

Public Consultation on the preparation of a new Communication on Raw Materials

A response by the Mineral Products Association (MPA)

Introduction

The MPA is the representative body in the UK for the companies involved in the majority of the production of aggregates (90% of production volume), asphalt (95%), cement (100%), concrete (95%), industrial and agricultural lime (c.90%), mortar (c.90%) and silica sand (100%). Its 272 members are predominantly SMEs, but the total membership also includes the five multinational global concerns, most of which are involved in all the products mentioned above.

MPA also belongs to the CBI Minerals Group (CBIMG), with whose submission on this subject MPA agrees. It has included comments against each of the questions asked in the consultation and these are not repeated here, but the paper is included as an enclosure for completeness. The views expressed below, however, are supplementary comments on general points in the RMSI.

MPA supplementary views

MPA fully supports the RMSI and two members of its staff were closely involved in two key working groups that contributed to the final paper. Through its membership of the European Aggregates Association (UEPG) it also had close involvement in the seminal report from the University of Leoben on key aspects of the Initiative. Specifically:

- MPA is entirely supportive of the concepts underpinning the Initiative, namely that raw materials are essential to EU industry and commerce, that some are, or will soon become critical and that a strategy needs to be established to safeguard both indigenous supplies and also imports.
- Supplementing this fundamental concept is a list of “super critical” (the author’s parentheses) materials, which need immediate attention and with which MPA also agrees. However, it should be noted that, if the requisite planning and permitting processes are not in place for currently lower priority (indigenous) minerals - aggregates, for example - they might quickly enter the top priority list for safeguarding and so the list will need to be reviewed regularly. The CBIMG comment on this is valid.
- The proposal that all Member States should have a national Minerals Policy is supported, but there need not necessarily be a European policy, *per se*, other than to keep track of, and perhaps help MS’ manage where required, the supply of critical minerals.
- MS’ should be encouraged to establish, where this does not yet exist, a national Minerals Planning Policy, which in accord with Land Use Planning Policy. Only in this way will the supply of essential minerals be safeguarded.
- The basis for creating national minerals planning policies is a sound knowledge by MS’ of their national geology and MPA supports the general

thrust of establishing greater coordination of current knowledge and sharing of data and expertise. It agrees with the CBIMG that there is no requirement to create a new EU Geological Survey: sufficient resources already exist in MS' and EuroGeoSurvey.

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Executive Director, Public Policy
MPA

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EUROPEAN RAW MATERIALS INITIATIVE PUBLIC CONSULTATION RESPONSE BY THE CONFEDERATION OF BRITISH INDUSTRY MINERALS GROUP

The CBI Minerals Group (CBIMG) represents all the major land based mineral extraction industries in the UK.

Its membership spans the two major extraction sectors by tonnage, aggregates and coal and also the high value sectors of silica sand, cement, china clay, ball clays and other industrial minerals such as gypsum and fluorspar.

This represents virtually all of the 350 million tonnes per annum of land-won minerals currently extracted in the UK.

The CBIMG represents some 500 minerals extraction companies either directly by being members of the Group or indirectly through sector trade associations.

The CBIMG has three principal aims:

- To promote the role and importance of the UK minerals industry.
- To champion the UK Mineral Industry's ability to meet the development needs of the economy in a sustainable manner.
- To influence proposed UK and EU legislation and regulation which significantly affects the Minerals industry and its licence to operate.

The UK is fortunate in that we have a good geological and statistical knowledge base thanks to the work undertaken by the British Geological Survey over the years and the cooperation between the industry, the mineral planning authorities and Government. There are concerns that with the current round of spending cuts and the move towards a 'bottom up' approach to making planning decisions under the Government's localism agenda that this position will become increasingly eroded.

We strongly support the European Raw Materials initiative and welcome the opportunity to participate in this public consultation.

For further details about the CBI Minerals Group visit:

www.cbi.org.uk/minerals

POLICY AREA: DEFINING CRITICAL RAW MATERIALS

Questions:

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

We strongly welcome this work but its scope was inevitably restricted by the quality of data available. We would have liked to have seen the range of materials broaden.

2. Do you see any additional raw material that should be considered as critical? If so, please explain.

Phosphate

3. Do you have any comments regarding the recommendations of the report? If so, please specify.

We think 5 years is too infrequent for updating the EU critical raw materials list to take account of new technologies and changing markets.

4. Are you aware of any initiatives in your country that aim to assess the criticality of raw materials? If so, please describe briefly.

None that we are aware of!

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?

No Comment

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. This needs to be investigated and researched further before a conclusion can be reached

AREA: TRADE

CBI Minerals Group comment

This policy area does not come within the terms of reference of the CBI Minerals group so we have not comment on this section.

Questions:

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

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?

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

CBI Minerals Group comment

This policy area does not come within the terms of reference of the CBI Minerals group so we have no comment on this section.

Questions:

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 are the main issues to be analysed.

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

Questions:

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

Yes -

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 ones to be added. Please explain.

Yes - we strongly agree that a robust National Minerals Policy is essential to set the strategic framework to ensure an adequate and steady supply of essential raw materials in Member States.

While we support the principles of sustainable minerals policy, we believe there is a need for a reassessment of the right balance between the three pillars of economic, environmental and social requirements.

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

No - member states should be encouraged to develop and maintain their geological service but there is no need for a EU wide service.

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

No comment

**POLICY AREA: PROMOTING SKILLS AND RESEARCH,
DEVELOPMENT AND INNOVATION**

Questions:

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.

We would draw your attention to the work of the UK Minerals Forum which is funded by the CBI Minerals group and will be reported to our Conference Living with Minerals 4 the theme of which will be "Shaping UK Minerals Policy - Globalism to Localism" to be held in central London on the 7 November 2011.

Further details about the work of the Forum can be obtained from:

- www.ukmineralsforum.co.uk

Research, Development and Innovation:

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

We would draw you attention to:

- The Minerals Industry Research Organisation (MIRO)
<http://www.miro.co.uk/>
- The knowledge exchange funded by the natural Environment Research Council
<http://www.nerc.ac.uk/using/introduction/>

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.

Improved communication with the public regarding the importance of raw materials and making the link between the products on which the public depend and the raw materials needed for their manufacture.

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.

Research on setting up improved data collection and reporting across Member States

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.

No Comment

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.

No comment

POLICY AREA: RESOURCE EFFICIENCY & RECYCLING

CBIMG Comment

Our focus is on the recycling of aggregate and industrial minerals. The UK has an excellent record in the recycling of construction and demolitions materials for the production of aggregates. We believe more can be done at a European to remove legislative barriers that act as a disincentive to recycling, recovery and reuse. (see Q.27 below)

Questions:

27. In your view, and beyond measures already being taken (e.g. the recast of the WEEE 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?

We are pleased to see in respected of the revised Waste Framework Directive, the Commission's recent announcement to begin implementing a Commission Regulation establishing end-of-waste criteria for iron, steel and aluminium scrap metal; and a Commission decision under Article 11(3) establishing rules on the application and calculation methods for verifying compliance with the Article 11(2) recycling and recovery targets. However, there remain conflicting messages with regard to the publication of EU level guidance, creating uncertainty for business. CBI would request greater transparency with regard to timescales on any future implementing measures.

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

We think there is an urgent need to improve the cop

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

No Comment