Delivering for the UK

... supporting growth
the Mineral Products Association agenda
Mineral products are essential to our construction and manufacturing industries, to our economy and to our everyday lives. Of the two billion tonnes of all materials we typically use every year in the UK, mineral products (at 250 million tonnes or 13 per cent) are the biggest material flow.

The UK is fortunate that our geology provides us with high quality minerals upon which we can base our manufacturing. As a result, we have a robust indigenous mineral products industry and are not dependent upon imports. We need mineral products not just for construction and manufacturing, but because they offer sustainable solutions to the challenges of creating and maintaining our built environment and coping with the effects of climate change and a growing population.

The mineral products industry has much to offer in the next five years. We will be in the engine room as the nation recovers from an unprecedented period of recession and negligible growth. Our relationship with Government is crucial. Delivery of its aspirations for the built and natural environments is heavily dependent upon our contribution. We will play our part – but we need support from Government and a willingness to tackle several crucial issues.

FACT: Every year, the UK mineral products industry supplies over £9 billion worth of materials and services, supplies industries with a turnover of £400 billion, has an economic GVA of £4 billion, directly and indirectly employs 70,000 people and underpins the vast £120 billion construction sector.

FACT: Every £1 invested in construction generates £2.84 in total economic activity and every £1 invested in construction product manufacturing yields £1.70 – construction relies on mineral products.

MINERAL PRODUCTS:

aggregates ... asphalt ... cement ... concrete ... dimension stone ... mortar ... lime ... silica sand ... recycled and secondary materials
As the largest material supplier to the manufacturing and construction industries, we have been particularly hard hit by the years of no or low growth. Industry needs confidence to invest for the future and contribute to sustainable growth. Too much complexity, cumulative cost and taxation acts as a disincentive for investment, both for UK-based companies looking to develop their businesses and for international companies who could opt to spend elsewhere.

### We will deliver:
- A healthy indigenous mineral products industry to underpin a well balanced and productive economy
- Quality products that meet and exceed the design, technical and commercial needs of our clients and customers
- Continuing investment in UK operations
- A significant contribution to local economies, communities and employment, throughout the UK
- Employee skills programmes and further improvements in health and safety
- Continuing improvement in standards of operational and environmental performance
- Development of new and sustainable materials and products to support sustainable construction.

### But we need:
- A stable and growing economy to support investment
- No new UK taxes or regulations that would damage our competitiveness
- Urgent delivery of the Government’s emerging strategy for construction and ambitious infrastructure and housing plans
- An objective to reduce and simplify the tax burden on business
- A continuation of the current freeze on the Aggregates Levy
- Continuing exemption from Landfill Tax for inert waste used to restore quarries and mineral sites
- An EU emission trading scheme for carbon that does not encourage industrial activity to move to countries with lower regulatory standards
- Promises of support for energy intensive industries to be confirmed for the cement and lime industries and implemented without delay.

**FACT:** On average, MPA members deliver one million tonnes of mineral products every working day – more than oil, gas and coal put together – to support the sustainable development of the UK.
The UK needs a secure long-term supply of mineral products that enhance sustainable development. Our housing, transport – roads, rail, air - sewers and other vital energy, industrial and commercial infrastructure are in need of continual development; our housing stock needs to grow to meet increasing demand and there is a constant need for the repair and maintenance of our infrastructure and buildings. Climate change means that the minerals industry’s products have never been more relevant. They can protect against floods, improve energy efficiency and ensure that buildings and structures are more resilient to more extreme weather.

- Mineral products that are responsibly sourced, quality assured and sustainable
- Reduced use of energy and lower greenhouse gas emissions
- The best mineral products recycling rate in Europe
- World-class land management and restoration and enhanced biodiversity
- Annual reporting against key performance indicators as clear evidence of progress
- Considered and constructive engagement with Government and regulatory bodies.

**But we need:**

- Awareness of the industry’s contribution to the economy and our quality of life and recognition that we are critical to the UK’s national infrastructure
- Effective sponsorship of the industry by Government
- Effective coordination between Government departments and more effective engagement with the industry
- Rigorous testing of policy development against economic and sustainability criteria
- More rigorous evaluation of the sustainability credentials of building and construction materials to ensure a “level playing field” based on sound science
- Recognition that excellence in design can deliver more sustainable solutions for the built environment.

**ANNUAL PRODUCTION GB:** aggregates: 189m tonnes … cement: 8m tonnes … asphalt: 18.5m tonnes … ready-mixed concrete: 18m cu metres … silica sand: 4m tonnes … dimension stone: 2m tonnes… recycled and secondary aggregates: 29% of total demand.
The UK can only enjoy the considerable benefits of its mineral products if the industry has a sound “licence to operate” that provides reasonable access to the mineral resources upon which its downstream manufacturing activities and the construction industry rely. We need a planning system that operates on the basis of identified strategic or local need, with national policy translating effectively to regional and local levels.

**We will deliver:**
- A steady and adequate supply of mineral products
- Operations managed to high environmental and safety standards
- Continuing management and protection of the natural environment and further improvement of biodiversity
- Positive engagement with local communities and other stakeholders
- High quality restoration and delivery of ecosystem services.

**But we need:**
- An effective, simpler, consistent and faster planning system
- A mineral planning system that properly provides for future demand and that recognises the importance of maintaining access to indigenous supplies
- Aggregate supply options that meet national, regional and local demands
- Effective delivery of the Managed Aggregate Supply System
- A system which ensures the long term supply of non aggregate minerals.

**FACT:** In 2012 MPA made representations on 38 Minerals Plans, as well as attending 6 Examinations in Public, which has been increasingly important under the NPPF and localism. Overall, MPA responded to 60 environment, waste and planning consultations.
Every industry needs to be properly and reasonably regulated, and the mineral products industry is no exception. Our concern is with the cumulative impact of taxation and regulation coming from both UK and EU legislators. Often, legislation emanating from the EU can become “gold-plated” or unhelpfully transposed to the UK. Operators whose employee base is already reduced and overstretched are struggling to cope with ever more excessive and in some cases unnecessary demands.

**We will deliver:**
- A positive response to reasonable, proportionate, consistent and effective legislation and regulation
- Engagement with Government and regulators at an earlier stage to evaluate the potential impacts of proposed regulation and legislation.

**But we need:**
- New legislation that is reasonable, proportionate, consistent and fit for purpose
- Recognition of the cumulative impacts of regulation followed by corrective action
- Effective and early consultation and more accurate and realistic impact assessment
- Fair transposition of EU legislation to the UK – no “gold plating”
- Legislation that recognises cross-border competition issues.

**FACT:** MPA has identified high and rising regulatory costs imposed by Government and a broadening range of regulatory charges and regulatory processes which are duplicated, inconsistent and disproportionate.

The aggregates levy, landfill tax and energy and climate change taxes and other planning and environmental measures currently have an estimated cost of £400 million annually and the potential impact of both new and existing measures could increase these costs to £750 million pa by 2020.
The UK mineral products industry has come a long way in the past 20 years and is now a world leader in the fields of quality, recycling, restoration and biodiversity. The constantly evolving built environment is heavily dependent on our products and we are contributing greatly to the challenges that arise from climate change. The future low carbon economy will be built on our products. Our industry is committed to the principles of sustainable development and also to continuous improvement across all aspects of our business.

**We will deliver:**
- Evidence of our ever-improving operational and environmental performance
- Transparency of our operations through provision of data and performance indicators
- Expert advice on the sustainable use of our products
- Positive action on climate change and biodiversity improvement
- Restoration that benefits nature and communities
- Proactive community liaison.

**But we need:**
- Recognition of our progress in operational and environmental performance
- Recognition for our recycling, restoration and biodiversity achievements
- Recognition that mineral products are essential to the construction and manufacturing industries and to the economy
- Recognition that mineral products issues should be central to Government delivery of its aspirations for the natural and built environments.

**FACT:** Britain is a world leader in recycling not just materials but land for beneficial after-uses. Recycled aggregates now make up 29% of the market – the best performance in Europe and 3 times the EU average.
Progress on sustainability

- MPA members’ latest health and safety objective – to halve lost time injuries in the five years to 2014 – has been achieved nearly two years ahead of target
- The cement industry recorded a 55% reduction in absolute CO₂ emissions between 1990 and 2011 and is the first cement industry in the world to publish a greenhouse gas reduction strategy to 2050
- Compared with the EU, Britain has a relatively low use of aggregates and cement per head and a high use of recycled and waste-derived materials, indicating a very high level of resource efficiency
- The concrete industry significantly exceeds the Government’s 2012 target for the responsible sourcing of construction materials
- The industry plays a unique role in the creation of habitats which support nature conservation and biodiversity
- The industry works closely with archaeological interests to improve knowledge of our heritage.

MPA members represent the whole of the British cement sector, 90 per cent of aggregates production, 95 per cent of asphalt 75 per cent of ready-mixed concrete production and the majority of mineral products supplied to the construction, manufacturing and other sectors of the economy.

MPA members are:
- Committed to the principles of sustainable development
- Committed to achieving TARGET ZERO & ZERO HARM and raising skill levels
- Committed to protecting and enhancing UK Biodiversity
- Committed to reducing carbon and other industrial emissions
- Committed to maximising recycling of materials, high quality restoration of land and improving resource efficiency
- Committed to the sustainable use of their products by end users
- Socially and environmentally responsible suppliers of essential materials
- Valuable and active members of their communities particularly in rural areas
- Able to provide a range of career opportunities and career development
- Innovative and share good and best practice.

The Mineral Products Association is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries.

For further MPA information visit www.mineralproducts.org
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