

Madrid Raw Materials Declaration 2010

MADRID RAW MATERIALS DECLARATION 2010

Madrid, 17 June 2010

I. Future Demand for minerals, in Europe

Whereas:

- (i) Minerals are essential to every industry and every aspect of life. Minerals include Aggregates (that is crushed stone, sand & gravel), Dimensional Stones, Industrial Minerals (used for example in cement, glass, paper, paints, ceramics and environmental applications) and Metallic Minerals (used to make mobile phones, cars, solar panels, trains and planes). The associated construction, chemicals, automotive, aerospace and machinery sectors provide a total added value of €1,324 billion and 30 million jobs, all depending on access to raw materials.
- (ii) These minerals have to be extracted from the ground in quarries and mines. In Europe, we need over 3 billion tonnes of these mineral raw materials every year. About 70% of EU manufacturing depends on minerals. Despite the current recession, demand for all these raw materials is predicted to increase significantly in the next 5-10 years, even with increased levels of recycling.
- (iii) The demand for minerals, in tonnes/capita increases according to economic development in each country, reaching a plateau at high levels of GDP/capita. In the case of aggregates, once the current economic recession is over, demand in Europe is likely to increase steadily to a least 4 billion tonnes in the medium and longer term.
- (iv) Even with increased recycling in countries where it is so far relatively undeveloped, the total of recycled materials is unlikely to exceed 10% of total aggregate supply in the medium term. Marine and manufactured aggregates together currently comprise only 4% of total aggregate supply. Therefore future supply of aggregates in Europe (up to 85%) will still have to come from natural aggregate resources. For other minerals, even recycling rates of more than 50% will not satisfy the demand.
- (v) Due to their bulk and weight, most minerals - aggregates in particular - should be produced close to the point of usage to minimise transport distances, CO₂ emissions, environmental impact, transport congestion and associated costs.

The industry calls for:

- (i) National governments to be encouraged to improve data collection in order to establish short-medium and long-term minerals demand and supply scenarios for the different development regions, taking into account future development plans. These may also include waterway and rail export routes to adjacent markets which lack mineral deposits. These development plans should not a priori exclude areas with Natura 2000 or similar conservation designations.
- (ii) Steps to be taken to progressively fill gaps in the geological knowledge of mineral deposits in the Member States.

II. Minerals policy at EU – and national level

Whereas:

- (i) At EU-level, the importance of the reliable longer-term supply of minerals, in the national and European economic contexts needs to be clearly recognized, and all Member States should be strongly encouraged to ensure the longer-term supply from national, and in the case of aggregates, local resources.
- (ii) Member States should have a clear, structured National Minerals Policy, including both minerals planning policies (strategic and operative level, where minerals are considered in the planning process) and also the permitting processes (which should be efficient, and effective).

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The industry calls for:

- (i) For national minerals, policies to be implemented in Member States and integrated into other policy areas. Each national minerals policy to
 - a) Create awareness of society's dependence on minerals and of the real need for access to local resources.
 - b) Point out the importance of the secure supply of minerals for society, and promote a balanced approach in the assessment of conflicting interests between minerals, development and other land use issues.

III. National regional and local minerals, planning policies

Whereas:

- (i) There is often an unbalanced pre-disposition against extractive activities, which needs to be clearly addressed. Given the geologically-determined locations of minerals resources, these deserve the same status in land-use planning as other issues, such as water or other environmental resources, to ensure long-term access to mineral and aggregate resources.
- (ii) Generally speaking, mineral resources are not mapped in detail unless the local industry association has specifically made inputs to the national or regional development plans, and even when this has been done, access requirements can sometimes be largely ignored by the planning authorities, a situation which needs be addressed and rectified.

The industry calls for:

- (i) Minerals planning policies to address strategic minerals planning (if possible at national or at least regional level) and operative minerals planning based on land-use plans. At strategic level it should be decided which planning strategy will be best for a country. At regional and/or local level land use plans should include minerals by taking into account the specific issues of the minerals industry. The planning horizon should be both mid-term and long-term to ensure that access to local resources is sustainably secured. This is the crucial issue of minerals planning policy.
- (ii) National, regional and local coordinated aggregates planning policies to take account of:
 - a) Local geology, also in relation to economic viability;
 - b) Whether the deposit is of adequate quality (ideally based on some exploratory boreholes);
 - c) Whether or not there is adequate physical unoccupied land surface area over and near (for access routes) these deposits;
 - d) Whether or not the deposits are in potentially sensitive areas such as in protected areas (Natura 2000) or are of high scenic/amenity value, though such designations do not a priori prohibit extraction activities;
 - e) Distance from urban, highly populated or industrial areas or infrastructural projects where there would be large demand;
 - f) Road, rail or waterway infrastructure for transporting the mineral and aggregates from the point of excavation to the point of usage.

IV. Effective permitting procedure

Whereas:

- (i) Permitting procedures are not always linked to land use plans.

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- (ii) Incorporation of mineral deposit information in land-use planning data banks is necessary to facilitate efficient permitting procedures.
- (iii) Some Member States or regions have efficient and timely “one-stop-shop” permitting systems. In some Member States, multi-body permitting regimes exist for historical reasons, often with differing perspectives and areas of responsibility.
- (iv) The authorisation process is complex and very slow in most countries, taking typically 5-10 years to obtain authorisation for a new production site, and furthermore permissions are often granted for only similar timescales, too short to justify capital investment.
- (v) In some countries, deficient or inconsistent permitting systems can allow unpermitted operators to thrive: any such deficiencies or inconsistencies need to be rectified.

The industry calls for:

- (i) All permitting considerations to be linked to the geological presence of minerals and the physical ability to get access; There is a need for a permitting system at member State level that allows efficient and timely granting permissions for projects, entailing:
 - a) A clear and appropriate legislative structure, with clear designation of authorities and competences.
 - b) A rationalised application process through one authority (as a “one-stop-shop”), or at least well co-ordinated procedures between all authorities if there are several, avoiding duplication of requirements or procedures. It is important that regional and local authorities are included in this process, which even if not involved by law, is inherently included as interested parties under EIA procedures.
 - c) Time-limited procedures for clarification by all stakeholders of applications, such that the overall process has to be completed within a 3 year timescale (there are many situations now which take 10-15 years, which few companies can afford).
 - d) A reasonably balanced approach conserving the environment, biodiversity, etc, but equally recognising the real need for minerals and the regional benefits created. Extraction projects should have at least the same importance as other spatial interests, and in no case should extraction be prohibited a priori even in protected areas. Project decisions should generally be taken at a high level, the evaluation balanced in the broader public interest.
 - e) When granting permissions, for mines or hard rock quarries a 50-year timescale should typically be considered. No permissions should be less than 15 years otherwise the major capital investment cannot be justified. Even in such cases, renewals for similar periods should be anticipated from the outset. For sand & gravel pits, the permission timescale should be 15-50 years depending on the scale of the deposit, with further renewals anticipated also proportionate to the scale of the deposit. When granting permissions, the duration of these should always be in line with the lifetime of the deposit, as sustainability requires extraction of the total deposit.
 - f) Permitting authorities should be acutely aware of the potentially sterilising effect of granting permission for even a single dwelling or other building on or close by to a planned or actual quarry or pit area.
 - g) Whatever planning system is used, fixed timescales should be set by which planning authorities must come to decisions. In some countries, the system can be stretched almost indefinitely by planning authorities by a last-minute need to seek further data, inappropriately resetting the timescale of steps within the process. There needs to be an appeal process at the highest level, determined by experts in the fields concerned, who can make objective decisions away from politics.
 - h) In each country, it is useful to provide organisational charts related to land use planning and permitting process. Based on such a schematic diagram, structural issues of efficiency and inefficiency can be discussed and improvements made.

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Finally, the Industry recommends:

- a) That all the above industry requests be incorporated into the future recommendations of the Raw Materials Initiative and be included in its final report.
- b) A progress review as a follow up to the Raw Materials Initiative on an annual basis over the next 5 years.
- c) To incorporate the Initiative into the Commission's 2020 Agenda and Strategy.