

**European Commission Public Consultation on the preparation of a new
Communication on Raw Materials**

QUESTIONS

POLICY AREA: DEFINING CRITICAL RAW MATERIALS

1. Do you have any comments on the methodological approach, including the scope, to determine criticality at EU level? If so, please specify.

CEMBUREAU acknowledges the value of such an initiative and considers the methodological approach well founded.

There are two key points to the cement sector we would like to address though: one on limestone and the other, on bauxite.

1) On limestone

While high-grade limestone is among the 41 raw materials contemplated, it does not represent the cement sector in this policy area. In fact, the limestone used in cement manufacturing does not meet the criteria set out by the criticality approach.

CEMBUREAU regrets not having had the opportunity to outline certain key points, as the cement industry faces the same challenges as those described for aggregates in the European Commission's report on Critical Raw Materials.

The EU is largely self-sufficient with regards to the availability of limestone. Cement plants are located close to the quarries and to the local markets, and thus need to secure a supply of limestone from local sources. As a result, the cement sector is less concerned by international trade of raw materials.

It is, however, concerned about the improvement of the framework conditions for mineral extraction within the EU.

The exploitation of limestone deposits, either in existing quarries as well as non-developed quarries, faces competition from different land use. This element is raised in the European Commission's report on Critical Raw Materials.

Although no specific indicator for land use has been identified, CEMBUREAU insists on:

- *the need for further analysis with a view to securing better access to land,*
- *fair treatment of extraction vis-à-vis other competing land uses and*
- *to developing a more streamlined permitting processes, as recommended by the ad hoc group created under the umbrella of the Raw Materials Supply Group.*

The report states: "...mining will continue to be the main basis of supply in the future because of the structural growth of uses, growth of population and growth of demand". This is surely the case for limestone for cement production.¹

2) On bauxite

Bauxite is clearly a raw material and the major aluminium ore. It is surprising to see that aluminium and other mineral end products - metals are also considered in the study as raw materials. This fact, in addition to the simultaneous existence of aluminium and bauxite in the same list of candidate materials, introduces inconsistencies.

Regarding bauxite, Annex V to the report of the Ad-hoc Working Group on defining critical raw materials clearly and rightly highlight the difference between metallurgical and non metallurgical bauxite, and also the fact that monohydrate (boehmite and diaspore) and trihydrate (gibbsite) bauxite are mainly used for two separate industrial activities. However, this essential difference was not taken into account for the performed calculations (ex. supply risk, economic importance etc.).

We consider that the score of 9.5 obtained for the economic importance is well representative of the situation for the bauxite in general, metallurgic and non metallurgic.

Nevertheless if the supply risk for the metallurgic bauxite seems rightly evaluated according to the great available quantity and the world repartition, we consider that it is under-evaluated for the non metallurgic.

The non metallurgic bauxite is extracted from monohydrate deposits belonging to specific geological provinces located to some very well known countries in the world that are:

- *the north part of the Mediterranean Sea, and for the moment essentially Greece,*
- *China mainly the Henan, Shaanxi, and Guizhou provinces,*

These monohydrate deposits are very different from trihydrate deposits because of smaller size (in general 0.5 to 3 millions mt each), geologically complex because folded and faulted. They are also characterized by specific contents of silica and iron, which cannot be found in trihydrate ones. In most applications like in Calcium Aluminates Cement, monohydrate bauxite cannot be replaced by trihydrate bauxite, unless major investments are done to the existing production facilities.

The supply risk of these monohydrate bauxites is reinforced by some factors, such as:

- *strong willingness of China to reduce drastically the export of such bauxite, by using quota mechanism, as well as taxes*
- *current restriction in mining right in Greece, which reduce availability of the main source of bauxite in Europe*
- *important reserves located in the South of France, Bosnia, Montenegro, Serbia but not exploited or only at a very low level (France, Bosnia, Montenegro) for different and local reasons, mainly linked to difficulties and costs of permitting.*

¹ *The same concern about the improvement of the framework conditions for mineral extraction within the EU is valid for raw materials other than limestone that are necessary to the cement production, such as clays and pozzolans. Pozzolans are natural rocks from volcanic origin that have hydraulic qualities which are used to produce low-CO₂ cements. The availability of these raw materials is also key to the cement industry in the EU.*

For all these reasons, we consider that for the supply risk analysis bauxite be divided into two categories, metallurgic and non metallurgic allowing to classified the non metallurgic as a critical raw material in the end.

2. Do you see any additional raw material that should be considered as critical? If so, please explain.
3. Do you have any comments regarding the recommendations of the report? If so, please specify.
4. Are you aware of any initiatives in your country that aim to assess the criticality of raw materials? If so, please describe briefly.

5. The functioning of raw materials markets has not been dealt with. Do you think that further analysis of their functioning should be carried out? What actions should be proposed to increase their transparency?

With the proposal of a Raw Materials Yearbook, a good part of transparency is provided regarding key countries, volume developments and future reserves. The actions are deemed sufficient.

6. Do you think that the EU should propose a system of stockpiling for the critical raw materials? If so, please indicate whether you consider it more appropriate to do this at Community or alternatively at Member States level.

POLICY AREA: TRADE

7. Do you think that the importance of trade is adequately reflected in the work carried out so far in the Raw Materials Initiative?

Yes. The cement sector is, however, less concerned by international trade of raw materials, and essentially concerned about the improvement of the framework conditions for mineral extraction within the EU.

8. Do you have any comment regarding the main findings of DG Trade activity report? What activities should be prioritised? Are there, in your opinion, additional activities not mentioned in the report which should be pursued in this strategy?

The findings by DG Trade adequately put into perspective the issues related to guaranteeing the international supply of raw materials for the EU.

CEMBUREAU suggests that an assessment of the difficulties faced by the extractive industries when securing their raw materials supply from EU should also be conducted.

Just like the aggregates example included in the document, whilst limestone is generally available at European and national levels, economically viable regional and local access may be severely constrained.

Limestone is heavy and bulky, so it is imperative for economic and environmental reasons (transport, fuel consumption, carbon dioxide generation, noise, road damage, etc) that limestone is sourced close to the main, local, market.

Therefore, unless there is Europe-wide acceptance of a strategy to provide viable local provision, the necessary future supply of limestone at a local level will become even more acute, and this will quickly spread to the regional and, subsequently, to the national level.

At EU-level this might eventually lead to plant closures, and to an increase in imports of ready-made products which are currently fully produced in the EU, like cement.

9. Please identify trade distortive measures (i.e. export restrictions) concerning raw materials that in your view should be tackled.

10. Are you aware of any initiatives in your country that have one of the above goals in mind such as, for example, developing a raw materials diplomacy, or supporting companies to invest in third countries in the raw materials sector? If so, please describe briefly.

POLICY AREA: DEVELOPMENT

11. What specific actions would you consider most relevant needed in the following areas:

- Good governance;
- Infrastructure / investments;
- Geological knowledge / skills.

12. Regarding transparency, what measures do you believe the EU should take to foster revenue transparency in the mining industry in raw material resource rich countries? What are your views regarding existing initiatives currently being taken in this area, namely by the Extractive Industries Transparency Initiative (EITI6)?

13. Concerning the recent agreement between the European Commission and the African Union Commission, in your view, what concrete objectives, targets and deliverables should be included in such a partnership?

14. Do you consider that wood should be addressed in the framework of development policy? If yes, please specify what the main issues to be analysed are.

15. Are you aware of any initiatives in your country that contribute to promoting exploration and exploitation of mines in developing countries? Should such initiatives be better coordinated or promoted at the EU level?

POLICY AREA: IMPROVEMENT OF THE REGULATORY FRAMEWORK CONDITIONS INSIDE THE EU

16. Do you agree that these topics correspond to the major challenges in this policy area? If not, please specify.

Yes.

CEMBUREAU agrees with the report "Improving framework conditions for extracting minerals for the EU" in the importance given to land use planning policy and to the proposal of a "one-stop-shop" system for permitting.

Alongside information on the resource, there an approach should be developed for long term estimates of minimum demand, especially for construction materials, and a means by which this can be translated into a spatial plan. CEMBUREAU would welcome the addition of limestone to the examples given for aggregates (sand, gravel and crushed rock).

CEMBUREAU is highly supportive of avoiding hierarchical applications by joining the authorities involved in an application for authorisation via a "one-stop-shop" system with all environmental

aspects assessed in one single process. This initiative will be a great contribution of the ad-hoc Working Group on Exchanging Best Practice on Land Use Planning, Permitting and Geological Knowledge Sharing as it would bring dynamicity to what is, as stated in the report, an extremely heavy, long and expensive administrative processes.

17. Do you think of any other avenues which should be followed by the Commission? If yes, please specify.

18. Do you agree with the recommendations made in the report on "Exchanging Best Practice on Land Use Planning, Permitting and Geological Knowledge Sharing" or do you have any specific one to be added. Please explain.

19. Do you consider it useful to establish an EU geological service based on a network of Member State geological services?

20. Do you consider that EU regulatory framework conditions for wood and/or recovered paper need to be further analysed? If yes, please specify.

POLICY AREA: PROMOTING SKILLS AND RESEARCH, DEVELOPMENT AND INNOVATION

Skills:

21. What type of actions would you propose to provide better cooperation between companies, universities and public authorities in order to promote skills and in the extractive or other raw materials sectors? Please specify.

Research, Development and Innovation:

22. Are you aware of any research, development and innovation programme(s) at national, regional or local level? Please specify.

Over the last 30 years, the cement production process in the EU has gone through a deep technological innovation in terms of energy and raw material efficiency. No breakthrough process technologies are expected in the near future. However, Research and Development has been carried out especially on high-performance products and buildings.

23. Where do you see the major gap / the urgent need for the raw materials sector related research, development and innovation at EU level? Please provide details.

24. What is your idea of a major research and innovation action that would have the highest positive impact on the security of raw materials supply for the EU industries? Please specify.

25. Are you aware of innovative exploration and extraction technologies, where project partners on a European level are needed to develop and implement the new technologies and which are the innovative technologies which need to be developed further? Please provide details.

26. Are there any other aspects related to skills, R&D and innovation for other raw materials, such as wood, that need to be further promoted? Please, specify.

POLICY AREA: RESOURCE EFFICIENCY & RECYCLING

CEMBUREAU would like to stress that the way recycling is dealt with in the report does not apply to the production of cement. We would like to see a reference to the environmentally relevant recovery that takes place in cement production as far as waste from various other industry sectors

are recovered either in the process, as substitutes for fuels and raw materials through co-processing, or in the product, as substitutes for clinker in cement.

The co-processing of waste in the cement industry provides a maximum substitution of non renewable materials. Alternative raw materials can be used to replace the traditional raw materials extracted from quarries, such as clay, shale and limestone, which are used in the kiln.

In 2006 about 5% of the raw materials used in the production of clinker consisted of alternative raw materials, totalling about 14.5Mt/year. Examples of alternative raw materials include contaminated soil, waste from road cleaning and other iron-, aluminium-, and silica-containing wastes, such as coal fly ash and blast furnace slag.

The use of alternative raw materials has numerous benefits, including a reduced need for quarrying and an improved environmental footprint of such activities.

Substitution of clinker in cement is an example of the positive contribution of the European cement industry to resource management. The use of alternative materials in the cement industry lowers global CO₂ emissions and does not have a negative impact on production process emissions, nor on the environmental and technical quality of the final product. Two major examples are granulated blast furnace slag, a by-product of the iron manufacturing process, and fly ashes, one of the residues generated from the combustion of coal.

Cement itself is not recyclable. However, the recovery of concrete falls between standard definitions of reuse and recycling: concrete is broken down into aggregates (granular material), generally to be used in road works, but also as aggregates in new concrete. Recovering concrete has two main advantages: it reduces the use of new virgin aggregate and the associated environmental costs of exploitation and transportation, and it reduces landfill of valuable materials.

27. In your view, and beyond measures already being taken (e.g. the recast of the Waste Electrical and Electronic Equipment Directive), what practical measures can be taken by the EU and by Member States to prevent the illegal shipment of obsolete end-of-life vehicles and electronic equipment?

28. In what ways should statistics on trade in and recycling of, products containing secondary raw materials be improved?

29. Have you identified major problems with recovered paper? What are the main issues that need to be further analysed?