

Brussels, 26 July 2007

Dear Sir or Madam,

We would like to thank you for your interest in Nickel REACH Consortia.

The Nickel Institute (NI) is an association whose members represent more than 80 % of the current global nickel production. The association generates and communicates knowledge required to support safe and sustainable production, transportation, stock, use, re-use, and disposal of nickel and nickel-containing products. It develops partnerships with organizations representing the interests of the nickel industry's downstream customers and other parts of the nickel life-cycle.

The Nickel Institute, and in particular its European branch ENIA (European Nickel Industry Association), has developed in depth knowledge of the different facets of the REACH regulation throughout the legislative process. Our significant contribution to the REACH Implementation Projects run by the European Commission, which has been recognised by different stakeholders both inside and outside the European industry, has further enhanced the Nickel Institute's expertise on REACH. In addition ENIA and the NI have for years been really involved in the EU regulatory Risk Assessment on nickel and its compounds and a very extensive review will form the basis of the REACH response (Chemical Safety Report, Exposure Scenario's and Hazard Classification recommendation) from the industry.

We are pleased to announce that in January, the Nickel Institute launched its own REACH implementation plan focused on helping our members comply with the REACH requirements. As an integral part of this plan, the Nickel Institute is organizing the formation of the consortia, which according to the regulations are to undertake the REACH procedure for and on behalf of their members. These consortia will comprise the Nickel Institute member-companies as well as other willing producers, importers, manufacturers, and downstream users who would like to join the Consortia. The Nickel Institute will offer its services at each of the different stages of the REACH implementation process from before REACH enters into force, throughout the pre-Registration and Registration and Evaluation phases and eventually up to the Authorisation. Our intervention and advice will cover different issues and in particular:

- interpretation of the scope of REACH and the aspects of management relating to it (e.g.: setting up of the consortia),
- support in the preparation of the Pre-registration dossier to ensure consistency throughout the industry on nickel containing substances,
- compilation of the Registration dossier based on the nickel Risk Assessment outcome, including the Chemical Safety Report on behalf of the consortia members (the Nickel Institute already has some ready solutions to preserve confidentiality of the consortia members),
- identification of additional science data needed in support of Registration under REACH and carrying out the necessary scientific research and data development,
- assistance during the Registration phase.

It is further worthwhile to note that the Nickel Institute has already got some ready solution to preserve confidentiality of the data of the Consortia Members. Delete this sentence - it appears above already.

Two options are available for those companies who wish to join the Consortia exercise:

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www.nickelconsortia.org

1. becoming member of the Nickel Institute and sign the Consortia Agreement
2. only signing the Consortia Agreement

For the Nickel Institute members, it is intended that these services will be covered by the regular Nickel Institute fee, excluding the eventual requirements for new research. Moreover, NI members have access and benefit to all activities of the Nickel Institute.

For non-members of the NI (EU or non-EU manufacturers, importers or downstream users) interested in joining a consortium only, the services and the data needed will be invoiced separately following the funding principles described in appendix 6 of the consortium agreement (see attached for your convenience).

What are the main benefits of joining a Consortium?

The main benefits for the nickel industry are **anticipation and early preparation** for REACH compliance. Most nickel substances manufactured or imported are either high tonnage substances (>1,000t/y) or substances of high concern (CMR, R50/53), applying for the first deadline (registration before 1 December 2010). The SIEF (Substance Information Exchange Forum) will only be operational at the earliest by beginning of 2009, restricting manufacturers' and importers' **effective preparation time to less than 18 months**. It will therefore be extremely challenging for companies to identify and fill data gaps with information required, to agree on the cost sharing and on the hazard classification and labelling, and finally - to complete the registration dossier in the time frame.

Moreover, consortia promote **saving of human resources and efficient compliance**. The planned consortia will cover several substances, whereas SIEFs focus on single substances. Companies with manifold material streams will be challenged to cope with a large series of SIEFs. Consortia will also maximize the read-across (minimize testing through comparisons) potential on substance groups.

Another main benefit is preparation of data sharing and data generation in a **cost-efficient way**. The available expertise ensures that main parts of the work are undertaken with own resources; the use of external resources will be reduced to the minimum.

The **legal safeguard** of the contract is also seen as an important element for companies when sharing information and deciding on cost allocation. The extensive experience from the Risk Assessment has shown that a legal contract is an essential basis for the cooperation of competitors on expensive dossiers.

The **quality of the technical dossier** will be further enhanced by cooperative experience sharing in a Consortium which may reinforce the position of the Industry vis-à-vis the EU Chemicals Agency and prevent additional work in later steps of the REACH process. The early exchange and agreement on important issues such as hazard classification and labelling will increase the potential for recognition by the EU Chemicals Agency.

The formation of a Consortium is also critical to ensure **credible and efficient communication** with Downstream Users.

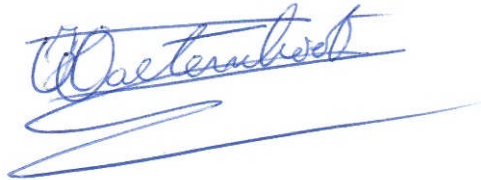
What is the timing for signature?

The Consortium agreement will formally enter into force on **1st September 2007**. We invite you to sign this agreement before this date to benefit in the optimum way from the start with the above listed opportunities.

Please do not hesitate to consult our website (www.nickelconsortia.org) and to contact Mrs France Capon in charge of REACH in Brussels (+32 2 290 32 05 and capon@euronickel.org) or Mr Jeroen Vanhecke (+32 2 290 32 09 and vanhecke@euronickel.org) for more information on the nickel consortia agreement.

If you need more information on the Nickel Institute, please do not hesitate to contact Steve Barnett (President of the Nickel Institute, sbarnett@nickelinstitute.org).

Best regards,



Hugo Waeterschoot
Secretary General, ENIA



Steve Barnett
President, Nickel Institute