



BORON CONSORTIUM SERVICES LTD.

REVIEW OF LETTER OF ACCESS FEES FOR BORON AND PHOSPHORUS

INTRODUCTION

A Letter of Access (LOA) fee structure for boron and phosphorus (as component of an alloy) was established in 2013 when these substances were REACH registered by the REACH Boron Consortium. The LOA fee structure was based on the estimated total tonnages of boron and phosphorus manufactured in or imported into the EU (requests to the SIEF participants for indications of tonnage and intent to register unfortunately went almost completely unanswered). Cost sharing among the Consortium members is based on each member's average annual tonnage of boron or phosphorus contained during the reference years of 2010-2012 and it was decided to adopt the same approach for those purchasing letters of access.

In accordance with the Implementing Regulation 2016/9 on joint submission of data and data-sharing and in light of further assessment of potential REACH registrations as well as the actual tonnages of boron and phosphorus on the market (which appear relatively low), we have now conducted a thorough review of our LOA fee structure.

THE REVIEW PROCESS

Our review has been carried out on the following basis:

- actual costs up to end 2016 and estimated costs 2017-2020 have been analysed and categorised mainly as:
 - administrative and general consultancy costs
 - studies and related consultancy and other costs, including licences to use relevant studies carried out by others
- studies have been allocated between the requirements of REACH Annex VII and Annex VIII and above - in making this allocation, we have used the services of one of our expert external consultants
- we have made approximate estimations with respect to the split of tonnages of boron and phosphorus between Annex VII and Annex VIII and above
- administrative costs have been allocated across the total tonnages of boron and phosphorus:
 - general administrative costs: equally between boron and phosphorus
 - consortium management fees: in the ratio one third to phosphorus, two thirds to boron; a reflection of time spent
- general consultancy costs have been allocated to boron and phosphorus according to the issues concerned
- no provision, other than a modest contingency, has been made for any future dossier evaluation or authorisation processes which may eventuate
- flat fees have been derived for those falling into the 1-10 tonnes band
- per tonne fees, subject to minima, have been derived for those falling into the 10-100 tonnes band
- for boron, fees have been differentiated between elemental boron and boron as component of an alloy, due to the additional studies carried out on the alloys themselves

THE NEW FEE STRUCTURE

This is as follows:

Elemental Boron

- for the 1-10 tonnes band: €10,000
- for the 10-100 tonnes band: €1,403 per tonne B-contained, subject to a minimum of €31,000

Boron as component of an alloy

- for the 1-10 tonnes band: €11,250
- for the 10-100 tonnes band: €1,636 per tonne B-contained, subject to a minimum of €36,000

Phosphorus as component of an alloy:

- for the 1-10 tonnes band: €3,000
- for the 10-100 tonnes band: €355 per tonne P-contained, subject to a minimum of €16,000

Reference tonnages

- the average annual tonnages of B- or P-contained in the calendar years 2016 and 2017

FUTURE RECONCILIATION

The LOA fee structure will be reviewed after the May 31st 2018 registration deadline when more information is available on the actual tonnages represented, fees collected and costs incurred in 2017 and 2018. This may result in retrospective adjustments to LOA fees.