NATIONAL ELECTRONICS PRODUCT STEWARDSHIP INITIATIVE
DRAFT MEETING NOTES

November 8-9, 2001
Boston, MA

The second formal meeting of the National Electronics Product Stewardship Stakeholder Dialogue was held November 8-9, 2001, in Boston. A copy of the agenda and a list of the meeting participants are attached.

<u>November 8</u>

WELCOMING REMARKS

Gina McCarthy of the Massachusetts Executive Office of Environmental Affairs welcomed the stakeholders to Massachusetts. She recognized the participants= level of commitment to the NEPSI process, especially given the tight budget constraints most people are facing. She acknowledged Massachusetts constituents= concerns over electronic waste and noted that Massachusetts has a ban on CRT disposal in landfills and incinerators. McCarthy explained that the state program supporting CRT recycling is not economically sustainable and therefore the state legislature is considering calling on industry to help.

ITEMS FOR APPROVAL

The draft meeting notes for the June 21-22 meeting in San Francisco were presented for discussion and approval. The draft had been available to stakeholders via the NEPSI Website (www.nepsi.org) and no comments were received prior to the meeting. The Stakeholder Group approved the meeting notes as presented.

Dates for future stakeholder meetings were discussed. For the next meeting in Florida, the Group discussed and approved January 24-25, with the Design Workshop being held on January 23rd. Given a choice of several locations in Florida, the Stakeholder Group agreed on Tampa. Stakeholders discussed and approved March 11th and 12th as acceptable dates for the meeting in Washington, DC. The timing and location for the fifth meeting was discussed, with the majority of stakeholders agreeing that a June meeting in Minnesota should be planned. Some stakeholders, however, suggested investigating other midwest locations where airfares might be cheaper. The Core Group was tasked with exploring the costs associated with various midwestern sites and looking into meeting dates further. Participants agreed that the last NEPSI meeting should be scheduled for mid-September in a northwest location. Dates to avoid were discussed (i.e., NRC meeting Sept. 8 B 11; NAHMA meeting). The Stakeholder Group tasked the Core Group with investigating a suitable location that would offer economical travel opportunities (suggestions were Portland or Seattle).

Two individuals were proposed as additional stakeholders: Jennifer Sheperd of Solectron and Margaret Walls of Resources for the Future (RFF). Solectron is a contract manufacturer that builds electronic equipment for OEMs. Margaret Walls is an economist and has been researching and writing for many years about economic incentives to promote waste reduction and recycling. RFF is a nonprofit think tank that focuses on environmental and economics issues. The Stakeholder Group approved the addition of both stakeholders.

There was some discussion about how and when it is appropriate to add stakeholders. It was suggested that some advance notice and information be given to the Stakeholder Group if new participants are proposed in the future. The facilitators, Gary Davis and Catherine Wilt, noted that, according to the guiding principles for this Group, stakeholders are to be added if there is an unfilled position within the existing categories of stakeholders, or if the new stakeholder could play a useful role in terms of providing a specific expertise.

DISCUSSION OF NEPSI ROADMAP

Gary Davis presented the draft roadmap for the NEPSI process. The roadmap sets out a timeline for upcoming meetings and establishes a sequence of goals and deliverables for the Stakeholder Group to focus on as it works toward a final NEPSI agreement next September. Davis said that the roadmap had been revised based on comments received from stakeholders prior to this meeting. The Stakeholder Group reviewed and discussed the goals and expectations for each stakeholder meeting as described in the roadmap document. A summary of discussion points follows:

*Current Meeting***C***Boston*

C Gary Davis and Catherine Wilt explained the methodology used to divide the Stakeholder Group into subgroups: assignments were made according to the stakeholders= stated preferences and to maintain balanced representation of all stakeholder groups. Some stakeholders were concerned about splitting up the different issues for discussion in isolated subgroups. Davis and Wilt made clear that the subgroups would not have any decision-making authority and were only tasked with gathering information and making recommendations to the main body to move the process along more efficiently. Subgroups will report back to the main body as they make progress. It was determined that mechanisms to facilitate information sharing and cross-fertilization among the subgroups would be put in place. For example, a list serv could be used for communication between subgroup members, and all stakeholders could receive e-mail communications and/or participate in conference calls as observers in subgroups other than the one they are assigned to. Conference call dates, call notes, and other materials produced by the subgroups could be posted on the secure part of the NEPSI Website for all stakeholders to access. Observers may also participate in subgroups.

*January Meeting***C***Florida*

C The fourth item on the roadmap for this meeting is to ABegin discussing goals.@ Since there was confusion over the term Agoals@ in this context, it was the consensus of the group to use the term Ametrics for success@ to refer to goals for the financing/collection/reuse/recycling model.

*June Meeting***C***Minnesota*

C The Stakeholder Group agreed that the Core Group should use the period between the March and June NEPSI meetings to draft language that articulates the consensus to date regarding the financing/collection/reuse/recycling model. This draft language will be discussed at the June meeting, revised, and then discussed and finalized at the September meeting, allowing stakeholders to bring a final agreement document back to their respective organizations for final approval.

C It was further suggested and agreed that stakeholders take the revised draft that results from the June meeting and work with their organizations to obtain concurrence on the principles and specific language in the document. Further, stakeholders should obtain authorization and be prepared to participate in final negotiations regarding the agreement at the September meeting.

*September Meeting***C***Northwest*

C It was agreed that the second item listed on the roadmap for this meeting, ANext steps for implementation,@ be changed to ADiscuss next steps.@ This change was made to allow for interim steps, prior to implementation, to be considered during that discussion.

The Stakeholder Group discussed whether or not the roadmap should be a public document. Various points of view were articulated. Those in favor of making it public felt the document shows progress to the many people who are interested in following the NEPSI process. Also, stakeholders may get more input from constituents. Those opposed were concerned that items on the roadmap may be misinterpreted by those not close to the process. There was a consensus that the revised roadmap document be placed on the public portion of the NEPSI Website.

DISCUSSION OF FINANCING MODELS

One of the goals of the Boston NEPSI meetings was to choose one or two financing models for continued discussion by the Financing Subgroup.

The Stakeholder Group began this process by reviewing the steps taken to date to identify those financing models that have the greatest degree of support among stakeholders. These steps included:

C Discussion at the June 21-22 meetings in San Francisco, where the Stakeholder Group was asked to consider twelve models of collection, transport, recycling, and financing, and pick two models for further discussion. The models receiving the most votes were models 4 and 9. The Group also discussed the pros and cons of models 2 and 12 during the San Francisco meetings. (A description of the models is included in the meeting notes from the June 21-22 meetings.)

C A period (through July 30, 2001) during which stakeholders could submit comments in writing on models 4 and 9 or on any other models.

C Follow-up interviews conducted by the Core Group, wherein stakeholders were asked to give additional input, with the focus being on the financing portion of the models.

C Development of a document entitled ASummary of NEPSI Comments on Financing Models,@ which incorporates the comments of roughly 38 stakeholders, with all stakeholder groups represented. The document summarizes comments about the following types of financing models: 1) general tax-base funding, 2) back-end fees (end-of-life fees), 3) front-end fees (including advance recovery fees, product licensing fees, and deposit/refund models), and 4) other models.

To continue the process of narrowing down the choice of financing models, Gary Davis and Catherine Wilt invited representatives from industry and government to summarize their preferences. The industry stakeholders said that, during the fall meetings of the electronics industry, they had narrowed their choices to three models: general tax-base funding, end-of-life disposal fees, and advance recovery fees. Because they recognized that tax-based funding would be unacceptable to many in the NEPSI Stakeholder Group, the industry stakeholders said that they were willing to focus on the other two models (EOL fees and ARFs), so long as all implementation options remained on the table.

Government stakeholders then said that they supported the use of front-end fees, a category that they interpret to include ARFs, product licensing fees, deposit/refund models, cost internalization by producers, and hybrids of all these approaches. They said they prefer front-end fees because such fees allow for the capture of various products, don=t discourage participation, allow for decreasing fees over time, and provide incentives for DfE. The government stakeholders went on to say that they feel end-of-life fees are not the best approach because EOL fees discourage participation, encourage illegal dumping, have higher transaction costs, and provide only limited incentives for lowering fees over time.

A discussion followed during which the Stakeholder Group debated whether EOL fees result in lower recovery rates. Some members of the Group suggested that EOL fees can be structured so that they don=t discourage participation (for example, the EOL fee can be collected as a one-time household fee tied to waste collection). It was also mentioned that some research has shown no fall-off in recovery rates when EOL fees are used. The Group agreed, however, that most people participating in current collections are highly motivated, whereas a goal of any NEPSI system must be to convince unmotivated people to participate.

Gary Davis and Catherine Wilt then invited representatives of non-governmental organizations and recyclers (or any other stakeholders outside of industry and government) to comment on preferences for finance models. Following is a list of comments made by various members of the Stakeholder Group:

- The NEPSI financing system should reward DfE (designs that produce less waste and less toxic material). Also, the financing system for collection and transportation should not be separate from the financing system for recycling.

- The Stakeholder Group should remove EOL models from the list of financing systems under consideration, because there is no way of structuring an EOL system so that it encourages participation and leads to significant recycling.

- EOL models should remain on the table. An ideal financing system may not be immediately achievable, and implementation may have to occur stepwise, so all models should still be considered.

- The general public would be willing to pay a small collection fee ($5 to $10). The results of a Massachusetts survey show this.

- Retailers believe a front-end fee system would have to be universal to be effective. If it is voluntary, some retailers may not participate to achieve a competitive advantage. Retailers are also concerned about consumers' reaction to a fee.

- A front-end fee for new products may not cover the backlog of old products, and there is a concern that consumers will be charged twice: once at the point of purchase and again at the collection point.

- The NEPSI financing system will have to be a combination of models. Consumer participation should be the main concern.

- Any fee system should create incentives for consumers. The suggestion was made that some portion of the fee could be passed on to the recycler, who in turn would offer consumers a refund/rebate for returning used electronics.

- If governments are under pressure to collect used electronics, they could set up a fee-for-service takeback and recycling program similar to the one currently operated by Best Buy.

C Concern was voiced over allowing exemptions from front-end fees for large purchasers, such as the government or large institutions or corporations. The costs of recycling the equipment purchased under these circumstances will eventually have to be covered by the system when used equipment is sold or donated.

C The NEPSI financing system should not discourage reuse. EOL fees can encourage reuse as consumers look for ways to avoid the fee. A front-end fee system should include a built-in reuse infrastructure.

C The costs of the NEPSI system should not be invisible. Consumers should be aware that they are receiving a very real service for the fee they pay. The public needs to be educated about why this service is necessary and why consumers must pay.

C Like retailers, waste management companies will want to see universality in any NEPSI system to ensure a level playing field.

C Based on the experiences in California, fee-based systems achieve a lower recovery rate when the consumer is charged at the collection point.

Narrowing Down the Number of Models Under Consideration

Based on the comments received from industry, government, and other stakeholders, the Stakeholder Group attempted to narrow down the number of financing models under consideration. After lengthy discussion, the Group split the financing models into two categories:

<u>Models worthy of further discussion:</u>

C Front-end fees (including ARFs and product licensing fees but not deposit/refund models)

C End-of-life fees

<u>Models no longer worth discussing:</u>

C General tax-base funding

C Cost internalization (defined as Aindustry pays all@)

C Deposit/refund models

Following are summaries of the discussions that took place about each model.

General tax-base funding. The Stakeholder Group agreed that general tax-base funding is no longer worth discussing as a financing model. This does not mean that the NEPSI Stakeholder Group is condemning the use of general taxes as a mechanism for funding electronics collections and recycling; it simply means that a general tax will not be part of the Stakeholder Group=s recommendation for a nationwide electronics stewardship system. The Group also distinguished general taxes as being different from the Atargeted@ taxes used in some municipalities as a tool for collecting solid-waste user fees.

End-of-life fees. The Stakeholder Group agreed that end-of-life fees are still worth discussing, since there may be a place for EOL fees within a NEPSI financing system. For example, it was pointed out that EOL fees could be used in a Ahybrid@ systemCespecially during the first couple of years, when the system must handle a backlog of old products.

Cost internalization. Catherine Wilt began this discussion by defining cost internalization as situations where companies decide to completely internalize end-of-life costs into their product cost. Based on that definition, several stakeholders commented that they felt cost internalization could be part of a hybrid financing system (for example, companies could internalize the cost of processing used electronics, with collection and transportation financed through another method). Some stakeholders indicated that cost internalization was an attribute that they=d like to achieve through a NEPSI system. Others commented that, no matter what financing model NEPSI settles on, companies might decide to internalize some of their end-of-life costs into product costs; so cost internalization is not necessarily something that can be controlled or dictated. Another concern is that unless it is universally implemented, cost internalization invites free riders. The Stakeholder Group soon agreed that a more exacting definition of cost internalization was needed to determine whether internalization was worth discussing as a model for financing a nationwide NEPSI system. Gary Davis proposed defining cost internalization as Aindustry pays all.@ Based on that definition, the Stakeholder Group agreed that cost internalization was no longer worth discussing as a NEPSI financing model.

Front-end fees (ARFs and product-licensing fees). The Stakeholder Group quickly agreed that advance-recovery fees are worthy of further discussion. When the topic turned to product licensing fees, however, there was some debate concerning whether a licensing fee should be considered a front-end fee or a different type of financing model altogether. Some stakeholders felt that front-end fees are (by definition) imposed on consumers, whereas licensing fees are imposed on companies. Others felt that ARFs and licensing fees are simply two different methods of implementing a front-end financing model. Stakeholders also voiced specific concerns about licensing fees: that they are burdensome to industry and raise antitrust issues; that they cast industry in the role of enforcer and are simply a way of having industry absorb costs; that it would be difficult to establish licensing fees for different product types. After discussion, the Stakeholder Group reached two agreements: 1) to use the term Afront-end fee@ to refer to both ARFs and product licensing fees, and 2) to keep both ARFs and product licensing fees on the table as potentially viable NEPSI financing models. The Group also agreed to investigate possible antitrust issues associated with licensing fees.

Deposit/refund models. The Stakeholder Group at first agreed to include deposit/refund models in the category of front-end fees worthy of further discussion. However, after continued deliberation, the Group decided to drop deposit/refund models from consideration. The primary concern about deposit/refund models was that they would be cumbersome and costly to administer, since electronics equipment is relatively long-lived and often contains multiple components that aren=t retired at the same time. Another concern was that a deposit/refund system would invite a deluge of old equipment that the system would be financially unprepared to handle. Proponents of a deposit/refund model commented that the promise of a refund provides an excellent incentive for getting consumers to bring used electronics to collection points. In addition, the value of used products under a deposit/refund scheme makes possible many other types of collection programs, since parties would (in theory) be willing to collect equipment directly from households in order to collect the refund. Proponents also argued that the relatively long life of electronics products would be a benefit under a deposit/refund system, since the deposits would accumulate interest, creating an additional source of revenue. In the end, the Stakeholder Group dropped deposit/refund models from consideration, with the stipulation that incentives for consumer participation be considered a key attribute of any NEPSI financing system.

Discussion of Topics for the Financing Subgroup

Before breaking off into subgroups, the Stakeholder Group reviewed the list of discussion questions that had been put together for the Financing Subgroup. (See attached lists of discussion questions for all three subgroups.) Stakeholders suggested adding several questions to the financing subgroup list:

- Are there antitrust concerns associated with the use of product-licensing fees in a NEPSI financing system?
- Are there generally accepted accounting procedures for dealing with the revenues and liabilities associated with a recycling system, and what are they?
- How can consumer incentives be incorporated into the financing system?
- What are the research needs to help address the questions posed to the Financing Subgroup?

The Stakeholder Group agreed to these additions.

<u>November 9</u>

REPORTS FROM SUBGROUP DISCUSSIONS

The stakeholders and observers spent several hours participating in subgroup discussions during the afternoon of November 8th and the morning of November 9th. When the Stakeholder Group reconvened in plenary session on November 9th, they began with brief reports from the leaders of the three subgroups (infrastructure, regulatory, and financing), summarizing the discussions that had taken place.

Infrastructure Subgroup

Wayne Rifer of WEPSI, leader of the Infrastructure Subgroup, reported on the subgroup's progress with the help of Mark Kennedy of the State of California.. Rifer said that the Infrastructure Subgroup's near-term goal is to prepare a report for NEPSI's January meeting, outlining the different options for developing an infrastructure for increased collection, reuse, and recycling of used electronics. Rifer described the process that the subgroup participants had agreed on. They will hold biweekly conference calls, with the first three calls occurring at 3:00 EST on November 20, December 4, and December 18. They also plan to set up a list serv, which they will use for continuing dialogue and for sharing documents.

Kennedy said that during their initial meetings, the subgroup participants had reviewed the list of discussion questions presented to them and had decided to divide the list into three new categories, which parallel the focus of the subgroup=s work:

C **Existing Systems.** The subgroup will search for data sources that will help answer questions about the effectiveness of existing models for collection, reuse, and recycling. Possible data sources include the NERC report.

C **AVision@ System.** The subgroup will create a vision of how an ideal collection, reuse, and recycling system would work. The subgroup=s initial impression is that a Aone size fits all@ model will not work. Using the AAttributes@ list as a starting point, the subgroup will also develop criteria for evaluating any proposed system.

C **Implementation.** Finally, the subgroup will address questions about how to implement the proposed system and how to measure progress and performance.

Rifer and Kennedy said that the Infrastructure Subgroup will evaluate the hierarchy to apply in terms of reuse, remanufacturing, and recycling. They also created a Aparking lot@ of secondary issues that they will address as time permits. This includes certification for demanufacturers, software licensing, issues associated with export of recycled materials and e-waste to overseas markets, and identifying research gaps.

Regulatory Subgroup

The task of this subgroup is to discuss and provide recommendations to the Stakeholder Group about the regulatory environment for the system for collection, reuse, and recycling of used electronic products. The subgroup=s mission is to deal both with existing regulations and with the question of new regulations or standards as may be needed to ensure that the system that develops is safe, environmentally sound, and economically feasible.

After much discussion, the subgroup established the following framework for addressing the issues of this subgroup:

Step 1. Establish baseline**C**Alay of the land.@

C Develop a matrix of state and federal regulatory policies (existing, proposed, pending) that affect consumers, collectors, transporters, and recyclers.

- Include simple benefit analysis—examination of the pros and cons of each.

Step 2. Assess data utilizing NEPSI agreed-upon attributes.

Step 3. Provide recommendations.

- For 4 categories (consumers, collectors, transporters, and recyclers).

Logistically, it was agreed by the members of this subgroup that discussion would happen primarily through email and list serv. Conference calls would be established as necessary. George Lundberg of Epson will be serving as the subgroup chair-person.

Finance Subgroup

Raoul Clarke began reporting the activities of the Finance Subgroup by stating that the expectation of the subgroup is to present a menu of financing options to the Stakeholder Group at the January meeting. He explained that the subgroup discussed three financing models and assessed specific attributes of each by filling out a matrix. The attributes addressed such things as where fees are paid, who pays them, how fees are set and who manages the funds, whether fees are visible, whether fees cover orphan and historic products, and whether there are incentives for consumers to return used products and for manufacturers to incorporate DfE. The subgroup examined advanced recovery fee, product licensing, and end-of-life fee models.

Clarke reported that the subgroup noted the need to work on definitions for certain terms, including visible fee, licensing, cost internalization, and incentives to return. Members of the subgroup also identified some research questions that will be addressed by subgroup volunteers, including:

- What types of incentives for DfE could be built into the system?

- Are there models of third-party managed systems that are not managed by industry?

- What are the antitrust issues and what types of financing systems invoke concern?

- What are the DfE impacts of an EOL fee?

The subgroup has established dates and times for four conference calls. The subgroup plans to apply the matrix to several real-world models, including the Dutch, Norwegian, and Japanese systems; the Australian cell phone system; SWICO; and possibly the used oil and tires systems. Once subgroup members have assessed the pros and cons of these systems, they will construct one or more models by combining the most desirable attributes that will meet the joint needs of the stakeholders.

One stakeholder suggested examining the Massachusetts system for recycling CRTs. Another stakeholder suggested that the Infrastructure Subgroup also use the matrix approach and examine the infrastructure systems of the models studied by the finance subgroup. It was decided that this idea had merit and would be discussed by the subgroup leaders.

NEXT STEPS FOR SUBGROUPS

Gary Davis and Catherine Wilt presented a list of Anext steps@ for the subgroups:

C Establish a regular communication structure between subgroup leaders for cross-fertilization and assistance between groups.

C Set up desired communication structures.

C Develop bridges/partnerships between NEPSI and other research initiatives that overlap (including the Recycling Summit and Patty Dillon=s group).

C Provide potentially useful resources to subgroup leaders (this is a task for all stakeholders). Also, pass on examples of other pertinent, real-world finance models.

First Conference Calls

Infrastructure Subgroup: November 20, 3:00 EST (followed by calls on 12/4 and 12/18)
Regulatory Subgroup: will schedule conference calls as necessary
Finance Subgroup: November 29, 1:00 EST (followed by calls on 12/10, 1/7, and 1/17)

REPORT FROM DATA SUBGROUP

Gordon Hui of U.S. EPA=s Office of Solid Waste presented new electronics recycling data forms that the Data Subgroup had developed for gathering information about the current state of electronics recycling in the United States. He said that the Data Subgroup=s work from here forward will involve disseminating the forms, gathering data through online versions of the forms (to be developed), and assessing the data.

Several stakeholders requested the opportunity to submit comments about the new recycling data forms. The Stakeholder Group agreed that the deadline for comments would be November 16. The Group also agreed that, once the forms are revised and all comments are addressed, the forms can be presented as an official NEPSI product.

Stakeholders made the following suggestions for revising and publicizing the forms:

C Add metrics to the recycling forms to collect data on reuse efforts.

C On the forms= cover sheet, specify who will have access to the results of the data collection. If people know that they will have access to the results, the response rate might be better.

C Announce in a press release that NEPSI has developed the forms.

The Stakeholder Group agreed that the Data Subgroup should try to assemble the results from the data collection by NEPSI=s March meeting.

DISCUSSION OF ELECTRONICS PRODUCT STEWARDSHIP ACTIVITIES IN CANADA

Duncan Bury of Environment Canada gave an overview of electronics recycling efforts in Canada. Bury said that the federal and provincial governments are negotiating with the Canadian Information Technology Association (ITA), the major trade association for information technology manufacturers, to develop an extended producer responsibility program for used electronics. The ITA has publicly committed to developing a roadmap to establish a full national industry producer responsibility organization (PRO). Environment Canada completed a baseline report on IT waste that predicted a doubling of this waste over the next 4 to 5 years. The government has also produced reports investigating existing IT recycling infrastructure and the risks associated with IT waste disposal. A report jointly funded by industry and the government is underway to explore the options or roadmap for an industry response. This roadmap should be completed in spring of 2002. The roadmap will include plans for pilot studies, options for the scope of the program, and the industry role in filling infrastructure gaps.

Bury said that many factors have spurred on this level of activity. All levels of government**C**federal, provincial, and municipal**C**are concerned about the challenge of dealing with waste electronics. Canada has a lot of experience with takeback as a tool for solving waste concerns (there are 40 takeback programs already in existence). Bury explained that two of the provinces have pending legislation that will push industry into taking a significant role in dealing with the waste electronics problem. Manitoba has pending household hazardous waste legislation that has language that would allow regulations barring manufacturers of consumer electronics from selling products in the province unless they have a plan to properly dispose of their products after they are used. The law would require that these plans be submitted by September 1, 2002. In addition, Ontario, the largest province, is finalizing its Waste Diversion Act, which will provide the authorization needed to develop legislation under which a PRO could be structured.

Industry is negotiating with the federal government and developing this roadmap in hopes that the national program they propose will be acceptable and satisfy individual provincial requirements.

Bury referred the audience to three relevant Web sites:

$ Environment Canada baseline report - http://www.ec.gc.ca/nopp/sustainable/itwaste

$ Manitoba legislation - http://www.mb.ca/conservation/hhw
$ Refrigerant Management Canada - http://www.hrai.ca/rmc

NEPSI PROCESS ISSUES

Catherine Wilt brought up the issue of adding stakeholders. She reiterated that given the desire to keep the size of the group manageable, there are two criteria for adding stakeholders: (1) if they fill an existing gap; or (2) if they fill a vacant stakeholder slot. She invited the stakeholders to e-mail suggestions for additional stakeholders who meet these criteria. Currently there are vacant slots for IT manufacturers and retailers.

Wilt opened up the floor to hear any additional stakeholder concerns regarding process issues. The following concerns were voiced:

1. The subgroups have identified some significant issues that are being tabled for the moment in the interest of time and resources. Many of the issues being tabled should not be ignored. It was suggested that the whole group coordinate their Aparking lot@ issues by listing them on the NEPSI Website and having the subgroup leaders meet periodically to discuss them. Such coordination could help the subgroups identify overlapping research needs, collaborate in researching, and identify information resources and useful expertise within the Stakeholder Group.

2. The role of the Core Group might be re-examined to take advantage of opportunities where that group could move the process along more efficiently. The group examined the list of roles for the core group agreed to in previous meetings:

   - Plan meetings and agenda
   - Discuss process issues and make proposals to Stakeholder Group
   - Discuss substantive matters where directed by Stakeholder Group and make proposals for approval by Stakeholder Group
   - Serve as possible conduits for press contacts for stakeholders they represent

   After some discussion of these guiding principles developed for the Core Group, all the stakeholders decided that the existing Core Group roles were adequate. It was suggested that subgroup leaders become members of the Core Group since that group will most likely be tasked with distilling and packaging the outcomes of the subgroups. The stakeholders agreed to task the Core Group with considering the issue of expanding the Core Group.

3. Some stakeholders raised the issue of consensus vs. unanimity. The concern was that too much time could be spent getting unanimity when consensus is adequate and appropriate. It was

agreed that the Core Group should consider this issue.

WRAP UP

Catherine Wilt gave a brief summary of the accomplishments over the past day and a half. She noted that the stakeholders have come to mutual agreement and understanding of the expectations for the future dialogues through the discussion and approval of the roadmap. The Stakeholder Group has also successfully narrowed the financing model options under consideration. Subgroups have begun operating, have a clear understanding of their charge, and are anticipating productive sessions. The Data Subgroup has achieved its goal by developing draft data collection forms. Overall, the stakeholders are expressing positive feelings about the process.