

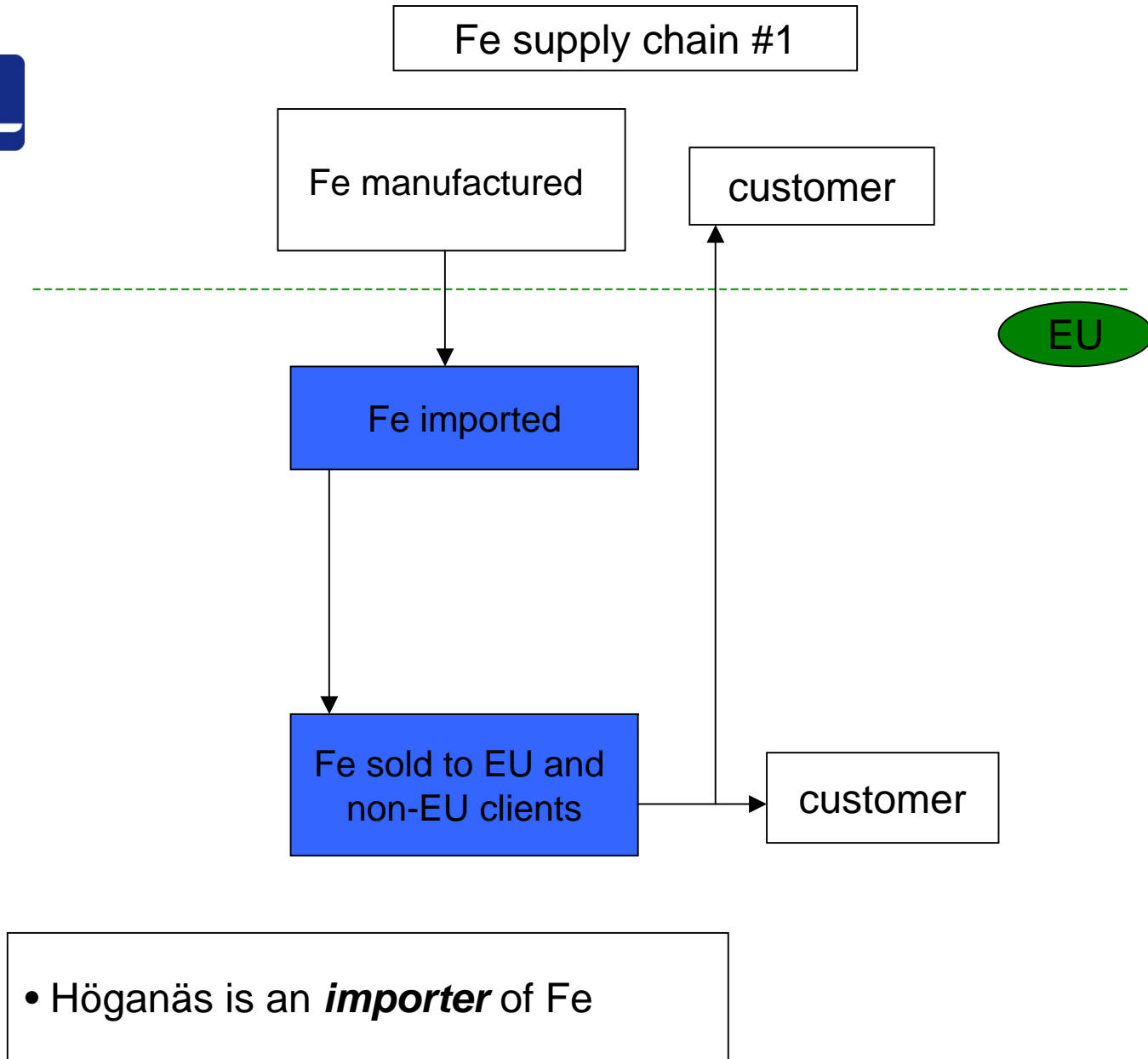


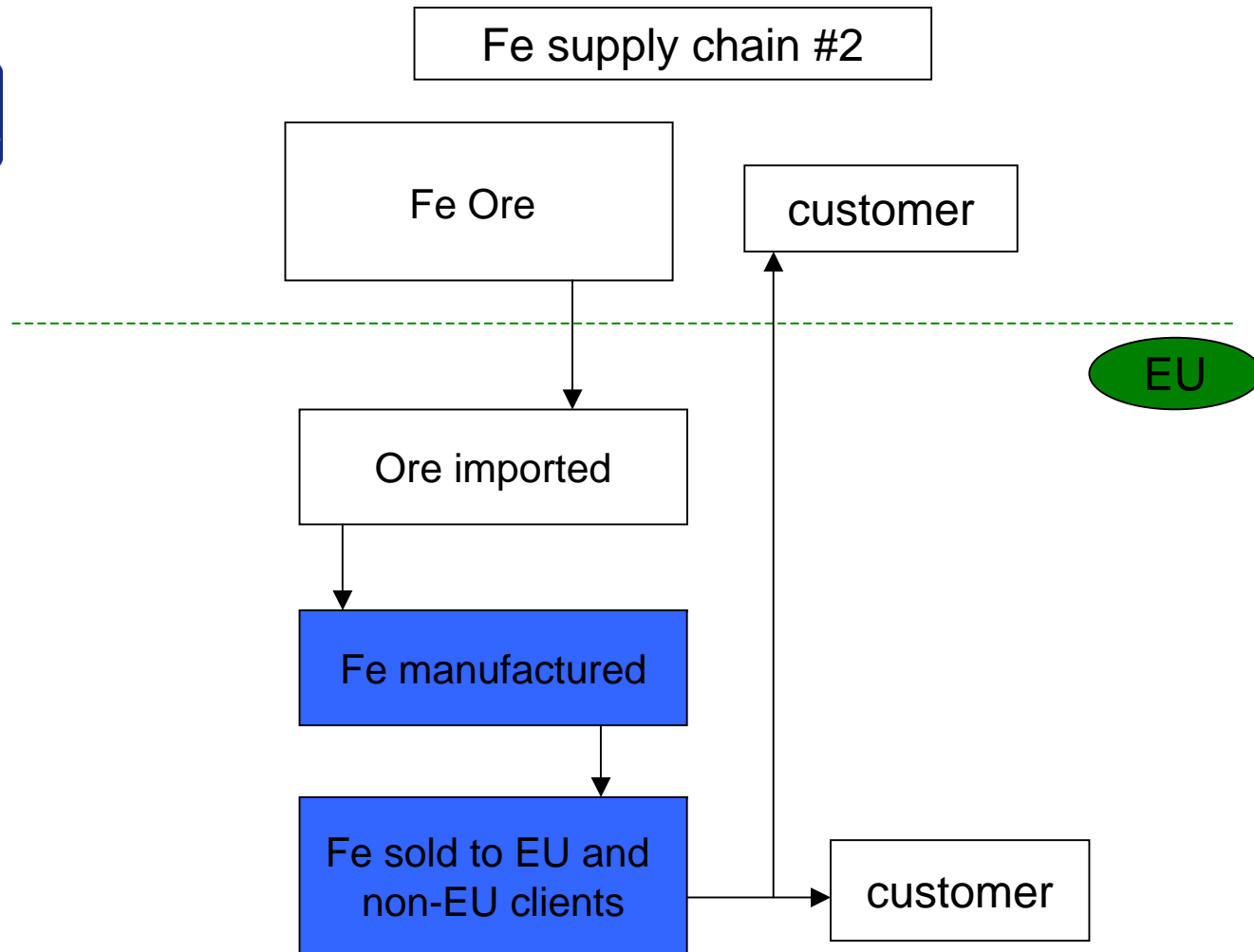
REACH supply chain role...

Define and clearly understand your supply chain with respect to your REACH role(s):-

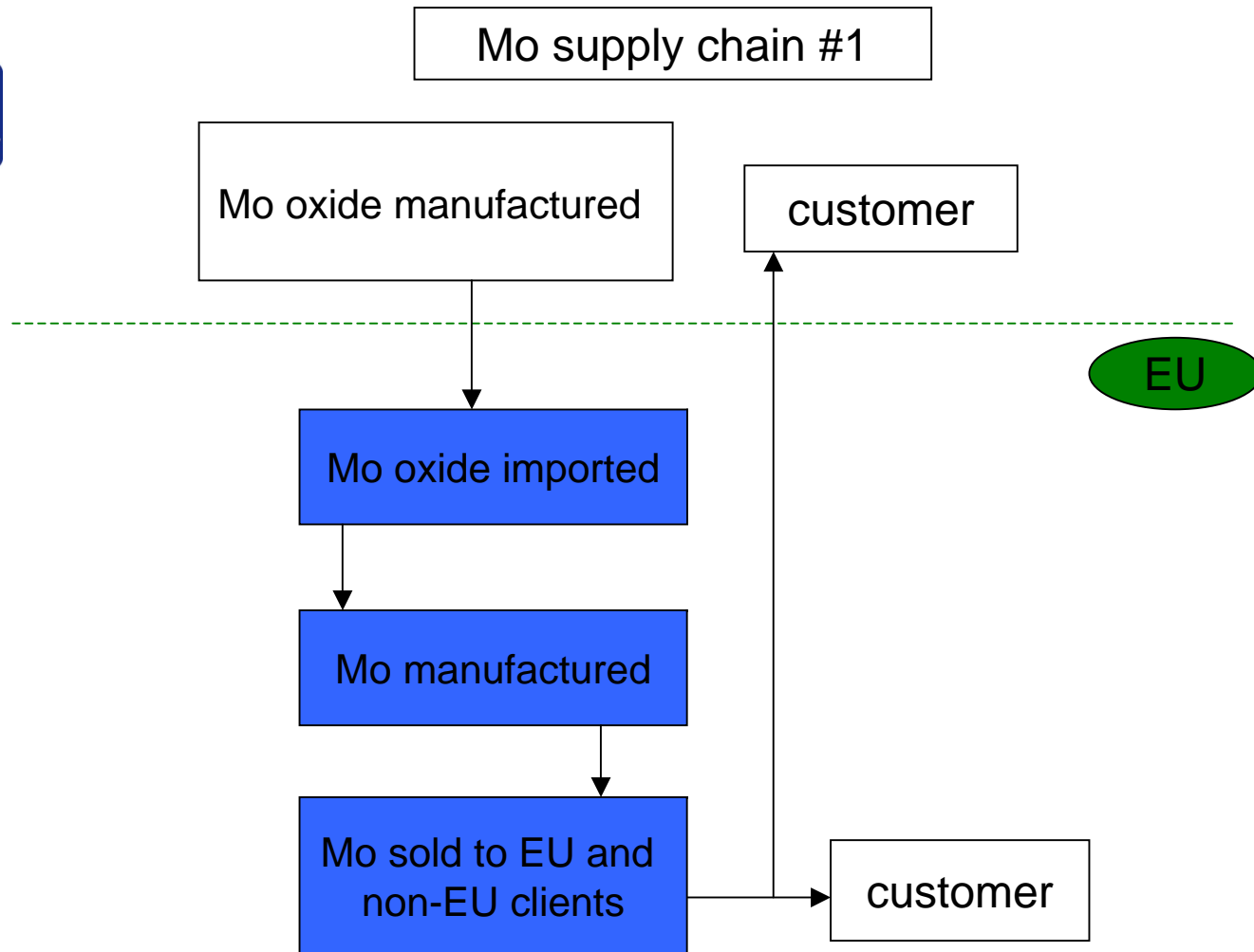
- ✓ An EU manufacturer (**M**) and/or
- ✓ An EU importer (**I**) incl. substances in *articles*
- ✓ An EU downstream User (**DU**)

...can your role be changed?





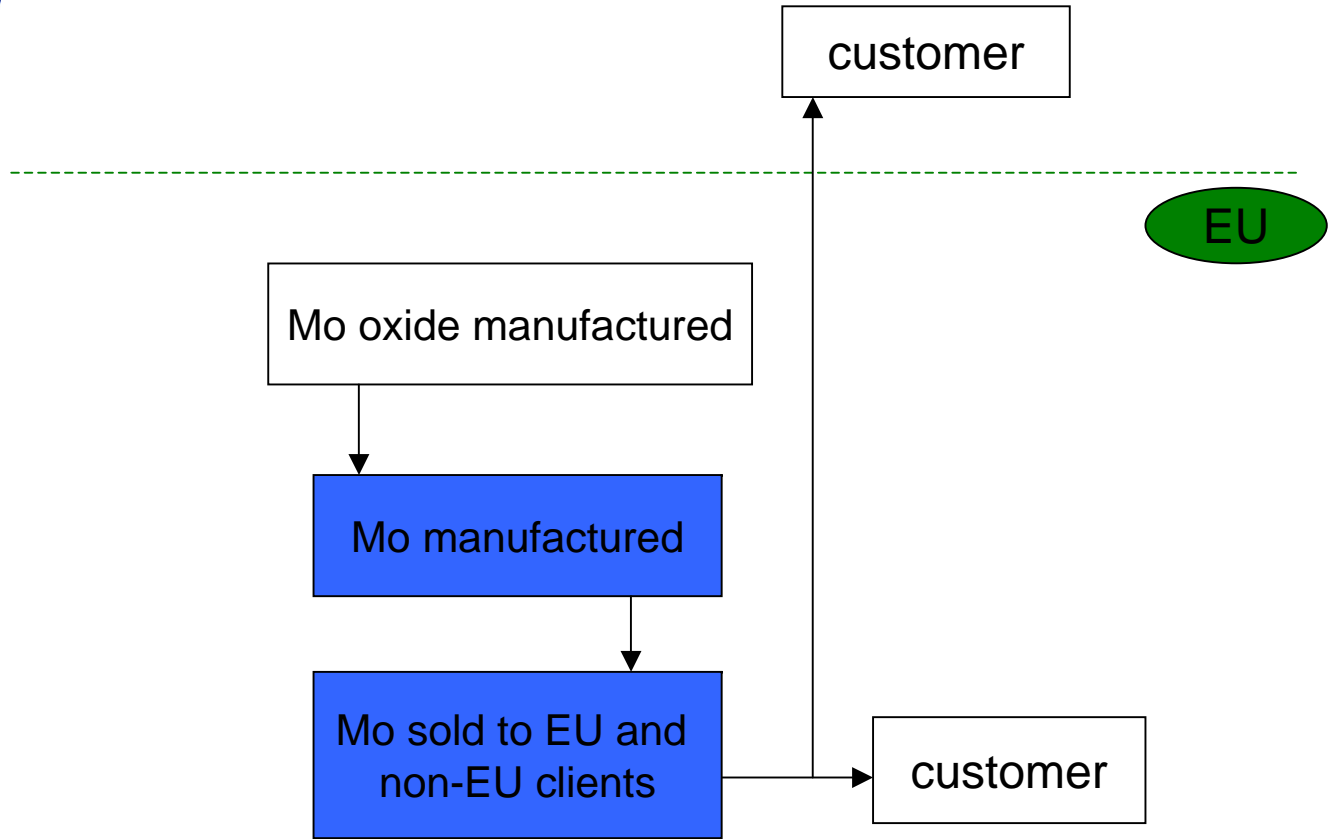
- Höganäs is an **importer** of Fe ore – exempt!
- Höganäs is a **manufacturer** of Fe



- Höganäs is an **importer** of Mo oxide
- Höganäs is a **manufacturer** of Mo



Mo supply chain #2



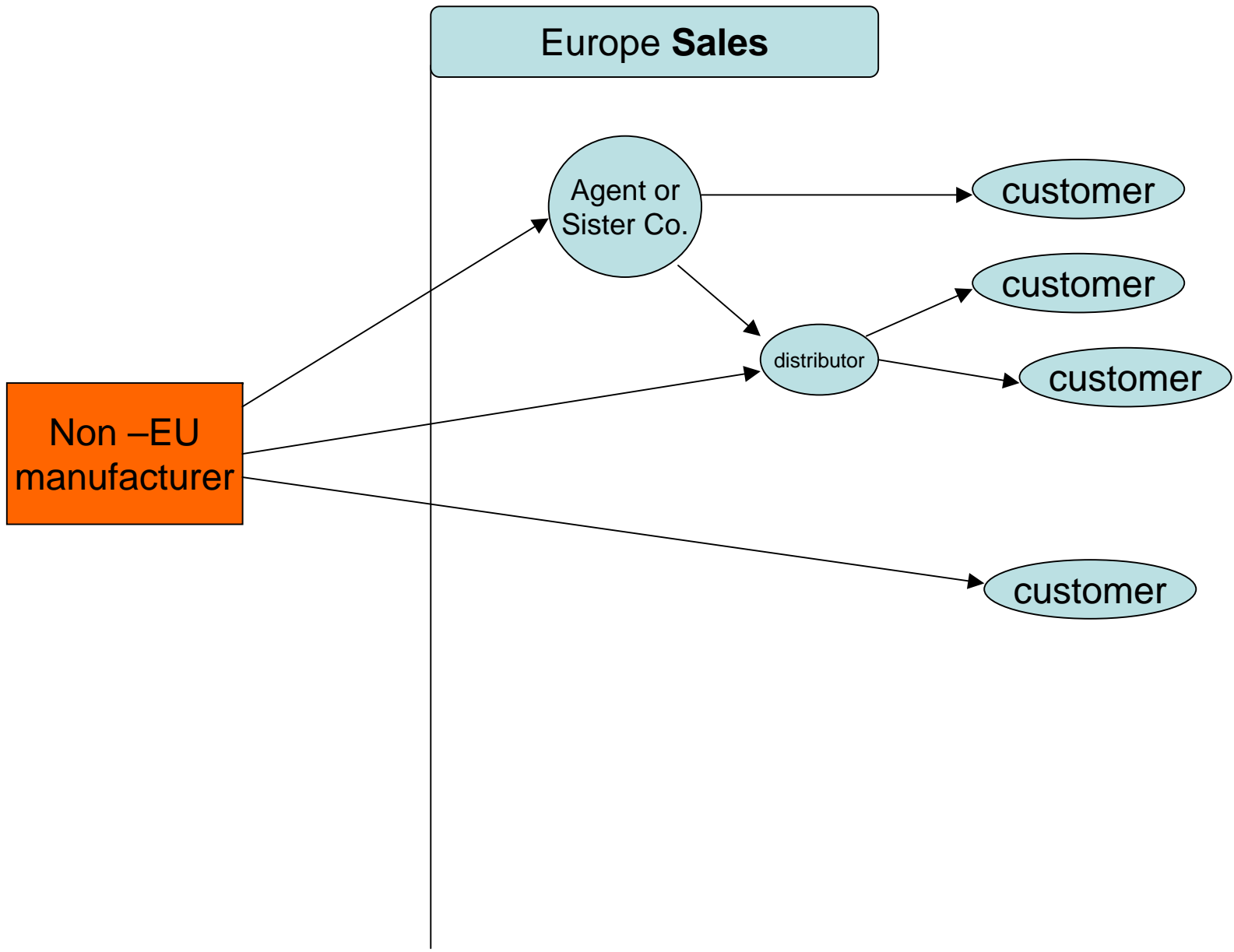
- Höganäs is a **downstream user** of Mo oxide
- Höganäs is a **manufacturer** of Mo

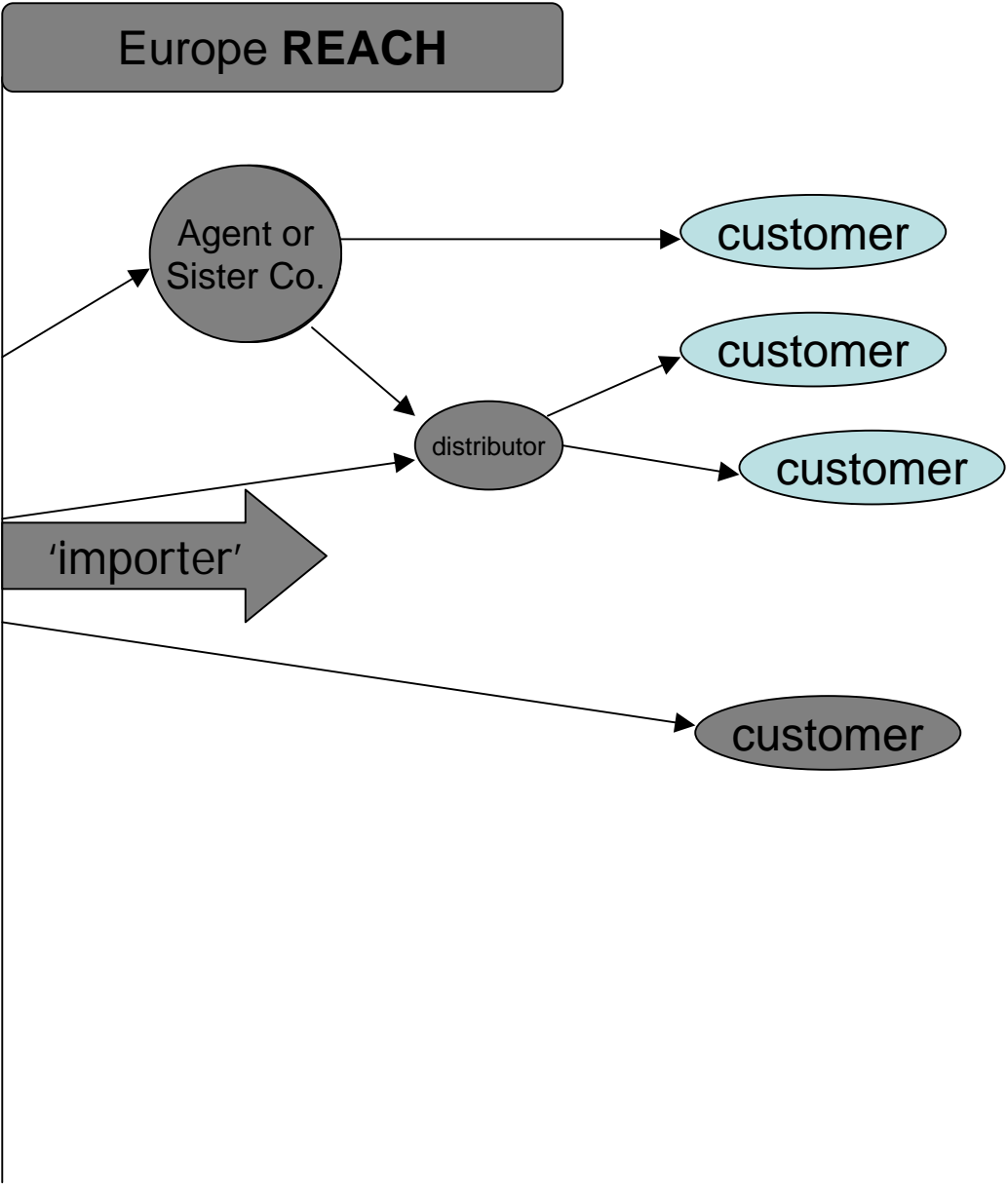


Key issues for non-EU manufacturers

As a non-EU manufacturer you have no obligations under REACH

- Your EU importer (its legal entity) takes responsibility for REACH
- Your EU importer must pre-register and must participate in the SIEF for each substance
- If not, from Dec 2008 you cannot supply until your importer has registered.







Data cost estimates

- Eurofer: €220-450k /substance
- CDI: \$1m /substance for full exposure testing
- Mo: budget \$16m over 3 years, 8 substances
- Cr: €1.0-1.5m budget proposal

- Consider €500k /substance as tentative estimate + ongoing costs of updating registration

- Costs can be shared*, but proportional to tpa

* Via SIEF and consortia

The testing requirements and their cost

MANDATORY TESTS	COST (€)/substance			
	Annex V > 1t	Annex VI > 10t	Annex VII > 100t	Annex VIII > 1000t
Info on the physicochemical properties	± 19,000	± 19,000	± 21,000	± 21,000
Toxicological info	± 8,000	± 178,000	± 221,000	± 621,000
Eco-toxicological info	± 10,000	± 35,000	± 49,000	± 49,000
TOTAL	± 37,000	± 232,000	± 291,000	± 691,000



Change your REACH

List all imported substances and your role

- Q. Can you buy in the EU ie become the DU?
 - different supplier
 - same supplier (local agent / sister company)
- Any plans to change from EU to non-EU supply?
- EU supplier (small trader) may ask you to import direct, with incentive. Does the incentive offset costs of *importer* obligations?!
- What's coming through your R&D department?
- Don't stop looking for low(er) cost materials, but consider the overall REACH costs of importing

Thank you

Definitions

- **Article**: means an object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition

Definitions

- **Import:** means the physical introduction into the customs territory of the Community
- **Importer:** means any natural or legal person established within the Community who is responsible for import;

Definitions

- **Importer**: means any natural or legal person established within the Community who is responsible for the physical introduction into the customs territory of the Community