



# Costs and benefits of the authorisation system

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# While 10 years in place...

- Real experiences with AfA costs is **5 years**
- Authorisations applied are still **quite different** in scope/quality/hazard covered/organizational model/...
- Companies using SVHCs are **step by step** implementing “substitution or “exposure reduction” measures
- This may explain a large part of the **variance**



Key is to understand if present findings are indicative for the future?

# Costs... of the system

- Are **moderate** at EU level, to:
  - Public Authorities ('16): €1 mio/y COM, €3 mio ECHA, €4,4-4,9 mio MS level
  - To Industry ('13-'16): €9 mio
- At individual level: may **vary considerably** “from small to prohibitive”
  - AfA cost k€ 100-300 + k€ 20 (for opinion making)
    - BUT: high variability depending “supply chain position” and “company size”
  - “Anticipation costs” (from SVHC identification to Annex XIV listing) significant and often as high as AfA cost
  - Substitution costs (investment and operating costs): very variable and relatively case/use specific

## Aspects to think about: costs may be...

- Relevant and efficient if *substitute would become available*
- High and “add-on” when *substitution would not be possible*
- “*low for large companies*” but “almost prohibitive for SMEs & micro-companies”

# Unanswered questions

- Would the present cases being indicative for the costs and benefits
  - Low hanging fruit versus more complex cases
- Would embedding substitution thinking in daily management of companies (e.g. quality systems):
  - reduce the costs and enhance benefits through innovation?
- Globalisation:
  - Would other jurisdictions implement “comparable measures” or would export of chemicals and import of articles increase (chemical leakage)
- Efficiency of the measure ?
  - Would other RMMs have resulted in same/better/worse Cost/Benefit ratio

There seems a trend... but unclear if it will sustain.. Lets check in 2022 !

# THANK YOU



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