



# Regulation for Membership Fees for the ECRN association

(Brussels 16.06.2016)

## 1. Introduction

For a sustainable development of the ECRN association it is necessary to cover the costs of all statutory meetings and functions of the association from its own resources.

Therefore the ECRN association has decided that a calculation for membership fees must be:

- fair,
- transparent and
- sufficient.

## 2. Regional Data for calculating membership fees

The ECRN association has decided to take the following indicators into account:

- GDP of chemical regions
- employment in the chemical sector in the chemical regions and
- size of the region.

Based on these criteria the following weighting system will be used:

- employment in the chemical sector per region: between 0,7 and 1,4
- population per region: between 0,7 and 1,3
- GDP/capita (as the % of EU average): between 0,5 and 1,3

<b>Employment in Chemical Industry</b>	<b>Index Employment</b>
0 - 10.000	0,7
10.001 - 20.000	0,8
20.001 - 30.000	0,9
30.001 - 40.000	1
40.001 - 50.000	1,1
50.001 - 70.000	1,2
70.001 - 100.000	1,3
100.001 - and beyond	1,4
<b>Population per Region</b>	<b>Index Population</b>
0 – 1.000.000	0,7
1.000.001 - 2.000.000	0,8
2.000.001 - 3.000.000	0,9
3.000.001 - 4.000.000	1
4.000.001 - 5.000.000	1,1
5.000.001 - 6.000.000	1,2
6.000.001 – and beyond	1,3
<b>GDP/capita (as % of EU average)<sup>1</sup></b>	<b>Index GDP</b>
0,0 – 0,4	0,5
0,41 – 0,5	0,6
0,51 – 0,60	0,7
0,61 - 0,70	0,8
0,71 - 0,80	0,9
0,81 - 0,90	1
0,91 – 1,0	1,1
1,01 – 1,1	1,2
1,11 – and beyond	1,3

The formula for calculating the membership therefore is:

- **Membership Fee = Index Employment x Index Population x Index GDP x Basic Fee**
- The **Basic Fee** is defined to reach the necessary income level for the Association. It can be adjusted according to the number of members and the income needs of the association. The basic fee can be adjusted according to the financial requirements and the decision taken by the General Assembly of the ECRN association.
- The current **Basic Fee** is: **9.450,00 EURO**
- The Membership fee is rounded to the nearest full 1.000.
- The maximum Membership Fee is 20.000 EURO, the minimum Membership Fee is 2.000 EURO per year.

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<sup>1</sup> 1=100%

- The regional data for calculating the individual membership fee is taken from sources provided by Eurostat, complemented by regional statistics if necessary.

Example for calculating the membership fee of Saxony-Anhalt:

Employment in Chemical Industry: 12.773 therefore Employment Index: 0,8

Inhabitants in Saxony-Anhalt: 2,598 Mio. therefore Population Index: 0,9

GDP/capita in Saxony-Anhalt: 65% of EU Average therefore GDP Index: 0,8

Basic fee: 9.450,00 EURO

Membership fee Saxony-Anhalt =  $0,8 \times 0,9 \times 0,8 \times 9.450 = 5443,2$  EURO

### **3. ECRN Development Fund**

The ECRN has decided to set up an ECRN Development Fund to allow member regions to provide additional funding for the ECRN association beyond their Membership fee.

Contributions to the Development Fund can be made as a one off payment or as a regular payment.

The income and expenditures for the Development Funds will be outlined in the annual budget of the ECRN association.

Membership fee is calculated on a case-by-case basis (using the formula above) for each new member when the region applies for membership. Once determined, the fee is fixed. Fees are not annually or periodically indexed. This arrangement for Membership fees remains valid until the General Assembly decides otherwise.

### **4. Payments and other matters**

Membership fees have to be paid in EURO on an annual basis towards the ECRN association upon a payment request by the ECRN Secretariat.

Contribution in kind for membership fee payments is only allowed in those cases, where it is justified and feasible and where it is based on contractual arrangements.

Brussels, 16 June 2016