



2014-2015 ACTIVITY REPORT

The European Lime Association

Table of contents



| | |
|--|-----------|
| LIME ROADMAP | 06 |
| LIME FIGURES | 08 |
| Main figures issued from the lime sector database | |
| POLITICAL AND REGULATORY OVERVIEW | 11 |
| New mandate for the European Commission (Junker Commission 2014-2019) Overview of EU legislation relevant for the lime sector | |
| CLIMATE POLICY | 16 |
| Climate and energy package 2030 Climate change and EU ETS GHG Standard | |
| ENVIRONMENT | 22 |
| Air policy package Waste incineration BREF LCI/LCA | |
| ENERGY | 30 |
| Energy Union Guidelines on State aid for environmental protection and energy 2014-2020 | |
| PRODUCT STEWARDSHIP AND APPLICATIONS | 34 |
| REACH/CLP/Biocides Lime in mortars Lime in civil engineering Standardisation | |
| EU ALLIANCES HIGHLIGHT | 42 |
| Alliance of the Energy intensive Industries Industrial Emissions alliance Business Europe | |
| EULA, THE VOICE OF THE LIME INDUSTRY IN THE EU | 44 |
| EuLA members EuLA structure | |

This year EuLA celebrates its 25th anniversary

It was created in 1990 as part of the International Lime Association (ILA) based in Cologne, where it remained till 2002. In 2002, EuLA became a standalone association based in Brussels. In 2007 EuLA decided to join IMA-Europe, in order to be part of a wider industrial minerals platform with extended knowledge in products stewardship and the **REACH**^[1] environment.

25 years later, EuLA's role is becoming increasingly important, mainly because of the EU regulatory growing environment. The fierce global competition and the complexity of the legislative dossiers require a permanent vigilance and mobilization of the secretariat and industry experts to anticipate, advocate but also remediate when necessary. Celebrations are great opportunities to look back on the years of challenges and achievements.

Today, professional associations are needed more than ever. They are useful and imperative tools for successful business. We would like to express our gratitude to the **founder(s)** of the association and also to those who contributed to its successes, those visionary individuals who could see ahead of their times, and to the **Presidents** of the association who have dedicated time and resources to the common goal, namely, Dr. Hufnagel, Mr. Leist, Mr. Hirschbold, Dr. G. Schaefer, Mr. R. Gofin, Mr. J. Bures, Mr. J-B de Jongh and Mr. L. De Mot.

The current report covers the activity of the Association for the **period between June 2014 and May 2015**. This year was a turning point as far as the leadership in the European institutions is concerned. A new **Parliament and new Commission** saw day, introducing renewed structures, new working methods, and new priorities aiming to give a fresh impetus to the European Union. At the same time these changes imply the need for the association to build up its networks and alliances again.

In this context, it is crucial to understand the role of revised **comitology** procedure, one word of Brussel's jargon that describes a recent new regulatory process that implies more technical support from both EuLA experts and lime national associations! Our business could be really affected by the decisions which are taken throughout this process. More than ever, EuLA needs your support.

[1] Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).

UPCOMING MAIN ISSUES

The EU climate change policies imply additional costs for the lime sector. Fortunately, these costs have been reduced thanks to the two following results:

- Lime has been recognized as a sector vulnerable to **carbon leakage** under the EU Emission Trading Scheme until 2019, which enable the industry to receive free allowances at 100% of the benchmark value.
- Furthermore, the **guidelines for energy and environment** from 2014 to 2020 have been revised and allow lime producers to receive certain compensations in form of state aid covering indirect carbon costs included in electricity prices.

The new European Commission is also working on a very sensitive aspect of the EU lime competitiveness: the cost and availability of the energy. Notably the Commission launched a new initiative through a communication promoting an **Energy Union** which aims to reduce the gap compared to the rest of the competing world.

Last year was also marked by the publication of the report "**A Competitive and Efficient Lime Industry, Cornerstone for a Sustainable Europe**" answering the challenges of the decarbonisation pathway as elaborated by the European Commission. This report, released as the sector's roadmap during a launch event constitute another step forward towards a proper communication of the sector, based on a commonly agreed document.

Although the new Commission promises better regulation and competitiveness checks for old and new initiatives aiming to waive part of the administrative burden to the industry, the year(s) in front of us look challenging for the lime sector, mainly because of the pressure related to environmental concerns. The **post 2020 EU ETS** revision process has already started and the major challenge for EuLA will be to ensure that lime industry competitiveness is safeguarded.

More than ever, the competitiveness of the lime industry in Europe is strongly influenced by the EU regulatory set of actions. With your support, EuLA's team, together with the support of IMA-Europe, our umbrella association in Brussels, is definitely committed to proactively make a sustainable environment for our economic and social development.



Ludwig de Mot
EuLA President



Eleni Despotou
EuLA Secretary General

Lime Roadmap

After almost one year and half of extensive coordinated work, the report **“A Competitive and Efficient Lime Industry, Cornerstone for a Sustainable Europe”** was issued in December 2014. It attempts to answer the decarbonisation challenges of the lime sector, as set by the European Commission in multiple Roadmaps^[2].

The report was launched during a well-targeted event that took place on December 3rd 2014 in the course of a Parliamentary breakfast, at the European Parliament, chaired by two well-known Parliamentarians, Peter Liese (Germany, EPP group), and Paul Rubig (Austria, EPP group), respectively members of the industry (ITRE) and environment (ENVI) committees. This event was organised with the logistical support of the “Inter-parliamentarian Intergroup on Climate Change, Biodiversity and Sustainable Development”.

The round table event was attended by 35 people, including Members of the European Parliament and representatives from the relevant General Directions (DGs) of the European Commission (Climate action and Energy, Industry).

The objectives of the event were fulfilled, notably:

- Present the sector to the Members of the European Parliament and potentially new European Commission members.
- Raise awareness on benefits and challenges of the lime industry, mainly related to climate change and the abilities of the sector to mitigate its emissions.
- Establish contacts with the new European institutions representatives for future advocacy.

[2] The “Europe 2020 strategy” launched a series of roadmaps which provides a vision and policy options for the future, with three key initiatives pertaining to energy and climate change: “Energy 2020: A strategy for competitive, secure, and sustainable energy” (COM(2010)639), “Energy roadmap 2050” (COM(2011)885), and “A Roadmap for moving to a competitive low carbon economy in 2050” (COM (2011) 112).

The communication package distributed at this occasion consisted of:

- A PowerPoint presentation of the sector and findings of the report.
- A brochure on lime for the general public.
- A box entitled "lime inside" which contains a leaflet with applications and objects in the manufacturing process of which lime is used.
- The entire technical report as elaborated by Ecofys.
- A summary of the report.

The documents can be downloaded from the EuLA website: www.eula.eu

The documents aim to be used by all member associations and companies to support their advocacy efforts in their respective countries. The value of commonly agreed data and statements make it a valuable document to be shared with policy makers.



Lime figures

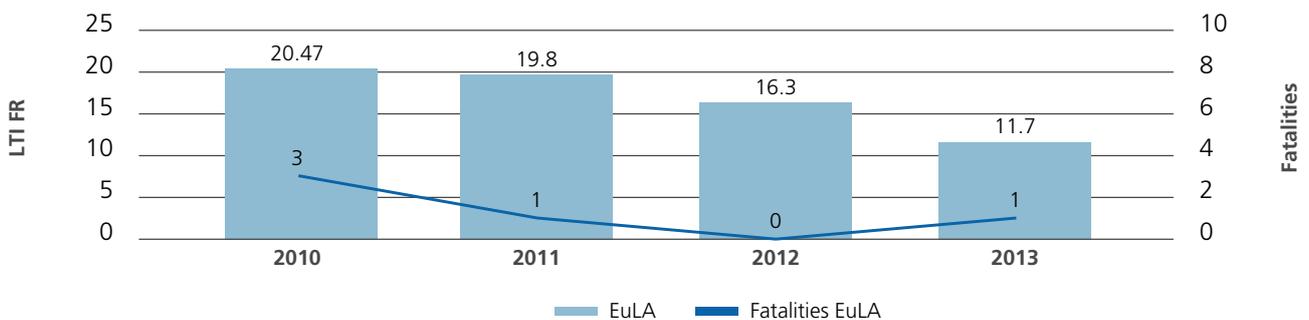
Main figures issued from the lime sector database

Since 2010, EuLA has been building an internal database to gather environmental, economic and social data from the members. This exercise aims at benefiting from a robust, credible set of data at EU level in order to help the sector's advocacy and representation towards EU stakeholders. It also allows all members to receive a company report, which is a great occasion to compare efficiency and data with sector-wide figures. EuLA ensures that the data gathered respect the best practices in terms of confidentiality, credibility and consistency.

This is why we are working with third party organisations, to ensure the independence of the data collection process and to guarantee a verification of the data. The EuLA secretariat would like to thank once again all the contributors who allowed this important tool to be established.

The following figures are extracted from the 2014 data gathering, which covers 2013 figures. The coverage of the EuLA database is around 85% on average, improving over time.

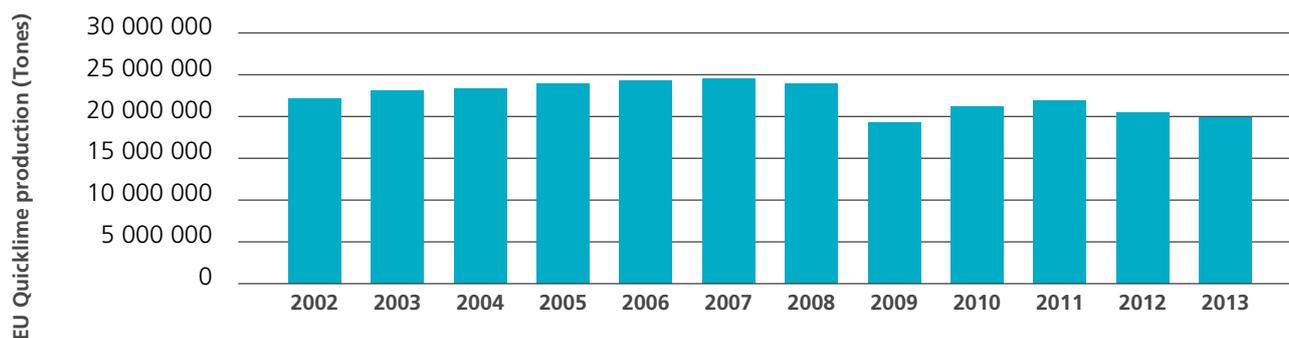
LOST TIME INCIDENT FREQUENCY RATE (LTI FR) AND FATALITIES (EULA, 2014)



The Lost time injury frequency rate (LTIFR) refers to the rate of occurrence of workplace incidents that resulted in an employee's inability to work the next full work day. It is a well-used indicator in the industry to track workplace safety. We can notice in this graph a strong improvement of the LTI FR over 4 years, with a reduction of 42,8% since 2010. Overall the LTI FR can still be improved compared to other industrial sectors.

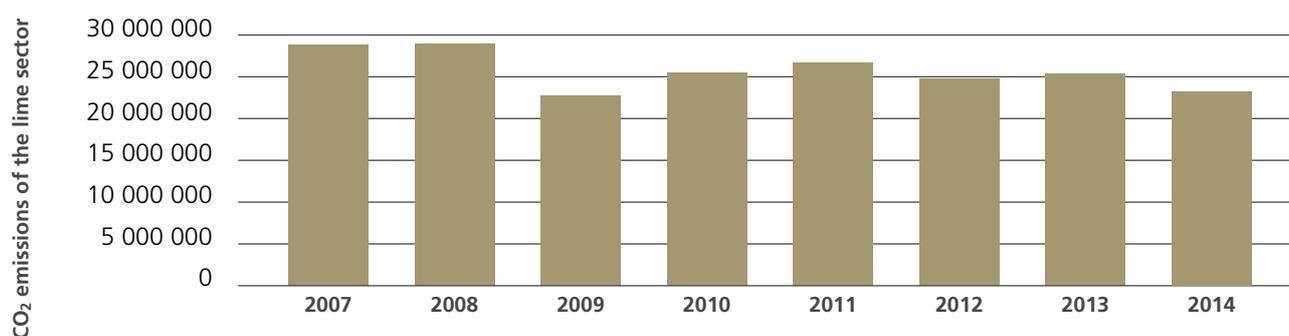
EuLA is committed to the "Target Zero Injury initiative" launched by IMA-Europe in 2014, which sets an aspirational target of zero injuries for the Industrial Minerals sector, to be reached in two phases: a 50% reduction of the LTI FR by 2016 and a further 50% reduction by 2020.

EU QUICKLIME PRODUCTION (EULA MEMBERSHIP, 2014)



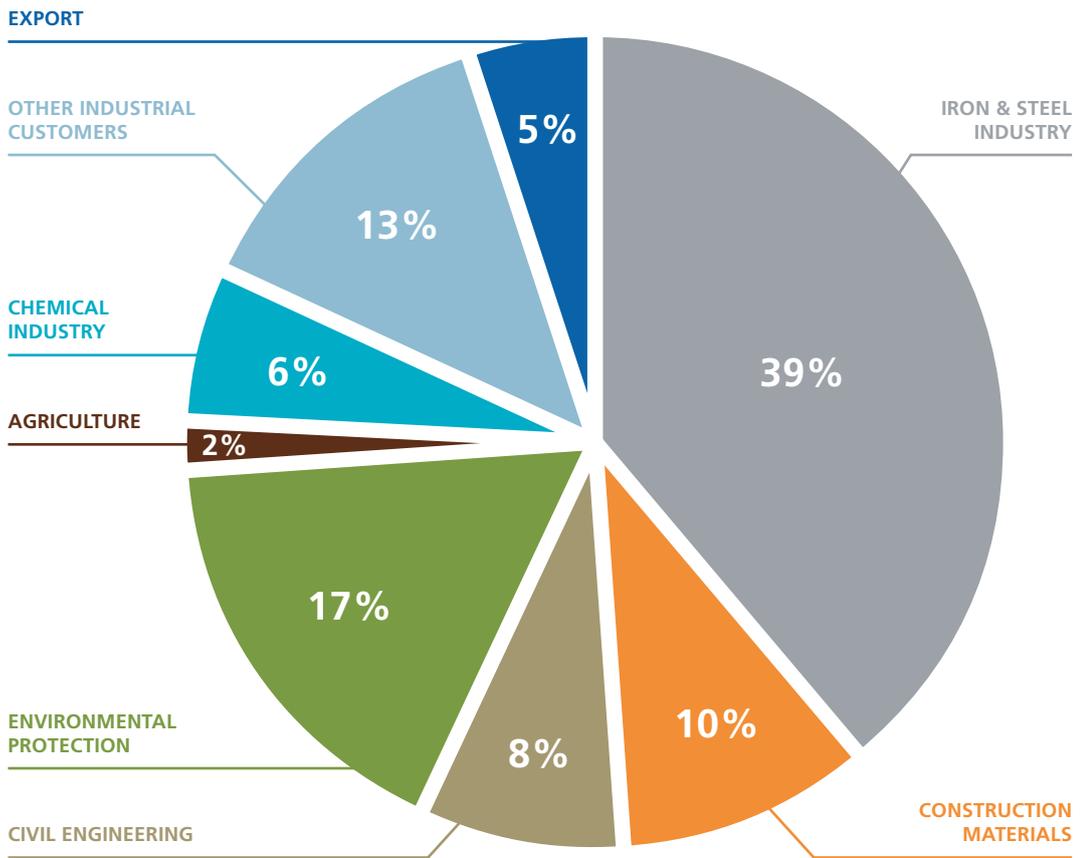
The EuLA membership is calculated on the basis of the quicklime production of each member. EuLA assesses that quicklime production accounts for around 90% of the total (non-captive) production, which is comprised of quicklime, dolime, and sintered dolime production. This graph shows the evolution of the quicklime production since 2002.

GLOBAL CO₂ EMISSIONS OF THE LIME SECTOR OVER TIME (EUTL, 2014)



This graph is based on the public data provided by the European Transaction Log (EUTL), as set up within the EU ETS framework. It shows the aggregated CO₂ emissions of the lime sector.

**OVERVIEW OF CUSTOMER MARKETS AND FUNCTIONALITIES OF LIME PRODUCTS
(EULA 2013)**



In 2014 EuLA published its sectoral roadmap entitled "A Competitive and Efficient Lime Industry, Cornerstone for a Sustainable Europe". In this document, an overview of the customer markets and functionalities of lime products was provided. This graph is an updated version with 2013 data.

Political and regulatory overview



Political and regulatory overview

New mandate for the European Commission (Junker Commission 2014-2019)

After the elections of the new Parliament in June 2014, the new college of the European Commission is in place since 01 November 2014 for a mandate of 5 years. Answering the complaints of citizens and stakeholders about the “operation in silo” of the Commission, the new President in place, Jean Claude Juncker, proposed a new structure opting for collective work and responsibility.

MAIN PRIORITIES OF THE NEW COMMISSION

A structure in 7 project teams focused on J-C. Juncker programme:

- **A New Boost for Jobs, Growth and Investment.**
- A Digital Single Market.
- **A Resilient Energy Union with a Forward-Looking Climate Change Policy.**
- A Deeper and Fairer Economic and Monetary Union.
- **Better Regulation**, Inter-Institutional Relations, the Rule of Law and the Charter of Fundamental Rights.
- Budget and Human Resources.
- Foreign Affairs and Security Policy.

Considering the difficult economic situation due to the recession of the last few years, Europe is seeking for new impetus. This Commission faces important challenges ahead. By some it is considered as the Commission of last chance to redress Europe in the world. Generate economic growth, fight unemployment, manage migration, create conditions for growth and new investments, support industrial renaissance, face energy security of supply and tackle dependency are of few of the important challenges of this new Commission.

The first priority of this Commission according to J-C. Juncker is to strengthen Europe’s competitiveness and to stimulate investment for the purpose of job creation. Due to the economic and financial crisis, the level of investment in the EU has dropped significantly since its peak in 2007, by about 15%. To answer this, President Juncker proposed a new **investment plan for Europe** which aims at mobilizing 315 billion Euros for the period of the next three years (2015-2017). This plan is expected to finance long term strategic projects aiming at improving the investment environment.

Six countries (Germany, France, Italy, Spain, Luxembourg and Poland) have already announced that they will contribute to this funding via their respective promotional and development banks.

The Commission is setting out an approach based on three pillars: **structural reforms** to put Europe on a new growth path; **fiscal responsibility** to restore the soundness of public finances and cement financial stability; and **investment** to kick-start growth and sustain it over time. The Investment Plan for Europe is at the heart of this strategy.

THE RELEVANT PORTFOLIOS FOR THE LIME SECTOR

Energy and Climate Action, Commissioner Miguel Arias Cañete (Spain - EPP). He will report to both, Maroš Šefčovič (Slovakia-ALDE), Vice-President for Energy Union and Jyrki Katainen (Finland - EPP), Vice-President for Jobs, Growth, Investment and Competitiveness. Once again the energy and climate action General Directions (“DGs”) merge to better answer the challenges and enhance collaboration. In addition to the Energy Union, the ETS post 2020 revision is the most important piece of legislation on the table currently. The public consultation has been finalised and the EC proposal is expected before summer.

As **Commissioner for Industry, Ms. Elżbieta Bieńkowska** (Poland - EPP) is appointed responsible for Internal Market, Industry, Entrepreneurship and SMEs. She will report and work jointly with Jyrki Katainen (Finland - EPP), Vice-President for Jobs, Growth, Investment and Competitiveness, Valdis Dombrovskis (Latvia - EPP), Vice-President for the Euro and Social Dialogue, Andrus Ansip (Estonia - ALDE), Vice-President for the Digital Single Market, and Maroš Šefčovič, Vice-President for Energy Union. Ms Elżbieta Bieńkowska is expected to present a rolling plan, setting out the EU actions on the implementation of the EU Industrial Policy for the years to come, before summer 2015.

The **Environment** cabinet is attributed to **Mr. Kamenu Vella** (Malta - S&D). He is appointed Commissioner for Environment, Maritime Affairs and Fisheries, which have merged in the same logic as mentioned earlier. He will report to Jyrki Katainen, Vice-President for Jobs, Growth, Investment and Competitiveness, and Maroš Šefčovič, the Vice-President for Energy Union.

New mandate for the European Commission (Junker Commission 2014-2019)

One of the actions of relevance for the lime sector under the “better regulation” flag is the **REFIT** (Fit for growth) initiative, which is continued action from the previous Commission. The aim of the initiative is the simplification of EU law waiving overburden and bottlenecks. The intention of the Commission is to make the implementation of EU laws more effective, cheaper, simpler and lighter.

Within this framework, the following regulatory fitness checks are performed:

- Fitness Check of the EU Birds and Habitats Directives.
- European Innovation Partnership on Raw Materials. Fitness check of cumulative effects of EU policies/legislation on Non energy extractive industry (NEEI).
- Evaluation and Fitness Check on Natura 2000.
- Fitness Checks on Waste Policy.
- Evaluation of legislation in the area of health and safety at work.
- Fitness Check of the General Food Law Regulation.
- Fitness Checks on chemicals legislation not covered by REACH as well as related aspects of legislation applied to downstream.

Within the REFIT framework, the Commission regularly **withdraws** proposals that are outdated or do not have the support of the legislator. From 2006 to 2014, altogether, 293 proposals have been withdrawn since 2006. Proposals withdrawn included the Statute of a European Private Company, access to justice in the area of environment, and a Framework Directive on Soil.

The Commission also withdrew the “**Taxation of energy products Directive**” under revision, mainly because of split views amongst Member States. Likewise, the “**Circular Economy**” proposal is taken back to be re-proposed with improved targets, and the proposal for a “**Directive on the reduction of national emissions of certain atmospheric pollutants**” is expected to be replaced by a new initiative.

Overview of EU legislation relevant for the lime sector

| | |
|---------------|---|
| Adopted: | DG Climate action and Energy: Carbon leakage list 2014-2019 |
| | DG Competition: State aid guidelines for energy and climate |
| | DG Climate action and Energy: Energy and Climate package 2030 |
| On-going: | DG Environment: <ul style="list-style-type: none"> • Waste incineration BREF • Mining waste BREF revision • Merge of Directives Birds and Habitats |
| | DG Climate action and Energy: Market stability reserve mechanism |
| | DG Climate action and Energy: ETS post 2020 revision/consultation |
| | DG Climate action and Energy: Energy Union |
| Expected [3]: | DG Climate action and Energy: ETS post 2020 revision proposal |
| | DG Environment: <ul style="list-style-type: none"> • Mining inspections • Circular economy package (Waste legislation part of it, with the revised waste targets and wider scope) • Air quality Package • No Net Loss |
| | DG Growth: Jobs, growth and Investment packages |
| | |

[3] In the course of 2015 work programme of the European Commission, amongst the 23 expected future new initiatives, the following are of importance for the lime sector.

Climate policy



Climate policy

Climate and energy package 2030

OCTOBER 2014 COUNCIL CONCLUSIONS

Following the proposal by the European Commission of a “climate and energy package 2030” in January 2014, the European Council (heads of states) adopted on 23 October 2014 its conclusions setting the commitment of the EU in terms of climate policy, and the way forward regarding the policy framework.

The Council confirmed the ambition set forth by the European Commission:

- At least 40% GHG reduction target with 43% target for ETS sectors and a 30% target for non-ETS sectors for 2030 compared to 2005.
- 27% renewable EU level binding target to which Member States will contribute to achieve the EU target.
- Indicative 27% target for energy efficiency to be reviewed in 2020 with a view to increase it to 30%.

The Council also confirmed the main political guidelines for the continuation of the EU ETS after 2020:

- A well-functioning, reformed Emissions Trading System (ETS) with an instrument to stabilise the market in line with the Commission proposal.
- Annual reduction to increase from 1.74% to 2.2% from 2021 onwards.
- Carbon leakage measures will continue post 2020 unless there is an international agreement with comparable efforts from other major economies.
- Benchmarks will be periodically reviewed to take technological progress into account.
- Both direct and indirect carbon costs will be taken into account, in line with the EU state aid rules.
- Future allocations will ensure better alignment with changing production levels in different sectors.
- Energy sectors in Member states with GDP lower than 60% could continue to receive free allowances.
- The NER300 funding scheme shall be renewed and increased to 400 million allowances (“NER400”).

Climate and energy package 2030

While these conclusions provide guidance on the aspects that should be taken into account by the European Commission in the upcoming review of the EU ETS, these guidelines are not compulsory and do not bind the European Commission.

There is therefore an important need for advocacy by EuLA to ensure that the intention of the European Council regarding the protection of the industry is respected by the Commission, and to ensure that the upcoming revision of the EU ETS Directive takes the specificities of the lime sector into account.



Climate change and EU ETS

CARBON LEAKAGE LIST 2015-2019

To address the competitiveness of industries covered by the EU Emissions Trading Scheme ("EU ETS"), production from sectors and sub-sectors deemed to be exposed to a significant risk of **carbon leakage** receive a higher share of free allowances in the third trading period between 2013 and 2020. The European Commission is bound by the Directive to adopt a "list of sectors deemed exposed to a significant risk of carbon leakage" (**carbon leakage list**) every five years, starting in 2009.

The lime sector has been included on the carbon leakage list since the adoption of the Directive in 2009 on the basis of the quantitative assessment (article 10a(16)a of the ETS Directive, i.e. the sum of direct and indirect additional costs induced by the ETS bringing an increase of production costs of a least 30% on the gross value added).

On 5 May 2014, the European Commission revised the carbon leakage list for the period 2015-2019. One of the main changes of this revision was linked to the revision of the NACE codes. With the new revision (rev. 2), the lime sector (26.52 rev.1) is aggregated with the plasters sector (26.53 rev.1) into a new code (23.52 rev.2 – "Manufacture of lime and plaster"). This new nomenclature had consequences on the "quantitative assessment" of the lime sector (since the plasters are less energy and carbon intensives), however EuLA ensured that the sector would be maintained on the list. This was ensured through an advocacy action, including notably the preparation, with the Alliance of Energy Intensive industries, of a legal paper on potential remedies in case the carbon price assumptions differ from 30 €/ton, and by preparing with NERA an assessment of the competitive disadvantage of European lime production when comparing carbon, energy and transport costs.

The next revision of the carbon leakage list will occur with the upcoming revision of the EU ETS Directive. The proposal from the Commission for the revision is expected in mid-2015.

MARKET STABILITY RESERVE

On 22 January 2014, the European Commission pursued its structural reform of the carbon market, and published a draft of decision establishing a "market stability reserve" ("MSR") for the phase 4 of the EU ETS (2021). After the adoption of the "back-loading" decision in 2013 – a short term measure postponing the auctioning of 900 million allowances until 2019-2020 – the European Commission proposed, with the market stability reserve, a permanent system allowing an automatic adjustment of the volumes of auctions on the market.

Climate change and EU ETS

The aim of both initiatives is to address the expected “surplus” of allowances on the market (up to 2.6 billion allowances according to the Commission), and to reinforce the carbon price signal.

On 24 February 2015, the European Parliament committee on Environment, Public health and Food safety (“ENVI committee”) adopted the report of MEP Ivo Belet, and voted a mandate of negotiation for the European Parliament to reach an agreement with the Council of the EU and the European Commission in what they call “trialogues”.

On 5 May 2015, an agreement was reached between the European Parliament and the Council of the EU on a compromise for the MSR:

- Starting date on 01 January 2019 (2 years before the initial proposition).
- Transfer of the “back-loaded” allowances in the reserve (instead of having these allowances released to the market).
- Transfer of the unallocated allowances in the reserve.
- Review of the MSR and the EU ETS to take carbon leakage and competitiveness aspects into account.

This agreement has been endorsed by the Council of the EU, and is waiting for the official endorsement from the European Parliament (July 2015).

REVISION OF THE EU ETS

Since May 2014, the European Commission has launched numerous public consultations and stakeholders meetings in which EuLA participated, as well as bilateral consultation (meeting with Commissioner Canete). The European Commission has confirmed numerous times that the revision of the EU ETS would occur after the adoption of the MSR (see above).

With the MSR finally adopted, the publication of the proposed revision is expected before the summer break 2015. EuLA is already in contact with many stakeholders from

the EU institutions to present them the main issues and positions of the sector.

This ongoing work will be prolonged in 2015 and during the whole negotiation around the directive, which is expected to take at least a year. EuLA is preparing the ground with various analyses and studies, and is pro-actively coordinating with other networks such as Business Europe and the Alliance of Energy Intensive Industries.

GHG Standard

The draft standard “ISO/DIS 19694-5 Stationary source emissions - Determination of Greenhouse gas (GHG) emissions in energy-intensive industries - Part 5: Lime industry” submitted to CEN in April 2014, has finished the “inquiry phase”.

This inquiry phase had been initiated under the “Vienna agreement” that allows standards developed from both CEN (European Standardisation Organisation) and ISO (International Standardisation Organisation) to be recognised by the other. However a common agreement could not be found between CEN and ISO on the way to continue to develop the standards in parallel, and it was therefore decided to carry on with the work undertaken at CEN, primarily to respect the timetable set in the mandate of the European Commission.

The CEN sub working group on the lime standard (CEN TC264/WG33/SG5) and the mirror EuLA working group (the GHG Monitoring and Reporting Ad Hoc Working Group) are now addressing the comments received during the inquiry phase (from both CEN and ISO, although ISO comments are not mandatory to address).

The finalised standard is expected to be proposed for “formal vote” in September 2015 (which means finishing the standard before the summer break). The launch of the formal vote will take place in February 2016, and the publication of the adopted standard is expected in July 2016.



Environment



Environment

Air policy package

The Clean Air Policy Package, adopted by the European Commission on 18 December 2013, proposes:

- A Communication (“A Clean Air Programme for Europe”).
- A revision of the Directive on the reduction of national emissions of certain atmospheric pollutants (“NEC” Directive).
- A proposal for a Directive on the limitation of emissions of certain pollutants into the air from medium combustion plants (“MCP” Directive).
- A proposal for a Council Decision on the acceptance of the Amendment to the 1999 Protocol to the 1979 Convention on Long-Range Transboundary Air Pollution to Abate Acidification, Eutrophication and Ground-level Ozone (Gothenburg protocol).

MEDIUM COMBUSTION PLANTS DIRECTIVE

The proposal aims at reducing emissions of Sulphur Dioxide (SO₂), Nitrogen Oxide (NO_x) and Particulate Matter (PM) from medium combustion plants (installations below 50 MW). It will implement a new registration scheme (obligation of the competent authority to register medium combustion plants, based on notification by the operator), and will set up emission limit values (ELVs, Annex 2).

On 7 May 2015, the European Parliament committee on Environment, Public health and Food safety (“ENVI committee”) adopted the report of MEP Andrzej GRZYB, and voted a mandate of negotiation for the European Parliament to reach an agreement with the Council of the EU and the European Commission in what they call “trialogues”.

The main issues raised by the industry (most notably through an advocacy action led by Business Europe) are the following:

- The consistency between the IED (Industrial Emissions Directive) and the MCPD (Medium Combustion Plant Directive).
- The decision to conditionally impose benchmarks beyond ELVs in zones not complying with air quality limit values.
- The ELVs (Emission Limit Values) currently set in the Annex II of the proposal.

Moreover, some specific issues to EuLA/IMA members are monitored, in particular the existing exception in the directive (article 2) concerning drying. The “trialogue” phase is now ongoing, with several meetings planned in May/June 2015.

Air policy package

NATIONAL EMISSIONS CEILING DIRECTIVE

The proposal aims at revising the National Emissions Ceilings (NEC) Directive (2001/81/EC) in order to align it with the amended Gothenburg Protocol. It would extend until 2020 the ceilings set out in the NEC Directive for 2010 onwards: Sulphur dioxide (SO₂); Nitrogen oxides (NO_x); Volatile Organic Compounds other than methane (NMVOC); Ammonia (NH₃).

It would set out new limits applicable from 2020 and 2030 for: SO₂; NO_x; NMVOC; NH₃; fine Particulate Matter (PM_{2.5}); Methane (CH₄).

While the proposal may have been withdrawn by the European Commission, in the frame of the nomination of the new Commission and the adoption of a “better regulation” work programme for 2015, the initiative has finally been confirmed, with the Commissioner Karmenu Vella (Environment, Maritime, Fisheries) expressing, on 24 February 2015, that the Commission would make a “modified proposal in the course of the ongoing examination of the current proposal by the European Parliament and the Council”.



The proposal is therefore being examined at the European Parliament by MEP Julie Girling, rapporteur for the European Parliament committee on Environment, Public health and Food safety (“ENVI committee”). The adoption of the report is expected for 15 July 2015, and the adoption in plenary in September.

While the issues linked with the proposal of the Commission are industry wide, EuLA/IMA Europe is following the dossier.

Waste incineration BREF

EuLA members have responded positively to the call of interest to create a EuLA ad-hoc working group to follow the revision of Waste Incineration BREF (“WI BREF”). Twenty EuLA experts are part of the technical working group which will support the revision of WI BREF process initiated by the Institute of the Prospective technological Studies (“IPTS”) in Sevilla. The fifth meeting of the EuLA WI Task force took place on 16 and 17 December 2014 to discuss the strategy and prepare for the kick-off meeting (“KOM”) which took place from 19 to 22 January 2015.

EuLA’s delegation in Sevilla consisted of: Stéphane Crevecoeur (Carmeuse, Head of the delegation); Hervé Camerlynck (Lhoist); Martin Sindram (Rheinkalk); Martin Haworth (Singleton Birch); Eleni Despotou and Aurela Shtiza (EuLA Secretariat).

The objectives of EuLA were presented at the start of the KOM meeting and can be summarized as follows:

- Introduce 2 new techniques to derive Best Available Technologies (“BAT”) and 1 new emerging technique.
- Ensure level playing field for Flue Gas Cleaning processes based on technical data & appropriate assessment.
- Add clarifications on the terminology and clarify the lime in WI BREF.
- When Co-Incineration is included in specific BREF’s, this should not fall under WI BREF.
- The conclusions of the KOM were in line with EuLA objectives. The next steps at EuLA will be:
 - spring 2015: prepare the new technique descriptions in line with the BREF guidance document (2012/119/EU),
 - autumn 2015: contribute to the WI BREF sub-working group to draft the questionnaire,
 - assist companies with the completion of the questionnaire when relevant.

The revision process of the WI BREF will last until 2017.

LCI/LCA

The activities of the LCA TF consist in:

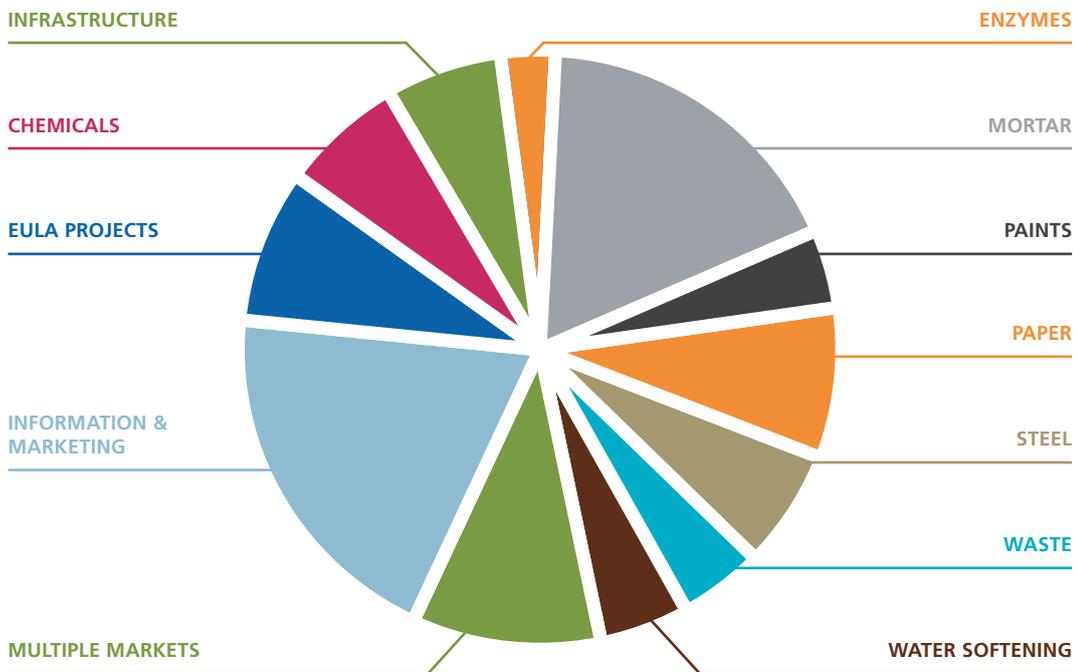
- Harmonizing and endorsing the outcome from various projects developed by technical TF's.
- Ensuring visibility and promoting the LCI/LCA work carried out at EuLA level by the experts.

COMMUNICATION ACTIVITIES

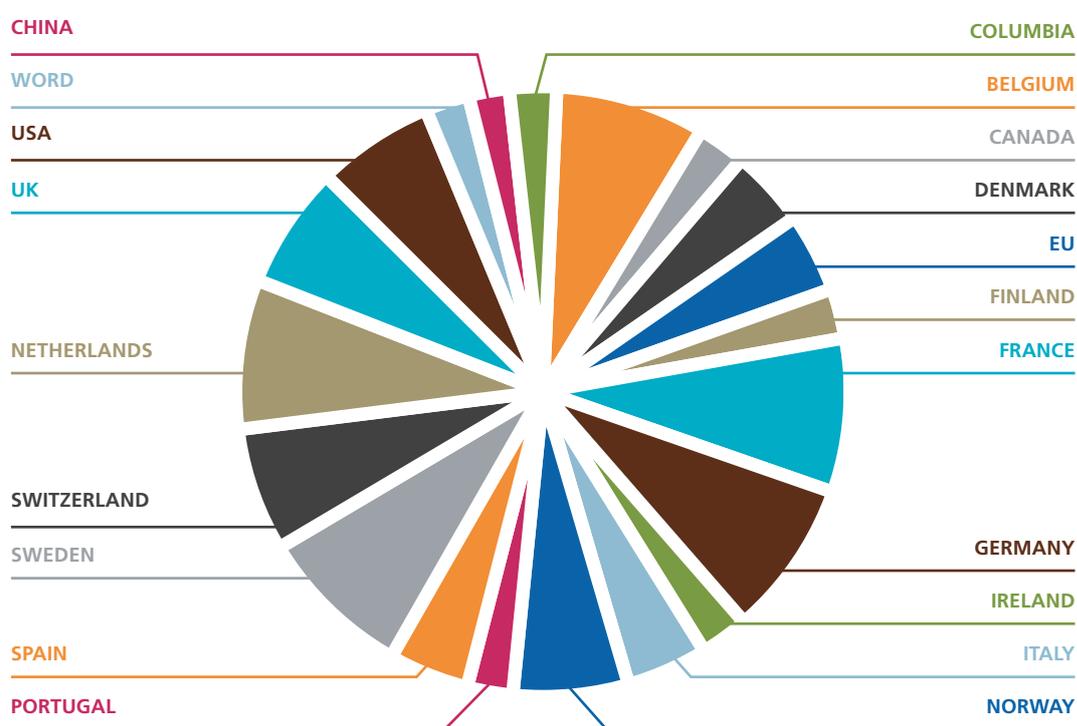
EuLA Life Cycle Inventory (EuLA LCI)

The EuLA website was, up to now, the main communication channel to access the EuLA LCI. So far 48 requests covering various markets and from various countries were promptly responded to by the EuLA secretariat, starting from November 2012. A summary of the requests to this date is shown herein.

LCI REQUESTS TO EULA SECRETARIAT BY MARKET / NEED (%)



LCI REQUESTS TO EULA SECRETARIAT BY COUNTRY / REGION (%)



The EuLA LCI has been published in the European Life Cycle Database (ELCD) from September 2013. The data from now on can be downloaded directly from the Joint Research Centre (JRC) website, which ensures higher visibility for the EuLA LCI.

LCI/LCA

LCA meetings where EuLA contributed during 2014:

- EuLA attended the 8th Society and Materials International Conference (SAM-8) event in Liège in May 2014 with a poster entitled: “The value of LCI data in sustainability and market development: case of the lime data”.
- Two oral presentations on “Mortar environmental footprint study” and “Carbonation in mortars” were made during the 9th International Masonry Conference (“IMC”, in Guimaraes, Portugal, July 2014) by Thomas Schlegel and Aurela Shtiza respectively, on behalf of EuLA.
- The contribution “The value of EuLA life cycle inventory (LCI) data to conduct LCA studies & their applicability” was presented by Aurela Shtiza at the science-industry round table in Guimaraes on 10 July 2014 following the 9th IMC congress.
- Presentation at the General Assembly International Lime Association meeting in Canada (in October 2014). The presentation was given by Hans-Josef Ritter on behalf of the Civil Engineering TF.
- The contribution “Linking environmental studies with natural carbonation: Case of two lime applications” was presented by Christophe Denayer in the 20th LCA Symposium taking place in Novi Sad (Serbia) in November 2014.

During the year 2015, EuLA has planned on attending the following events:

- 3rd European Mortar Summit to take place in Lisbon from 21 to 22 May 2015. The title of the oral contribution is: “Carbonation of lime and its impact in the environmental footprint of mortars” by Schlegel T. and Shtiza A. on behalf of EuLA. To ensure visibility, EuLA will participate as Exhibition Partner.
- EuLA was invited to give an oral presentation at the Society of Industrial Minerals (SIM, France) at the SIM2015 event which will take place in Mons in October 2015. The title of the contribution is: “Lime carbonation, life cycle analysis (LCA) and life cycle cost analysis (LCCA) in soil treatment & mortar applications” by Shtiza A.
- EuLA has submitted an abstract for a platform presentation at the 6th Eurasphalt & Eurobitume Congress which will take place in Prague from 1 to 3 June 2016. The title of the contribution is: “Improved environmental footprint and road durability through the use of hydrated lime in hot mix asphalt” by Shtiza A., Denayer C., Lesueur D., Ritter H-J. and Schlegel T.

HMA LCA

The HMA LCA study is submitted to be published in a peer review journal. The revision is ongoing.

Mortar Environmental Footprint

The papers “Mortar environmental footprint study” and “Carbonation in mortars” which were submitted and published in the 9th International Masonry Conference (“IMC”, in Guimaraes, Portugal, July 2014) proceedings are translated from English to German and are ready to be submitted for publication in the peer review Journal Mauerwerk to ensure visibility.

A new study with commonly used mortar formulations is ongoing and the Mortar Task force will foresee a communication strategy for the results.

Green Public Procurement (GPP) on road construction

The GPP revision process is managed by the European Commission Institute for Prospective Technological Studies (IPTS) in Seville. The GPP is not mandatory but accounts for 19% of the EU GDP budget in public procurement. Four company experts and one expert from the Secretariat have followed closely the process as stakeholder. So far the literature review on the use of lime in HMA has been provided to the consultant working on behalf of IPTS on the GPP on road construction revision. Christophe Denayer, on behalf of EuLA, attended the first and second meetings with stakeholders respectively on 12 March 2014 and 28 January 2015, which took place in Brussels. The revised draft report will enter into force some time in spring 2015.

The work for the LCI/LCA projects is performed in various TFs respectively chaired by J. Danvers (LCA TF), C. Denayer (Civil Engineering TF), F. Verhelst (Mortar TF) and Secretariat support A. Shtiza.

Energy



Energy

Energy Union

“A Resilient Energy Union with a Forward-Looking Climate Change Policy, aiming to deliver a secure, sustainable, competitive, affordable energy for every European”– this is the objective of the Energy Union communication as published on February 2015, on a **strategic framework** promoting an “Energy Union”.

In the last few years, the gap between the industrial energy prices in Europe compared to the rest of the world was progressively increasing, affecting the EU industry competitiveness at global level. This is officially acknowledged by the European Commission in its communication on energy prices and costs as presented in January 2014. The Commission Communication highlights that retail prices have risen both in the electricity and gas sector over the last five years, mainly because of higher taxes and levies. If the European Union wishes to have a competitive industry, it needs to address affordable energy prices especially for energy intensive ones.

Based on an initial proposal of President Donald Tusk (former Polish minister), the Commissioner in charge of Energy, Maros Šefčovič, presented the main priorities of this proposal, which will be built around 5 dimensions:

- Enhancing EU’s supply security, based on solidarity and trust.
- Building a single internal energy market which is highly competitive.
- Increasing energy efficiency (he highlighted that 90% of EU’s housing stock is not energy efficient & private investors are eager to invest in energy efficiency in buildings).
- Reducing energy production pollution by decarbonising our economies via (1) a strong internal agreement, (2) reaching a MSR agreement and (3) developing a reformed EU ETS.
- Boosting renewable energies by investing in research and innovation.

Energy Union

The strategic framework presented on 25 February 2015, includes a strategic policy document drawing a plan for reorganising European energy policies (with an Annex setting a list of actions including legislative proposals planned from 2015 to 2019), a “Roadmap to Paris” (COP21) and a Communication on how to reach 10% interconnections.

The initiative was presented on 5 March 2015 to the Energy Council, and to the March European Council.

According to Maroš Šefčovič, the Vice-President responsible for the Energy Union, this is the most ambitious European energy project since the Coal and Steel Community: a project that will integrate our 28 European energy markets into one Energy Union, make Europe less energy dependent, and give the predictability that investors need to create jobs and growth.

Although the EC seems to expect a lot from this initiative, it is not very clear yet which are the real objectives and which are the means that the European Union puts in place to achieve them. Let’s not forget that under Article 4 of the Treaty of Functioning of the European Union (TFEU), the Union has shared competence with the Member States in strategic relevant areas such as energy, environment, transport, internal market and agriculture.

At the same time, the International Energy Agency (IEA) has initiated a platform aiming at greening the energy intensive industries.

Although the objective of the Energy Union does not seem very clear, the trend towards decarbonization of the economy is present in all EU legislative proposals.



Guidelines on State aid for environmental protection and energy 2014-2020

In the course of 2014 the European Commission performed a revision of the EU Guidelines on State aid for environment and energy from the period 2014 to 2020 ("EEAG"). The main issue for lime was to ensure that the eligibility criteria for energy tax exemptions and/or compensations as set in the revised guidelines allow lime producers to access such adjustments.

EuLA's efforts, supported by a strategic Public Affairs consultant mirroring the activities of its members at the different Member States, has been rewarded by a favourable result, as reiterated by the college of Commissioners on April 9, which ensures that the lime sector (together with plasters under NACE code 2352) can benefit from such indemnities.

Since then, EuLA has been monitoring the way that the provisions of the EEAG are followed by the different Members States. The table beside shows the patchwork of "compliance" for the different Members States introducing thus some distortions in the EU market.

COMPENSATION FOR ENERGY INTENSIVE INDUSTRIES (EIIS)

| Country: | Compensation for Energy intensive Industries (EIIs): |
|----------------|--|
| Austria | Yes |
| Belgium | Yes / depending on the region |
| Bulgaria | No |
| Czech Republic | No |
| Denmark | No |
| Estonia | No |
| Finland | No |
| France | Yes / under conditions |
| Italy | No |
| Ireland | No |
| Germany | Yes |
| Greece | No |
| Hungary | No |
| Norway | No |
| Romania | Yes |
| Poland | No |
| Portugal | No |
| Slovakia | Yes |
| Spain | No |
| Sweden | No |
| United Kingdom | Yes |



Product Stewardship and applications



Product Stewardship and applications

REACH/CLP/Biocides

BIOCIDES

More than 8 years after the submission of the lime biocide dossiers; the UK HSE (Health and Safety Executive agency) has announced its intention to finalise the Competent Authority Report (CAR), which aims at evaluating the lime active substance dossiers, at the beginning of June 2015. This long review period is mainly due to information gaps present in the initial dossier, and to the broad variety of product types (PT) initially covered. In addition to this, the dossiers submitted in February 2006 were prepared under the Biocide Directive, which has been replaced by the Biocidal Product Regulation (BPR) in 2012. This change in regulation led to additional information requirements and therefore a further delay in the assessment. In November 2014, EuLA submitted a last information package to the UK HSE to help them finalise the evaluation. The information package included, among other elements, actual exposure data and a detailed description of the applications that are covered in the lime biocides dossiers.

If the UK can stick to the timeline, the authorisation of lime as an active biocidal substance will be on the agenda of the 12th ECHA (European Chemical Agency) Biocidal Product Committee meeting of September/October 2015 (BPC-12), after which ECHA will prepare an opinion and submit it to the Commission. In case of a positive decision of the Commission, the active substance will be included in the Union list of approved active substances for a 10 year period.

The final lime dossiers cover 4 substances (calcium oxide, calcium dihydroxide, calcium magnesium oxide and calcium magnesium tetrahydroxide) for two product types:

- Product Type 2 ("PT2"), for Private area and public health area disinfectants: Treatment of sewage sludge (Bacteria, viruses and parasites present in sewage sludge);
- Product Type 3 ("PT3"), for Veterinary hygiene biocidal products: Treatment of manure and other digestive tract contents (Bacteria, viruses and parasites present within animal by-products (e.g. manure and other digestive tract contents)).

Other uses not included in the dossiers may be included in applications for biocide product registrations at national level, once the lime active substances have been approved by the Commission. The EuLA Biocide ad-hoc Working Group will start discussing and preparing the national product authorisations before summer; by doing so, the joint dossier will be ready for submission by the time the active substances are approved.

REACH/CLP/Biocides

PRODUCT STEWARDSHIP

In the framework of the product stewardship regulation activities of the EuLA task force, the following item has been followed: Depending on the grades of the product, lime substances may contain an amount of Calcium Carbonate above 20%, which makes them deviate from mono-constituent substances as defined under REACH. This issue has already been identified by ECHA when some co-registrants made an inquiry for the REACH registration of their substance. Different options to solve the issue and to improve the quality of the REACH Lime dossier have been considered by the Consortium Coordinator and discussed by the EuLA PSR Task Force.

During March 2015, a formal voting procedure was organised with the Steering Committee of the REACH Lime Consortium, and it was decided to reinforce the justification for deviation of the 80% rule for mono-constituent substances. In order to do so, data from calcium carbonate dossiers will be added to the lime dossiers, and a legitimate access to the Calcium Carbonate REACH dossiers will be purchased.



REACH ADVOCACY: MUTAGENICITY

REACH is not a one-time activity, it is a process that needs constant follow-up. In the case of the mutagenicity end-point, REACH requires to conduct a number of in vitro tests, which are currently not available in the REACH lime dossiers. It was therefore recommended to improve the dossiers by conducting the mutagenicity studies required in REACH Annex VII and VIII with a "Calcium only" substance and a "Calcium/Magnesium" substance. This approach would facilitate the coverage of all substances covered within the REACH Lime Consortium through read-across. During the formal voting procedure organised in March 2015, the Steering Committee of the REACH Lime Consortium agreed with this recommendation.

Lime in mortars

Following a request from the board, the EuLA Mortar Task Force presented, on 25/02/2015 (Joint Committee) and 05/03/2015 (EuLA board), the outcomes of seven years of action since the creation of the taskforce in 2008:

- The EuLA Mortar TF helped to identify European centers of expertise on lime in mortars, collect from those centers the existing research on lime in mortars, and build a bibliographic database supporting the functionalities of lime in mortars, as well as identify the gaps in scientific knowledge on lime functionalities.
- Several research projects delivering material to communicate on the use of lime in mortar and influence standardization efforts (Lucideon, Bath, DTI, IKM, CAGEMMA).
- Multiple scientific articles published in scientific congresses underpinning the lobby work in standardization committees which were directly taken up by EuLA or EuLA sponsored projects (ILA, IBMAC, CMS, IMC).
- A set of communication materials (brochure on the benefits of lime in mortar, presentations, etc.), also available online.
- The presence of EuLA at international conferences and events (International Masonry Conference, EuLA Science-Industry roundtable).



Lime in mortars

These actions led to the development of a solid scientific inventory on existing knowledge, to the positioning of the lime sector as a full and credible partner in the standardization process, and to catalyzing a network of masonry experts working around the specifics of lime in mortars, in line with the actual wave of environmental assessments of building materials.

The taskforce has now updated its “**mission statement**”:

- Actively promote and defend the position of lime in practice and standards:
 - participate in and influence standardization committees with a holistic view on lime specifics and contribution to sustainable masonry,
 - work together with local EuLA members to use the developed support documents in the local promotion of lime in masonry to generate business.
- Build an exchange platform of scientists and tender for EU funding, including:
 - running small research projects on identified items to position lime in science, communication & standardization,
 - targeting scientific articles on frequent basis in relevant scientific magazines to position lime and its specificities in the scientific & professional world,
 - actively participating in the frame of the EU project delivering arguments for lime use and positioning in standardization initiatives.
- Foster future increased use of lime in building applications by:
 - supporting a platform to foster exchange between scientists;
 - enhancing training of a next generation of professionals with knowledge on lime.

This updated mission statement will ensure the final step of the strategy developed in order to create the adequate environment to foster a new development of the use of lime in renders, plasters and masonry mortars, by recognising the strengths and specificities of lime in these applications in masonry codes and standards.

Lime in civil engineering

Following a request from the board, the EuLA Civil Engineering Task Force presented, on 25/02/2015 (Joint Committee) and 05/03/2015 (EuLA board), the outcomes of its activities since the creation of the Asphalt TF in 2007, extended in 2013 with the name “Civil Engineering TF” to include activities related to soil treatment.

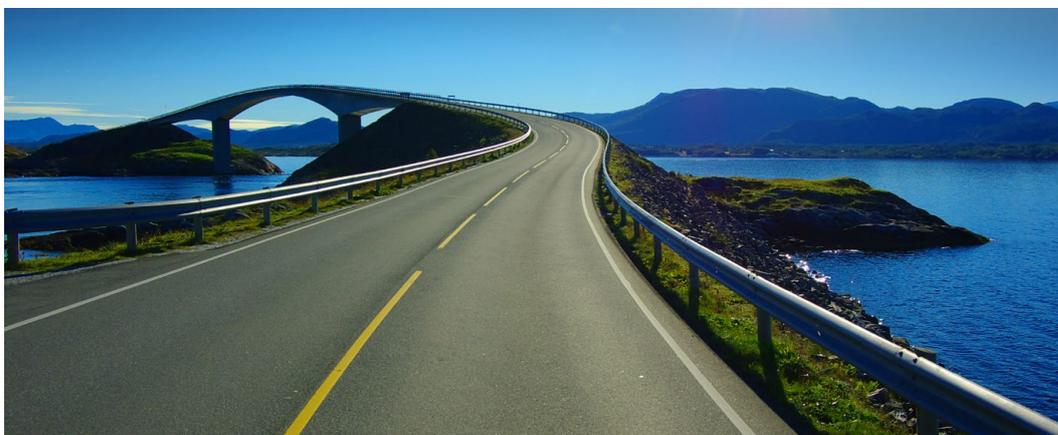
On asphalt, the Task Force helped:

- Create a long term European strategy for the development of the use of hydrated lime in asphalt mixtures.
- Pool lime industry resources to foster industry wide relevant scientific research.
- Streamline and coordinate the national and regional promotional efforts.
- Develop common promotional actions.

ASPHALT

The market potential for the use of lime in mortars is an opportunity (lime could be used up to 10% of all Hot Mix Asphalt volumes), however the market is driven by a complex decision process which implies convincing several public players. The action of the TF contributed to the development of more and more national guidelines allowing lime in asphalt (sometimes requiring it, for instance in Belgium or in Italy).

Through the LCA work carried out at EuLA, the benefit of lime for the lifetime of asphalts has been recognized (25% longer lifetime). This provides some good opportunities linked with the future “green public procurement” that will develop in Europe, where LCAs could play an important role.





Lime in civil engineering

SOIL TREATMENT

The uptake of soil treatment activities in the TF in 2013 was mainly driven by an identified threat linked to the environmental impact of lime products for soil treatment. While the soil stabilization market is project driven, there is still potential for growth.

There will therefore be a need in the future for more analyses and promotion around the sustainability of lime in soil treatment, and probably a need for a LCA in the frame of the developing “green public procurements”.

NEXT ACTIONS

For the time being, the Civil Engineering TF is preparing the path towards the Euro-asphalt & Eurobitume 2016, a major milestone. EuLA has submitted six abstracts that have been accepted and will be presented during the conference:

- “The use of hydrated lime in the formulation of asphalt mixtures: European case studies”, by Didier Lesueur.
- “Influence of hydrated lime on the field performance of SMA10 mixtures containing polymer modified binder”, by Christophe Denayer.
- “Evaluation of the Effects of Lime on Workability of Open Graded and Stone Mastic Asphalt Mixtures”, by Alberto d’Alto.
- “Hydrated lime in asphalt road construction Experiences in Austria”, by Christophe Kunesch.
- “Hydrated lime as additive for increased durability of asphalt mixes even after recycling”, by Hans-Josef Ritter.
- “Improved environmental footprint and road durability through the use of hydrated lime in hot mix asphalt”, by Aurela Shtiza.

The taskforce is continuing its research activities, as well as the collective work undertaken with the LCA TF on carbonation, the Hot Mix Asphalt LCA, and the Green Public Procurement (GPP) in Road Construction.

Standardisation

The EuLA Standardisation Committee follows the various standards linked with the use of lime, and participates directly or indirectly in a number of CEN (European Standardisation body) committees.

The main issues that the Committee is following are:

- The Construction Product Regulation (“CPR”), and its delegated acts (in particular regarding the content and format of the new Declarations of Performance – “DoPs”).
- The revision of the EN 459 (building lime standard), which will start in 2015. A major discussion item is the possible introduction of blends based on lime, and the EuLA standardization committee will investigate different scenarios.
- The development of Product Category Rules (PCR) in the context of possible future environmental product declarations (EPD) (CEN TC 51).
- The follow-up of the draft standards on soil treatment, earthworks and mortars.



EU Alliances Highlight



EU Alliances Highlight

EuLA, apart from the coordination of the key activities with its members, takes part in different alliances aiming to achieve common positions with broad sectors. As member of **IMA-Europe**, EuLA benefits from the wider industrial mineral community representation (18 minerals) and the expertise of the Secretariat in horizontal areas relevant for lime, such as industrial policy, raw material initiative, biodiversity strategy, mining waste, nanomaterials, dust monitoring programme and REACH. EuLA company members are actively participating in the Social Dialogue Agreement on Crystalline Silica (NEPSI) and also in the target Zero Injury strategy. A detailed activity report is available for your further information.

Alliance of the Energy intensive Industries

Major industrial sectors under ETS legislation have a significant share of their production costs dedicated to energy. Those sectors, defined as energy intensive, have very often similar concerns, as far as EU legislation is concerned. They have formed an exchange platform, which is not a formal entity, to enable them to exchange on issues of common interest. The Alliance is constituted by the EU associations of steel, cement, chemicals, oil refineries, pulp and paper, non-ferrous metals, ferro-alloys, fertilizers, glass, ceramics, gypsum, and expanded clays. Altogether they represent 30.000 companies and 4 million jobs. Several joined coordinated actions have reached the highest EU level, mainly in the area of ETS.

Industrial Emissions alliance

The Industrial Emissions Alliance is an alliance formed by major industrial sectors covered by the Industrial Emissions Directive. The members of this alliance are: ACEA (automobile), BusinessEurope, Cefic (chemicals), CEPI (paper), Food Drink Europe, FEVE (glass), Cembureau (cement), CerameUnie (ceramics), Eurelectric (electricity), EuroAlliages (ferro-alloys), Eurofer (steel), Eurometaux (nonferrous metals), Euromines (mining), ECGA (carbon and graphite), FuelsEurope (refining), IMA Europe (industrial minerals), and Orgalime (engineering).

Business Europe

BUSINESSEUROPE is the leading industry association in Brussels representing businesses and advocating for growth and competitiveness at European level, standing up for companies across the continent. EuLA actively participates in the Climate Change and Energy WG. Additional matters, such as environment, are followed by IMA-Europe.

EuLA, the voice of the lime industry in the EU



The European Lime Association (EuLA) provides a sector-based representation for the European lime industry at EU level. It gathers the non-captive lime producers organised through their national associations.

As the voice of the European lime sector, its activities and missions focus on:

- Promoting the interests of the European lime industry on all non-commercial issues of common concern, such as sustainable development, product legislation, energy and climate environmental protection, health and safety, communication and image enhancement.
- Providing the members with a single voice and competent assistance to address the complex legislative framework on scientifically and technically-sound dossiers.
- Ensuring that the lime industry, at large, benefits from the sharing of non-sensitive information, and playing a supporting role in the promotion of best practices.

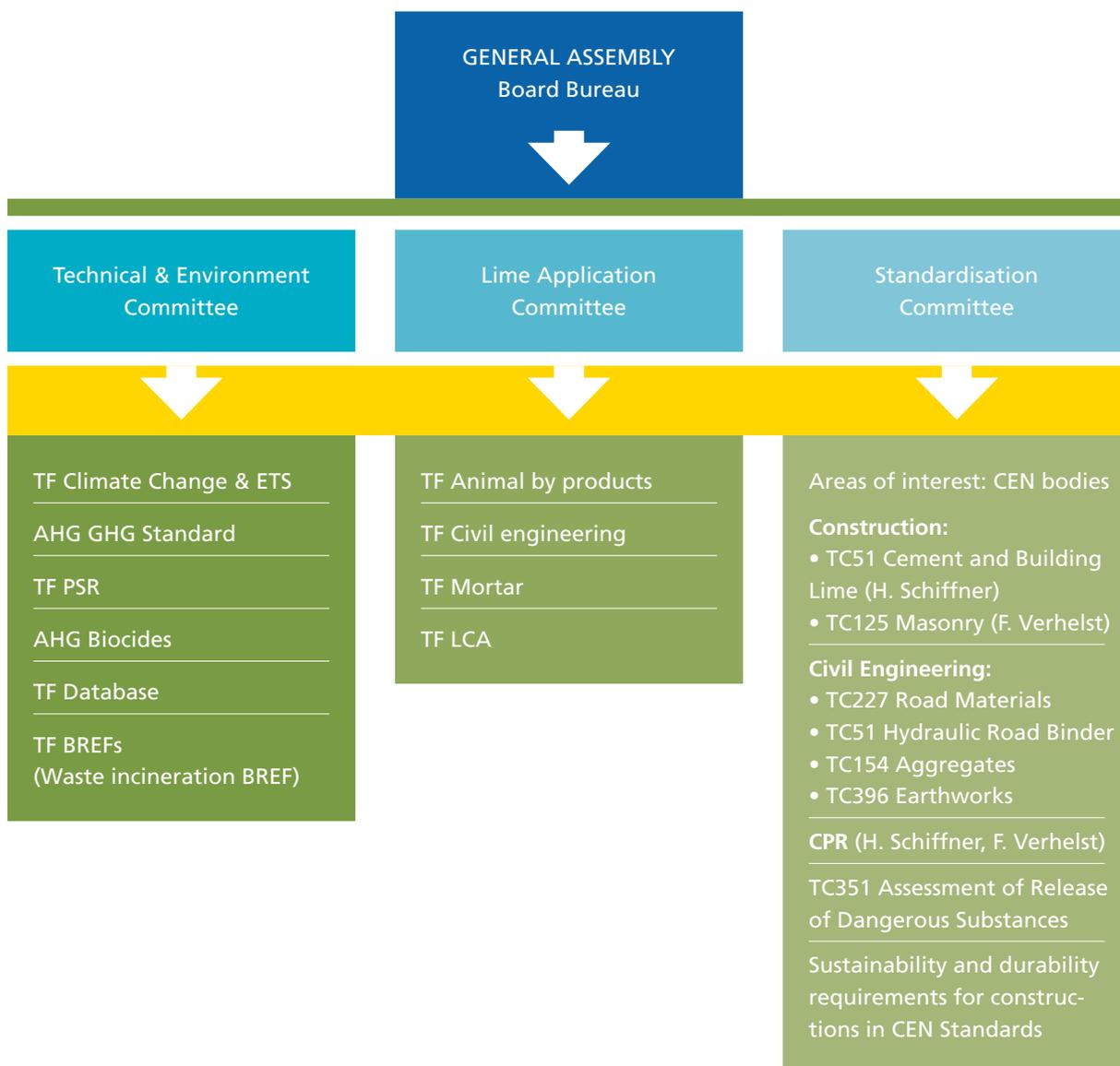
The EuLA Membership represents about 95% of the European non-captive^[4] lime production, through 20 entities representing national associations (in 19 EU member states). An important part of the companies represented by EuLA are considered as SMEs (more than two thirds).

[4] “non-captive” producers means producers whose main activity is lime production (to supply on the market), in EU and non-EU countries. Some industrial players may produce lime for their own use (steel, cement, paper, sugar): these are captive producers.

EuLA members

| | |
|-----------------|---|
| Austria | Fachverband der Stein-und Keramischen Industrie |
| Belgium | Fediex |
| Bulgaria | Plena Bulgaria OOD |
| Czech Republic | Czech Lime Association |
| Denmark | Faxe Kalk |
| Estonia | Nordkalk |
| Finland | Finnish Lime Association |
| France | Chambre Syndicale de la Chaux |
| Germany | Bundesverband der Deutschen Kalkindustrie |
| Hungary | Carmeuse Hungaria Kft |
| Ireland | Clogrennane Lime Ltd |
| Italy | Unicalce |
| Norway | Franzefoss Bruk A/S |
| Poland | The Polish Lime Association |
| Portugal | Lusical and Calcidrata |
| Slovak Republic | Carmeuse Slovakia sro |
| Spain | Ancade |
| Sweden | Swedish Lime Association |
| Switzerland | Kalkfabrik Netsal AG |
| United Kingdom | British Lime Association |

EuLA structure





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