



International Cadmium Association

2006 BUSINESS PLAN

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

1 November 2005
(revised budget and assessment rates in December 2005)

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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 2006.

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

As was done in 2005, IZA will provide secretariat services, including staffing, for ICdA. Activities will largely be executed by two part-time principal staff members. The use of outsourced technical and administrative support and synergies with IZA has significantly enhanced 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.

Principal ICdA officers are shown in Table 1.

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Table 1: ICdA Staff 2006		
General Manager (Ms. Lidia Regoli)	<i>Location:</i>	Brussels, Belgium
	<i>Responsibilities:</i>	Association management and control; EU regulatory affairs
	<i>Reports to:</i>	ICdA Chairman
	<i>Min Activity level:</i>	0.5 man-year
Senior Consultant (Mr Hugh Morrow)	<i>Location:</i>	Washington DC, USA
	<i>Responsibilities:</i>	North American regulatory affairs; specific international regulatory affairs
	<i>Reports to:</i>	General Manager
	<i>Min Activity level:</i>	0.5 man-year

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

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.

4 2006 Activities

Activities in 2006 will focus on:

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

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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 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.

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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
- UNEP Heavy Metals Program evaluation of the long range transboundary pollution of cadmium and the need for undergoing global actions for cadmium.

Monitoring level:

- The application of mandatory cadmium product recycling laws and EU-type restrictions on cadmium products in Asia, South America and Africa.
- WHO/FAO limits for dietary exposures to cadmium

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.

One general meeting of members (and Board meeting) will be held. It is envisaged to be held in October (London, England). Other meetings and conference calls will be held as required to address specific developments.

4.3 Communications activities

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. A general communication pamphlet "Cadmium, working towards a sustainable future" has been developed during the course of 2005, and has been made available electronically on the ICdA members only website. Activities related to sector specific communications will be explored at the General Assembly in October 2005.

Specific suggestions are to revise the existing sector specific communications information such as the 'Pigments are Green', and to update the public website (www.cadmium.org) with the more recent developments.

4.4 Statistics and Market Information

A limited activity will be maintained to collate relevant statistical information on world cadmium production and use and will focus on the information needs of regulatory and communications activities.

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5 2006 Financial Plan

The 2006 financial plan is given in Table 2.

Table 2: International Cadmium Association 2006 Financial Plan			
	<u>2005 Plan</u>	<u>2005 Forecast</u>	<u>2006 Plan</u> euros account*
STAFFING	\$	\$	euros
Headquarters (A)	60,000	60,000	50,000
Sr Cons.(North America)(B)	88,320	88,320	73,600
Other Consultants(C)	0	0	
Scientific Support	10,000	6,000	7,000
Secretarial	3,500	3,000	2,500
Administration/Accounting	11,000	5,000	4,000
Total Staff Costs	172,820	162,320	137,100
OPERATIONS			
Rent/rates/office services	11,000	12,000	10,000
Documentation, IT support	6,000	8,000	7,000
Insurances/banking costs	1,500	5,000	2,500
Telecommunications	6,000	6,000	5,000
Postage	750	750	750
Meetings	5,000	5,000	5,000
Travel & subsistence	15,000	15,000	15,000
Recharge membership	2,300	2,620	2,420
Publications	5,000	0	2,500
Contingency (D)	5,000	5,000	5,000
Total Operation Costs	57,550	59,370	55,170
TOTAL COSTS	230,370	221,690	192,270
TOTAL PROJECTED SUBSCRIPTION INCOME	219,000	214,278	200,600 (**)
Unpaid subscriptions		5,000	5,000 (***)
SURPLUS/(LOSS) FOR YEAR	-11,370	-12,412	3,330
SURPLUS/(LOSS) BROUGHT FORWARD	61,565	50,195	31,486
SURPLUS/(LOSS) CARRIED FORWARD	50,195	37,783	34,816

*Costs in euros are calculated based on a 1 euro = US\$1,20

(**) of which unpaid invoices

(Forecast 2005) \$24,500

(***)Provision for unpaid subscriptions

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Notes to Table 2

This table represents the revised budget in euros, as agreed at the GA on November 1st 2005.

Contingency includes provisional 15% VAT loss and for doubtful debts

Rates of subscription for 2006 are unchanged over 2005, and are given in Appendix I. Given the ongoing budget deficit by which ICdA has been running in the passed years, it was necessary to consider methods by which to address this deficit. Given that the association has held the same subscription rates since 1999, it was agreed at the GA on November 1st, to modify the subscriptions to consider the inflation rate of the last 6 years (12,5%).



ASSESSMENT SCHEDULE 2006¹

The assessable period for 2006 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, 2005 through December 31, 2005. The Board of Directors has set the following assessment rates (euro per pound of cadmium contained) for 2006:

<u>CLASSIFICATION</u>	<u>DUES BASIS</u>	<u>2006 DUES</u>
Cadmium Producers	Total Pounds of Cadmium Production	euro 0.025
	Minimum Assessment	euro 5,115
	Maximum Assessment	euro 51,140
Cadmium Recyclers	Total Pounds of Cadmium Production (excluding toll treatment)	euro 0.0128
	Minimum Assessment	euro 2,560
	Maximum Assessment	euro 25,570
Cadmium Oxide Producers	Total Pounds of Cadmium Contained In Cadmium Oxide Production (excluding Primary Metal Production reported above)	euro 0.0013
	Minimum Assessment	euro 2,560
	Maximum Assessment	euro 25,570
Cadmium Consumers	Total Pounds of Cadmium Consumption	euro 0.0026
	Minimum Assessment	euro 2,560
	Maximum Assessment	euro 25,570
Mining Companies	Total Pounds of Cadmium Mined (excluding Primary Metal Production reported above)	euro 0.0128
	Minimum Assessment	euro 2,560
	Maximum Assessment	euro 25,570
Associations, Distributors and Others	Flat Fee or Special Fundraisings	euro 1,535
	IZA	euro 95,000

¹ Assessment rates for 2006 include a) a 12,5% increase to the 2005 rates to account for inflation since 1999, and b) are converted into euros on a 1 euro = US\$1,1 exchange rate (average exchange rate for the last 5 years)