

12/07/2012

Subject: Confirmation of your SME status

Dear Pre-registrant,

We are contacting you in connection with the upcoming 2013 registration deadline and to draw your attention to the definition of SME (small, medium and micro sized company) status under REACH. You are receiving this standard letter because you have declared in REACH-IT that your company (or the non-EU company that you represent as an Only Representative (OR)) is an SME.

Background

SMEs benefit from fee reductions under the REACH and CLP Regulations. To qualify for an SME under these Regulations, the enterprise in question needs to fulfil the conditions set out in the Commission Recommendation 2003/361/EC. For the sake of fair competition and equal treatment with regard to fee payments, ECHA verifies the size of companies declared as SMEs.

Unfortunately, ECHA has noticed that a high proportion of companies who declare to be SMEs do not fulfil the conditions set out in the Commission Recommendation. This often relates to non-observance of the headcount and financial figures of partner or linked enterprises in the determination of the enterprise category. Therefore, please make sure that you are familiar with the relevant SME definitions and verify that you have declared the correct company size category for your company (or the non EU manufacturer that you represent as an Only Representative (OR)).

Please be aware that a possible wrong declaration of the size category may have legal and/or financial consequences with respect to your future submission of a registration dossier. Therefore, we would like to briefly remind you of the impact of your SME declaration and to inform you about our recently renewed support for SMEs.

Verifying SME status

Individual companies are responsible for correctly declaring their company size. For ORs, the assessment of whether the fee reduction for SMEs applies shall be determined by the relevant data of the enterprise that is represented by that OR.

For companies which have not yet submitted a registration dossier, it is possible (and highly recommended) to update the SME status in REACH-IT <u>before</u> making the submission. In case that you indicated in REACH-IT an incorrect company size and you have already submitted dossiers to ECHA, please follow the instructions available in the SME section of our website.

If after an initiated SME verification ECHA concludes that the company size is larger than the one declared in REACH-IT, the difference in the registration fee as well as an administrative charge are charged from the registrant, in accordance with Article 13(4) of the REACH Fee Regulation 340/2008/EC and ECHA Management Board decision MB/29/2010. The administrative charge varies from 8300 to 20700 Euros depending on the correct enterprise category. This charge has been established at a level which aims to achieve cost recovery of the SME verification process.



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Therefore, we urge you to review your company size declaration using the tools linked below and, if necessary, correct your company size in REACH-IT. By proactively checking and correcting your status according to the instructions on our SME web section, you will mitigate against the risk of incurring these additional costs.

SME support and tools for reviewing company size

You can find all the SME related material in one place on our SME web section at <u>http://echa.europa.eu/web/guest/support/small-and-medium-sized-enterprises-smes</u>. On these pages you find e.g. step-by-step instructions for assessing a company's size category, a useful link to an electronic SME test and information on how to correct the enterprise category if you would realise that you confirmed an incorrectly determined enterprise category in a previous submission.

ECHA broadcasted a webinar on SMEs and REACH last June, with valuable information on the SME definition and the verification process. The recording and presentations are available following this link:

http://echa.europa.eu/web/guest/view-article/-/journal_content/b11ca4a0-d6a4-4273b55d-9c6cff3542dc

If you do not remember your user ID or password to access REACH-IT, and in order to avoid blocking your account, ECHA recommends you to use the "Forgot your user ID or password?" functionality that you will find in the REACH-IT login page. If you need further instructions on how to avoid blocking your account, please read the following Fact Sheet http://echa.europa.eu/documents/10162/13657/reach_it_factsheet_blocked_account_2010 http://echa.europa.eu/documents/10162/13657/reach_it_factsheet_blocked_account_2010

In case you need further information on the content of this letter or you face any technical problems when updating the company size in REACH-IT, you may contact the ECHA Helpdesk at <u>http://apps.echa.europa.eu/forms/cms_helpdesk_form.aspx</u>.

Yours faithfully,

Kevin Pollard Head of Unit for Dossier Submission and Dissemination