



6 November 2014 (13:00 - 14:00 CET)

Chairman: *Guy Ethier, Umicore*
Co-Chairman: *Mark Raffray, Johnson Matthey*

PMC call-in details provided in separate document
PIN code: 24113714#

Minutes

AP refers to an *Action Point* agreed during the meeting and listed at the end of this document.

1. Welcome and introduction

- a. **Reminder on confidentiality and Competition Law.** Participants were reminded on their obligation to comply with confidentiality and Competition Law.
- b. **Tour de table and apologies.** The list of participants is available in Annex 1.
- c. **Approval of the Agenda.** The Agenda (Annex 1) was approved.
- d. **Approval of the minutes of the last meeting (7 Oct 2014, Brussels) - including status of action items.** The minutes were approved.

Review of action points: The action on the additional costs for the 2015 Silver budget for Silver was discussed in more detail. An initial estimate was presented by PMC on potential costs that could arise from the Evaluation of the silver Reach dossier by RIVM. This estimate had been discussed with Mark Raffray and the Ag WG chair (Rob Garrett) but will need further refinement (cf action point below). Worst case estimates indicated potential expenses of up to 1,6 mio euros for the env. part, and also 1,6 mio euros for the mamm. tox part. No expenses were assumed for substance characterisation requests, as such requests will likely have to be born by individual member companies. It was acknowledged that there is a high uncertainty related to this costs. Also, potential cost will likely be spread over several years.

AP: KR to draft refined worst case cost estimates for Evaluation related costs, for presentation at the General Assembly meeting. This should take into account the probabilities of the respective scenarios.

The General Assembly will be asked how they want to handle these potential costs budget wise.

AP: Foresee sufficient time to debate this point on the agenda of the General Assembly

All other actions were finalised, or on-going (Annex 2).

Regarding the ongoing recruitment for a new Secretary General, the Mgt Cttee was informed that the Recruitment Cttee has seen good candidates. Decisions will be made soon.

2. 2014 accounts (status by 30 Sep).

A meeting/conference call was organised on 7 October to review the 2014 accounts status, reserves and proposed 2015 budget. The status of the expenses by 30 Sep 2014 was presented during the call (Annex 3). The situation so far is healthy.

3. Total expenses and cumulative reserves available.

The status of the reserves by 30 Sep 2014, as well as the estimated reserves at the end of 2014 have been presented during the call (Annex 4). The attention of the Mgt Cttee was brought to the estimated negative reserves at the end of the year for Ag, Gold and Cyanides. **POST-MEETING NOTE:** an updated Annex 4 is attached as the Hydrazine "spent 2014" is now estimated to 0,00 € instead of 35.000,00 € based on decisions made at the Hydrazine Task Force conference call hold on 6 Nov 2014 (15:00-17:00), and these expenses postponed to 2015.

4. Revised 2015 budget. The revised 2015 Budget is available in Annex 5.

- a. **Generic costs.** We have some slight higher costs in the revised 2015 budget for Generic costs, mainly due to a 5 % salary increase of the new Secretary General, and the fact that this person will work full time as opposed to part time.



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b. Ag-specific costs. A revised budget of 241415 Euros was proposed, vs. an initial budget of 112350 Euros presented at the June meeting. The cost increases are due to the following points:

- Literature search: more resources are required due to unexpectedly high amount of new literature on (nano) Ag that requires reviewing. PMC indicated that for the purpose of Reach all new and relevant data have to be considered, even if there is many new data. The MC agreed, but asked PMC to assess how the review process can be made more efficient (e.g., by changing the frequency of the reviews, the scope, etc.). Joern Mülhenfield also raised concerns that the increased cost are mainly due to increased activities for nano Ag. Since the General Assembly had agreed that the addition of nano Ag to the Ag dossier should not cause extra costs to producers of bulk Ag, he suggested that such costs should be born by nano Ag producers

AP: PMC secretariat to discuss with Ag WG how to make literature review process more efficient

AP: PMC secretariat to review situation and make recommendation on how to apportion costs for literature search

- Cost for experimental studies increased from 26 250 euros (placeholder) to 101 400 euros (actual figures). The budget assumptions presented in June 2014 contained 3 studies, but these studies were not actually taken forward to the budget presented in June 2014. Costs for those studies already committed were added to the 2015 budget (PMC confirmed that no invoices are expected in 2014 from these studies). The third, not yet committed study, was omitted from the budget for the time being.

The MC agreed with the budget on the condition that agreement can be found on how to handle the literature searches in future.

c. Au-specific costs. The GOLD 2015 total budget presented at the June Assembly meeting is more or less stable (slight increase of 4%) but the detailed cost structure is significantly modified for Phases 4 and 5 based on most recent proposals received from potential providers. Two of the three providers involved still have to be contracted and the budget approved by the WG.

This budget estimate is not including contingency or creation of reserve.

AP: EBRC and ARCHE will be questioned how their costs were built for completing Phase 4 of the project, before any contract is signed.

AP: GOLD WG to approve the 2015 budget.

d. PM CN--specific costs. The PM CYANIDES 2015 total budget presented at the June Assembly meeting is significantly increased (+316%). This increase is due

- In Phase 3: to an underestimation of studies approved in the ITS and to the WG decision (08 Oct 2014 meeting) to refute the read-across from potassium dicyanoaurate to potassium dicyanoargentate for the mammalian toxicity endpoints hence initiating an Annex VII testing programme for the latest
- In Phase 4: to an underestimation of the costs for generating CSR, costs that can be better estimated now with proposals recently received from potential providers (two of the three providers involved still have to be contracted and the budget approved by the WG)

This budget estimate is not including contingency or creation of reserve.

This budget is neither including potential validation test (if the modelling and read-across approach followed would prove weak or questionable) nor the potential purchase of LoA (to complete endpoints by read-across from soluble cyanides (non-PMC substances) if these endpoints cannot be completed with public information).

Finally, this budget is not including Annex VIII testing programme on potassium dicyanoargentate as it's not yet clarified if the read-across approach would remain valid for this series of testing.

AP: EBRC and ARCHE will be questioned how their costs were built for completing Phase 4 of the project, before any contract is signed.

AP: WCA to review and confirm the read-across strategy for this project following the 8 October 2014 WG meeting decision to refute the read-across for mammalian testing on Annex VII.

AP: WCA to confirm if Annex VIII testing should be conducted on potassium dicyanoargentate.

AP: WCA to complete arguments to support any non-testing approach for this project.



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AP: WCA to confirm if LoAs should be purchased.

AP: GOLD WG to approve the 2015 budget.

- e. **PGM-specific costs.** The PGM budget increased from 988 900 Euros as presented in June 2014 to 1 168 010 Euros. The increase (as well as the increase in 2014 spending) is due to a calculation error in previous budget estimates, which led to a significant underestimation of actual costs (ca 1,1 mio Euros). PMC indicated that through maximising the use of read across, the testing cost will not be as high as initially projected, however the costs for experimental studies had to be updated. For this reason, the costs for Phase 3 are projected to increase by ca 100 000 Euros in 2015. Costs for the other project phases are in the same range as projected earlier. The MC agreed with the proposed budget.
- f. **Re-specific costs.** No changes made.
- g. **Refinables-specific costs.** It was noted that the revised 2015 budget for the Refinables has not been approved by the WG yet, as the consultants' proposals were only received over the last few days. The revised budget has been sent to the WG chairs for review. Following changes were made:
- The phases were changed to be in line with the developed project plan.
 - The revised numbers are based on the last action plan for updates as presented at the last WG meeting, recent consultants' proposals for further dossier updates/splitting of dossiers and estimates for additional testing to be undertaken for potentially splitted dossiers. Testing costs include costs for TD testing and phys-chem testing for 4 'new' Refinables following splitting (assumption as splitting not finalised/agreed yet) and are based on 2010 testing costs for the Refinables.
 - The originally budgeted 255.000 € for validation testing has been taken out of the budget, as it is currently unclear if and when validation testing will be needed, and how much this will cost (this will only be done once requested by ECHA). We have the following options for the validation testing:
 - i. take this from the Refinables reserves (currently estimated to be ~ 275.000 € by end 2014) if validation testing turns out to be needed in 2015;
 - ii. increase the Refinables reserves to 367.587 € to cover potential validation testing of 255.000 € (estimate) + 112.587 € reserves to be retained in-house.

Following comments were made:

- It was noted that the budget decision-making should be done by the WG.
- Although the updated budget is in line with the previously presented budget, costs are thought to be high considering updated dossiers were submitted in 2014. However, during the 2014 dossier updates, several weaknesses were identified which require further updating of the dossiers (e.g. consideration of combined toxicity, inclusion of additional constituents for the environmental assessment). Furthermore, we have received clear signals from ECHA that further justification of our SID approach and splitting for some Refinables will be needed, and this will require additional testing. Also, we should not underestimate the impact of potential validation testing.

AP: Review Refinables costs, reduce to the essential tasks and get approval from the WG.

- h. **Hydrazine-specific costs.** All estimated costs will be incurred for assessing the airborne and dermal workplace exposure. This estimate is based on an initial proposal received from a potential provider and will be refined based on a final proposal (not expected by the 3 December Assembly meeting) **POST-MEETING NOTE:** an updated Annex 5 is attached as the Hydrazine Oct-Dec 2014 expenses (€ 35.000,00) are postponed to 2015 and increased with a 20% contingency based on decisions made at the Hydrazine Task Force conference call hold on 6 Nov 2014 (15:00-17:00). The Hydrazine 2015 budget is now estimated to € 78.000,00.



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5. Use of reserves for the calculation of 2015 invoices.

The Mgt Cttee discussed the importance of maintaining a right level of reserves for Silver/Gold/Cyanides and Generic costs. The Management Committee was asked whether it would be possible to use reserves of other projects to cover for the shortfalls of Ag, Au and Cyanides. **POST-MEETING NOTE:** *the EPMF internal rules stipulates that reserves are allocated per budget line (Generic costs and each Metal-specific cost separately) to reduce the amount to be invoiced for each budget line (i.e. unspent Generic monies are not used to reduce any of the amounts to be invoiced for the Metals-specific projects and unspent Ag monies are not used to reduce the amount to be invoiced for the PGM project).*

The following proposal was agreed for presentation at the General Assembly:

- 2015 budget of 2,8 million euros **POST-MEETING NOTE:** 2,9 million considering the Hydrazine update
- Increase of the reserves of Ag, Au, PM CN- and Generic costs at security level
- Backlog for Ag over expenditure that was not charged back in 2014

6. AOB, next meetings/calls, and closing remarks

- a. **PMC General Assembly: preparatory meeting on 19th Nov 2014.** A preparatory meeting prior the General Assembly of the 3rd of December will take place in Brussels on Wednesday 19th November from 9:00 am to 5:00 pm in order to finalise the slides, needed reserves, and indicative 2015 invoices to members. The Mgt Cttee approved to delegate this task to Guy Ethier and Heinz-Günter Schenzel. Other Mgt Cttee members were welcome to join the meeting.

AP: Draft slides and other background documents finalised on 19th Nov will be sent for approval to the Mgt Cttee shortly after the preparatory meeting. The Mgt Cttee is requested to give its approval within one or two days before it is sent to the whole General Assembly.

POST-MEETING NOTE: *the EPMF internal rules stipulates that support materials must be sent to the General Assembly at least one week before the date of the meeting, ie on 26 November 2014 at the latest.*

Annexes:

- 1 - Agenda
- 2 - Status of action items
- 3 - Status of 2014 expenses by 30 Sep 2014
- 4 - Status of 2014 reserves
- 5 - Revised 2015 Budget

Table 1. Actions agreed at 6 Nov 2014 PMC Mgt Cttee call

	What?	Who?	When?
1-	Draft refined worst case cost estimates for Evaluation of Silver related costs, for presentation at the General Assembly meeting	K. Rothenbacher	3 Dec 2014
2-	Foresee sufficient time to debate this point on the agenda of the General Assembly	A Rondepierre	3 Dec 2014
3-	Literature search: - Discuss with Ag WG how to make literature review process more efficient - Review situation and make recommendation on how to apportion costs for literature search	K. Rothenbacher	ASAP
4-	EBRC and ARCHE will be questioned how their costs were built for completing Phase 4 of the Au and PM CN - projects before any contract is signed	R. Nicolay	ASAP
5-	Au WG to approve the 2015 budget	R. Nicolay	ASAP
6-	WCA to review and confirm the read-across strategy for the PM CN - project following the 8 October 2014 WG meeting decision to refute the read-across for mammalian testing on Annex VII.	R. Nicolay	ASAP



PRECIOUS METALS AND RHENIUM CONSORTIUM
Management Committee conference call on budget

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7-	WCA to confirm if Annex VIII testing should be conducted on potassium dicyanoargentate.	R. Nicolay	ASAP
8-	WCA to complete arguments to support any non-testing approach for the PM CN - project.	R. Nicolay	ASAP
9-	Review Refinables 2015 costs, reduce to the essential tasks and get approval from the WG	K. Arijs	ASAP
10-	Draft slides for the General Assembly and other background documents finalised on 19th Nov will be sent for approval to the Mgt Cttee shortly after the preparatory meeting. The Mgt Cttee is requested to give its approval within one or two days before it is sent to the whole General Assembly	Mgt Cttee	25 Nov 2014