

T: 0300 244 4000  
E: scottish.ministers@gov.scot

Edward Mountain MSP  
Convener  
Net Zero, Energy and Transport Committee  
Scottish Parliament  
Edinburgh  
EH99 1SP

20 March 2025

Dear Edward,

## **UK REACH REGULATION – UKSI TO AMEND THE UK REACH FEES AND CHARGES REGULATION**

I am writing to inform the Committee of the REACH Fees and Charges (Amendment of Commission Regulation (EC) No 340/2008) Regulations 2025. As per Article 22(2) of the UK REACH Fees and Charges Regulation 340/2008 (“REACH Fees and Charges Regulation”) proposed amendments to this SI do not require the consent of Scottish or Welsh ministers, instead there is a statutory requirement for the Secretary of State to consult Scottish and Welsh Ministers before making changes to the REACH Fees and Charges Regulation to alter the fees and charges provided for in it. I can confirm that in this case, this requirement has been fulfilled, and I am content with both the purpose and content of the 2025 Regulations.

I am writing to make you aware of these Regulations being made by the UK Government due to the Committee’s interest in the management of chemical risks under UK REACH following the Committee’s consideration of the REACH (Amendment) Regulations 2023. The UK Government intends to introduce amendments to the provisions of the UK REACH Fees and Charges Regulation 340/2008 in order to amend the current fees businesses pay for applications made under UK REACH. The Regulation will apply across GB; EU REACH continues to apply in NI. All provisions of the Regulation apply in Scotland, and there are no specific Scottish provisions within this Fees and Charges Regulation.

The fee structure was adopted after EU exit by using EU REACH fees, which were converted from Euros to GBP based on an average conversion. The UK REACH Fees and Charges Regulation 340/2008 was amended by the REACH etc. (Amendment etc.) (EU Exit) Regulations 2019 to give effect to the fees in UK law. However, analysis of this funding

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

mechanism has shown that this leads to an over-recovery of funds processing chemical registrations from businesses and an under-recovery of funds processing authorisations from businesses that need to use Substances of Very High Concern (that otherwise are banned under UK REACH).

The new fee levels have been modelled in line with the UK Government's Managing Public Money guidance. This change will ensure that fees paid by businesses reflect the cost of the specific work performed by the Health and Safety Executive (HSE), which provides the UK Agency for UK REACH. The change in fees has been calculated to cover the full economic cost of staff to carry out the regulatory requirements for which the fees are charged and a 3.5% cost of capital, and the cost of the depreciation and maintenance in relation to the UK REACH IT system.

The most significant change is to the level fees are set for registrations under UK REACH, with the introduction of a flat fee for the majority of registrations. This is estimated to reduce registration costs for 92% of firms. Registration is a legal obligation for GB-based companies that supply chemicals to the GB market; it is by means of registration that companies demonstrate that their chemicals can be used safely.

Amending the fee structure to UK REACH will support Growing the Economy, one of the Scottish Government's Four Priorities, given that for the majority of businesses, the costs for registration of manufactured chemicals will decrease. The expected reduction of costs to industry is ~£40m. This will support the chemical industry in the UK and help to ensure that chemicals supplied in both large and small quantities are still placed on the market, reducing the risk of a disrupted supply chain.

The UK Government laid the SI before the UK Parliament under the negative procedure on 10 March 2025 and the new charges will apply from 1 April 2025.

Accordingly, I am sending this letter for information which I invite the Committee to note. The final SI is available here: (<https://www.legislation.gov.uk/ukxi/2025/299/contents/made>).

I am copying this to the Convener of the Delegated Powers and Law Reform Committee.

Yours sincerely,

**GILLIAN MARTIN**

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

St Andrew's House, Regent Road, Edinburgh EH1 3DG  
[www.gov.scot](http://www.gov.scot)

**INVESTORS IN PEOPLE**<sup>™</sup>  
We invest in people Silver

