International Lead and Zinc Study Group: 
Current Activities and Future Directions

Thank you …………

I am Don Smale, Secretary-General of the International Lead and Zinc Study Group
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OUTLINE OF STUDY GROUP

History of the Study Group

The ILZSG was established in 1959 by a group of countries within the United Nations, and aimed to promote a free flow of information on lead and zinc. In total, 28 countries are now members, and the ILZSG operates as an autonomous intergovernmental organisation in three areas of key interest to the international lead and zinc industry - market transparency, market analysis and as a forum between governments and industry.

The organisation has successfully fulfilled its original role as a means of disseminating information about these two vital metals and has become a model for similar study groups set up since to service other commodities.

Membership of the ILZSG is open to member countries of the United Nations or of the World Trade organisation interested in the production or consumption of, or trade in, lead and zinc concentrates and refined metals. Today the Group's membership represents about 90% of world lead and zinc mine and metal production, and consumption.

Objectives of the Study Group

The group had two simple objectives: to provide a forum for consultation and to enhance market transparency.

Forty one years later, the Study Group has served its member governments well by providing this forum and by generating market transparency. Member governments and their industries have come to depend on the availability of the Study Group's timely, accurate and reliable statistics. In addition to being an effective mechanism for increased market transparency for the production, consumption and trade of lead and zinc, the Group has evolved into an important venue for communication among
governments, among industry, and between governments and industry on a wide range of issues related to lead and zinc markets.

Particular attention is given to providing continuous information on the supply and demand position and its probable development. Its main responsibility is to maintain transparency of foreign trades for concentrates and refined metals through statistics, studies and useful contacts. Perhaps more importantly, the Study Group publishes monthly its Bulletin of Lead and Zinc Statistics, which is regarded as the definitive source of accurate lead and zinc market data.

ILZSG is the worldwide statistically recognised organisation for lead and zinc. Every month the Red Bulletin is read by the industry’s professionals.

The Study Group and its Committees play a vital role in this communication between relevant players in areas such as the environment, recycling, sustainability and economic development. ILZSG, along with the other metals Study Groups, is advancing a very important Sustainable Development Forum process, which brings together in unique way government, industry and non-governmental organisation stakeholders to address together key sustainable development issues impacting on non ferrous metal. I will expand on these points during my presentation.

The annual Spring Meetings and October Session are good opportunities for useful contacts between producers and consumers, governments and industry. Even though membership contributions are normally funded by Government, ILZSG works for a large part of industry and does its best to meet its requirements. Industry helps governments by providing advisers on technical and economic matters, by offering experts in ILZSG’s different Committees and through an Industry Advisory Panel, which includes representatives from 10 - 12 of the world’s major lead/zinc companies. Mr Kazu Tawa of Mitsui Mining and Smelting Ltd is the very valued IAP member for Japan.

Role of member countries in activities and functions of the Group

The member countries’ contribution toward the activities and functions of the Group is very comprehensive. The member countries are the Group and are responsible for providing input of a whole range of statistical, economic and environmental data which the Secretariat compiles, analyses and presents as a report, or for publication. The Study Group does in fact have a comprehensive range of publications (see publications list enclosed) covering many aspects of the lead and zinc industries and downstream users which I will outline later.

Member Countries of the Study Group are: Algeria, Australia, Belgium, Brazil, Bulgaria, Canada, China, European Union, Finland, France, Germany, India, Ireland, Italy, Japan, Korea, Morocco, Netherlands, Norway, Peru, Russian Federation, Republic of South Africa, Spain, Sweden, Thailand, United Kingdom, United States, Yugoslavia.
Services provided to Study Group Members

With regard to Study Group membership, there are many services provided by the Study Group to both lead and/or zinc producing and consuming member countries. These include:

The Group offers exceptional possibilities for a regular exchange of views between policy makers and industry representatives at the Study Group’s bi-annual meetings. These meetings are organised principally to encourage an open dialogue, to formulate future Study Group policy, and to prepare and publish the market forecasts. They also provide an ideal arena in which to develop contacts. The April meetings usually have an attendance of 50-100 persons and the October Session of 250-300.

The chance to participate in all or any of the three main Committees run by the Study Group.

i) The Statistical and Forecasting Committee - oversees all of the Study Groups statistical work including the publication of a monthly bulletin, the provision of detailed market forecasts and the development of new electronic services.

ii) The Mine and Smelter Projects Committee - undertakes a detailed annual study of all the lead and zinc mine and smelter closures and openings including work on ore reserves and grades and investment costs.

iii) The Economic and Environment Committee - monitors and analyses developments affecting the secondary lead and zinc industries.

The Committee also monitors and reports on major international economic events which could have an impact on the lead and zinc industries, trends in the main end use sectors (eg: batteries, galvanising, die casting etc.) and the industries in which these products are used (eg, automobile, building, chemical etc)

The Committee is also responsible for reporting on all environmental issues and events affecting the lead and zinc industries, such as Sustainable Development.

Member Countries may request that work be undertaken on special issues or projects if it is of general interest. Recently, at the behest of Member Governments the Study Group completed a detailed study on the impact the Basel Convention will have on the lead and zinc industries.

Member countries and their industries can use the Study Group to put forward their views to external bodies such as the OECD, Basel Secretariat, European Union, World Health Organisation, and the London Metal Exchange, as the Study Group is an official Observer.

Outcomes from the ILZSG Annual Session held in New Delhi on 16 to 18 October

Key outcomes from the recent Annual Session held in New Delhi include:
• Detailed market outlook for lead and zinc for 2001/2002 prepared and published
• Draft of latest detailed report on lead and zinc new mine and smelter projects assessed and discussed and approved for publication in January 2002
• Enhanced understanding for member country government and industry participants of the range of recycling practices and policies utilised, their economic and environmental impact, and the importance of market mechanisms in this area
• Shared understanding of the importance, and responsibility, of the lead and zinc industries to the community through an excellent panel discussion involving a wide range of stakeholders - including an appreciation of the growing stakeholder interest in product stewardship and producer responsibility
• Endorsement of the importance and of the Joint Study Groups’ Nonferrous Metals Sustainable Development Forum process and the proposed way forward for the initiative
• Enhanced understanding of current EU environment policy developments and future directions, and the implications for member countries’ lead and zinc industries
• Agreement that the Study Group will undertake capacity building initiatives in developing member countries
• Approval of extensive work programmes for 2002 for the Economic & Environment, Statistical & Forecasting, and Mine & Smelter Projects Committees
• Detailed input through the Industry Advisory Panel of industry’s views on the range of work that the Study Group should be focussing on

STUDY GROUP WORK PROGRAMME FOR 2002

The Study Group agreed at its recent Annual Session a comprehensive work programme for 2002, including work on the following:

In the economic and environment field:

- Support for Sustainable Development Science Working Group and Overall Sustainable Development Initiative
- Principles and approaches for Risk Assessment
- Preparations for proposed 2003 Joint Study Groups’ Recycling Conference
- Investigation into the economic significance of the lead and zinc industries and ongoing reporting of industry indicators
- Common Fund for Commodities - existing and new projects
- Study on recycling and life cycle analysis, including product take-back, access to raw materials, and examination of different approaches to encouraging recycling
- Project on capacity building in developing country members of ILZSG

In the statistical and forecasting field:

- Development of Interactive Interface for New Statistical Database System
- World Directory of Primary and Secondary Lead Plants
- World Directory of Primary and Secondary Zinc Plants
- Study on the Chinese lead and zinc industries
- Seminar on Chinese lead and zinc industries
- Principal End Uses of Lead and Zinc report/Development of first use statistics in conjunction with IZA and IZA-Europe
- Improvement of recycling statistics, including investigation into refined zinc from secondary sources
- Development of database on lead and zinc mines and plants (including for World Directories)
- Review of lead alloy statistics

In advancing this work programme the Secretariat will seek to identify opportunities to hold seminars on topics of importance to member countries. We would like to explore the possibility of holding a seminar in Japan at some time in the future.

Study Group Publications

As part of the extensive work programme the following reports have been published, marketed and sold over the last twelve months:

- Environmental and Health Controls on Lead
- Environmental and Health Controls on Zinc
- Principal Uses of Lead and Zinc 1994-1999
- Lead and Zinc New Mine and Smelter Projects 2001
- World Directory of Lead and Zinc Mines (just recently published which I would commend to you)

Forthcoming publications over the next six months:

- Use of Zinc in Construction and Public Works
- Market Situation for Lead
- Market Situation for Zinc
- Use of Lead in Batteries
- Lead and Zinc New Mine and Smelter Projects 2002
- Principle Uses of Lead and Zinc 2002

Newsletter

The Study Group has recently begun to produce a quarterly newsletter. The first edition is available here today. It outlines the work of the Study Group and the role of the Secretariat, and contains details of the Study Group’s email and website addresses: they are root@ilzsg.org and www.ilzsg.org.

STATISTICAL WORK OF STUDY GROUP

Monthly Statistical Bulletin

The preparation of a monthly statistical Bulletin is one of the key functions that the Secretariat carries out on behalf of the Group. Apart from any other improvements in statistical services, the aim is always to constantly maintain and improve the steady flow of information that contributes to the major series contained in the publication. The
Bulletin can then provide a timely and accurate decision-making tool for the lead and zinc industries. This task involves an ongoing search for new sources of information, as well as the maintenance of well-established ones.

**Why Buy the ILZSG Monthly Bulletin**

The ILZSG Monthly Bulletin (Red Book) is now generally regarded as the definitive source of data on trends in the production, consumption, trade, stocks and prices of lead and zinc worldwide. It underpins much of the analytical work on lead and zinc undertaken by organisations such as Brook Hunt, CRU and Metal Bulletin who are all regular users of the Bulletin. The data presented in the Bulletin is drawn from a huge number of Study Group sources, built over the past 41 years, many of which are unique to the Group. These are used to present a comprehensive update on the lead and zinc markets on a monthly basis. Great care is taken to maintain high standards of accuracy and the Secretariat encourages regular feedback from members and subscribers.

As from April 2001, the Bulletin was made available to members and subscribers in an electronic form via the Group’s website. One of the main advantages of this is that data is now accessible immediately upon completion of the Bulletin. This is usually about 10 days prior to receipt of the hard copy.

For further information, please contact either Paul White or Paul Dawson at the Secretariat: ‘paul_white@ilzsg.org’ or ‘paul_dawson@ilzsg.org’.

**Interactive Interface Project**

Work is currently underway to design and implement an interactive interface which will allow to access data in the new database system via the ILZSG website. Users will be able to access a range of series held in the system, specifically defined by themselves, in terms of time period, commodity, country and variable name. Over time more and more historical data will be added to the existing database and will then automatically become available. It is anticipated the system will eventually be able to handle information, other than Bulletin statistics, held by the Secretariat such as the New Mines and Smelters report and the Directories of Lead and Zinc Plants.

In addition, this facility will not only be beneficial in terms of the access to longer time series of data. Since the interface will allow access to the ‘live’ database, any updates that are made to the available information will be immediately available to users, before they appear in the Bulletin.

The end result of this project will be that the Study Group’s forty years of statistical holdings will be more widely and easily available as an efficient and sophisticated statistical access system for metal supply, demand, trade, stocks and prices, with this historical data complementing the traditional monthly Bulletin.
LEAD AND ZINC MARKETS

Japan – Lead and Zinc Overview

- In 2000, Japan was the fifth largest producer of refined lead metal worldwide and sixth largest consumer and third largest producer and consumer of refined zinc. The country was also the third largest importer of lead concentrates and largest importer of zinc concentrates.

- We have noted that since 1997 the main changes that have taken place are as follows:
  - Expansion of Akita Zinc’s Iijima refinery by 40,000 to 200,000 (1998, 1999 & 2001)
  - Expansion of Toho Zinc’s Chigirishima lead plant by 25,000 to 120,000 (1997)
  - Expansion of Hachinoe’s Hachinoe zinc smelter by 10,000 to 118,000 (1998)
  - Closure of Nikko Mikkaichi’s 10,000 secondary zinc smelter in Mikkaichi (1999)
  - Closure of Kamioka Mining and Smelting’s Mines in Kamioka (2001)

Outlook for Zinc Consumption

Consumption of refined zinc has been rising at a steady rate since the end of the 1970s, although on a year by year basis there is some variation due to the correlation between the demand for metals and trends in the world economy and industrial production. There doesn’t, however, seem to have been any noticeable slowing in the rate of growth. In fact, in both 1999 and 2000 global growth in demand exceeded 5%.

On the demand side it would seem that the prospects for further growth in zinc demand are positive. This will be driven primarily by the increased use of galvanised steel in the construction and automotive sectors although there are also encouraging signs from other market sectors such as brass. On a regional basis, developing countries such as India and China offer good opportunities, as per capita consumption of zinc is still relatively low.

Even though zinc demand has increased in recent years, supply has risen at a faster rate. This combined with the present world economic downturn has resulted in zinc prices falling to their lowest level since 1987. Even though overall production costs in the industry have also fallen, it is clear that at these levels many operations cannot operate profitably. If prices do not recover in the short term it is likely that some of the higher cost operations will have to consider scaling back production.

Outlook for Lead Consumption

ILZSG figures show that the use of lead has grown from 6.04 million tonnes to 6.47 million tonnes over the period 1997-2000. In the case of lead it is encouraging that demand has continued to grow in the face of increasingly severe environmental regulations which have resulted in the phasing out of many of lead’s traditional end use sectors. The principal reason for this is that lead provides an efficient, reliable, easily recyclable and cost effective source of electricity for the Starter Lighting and Ignition (SLI) batteries used throughout the world’s automotive industry. It also has benefited
from the rapid growth of the IT and telecommunications sectors, where lead-acid batteries are widely used as back-up power.

**Lead and Zinc Demand in Asia**

The Group is optimistic about growth prospects for lead and zinc in the Asian region. Throughout most of the 1990s, apart from during the economic slowdown in 1998, the rates of increase of demand for lead and zinc in many Asian countries were among the highest in the world. This trend is expected to continue as the infrastructure in many countries is further developed, the use of galvanised steel rises, in the construction sector in particular, and levels of car ownership increase.

**Western World Refined Metal Balance for Lead**

The Group forecast at its meetings in New Delhi in October that there would be a deficit of refined lead metal in the Western World of about 50,000 tonnes in both 2001 and 2002.

It was, however, recognised that the predicted levels of lead metal output in 2002 would be partially dependent on the availability of sufficient concentrate supplies in the West. As the forecasts indicated that these supplies would not be sufficient it was likely that not all lead metal output targets would be achieved.

**Western World Refined Metal Balance for Zinc**

Overall, after also having taken into consideration releases from the US Defence National Stockpile, the Group’s envisaged a substantial surplus of refined metal supply over demand in both 2001 and 2002. It acknowledged that the scale of the surplus in the Western World zinc market in 2002, estimated at about half a million tonnes, might be reduced if present production plans were curtailed as a consequence of low market price levels.

**Forecasts – Recent Developments**

The forecasts were extensively covered in the world’s metals press and appear to have had a marked impact, in particular regarding zinc. Since the meeting a number of closures or cutbacks have been announced of which the most significant is the shut down of Outokumpu’s Tara facility in Ireland. It is, however, clear that more cuts will be required if the zinc market is to move away from a position of substantial oversupply.

**Proposed China Seminar**

China has a huge influence on many commodity markets worldwide, not least lead and zinc. Despite this, many gaps remain in information available on both production and consumption. This is partly due to the size of country and the fact that only recently have efforts been made to collect data in a more comprehensive fashion. However, in the case of lead and zinc perhaps the main obstacle is the fact that the structure of the industry is much more complex than in any other country. There are more lead mine and smelters in China that in the rest of the world put together. Most of these operations are very small and many are private and operated on an unofficial basis.
Since 1996, when the ILZSG and the then CNNC held a joint ground-breaking conference in Beijing, the Study Group has been working closely with the Chinese authorities to try and improve transparency in the Chinese lead and zinc markets. As the next step in this process a Seminar will be held in Stockholm in October 2002, at the same time as the Group’s next annual Session. A number of high level Chinese speakers have been invited to attend. It is intended that delegates should emerge from this meeting with a better understanding of the impact of the various reorganisations imposed over the past few years, the problems facing both producers and consumers, and the Government’s present policy in light of China’s recent entry into the WTO.

**ENVIRONMENTAL POLICY**

*EU Environmental Policy Developments and Future Directions*

Several initiatives have been taken across the European Union, during the last year, on environmental issues that could have impact on non-ferrous metals in general and lead and zinc in particular.

a) The British, German and Spanish Governments have put forward plans to implement the EU’s 2000 end-of-life vehicles (ELV) directive (2000/53/EC) in advance of next April’s legal deadline;

b) Electronics assembly firms agreed to plan an early transition on the use of lead-free solders in electrical and electronic equipment. According to GECI (Global Environmental Coordination Initiative) half of manufacturing in major electronics sectors could be lead free by the end of 2003, well before the proposed European Union phase-out date (2008);

c) Environment Ministers from Sweden, Denmark and Finland have stressed the importance for the EU Commission to propose an EU-wide ban on Ni-Cadmium rechargeable batteries “as soon as possible”.

d) The Swedish Government in February 2001 published a proposal for a new chemical policy. The aim of the policy is to achieve a “non-toxic environment”, one of the fifteen environmental objectives published by Sweden in June 2000. Denmark has of course already announced a ban on lead.

e) The European Commission has launched a Green Paper on “Integrated Product Policy”. The Paper promotes the concepts of stimulating consumer demand for greener products, stimulating the supply of green products and fiscal instruments to lower green product prices. Objectives include the reduction of environmental impact (products) on a Life Cycle basis, and the fostering of harmonised policies. Industry has expressed some concerns over the need for consistency, particularly in terms of waste recycling and chemicals policy, and the need for integration of the environmental-social-economic aspects. Scope exists for a win-win outcome if the important role of metals in sustainable development is acknowledged and enhanced.
f) The European Commission has adopted the White Paper “Strategy for a Future Chemicals Policy” with the goal of radically overhauling of the EU’s existing strategy on chemicals. The proposed EU Chemicals Strategy entails a new division of labour and responsibility between industry, Member States and the European Community with the clear intention to make industry responsible for the safety of its products. Industry will be required to prove its own products are safe against strict timetables. A major objective of the new chemicals strategy is to improve transparency of chemicals regulation across the EU, to increase public access to information, to provide for stakeholders’ involvement in the implementation, management and review stages of the Strategy and to maintain an active role in international discussions on chemicals.

g) The White Paper sets the framework for legislative proposals to apply to all chemicals and compounds, including metals and alloys. The Commission intends to present its proposals by the end of 2001 to the Council and the Parliament. The new legislation should be in place before 2005. Challenges for industry will include encouraging adoption of appropriate methodologies for metals, allocation of sufficient resources to address this issue, and coordination of approach across sectors.

h) The European Commission approved the end-of-life vehicles (ELV) Directive in September 2000. The aim of the Directive is to prevent the generation of waste from vehicles and to promote the reuse and recycling of end-of-life vehicles and their components. The European Union is aiming to ensure that at least 85% of old cars by weight is recycled by 2006. That proportion will rise to 95% from 2015.

ILZSG work on the European Commission's Scientific Committee's Proposal to lower Work Place Blood Lead Limits.

The European Commission's Scientific Committee on Occupational Exposure Limits (SCOEL) has recommended that a blood lead limit of 30 micrograms/decilitre be applied for both male and female occupationally exposed workers (compared with the current limits of between 50 and 70 micrograms/decilitre). The European lead industry is concerned that the SCOEL recommendation is too draconian, that it exceeds current expert advice and that it could result in adverse consequences for employment within the industry and for its competitiveness when introduced. SCOEL has offered the lead industry a chance to comment on its position. As a consequence the industry has requested that ILZSG consider carrying out an investigation into the impact of the SCOEL recommendation. This investigation would run independently, and in parallel to, work the industry intends to commission itself. Member countries have agreed to this initiative provided the ILZSG assessment remains free of any value judgment on the SCOEL recommendation and limits itself to economic and social analysis.

Lead Battery Recovery in the EU

A variety of battery recovery systems are in operation in the EU ranging from voluntary to mandatory collection systems. The ways in which used lead-acid batteries are collected varies between countries, although due to a general lack of data in many areas it is difficult to determine which methods are the more successful. The collection
process generally involves several steps, and used batteries may pass through several different collectors before eventually arriving at a secondary smelter for recycling.

For example, in Germany used lead-acid batteries removed from a vehicle may be returned to garages, retail outlets, scrap car dealers or car parts dealers. From these locations they may be passed to battery wholesalers, specialist battery collectors or regional scrap dealers (although car part dealers generally have their own nation-wide networks for the collection of used batteries and their direct transport to secondary smelters). The market share between the main groups involved is estimated to be: specialist battery collectors (60%), car parts dealers (20%) and scrap dealers (20%).

The UK has a similar complex pattern of battery collection and transfer between the various collectors and dealers, although in addition, extensive documentation and a £10 fee must also accompany each transfer of used batteries. This has resulted in many small dealers stopping their collection of used lead-acid batteries, and there are suggestions that the collection rate may fall as a result.

In France, a project dealing with many aspects of battery disposal, collection and recycling is currently in operation. Aims of this project are to ensure that retailers accept the return of used batteries sold by them, and to make battery producers/importers responsible for their subsequent collection and recycling.

Several European countries use financial incentives to stimulate battery recovery:

In Germany, there is a levy of 15DM on all lead-acid batteries purchased without the return of a used one. This levy is seen as an attractive way in which both to encourage consumers to bring back used batteries and to maximise used battery recycling rates.

In Italy, consumers pay an additional charge of 800L when buying a new lead-acid battery. This fee is refunded by the battery manufacturer to COBAT, an association which is responsible for collecting used lead-acid batteries and ensuring that battery recycling is carried out according to strict environmental regulations (see below).

In Sweden, battery producers and importers are charged an environmental levy of 40SEK per battery. This levy covers the cost of battery collection, transportation and recycling, and also the cost of a public information campaign to ensure that the used battery recycling rate remains above 95%.

**SUSTAINABLE DEVELOPMENT**

**Joint Study Groups’ NFM Sustainable Development Initiative**

The member countries of the three international metal study groups, ICSG, ILZSG and INSG, are trying to ensure that the contribution non-ferrous metals make to Sustainable Development is recognised and that the benefits they provide today for a better quality of life for all are available for future generations. The overall "vision" for this Study Groups initiative is to ensure that future generations benefit from non-ferrous metals, their production, use, recycling and disposal must be consistent with principles of sustainable development.
Member countries realise that this "vision" will only be achieved by engaging all stakeholders with an interest - industry (producing and using), governments (industry and regulatory departments), governmental organisations and non-governmental (environmental, social, user) and moving forward constructively together while recognising there are risks associated with the production and use of metals. It is also recognised that these risks can be reduced by working together to manage them properly, leading to improved health and social well being.

To do this the Non-ferrous Metals Consultative Forum on Sustainable Development has met to identify the key issues and to develop a work programme to address the following areas:

- Stewardship programmes
- Community consultation and involvement
- Promotion of recycling
- Research and development
- Open and transparent mechanisms to improve communication
- Information development and dissemination for decision-making.

Three Working Groups, one for Production, one for Product Stewardship and one for Science, Research and Development, were established with a mandate to bring together existing work, share information, identify gaps and to rapidly initiate activities identified by the Forum for future action. Over 100 participants from governments, industry, industry associations, non-governmental organizations, academia and multilateral institutions are collaborating in the work of the three Groups.

At the recent Forum meeting held in Portugal on 12-13 November the 75 participants from 21 countries and representing the full range of stakeholders considered the work undertaken to date by the three working groups, and agreed on future work programmes.

**Working Group on Science, Research and Development**

This Working Group has advanced significantly in four areas identified as objectives:

- Preparation of a stocktake of existing work underway to identify existing science related initiatives among intergovernmental organisations and research institutes; this will be expanded in content and coverage
- Establishment of a framework for identifying metals-specific principles for risk assessments, in contrast to the approaches used for organic chemicals;
- Preparation of guidelines for life cycle analysis of non-ferrous metals, with emphasis on materials flows, harmonisation of methodology and data issues in relation to sustainable development and risk assessment;
- Development of a technical web-based Science Network which is multi-stakeholder in nature and linked with technical and scientific expertise across research institutes and topics; the Network is being expanded and its use promoted.
Working Group on Production

The Group examined two areas to determine the current status of sustainable development activities in the production of non-ferrous metals, and to assess the drivers for these initiatives:

- Existing and past policies and practices that were designed to promote sustainable development in production of non-ferrous metals, and community engagement initiatives; issues identified include:
  - Majority of initiatives identified were initiated by governments
  - Industry initiatives are possibly under publicised
  - Few true examples of "triple bottom line" practices have been found
  - No clear criteria to measure success of initiatives
  - Indicators tend to be two dimensional (eg. eco-efficiency)
  - Lack of clear channel to governments to develop integrated initiatives.

- Community engagement issues: The analysis of these issues has focused on the following key points which have emerged:
  - Access to information
  - Opportunities for involvement by various stakeholders
  - Assessing community support and concerns
  - Addressing cultural differences
  - Financial initiatives for sustainable community
  - The impact of direct corporate contributions/philanthropy to communities
  - Means for evaluating the effectiveness of community engagement programs.

This preliminary inventory successfully highlights diverse examples of involvement of a wide range of stakeholders being driven by various regulatory, and non-regulatory circumstances to design engagement programs in the North and South.

Working Group on Product Stewardship

The use of non-ferrous metals and products must be properly managed to reduce any potential adverse effects or risks to human health and the environment. In managing these issues, the concept of product stewardship plays an essential role. It applies to specific elements, substances or products and their associated risks based on assessments of all stages in the life cycle.

- The detailed document developed by this Group forms the basis for a voluntary approach to product stewardship for non-ferrous metals by outlining the guiding principles and criteria that would be central to any stewardship scheme. It is intended that these principles and criteria form the basis for action, to varying degrees, by governments, industry associations, companies and civil society groups.

- The principles were developed to cover five main themes of stewardship: governance, information and communication, product design, recycling, and research and knowledge base. The criteria are indicative, and show how
principles are capable of being translated into measurable indicators of progress.

- Ultimately, for any formal stewardship scheme to be successful, it will need to be implemented primarily by companies, on their own or through associations. Where appropriate, the scheme may also need the support of governments and the endorsement and participation of other stakeholders.

- It is planned to engage a group of industry associations/companies to pilot a product stewardship scheme based on the Principles and Criteria it has developed.

CONCLUDING REMARKS

Thank you very much for the opportunity to present for you today an outline of the role of the International Lead and Zinc Study Group and its work in serving the member countries, amongst which we are honoured to include Japan.

I am happy to take any questions.