



4 December 2007

STATEMENT ON THE PROPOSED REACH FEES REGULATION

BUSINESSEUROPE, the Confederation of European Business, is the voice of more than 20 million small, medium and large companies. BUSINESSEUROPE's members are 39 central industrial and employers' federations from 33 countries, working together to achieve growth and competitiveness in Europe.

BUSINESSEUROPE has been made aware of the new draft Commission Regulation on the fees and charges payable to the European Chemicals Agency pursuant to the Regulation 1907/2006 and is very concerned about the structure and the level of proposed fees and charges.

What is outlined below are initial comments of BUSINESSEUROPE on some important issues. BUSINESSEUROPE can provide more detail on these as well as views on other matters under consideration.

BUSINESSEUROPE would like to put emphasis on the following aspects:

Transparency

The draft Fees regulation does not give any indications to which extent fees and charges payable by industry contribute to the Agency's budget as well as the share of these fees which is transmitted to national authorities.

Being a contributor to the Agency's budget, the European industry would appreciate further clarifications regarding the overall Agency's budget, the amount covered by fees and charges payable by industry and the amount covered by other sources. Such transparency would enable a constructive and effective dialogue.

Level of the fees and charges

The proposed fees and charges are without any justification considerably higher than in the initial proposals according to COM(2006)375 final, SEC(2006)94 as of July 12, 2006, p. 30, basis: Council Decision as of December 13, 2005. Furthermore, in many cases the amount of fees appear disproportionate compared to the amount of work required by the Agency.

In order that the payment of fees and charges do not overcharge European industries, which have already to devote substantial resources in making REACH work, BUSINESSEUROPE asks the Commission to review the level of fees. If the Agency' budget requires significant additional incomes than originally anticipated, BUSINESSEUROPE asks the Commission to explore other alternatives than increase the amount of fees and charges payable by industry.



In addition, BUSINESSEUROPE requests the Commission to consider setting a fees ceiling per registration dossier in the case of joint registration of one substance. Without a ceiling, unacceptable situations might occur in the case of a larger number of registrants where higher fees would be paid for dossiers requiring less work to the Agency¹. Such situations are against the principle laid down in recital 2 “... *the amount of the fees and charges depend on the complexity of the task and the workload involved so that the amounts levied take account of the relevant costs*” of the draft regulation.

Deadline for payments

The draft Regulation indicates a deadline for payment of 14 calendar days for registrations and of 7 days calendar days for notifications after the Agency's notification of the invoice. Such extremely tight deadlines are not in agreement with the standard 30 days throughout Europe and could cause administrative problems.

BUSINESSEUROPE considers that a 30-day payment period for both registrations and notifications should be the general rule and not only for invoices linked to registration of pre-registered substances submitted during the two month preceding the relevant registration deadline.

“Unfair” requirements

The draft Regulation introduces fees for appeals against a decision of the Agency and stipulates that “*In the absence of contractual agreement to the contrary, the charges for technical advice shall be paid before the service is provided*”.

BUSINESSEUROPE asks the Commission to reconsider these requirements. Appealing is a fundamental right where no costs should be induced and it is of common sense that a service must be paid (partly at least) after having received it.

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¹ E.g. total fees for a registration dossier on non-hazardous substance and involving 300 legal entities (> 1000 tonnes) would amount to € 6.900.000 whereas a dossier on a hazardous substance, involving 8 legal entities (> 1000 tonnes) would amount to € 184.000. The first scenario would however require much less work to the Agency than the second one, while a substance of less concern would be charged much higher than a hazardous one.