



UNION EUROPÉENNE DES PRODUCTEURS DE GRANULATS
EUROPÄISCHER GESTEINSVERBAND
EUROPEAN AGGREGATES ASSOCIATION

UEPG

The European Aggregates Association

Developing a 20-year Aggregates Plan – First Stakeholder Consultation

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Athens, Greece
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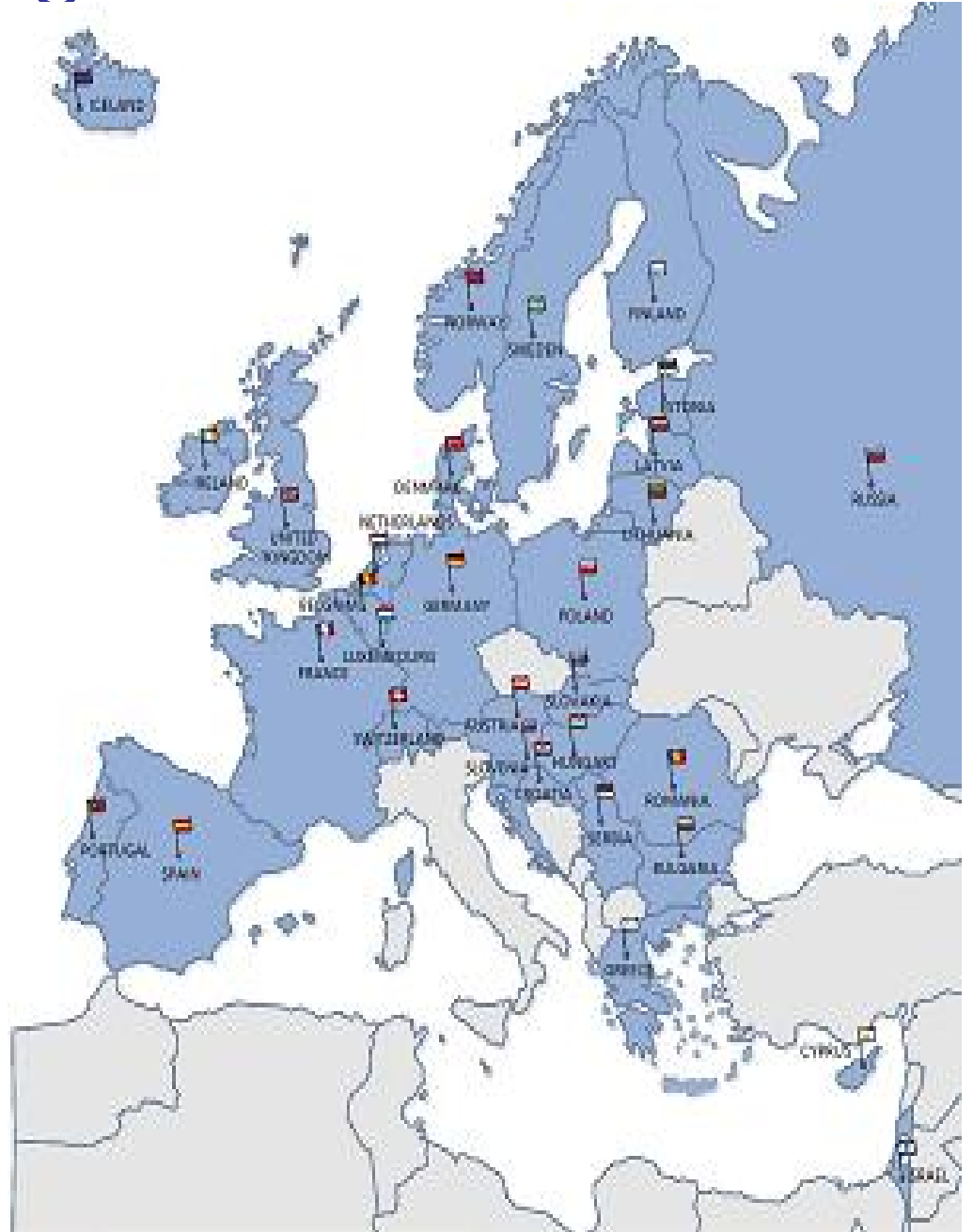


Aggregates Build our World!



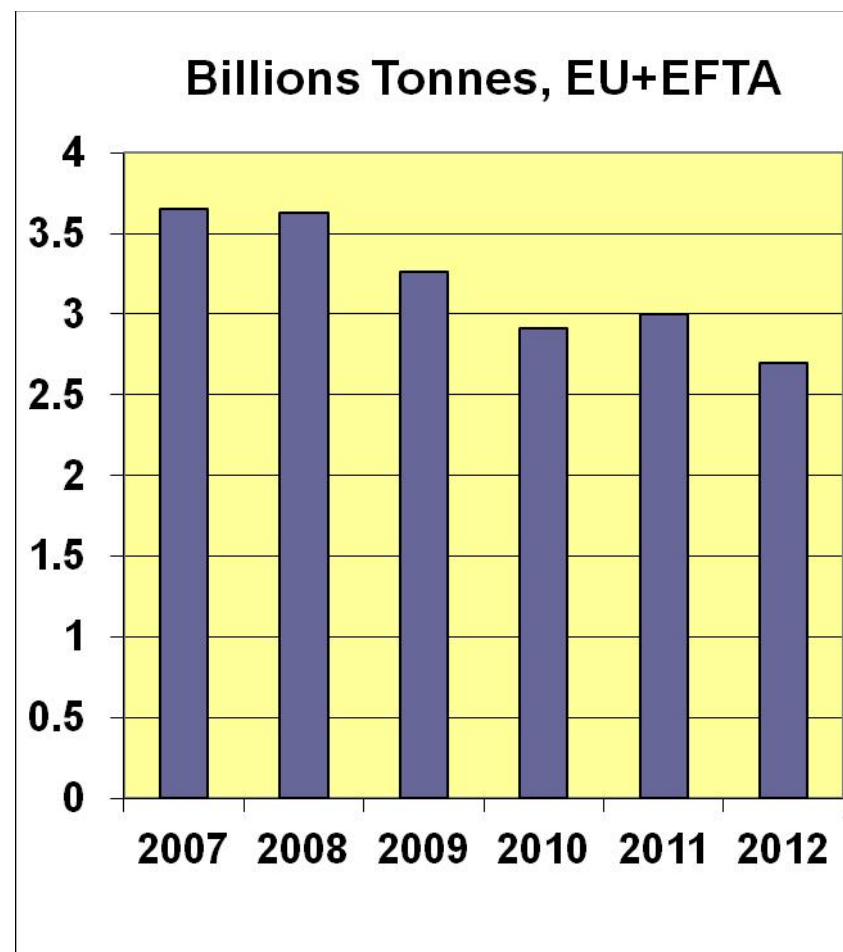
European Aggregates Association

- UEPG was created in 1987
- Brussels Office since 2003
- Has 29 Member Countries
- Represents Industry with:
 - Sales of ~€20 billion
 - 2.7 billion tonnes of aggregates per year
 - 25,000 quarries & pits
 - 15,000 companies
 - ~230,000 employed (including contractors)



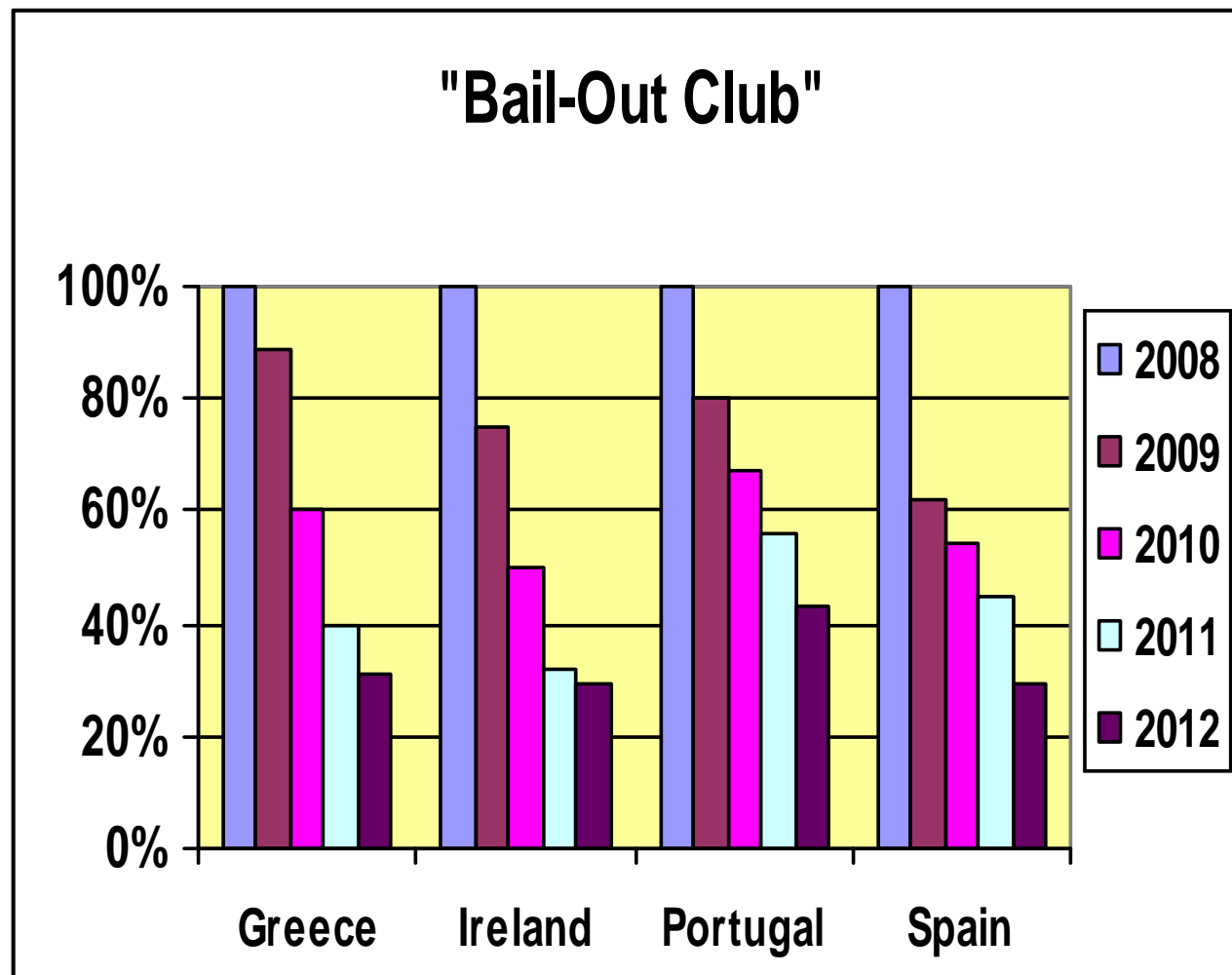
UEPG Tonnages 2012

- Despite the small uptick in 2011, the relentless downward trend continued in 2012
- Total 2012 for EU+EFTA was 2.7 billion tonnes, down 10.3% on 2011
- Thus the 2013 tonnage was 32% down from the 2007 peak.....
- The indications are that 2013 tonnage will be down another 7.5% on 2012, about 2.5 bnt!

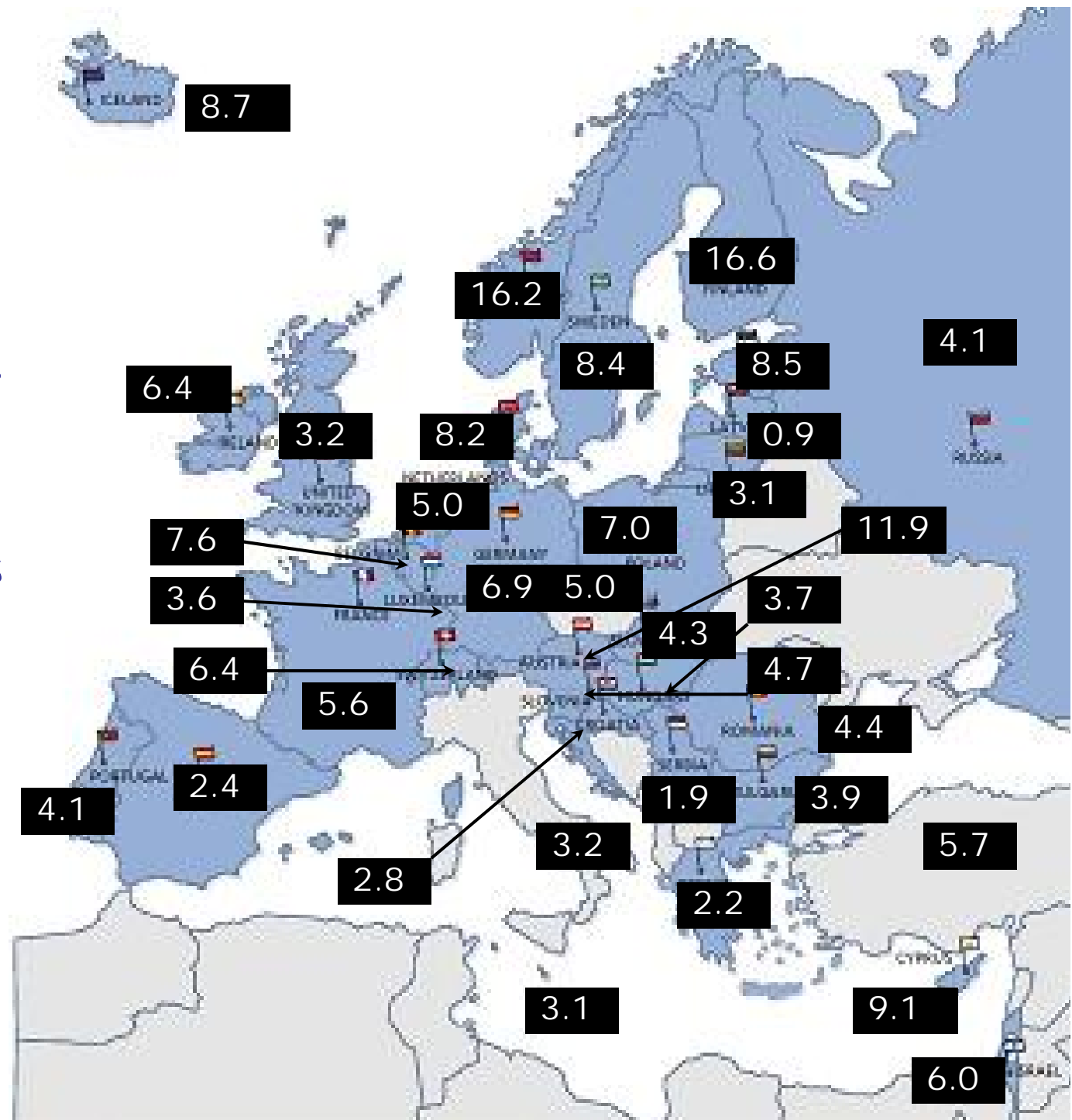


% Tonnage Declines 2008-2012

- The four main “bail-out” countries were all badly hit by the economic crisis
- Greece was not alone!
- Hopefully the worst is now over!

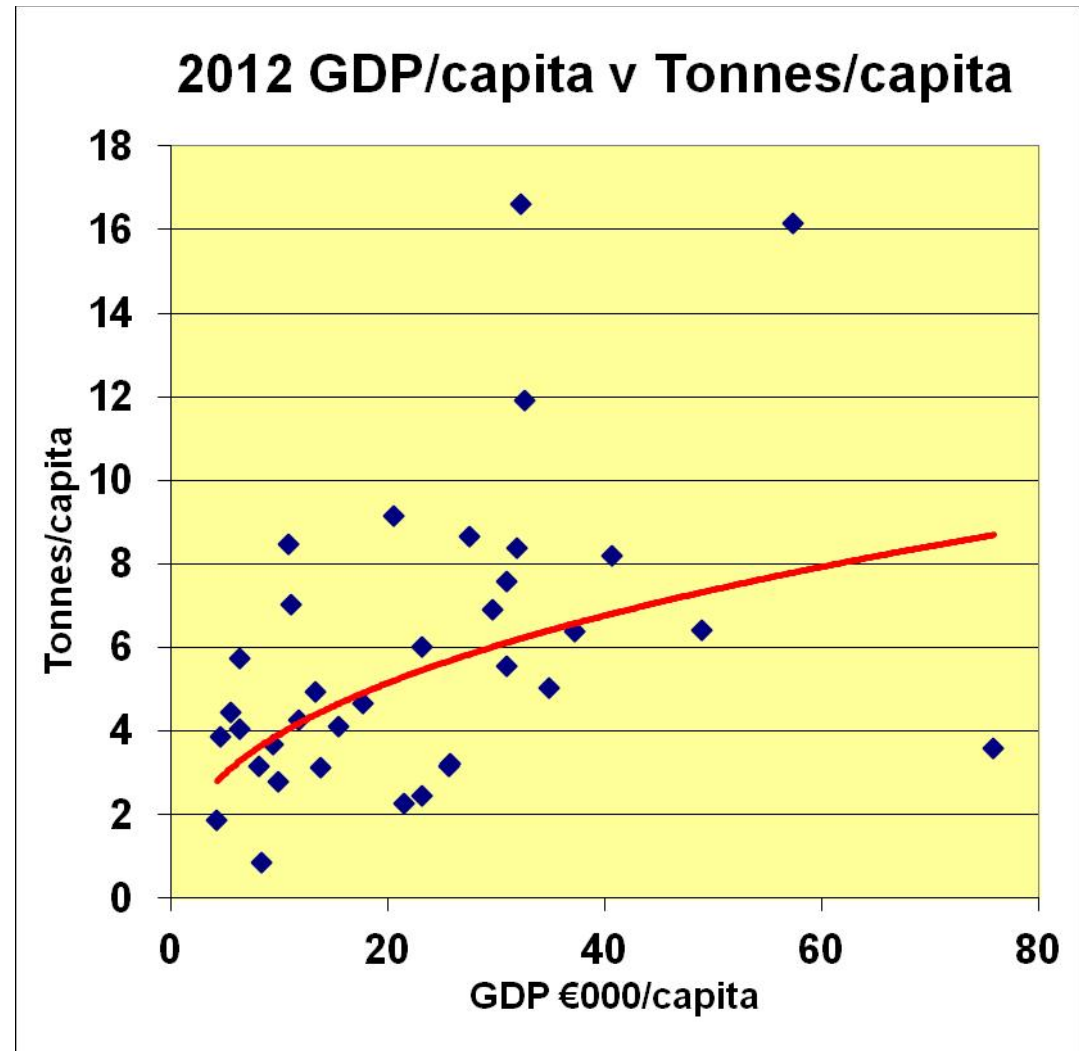


- National 2012 production tonnes/capita across Europe...
- Include exports (mainly N) and exclude imports (mainly NL)
- These vary by climate, state of economies, building traditions...



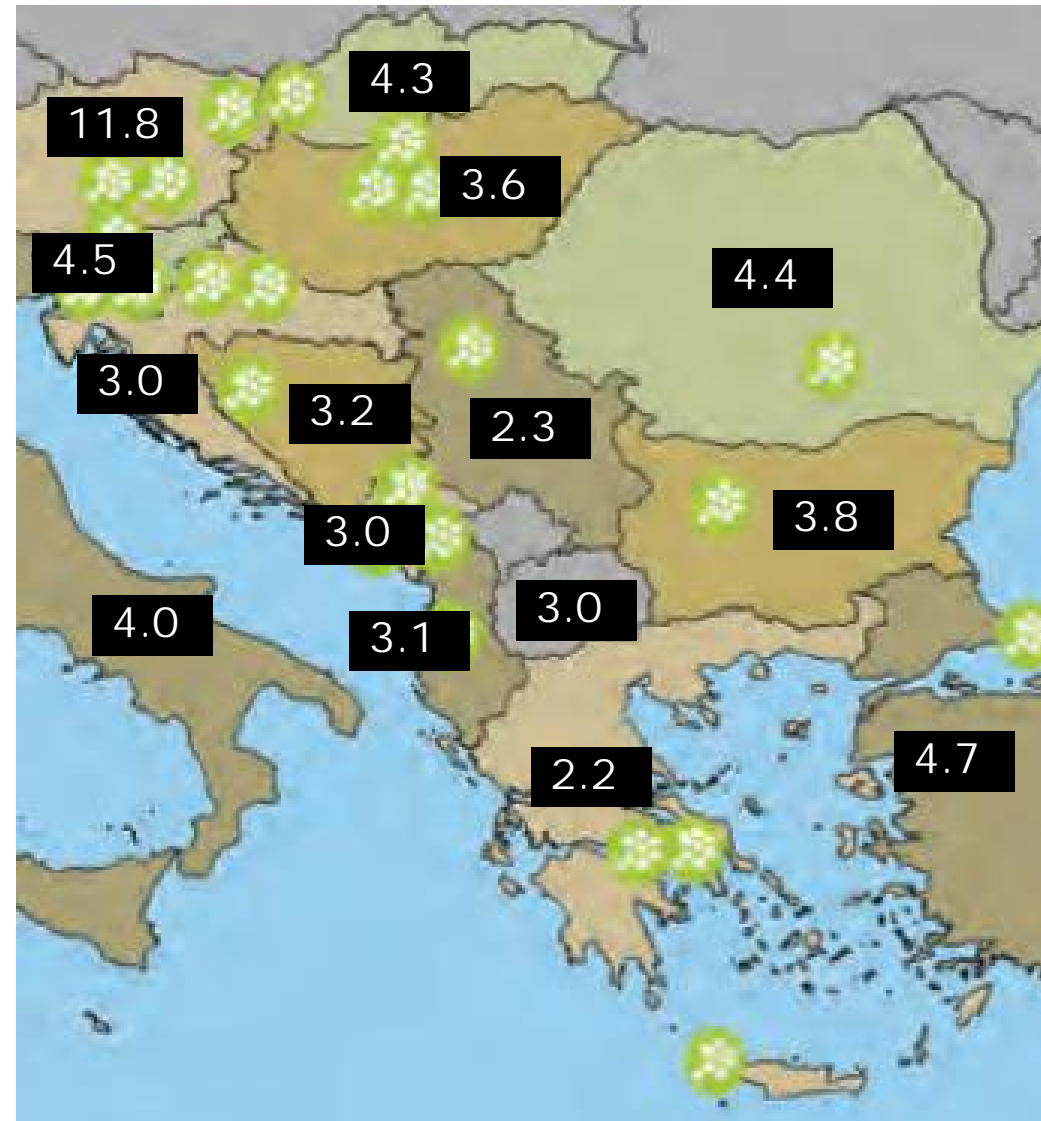
2012 Tonnes/c v GDP/c

- Same broad long-term relationship between GDP/capita and tonnes/capita
- More aggregates needed as an economy grows!
- Aggregates are essential to economic growth!
- Strong message for our industry – Europe must return to economic growth!



SEE Region Aggregates tonnes/capita

- When shown graphically gives interesting comparisons
- Trend would be to expect an average of 5 tonnes/capita within 5-7 years
- Which would mean almost 50% growth in production to ~400mt by say 2020!
- So where will all these aggregates be sourced?



Hence the SNAP-SEE Project!



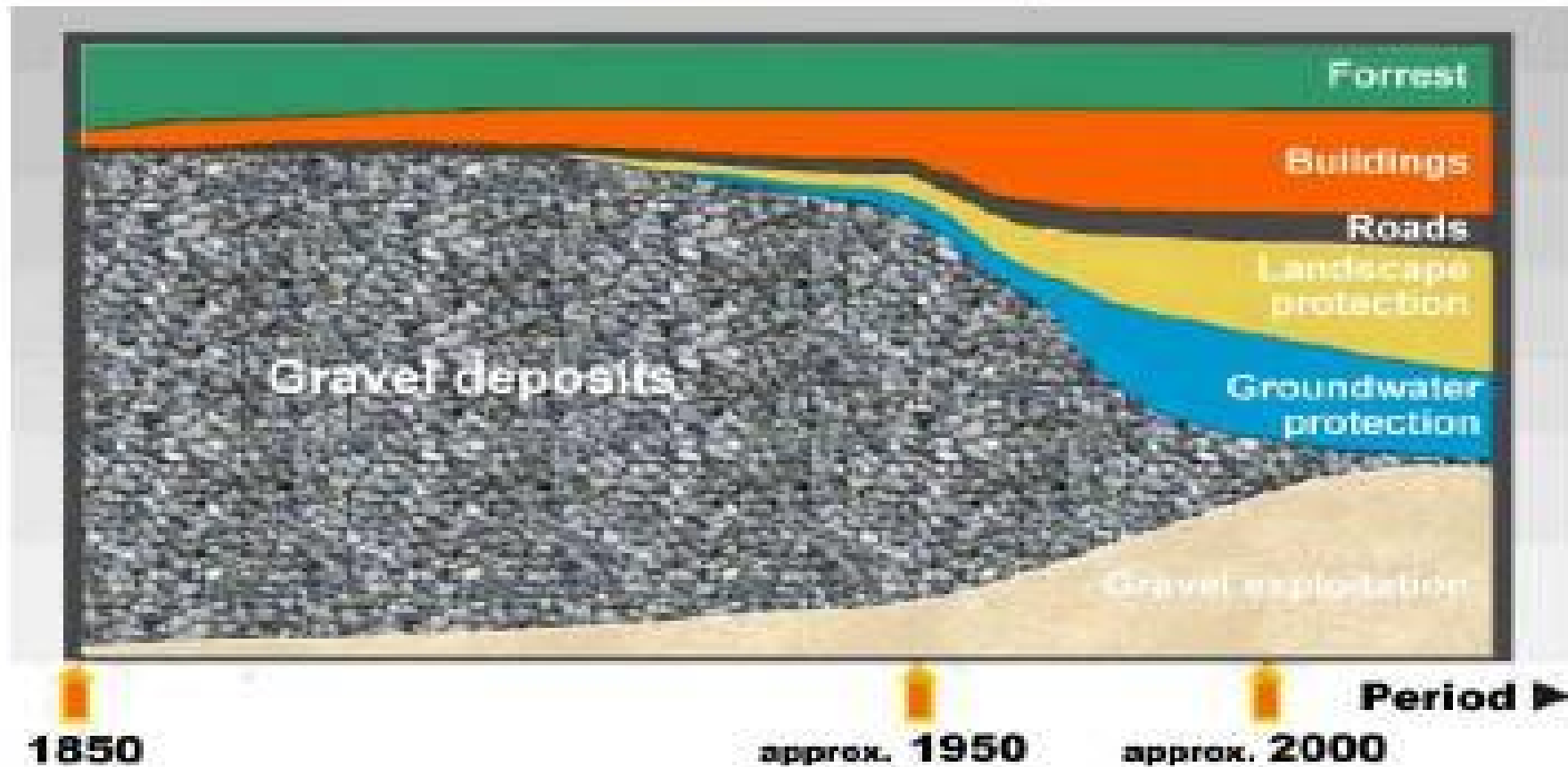
Geology of Europe & SEE Region



- Aggregate deposits exist in most countries
- Getting access to resources is the challenge!

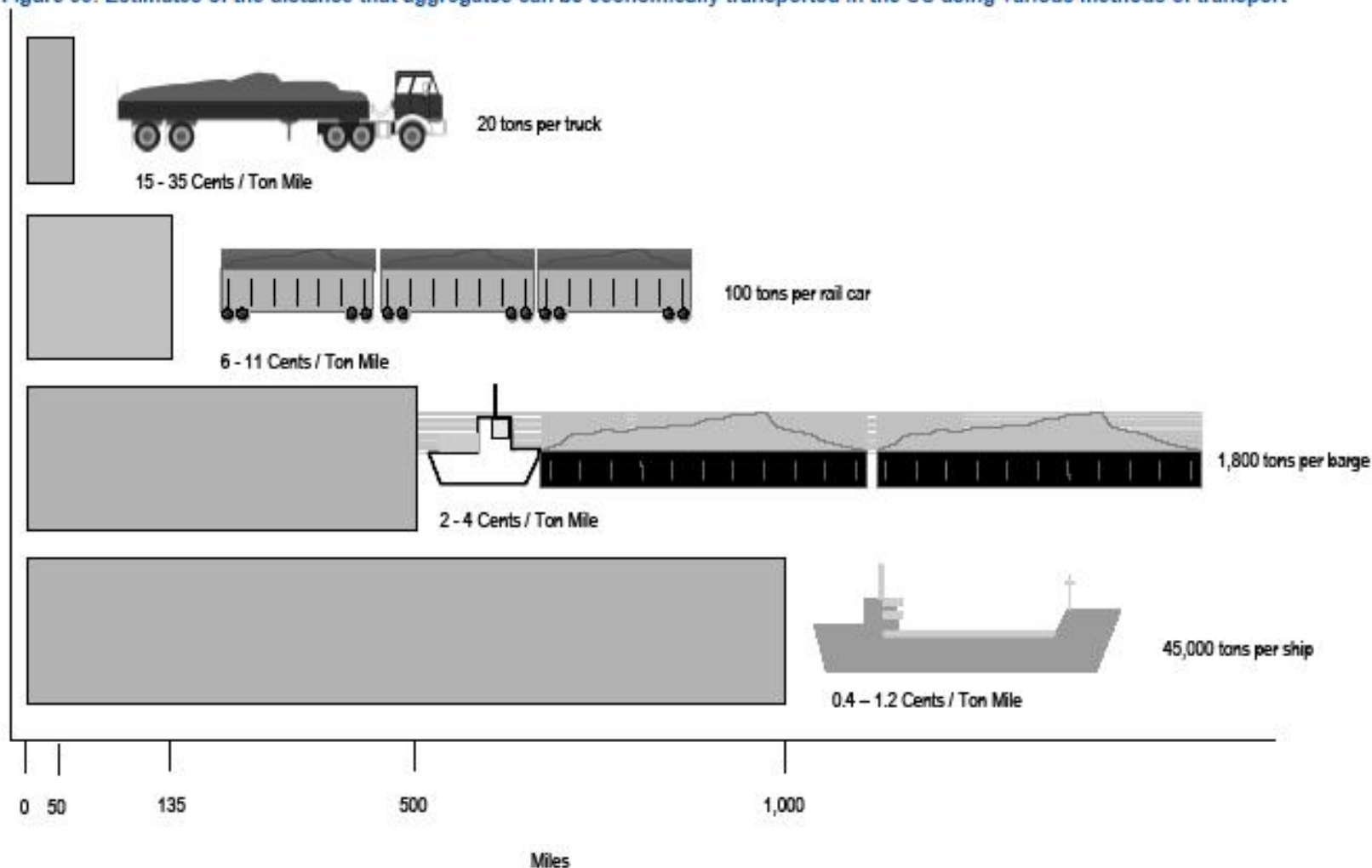
Access to Local Aggregates Resources

- Aggregates are heavy, bulky, costing <€1cent/kg!
- Increasing competition for land use across Europe
- Transport becomes uneconomic at >30-50km
- Hence access to local resources is increasingly vital



Access to Local Aggregates Resources

Figure 88: Estimates of the distance that aggregates can be economically transported in the US using various methods of transport



- Aggregate best sourced <50km from market
- Main markets are the bigger urban areas

The UEPG/Leoben Review 2010

- UEPG Commissioned the 2010 Leoben Review to highlight critical need for access to local resources
- Also the need for better Minerals Planning and more efficient Permitting Systems
- Report was highly acknowledged by Commission Vice-President Tajani and the two EC Working Groups
- Recommended developing national aggregates plans



Planning Policies and Permitting Procedures to Ensure the Sustainable Supply of Aggregates in Europe

Planning Policies and Permitting Procedures to Ensure the Sustainable Supply of Aggregates in Europe

Final Report

Commissioned by UEPG



Department of Mineral Resources and Petroleum Engineering

University of Leoben, Austria

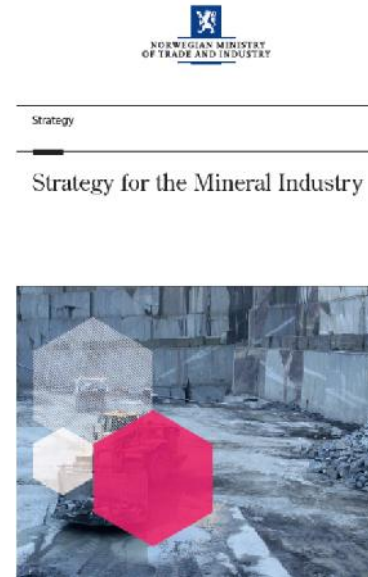
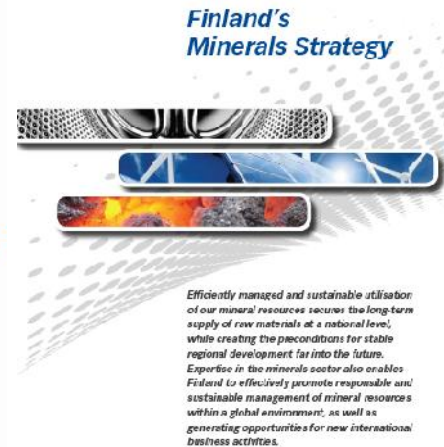
June 4, 2010

EU Raw Materials Strategy

- UEPG has actively engaged with the EC Raw Materials Initiative since 2007, initially with Commission VP Günter Verheugen
- Key issue for UEPG was Access to Local Resources
- Lobbying now being pursued with Commission VP Antonio Tajani
- Since February 2011, initiative has become the Raw Materials Strategy
- Now followed by Communication on Resource Efficiency
- Aggregates supply & Access to Local Resources has high EU profile



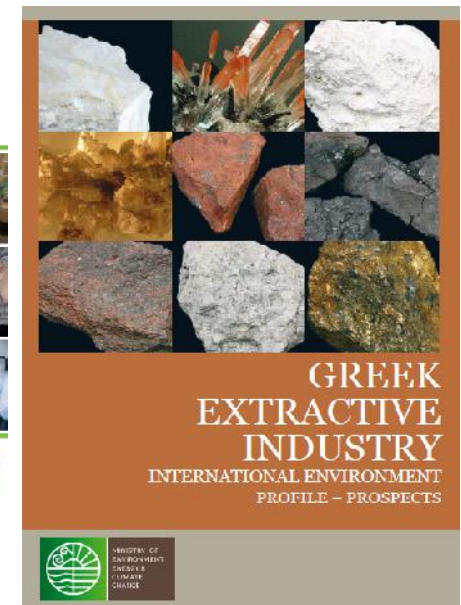
National Minerals/Aggregates Plans



Resource Security Action Plan: Making the most of valuable materials



BIS Department for Business Innovation & Skills



Developing an Aggregates Plan

Estimate Aggregates Demand for next 20 years!

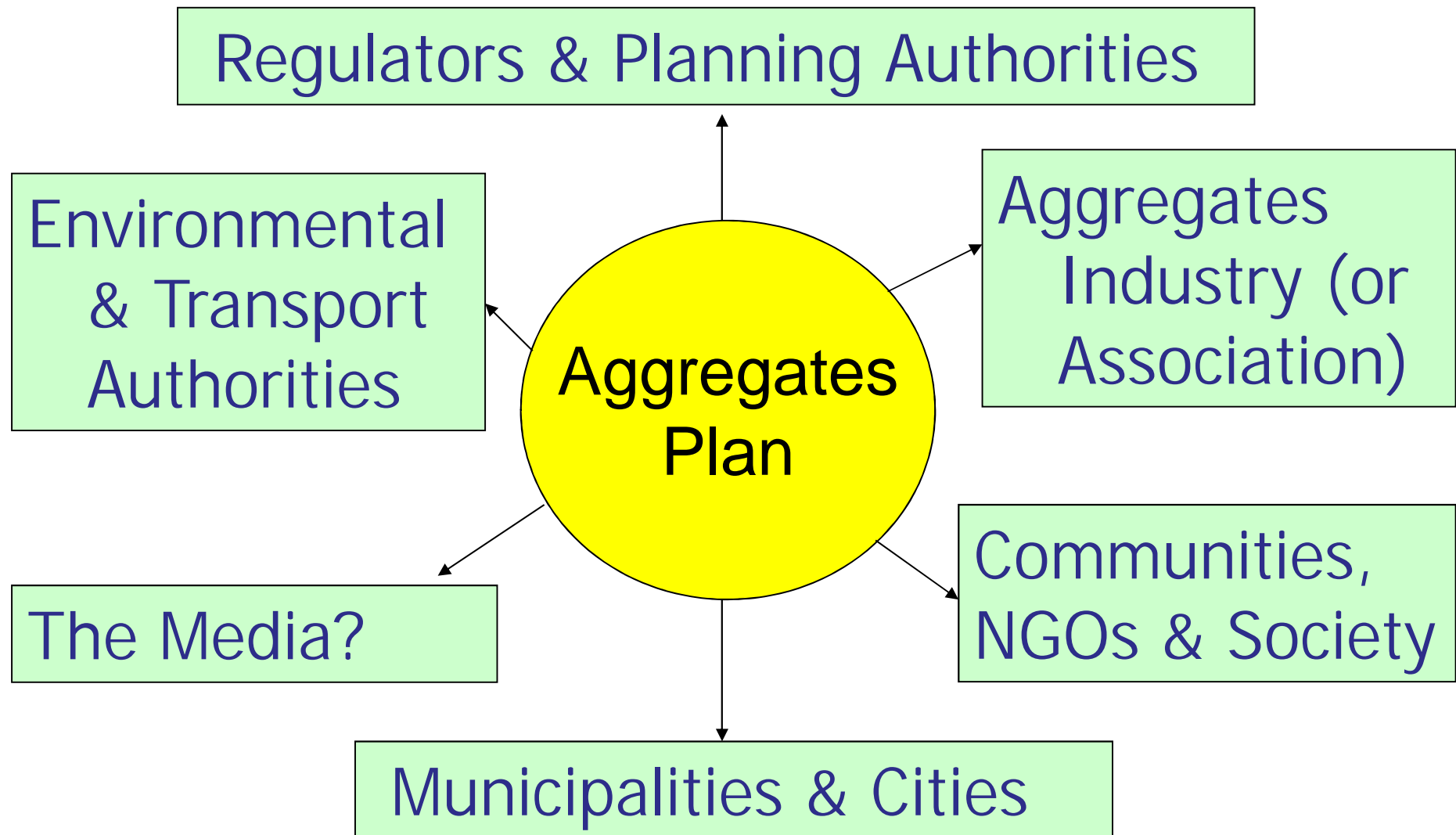
Where are Resources geologically available?

Which of these areas are best to extract, accounting for Environment, Land Uses, Communities, NGOs?

Set up a fair and efficient Permitting System for the Industry, ideally based on a "one-stop-shop" basis!

Review Plan every 5 years!

Who are the Stakeholders?

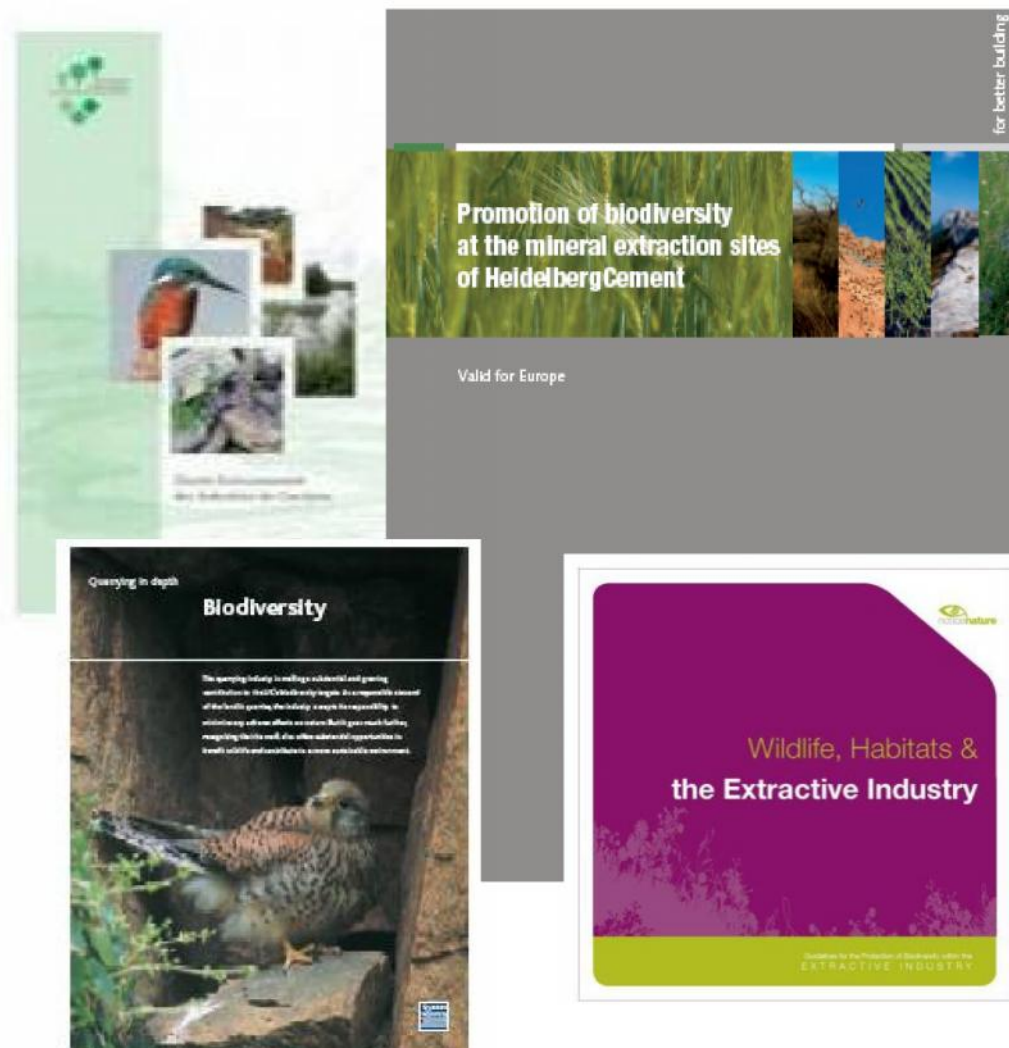
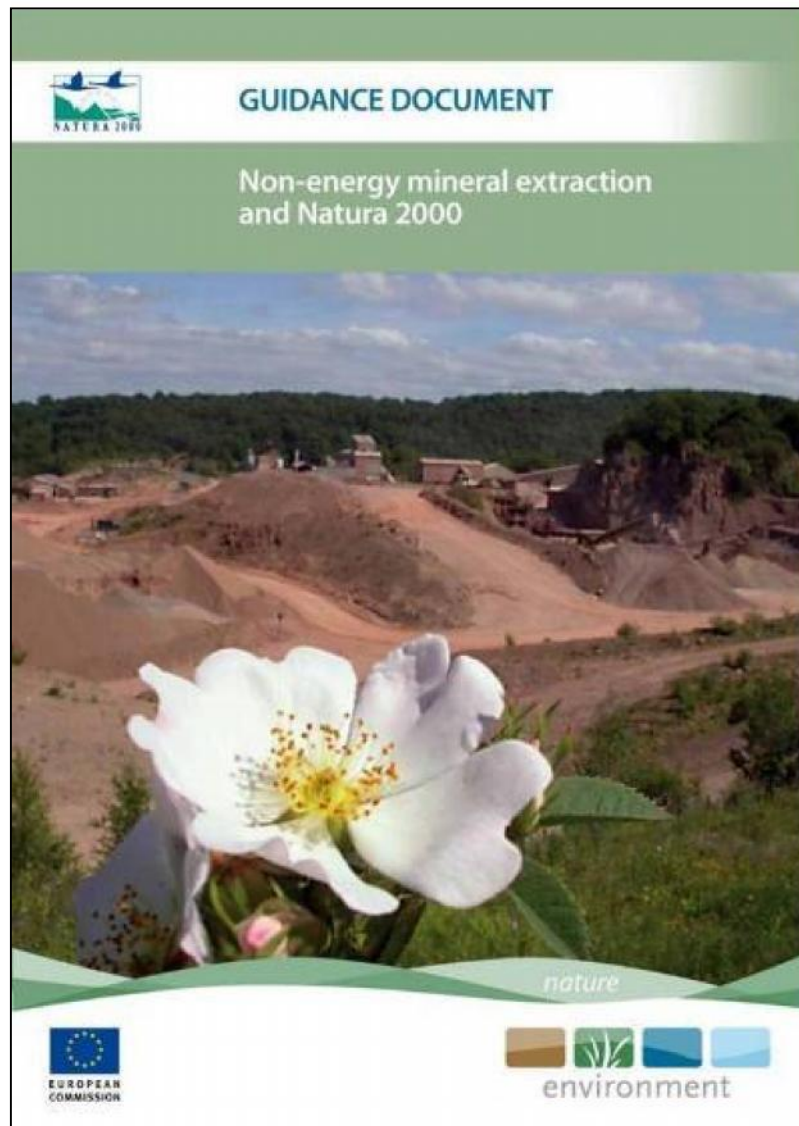


What is the Consultation Objective?

- To develop an Aggregates Plan for Greece, covering the next 20+ years
- To ensure an optimal, economic and sustainable supply of Aggregates over that time period...
- To meet Greece's infrastructural and economic development needs
- A Plan that is agreed and supported by all stakeholders!
- All stakeholders are looking for the best solution for Society!



Biodiversity Good Practice Guidelines



There are many EU and national guidelines for Aggregates Industry

Some Other Considerations

- Aggregates Industry must operate responsibly, and in turn needs legal certainty
- Illegal operators should not be allowed
- Permitting process must be transparent, fair, and both time- and cost-effective
- There needs to be good communication, diplomacy and understanding between all stakeholders involved in the consultation process
- It may take time to develop an Aggregates Plan, but success will be a real win-win for all involved!



Legal versus Illegal Quarrying

Legal Quarrying

- Responsible
- Safe
- Compliant with Permits
- Pays Taxes
- Long Term Employer
- Good Operations
- Biodiversity & Restoration
- Quality Products
- Good Community Relations
- Supports Industry Initiatives & Association

Illegal Quarrying

- Irresponsible
- Unsafe
- Non-compliant with Permits
- Does not pay Taxes
- Temporary Employer
- Poor Operations
- No Biodiversity or Restoration
- Poor Quality Products
- Bad Community Relations
- "Cowboys"

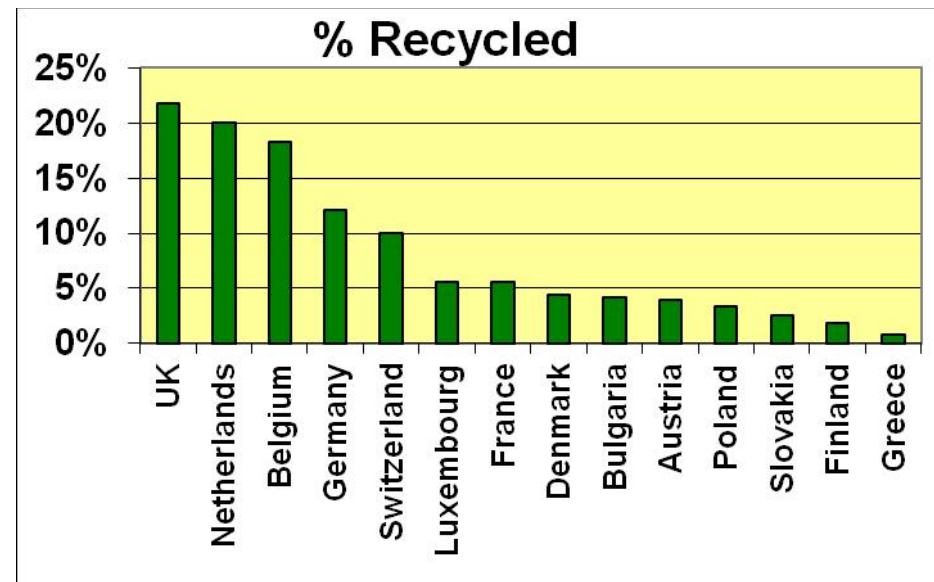
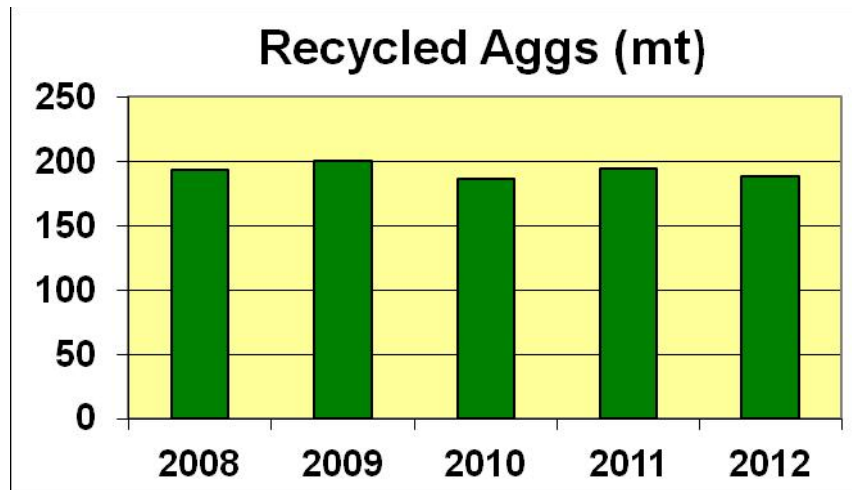
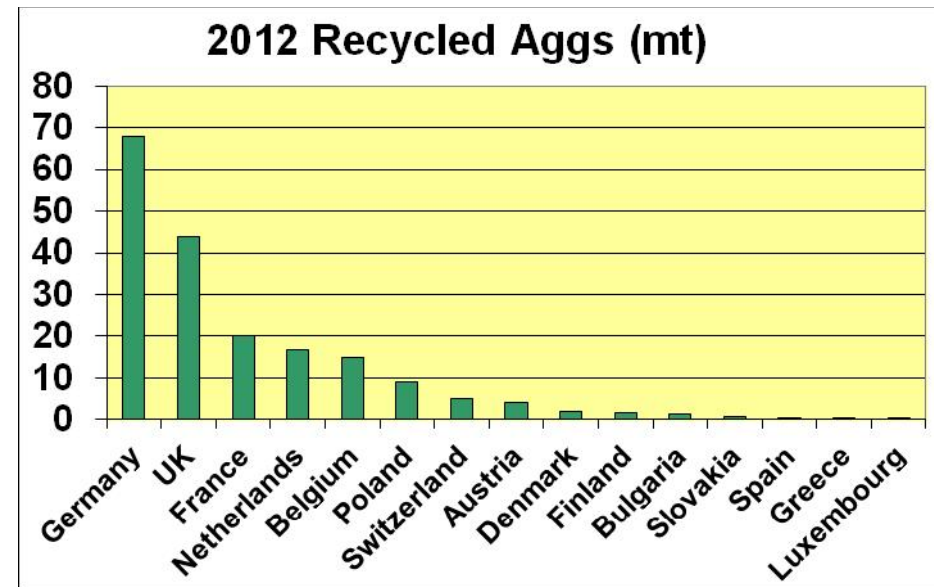
A word on Recycled Aggregates

- Recycled Aggregates can be an important part of aggregates supply
- However recycling is often economic only in urban areas where there are constraints on disposal of Construction & Demolition materials
- Recycling requires good quality control to produce good quality secondary aggregates



Recycled Aggregates

- 188mt represents 4.9% of total EU demand, fairly constant over recent years
- Recycling most attractive in major cities/islands
- Greek figure likely to remain fairly small



To conclude.....



- Every good luck with your stakeholder consultation!
- It is a very important task
- Thanks for your attention, I am very grateful and honoured to be with you today!