

Proposed Studies on the Risk of Benzene-Induced Diseases in China

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Costs: The estimated costs for the project were derived after careful consideration of all of the technical, ethical, and political issues. (inflation has been incorporated into the estimate).

Total Cost Estimate (2001 U.S. Dollars)	
Seed Monies	\$500,000
Study Costs	
Case-Control Study	\$1,761,000
Disease Progression Study	\$3,494,000
Molecular Epidemiology Study	\$3,275,000
Hematological Laboratory in Shanghai	\$8,340,000
External Communications	\$1,000,000
Other Costs (Administrative, Travel, Ethics Panel, Scientific Oversight Panel)	\$1,341,000
GRAND TOTAL	\$19,713,000

Funding: Funding for the project will be handled by a consortium of interested stakeholders, with shares determined by size of the benzene related operations of the contributing organization. The proposed funding formula was devised based on the assumption that most of the support will come from the petroleum and petrochemical industries. It is anticipated to take five years to complete the project, and that the costs will be highest in the first years of the project.

Proposed Funding Formula Share Determination

Shareholder Category	Shares
U.S. Refiner (based on U.S. refinery capacity)*	
Small ($\leq 500,000$ bbl/day)	1
Medium ($>500,000$ and $\leq 1,500,000$ bbl/day)	2
Large ($> 1,500,000$ bbl/day)	3
Non-U.S. Refiners (no U.S. refineries)	1
Free-Standing Chemical Co. (No refineries)	2
Upstream Company (No refineries)	1
Other (trade association, government, NGO)	Negotiable

*U.S. refinery capacity will be determined based upon refinery ownership as of October 1, 2000. Capacity will be calculated using the Oil and Gas Journal's 2000 Pennwell Directory.

Example Funding for One Share By Project Year*

Study Year	Percent of Costs	Cost Per Share
1	30	\$422,400
2	25	\$352,000
3	15	\$211,200
4	15	\$211,200
5	15	\$211,200
Total:		\$1,408,000

*Assumes that there are a total of 14 shares at approximately \$1,408,000 per share. Costs per share may increase or decrease dependent upon participation level (i.e., total number of shares).

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