



International Cadmium Association

## **2004 BUSINESS PLAN**

Submitted to the approval of the Official Members  
Of the International Cadmium Association

21 November 2003

# International Cadmium Association

## 2004 Business Plan

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### 1 Introduction

The International Cadmium Association has represented the interests of the producers and users of the metal since its formation in 1993, with the amalgamation of the UK-based Cadmium Association and the US-based Cadmium Council Inc. The organisation has strong practical and financial support from a broad range of cadmium-related industries.

During 2003, ICdA's Board of Directors conducted a strategic review of the organisations' structure, financing and activities. The outcome of that review was that ICdA approached IZA for support in stabilizing its financial structure and to explore synergies in operation of ICdA and IZA.

Subsequent discussions between ICdA Chairman and IZA officers, determined that:

1. IZA establish the secretariat of ICdA under IZA's management and,
2. IZA contribute an annual fixed subscription (\$100,000) on behalf of world zinc industry

ICdA will retain its separate identity, accounting and governance. ICdA will also retain its focus on retaining market access for cadmium products.

The agreement for IZA to provide a secretariat for ICdA is set out in a Memorandum of Understanding, dated 21 November 2003.

This Business Plan sets out the operational and financial plans for ICdA in 2004.

### 2 Mission and Objectives

ICdA's mission is:

- Monitor scientific and regulatory developments that impact members' cadmium-related activities
- Respond to regulatory proposals and advocate the interests of members
- Report on scientific and regulatory developments to members

ICdA's primary objectives are to ensure market access for cadmium products and to respect the principles of sustainable development, including the protection of human health and the environment.

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### 3 ICdA Secretariat and Staff

IZA provide secretariat services, including staffing, for ICdA. These staffing resources are structured differently to previous years, in line with budget constraints. Activities will largely be executed by two part-time principal staff members. The use of outsourced technical support, a reduced administrative workload for ICdA officers, and synergies with IZA regulatory affairs work is anticipated to significantly enhance operating effectiveness in the core activity of regulatory affairs.

The staffing structure, sources of external support, and synergies are shown in Appendix 1 at the back of this document.

Principal ICdA officers are shown in Table 1.

<b>Table 1: ICdA Staff 2004</b>		
General Manager (Miss Lidia Regoli)	<i>Location:</i> <i>Responsibilities:</i> <i>Reports to:</i> <i>Min Activity level:</i>	Brussels, Belgium Association management and control; EU regulatory affairs ICdA Chairman 0.5 man-year
Senior Consultant (Mr Hugh Morrow)	<i>Location:</i> <i>Responsibilities:</i> <i>Reports to:</i> <i>Min Activity level:</i>	Washington DC, USA North American regulatory affairs; specific international regulatory affairs General Manager 0.5 man-year (Rising to 0.7 man year under transitional arrangements, see section 3.1)

These staffing arrangements are flexible and higher levels of staffing can be applied dependent on ICdA requirements and available funding.

#### 3.1 Staffing arrangements January - April 2004

The appointment of the General Manager, ICdA will require some reorganization within IZA staff, including the probable transfer of staff from IZA-Europe to IZA. This reorganization is not envisaged to be fully completed until May 1, 2004. To ensure continuity during an important period of regulatory activity, it is proposed that during this period:

- IZA's Manager, Environment & Public Affairs oversee ICdA activities
- Specialist consultancy support will be engaged primarily to address priority EU regulatory affairs/communications work (lobbying). (Budget estimate: \$35,000)

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- The US-based senior consultant to operate at an increased level (budget estimate: \$30,000)

The additional costs (\$65k) of these transitional measures are shown separately in the 2004 financial plan as “transitional costs”. These transitional measures will be reviewed should the proposed staff become available sooner than currently envisaged.

### 3.2 Accounting and Administrative / secretarial support

Administrative and secretarial support for ICdA’s HQ will be drawn from IZA staff. IZA will be reimbursed for costs incurred in providing this support. Accounting will be administered through IZA’s internal systems, with ICdA retaining its separate bank accounts and audited annual accounts.

### 3.3 Scientific Support

Expert support for regulatory affairs activities will be drawn, as required, from IZA’s related organisations, ILZRO and IZA-Europe. Support may also be drawn from other individuals/organisations as required. These organisations will be reimbursed for costs incurred in providing this support.

Office accommodation, office services, computing services and other support services will be provided by IZA at costs set out in the ICdA 2004 financial plan.

## **4 2004 Activities**

Activities in 2004 will focus on:

- Implementing the new staffing structure and other organizational changes
- Regulatory developments with impact on members’ activities.
- A strategic review of communications activities

### 4.1 Regulatory Developments

#### 4.1.1 European Union

##### PRIORITY LEVEL:

- Cadmium Risk Assessment conducted under Regulation 793/93 and subsequent risk management procedures.
- Revisions to the Directive 91/157/EEC (The Battery Directive) – supporting actions to Collect NiCad
- Inclusion of cadmium products in Regulation 2455/92 (Import and Export of certain Dangerous Substances)

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- Monitoring of planned revisions to Directive 91/338/EEC (Restrictions on marketing and use of cadmium pigments, stabilisers and coatings) and related developments

### MONITORING LEVEL:

- EU Directives for Groundwater, Soil Protection, Water Framework Directive; waste, SCALE program (through Eurometaux).
- End of Life Directives on Vehicles and Electrical/Electronic Equipment, where affecting NiCd batteries and cadmium in zinc products.

### 4.1.2 North America

#### PRIORITY LEVEL:

- Technical and regulatory activities to support those of PRBA<sup>1</sup> as related to the NiCd battery
- US EPA criteria for regulating PBT<sup>2</sup> substances
- Cadmium within the Waste Minimisation Priority List
- Activities in conjunction with Ad Hoc Metals Coalition to develop a Framework for the Assessment of Metals, including the EPA Science Advisory Board

#### MONITORING LEVEL:

- Regulations applying to occupational exposures, emissions and waste disposal of cadmium containing products
- State (California, New York) proposals to limit the use of cadmium-containing products
- NAFTA/CEC Sound Management of Chemicals Program

### 4.1.3 International

#### PRIORITY LEVEL:

- UNECE<sup>3</sup> Heavy Metals Protocol (and related product use restrictions)
- OECD NiCd Battery Collection Programme (conclusion of “Experience” component)
- WHO/FAO limits for dietary exposures

## 4.2 Internal Communications and Association Meetings

Briefings on regulatory developments and consultations with members on association strategy/actions are an important element of ICdA activity. A regular series of member communications will be established and maintained. Use of a passworded Intranet to ensure members have up-to-date access to

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<sup>1</sup> Portable Rechargeable Battery Association

<sup>2</sup> Persistent, Bio accumulative and Toxic

<sup>3</sup> United Nations Economic Commission for Europe

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information and positions will be an important part of this activity and will create a valuable archive for members' use.

Two general meetings of members (and Board meetings) will be held. These are envisaged to be held in March/April (North America) and October (London, England). Other meetings and conference calls will be held as required to address specific developments.

For 2004, a regular (quarterly) review of ongoing regulatory/scientific developments will be held between ICdA staff and organisations providing scientific support (e.g. IZA-Europe/ILZRO). These reviews will be conducted by conference call / net meeting and the minutes promptly made available to ICdA members.

### 4.3 Communications review

It is proposed that a fundamental review of ICdA's communications activities, to support its regulatory affairs work, is carried out in 1Q2004. A communications plan will be established and integrated into the 2005 Business Plan. Some elements of that plan may be implemented within 2004 activities.

### 4.4 Statistics and Market Information

A limited activity will be maintained to collate relevant statistical information on world cadmium production and use. This activity will be reduced over previous years and be focused on the information needs of regulatory and communications activities.

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<b>5 2004 Financial Plan</b>
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The 2004 financial plan is given in Table 2.

<b>Table 2: International Cadmium Association 2004 Financial Plan (US\$)</b>	
<b>STAFFING</b>	
Headquarters	40,000
Senior Consultant (North America)	77,500
Scientific Support	15,000
Secretarial	5,000
Administration/Accounting	6,000
<b>Total Staff Costs</b>	<b>143,500</b>
<b>OPERATIONS</b>	
Rent/rates	14,000
Office services, documentation, IT support	9,000
Insurances	1,500
Telecommunications	4,000
Postage	1,000
Meetings	10,000
Travel & subsistence	20,000
CollectNiCad membership	2,300
Contingency	5,000
<b>Total Operating Costs</b>	<b>66,800</b>
<b>TOTAL COSTS</b>	<b>210,300</b>
<b>TRANSITIONAL COSTS</b>	<b>65,000</b>
<b>TOTAL PROJECTED SUBSCRIPTION INCOME</b>	<b>266,500<sup>4</sup></b>
<b>SURPLUS/(LOSS) FOR YEAR</b>	<b>(8,800)</b>
<b>SURPLUS/(LOSS) BROUGHT FORWARD</b>	<b>80,000</b>
<b>SURPLUS/(LOSS) CARRIED FORWARD</b>	<b>71,200</b>

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<sup>4</sup> 2004 Income Projection Basis: IZA: \$100,000; Individual Zinc producers: \$70,000; Consumers/recyclers/others: \$96,500

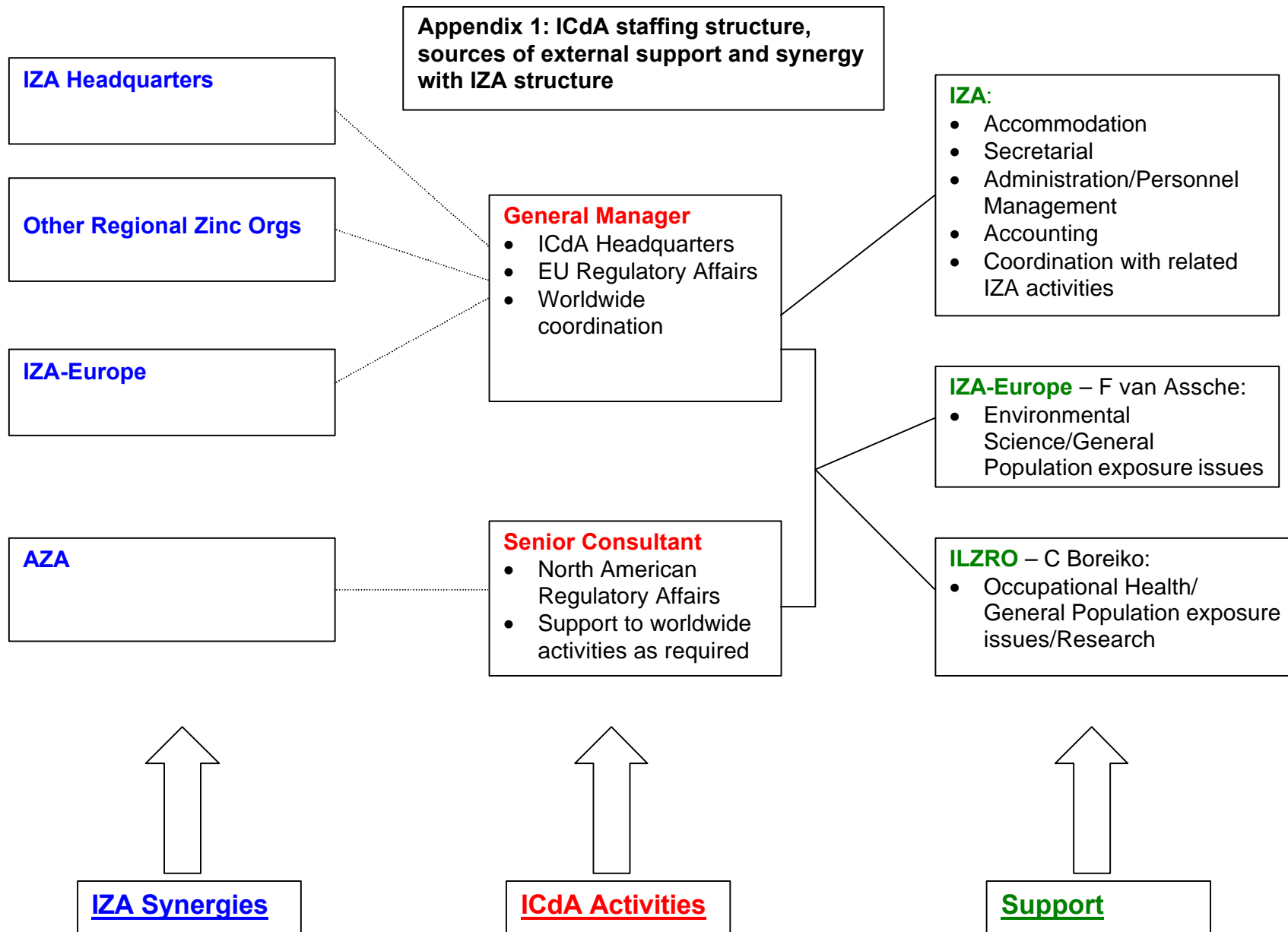
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Rates of subscription for 2004 are unchanged over 2003 and are given in Appendix II.







## ASSESSMENT SCHEDULE 2004

The assessable period for 2004 Membership dues is based upon the pounds of cadmium, expressed on a contained metal basis, mined, produced, recycled or consumed during the period, January 1, 2003 through December 31, 2003. The Board of Directors has set the following assessment rates (US \$ per pound of cadmium contained) for 2004:

<u>CLASSIFICATION</u>	<u>DUES BASIS</u>	<u>2004 DUES</u>
<b>Cadmium Producers</b>	Total Pounds of Cadmium Production	US\$ 0.025
	Minimum Assessment	US\$ 5,000
	Maximum Assessment	US\$50,000
<b>Cadmium Recyclers</b>	Total Pounds of Cadmium Production (excluding toll treatment)	US\$0.0125
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
<b>Cadmium Oxide Producers</b>	Total Pounds of Cadmium Contained In Cadmium Oxide Production (excluding Primary Metal Production reported above)	US\$0.00125
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
<b>Cadmium Consumers</b>	Total Pounds of Cadmium Consumption	US\$0.0025
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
<b>Mining Companies</b>	Total Pounds of Cadmium Mined (excluding Primary Metal Production reported above)	US\$0.0125
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
<b>Associations, Distributors and Others</b>	Flat Fee or Special Fundraisings	US\$ 1,500