	(5 825 498)	-	(66 008 089)
Amortisation	-	(8 455 095)	(20 447)	-	(8 475 542)
Disposals / Retirements	+	-	-	-	-
Write-off / Impairment	+	-	-	-	-
Accumulated amortisation and impairment 31.12.2021		(68 637 685)	(5 845 945)	-	(74 483 630)
Net carrying amounts 31.12.2021		15 154 043	24 703	3 176 553	18 355 300

Gross carrying amounts 01.01.2022	+	83 791 729	5 870 648	3 176 553	92 838 930
Additions	+	-	-	9 389 662	9 389 662
Write-off / Impairment	-	-	-	-	-
Transfers between headings	+/-	4 383 783	-	(4 383 783)	-
Other Changes	+/-	-	-	-	-
Gross carrying amounts 31.12.2022		88 175 512	5 870 648	8 182 433	102 228 592
Accumulated amortisation and impairment 01.01.2022	-	(68 637 685)	(5 845 945)	-	(74 483 630)
Amortisation	-	(7 311 750)	(17 263)	-	(7 329 013)
Disposals / Retirements	+	-	-	-	-
Write-off / Impairment	+	-	-	-	-
Accumulated amortisation and impairment 31.12.2022		(75 949 435)	(5 863 208)	-	(81 812 643)
Net carrying amounts 31.12.2022		12 226 077	7 440	8 182 433	20 415 949

All projects relating to internally developed IT tools that were either on-going or put into operation in 2022 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 2022 amounted to EUR 1 076 052 (EUR 597 963 in 2021).

During 2022, twenty (20) internal IT projects fulfilled the criteria for asset recognition, eight (8) of which commenced prior to 01 January 2022. The costs relating to thirteen (13) of these projects are recognised as intangible assets under construction as at 31 December 2022.

Intangible Fixed Assets under development as at 31 December 2022:

Project name	Intangible Fixed Assets under Development 31.12.2021	Write-off / Impairment 2022	Development Costs 2022	Intangible Fixed Assets under Development 31.12.2022
CHESAR EUSES v4.0	877 872	-	758 246	1 636 118
Unified IAM v2	59 292	-	453 566	512 858
REACH-IT v3.16	-	-	572 974	572 974
IUCLID6 v7.0	-	-	1 680 066	1 680 066
ECOMOD v4	-	-	1 217 281	1 217 281
DIP v3.7*	-	-	1 240 258	1 240 258
DC References	-	-	239 851	239 851
IUCLID DT v1	-	-	347 299	347 299
SDAP v1.9	-	-	330 993	330 993
QSAR TB v4.6	-	-	241 058	241 058
IUCLID v8	-	-	52 409	52 409
IUCLID DAS v1	-	-	83 528	83 528
R4BP v3.25	-	-	27 742	27 742
TOTAL	937 164	-	7 245 270	8 182 433

* The Data Management Platform (DMP) was renamed in Data Integration Platform (DIP)

The remaining seven (7) internally developed IT projects were taken into use during 2022. The total recognised cost of these completed assets amounted to EUR 4 383 782 (EUR 5 148 439 in 2021). These projects had development costs of EUR 2 239 389 recognised in "Intangible fixed assets under development" as at the 31 December 2021. In 2022, further costs of EUR 2 144 393 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 2022 amounts to EUR 4 383 782 as shown in the table below:

Intangible Fixed Assets (IT Assets) completed in 2022:

Project name	Intangible Fixed Assets under Development 31.12.2021	Write-off / Impairment 2022	Development Costs 2022	Capitalised amount during 2022
REACH-IT v3.13	556 871	-	112 223	669 094
ECHA Cloud Services v4	1 100 877	-	207 547	1 308 424
DIP v3.61*	240 526	-	538 160	778 686
QSAR v4.51	87 591	-	12 159	99 750
R4BP v2.24	180 559	-	670 162	850 721
SDAP v1.7	72 965	-	370 244	443 209
R4BP v3.22	-	-	233 898	233 898
TOTAL	2 239 389	-	2 144 393	4 383 782

* The Data Management Platform (DMP) was renamed in Data Integration Platform (DIP)

The value of research and development expenditure relating to internally developed IT projects, recognised as an expense during 2022, was EUR 1 224 846 and EUR 139 667 (EUR 983 844 and EUR 84 426 in 2021).

Tangible fixed assets

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

In 2022, fully depreciated equipment with an original cost value of EUR 129 289 and net book value of EUR 3 106, were retired, while new fixed assets of EUR 44 219 were acquired. In 2021 computer equipment and peripherals with an original cost value of EUR 1 053 252 and zero book value, had been retired. It is also noted that by the end of 2022 all existing finance lease arrangements have ended, with the ownership of the underlying assets being formally transferred to the Agency, while depreciation of the assets continues according to their remaining useful life (1 year left).

Tangible fixed assets		Computer hardware	Furniture and Other Fixtures / Fittings	Assets under Finance Lease	Total
Gross carrying amounts 01.01.2021	+	1 445 785	3 372 089	208 139	5 026 012
Additions	+	1 759	15 798	-	17 557
Disposals / Retirements	-	(1 053 252)	-	-	(1 053 252)
Gross carrying amounts 31.12.2021		394 292	3 387 886	208 139	3 990 317
Accumulated depreciation and impairment 01.01.2021	-	(1 311 188)	(1 969 458)	(60 941)	(3 341 587)
Depreciation	-	(61 985)	(401 049)	(52 034)	(515 068)
Disposals / Retirements	+	1 053 252	-	-	1 053 252
Accumulated depreciation and impairment 31.12.2021		(319 921)	(2 370 507)	(112 975)	(2 803 403)
Net carrying amounts 31.12.2021		74 371	1 017 380	95 164	1 186 915
Gross carrying amounts 01.01.2022	+	394 292	3 387 886	208 139	3 990 317
Additions	+	-	44 219	-	44 219
Disposals / Retirements	-	(8 811)	(120 477)	-	(129 289)
Reclassification within headings	+/-	-	208 139	(208 139)	-
Gross carrying amounts 31.12.2022		385 481	3 519 767	-	3 905 248
Accumulated depreciation and impairment 01.01.2022	-	(319 921)	(2 370 507)	(112 975)	(2 803 402)
Depreciation	-	(49 183)	(392 810)	(49 948)	(491 941)
Disposals / Retirements	+	8 811	120 477	-	129 289
Impairment / Write-off	-	-	(3 106)	-	(3 106)
Reclassification within headings	+/-	-	(162 923)	162 923	-
Accumulated depreciation and impairment 31.12.2022		(360 293)	(2 808 868)	-	(3 169 161)
Net carrying amounts 31.12.2022		25 188	710 899	-	736 087

2.1.2. Exchange receivables

Details	31.12.2022	31.12.2021
REACH fee income receivables	1 692 450	2 228 765
Biocides fee income receivables	54 300	21 600
REACH fee receivables impairment loss	(520 388)	(848 448)
Net Fees & charges receivables	1 226 362	1 401 917
Accrued Income – EUSPA	14 364	-
Accrued Interest on bank accounts	91 303	-
Accrued Income	105 667	-
European School	567 870	685 331
Building Rent and maintenance	649 187	572 551
Prepaid Software maintenance fees & Subscriptions	713 201	695 197
Deferred expenditure included in Accounts payable	216 473	55 576
Deferred charges	2 146 731	2 008 655
Staff	24 561	31 322
Total sundry receivables	24 561	31 322
Total - Exchange receivables	3 503 321	3 441 894

As mentioned in [Note 2.4.2.](#), only the REACH Administrative charge invoices issued as a result of the SME verification process, are subject to impairment review. The table below shows the movement of the impairment loss account during the year:

Movement of Impairment Loss Account (Exchange Receivables)	Note	EUR
Receivables impairment loss 01.01.2021		(1 356 577)
Used amount due to Write-offs		458 573
Reversal of Unused amount due to collections	2.2.1	170 074
Net impairment loss on Receivables		(120 518)
Receivables impairment loss 31.12.2021		(848 448)
Used amount due to Write-offs		238 488
Reversal of Unused amount due to collections	2.2.1	110 964
Net impairment loss on Receivables		(21 392)
Receivables impairment loss 31.12.2022		(520 388)

REACH fee income receivables as at 31 December 2022 include an amount of EUR 874 803 relating to administrative charges arising from the SME verification work (EUR 1 313 811 as at 31 December 2021) against which an impairment allowance amounting to EUR 520 388 has been recorded (EUR 848 448 as at 31 December 2021). For the ageing of the Net Fees & Charges receivables, according to EU Accounting Rule 11 – “Financial Instruments” please refer to [Note 2.4.2.](#)

Since 2018, the Agency has intensified its efforts on collecting the long outstanding administrative charges. In particular, new contracts for pre-litigation and litigation actions with three law firms were signed, covering ECHA claims in 25 Member States and in the United Kingdom. Based on a

detailed case by case analysis, a total amount of EUR 238 488 relating to 13 invoices of overdue outstanding administrative charges were written off against the already recorded allowance for impairment loss in 2022 (EUR 458 573 relating to 29 invoices were written off in 2021). The write-offs were mainly relating to cases where the companies had ceased to exist (companies bankrupt, liquidated, dormant, insolvent, inactive, dissolved, etc.), or to cases where it was assessed that it would be economically ineffective to further pursue the claims. Furthermore, based on the efforts on this collection project, a total amount of EUR 1 598 774 of long overdue administrative charge invoices has been collected since its inception in 2018 and up to the end of 2022. Through the continuous efforts, during 2022 an amount of EUR 113 479 of long overdue administrative charges was collected, resulting in EUR 110 964 of the recorded impairment allowance to be reversed to income.

2.1.3. Non-Exchange receivables

Non-exchange receivables	31.12.2022	31.12.2021
VAT receivable from Finnish authorities	471 288	403 076
Receivables from litigation costs recoveries	33 429	-
Total - Non-exchange receivables	504 717	403 076

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.

Furthermore, as at 31 December 2022 the amount of EUR 33 429 relates to amount receivable from litigation costs, where the General Court ruled in favour of the Agency and ordered the counterpart to pay the legal costs incurred by the Agency (ECHA).

2.1.4. Cash and Cash equivalents

Bank account name	31.12.2022	31.12.2021
Nordea Current Ac	5 446	5 581
ING Belgium Admin Account	12 332 017	8 545 646
ING Belgium REACH Account	1 592 476	1 413 395
ING Belgium Biocide Account	4 494 637	3 620 934
ING Belgium PIC Account	1 751 416	2 555 381
ING Belgium Appeal Account	93 384	110 615
ING Belgium Delegated Tasks Account	5 105 420	4 181 973
ING Belgium IPA Account	674 311	230 341
Total - Current accounts	26 049 107	20 663 866

The principal bank of the Agency is ING Belgium NV.

2.1.5. Current pre-financing open

Pre-financing	31.12.2022	31.12.2021
Substance evaluation contracts	8 960	9 050
<i>Less accrued charges</i>	<i>(20 787)</i>	<i>(21 116)</i>
Contracts - Outstanding pre-financing	(11 828)	(12 066)
Translations	354 333	291 803
<i>Less accrued charges</i>	<i>(129 012)</i>	<i>(159 182)</i>
Translations - Outstanding pre-financing	225 321	132 621
Total Pre-financing receivable at year end	225 321	132 621
Total Pre-financing net in accrued payables at year end	(11 828)	(12 066)

The pre-financing given in the year and not consumed by payments on invoices is credited with the accrued charges recorded for the services ordered and received but not yet invoiced.

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

Provisions	31.12.2022	31.12.2021
Long-term provisions – legal	60 000	108 000
Short-term provisions	-	-
Total – Provisions	60 000	108 000

Movement of Provisions	Note	EUR
Provisions 01.01.2021		153 000
Reversal of Unused Provision	2.2.1	(116 874)
New Provision for Legal Cases		84 000
Used Provision		(12 126)
Provisions 31.12.2021		108 000
Reversal of Unused Provision	2.2.1	(88 980)
New Provision for Legal Cases		48 000
Used Provision		(7 020)
Provisions 31.12.2022		60 000

2.1.7. Current payables

Current payables	Note	31.12.2022	31.12.2021
Supplier invoices received		531 502	570 103
Current payable to EU consolidated entities		-	-
Total Accounts Payable		531 502	570 103
Appeal fees received	2.1.4	93 384	110 615
Fee refunds due		218 149	261 702
Other payables		2 941	13 985
Total Sundry Payable		314 473	386 302
Pre-financing received from EU Commission	2.1.10	9 831 062	6 487 974
Pre-financing Confederation of Switzerland	2.1.10	59 859	46 419
Pre-financing open, EU Commission and others		9 890 921	6 534 393
Total - Current payables		10 736 896	7 490 797

The sundry payables relating to appeal fees of EUR 93 384 (EUR 110 615 in 2021) 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.

Fee refunds payable, mainly relate to BPR collected fees that should be refunded back to the applicants, in case that the relevant applications have been rejected before or during the validation phase, or in case that the applications are withdrawn before the evaluating Competent Authority has transmitted its assessment report to the Agency, in accordance with the Biocides fee regulation. Furthermore, fee refunds payables relate to cases of over payments or to cases where the purpose of the payment cannot be established, in accordance with Biocides and REACH fee regulations.

For analysis of the amount of Pre-financing open to European Commission and Switzerland please refer to [Note 2.1.10](#) below

2.1.8. Deferred revenue

Deferred Income	31.12.2022	31.12.2021
REACH Authorisation fees	749 571	385 599
BPR fees	21 339 368	18 929 548
Total - Deferred income	22 088 939	19 315 147

The deferrals recorded at the year-end relate to REACH Authorisation and BPR fees cashed in the periods 2015 to 2022 (for REACH Authorisations all deferrals as at 31 December 2022 related to fees cashed in 2022 only) for which the Agency and the relevant Members States Competent Authorities, for the case of BPR fees, still has to complete a portion of the work in respect of the applications. This work will be performed from 2023 onwards. Especially for BPR Active Substance and Union Authorisation fees (BPR fees above), applicants may be entitled to a 75% or 90% refund in case their applications are withdrawn or rejected before validation or before the end of the evaluation (according to BPR fee regulation). For that reason, the collected fee income is recognised as deferred Revenue for accounting purposes, and it is progressively released to Revenue, depending on the applications status progress, up to the point that the applications are closed.

2.1.9. Accrued liabilities

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 2022. The accrued liabilities, including EU consolidated entities, as at 31 December 2022 amount to EUR 10 368 085 (EUR 10 366 015 with third parties plus EUR 2 070 with EU consolidated entities) and are further analysed per category in the following table.

Accrued liabilities type	31.12.2022 with third parties	31.12.2022 with EU consolidated entities	31.12.2021 with third parties	31.12.2021 with EU consolidated entities
Administrative expenses				
Staff related expenses	25 971	-	105 892	-
Untaken leave by staff	1 808 690	-	1 848 874	-
Recruitment related expenses	2 016	-	520	800
European School of Helsinki	5 000	-	3 461	-
Annual Medical	10 740	-	604	-
Missions	-	-	-	-
Training	31 765	2 070	13 753	-
Building costs	15 404	-	12 942	-
Other	43 397	-	15 784	14 040
Total - Administrative expenses	1 942 984	2 070	2 001 830	14 840
Operational expenses				
Management Board & Committee meetings / Workshops	29 770	-	-	-
Operational missions	9 234	-	173	-
IT related	7 632 606	-	5 653 934	-
Substance evaluation	80 534	-	92 294	-
Other	578 563	-	383 599	-
Total - Operational expenses	8 330 706	-	6 130 000	-
Other				
Financial expenses	-	-	-	-
Interim Staff	92 324	-	80 635	-
Accruals relating to fixed assets	-	-	-	-
Total - Other	92 324	-	80 635	-
Total - Accrued liabilities	10 366 015	2 070	8 212 465	14 840

2.1.10. Pre-Financing liability

Pre-financing liability - consolidated entities and Switzerland	Note	31.12.2022	31.12.2021
EU contribution		76 049 056	77 247 824
EU contribution consumed in the year	2.2.1	(70 577 141)	(73 828 464)
EFTA contribution		1 931 357	1 956 802
EFTA contribution consumed in the year	2.2.1	(1 789 341)	(1 866 943)
EU contribution incl. EFTA repayable		5 613 931	3 509 218
Switzerland contribution – Biocide		313 110	460 852
Switzerland contribution expended in the year	2.2.1	(253 251)	(414 433)
Switzerland BPR contribution repayable		59 859	46 419
EUON/EUCLEF open pre-financing at the beginning of the year		2 467 147	2 518 553
EUON/EUCLEF additional pre-financing received		2 128 000	1 626 000
EUON/EUCLEF total income recognised during the year	2.2.1	(1 667 239)	(1 655 101)
EUON/EUCLEF amount repaid during the year		(18 826)	(22 306)
EUON/EUCLEF open pre-financing at year end		2 909 082	2 467 147
IPA open pre-financing at the beginning of the year		166 662	447 063
IPA additional pre-financing received		641 348	-
IPA income recognised during the year	2.2.1	(140 870)	(280 401)
IPA amount repaid back during the year		-	-
IPA open pre-financing at year end		667 140	166 662
OELs open pre-financing at the beginning of the year		344 947	142 987
OELs additional pre-financing received		975 000	600 000
OELs income recognised during the year	2.2.1	(679 037)	(398 040)
OELs open pre-financing at year end		640 910	344 947
Total open-financing liability at year end		9 890 921	6 534 393
<i>Open Pre-financing from EU consolidated entities</i>		<i>9 831 062</i>	<i>6 487 974</i>
<i>Open Pre-financing from Confederation of Switzerland</i>		<i>59 859</i>	<i>46 419</i>

EU and EFTA Contributions

During 2022, the Agency received EU contributions of EUR 76 049 056 (EUR 77 247 824 in 2021) for the implementation of REACH, BPR and Environmental Directives / International Conventions tasks. The amounts received were EUR 64 222 055, EUR 7 100 000, and EUR 4 727 001 respectively from DG GROW, DG SANTE and DG ENV (EUR 61 914 564, EUR 10 048 159 and EUR 5 285 100 respectively in 2021).

In addition, during 2022 under the REACH, BPR and for the first time under Environmental Directives / International Conventions tasks, the Agency received EUR 1 931 357 of EFTA contribution (EUR 1 956 802 in 2021). The amounts received were EUR 1 610 075 for REACH, EUR 203 310 for BPR and EUR 117 972 for Environmental Directives / International Conventions tasks (EUR 1 681 047 and EUR 275 755 for REACH and BPR respectively in 2021).

As at 31.12.2022 an amount of EUR 5 613 931 out of the total EU plus EFTA contribution received, is repayable to the European Commission within in 2023. In particular EUR 4 165 410 relates to REACH positive Budget Outturn for 2022 that is repayable to DG GROW, EUR 1 396 212 relates to BPR positive Budget Outturn for 2022 that is repayable to DG SANTE and EUR 52 309 relates to Environmental Directives / International Conventions (PIC / POPs / WFD / DWD / 8th EAP) positive Budget Outturn for 2022 that is repayable to DG ENV (see [section 3.1](#)).

Switzerland's contribution under the BPR, during 2022, amounted to EUR 313 110 (EUR 460 852 in 2021). The amount repayable as at 31.12.2022 of EUR 59 859 (see [section 3.1](#)), is expected to be offset against the 2023 contribution.

EUON / EUCLEF Agreements with DG GROW

The Agency has signed delegation agreements 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). By 31.12.2020 ECHA had a relevant open pre-financing received amounting to EUR 2 518 553. During 2021, the Agency incurred further total expenditure of EUR 1 655 101 for implementing the EUON and EUCLEF agreements, with an equal amount of pre-financing recognised as income, and repaid the open pre-financing of EUR 22 306, relating to funds received in 2018. Furthermore, the Agency signed two additional transfer of funds agreements for EUON and EUCLEF, receiving EUR 600 000 and EUR 1 026 000 respectively and thus the relevant open pre-financing as at 31.12.2021 was EUR 2 467 147.

During 2022, the Agency incurred further total expenditure of EUR 1 667 239 for implementing the EUON and EUCLEF agreements, with an equal amount of pre-financing recognised as income, and repaid the open pre-financing of EUR 18 826 relating to funds received in 2019. Furthermore, the Agency signed two additional transfer of funds agreements for EUON and EUCLEF, receiving EUR 609 000 and EUR 1 519 000 respectively and thus the relevant open pre-financing as at 31.12.2022 was EUR 2 909 082.

IPA Agreements with DG NEAR

Under the IPA programme (Instrument for Pre-accession Assistance) a total pre-financing of EUR 447 063 was open as at 31.12.2020 relating to the IPA agreement of 2018 with DG NEAR. During 2021 the Agency incurred further total expenditure of EUR 280 401, with an equal amount of pre-financing recognised as income, thus the relevant open pre-financing as at 31.12.2021 was EUR 166 662.

During 2022, the Agency incurred further total expenditure of EUR 140 870, with an equal amount of pre-financing recognised as income and signed an additional agreement with DG NEAR receiving EUR 641 348 towards the year end, with the relevant open pre-financing as at 31.12.2022 being EUR 667 140, out of which EUR 25,792 relate to the 2018 agreement.

OELs Agreements with DG EMPL

The Agency has signed in 2019 and 2020 Service Level Agreements with DG EMPL for the provision of certain scientific opinions with respect to Occupational Exposure Limits (OELs). By 31.12.2020 ECHA had a relevant open pre-financing received amount of EUR 142 987. During 2021 the Agency received another EUR 600 000, based on a signed Contribution Agreement for the implementation of additional tasks and incurred a total expenditure of EUR 398 040, with an equal amount of pre-financing recognised as income, thus the relevant open pre-financing as at 31.12.2021 was EUR 344 947.

During 2022 the Agency received another EUR 975 000 for the implementation of additional tasks and incurred a total expenditure of EUR 679 037, with an equal amount of pre-financing recognised as income, thus the relevant open pre-financing as at 31.12.2022 was EUR 640 910.

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.

In 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	2022	2021
Non-exchange revenue			
EU contribution	2.1.10	70 577 141	73 828 464
EFTA contribution	2.1.10	1 789 341	1 866 943
Federation of Switzerland Contribution	2.1.10	253 251	414 433
Revenue from EUON / EUCLEF agreements	2.1.10	1 667 239	1 655 101
Revenue from IPA agreements	2.1.10	140 870	280 401
Revenue from OEL agreements	2.1.10	679 037	398 040
Reversal of provisions related to legal cases	2.1.6	88 980	116 874
Miscellaneous administrative revenue		65 919	68 236
Total - Non-exchange revenue		75 261 778	78 628 492
Exchange revenue			
a) Fee income			
REACH fee income		32 717 301	27 424 393
Biocide fee income		4 379 387	3 635 275
Appeal Fees income		34 081	74 260
Reversal of REACH Administrative charge impairment provision due to collections	2.1.2	110 964	170 074
b) Other revenue			
Revenue from SLA with EUSPA		43 092	28 728
Revenue from SLA with EFSA		1 437 092	2 123 206
c) Financial revenue			
Interest income on bank balances		91 303	-
Other Interest income		11 299	1 844
Total - Exchange revenue		38 824 520	33 457 779
Total – Revenue		114 086 298	112 086 271

The Agency's fees and charges income is recognised as revenue in the accounts when the service is rendered, except in the case of REACH SME verification. The service is considered to be rendered by ECHA, when ECHA accepts a submitted request for registration or submitted 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 recognised revenue. In preparation for the final accounts 2022, all known rejections were taken into account.

A deferral for fee income upon which the work will be performed in 2023 and onwards has been provided in the accounts. Details of the deferred amounts are shown in the [Note 2.1.8](#).

Revenue from SLA with the European Food Safety Authority (EFSA)

During 2021, ECHA collected the additional, and final, amount of EUR 734 672 according to the SLA signed with EFSA in 2020 with respect to the development of a so called Minimum Viable Product (MVP), based on IUCLID, in order for EFSA to meet new requirements for capturing, managing, handling and distributing Plant Protection Products (PPP). With this payment, the SLA of 2020 was concluded. Furthermore, another SLA was signed in March 2021 between ECHA and EFSA, for the provision of IUCLID as a service from ECHA to EFSA (IUCLID for PPP). According to this new SLA, ECHA collected from EFSA an amount of EUR 588 534, relating to an annual "Service Fee" for the provision of the services, (Annual service fee of EUR 784 712, pro-rated for 9 months in 2021) plus an amount of EUR 800 000, relating to the development costs for additional services agreed with EFSA, according to the new SLA. As a result, during 2021 ECHA recognised a total EUR 2 123 206 as revenue from the SLAs with EFSA. During 2022, ECHA collected in two tranches the Annual service fee of EUR 784 712 according to the SLA signed in 2021 plus an amount of EUR 652 380, relating to the project cost for additional services agreed with EFSA. As a result, during 2022 ECHA recognised a total EUR 1 437 092 as revenue from the SLAs with EFSA.

2.2.2. Expenses

Administrative expenses	2022	2021	Change €	Change %
Staff related	71 645 627	69 236 072	2 409 555	3.5%
Seconded National Experts	164 117	147 442	16 675	11%
Staff related	71 809 744	69 383 513	2 426 231	3.5%
Depreciation/Amortisation	7 820 953	8 990 634	(1 169 681)	(13%)
Fixed Assets Impairment	3 106	281 373	(278 267)	(99%)
Fixed Assets related	7 824 059	9 272 007	(1 447 948)	(16%)
Recruitment related expenses	82 521	175 697	(93 176)	(53%)
Interim staff	1 500 961	1 213 404	287 557	24 %
European School Helsinki	1 169 357	1 256 427	(87 070)	(7%)
Annual medical	398 217	363 612	34 605	10%
Missions	16 407	-	16 407	-
Training	562 063	400 854	161 210	40%
Rent	5 786 152	5 502 048	284 104	5%
Building related costs	2 194 633	1 548 677	645 956	42%
Other	1 122 752	1 180 331	(57 579)	(5%)
Other Administrative	12 833 062	11 641 049	1 192 013	10%
Operational expenses	2022	2021	Change €	Change %
Management Board meetings	83 957	-	83 957	-
Committee meetings	934 503	57 261	877 242	1 532%
Operational missions	167 756	-	167 756	-
Translations	1 713 073	2 050 045	(336 972)	(16%)
IT operational costs	16 936 932	16 296 032	640 901	4%
Substance Evaluation	120 130	172 184	(52 054)	(30%)
Other	2 446 708	2 250 469	196 239	9%
Operational expenses	22 403 059	20 825 991	1 577 067	8%
Financial expenses	2022	2021	Change €	Change %
Bank charges	306	136	170	125%
FX losses	3 052	4 286	(1 234)	(29%)
Total – Financial expenses	3 358	4 422	(1 064)	(24%)
Total – Expenses	114 873 281	111 126 982	3 746 299	3%

Overall, the 2022 expenditure has been increased by 3% (c. EUR 3.7 million increase) compared to 2021.

During 2022 the Agency emerged from COVID-19 pandemic, and physical meetings (Management Board and the various Scientific Committees), workshops and missions recommenced, resulting in c. EUR 1.2 million relevant expenditure, compared to only EUR 0.05 million in 2021 (c. EUR 1.15 million increase). However, it is important to be noted, that in line with the Agency's targets for reducing CO₂ emissions, from both business travel and building operations, meetings, workshops and mission expenses of EUR 1.2 million in 2022, remained well below the pre-COVID-19 pandemic levels of c. EUR 3.0 million in the year 2019.

Staff expenditure has increased by 3.5% (c. EUR 2.4 million), which is directly related to the salary scale indexations that took place in 2022, as calculated by the European Commission to reflect the high inflation across the EU. In June 2022 a 2.4% indexation was applied retrospectively since January 2022, which was partially offset by a decrease in the country coefficient of Finland from 118.6 to 117.5. Finally, in December 2022, an additional indexation of 4.5% was applied retrospectively since July 2022, being again partially offset by a further decrease in the country coefficient of Finland from 117.5 to 117.3. Overall, this resulted in c. 4.8% net salary indexation on an annual basis vs 2021. This increase in the recognised Staff related expenditure in 2022 has been partially offset by the fact that, during 2022, the amount of employee salary costs that was directly related to software development and capitalised as internally generated intangible assets was c. EUR 1.1 million, compared to c. 0.6 million in 2021 (see [Note 2.1.1](#)).

Building rent increased during 2022 by EUR 0.28 million due to the annual indexation of c. 3.7% which is linked to the cost-of-living index in Finland (c. EUR 0.20 million increase), as well as the car parking space rent that started in mid-2022, according to the rental contract signed in 2017. Recognised building maintenance related costs have increased by EUR 0.64 million in total, out of which c. EUR 0.34 million relates to increased building utilities and maintenance costs that can be partially attributed to the effects of the high inflation / energy crisis across the EU. Finally, c. EUR 0.22 million increase, on a year-by-year basis, relate to certain 2020 paid building maintenance costs that were recovered in 2021, offsetting the relevant 2021 expenditure.

Fixed assets amortisation / depreciation expense decreased by 13% compared to 2021 (c. EUR 1.2 million decrease), since more internally generated software had been fully depreciated in 2021 compared to 2022 (internally developed software which is amortised over 4 years). Finally, IT related expenditure increased by approximately 4% (c. EUR 0.6 million increase).

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 a contingent asset of EUR 48 400 as at 31 December 2021, relating to a performance guarantee provided by a contractor. The guarantee has been released during 2022, therefore no outstanding contingent assets as at 31 December 2022.

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

Category	31.12.2022	31.12.2021
Commitments against appropriations not yet consumed (RAL)	9 476 441	8 647 269
Operating lease (Building)	45 909 641	48 307 322
Contractual commitments for which budget commitments have not yet been made (maintenance, IT, cleaning, security)	6 419 337	8 383 536
Contingent liabilities (legal cases)	270 000	420 000
Total	62 075 419	65 758 127

Commitments against appropriations not yet consumed is the remaining net amount to be paid (RAL) after deducting eligible expenses (cut-off postings for accrued expenses) that have already been booked in the statement of financial performance for 2022.

Operating lease (Building) includes the contractual monthly lease payments for the new building (expected during the years 2023 – 2029).

The contingent liabilities consist of nine on-going legal cases (fourteen as at 31.12.2021) estimated at a total amount of EUR 270 000 (EUR 420 000 as at 31.12.2021). 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. Credit quality analysis - Cash and cash equivalents

Details	Note	31.12.2022			
		Credit quality	Credit rating	Rating Agency	EUR
Bank accounts / Nordea Bank Abp	2.1.4	High grade	A-1+	S&P	5 446
Bank accounts / ING Belgium NV/SA	2.1.4	High grade	A-1	S&P	26 043 661
Cash and Cash equivalents					26 049 107

2.4.2. Analysis of the age of exchange receivables

Type of receivables 31.12.2022	Not past due	0-30 days	31-90 days	91-365 days	> 1year	Total
REACH fees	815 051	2 595	-	-	-	817 647
REACH SME administrative charges	122 063	37 122	13 267	94 807	607 544	874 803
Biocides fees	34 300	20 000	-	-	-	54 300
REACH receivables impairment	(22 362)	(5 151)	-	(28 580)	(464 294)	(520 388)
Net fees & charges receivables	949 052	54 566	13 267	66 227	143 250	1 226 362

Net fees & charges receivables relate to REACH and BPR regulations. Under these regulations, if fees are not paid by the due dates, the invoice is cancelled and the applicant's submission is not accepted, i.e., the applicant will not receive a registration number. However, under the REACH SME verification process, the administrative charge for incorrect company size declarations is not cancelled if the due date expires. These invoices remain outstanding and, therefore, an estimated impairment loss has been recorded in the accounts (see [Note 2.1.2](#)) in accordance with EU Accounting Rule 11 – "Financial Instruments".

2.5. Related party disclosures

The highest staff grade of the Agency in 2022 was AD14 (Executive Director-Authorising Officer, as well as one Director).

2.6. Other Significant disclosures

2.6.1. Lifting of COVID-19 pandemic restrictions

During 2022, the agency gradually lifted all COVID-19 related restrictions on physical meetings, workshops and missions, that had been imposed since 2020 and continued during 2021. The relevant impact in 2022 annual accounts is discussed in [Note 2.2.2. Expenses](#).

2.6.2. War in Ukraine, energy crisis, high inflation in the EU

During 2022, several significant events occurred, which had a direct or indirect impact in the EU environment, including the war in Ukraine, the associated energy crisis, and the resulting increase in inflation across the EU. Those events did not have any significant effect in the 2022 annual accounts, other than the increase in certain expenditure categories (mainly staff and building related) as discussed in [Note 2.2.2. Expenses](#).

2.7. Events after the balance sheet date

No material issues were reported that would require separate disclosure under this section. The 2022 annual accounts and the related notes were prepared using the most recently available information.

3. REPORTS ON THE IMPLEMENTATION OF THE BUDGET

3.1. Budget Outturn Account

Budget Outturn Account <i>(amounts in EUR)</i>		2022	2021
REVENUE			
EU contribution	+	78 293 523	79 665 478
Other contributions from Commission (EUON/EUCLEF, IPA, OELs, etc)	+	4 540 092	4 349 206
Fee income	+	40 154 133	30 198 445
Other revenue	+	74 178	326 505
TOTAL - REVENUE (a)		123 061 926	114 539 633
EXPENDITURE			
<i>Title I: Staff</i>			
Payments	-	75 191 425	72 314 848
Appropriations carried over	-	225 435	300 251
<i>Title II: Administrative Expenses</i>			
Payments	-	13 910 438	11 904 218
Appropriations carried over	-	1 773 035	2 035 065
<i>Title III: Operating Expenditure</i>			
Payments	-	12 517 327	12 972 313
Appropriations carried over	-	18 833 160	15 722 732
TOTAL - EXPENDITURE (b)		122 450 820	115 249 427
OUTTURN FOR THE FINANCIAL YEAR (a-b)		611 106	(709 793)
Cancellation of unused payment appropriations carried over from previous year	+	206 062	268 825
Adjustment for carry-over from the previous year of appropriation available at 31.12. arising from assigned revenue	+	4 859 674	4 486 466
Exchange differences for the year (gain +/- loss -)	+/-	(3 052)	(4 286)
BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR		5 673 790	4 041 213
Balance year N-1	+/-	3 555 637	2 116 976
Positive balance from year N-1 reimbursed in year N	-	(3 555 637)	(2 602 552)
BUDGET OUTTURN		5 673 790	3 555 637
Analysed as:			
REACH / CLP Budget Outturn (DG GROW)		4 165 410	2 348 680
BPR Budget Outturn (DG SANTE)		1 456 071	1 086 280
PIC / POPs / WFD / DWD / 8 th EAP Budget Outturn (DG ENV)		52 309	120 677
Total Budget Outturn		5 673 790	3 555 637
EU contribution – ECHA recognised revenue		72 619 733	76 109 841
EU pre-financing to be reimbursed to the Commission		5 613 931	3 509 218
Pre-financing to be reimbursed to the Swiss Confederation		59 859	46 419

The detailed budget execution is set out in section [3.3 Budget Implementation 2022](#)

3.2. Reconciliation of Economic Result and Budgetary Outturn

The Agency's financial statements are prepared on an accrual basis (in accordance with Accounting Rules adopted by the European Commission's Accounting Officer) by which transactions are recorded in the period to which they relate. The result for the year using this basis is indicated in the Statement of Financial Performance ([section 1.2](#)). However, the Agency uses a modified cash basis of accounting for preparing the Budget Outturn account ([section 3.1](#)). In this system, only the payments made, the revenues received in the period plus the carry-over of appropriations are recorded (in accordance with the Agency's financial regulation). The difference between the budgetary outturn and the Statement of Financial Performance is explained as follows:

Reconciliation of the accrual based result with the budget result <i>(amounts in EUR)</i>	Note	2022
ECONOMIC RESULT OF THE YEAR	1.2	(786 984)
<i>Adjustment for items <u>not</u> in the budgetary result but included in the economic result</i>		
Accrual cut-off / accrued & deferred expenses (reversal cut-off 31.12.2021)	-	(6 218 651)
Accrual cut-off / accrued & deferred expenses (cut- off 31.12.2022)	+	8 221 354
Amount from liaison account with Commission booked in the economic revenue	-	(72 366 482)
Switzerland Contribution booked in the economic revenue	-	(253 251)
Unpaid invoices at year end but booked in charges	+	462 078
Depreciation/Amortisation of intangible and tangible assets	+	7 820 954
Value reductions (impairment)	+	3 106
Provisions movement (impact for the year - decrease / + increase)	-/+	(397 452)
Pre-financing given in previous year and cleared in the year	+	132 621
Pre-financing received in previous year and cleared in the year	-	(491 609)
Payments made from carry over of payment appropriations	+	8 452 579
<i>Adjustment for items included in the budgetary result but <u>not</u> in the economic result</i>		
Asset acquisitions (less amounts not paid)	-	(8 086 389)
New pre-financing paid in the year and remaining open as at 31.12.2022	-	(225 321)
New pre-financing received in the year and remaining open as at 31.12.2022	+	4 217 131
Budgetary recovery orders issued before 2022 and cashed in the year (Receivables movement)	-/+	(36 459)
Budgetary recovery orders issued in 2022 on balance sheet accounts (Deferred Revenue movement)	-/+	2 773 793
EU Contribution included in budget	+	78 293 523
Capital payments on financial leasing	-	(74 856)
Payment appropriations carried over to 2023	-	(20 831 630)
Cancellation of unused carried over payment appropriations from 2021	+	206 062
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	4 859 674
Total after adjustments above		5 673 790
BUDGETARY RESULT OF THE YEAR (BUDGET OUTURN)	3.1	5 673 790
<i>Delta not explained</i>		-

3.3. Budget Implementation 2022

3.3.1. Budget Overview

The initially budgeted total payment appropriations for the Agency's expenditure in 2022, as concluded by the Management Board in December 2021, amounted to EUR 112.7 million, which included c. EUR 0.8 million for the separately budgeted other tasks ("Contribution Agreements and SLAs" in the table below), and the final total expenditure, concluded in the amending budget in September 2022, amounted to EUR 117.0 million. The primary reason for this net budget increase during the year was the positive evolution of fee income on both REACH/CLP and Biocides area, which enabled advancing some of the IT investments planned for 2023 and accommodating higher than anticipated costs related to the significant inflation increase. In addition, the budget for the other tasks was increased by EUR 1.6 million.

Revenue	Initial voted budget	Amending budgets	Final voted budgeted
Total revenue	112 660 846	4 320 894	116 981 740
Expenditure	Initial voted budget	Amending budgets	Final voted budgeted
Commitment appropriations	112 764 403	4 425 380	117 189 783
Payment appropriations	112 660 846	4 320 894	116 981 740

3.3.2. Revenue

The budget funding of ECHA in 2022 consisted of the following (amounts in EUR):

Description	Initial voted Budget 2022	Amending Budget 2022	Final voted Budget 2022	Entitlements established 2022	Revenue received 2022
Fees and charges from Registrations & Updates	22 865 083	3 900 037	26 765 120	29 721 895	29 721 895
Fees and charges from Authorisations	2 793 000	200 000	2 993 000	2 781 556	2 781 556
Fees SME Administration	950 000	-	950 000	790 581	790 581
Fees and charges from CLP	171 950	(100 000)	71 950	69 400	69 400
Fees and charges from appeals	-	-	-	34 081	34 081
Total REACH Fees & Charges Income	26 780 033	4 000 037	30 780 070	33 397 513	33 397 513
Fees relating to Biocidal Active Substances	414 005	(87 000)	327 005	167 400	167 400
Fees for Union Authorisation of Biocidal products	1 003 206	2 252 157	3 255 363	4 407 200	4 407 200
Miscellaneous fees	1 826 689	87 000	1 913 689	2 182 020	2 182 020
Fees and charges from appeals	-	-	-	-	-
Total BPR Fee & Charges Income	3 243 900	2 252 157	5 496 057	6 756 620	6 756 620
REACH EU Contribution	66 722 055	(2 500 000)	64 222 055	64 222 055	64 222 055
BPR EU Contribution	8 100 000	(1 000 000)	7 100 000	7 100 000	7 100 000
ENV EU Contribution	4 727 000	-	4 727 000	4 727 001	4 727 001
EFTA Contribution - REACH	1 610 075	-	1 610 075	1 610 075	1 610 075
EFTA Contribution - BPR	203 310	-	203 310	203 310	203 310
Confederation of Switzerland Contribution - BPR	371 790	(58 680)	313 110	313 110	313 110
EFTA Contribution - ENV	117 971	-	117 971	117 972	117 972
Total EU and other Contributions	81 852 201	(3 558 680)	78 293 521	78 293 523	78 293 523
Contribution Agreement EUON	-	-	-	609 000	609 000
Contribution Agreement EUCLEF	-	-	-	1 519 000	1 519 000
Contribution Agreement IPA	-	-	-	641 348	641 348
Contribution Agreement OELs	-	975 000	975 000	975 000	975 000
SLA with EFSA	784 712	652 380	1 437 092	1 437 092	1 437 092
Total Contribution Agreements and SLAs	784 712	1 627 380	2 412 092	5 181 440	5 181 440
Total Other income - miscellaneous	-	-	-	107 607	74 178
Total	112 660 846	4 320 894	116 981 740	123 736 703	123 703 274

3.3.2.1 REACH/CLP Revenue

A) REACH/CLP Fees and Charges

ECHA is financed through fees paid by industry and by an EU balancing contribution, in accordance with the REACH Regulation (No 1907/2006). 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 and charges in 2022, in terms of cash received, amounted to EUR 33.36 million (EUR 27.06 million in 2021). In addition, EUR 0.03 million (EUR 0.07 million in 2021) was recorded in relation to REACH appeal fees³ giving a total of fees and charges of EUR 33.40 million (EUR 27.13 million in 2021).

During 2022, ECHA cashed in a total of EUR 29.7 million from REACH Registrations and Updates fees (EUR 24.7 million in 2021). Furthermore, the Agency collected in 2022 EUR 2.78 million from Applications for Authorisation (EUR 1.1 million in 2021) and EUR 0.07 million from CLP fees (EUR 0.09 million in 2021). The additional registration fee income that was generated through the SME company size verification process (which is included in the REACH registrations and updates income) amounted to EUR 0.52 million in 2022 (EUR 0.72 million in 2021). On top of the additional registration fees, the Agency generated EUR 0.79 million in administrative charges (EUR 1.18 million in 2021) levied on companies who were not eligible for the already received rebates.

B) REACH/CLP Contributions from the General Budget of the EU

During 2022, the Agency received an EU balancing contribution for REACH/CLP of EUR 64.22 million (EUR 61.91 million in 2021) and a European Free Trade Association (EFTA) contribution of EUR 1.61 million (EUR 1.68 million in 2021).

3.3.2.2 BPR Revenue

A) BPR Fees and Charges

In accordance with the Biocidal Products Regulation (BPR, No 528/2012), ECHA is financed through fees paid by industry and a balancing EU contribution. The biocide fees and charges collected by ECHA are determined by the Biocidal Products Regulation, the Fees and Charges Regulation and by the decisions of the Management Board. The budgetary revenue from biocidal product fees and charges for 2022, in terms of cash received, amounted to EUR 6.76 million (EUR 3.07 million in 2021). The significant increase in BPR collected fee income relates primarily to the significantly higher number of Union Authorisation applications, for single products and for product family, that were received in 2022 (42 applications in 2022) compared to 2021 (8 applications in 2021).

B) BPR Contributions from the General Budget of the EU

During 2022, the Agency received an EU balancing contribution of EUR 7.10 million (EUR 10.05 million in 2021) and an EFTA contribution of EUR 0.20 million (EUR 0.28 million in 2021). In addition, the Agency received a contribution from the Confederation of Switzerland of EUR 0.31 million (EUR 0.46 million in 2021).

³ 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.

3.3.2.3 Environmental directives and international conventions Revenue

In accordance with the Prior Informed Consent (PIC) Regulation (EU) No 649/2012, Persistent Organic Pollutants (POPs) Regulation (EU)2019/2021, Waste Framework Directive (SCIP) (EU) 2018/851 amending Directive 2008/98/EC, the revised Drinking Water Directive (DWD) Directive (EU) 2020/2184, and the 8th Environmental Action Programme (8th EAP), ECHA is fully financed through an EU contribution for these activities. In 2022, the EU contribution amounted to EUR 1.16 million for PIC (EUR 1.16 million in 2021), EUR 0.20 million for POPs (EUR 0.23 million in 2021), EUR 1.49 million for SCIP (EUR 2.20 million in 2021), EUR 1.52 million for DWD (EUR 1.69 million in 2021), and EUR 0.33 million for 8th EAP totalling EUR 4.73 million, (EUR 5.29 million in 2021). Furthermore, in 2022, the Agency received for the first time, an EFTA contribution of EUR 0.12 million in total for the above tasks.

3.3.2.4 Contribution Agreements and Service Level Agreements

The Agency has signed contribution agreements with the European Commission to implement the European Union Observatory for Nanomaterials (EUON) and the European Union Chemicals Legislation Finder (EUCLEF), as well as for work with respect to the Instrument for Pre-Accession Assistance (IPA). ECHA has also signed a Service Level Agreement with the European Commission to provide opinions for occupational exposure limits (OELs). Additionally, the Agency signed a Service Level Agreement with the European Food Safety Authority (EFSA) for developing and implementing IUCLID software solutions for plant protection products. In 2022, ECHA received an amount of EUR 5.18 million in aggregate for these tasks (EUR 4.35 million in 2021).

3.3.2.5 Other miscellaneous income

The table below shows the other miscellaneous income received by the Agency in 2022 (amounts in EUR).

Description	Entitlements established 2022	Revenue received 2022
Legal recoveries	65 918	32 489
Late interest income	11 299	11 299
Recoveries from other EU agencies	28 728	28 728
Other recoveries	1 662	1 662
Miscellaneous income	107 607	74 178

3.3.2.6 Fee Invoicing (other information in accordance with Article 71 of FR)

In accordance with Article 71 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 Products 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 2022 amounted to EUR 33.02 million (EUR 26.63 million in 2021 and EUR 28.64 million in 2020). The table below depicts the breakdown of the net invoiced REACH fees during the years 2020-2022.

REACH Description	2022		2021		2020	
	No of Invoices	EUR	No of Invoices	EUR	No of Invoices	EUR
Invoices issued	6 579	35 011 416	6 588	28 295 673	7 383	31 360 367
Credit Notes	494	(1 628 744)	215	(1 161 459)	257	(1 857 253)
Unpaid	111	(364 332)	118	(505 526)	154	(867 424)
Considered paid	17	(842)	29	(488)	18	(274)
Net Invoiced		33 017 498		26 628 200		28 635 416
Write offs	13	(238 488)	29	(458 573)	-	-

On 31 December 2022, the amount to be recovered for REACH fees and charges, before any year-end accounting adjustments, stood at EUR 1.95 million relating to 290 open invoices (on 31 December 2021, the amount to be recovered for REACH fees and charges, before any year end accounting adjustment, stood at EUR 2.41 million relating to 376 open invoices).

B) Biocidal Products Fees and Charges

The total net invoiced by the Agency in 2022 amounted to EUR 6.80 million (EUR 3.00 million in 2021). The table below depicts the breakdown of the net invoiced BPR fees during the year.

BPR Description	2022		2021		2020	
	No of Invoices	EUR	No of Invoices	EUR	No of Invoices	EUR
Invoices issued	1 201	8 232 100	730	3 383 700	1 126	3 350 000
Credit Notes	103	(1 347 000)	39	(363 700)	67	(518 800)
Unpaid	37	(81 400)	14	(13 700)	23	(230 500)
Considered paid	3	(95)	2	(110)	2	(25)
Net Invoiced		6 803 605		3 006 190		2 600 675

On 31 December 2022, the amount to be recovered for Biocidal product fees and charges before any year end accounting adjustments, stood at EUR 0.10 million relating to 18 open invoices (on 31 December 2021, the amount to be recovered for BPR fees and charges, before any year end accounting adjustment, stood at EUR 0.05 million relating to 39 open invoices).

3.3.3. Expenditure

ECHA's expenditure budget consists of commitment appropriations (CA) and payment appropriations (PA). The initial CAs totalled EUR 112.0 million and the initial PAs totalled EUR 111.9 million, while the figure concluded in the final budget is EUR 114.8 million for CAs and EUR 114.6 million for PAs. These commitment and payment appropriations consist of C1 funds.

Budget expenditure includes payments made during the year and the carry-over of budgetary appropriations. The following paragraphs and the tables provided in section [5. Annex I - Statistics on Financial Management and Budget \(Expenditure\)](#) summarise the execution of appropriations per title. A more detailed breakdown is provided there as well.

3.3.3.1 Changes and implementation of the commitment appropriations for 2022 (C1)

The initially adopted budget for the Agency in 2022 was EUR 112.0 million and the overall net increase during the year, including 20 transfers and two amending budgets, was EUR 2.8 million, to arrive at EUR 114.8 million as the final budget.

The main reason for the increase in the budget was the positive fee income development, which allowed, for instance, accelerating some IT investments initially planned for 2023.

The final executed amount totalled EUR 113.2 million corresponding to an execution rate of 98.6 % for the appropriations.

3.3.3.2 Carry over of appropriations to 2023

The commitment and payment appropriations carried over to 2023 totals EUR 15.5 million, corresponding to 13.7 % of the committed amount.

The carry-over of staff related expenditure, budgeted in Title 1, was insignificant and mainly relates to the commitments for trainings and interim services.

In Title 2, covering the Agency's infrastructure, the carry over totalled EUR 1.8 million, stemming mainly from commitments related to ECHA's IT services.

The operational expenditure required to implement the Work Programme for the different regulations is budgeted in Title 3 for REACH and CLP, in Title 4 for Biocides and in Title 5 for the Environmental Directives and International Conventions (PIC, POPs, Waste Framework Directive (SCIP), Drinking Water Directive and the 8th Environmental Action Programme). The carry over in operational titles totalled EUR 13.6 million and is mostly related to IT projects.

The relatively high level of carry overs stems from the contracting cycle caused largely by the uncertainty in the fee income. In the past years, ECHA has had to wait late in the year before signing the contracts to make sure sufficient funds will be available, and at the same time, has had to sometimes frontload certain projects when the income has exceeded the estimates. This had led to a situation where, during the first part of the year, the focus has been on implementing the projects carried over and new projects are only commenced during the second half and sometimes even during the last quarter of the year.

3.3.3.3 Implementation of the appropriations carried over from 2021 (C8)

The amount carried over from 2021 totalled EUR 13.2 million and the finally executed amount was EUR 13.0 million, corresponding to 98 %. The cancelled 2 % relates mostly to IT projects in Title 2 and lower than anticipated costs for legal services related to collection of administrative charges.

3.3.3.4 Late interest payments

During the year 2022, ECHA did not pay late interest for commercial invoices.

3.3.3.5 Procurement procedures

In 2022, in implementing its budget, ECHA signed 333 contracts and purchase orders. Following the return to the normal operations of the Agency on its premises, the number of catering and travel agency orders, through the electronic ordering tools of the relevant framework contracts (FWC), got closer to the pre-Covid 19 years.

Out of the 333 signed contracts, 275 were specific contracts and orders under FWC, 58 were contracts resulting from tendering procedures. Out of the 58 contracts following procurement, ECHA concluded 2 new FWCs, for printing as a service and for ex-post evaluations. ECHA also joined 3 inter-institutional FWCs, one for IT services (Benchmarking, Advisory and Consultancy Services in Information and Communication Technology – BEACON Lot 2), and 2 for HR (EIOPA-OP-139-2022 for the assessment of management skills and OC/EFSA/AMU/2021/03 - Lot 1 for the delivery of tailored training courses/sessions on the specific steps of the SR process).

A total of 19 contracts were signed following negotiated procedures without prior publication based on the relevant rules of the Financial Regulation (Annex 1–11.1), 10 of which refer to legal services; and 7 for technical reasons for subscriptions to a scientific database and professional journals, as well as for a parking garage related to the lease agreement. Furthermore 2 FWC ceiling increases had been foreseen in the specifications of the original procurement procedure.

In 2022, the performance of the suppliers of the Agency was satisfactory overall and in accordance with the terms of the contracts, with very few exceptions, which were successfully addressed by ECHA. The contractual arrangements implemented in 2020 to tackle the consequences of the COVID-19 pandemic on the contracts (such as reduced presence on-site, reduced volumes of services, etc) were discontinued in 2022.

Preliminary market consultation in the form of questionnaires to be filled up by potential tenderers has become an established practice in ECHA before launching procurement. The Agency also arranged an ECHA IT days event to reach out potential IT service providers.

Green Public Procurement (GPP) continued to be a priority and an integral part of the Agency's management system.

The annual list of contractors is published by ECHA by 30 June of each year for the previous year on ECHA's website ⁴.

3.3.3.6 Acts of delegation and sub delegation

For the purposes of the budget implementation, and in line with Article 41(1) of ECHA's Financial Regulation, the Executive Director as the Authorising Officer of the Agency has delegated financial powers to the directors for the budget lines which they are responsible for, in line with their activities.

In accordance with Article 41(2), the directors have further sub-delegated financial powers to the heads of unit of their directorates.

For efficiency reasons, the Executive Director has also delegated financial powers to authorise payments below EUR 6 000 to staff in the Finance Unit.

⁴ https://echa.europa.eu/view-article/-/journal_content/title/annual-list-of-awarded-contracts

4. FINANCIAL MANAGEMENT 2022

ECHA's budget is managed and implemented in line with the applicable rules and regulations to enable the Agency to deliver on its Work Programme. In 2022, the Finance unit ensured high budget execution of available funds and obtained again clean financial audit reports.

During the first half of the year, the European Court of Auditors issued their clean audit opinion on the Agency's annual accounts for the financial year 2021. Equally, the European Court of Auditors' first audit mission on the 2022 financial year was concluded without any preliminary findings. ECHA's fee income development was closely monitored, and the overall financing of its operations continued to be managed successfully, reaching a 99 % commitment rate and an 85 % payment rate, well above the established targets. The Agency continued its aims towards a more sustainable and predictable fee income model as well as a more simplified budget structure. Following the delivery of Fee Options Analysis to the European Commission in 2021, the Agency responded to various follow-up queries in support of developing the new financing model for ECHA.

Details on ECHA's budget information and budget management in 2022 can be found in section [3.3 Budget Implementation 2022](#) and in section [5. Annex I - Statistics on Financial Management and Budget \(Expenditure\)](#) .

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

Budget 2022: Breakdown and changes in commitment appropriations and implementation of the appropriations for the current year (C1) per Title* (EUR)

Title	Description	Budget 2022 (1)	Transfers / amendments (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	76 977 340	-833 249	76 144 091	75 359 404	99.0%	76 144 091	75 162 697	98.7%	196 707	0.3%	784 687
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXP	14 953 313	566 235	15 519 548	15 441 082	99.5%	15 519 548	13 684 856	88.2%	1 756 227	11.4%	78 466
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	15 925 468	2 221 019	18 146 487	17 565 751	96.8%	17 938 444	7 232 692	40.3%	10 124 968	57.6%	580 736
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	2 009 792	800 673	2 810 465	2 695 134	95.9%	2 810 465	765 270	27.2%	1 929 864	71.6%	115 331
B0-5	OPERATIONAL EXPENDITURE - ENVIRONMENT	2 113 778	43 322	2 157 100	2 125 619	98.5%	2 157 100	606 331	28.1%	1 519 288	71.5%	31 481
		111 979 691	2 798 000	114 777 691	113 186 990	98.6%	114 569 648	97 451 845	85.1%	15 527 055	13.7%	1 590 701

**Note: As ECHA operates with both differentiated (multi-annual) 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 2022: Breakdown & changes in commitment appropriations and implementation of the appropriations for the current year (C1) per Regulation and Title (EUR)

REACH/CLP

Title	Description	Budget 2022 (1)	Transfers / amendments (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	66 639 683	-884 007	65 505 676	64 789 505	98.9%	65 505 676	64 620 969	98.6%	168 536	0.3%	716 171
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	12 650 569	267 511	13 168 080	13 100 534	99.5%	13 168 080	11 615 551	88.2%	1 484 983	11.3%	67 546
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	15 925 468	2 221 019	18 146 487	17 565 751	96.8%	17 938 444	7 232 692	40.3%	10 124 968	57.6%	580 736
		95 215 720	1 604 523	96 820 243	95 455 789	98.6%	96 612 200	83 469 212	86.4%	11 778 487	12.3%	1 364 454

BIOCIDES

Title	Description	Budget 2022 (1)	Transfers / amendments (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	8 204 518	356 755	8 561 273	8 505 327	99.3%	8 561 273	8 485 156	99.1%	20 171	0.2%	55 946
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	1 704 690	36 049	1 740 739	1 732 660	99.5%	1 740 739	1 531 813	88.0%	200 847	11.6%	8 079
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	2 009 792	800 673	2 810 465	2 695 134	95.9%	2 810 465	765 270	27.2%	1 929 864	71.6%	115 331
		11 919 000	1 193 477	13 112 477	12 933 120	98.6%	13 112 477	10 782 238	82.2%	2 150 883	16.6%	179 357

ENVIRONMENTAL DIRECTIVES AND INTERNATIONAL CONVENTIONS

Title	Description	Budget 2022 (1)	Transfers / amendments (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	2 133 139	-55 997	2 077 142	2 064 573	99.4%	2 077 142	2 056 572	99.0%	8 001	0.4%	12 569
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	598 054	12 675	610 729	607 889	99.5%	610 729	537 493	88.0%	70 396	11.6%	2 840
B0-5	OPERATIONAL EXPENDITURE - ENVIRONMENT	2 113 778	43 322	2 157 100	2 125 619	98.5%	2 157 100	606 331	28.1%	1 519 288	71.5%	31 481
		4 844 971	0	4 844 971	4 798 080	99.0%	4 844 971	3 200 396	66.1%	1 597 685	33.3%	46 891

Budget 2022: Implementation of differentiated appropriations (EUR)

Budget line		Available commitment appropriations	Commitments made	%	Available payment appropriations	Payments made	%
B3-111	Substance evaluation and Rapporteurs (Multiannual)	781 057	780 758	100%	440 364	440 017	100%
B3-801	Cooperation with international organisations for IT programs	400 000	400 000	100%	532 650	532 650	100%
Total		1 181 057	1 180 758	100%	973 014	972 667	100%

Out of the total available commitment appropriations, EUR 998 254 was stemming from commitments made in earlier financial years. The available commitment appropriations for 2022 totalled EUR 1 181 057 out of which EUR 1 180 758 (100 %) were committed.

Budget 2022: Implementation of assigned revenue (C4, C5, R0) (EUR)

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	28 728	0	0%	28 728	0	0%	28 728	28 728
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	CND	C4	11 299	0	0%	11 299	0	0%	11 299	11 299
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	CND	C4	33 043	0	0%	33 043	0	0%	33 043	33 043
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	CND	C4	852	0	0%	852	0	0%	852	852
			C4	73 922	0	0%	73 922	0	0%	73 922	73 922

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	29 128	28 728	99%	29 128	28 728	99%	0	0
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	CND	C5	231 092	231 092	100%	231 092	225 583	98%	0	5 509
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	CND	C5	59 721	58 353	98%	59 721	35 710	60%	0	22 644
			C5	319 941	318 173	99%	319 941	290 020	91%	0	28 153

BL	Description	CD/ CND	FS	Commitments Appropriations	Commitments Established	Com %	Payments Appropriations	Payments Executed	Pay%	Carried over commitment appropriations	Carried over payment appropriations
B6-000	IPA programme	CND	R0	230 341	209 855	91%	230 341	201 507	87%	20 487	28 834
B6-010	EUON	CND	R0	1 757 801	987 500	56%	1 763 982	705 606	40%	770 300	1 058 376
B6-011	EUCLEF	CND	R0	3 339 455	1 345 498	40%	3 333 273	854 339	26%	1 993 957	2 478 934
B6-020	Occupational exposure limits	CND	R0	1 323 717	746 497	56%	1 323 717	642 325	49%	577 220	681 392
B6-021	Further development of IUCLID (w/ third parties)	CND	R0	2 428 511	2 317 795	95%	2 428 511	1 473 547	61%	110 716	954 963
			R0	9 079 825	5 607 145	62%	9 079 825	3 877 325	43%	3 472 680	5 202 500

Budget 2022: Implementation of the appropriations carried forward from previous year (C8) Per Title (EUR)

Title	Description	Carried Forward from 2021	Paid	Cancelled	% cancelled
A-1	STAFF	271 123	264 334	6 789	3%
A-2	BUILDING. EQUIPMENT AND MISCELL. OPER EXPEND	1 803 973	1 695 756	108 217	6%
B0-3	OPERATIONAL EXPENDITURE - REACH/CLP	6 617 928	6 531 816	86 112	1%
B0-4	OPERATIONAL EXPENDITURE - BIOCIDES	2 146 677	2 143 280	3 397	0%
B0-5	OPERATIONAL EXPENDITURE - ENVIRONMENT	2 358 674	2 357 127	1 547	0%
		13 198 374	12 992 312	206 062	2%