



International Cadmium Association

2005 BUSINESS PLAN

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

1 October 2004

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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.

Following a strategic review of the organization's structure by ICdA's Board of Directors, ICdA has now stabilized its financial structure through the support of IZA and benefits from synergies in operation of ICdA and IZA. Nevertheless, the organization operates on a reduced budget over previous years and activities are inevitably constrained by resources.

This Business Plan sets out the operational and financial plans for ICdA in 2005.

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.

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 and administrative support and synergies with IZA is anticipated to significantly enhance operating effectiveness in the core activity of regulatory affairs.

An overview chart of the staffing structure, sources of external support, and synergies are available on the intranet.

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Principal ICdA officers are shown in Table 1.

Table 1: ICdA Staff 2005		
General Manager (Dr. 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 0.6 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

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

Given the extensive list of issues rising in European regulation, i.e.

- entering into the risk reduction strategy phase of the risk assessment under Council Regulation 793/93
- identified regulatory activities related to the pigments markets
- revision of the EU battery directive

it is proposed that a small increase in the staffing time of the General Manager for 2005.

3.1 Accounting and Administrative / secretarial support

ICdA does not employ any support staff. Administrative and secretarial support for ICdA's HQ will be drawn from IZA staff or otherwise outsourced. 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.

Office accommodation, office services, computing services and other support services will be provided by IZA.

3.2 Scientific Support

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

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4	2005 Activities
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Activities in 2005 will focus on:

- Regulatory developments with impact on members' activities
- Communications strategy and activities

4.1 Regulatory Developments

4.1.1 European Union

Priorities:

- 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 the European portable rechargeable battery association (RECHARGE)
- Specific issues related to pigments have been identified such as
 - o exemptions to Directive 2002/95/EC (RoHS/WEEE),
 - o monitoring of Directive 91/338/EEC (Restrictions on marketing and use of cadmium pigments, stabilizers and coatings)
 - o strategy and activities related to risk management.
 - o Other identified product specific regulatory threats
- Monitoring the revisions of the Classification and Labeling of cadmium and cadmium compounds for the 30th ATP (Adaptation to Technical Progress).

Monitoring level:

- EU directives for Groundwater, Soil Protection, Water Framework Directive, Waste, SCALE program (through Eurométaux)
- End-of-life Directives on Vehicles and other end of life directives, affecting certain cadmium products.

4.1.2 North America

Priorities:

- Activities in support of North American Metals Coalition on the U.S. EPA's Metals Assessment Framework for Metals
- Activities in support of North American Metals Coalition on the NAFTA CEC Sound Management of Chemicals Program
- Activities in support of the collection and recycling of cadmium containing products, particularly nickel-cadmium batteries

Monitoring level:

- Proposed regulations on occupational exposures, emissions and waste disposal of cadmium containing products
- Introduction of proposed Federal or local regulations to ban or

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limit cadmium products in North America based on EU Directives.

- Toxicological reviews on cadmium and cadmium compounds by the Agency for Toxic Substances & Disease Registry (ATSDR), the National Toxicology Program (NTP), the Integrated Risk Information System (IRIS) and other agencies.

4.1.3 International

Priorities:

- UNECE Long Range Transboundary Air Pollution (LRTAP) Heavy Metals Protocol including possible tighter emission limit values and restrictions on cadmium products
- WHO/FAO limits for dietary exposures to cadmium

Monitoring level:

- UNEP Heavy Metals Program and potential attempts to develop international binding agreements on cadmium
- The application of mandatory cadmium product recycling laws and EU-type restrictions on cadmium products in Asia, South America and Africa.

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 maintained through 'Progress Reports'. Use of the pass-worded Intranet to ensure members have up-to-date access to 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.

4.3 Communications activities

In 2004, it has become clear that there is a need to further integrate both general and sector-specific communications activities to support the regulatory affairs work and maintain confidence in markets. Activities related to both general and sector specific communications will be explored at the General Assembly in October 2004.

Specific suggestions are to revise the existing communications information such as the pamphlet 'Problem of the Past, solution for the Future' and 'Pigments are Green', and to update the public website (www.cadmium.org) with the more recent developments.

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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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5 2005 Financial Plan

The 2005 financial plan is given in Table 2.

Table 2: International Cadmium Association 2005 Financial Plan (US\$)			
	<u>2004 Plan</u>	<u>2004 forecast</u>	<u>2005 Plan</u>
STAFFING			
Headquarters (A)	40.000	50.000	60.000
Senior Consultant (North America)(B)	107.500	101.760	88.320
Other Consultants(C)	35.000	4.000	0
Scientific Support	15.000	5.000	10.000
Secretarial	5.000	3.500	3.500
Administration/Accounting	6.000	11.000	11.000
Total Staff Costs	208.500	175.260	172.820
OPERATIONS			
Rent/rates/office services	14.000	11.000	11.000
Documentation, IT support	9.000	6.000	6.000
Insurances	1.500	1.500	1.500
Telecommunications	4.000	7.000	6.000
Postage	1.000	800	750
Meetings	10.000	4.000	5.000
Travel & subsistence	20.000	15.000	15.000
Recharge membership	2.300	2.300	2.300
Publications	0	0	5.000
Contingency (D)	5.000	0	5.000
Total Operating Costs	66.800	47.600	57.550
TOTAL COSTS	275.300	222.860	230.370
TOTAL PROJECTED SUBSCRIPTION INCOME	266.500	251.000	219.000
SURPLUS/(LOSS) FOR YEAR	(8.800)	28.140	(11.370)
SURPLUS/(LOSS) BROUGHT FORWARD	80.000	70.000	98.140
SURPLUS/(LOSS) CARRIED FORWARD	71.200	98.140	86.770

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Notes to Table 2

- (A) 2004 forecast reflects higher than plan staff costs (plan preceded appointment); 2005 costs reflect increase in activity level.
- (B) 2004 costs included transition support to new general manager
- (C) 2004 costs were a provision for consultancy support during restructure
- (D) Contingency includes provision for doubtful debts

Rates of subscription for 2005 are unchanged over 2004 and are given in Appendix I.



ASSESSMENT SCHEDULE 2005

The assessable period for 2005 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, 2004 through December 31, 2004. The Board of Directors has set the following assessment rates (US \$ per pound of cadmium contained) for 2005:

<u>CLASSIFICATION</u>	<u>DUES BASIS</u>	<u>2005 DUES</u>
Cadmium Producers	Total Pounds of Cadmium Production	US\$ 0.025
	Minimum Assessment	US\$ 5,000
	Maximum Assessment	US\$50,000
Cadmium Recyclers	Total Pounds of Cadmium Production (excluding toll treatment)	US\$0.0125
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
Cadmium Oxide Producers	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
Cadmium Consumers	Total Pounds of Cadmium Consumption	US\$0.0025
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
Mining Companies	Total Pounds of Cadmium Mined (excluding Primary Metal Production reported above)	US\$0.0125
	Minimum Assessment	US\$ 2,500
	Maximum Assessment	US\$25,000
Associations, Distributors and Others	Flat Fee or Special Fundraisings	US\$ 1,500