

Minutes
ACAP Mercury PSG Teleconference
July 22, 2015 with update September 8, 2015 in italics

Attendees:

Marianne Bailey – U.S. EPA
Stan Durkee – U.S. EPA
Gail Lacy – U.S. EPA
Hui Peng – Canada
Alexander Boldyrev – NEFCO
Alexander Romanov – SRI Atmosphere

Attendees September 8:

*Marianne Bailey – U.S. EPA
Alona Yefimenko – IPS
Husamuddin Ahmadzai – NEFCO
Timo Seppala – Finland
Stan Durkee – U.S. EPA
Amelia Letnes – U.S. EPA
Gail Lacy – U.S. EPA
Rodges Ankrah – U.S. EPA*

1. **Recap, Status Report** -- Marianne opened the teleconference, noting that because participation is very light during the summer season, we will hold another teleconference in September 2015 to go over the same items and any additional items. She did a brief recap of the last (January 22, 2015) teleconference and reminded participants that our group submitted a Status Report to ACAP in January 2015 that described the status of our two current ACAP deliverables, on the smelter project and the workshop project.

For the September update, Marianne went over same information and added that our EG had submitted a new Status Report last week to ACAP for the upcoming ACAP WG meeting; the EG had an opportunity to review and comment. The ACAP WG intends to take up the issue of whether to merge or collapse EGs so if this group has thoughts on that, they may note them on this call and/or give the thoughts to their ACAP WG member (many of the EG participants also participate in ACAP WG.)

2. **Ekaterinburg Workshop Report-Out** – Alexander Boldyrev, NEFCO, provided an update on the technical information exchange meeting held in Ekaterinburg, Russia in April 2015. The technical information exchange was co-sponsored by the Swedish EPA Trust Fund managed by NEFCO and by the Barents Hot Spot fund managed by NEFCO and supported by the government of Russia. The meeting focused on mercury emission control in Russia, Sweden and the US, with a focus on mercury in the nonferrous metallurgical sector. It was designed to contribute to the work of the Expert Group, the smelter project, the Barents process, and the “Mercury Emissions Reduction Technology Workshop” envisaged to be held in Russia in Fall 2015. In addition to nonferrous metal smelting industrial representatives and NEFCO, several representatives of government agencies from Russia attended, including a representation for Rostekhnadzor, the ACAP Mercury Expert Group (EG) Co-chair, as well as representatives of the U.S. and Swedish governments. A meeting report entitled “Technical Information Exchange on Mercury Abatement in the Metallurgical Industry,” has been completed and has been submitted to the Co-Chairs of the EG and Chair ACAP WG including the Executive Secretary on 5 June 2015 by NEFCO. The report will be shared with the PSG/EG.

Husamuddin went over same information at the September call. He noted appreciation for the Swedish EPA for their support of the workshop, and to vice-chair Vlad Barsukov for his work to make the meeting a success, and in particular the involvement of facility managers. The group discussed whether the

workshop report is intended to be an ACAP project and blessed by ACAP. Husamuddin noted that NEFCO would be happy if the EG could indicate that the report is part of the ACAP smelter project and agree to put the ACAP logo on it. Marianne noted that the workshop was an integral part of the ACAP- and EG-approved smelter project, and although the project has not yet received full funding from the PSI, it is still our group's project and we should note the progress made.

ACTION: EG members to look at report (circulated twice) and contact Marianne and Husamuddin if any concerns about the report.

Marianne to inquire about procedures for putting ACAP logo on report.

3. Next steps on smelter project –

The smelter project awaits a Final Investment Decision (FID) from the PSI. A written agreement with the plant management is needed prior to requesting FID. NEFCO hopes to be able to submit an FID request to the PSI by September 13. NEFCO has been conducting, and continues to conduct, significant outreach on the project, including regarding its timeline in relation to the development of BAT/BEP policies within Russia. Industry has expressed interest but there has not been much activity in the last several months. The feasibility study, conducted many years ago, as noted in the project proposal, needs updating. NEFCO held a meeting on June 17 with MNRE, who supported the project.

Husamuddin reported that the project has full support of MNRE, but awaits a decision from high-level Chelyabinsk plant management. Therefore it awaits an FID from the PSI and is likely not to be submitted in time for October PSI Committee consideration. NEFCO hopes for intersessional consideration once buy-in from facility owner is received. In the meantime, NEFCO is composing a short letter to the Chelyabinsk plant management addressing concerns for confidentiality of the data obtained during the implementation of the project.

The group discussed the important context of the Russian Federation movement to implement BAT legislation, including the development of sector-specific "BREFs", the first 10 of which are to be drafted this year for implementation within 7 – 14 years of the 2014 adoption of the Act). Between 100 and 300 facilities are targeted for initial action and we do not know if the Chelyabinsk smelter will be part of that. NEFCO is prepared to update work on flows and continue work to resolve cross-media issues for project planning.

Action: NEFCO will continue discussions to involve facility owners in the proposed project. EG participants should exchange information on further developments related to BAT implementation and smelter sector.

4. Status of Control Technology Workshop and Funding –

Marianne stated her understanding that no comments had been received from the PSI Committee members on the workshop project. NEFCO had been submitted to the PSI Committee for inter-sessional approval on 15 May 2015. The Russian Federation Focal Point to the PSI communicated their reservation on the proposal on the 17 of June. The Proposal is currently tabled for reconsideration, if so desired, at a future date. This was done with the knowledge that the timing of the funding decision was critical if it were to be undertaken in cooperation with the UNEP/GEF/Russian project to develop a mercury action plan.

Alexander Boldyrev confirmed that the PSI Committee had been informed on the tabling of the proposal by PSI Fund Manager (on the 23 June 2015). He had become aware that the Russian position, while positive at the EOI stage, had reservations in granting a FID at the inter-sessional request as at least one Russian organization had concerns with the project moving forward in 2015.

Marianne noted that the chair would appreciate having further details as to the interactions leading to the decision. She noted with regret that USEPA would no longer be able to provide in-kind support for the project or leadership in actively moving it forward. She stated that, therefore, the U.S. will request that the proposal be withdrawn unless one or more PSG members would like further discussion and are willing to step forward to make it happen. Should this not be the case, the project would be terminated and the Expert Group, therefore, would not meet this ACAP deliverable.

The group discussed a letter received by SRI Atmosphere from MNRE that indicated support for the workshop project (letter signed by Mr. Inamov). Husamuddin indicated that this is a good development, and is consistent with discussions at the RF-NEFCO meeting on June 17 at which the Russian Federation requested that the workshop proposal be tabled and resubmitted at a later date. That meeting included both MNRE and the Russian Executing Agency for the PSI. At issue were the what, how, where, and timing of the workshop. These issues did not enable a consensus to emerge from the PSI Committee, which NEFCO says is necessary for funding approval. Nothing further is needed from the EG. NEFCO hopes that the PSI will develop clear rules of procedure for intersessional decisions.

Marianne noted a couple of issues: First, that U.S. EPA management has pulled back from engagement in the project because it has faced repeated delays such that U.S. EPA cannot devote further staff time to the project without another management decision. Second, the workshop was designed to supply technical information for the development of the RF Minamata Action Plan, as part of the GEF-funded project, and the delay may make the timing impossible. Therefore, while it may be possible in the future to resubmit the proposal to the PSI, it will not be submitted for the October PSI meeting. Marianne also noted that the participation of the RF vice-chair and/or ministry officials in the EG discussions would facilitate implementation of the EG activities. The group noted that the important objective is to address mercury and the group is focused on some of the biggest regional and global sources.

The group agreed that RF vice-chair and/or ministry official participation in the EG discussions would facilitate implementation of EG activities and that all these challenges should be discussed at the ACAP meeting this month.

Action: No action needed immediately. The EG will regroup after ACAP WG meeting to consider results of those discussions and, in the near future, consider whether or not to resubmit the proposal to the PSI Committee.

5. Status of GEF-funded inventory and action plan project –

Alexander Romanov reported that the project has completed mercury emissions testing at several plants, including cement and chloralkali facilities, and they have received interest in such work at non-ferrous metals plants. They have collected significant primary and secondary data on Minamata-relevant sectors for the inventory. They have received a first draft of a gaps analysis paper (covers both mercury emissions and mercury use) that will feed into an action plan detailing measures that need to be taken to meet Minamata Convention requirements. The project is closely following the work of the Minamata Group of Technical Experts as it circulates the draft BAT/BEP guidance for comments, to ensure that the action plan will be consistent with the future guidance.

The project held a meeting in Chelyabinsk in April 2015 that coincided with the Ekaterinburg technical information exchange.

Alexander noted that the current schedule for his project calls for all technical information to be in hand by the end of September 2015. (This was the schedule assumed for the workshop timing for consideration of the proposal.) However, he noted that in May, he had requested from GEF a one year extension until September 2016. He awaits approval. Under this schedule, all information would have to be in hand by March 2016.

Marianne noted that although the PSG/EG may not be able to conduct the control technology workshop that would have provided useful information for the action plan development, the United States and perhaps other members of the expert group would nevertheless be happy to provide input, advice, or comments as appropriate on project draft documents and other work, as the project moves forward. Alexander expressed appreciation.

Not discussed at September call.

6. **Mercury PSG/EG Chairmanship** – Marianne noted that she has been chairing the PSG/EG for some years now (since 2011), that the group would benefit from the new ideas and energy that change in leadership can bring, and that she has additional work responsibilities that necessitate a change in chairmanship in a few months. This will be discussed again at our September call but in the meantime PSG members are encouraged to consider taking on a leadership role.

There were no comments on this or on the upcoming ACAP discussion of possible merging/collapsing of EGs other than to note possible synergies between groups e.g., waste management as a cross-cutting issue.

7. **Next teleconference:** September 2015, date TBD