

The Mn Consortium Cost-Sharing Model

Manganese REACH Workshop
October 10, 2007
Renaissance London Heathrow Hotel (Marriot)

IMnI
Mark Camaj

Overall Cost Structure

- Management Costs
- Tests/Studies Costs
- Registration Dossier Costs

Management Costs

- The Costs for Management will be shared by all companies within the consortium
- Each Mbr pays a Fair Share according to its total turnover as a % of the total turnover of the entire consortium
- Turnover = prior year's tonnage produced in or imported into the EU x the prior year's average price in the EU

Management Costs

Example

- Company A has 3 substances to register with a total combined turnover of €100,000 in the previous year.
- Consortium turnover was €1million in the same period.
- Company A will pay 10% of Mgt. Costs for the year.

Studies/Tests Costs

- The Costs for Studies are shared by all substances that require a particular study for registration
- Each Mbr pays a Fair Share according to the following calculation:

$$\frac{\text{Total turnover of a Mbr's substance(s) requiring the study}}{\text{Total turnover of all substances requiring the study}}$$

Studies/Tests Costs

Example

- Company A has 3 substances; but only 2 of these need Study “Y” in order to register. The total turnover of the 2 substances was €100,000.
- There are 3 other substances that need Study “Y”. Total turnover of the 5 substances that need Study “Y” was €2million.
- Company A will pay 5% of this Study Cost

Note: A Mbr's total costs for Studies/Tests will be sum of its shares of all the studies that it needs

Registration Dossier Costs

- The Costs for the preparation of each substance's Final Registration Dossier are shared by all members intending to register that particular substance
- Each Mbr pays a Fair Share according its total turnover of a particular substance as a % of the total turnover of that substance

Registration Dossier Costs

Example

- Company A has 3 substances.
- Its turnover represented 10%, 15% and 20% of the total turnover for each substance respectively.
- It will pay a 10% share of the costs for the registration dossier for its first substance, 15% of the second and a 20% share of the third.

Costs Timing

- Management Costs – calculated on an Annual Basis according to previous year tonnage & price.
- Tests/Studies Costs – calculated on an Annual Basis according to previous year tonnage & price.
- Registration Dossier Costs – calculated in the final year (2010) using total tonnage & the avg. price over the entire period of the consortium; to be added to Mbrs' final invoices.

Note: all invoices will be sent out in the beginning of the year and any over/under payments will be reflected in the next period's invoice

Member Study Data

- Members may submit (sell) internal study or test data to be used to satisfy dossier registration
- Data from members will be purchased and paid for as if purchased from an outside vendor or lab
- No credits will be applied

New Members

- New Members joining will effect previous costs already invoiced
- New members will receive invoices representing their share of previously invoiced periods; to be paid on their first invoice
- Existing members will receive credits for any overpayments, which arise due to the addition of new members

Thank you.

Any Questions?