



Precious Metals
Consortium

Precious Metals & Rhenium Consortium

Management Committee

23 August 2017 | Conference call



Precious Metals
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Welcome and introduction

Confidentiality and competition law

DO	DON'T
<u>Application of competition law</u>	
Art. 101 and 102 TFEU may be applicable to the conclusion of any preliminary agreement and activities of any preliminary phase.	Don't assume that conflicts with competition law are excluded simply by the fact that the Agreement complies with the provisions of the REACH Regulation.
<u>Consultation in Matters of Competition Law</u>	
Consult an in-house legal expert or the compliance officer of your company or an external lawyer whenever there are uncertainties respecting compliance with competition law. Stop all meetings/discussions which are not in compliance with these Compliance Guidelines until a legal expert has been involved.	Don't assume that these Compliance Guidelines deal with all competition law issues exhaustively. Basically, compliance with Art. 101 and 102 TFEU can be determined only on the basis of market impact in each individual case. These Compliance Guidelines may therefore be regarded only as a means of providing general conduct recommendations.
<u>Activities in any preliminary phase and at any other stage of operation of the Consortium</u>	
Restrict cooperation within the scope of the preliminary phase to the initially defined goals and purposes of the cooperation.	Pursuant to Art. 101 and 102 TFEU, activities which have the object or the effect of preventing, restricting and/or distorting competition are prohibited within the scope of this Agreement, including: - Coming to agreement, including arrangements or collusions, about prices, markets and customers (see Art. 101 paragraph 1 a)-e) TFEU); - Joint boycotting of other companies; - The unjustified unequal treatment of trade partners; - The abusive exploitation of a dominating market position.
<u>Exchange of Confidential Information</u>	
Involve a Trustee for the exchange of Confidential Information.	The exchange of Information concerning market behaviour and having the object or the effect of preventing, restricting and/or distorting competition is inadmissible; in particular, this relates to : - Production capacities; - Productions or sales volumes; - Import volumes; - Market shares; - Price policy; - Distribution and marketing terms; - Marketing strategies; - Information regarding the relationship with suppliers.
<u>Documentation on Cooperation</u>	
Keep minutes of all meetings which detail the subject of the meeting. In case of uncertainty, have the contents of the minutes reviewed by an external legal expert prior to sending them to all parties of the Agreement. Stop all meetings which are not in compliance with these Guidelines until a legal expert has been involved.	



Tour de table, quorum and apologies

- **List of Participants**

- Francisco Boo, Metalor (Switzerland)
- Rudolf Eller, Heraeus (Germany)
- Guy Ethier, Umicore (Belgium)
- Juha Parkinnen, Norilsk (Finland)
- Nissanka Rajapakse, Johnson Matthey (UK)
- Heinz-Günter Schenzel, C. Hafner (Germany)
- Holger Zitt, BASF (Germany)

- **Secretariat**

- France Capon (EPMF, Belgium)
- Audrey Rondepierre (EPMF, Belgium)

- **Apologies**

- Jorn Muehlenfeld, Aurubis (Germany)

Quorum is reached

Approval of agenda

- Welcome and Introduction
 - Confidentiality and Competition Law
 - Tour de table, quorum and apologies
 - Approval of the agenda
 - Approval of the minutes of previous conference call (18 May 2017)
- 2018 PMC draft budget – reserves, new cost sharing formula and fees
 - 2018 PMC revised draft budget
 - New cost sharing formula as proposed at the June GA
 - New criteria: Annex III exempted substances for the weighting factor
 - Reallocation proposal of the reserves based on the new structure
 - 2018 fees
- EPMF/PMC restructuring: status and overview of the amended documents
- A.O.B. and closure of the meeting
 - Brief update data sharing - K-REACH
 - LoA for silver: 1-10t – a SIEF member plans to opt out.
 - Potential change in Management Committee membership – Heraeus reorganisation
 - Next meeting of the MC: 16 November 2017

FOR APPROVAL

Approval of minutes of previous meeting

Management Committee meeting (18 May 2017)

Actions	Who ?	When?	Status
To circulate to the Management Committee the email sent with the recommendation of the WG on the IPA proposal to postpone the registration of Pt and compounds	FC	ASAP	DONE
Insert a slide in the Assembly presentation with the reserves at 31 st December 2016	AR	18/05/2017	DONE
To check the LtU contract to ensure that other parties having legitimate access can join the joint submission (FC, ASAP)	FC	ASAP	DONE
Prepare 3-5 options which could be used in all the data sharing outside the EU, these options will be reviewed by PMC legal counsel and presented to the Management Committee for approval before publication on PMC website. The aim is to streamline and facilitate the communication in the context of data sharing	FC	31/07/2017 01/11/2017	ONGOING
Include on the agenda of the next Management Committee meeting the discussion on the Annex III exempted substances and related fee	FC	31/07/2017	DONE
Send to Re sub-Assembly a fee statement for 2012-2017	AR/CM	Summer 2017	DONE

FOR APPROVAL



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2018 PMC draft budget

Reserves, new cost sharing formula and fees

2018 WP

- Following the new structure
- WP developed on the basis of:
 - Opportunities For Improvements (OFI) tracker
 - Prioritisation criteria
- 2018: focus on development of new data to fill in critical data gaps
- 2019-2020: potential updates of some of the registration dossiers
- All platforms: there is a budget for:
 - literature review
 - IUCLID hosting
 - updates of uses and ES

2018 WP - highlights

- **Silver and silver compounds:**
 - EOGRTs will be reviewed and assessed in 2018.
 - Review of the uses and related exposure scenarios to ensure consistency in the exposure assessment with other PMC dossiers submitted more recently.
- **Au metal:** preliminary work on nanogold

N.B.: It is worth to note that similar work on **PGMs nanoforms** is foreseen in 2018 following the discussions organized on 31st May 2017 but this will be discussed again during the next work group meeting in October.

- **Potassium dicyanoaurate:** the testing proposal for an OECD 474 (in vivo genetic toxicity) has been submitted to ECHA in 2016 and could be reviewed and assessed in 2018.
- **Chloroplatinates:** due to the high risk to see chloroplatinates screened for potential SVHC concerns, a series of improvements of the registration dossiers have been foreseen (secondary poisoning, an external peer review to better identified potential additional improvement areas)

2018 WP - highlights

- **Pt compounds (others):** OECD 422 test to address some weaknesses in the ITS/read-across on repeated-dose toxicity and reproductive toxicity for Pt nitrate.
- **Pd compounds:** external peer review of key dossiers, as an improvement of the environmental assessment including a review of the PNEC; OECD 422 test to address some weaknesses in the ITS/read-across on repeated-dose toxicity and reproductive toxicity.
- **Rh III compounds:** most of the activities will be related to mutagenicity and the follow-up of the testing proposal submitted in 2017. For all Rh trioxide a budget is foreseen updates of the Annex III exempted dossiers to an Annex VII dossier.
- **Refinables:** it is worth to note that these dossiers will probably need to be updated thanks to the finalisation of the discussions on substance ID but also the need to refine and update the exposure assessment and exposure scenarios. However, no significant budget will be needed due to the 2015-2017 carry over available in the reserves.
- **Ag EQS:** limited work is expected in 2018 but follow-up on EQS proposal (if any) will be needed.

2018 WP- Draft budget presented at GA in June 2017

	PMC 2018
	Draft Budget to be invoiced
Administrative costs	591,700 €
REACH Platform costs	3,772,424 €
Ag metal (including nano)	1,159,641 €
Ag compounds	956,891 €
Au metal	48,508 €
Au compounds	32,758 €
Ag cyanide/Potassium dicyanoargentate	14,922 €
Potassium dicyanoaurate	106,344 €
Pt metal	7,341 €
Chloroplatinates	189,735 €
Karstedt	52,124 €
Pt compounds (others)	210,932 €
Pd metal	8,150 €
Pd compounds	442,948 €
Rh metal	6,583 €
Rh III compounds	204,365 €
Rh compounds (others)	85,453 €
Ru metal	8,270 €
Ru compounds	128,130 €
Ir metal	7,013 €
Ir compounds	37,787 €
Re metal & compounds	8,000 €
Refinables	56,531 €
Non-REACH Platform costs	43,600 €
TOTAL	4,407,724 €



2018 WP- Updated draft budget (admin costs)

Draft Budget to be invoiced	
Administrative costs	601,700 €
Salaries and salary-related costs	250,000 €
Office costs	80,000 €
Meeting, travel and accommodation costs	55,000 €
External costs	196,700 €
<i>Eurométaux REACH package</i>	65,000 €
<i>ICMM membership</i>	2,700 €
<i>Knowledge Management tool</i>	10,000 €
<i>Online database for SIEF Mgt</i>	3,000 €
<i>IUCLID IT Hosting system</i>	10,000 €
<i>Liability Insurance</i>	6,000 €
<i>Legal support</i>	50,000 €
<i>Accountancy and audits</i>	25,000 €
<i>ETAP membership + project</i>	20,000 €
<i>HETAP membership + project</i>	5,000 €
Restructuration	20,000 €

2018 WP- Updated draft budget (REACH Platform costs)

REACH Platform costs	3,318,924 €
Ag metal (including nano)	1,337,603 €
Ag compounds	554,103 €
Au metal	48,258 €
Au compounds	37,008 €
Ag cyanide/Potassium dicyanoargentate	14,255 €
Potassium dicyanoaurate	106,010 €
Pt metal	10,264 €
Chloroplatinates	59,927 €
Karstedt	50,047 €
Pt compounds (others)	296,393 €
Pd metal	10,097 €
Pd compounds	380,001 €
Rh metal	8,020 €
Rh III compounds	203,740 €
Rh compounds (others)	26,140 €
Ru metal	9,627 €
Ru compounds	55,773 €
Ir metal	6,180 €
Ir compounds	27,620 €
Re metal & compounds	22,325 €
Refinables	55,531 €



2018 WP- Updated draft budget (Non-REACH Platform costs)

Non-REACH Platform costs	48,600 €
SVHC Roadmap	28,600 €
Silver EQS	20,000 €
Hydrazine	0 €
GRAND TOTAL 2018 BUDGET	3,969,224 €

New cost sharing formula

- **Admin. Costs:**

- Basic principle for all: equal share
- For companies and associations only interested into 1 or 2 platforms: fixed fee of 5000€/year for the contribution to the administrative costs.

- **Non-REACH** (non-related to registration dossiers): an equal share is recommended as a starting point but could be reviewed in case of the fairness principle could be challenged. In this case, an ad hoc cost sharing formula could be approved by the Board.

- **REACH** (related to registration dossiers): based on requirements (tonnage band, intermediate under SCC or nanos) similar to the current PMC agreement

New cost sharing formula

- Open questions related to REACH Platforms:
 - Take into account the **Annex III exempted** requirements and apply a weighting factor of 1 (as intermediates under SCC):
 - To all companies having an Annex III exempted substance recognized by PMC
 - To all companies following a declaration that they can rely on Annex III exemption

Recommendation: apply a weighting factor of “1” only to substances recognized by PMC as Annex III exempted

- **Relevancy of weighting factor of 5000 for the nanos?** In 2018, the ratio between overall budget and nanos budget changed significantly. This must be taken into account and apply a different weighting factor

Recommendation: use a weighting factor of 2000 for the nanos in 2018

- For platform with only 1 substance, **relevancy for “applicable costs” of the two weighted approach** (50% based on number of substances and 50% based on requirements)?

Recommendation: if there is only 1 substance in the platform, 100% of the applicable costs are shared following the requirements (weighting factor linked to tonnage bands, SCC, etc.)

**FOR DISCUSSION AT COST SHARING WG OR FOR
DIRECT RECOMMENDATION TO THE ASSEMBLY**



Reserves forecast 31/12/2017

		Reserves by 31/12/2016	Simulation of 2017 collected money to be added to the reserves	2017 sold LoA	Forecast reserves by 31/12/2017	Estimation minimum reserves to be kept in house end 2017*
2.1	Administrative costs	315,944	0	0	315,944	167,412
2.2	Ag-applicable costs	456,262	260,000	264,155	980,417	312,350
2.3	Au-applicable costs	75,706	199,797	0	275,503	92,042
2.4	PM CN- -applicable costs	155,638	-68,629	0	87,009	117,357
	<i>PGM horizontal costs</i>	<i>-360,252</i>		<i>0</i>	<i>-360,252</i>	
2.5	Pt-applicable costs	579,734	300,000	55,540	935,274	204,192
2.5a	Pd-applicable costs	285,248	0	50,791	336,039	150,242
2.5b	Rh-applicable costs	354,359	0	0	354,359	139,881
2.5c	Ru-applicable costs	348,025	100,000	0	448,025	172,915
2.5d	Ir-applicable costs	90,035	0	0	90,035	31,203
2.5e	Re-applicable costs	205,825	2,042	43,928	251,795	34,266
2.6	Refinables-applicable costs	701,603	539,117	0	1,240,720	163,994
2.7	SVHC Roadmap-applicable costs	20,000	10,000	0	30,000	0
2.8	Ag WFD-applicable costs	0	0	0	0	0
2.9	Hydrazine-applicable costs	83,408	0	0	83,408	0
	TOTAL	3,311,533	1,342,327	414,414	5,068,274	1,585,853
* = total dossier cost * 7,5% for all dossiers except Re. For Re it is total dossier cost * 5%						



Reallocation proposal of the reserves

- Currently, reserves booked by group of substances (Ag, Pt, Pd etc.).
- The new organization will require a reallocation of the reserves.
- Proposal based on the principle that the **reallocation must take into account the contributions of the members in the past and who will benefit** of the reserves **in the future** in the context of the new structure.
- The mechanism that we used for the reallocation proposal of the reserves is the following:
 - We take the contribution of the members to each substance in the past. We know the number of members per substance and in each tonnage band which allows us to calculate their contribution to each substance.
 - We allocate these amounts to the correct platforms.
 - For example
 - Au metal to Au metal platform
 - TCA, Balsam & Aurio to Au compounds platform
 - Based on that, we calculate the proportion of the contribution between the platform
 - We apply the same proportion for the allocation of the reserves to the right platforms

Reserves forecast 31/12/2017 –reallocation (1)

	<i>Simulation re-allocation of reserves by 31/12/2017</i>
<i>Administrative costs</i>	<i>315,944 €</i>
<i>REACH Platform costs</i>	<i>4,638,924 €</i>
Ag metal (including nano)	659,894 €
Ag compounds	320,523 €
Au metal	229,864 €
Au compounds	45,639 €
Ag cyanide/Potassium dicyanoargentate	56,978 €
Potassium dicyanoaurate	30,031 €
Pt metal	342,979 €
Chloroplatinates	235,820 €
Karstedt	54,897 €
Pt compounds (others)	301,578 €

Reserves forecast 31/12/2017 –reallocation (2)

	<i>Simulation re-allocation of reserves by 31/12/2017</i>
Pd metal	98,109 €
Pd compounds	237,930 €
Rh metal	67,014 €
Rh III compounds	203,577 €
Rh compounds (others)	83,768 €
Ru metal	132,609 €
Ru compounds	315,416 €
Ir metal	54,021 €
Ir compounds	36,014 €
Re metal & compounds	251,795 €
Refinables	1,240,720 €
<i>Non-REACH Platform costs</i>	<i>113,408 €</i>
SVHC Roadmap	30,000 €
Silver EQS	0 €
Hydrazine	83,408 €
GRAND TOTAL	5,068,276 €

**FOR RECOMMENDATION
TO THE ASSEMBLY**

Budget 2018 versus reserves (1)

PMC 2018				
	2018 Draft Budget <i>to be invoiced</i>	Simulation re-allocation of reserves by 31/12/2017	Holiday payments?	Updated Budget <i>to be invoiced</i>
Administrative costs	601,700 €	315,944 €	No	601,700 €
REACH Platform costs	3,318,924 €	4,638,924 €		3,018,666 €
Ag metal (including nano)	1,337,603 €	659,894 €	No	1,337,603 €
Ag compounds	554,103 €	320,523 €	No	554,103 €
Au metal	48,258 €	229,864 €	Yes if no nano	0 €
Au compounds	37,008 €	45,639 €	No	37,008 €
Ag cyanide/Potassium dicyanoargentate	14,255 €	56,978 €	Yes	0 €
Potassium dicyanoaurate	106,010 €	30,031 €	No	106,010 €
Pt metal	10,264 €	342,979 €	Yes	0 €
Chloroplatinates	59,927 €	235,820 €	Yes	0 €
Karstedt	50,047 €	54,897 €	No	50,047 €
Pt compounds (others)	296,393 €	301,578 €	No	296,393 €

Budget 2018 versus reserves (2)

PMC 2018				
	2018 Draft Budget <i>to be invoiced</i>	Simulation re-allocation of reserves by 31/12/2017	Holiday payments?	Updated Budget <i>to be invoiced</i>
Pd metal	10,097 €	98,109 €	Yes	0 €
Pd compounds	380,001 €	237,930 €	No	380,001 €
Rh metal	8,020 €	67,014 €	Yes	0 €
Rh III compounds	203,740 €	203,577 €	No	203,740 €
Rh compounds (others)	26,140 €	83,768 €	No	26,140 €
Ru metal	9,627 €	132,609 €	Yes	0 €
Ru compounds	55,773 €	315,416 €	Yes	0 €
Ir metal	6,180 €	54,021 €	Yes	0 €
Ir compounds	27,620 €	36,014 €	No	27,620 €
Re metal & compounds	22,325 €	251,795 €	Yes	0 €
Refinables	55,531 €	1,240,720 €	Yes	0 €
<i>Non-REACH Platform costs</i>	<i>48,600 €</i>	<i>113,408 €</i>		<i>48,600 €</i>
SVHC Roadmap	28,600 €	30,000 €	Not applicable	28,600 €
Silver EQS	20,000 €	0 €	Not applicable	20,000 €
Hydrazine	0 €	83,408 €	Not applicable	0 €
GRAND TOTAL	3,969,224 €	5,068,276 €		3,668,966 €

FOR RECOMMENDATION TO THE ASSEMBLY



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EPMF/PMC Restructuration

Updates and pending questions

	Members A	Members B
Criteria	All nationalities	All nationalities
	Companies only	National or international associations
	Mandatory to contribute to REACH platforms and/or other platforms	Can only contribute to Platforms
Cost sharing for admin costs	Equal share or fixed fee (5000€) if only 1-2 Platforms	Equal share or fixed fee (5000€) if only 1-2 Platforms
Cost sharing for REACH platforms related to registration dossiers	Cost sharing formula of PMC for applicable costs	Not relevant
Cost sharing for other platforms	Equal share except if decided otherwise by the Board	Equal share except if decided otherwise by the Board
Voting rights at Assembly level	Based on vested interest For admin: 3 votes for equal share and 1 vote for fixed fee For platforms: one vote per member	Based on vested interest – no vote for REACH related issues For admin: 3 votes for equal share and 1 vote for fixed fee For platforms: one vote per member
Voting rights at Board level	1 vote per member	1 vote per member – no vote for REACH related issues
Governance	One representative/member in the Assembly	One representative/member in the Assembly
	Eligible to the Board	One or two? representatives of Members B

Updates and pending questions

- Articles of the Association: D4 available for review
- Internal rules: D2 available for review
- Pending questions before circulation to the Assembly:
 - One or two representatives of Members B in the **Board**?
 - **President, Vice-President and Treasurer** positions only open to Members A or to all Members?
 - **Data ownership**: do we keep co-ownership or do the members transfer ownership to the Association keeping a perpetual license to Use in all jurisdictions (as it is already the case)?
 - In case of **resignation/expulsion of a member**: members are deprived of all the rights attached to membership except otherwise stipulated in the internal rules (same clause than in the PMC agreement but there it is mentioned « otherwise decided by the Management Committee » - in the internal rules, we added « The suspended, terminated or resigning Member A who was also member of REACH Related Platform(s), shall have the right to refer to the concerned Registration Dossier(s) as it (they) was (were) at the date of its suspension, termination or resignation. In case the suspended, terminated or resigning Member A wishes to refer to updates of the Registration Dossier(s) generated after the date of its suspension, termination or resignation, it must obtain the necessary authorisation pursuant to Article 10.2.2 of these Internal Rules” - **do we include this?**





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A.O.B.

A.O.B. and closure of the meeting

- K-REACH update
- Potential change in Management Committee membership – Heraeus reorganisation
- LoA for silver: 1-10t – a SIEF member plans to opt out.
- Next meeting of the Management Committee: 16 November 2017, Brussels > *change of location for this meeting due to works at the Metals Conference Centre!*



THANK YOU

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