

# Precious Metals and Rhenium Consortium Management Committee conference call

4 November 2011 - 15h00 CET

# Agenda

1. Welcome and introduction
2. Chairpersonship PMC
3. Substance and tonnage band declarations, cost-sharing and invoicing
4. Budget, invoices and LoA
5. Draft Agenda 6 Dec 2011 Assembly meeting
6. AOB, next call/meeting, and closing remarks

# 1. Welcome and introduction

# Participants

- Caroline Braibant, EPMF (Belgium)
- Ron Davies, Ames Goldsmith (United States)
- Guy Ethier, Umicore (Belgium)
- Rob Garrett, Ames Goldsmith (United Kingdom)
- Gerhard Gutekunst, Wieland Edelmetalle (Germany)
- Mark Raffray, Johnson Matthey (UK)
- Klaus Rothenbacher, EPMF (Belgium)
- Heinz-Günter Schenzel, C. Hafner (Germany)

## Apologies

- Christine Bourda, Metalor (France)
- Markus Hannakam, Heraeus Precious Metals (Germany)
- Mohamed Moukassi, SFPZ (Morocco)
- Neville Plint, AngloPlatinum (South Africa)
- Jacques Schaffnit, Metalor (France)

# Actions from the last call

- Develop scenarios for chairpersonship Item 2
- Circulate latest PMC inventories Done
- Case study reflecting impact of changes in PMC inventory on invoicing, technical work Item 3
- Final version of EPMF Internal Rules (2012)
- Business case for additional PMC HR (2012)
- 2011 2<sup>nd</sup> invoices Done
- 2012 reserves and payment holidays Item 4
- 2012 internal LoA prices (for reference) Item 4
- Alternative approach for sample reimbursement Item 4

# 2. Chairpersonship

# Several scenarios

## Scenario 1

- G. Ethier & M. Raffray remain in place

## Scenario 2

- ?

## Scenario 3

- ?

MC workload increasingly strategic (registration planning, evaluation, authorisation)

# 3. Members' declarations, cost- sharing, invoicing

# Consortium Agreement

Members declare their registration intentions in Substance and tonnage band declaration:

- Substances
- Intermediates
- Tonnage band

Secretariat uses declaration to prepare inventories and invoices

## Inventories

Base for:

- Consultant's work and budget predictions
- ITS building
- CSA/CSR needs prediction
- IUCLID 5 files filling

## Invoicing

Proportionate allocation of predicted budget based on:

- Substances in each tonnage band
- Number of substances

# Inventories

## Example 1

### Change in tonnage

- Decrease: if substance was reference substance for testing and read-across, this may change if the tonnage is lowered:
  - Need to check if it can remain reference substance
  - If not, need to identify another reference substance, review and update the ITS
- Increase:
  - May change registration deadline and need to fast-track testing programme et al.
  - May replace existing reference substance (cf. above)

## Example 2

### Change in status

- From substance to non-SCC intermediate or vice-versa: ok (same information requirements)
- From substance to SCC intermediate: cf. Example 1
- From SCC intermediate to substance: cf. Example 1
- From SCC intermediate to non-SCC intermediate: increases information requirements, a non-SCC intermediate may become candidate for reference substance (cf. Example 1)
- From non-SCC intermediate to SCC intermediate: decreases information requirements, a SCC intermediate should ideally not be used as reference substance (cf. Example 1)

Review of ITS require from 3 to 25 h consultancy work = ~ 450 – 3750 €/change  
(+ relevant WG and PMC secretariat's time!)

# Inventories (cont.)

## Example 3

### Addition of substance

- Substance or non-SCC intermediate:
  - Need to re-do literature search, data gap analysis, ITS
  - New substance may be suitable reference substance (cf. Example 1)
- SCC intermediate:
  - Need to re-do literature search and prepare additional IUCLID 5 file
  - 1 to 3 h consultancy work = 150 – 450 €/addition (+ relevant WG and PMC secretariat's time!)

## Example 4

### Removal of substance

- Substance or non-SCC intermediate:
  - Data gap analysis, ITS and IUCLID 5 work done for nothing
  - If reference substance cf. Example 1
- SCC intermediate:
  - Literature search and IUCLID 5 work done for nothing
  - 1 to 3 h consultancy work (150 – 450 €/removal) lost

# Invoicing

- Beyond impact on overall budget, the addition or removal of a substance/intermediate and an adjustment of its tonnage band also complicates invoicing
- Following examples assume total budget of 100 000 € and three Members, where one Member makes changes to its declaration – base case:

Member	S/I in 100-1000 t/a	S/I in 10-100 t/a	S/I in 1-10 t/a	Share (€)
1	2	1	1	65 909
2	0	2	0	19 772
3	0	0	2	14 318

# Invoicing (cont.)

## Example 1

- Addition of a substance

Member	S/I in 100-1000 t/a	S/I in 10-100 t/a	S/I in 1-10 t/a	Share (€)	Difference (€)
1	2	1	1	62 400	- 3 508
2	0	2	0	18 253	- 1 518
3	0	0	3	19 345	+ 5 027

## Example 2

- Removal of a substance

Member	S/I in 100-1000 t/a	S/I in 10-100 t/a	S/I in 1-10 t/a	Share (€)	Difference (€)
1	2	1	1	72 689	+ 6 779
2	0	1	0	11 064	- 8 708
3	0	0	2	16 246	+ 1 928

# Invoicing (cont.)

## Example 3

- Increase in tonnage band

Member	S/I in 100-1000 t/a	S/I in 10-100 t/a	S/I in 1-10 t/a	Share (€)	Difference (€)
1	2	1	1	63 793	- 2 115
2	0	2	0	19 396	- 376
3	0	1	1	16 810	+ 2 492

## Example 4

- Decrease in tonnage band

Member	S/I in 100-1000 t/a	S/I in 10-100 t/a	S/I in 1-10 t/a	Share (€)	Difference (€)
1	2	0	2	65 384	- 524
2	0	2	0	20 192	+ 419
3	0	0	2	14 423	+ 105

# 3.a PMC's cost-sharing formula

# Background

- PMC Founding Members requested a fair, transparent and non-discriminatory cost-sharing formula
- Need to recognise balance between data and expertise provided by “big” Members and sharing of costs by “medium” and “smaller” Members
  - The more the merrier!
- Agreed to charge:
  - Per company (not per legal entity)
  - Secretariat/Generic costs equally to all Members
  - Technical project/Metal-specific costs:
    - 50% based on substances in each tonnage band (each tonnage band has its own weight)
    - 50% based on number of substances declared
- Intermediates assumed to require only existing available information → not considered in original cost-sharing formula

# Change in 2008

- Intermediates all assumed to be SCC
- However, there is more than expected in “*Any existing available information*” → data gathering and evaluation, classification, read-across, IUCLID 5 filling, etc.
- Intermediates added to calculation of metal-specific costs in a symbolic/light manner:
  - Weight of 1 in first half of calculation
  - No contribution to second half of calculation

# Change in 2011

- Intermediates no longer all SCC
- Need to distinguish “light” intermediate dossier requirements from “full” intermediate dossier requirements
- Agreed to weight non-SCC intermediates as substances :
  - Weight according to tonnage band in first half of metal-specific costs
  - Considered when calculating second half of metal-specific costs
- Above applied for simple intermediates only, not for Refinables (agreement on update vs. upgrade needs not yet final)

# Can we expect other changes?

- Once update/upgrade clarified → probably need to adjust PMC cost-sharing formula to reflect change to Refinables project
- Hence... let's take the opportunity to improve overall cost-sharing
  - From complex to simple
  - From transparent to more transparent
- You may wonder “*What is wrong with PMC's cost-sharing formula...?*”

# What is wrong with PMC's formula...?

- Nothing in essence... In practice however, very complex!
  - a) PMC only charges according to agreed budget
    - Budget changes every year, is shared among Members via two invoices per year, each invoice is different, each year's share is different...
  - b) PMC calculates invoices on the basis of each Members' substance and tonnage band declaration
    - Members sometimes adjust their substance and tonnage band declarations (REACH remains unpredictable)
    - Changes in one Members' declaration triggers changes in Members' invoice as well as in all other invoices (proportion changes = invoice changes!)
- Altogether:
  - Difficult to predict invoices and company's budget for PMC
  - Complicated calculation corrections by PMC secretariat

# What should be done?

Forbid changes to the Members' declarations  
(theoretically great but impossible in practice)

OR

Adjust cost-sharing formula

# Proposed approach

1. Based on 2007-2011 invoices, calculate a typical cost per substance or SCC intermediate per:
  - Tonnage band
  - Project
  - Year(Similar to exercise done for LoA calculation)
2. Charge these to Members at the beginning of the year
3. At Jun PMC Plenary meeting check sufficiency of resources
4. At Dec PMC Assembly meeting check sufficiency of resources, reserves and use outcome to calculate cost per substance or intermediate per tonnage band and per project for following year

# Approximate amounts

2007 + 2008 (1)

	<b>2007 Budget</b>	<b>s 1-10</b>	<b>s 10-100</b>	<b>s 100-1000</b>
<b>Ag</b>	50.680,80 €	3.421,91 €	3.801,32 €	5.824,83 €
<b>Au</b>		1.993,71 €	2.447,55 €	
<b>PM CN-</b>				
<b>PGM</b>		618,26 €	1.306,27 €	
<b>Re</b>				
<b>Refinables</b>				
<b>Generic costs</b>	134.100,00 €			

# Approximate amounts

2008 (2)

	2008 Budget	s 1-10	s 10-100	s 100-1000	s > 1000
<b>Ag</b>	324.000,00 €	1.875,95 €	2.103,80 €	3.318,99 €	16.989,87 €
<b>Au</b>	80.000,00 €	1.126,37 €	2.197,80 €		
<b>PM CN-</b>					
<b>PGM</b>	300.000,00 €	1.264,28 €	2.720,45 €		
<b>Re</b>	36.550,00 €	2.547,96 €	5.253,14 €		
<b>Refinables</b>					
<b>Generic costs</b>	250.419,00 €				

# Approximate amounts

2009

	<b>2009 Budget</b>	<b>s 1-10</b>	<b>s 10-100</b>	<b>s 100-1000</b>	<b>s &gt; 1000</b>
<b>Ag</b>	405.244,00 €	4.719,88 €	5.371,40 €	8.846,16 €	47.937,22 €
<b>Au</b>	112.810,00 €	2.984,39 €	5.670,34 €		
<b>PM CN-</b>	129.820,00 €	4.755,31 €	9.748,39 €		
<b>PGM</b>	543.900,00 €	2.303,44 €	4.952,39 €		
<b>Re</b>	201.450,00 €	11.596,63 €	24.608,95 €		
<b>Refinables</b>					
<b>Generic</b>	449.265,99 €				

# Approximate amounts

2010

	2010 Budget	s 1-10	s 10-100	s 100-1000	s > 1000	SCC i any tonnage
<b>Ag</b>	570.135,52 €	4.102,81 €	4.681,36 €	7.766,93 €	42.487,35 €	39,36 €
<b>Au</b>	343.601,74 €	6.102,86 €	11.777,00 €			384,02 €
<b>PM CN-</b>	135.733,03 €	2.779,06 €	5.697,08 €			
<b>PGM</b>	1.981.479,21 €	7.786,06 €	16.511,46 €			579,90 €
<b>Re</b>	179.994,59 €	4.989,41 €	10.084,91 €			449,79 €
<b>Refinables</b>	638.884,50 €					2.387,00 €
<b>Generic</b>	479.355,30 €					

# Approximate amounts

2011

	2011 Budget	s 1-10	s 10-100	s 100-1000	s > 1000	SCC i any tonnage
<b>Ag</b>	661.524,00 €	2.438,16 €	2.759,32 €	4.472,22 €	23.742,25 €	21,79 €
<b>Au</b>	111.188,00 €	2.694,50 €	5.159,48 €			170,11 €
<b>PM CN-</b>	109.166,00 €	4.288,67 €	8.967,22 €			0,00 €
<b>PGM</b>	766.980,00 €	3.160,65 €	6.679,85 €	2.228,00 €		232,81 €
<b>Re</b>	300.955,00 €	16.658,71 €	45.144,37 €			1.497,62 €
<b>Refinables</b>	792.480,00 €					9.123,87 €
<b>Generic</b>	457.833,00 €					

# Average amounts

Average 2007-2011

	Average Budget/y	s 1-10	s 10-100	s 100-1000	s > 1000	SCC i any tonnage
<b>Ag</b>	402.316,86 €	3.311,74 €	3.743,44 €	6.045,83 €	32.789,17 €	30,58 €
<b>Au</b>	161.899,93 €	2.980,37 €	5.450,43 €			277,07 €
<b>PM CN-</b>	124.906,34 €	3.941,01 €	8.137,56 €			
<b>PGM</b>	898.089,80 €	3.026,54 €	6.434,08 €	2.228,00 €		406,36 €
<b>Re</b>	179.737,40 €	8.948,18 €	21.272,84 €			973,71 €
<b>Refinables</b>	715.682,25 €					5.755,44 €
<b>Generic</b>	354.194,66 €					

# Average amounts (cont.)

Round figures 2007-2011

(proposed as base to invoice as from 2013)

	Average Budget/y	s 1-10	s 10-100	s 100-1000	s > 1000	SCC i any tonnage
<b>Ag</b>	402.316,86 €	3400 €	3800 €	6100 €	33 000 €	50 €
<b>Au</b>	161.899,93 €	3000 €	5500 €			300 €
<b>PM CN-</b>	124.906,34 €	4000 €	8200 €			
<b>PGM</b>	898.089,80 €	3100 €	6500 €	2300 €		400 €
<b>Re</b>	179.737,40 €	9000 €	21500 €			1000 €
<b>Refinables</b>	715.682,25 €					6000 €
<b>Generic</b>	354.194,66 €					

# 4. Budget, invoices, and LoA

# 4.a 2012 REACH package

# REACH 2012

- Generic technical projects (coordinated by Eurométaux)
  - Objective: support metals Reach registrations
  - Co-sponsored by PMC and other NFM generic since 2008 (~ 15 000 €/year/metal)
  - Deliverables
    - Metal-specific REACH tools, knowledge and credibility with regulators
    - spERCs, MEASE, HERAG, MERAG, CLP trainings, etc.
  - Results were crucially important for our Ag dossiers (especially now, since Ag is up for evaluation)
  - Future deliverables will be equally important for success of our dossiers

# REACH 2012

- New generic projects proposed
  - Updates of above-mentioned tools with more/better data (to demonstrate safe use in Exposure Scenarios)
  - Establish bio-elution testing (required for PGMs)
  - Read-across principles (required for Ag, PGMs, Re, etc.)
  - etc.
- Projects are directly relevant to PMC
  - Required to support Ag dossiers (Evaluation!) and new dossiers
  - Projects more relevant to PMC than for most other metals
- PMC recommends supporting 2012 projects
  - Relevance for PMC circulated to MC – not co-financing = financing alone
  - Cost: ~ 15 000-25 000 €/year (already covered in 2012 budget announced)

MC's decision?

# 4.b Sample reimbursement

# Background

- At the 13 Sep 2011 Mgmt Cttee conference call C. Braibant explained how complex the reimbursement of samples on the basis of the approach originally proposed would become difficult to implement
- C. Braibant proposed to describe an alternative solution, simpler than the original one
- These slides aim at describing the alternative solution that is being proposed
- Depending on the recommendation of the Mgmt Cttee, sample providers will be contacted to make sure they agree with the alternative solution

# Current approach - complex

1. Sample sent from sample provider to Lab
2. Invoice for freight and insurance sent to PMC, PMC:
  1. Pays invoice, and
  2. Owes sample cost to sample provider
3. Lab:
  1. Uses (part of) sample for test, which can be either:
    1. Used and recovered – can be sent to a refinery for PM content recovery
    2. Spent and lost – charged by sample provider but impossible to recover part of the cost via PM content recovery
  2. Keeps part of sample archived for GLP
  3. Keeps remainder of sample for future test/for return to sample provider
4. Upon finalisation of test, samples can be:
  1. Fresh or unused – if not needed for future tests they can be sent back to sample providers who charges PMC for the lost part
  2. Used and recovered – this portion is sent to a refinery for PM content recovery, which is paid by the refinery to PMC which uses this money to reimburse sample providers for the lost part

# Proposed solution - simpler

1. Sample sent from sample provider to Lab
2. Invoice for freight, insurance, and sample cost sent to PMC, PMC pays full invoice
3. Lab:
  1. Uses (part of) sample for test, which can be either:
    1. Used and recovered – and sent to a refinery for PM content recovery
    2. Spent and lost – charged by sample provider but impossible to recover part of the cost via PM content recovery
  2. Keeps part of sample archived for GLP
  3. Keeps remainder of sample for future test/for return to sample provider
4. Upon finalisation of test, samples can be fresh/unused or used/recovered. It is proposed to make no difference between fresh and used samples and send a mix of both to refinery for PM content recovery, which is paid by the refinery to PMC which uses this money to reimburse sample providers for the total sample cost

# Original versus new

	Original approach	New solution
<b>PMC Members invoices</b>	<p>In two parts:</p> <ul style="list-style-type: none"> <li>- Freight and insurance paid upon receipt of invoice</li> <li>- Lost sample after tests are finalised, samples have been collected and returned, Member has checked amount returned and issues an invoice to PMC</li> </ul>	<p>Once: freight, insurance and total sample reimbursed upon receipt of invoice</p>
<b>Mgmt of samples at Lab</b>	<p>Need to store and ship separately:</p> <ul style="list-style-type: none"> <li>- Fresh/unused</li> <li>- Used/recovered from test</li> <li>- GLP amount</li> </ul>	<p>Need to store GLP amount. Remainder can be mixed and sent to PM Refinery</p>
<b>Recovery of PM content</b>	<p>From used/recovered samples only, by selected refinery</p> <p>Amounts paid to PMC would allow paying “lost sample” invoices</p>	<p>From total samples, by selected refinery</p> <p>Amounts paid to PMC would allow paying full sample invoices</p>
<b>Pros</b>	<p>Fresh and used samples not mixed and sent for recovery together</p>	<p>Simple, more transparent and straightforward</p>
<b>Cons</b>	<p>Complicated, not transparent and burdensome</p>	<p>Fresh and used samples mixed</p>

# To be considered...

**Accountant viewpoint:** supports simplified approach which would improve the Accountancy around sample reimbursement overall

## **Opinion of sample providers:**

- OK to proceed with simplified approach
- Need to maximise efficiency of sample requests (little by little or all in one)

## **Cost of sample versus income from refining of samples:**

- When samples (whether fresh+used or used only) are sent to PM Refinery:
  - PM content/value is recovered (not PM compound/value)
  - PM content/value is paid to PMC (not PM compound/value)
  - Value of PM content recovered from refiner may not be equal to value of sample as originally manufactured and/or invoiced by sample provider
- In PMC metal-specific budgets (especially PGM), need to add contingency (paid by all PMC Members) for:
  - Difference between compound and PM value (cost difference)
  - Difference between actual sample cost and amount received following PM recovery (cost fluctuation)

# 4.c Status of 2011 reserves

# 2011 Expenses

	<b>Confirmed expenses by 26 Oct 2011 (9 months)</b>	<b>Best estimate of expenses for 2011 (extrapolated to 12-14* months)</b>
<b>Generic costs*</b>	304.007,37 €	472.900,35 €
<b>Ag-specific costs</b>	138.373,57 €	215.247,78 €
<b>Au-specific costs</b>	42.269,40 €	65.752,40 €
<b>PM CN- -specific costs</b>	33.340,97 €	51.863,73 €
<b>PGM-specific costs</b>	194.946,42 €	303.249,99 €
<b>Re-specific costs</b>	49.374,88 €	76.805,37 €
<b>Refinables-specific costs</b>	190.448,79 €	296.253,67 €
<b>Hydrazine</b>	0,00 €	0,00 €

(\*Based on 14 months Belgian regime)

# 2011 Reserves

	<b>Predicted expenses - confirmed expenses</b>	<b>Reported reserve by 26 Oct 2011</b>	<b>Probable reserve by Dec 2011 (to be confirmed in Mar 2012)</b>
<b>Generic costs</b>	168.892,98 €	184.522,05 €	15.629,07 €
<b>Ag-specific costs</b>	76.874,21 €	662.158,23 €	585.284,02 €
<b>Au-specific costs</b>	23.483,00 €	472.009,38 €	448.526,38 €
<b>PM CN- -specific costs</b>	18.522,76 €	249.151,56 €	230.628,80 €
<b>PGM-specific costs</b>	108.303,57 €	2.483.628,05 €	2.375.324,48 €
<b>Re-specific costs</b>	27.430,49 €	449.028,96 €	421.598,47 €
<b>Refinables-specific costs</b>	105.804,88 €	656.342,79 €	550.537,91 €
<b>Hydrazine</b>	0,00 €	0,00 €	0,00 €

(Assuming all Members pay their 2011 membership)

# 4.d Proposed 2012 budget and invoicing

# 2012 predicted budget

	2012 Budget
<b>Generic costs</b>	539.968,13 €
<b>Ag-specific costs</b>	117.980,00 €
<b>Au-specific costs</b>	226.111,09 €
<b>PM CN- -specific costs</b>	159.290,26 €
<b>PGM-specific costs</b>	1.874.135,14 €
<b>Re-specific costs</b>	60.942,13 €
<b>Refinables-specific costs</b>	1.002.980,00 €
<b>Hydrazine</b>	

Same as announced in Jun 2011 except for:

Ag: 10 000 € added for Dossier update costs

Re: 11 800 € added for additional testing monitoring costs

# Payment holiday feasibility

## Assuming 100% reserve

	To be invoiced in 2012 (assuming 100% reserve is deducted)	Likely payment holiday in 2012 (100% reserve scenario)	Comment/Question (100% reserve scenario)
<b>Generic costs*</b>	532.153,59 €	No	50% of the reserve kept in any case One or two invoices (~ 1x 11 000 € or 2x ~ 5500 €)?
<b>Ag-specific costs</b>	-467.304,02 €	Yes	(to be reviewed in Jun 2012)
<b>Au-specific costs</b>	-222.415,29 €	Yes	(to be reviewed in Jun 2012)
<b>PM CN- -specific costs</b>	-71.338,54 €	Yes	(to be reviewed in Jun 2012)
<b>PGM-specific costs</b>	-501.189,34 €	Yes	(to be reviewed in Jun 2012)
<b>Re-specific costs</b>	-360.656,34 €	Yes	(to be reviewed in Jun 2012)
<b>Refinables-specific costs</b>	452.442,09 €	?	(to be reviewed in Jun 2012)
<b>Hydrazine</b>		?	(to be reviewed in Jun 2012)

\*For Generic costs 50% of the reserve is kept as a minimum

# Payment holiday feasibility

## Assuming 75% reserve

	To be invoiced in 2012 (75% reserve deducted)	Likely payment holiday in 2012 (75% reserve scenario)	Comment/Question (75% reserve scenario)
<b>Generic costs*</b>	532.153,59 €	No	50% of the reserve kept in any case One or two invoices (~ 1x 11 000 € or 2x ~ 5500 €)?
<b>Ag-specific costs</b>	-320.983,02 €	Yes	(to be reviewed in Jun 2012)
<b>Au-specific costs</b>	-110.283,70 €	Yes	(to be reviewed in Jun 2012)
<b>PM CN- -specific costs</b>	-13.681,34 €	Yes	(to be reviewed in Jun 2012)
<b>PGM-specific costs</b>	92.641,78 €	No	(to be reviewed in Jun 2012)
<b>Re-specific costs</b>	-255.256,72 €	Yes	(to be reviewed in Jun 2012)
<b>Refinables-specific costs</b>	590.076,57 €	?	(to be reviewed in Jun 2012)
<b>Hydrazine</b>	0,00 €	?	(to be reviewed in Jun 2012)

\*For Generic costs 50% of the reserve is kept as a minimum

# Payment holiday feasibility

## Assuming 50% reserve

	To be invoiced in 2012 (50% reserve deducted)	Likely payment holiday in 2012 (50% reserve scenario)	Comment/Question (50% reserve scenario)
<b>Generic costs</b>	532.153,59 €	No	50% of the reserve kept in any case One or two invoices (~ 1x 11 000 € or 2x ~ 5500 €)?
<b>Ag-specific costs</b>	-174.662,01 €	Yes	(to be reviewed in Jun 2012)
<b>Au-specific costs</b>	1.847,90 €	No	(to be reviewed in Jun 2012)
<b>PM CN- -specific costs</b>	43.975,86 €	No	(to be reviewed in Jun 2012)
<b>PGM-specific costs</b>	686.472,90 €	No	(to be reviewed in Jun 2012)
<b>Re-specific costs</b>	-149.857,11 €	Yes	(to be reviewed in Jun 2012)
<b>Refinables-specific costs</b>	727.711,05 €	?	(to be reviewed in Jun 2012)
<b>Hydrazine</b>	0,00 €	?	(to be reviewed in Jun 2012)

# Payment holiday feasibility

## Assuming 25% reserve

	To be invoiced in 2012 (25% reserve deducted)	Likely payment holiday in 2012 (25% reserve scenario)	Comment/Question (25% reserve scenario)
<b>Generic costs</b>	532.153,59 €	No	50% of the reserve kept in any case One or two invoices (~ 1x 11 000 € or 2x ~ 5500 €)?
<b>Ag-specific costs</b>	-28.341,01 €	Yes	(to be reviewed in Jun 2012)
<b>Au-specific costs</b>	113.979,50 €	No	(to be reviewed in Jun 2012)
<b>PM CN- -specific costs</b>	101.633,06 €	No	(to be reviewed in Jun 2012)
<b>PGM-specific costs</b>	1.280.304,02 €	No	(to be reviewed in Jun 2012)
<b>Re-specific costs</b>	-44.457,49 €	Yes	(to be reviewed in Jun 2012)
<b>Refinables-specific costs</b>	865.345,52 €	?	(to be reviewed in Jun 2012)
<b>Hydrazine</b>	0,00 €	?	(to be reviewed in Jun 2012)

# MC's recommendation?

## Payment holiday:

- 100% reserve deduction?
- 75% reserve deduction?
- 50% reserve deduction?
- 25% reserve deduction?
- Other?

## Invoicing:

- One invoice for 2012?
- Two invoices for 2012?

Review need for second invoice in June 2012

Combine with test case on simplified cost-sharing/invoicing approach

# 4.e LoA

# LoA

- Allows legal entities not financing the registration preparation via their PMC membership to be part of the joint submission
- Agreement in place since 2010
- LoA costs based on:
  - 2007-2009 confirmed expenses
  - 2010-2020 expense predictions
  - 3% annual inflation rate
  - 20% contingency to cover for uncertainties
- PMC Members use LoA prices to benchmark PMC membership cost-benefit – PMC Members:
  - Can review REACH files before submission
  - Co-own data generated for REACH files
  - Can use REACH data for other purposes than REACH free of charge
  - Are reimbursed with LoA ‘incomes’

# 2010 LoA prices

Project / Dossier	Band	Exact amount	+ 20% contingency	Min	Max
<b>Generic</b>	N/A	31.743,77 €	38.092,53 €	32.000,00 €	38.500 €
<b>Ag</b>	Intermediate	98,52 €	118,23 €	100,00 €	125 €
	1-10	5.394,41 €	6.473,30 €	5.500,00 €	6.500 €
	10-100	6.872,28 €	8.246,73 €	7.000,00 €	8.500 €
	100-1000	14.754,22 €	17.705,06 €	15.000,00 €	18.000 €
	> 1000	103.426,03 €	124.111,24 €	103.500,00 €	124.500 €
<b>Au</b>	Intermediate	1.217,67 €	1.461,20 €	1.500,00 €	1.500 €
	1-10	18.944,33 €	22.733,20 €	19.000,00 €	23.000 €
	10-100	37.209,38 €	44.651,26 €	37.500,00 €	45.000 €
<b>PM CN-</b>	Intermediate	1.161,96 €	1.394,35 €	1.500,00 €	1.500 €
	1-10	16.425,86 €	19.711,03 €	16.500,00 €	20.000 €
	10-100	33.855,23 €	40.626,27 €	34.000,00 €	41.000 €
<b>PGM</b>	Intermediate	1.709,45 €	2.051,34 €	2.000,00 €	2.500 €
	1-10	22.929,52 €	27.515,42 €	23.000,00 €	30.000 €
	10-100	48.571,31 €	58.285,58 €	46.000,00 €	60.000 €
<b>Re</b>	Intermediate	1.264,29 €	1.517,15 €	1.500,00 €	2.000 €
	1-10	15.197,18 €	18.236,61 €	15.500,00 €	20.000 €
	10-100	34.161,56 €	40.993,87 €	34.500,00 €	41.000 €
<b>Refinables</b>	Intermediate	8.514,91 €	10.217,89 €	9.000,00 €	10.500 €

# Delta predicted expenses May 2010 vs. confirmed expenses/refined predictions Oct 2011

DETAIL OF BUDGET ITEMS	Delta 2010	Delta 2011	Delta 2012	Delta 2013	TOTAL deltas 2010-2013	Total deltas 2010-2013/project
<b>1. REACH Generic costs</b>	-92.854,70 €	135.838,72 €	117.469,82 €	-71.087,39 €	89.366,44 €	89.366,44 €
<b>2. Ag</b>	-49.626,48 €	-40.783,60 €	-117.980,00 €	171.359,52 €	-37.030,56 €	242.308,96 €
<b>2.3. Ag Future costs</b>				279.339,52 €	279.339,52 €	
<b>3. Au</b>	309.103,74 €	311.120,80 €	158.994,55 €	-38.216,60 €	741.002,48 €	741.002,48 €
<b>3.2. Au Future costs</b>						
<b>4. PM CN-</b>	111.790,03 €	93.881,93 €	-35.178,60 €	-44.016,60 €	126.476,77 €	126.476,77 €
<b>4.2. PM CN- Future costs</b>						
<b>5. PGM</b>	1.601.122,21 €	1.936.197,35 €	383.597,00 €	-235.574,52 €	3.685.342,03 €	3.685.342,03 €
<b>5.2. PGM Future costs</b>						
<b>6. Re</b>	103.632,59 €	122.392,80 €	45.241,40 €	-21.522,84 €	249.743,94 €	249.743,94 €
<b>6.2. Re Future costs</b>						
<b>7. Refinables</b>	372.509,50 €	-278.273,00 €	-1.002.980,00 €	62.706,45 €	-846.037,05 €	-780.350,60 €
<b>7.2. Refinables Future costs</b>			0,00 €	65.686,45 €	65.686,45 €	

# Discussion

- All predictions made by May 2010 were sufficiently conservative/precautionary
- Another review must take place once the 2011 expenses are confirmed and the cost of the Ag Evaluation can be predicted (~ 280 000 € had been foreseen for future costs in original prediction)
- Refinables is a special case, where it is difficult to predict LoA costs

## → Proposal:

- Leave LoA May 2010 prices unchanged and review in Q3 2012
- Inform SIEF that:
  - Prices have been reviewed and seem correct except for Ag and Refinables which may be adjusted upwards
  - LoA will be sold as closely as possible before the applicable registration deadline

# 5. Draft Agenda 6 Dec 2011

# Draft Agenda

(10h30 – 15h30)

## 1. Welcome and introduction

1. Confidentiality and Competition Law
2. Approval of the Agenda
3. Actions agreed and approval of the minutes of the last meeting (Cambridge, 17 Jun 2011)

## 2. Status and progress of PMC Projects

1. Ag: remaining registrations, terrestrial and classification work, evaluation, timeline
2. PM CN-: ITS development, testing programme, timeline
3. PM CN-: ITS, modelling programme, timeline
4. PGM: ITS tier 1, testing programme, exposure data collection, timeline
5. Re: testing programme, IUCLID 5 filling, timeline
6. PM Refinables: Advocacy on SCC, update vs. upgrade, pilot cases, cost-sharing

# Draft Agenda (cont.)

(10h30 – 15h30)

## 3. PMC organisation

1. PMC chairmanship
2. Illustration of impact of changes in Members' declarations in inventories and invoicing

## 4. Cost-sharing, expenses and budget forecasts

1. Sample reimbursement
2. PMC cost-sharing formula
3. Reminder on budget format and content
4. Status of 2011 expenses, 2011 reserve, 2012 budget and 2012 invoices
5. Internal LoA costs for reference

## 5. AOB, next meetings and closing remarks

1. Next PMC Plenary Meeting: Antwerp, 14 Jun 2012
2. Next PMC Assembly Meeting: Brussels, 6 Dec 2012

6. AOB, next  
call/meeting and  
closing remarks

# 6.a Evaluation of Silver

# Conference call with Eurométaux

Participants and specific interests in the call:

1. Caroline Braibant (EPMF): Ag
2. Terry Civic (Berzelius): Ag
3. Roger Doome (IMA Europe): no substance on list, follow-up of Ag and Titanium dioxide, Silicon dioxide for debate on nano and crystalline form
4. Katia Lacasse (ECI): no specific interest, general follow-up on Ag and silicon dioxide
5. Joeri Leenaers (Eurométaux): Secretariat (with V. Verougstraete and H. Waeterschoot)
6. Klaus Rothenbacher (EPMF): Ag
7. Marleen Van den Bergh (Umicore): General interest
8. Nadia Vinck (Euroalliages): Silicon dioxide (linked to silica fume registration prepared by Euroalliages)
9. Violaine Verougstraete (Eurométaux)
10. Martin Wieske (WVM): Gallium arsenide (only placed on market as article + on-going classification debate)

# Comments and questions

- Draft list to be discussed by MSC in February 2012, released for information and not for consultation
- Reasons/criteria behind listing unclear, not transparent
  - Possible reason(s) for Ag to be on the list for Evaluation: has not undergone voluntary risk assessment, > 1000 t/a Dossier, environmental toxicant, widely used, contains testing proposal, link with nano-silver
- Questions for Eurométaux:
  - Have substances put on the list for Evaluation being Dossier evaluated? Can we expect Dossier and Substance Evaluation in parallel?
  - What is the impact on existing dossier and on-going work under finalisation (classification, terrestrial, water)?
  - What can be done between now and Feb 2012?
  - What needs to be done now if Evaluation up for 2013 or 2014?
  - Can a successful Evaluation (demonstration of no risk) prevent from being listed or prioritised for Authorisation?
  - Can Eurométaux prepare a one-paper/Q&A with generalities (difference between Dossier and Substance Evaluation, criteria for selection for Evaluation, timing, procedure, communication with MS representatives (incl. comparison with past TCNES experience), etc.) and answers to above questions?

# Ag and nanoAg

- NanoAg not covered in Ag Registration Dossier because at the time of Registration preparation and submission (Dec 2010):
  - Definition of nanomaterial under development
  - Identification of nanomaterials under REACH on-going
  - Testing protocols for nanomaterial characterisation on-going
  - No PMC Member manufacturing nanosilver
  - No nanosilver expertise in PMC membership
  - No SIEF Member coming forward to register nanosilver
  - Nanosilver manufacturers (different legal entities than 2010 registrants) manufacturing lower quantities, hence, later registration deadline

# 6.b Proposed way forward for occupational exposure assessments (OEA)

# Status OEA PMC projects

- Ag: finalised (EBRC) – outcome very satisfactory
- Au: not yet launched, in principle assigned to WCA
- PM CN-: not yet launched, in principle assigned to WCA
- PGM: soon, in principle assigned to WCA – need to block space with experts asap!
- Re: may not be required, in principle assigned to WCA
- Refinables: occupational exposure assessment started (EBRC) – outcome satisfactory so far

Need to decide on consultant for occupational exposure assessment: EBRC or WCA...?

# Proposal to Mgmt Cttee

- Occupational Exposure Assessments to be carried out by EBRC
  - EBRC's expertise and credibility in OEA known and recognised by industry and authorities
  - OEA not a key skill of WCA
  - Complexity of precious metals requires experienced experts
  - PMC secretariat and Chairman TAP believe EBRC is THE reference for OEA
  - EBRC also likely to be more cost effective
- Environmental exposure assessments to remain with WCA
- OK for PMC to request quote from EBRC for OEA work for PGMs?

# Scope of the quote

- Need clean limit between WCA and EBRC mandates and responsibilities

- How to share human health portion of REACH work?

- Identifying testing needs
  - Running testing programme
  - Evaluating test results
  - Performing effects assessment
  - Deriving DNEL
  - Collecting/generating exposure data
  - Comparing DNEL with exposure data
  - Drafting Exposure Scenarios
  - Preparing a Chemical Safety Report
- 
- The diagram uses brackets to group the tasks into four categories:
- WCA**: Identifying testing needs, Running testing programme, Evaluating test results, Performing effects assessment
  - WCA, peer reviewed by EBRC**: Deriving DNEL
  - EBRC**: Collecting/generating exposure data, Comparing DNEL with exposure data
  - EBRC, peer reviewed by WCA**: Drafting Exposure Scenarios, Preparing a Chemical Safety Report

# 6. c Project Manager Refinables

# Outcome of meeting with ARCHE

- Overall progress and efficiency of K. Arijs
  - Good focus, very professional and detailed, still a bit introverted but will good balance with impulsiveness of H. Waeterschoot and C. Braibant ;-)
- Potential expansion of K. Arijs' mandate
  - C. Braibant informed ARCHE about potential future needs of PMC (exposure data collections, project management), ARCHE happy to chip-in when needed (after proper business case prepared by C. Braibant)
- K. Arijs' maternity leave (March – June 2012)
  - C. Braibant to cover for K. Arijs during maternity leave unless situation needs ARCHE's replacement for K. Arijs (other ARCHE experts already involved in Refinables project could chip-in in due course, to be discussed in early 2012)

# 6. d REACH communication and sharepoint

# PMC secretariat proposal

- Now two years of experience using REACHsuite: very complete but too much for PMC (and not very user-friendly)
- Other tool available with REACHCentrum
- Review of T&C of Baytouch and REACHCentrum by A. Palmers indicates:
  - Minimum term for REACHsuite contract passed: possibility to terminate contract upon three months notice
  - REACHCentrum T&C equal or simpler + under Belgian law
- MC invited to look at comparison table (cf. separate document), make comments and suggestions and allow PMC secretariat to negotiate contract with REACHCentrum

6. e Next MC  
calls/meetings?

Thank you!