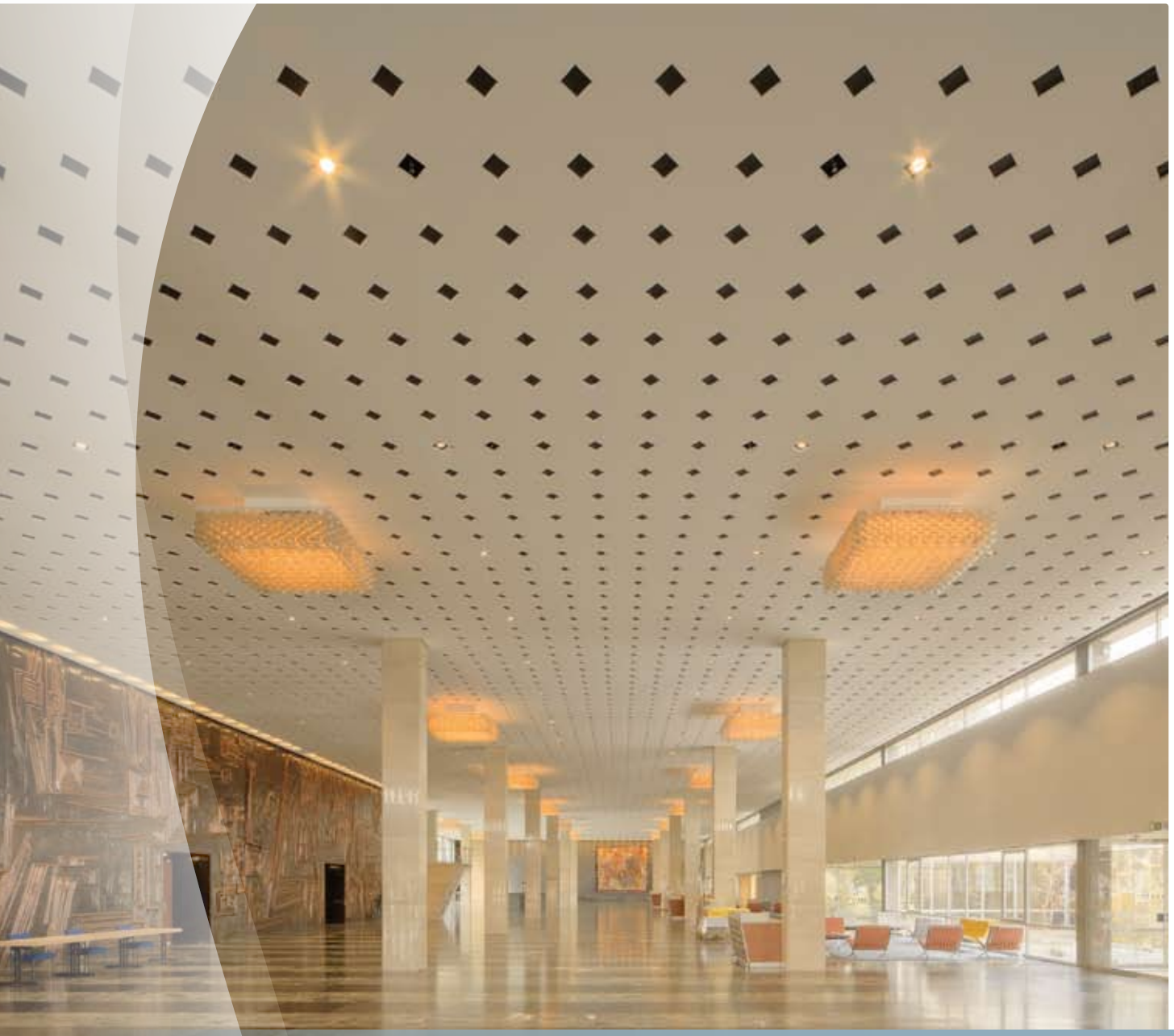
EUROGYPSUM

THE VOICE OF THE EUROPEAN GYPSUM INDUSTRY



Our steps towards sustainable construction

ACTIVITY REPORT 2008

Contents

Published by Eurogypsum

Credit photos: Knauf, Lafarge Gypsum, Saint-Gobain Gyproc.

President's Message

Who does not live surrounded by gypsum? What home does not have plaster on the walls or plasterboards for its ceilings and interior lining? Who has not seen hotels and public institutions whose interiors are shaped into arches and curves made of plasterboards and plaster creating a pleasing environment? Who has not seen buildings with ceiling tiles, which show phantastic sound insulation properties in a decorative way?

Gypsum products are already today fully sustainable as they are manufactured using Gypsum rock but also by-products and recycled materials, with minimal emissions to air and water.

In addition, Gypsum is a magic product: 100 % recyclable with no health issues (no professional diseases), very efficient as a fire retardant and very much appreciated for the indoor air quality as a humidity regulator.

This superior performance of gypsum products in providing everyday comfort, in fire resistance and in insulation heralds an ever greater role for it in buildings of the future. In fact, the safety and protection of people and property against fire and the effective thermal and acoustic insulation of building depend, more often than not, on the unique properties of gypsum systems. And many of the attractive features of modern interior would be impossible without the versatility of gypsum as a building material.

In order to assist architects, contractors and engineers in choosing the right solution for any given situation, manufacturers offer a wide range of systems. An architect no longer has to look around and put together different components and then have the system tested. He uses approved solutions which include the appropriate product and the relevant accessories, such as framing components and finishing products, along with the necessary technical assistance. Thus, gypsum systems enable the architect to create inspired practical and money-saving design solutions.

Speed and ease of assembly and finishing mean that constructing with gypsum products is economical and fast. The technical properties of gypsum, and the products' eternal recyclability, improve the overall eco-efficiency and sustainability of buildings.

Eurogypsum in Dialogue with Stakeholders

- Created in 1961, registered in Belgium as an AISBL (International Non-Profit Association);
- Membership: Gypsum national associations in 15 countries and 5 associate members companies;
- Associate member of CEPMC (Council of European producers of Materials for construction);
- Member of NEEIP (Non-Energy Extractive Industry Panel);
- Member of the REACH Alliance.

Eurogypsum in Dialogue with the EU Institutions

- Member of the Raw Materials Supply Expert Group (RSMG) convened by DG Enterprise;
- Member of the Working group on Sustainability of Extractive Industries Enterprises convened by DG Enterprise;
- Member of the Working Group on Groundwater convened by DG Environment;
- Member of "EPBD" ("European Energy Performance of Buildings Directive") "Buildings Platform" http://www.buildingsplatform.org/cms/;
- Member of the "European Business Advisory Group" for "the European Platform on Life Cycle Assessment" convened by the JRC-Institute for Environment and Sustainability;
- Member of the Forum in the European Parliament for Construction (FOCOPE) http://www.focope.eu/.

Eurogypsum Mission

Our mission is to ensure that gypsum products and gypsum based solutions remain at the forefront of the building materials agenda and that the growing use of gypsum products is supported by the European regulatory environment.

We fill in this mission by:

- Building sustainable regulation with the EU institutions bearing in mind that environment, social and economic standards go hand in hand for improved competitiveness;
- Shaping opinion through position papers, industry best practices and initiatives, association participation in EU projects, company visits, brochures, seminars and workshops;

- Influencing outcomes during the drafting of impact assessment preparing legislation and during the legislative procedure of a directive/regulation;
- Developing collaborative networks with relevant stakeholders.
- Promoting best practices within the industry in order to improve its long-term competitiveness.

General Economic Environment in Construction[1]

The construction sector represents a strategically important sector for the European Union, providing building and infrastructure on which all sectors of the economy depend. The sector is significant in terms of employment and provides constructed assets representing 49.6% of the gross fixed capital formation (GFCF).

In 2007, construction sectors output was 1.518 billion Euro (at current 2007 prices) for the 19 Euroconstruct countries, i.e. a little more than 12 % of the 19 countries domestic growth, a little less than Italy GDP.

The economic revival in Europe led to a significant increase in construction in 2006, which slightly weakened in 2007. The 3.8% growth in real construction output achieved by the 19 Euroconstruct countries in 2006 fell to a more modest 2% in 2007.

However, with the financial crisis which has erupted in the US late autumn 2007, Euroconstruct figures show that show that the construction sector in Europe may decline slightly in 2008 and even more in 2009, before recovering in 2010 and 2011.

In the new Member States, the property sector has been badly affected, particularly in Baltic States such as Latvia or Estonia but also in Ukraine and other countries like Romania which had seen speculation and high levels of credit.

The old Member States are in recession, with a more or less grim situation depending on the country. Spain and Ireland are hit with the full blow of the economic and financial crisis with a declining rate in the construction sector plummeting to -20% in 2008 and the same in 2009. Norway, Finland, United Kingdom, Italy and France have also entered in recession.

1 For this paragraph, we refer to 65th Euroconstruct Conference 2008 « European Construction Market Trends to 2010 » Summary report, Rome June 2008.

Germany, Austria, Belgium, Portugal and Sweden are however in a more stable position, close to 0%. (source: Bulletin Européen du Moniteur n°889).

According to Euroconstruct, Ireland and Spain stand out as the two countries expected to record the largest contractions in construction output in 2009. The volume of construction output in both countries is expected to decline by over 16% next year, led by a substantial contraction in new house building: -42% in Ireland and -32% in Spain. The next few Western European countries to record declines in output in 2009 will be Finland (-9.8%), Norway (-7.9%) and Italy (-5%).

Further to the economic global crisis, major construction companies are building economic housing units rather than non-residential buildings. This trend also reveals the profile of new projects. Public sector has also a key role to play in supporting activity levels in the construction sector over the next few years.

The European Gypsum Industry

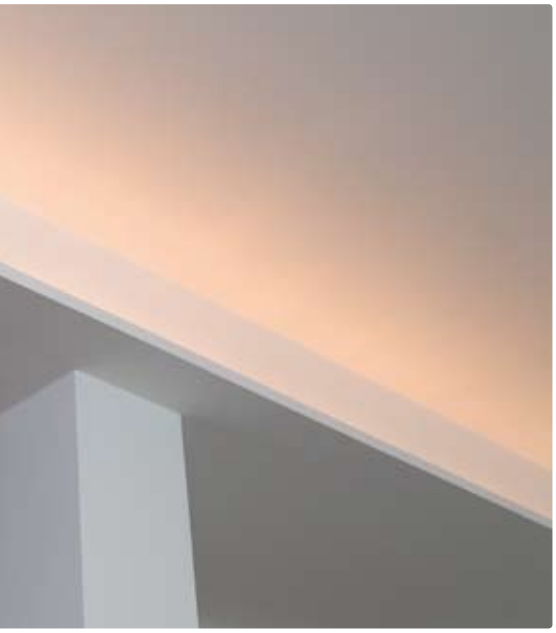
The annual European Gypsum Industry turnover is 10 Billion Euro.

The European Gypsum Industry represents around:
- 160 quarries
- 100 plasterboards plants
- 65 plaster powder plants
- 15 plaster blocks plants
- 8 gypsum fibre boards plants
- 30 gypsum ceiling tiles plants
- 15 millions tons of FGD Gypsum production in 2006 – synthetic Gypsum produced through the desulfurisation process of the Coal Power Plant.

We provide direct employment to 28,000 persons and indirectly to 85,000 persons (plasterers and dry liners).

The European Gypsum market for plasterboard led by three main players (Saint Gobain-Gyproc, Knauf and Lafarge Gypsum) operating worldwide with European know-how. It appears that these three leaders are also leading the global Gypsum Industry.

SMEs are very active in building plaster, gypsum ceiling tiles and gypsum blocks, mainly in Spain. R&D investments have also been carried out in the field of plasters and ceilings, giving exceptional results and innovative products.



Market Perspectives for Gypsum Products and Solutions

Due to the highly depressed construction market and energy prices, the short-term trends for the European Gypsum Industry are not optimal[2].

Indeed:

- The residential market is decelerating in Europe and the economic situation in the United States is still unfavourable;
- The renovation and non-residential construction also shows signs of weaknesses;
- Cost inflation is biting and competitiveness is hampered by over capacity;
- Due to the financial crisis that hit Europe, banks do not lend and mistrust each-other which impedes investment in energy-efficient construction projects;
- Margins are under pressure.

However, medium-term perspectives are encouraging:

- Used in combination with insulation materials, gypsum products will benefit from changes in European regulation and incentives to promote energy efficiency in buildings. The potential for cutting energy consumption by improving the insulation properties of building together with plasterboards and other gypsum products is considerable. Exane BNP Paribas estimates that around 75 % of the existing stocks in Europe have poor energy efficiency dynamics. The rising cost of energy, increasing environmental awareness and the subsequent political decisions to curb CO_2 emissions have led to a tighter regulatory framework in order to improve the energy efficiency of buildings;
- In emerging countries, climate (either warm or cold) is a driver for gypsum products market penetration;
- Increasing GDP per capita and labour costs are two other catalysts for market growth.
- Indoor air quality is more important with better insulated buildings.

Therefore in the long run, the European Gypsum Industry will continue to grow faster than GDP. In Western Europe, markets will remain well oriented. Central and Eastern Europe will show continued market growth.

2 Exane BNP Paribas-Buildings Materials and Construction. Short term trends and long-term strategies for Global Gypsum Companies-Global Gypsum Conference, Dubai, 2008.

Vaujours rehabilitated quarry

Biodiversity in rehabilitated quarry Cormeilles, France (Val d'Oise, France)

Environmental Ambitions

The European Gypsum Industry is working hard towards achieving excellence in environmental management because it wants to make a difference by creating wealth in the indoor-built environment and contribute to build value for society.

Gypsum is a construction mineral eternally recyclable, quarried worldwide and used in an outstanding sustainable way in buildings. Indeed, Gypsum building materials are used in all construction types (residential, non-residential, new or refurbished), ranging from complex high-tech systems, to easy to install products adapted for use by the great public. Its environmental benefits linked to its safety and usability credentials greatly help to create a pleasant, warm, cosy, healthy and comfortable built environment.

Gypsum provides a unique positive answer to complex environmental equations of this century; be it in relation to the sourcing of raw materials, to the use of gypsum products in buildings and to their recycling at the end of their useful life. Gypsum further provides safe, low cost, comfortable and convenient solutions to the built environment.

We strive to avoid pollution – material and energy flows with detrimental environmental impact by:

- **Increasing resource efficiency**: clean production processes without dust; prevent production waste or recycle it; recycle construction waste; strict safety policies at the workplace for better process efficiency; through constant innovation and use alternative energy sources like wind).
- **Using material substitute:** The substitute to natural gypsum is FGD Gypsum (Flue Gas Desulphurisation Gypsum). It is generated by coal-fired power stations during the process designed to clean sulphur from the exhaust gases. Gypsum produced by this means is equivalent to extracted gypsum and satisfies the same performance and quality standards. The rise in FGD production is consequently slowing down the rate at which natural gypsum reserves are exploited.
- **Using gypsum waste as a resource:** Gypsum is furthermore a raw material which can be eternally recycled to manufacture gypsum based products (closed-loop recycling). We could say that gypsum is in that case close to being a "totally renewable natural resource".
- **Relying on sound environmental management system** to create biodiversity before, during and after quarrying.

Using Waste as a Raw Material

MINING WASTE

Gypsum mining waste is that part of the extracted mineral which cannot be used or recycled due to two characteristics:

- Very fine Gypsum particles which cannot be processed for technical reasons;
- The rock is too impure to be processed or used as aggregate. Gypsum mining waste facilities are usually located at the Gypsum deposit or very close to it to collect and process those wastes.

The Gypsum Industry is also minimising mining waste for economic and environmental reasons. It does this in two main ways:

- Gypsum mining waste is used to backfill the voids, thus contributing to the rehabilitation of the quarries;

NEXT STEPS

The Commission Decision n° of... implementing article 22 (1) (f) of Directive 2006/21/EC the European Parliament and the Council on the management of waste from extractive industries will give a list of criteria according to which each member States has to define a mining waste as inert. The Gypsum national associations started a dialogue with their national authorities to ensure that Gypsum Mining Waste is classified as inert.

- Gypsum rocks not usable because of insufficient purity ratios are mixed with high purity Gypsum (like FGD Gypsum), thus preventing waste.

Around Gypsum quarries, the gypsum layers are often in contact with groundwater or with rain. The groundwater is in that case saturated with sulphate. In other words, it is impossible to have a higher concentration of sulphate in that groundwater. Therefore, the Gypsum mining waste generated by the quarry and put aside does not increase or decrease the sulphate concentration in the deposit area. **Gypsum mining waste is in that case virtually inert.**

The so called "Mining Waste Directive" was published in the Official Journal of the European Union on 15 March 2006. The Technical Adaptation Committee (TAC), in charge of implementing the provisions of the Directive, decided to have a minimal harmonisation on the basis of technical criteria. Once published in the Official Journal of the EU, each Member State will draw its list of waste to be characterised as inert on the basis of the technical criteria established at European level.

TOWARDS MORE RECYCLING FOR CLOSING THE LOOP

Gypsum being 100% recyclable, it is very important that best practices are shared by all users (contractors and DIY). Value is increasingly being added by emphasising product quality, product-related information to handle the product adequately, and embedded knowledge in providing solutions - i.e. acoustic and fire solutions for buildings - rather than products. One of the remaining concerns is the **management of Gypsum wastes at the end of their life-cycle.**

OUR CONTRIBUTION TO EU RECYCLING POLICIES

Eurogypsum published a brochure entitled: "Eurogypsum Waste Policy: building value for Society" with a foreword of Commissioner Dimas, Commissioner for the Environment.

The environmental preference goes to reducing waste at source, i.e. at the design stage. But as some waste will inevitably be generated, construction sites need to establish the discipline of segregation. The waste industry has the expertise, independently and in collaboration with plasterboard manufacturers, to provide an appropriate service to the construction industry for the necessary collection and logistics system. Greater focus on this subject will encourage further development and opportunity within the business sector. The Gypsum Industry is currently providing routes for segregated, clean Gypsum construction waste (plasterboard, ceiling tiles and plaster blocks) to be delivered to reprocessing stations. However, we need to emphasise that, as yet, the Gypsum Industry can only offer solutions to medium to large projects in the new build residential and commercial sectors.

The focus is placed on turning Gypsum Waste into a business opportunity, even though much still needs to be done to reach an economic maturity.

Emissions

EMISSIONS TO AIR

In January 2008, the Commission published a revised draft of the Emissions Trading Scheme Directive. The **Gypsum Industry** is explicitly mentioned in the Annex I of the proposal. The Directive has been approved in December 2008 and maintains the Gypsum Industry in Annex I of the revised Directive.

The Gypsum Industry, although a low CO_2 emitter from fuel oxidisation only, agrees on its duty to contribute to the necessary reduction of greenhouse gas emissions, but it explained its concerns to the MEPS about being explicitly listed in Annex I when other building materials activities (for instance autoclaved aerated concrete, processed wood, calcium silicate bricks, lightweight calcium silicate boards and tiles) are not, leading to unfair competition without improving the emissions.

On 5 July 2008, Mrs Avril Doyle, Irish rapporteur on the Directive, EPP-ED, asked a written question on the subject to the Commission who replied on 4 September 2008 (please see Annex I for more details).

RESULTS OF OUR DIALOGUE WITH THE EUROPEAN PARLIAMENT

Mr Chris Davies, UK Member of the European Parliament, Liberal, tabled an amendment in this respect which reads as follows but which was unfortunately rejected in the Environment Committee vote:

Text proposed by the Commission	Amendment proposed
Installations for the drying or calcination of gypsum or for the production of plaster boards and other gypsum products, where combustion installations with a rated thermal input exceeding 20 MW are operated.	Installations for the drying or calcination of gypsum or for the production of plaster boards and other gypsum products **and any substitute building products**, where combustion installations with a rated thermal input exceeding 20 MW are operated.

On 24 November 2008, Euractiv published an interview of the Eurogypsum President, on the impact of ETS on the Gypsum Industry and the carbon leakage potential.

EMISSIONS TO WATER

The Ground Water Directive entered into force on 12 December 2006, and has to be transposed in national law by 17 January 2009.

NEXT STEPS

The Gypsum Industry will cooperate with the Commission when defining benchmarks for the transitional free allocation of allowances for the period 2013-2027.

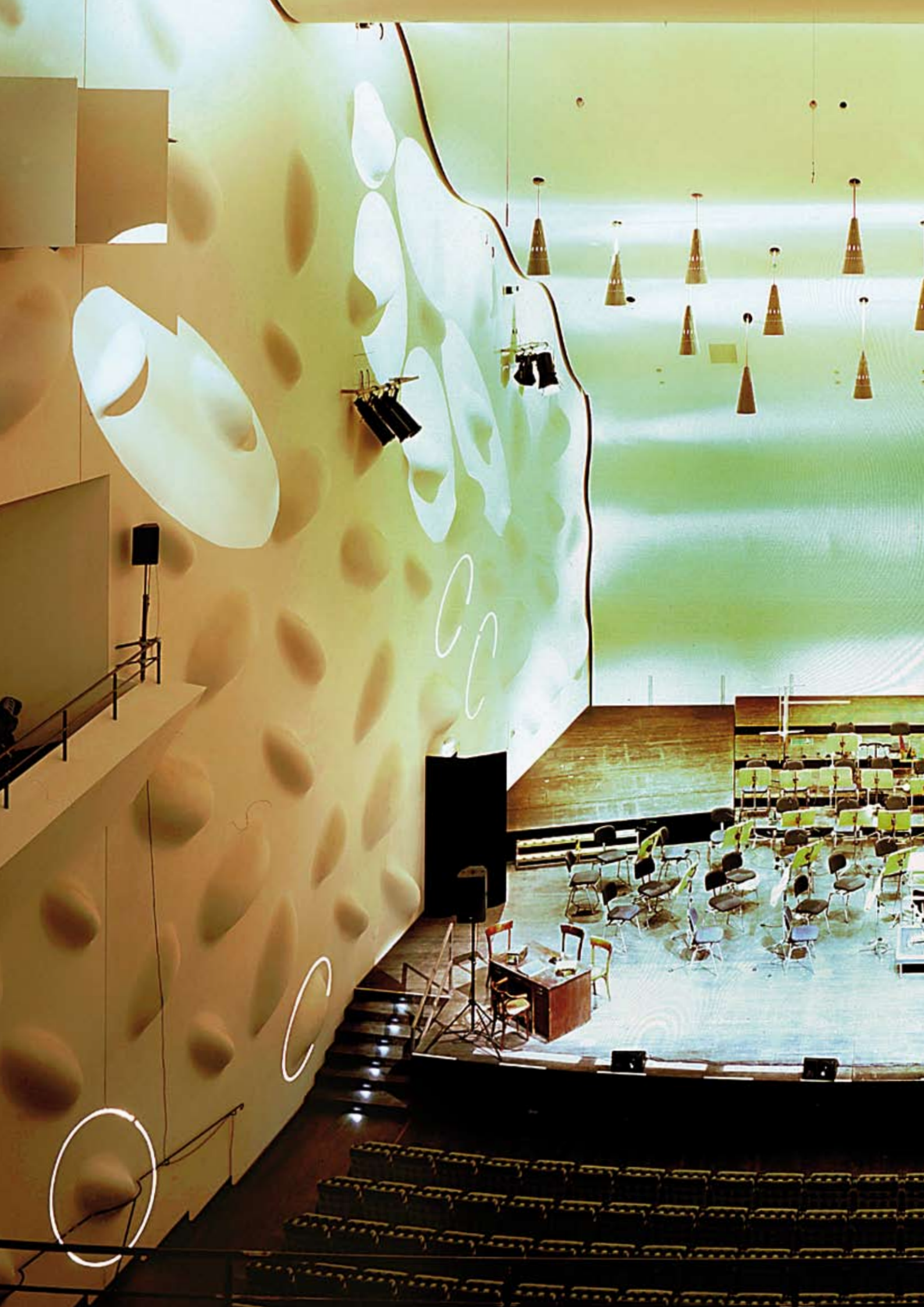
Sulphate, which is a main chemical component of Gypsum, is listed in annex II of the Directive as an indicator which may occur both naturally and/or as a result of human activities.

The establishment of threshold values for the substances listed in annex II needs to be carried out by the Member States by December 2008. For this purpose, the Commission drafted during 2007 an interim guidance document for the Member States whose aim was to achieve a common methodology for fixing threshold value.

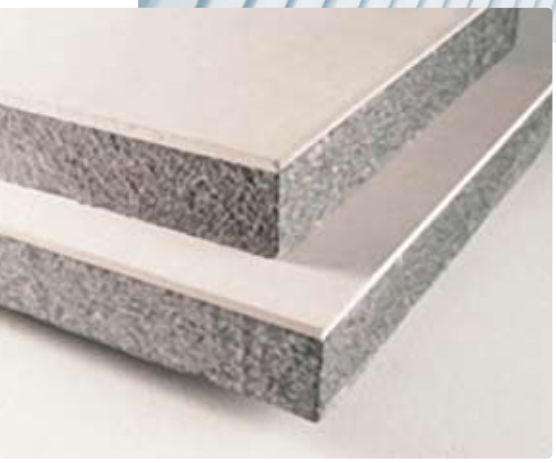
The final guidance document entitled "Guidance on Groundwater Status and Trend Assessment" has been approved by the Water Directors in November 2008.

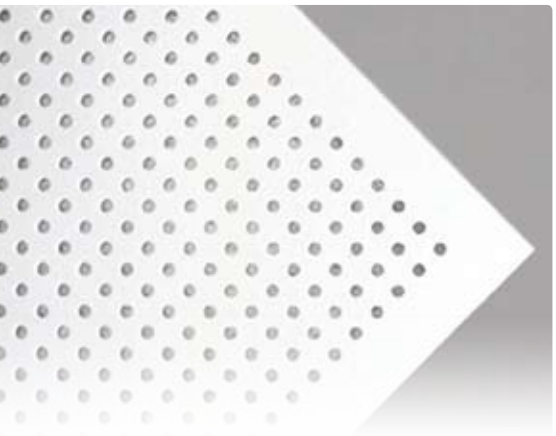
OUR CONTRIBUTION TO THE GUIDANCE DOCUMENT

On the basis of a survey carried out by Ingenieur Büro Völker in December 2006 and entitled "Some remarks about the geological impact on background values of ground-and surface waters with Sulphate in Gypsum deposit areas", Eurogypsum developed a case study which is now included in the Guidance on Groundwater Status and Trend Assessment. It assesses the reliability of the sulphate parameter in karst environment in Germany.



Nikolai theater in Postdam, Germany





Sustainable Products and Solutions

Increasingly, regulatory agencies, customers, end-users and the general public are taking an interest in their direct environments and the environment in general. Several trends emerge:

- The trend towards sustainable construction in all its aspects:
  - Environmentally sound
  - Length of use
  - Ultimate recyclability
  - Energy efficient
  - No emissions
  - Safe to use
- The trend towards a higher quality build
- The trend to increasing use plasterboard and plaster based products worldwide.

Gypsum based products and solutions have numerous outstanding and unique qualities in construction:

- Gypsum is fire protective
- Gypsum solutions regulate sound
- Gypsum acts as a thermal insulator when combined with insulation materials
- Gypsum equilibrates humidity and heat peaks
- Gypsum is impact resistant
- Gypsum systems are easy to install and to dismantle
- Gypsum is multifaceted, multipurpose, supple and aesthetic.

The revision of the Construction Products Directive (CPD)

The CPD is a difficult subject at EU level as the essential requirements refer to the work and not to the products as in any other Directives based on the so-called New Approach. This fact led in practice to divergent national interpretations on the relationships between works and products. This point is the key point of the revision. If this is not resolved, we will continue to have a very complex CP legislation with approximately the same problems to resolve as nowadays.

At the End of 2007 and early 2008, the European Gypsum Industry met MEPs in order to:

- Make the Gypsum Industry known as a construction material of value and reinforce the Gypsum Industry Voice at the European Parliament;
- Inform the key MEPs on the current CPD and about the changes planned by the Commission. This is a challenging task. It furthermore paves the way for the other construction materials when the first reading starts;
- Forward our key messages for a sustainable revision of the CPD;
- Build trust and confidence with the MEPs.

To this end, Eurogypsum organised company visits for the MEPs and a Breakfast at the European Parliament on 5 November 2008 hosted by Mrs Mia De Vits, Belgian MEP, and Socialist.

EUROGYPSUM KEY MESSAGES

- Eurogypsum appreciates the move of the European Parliament towards a single route for standardisation and a definition of innovative products
- Eurogypsum encourages the EU institutions to go ahead towards a simplification of the CPD and provide for mutual agreement between member States for innovative products. Indeed, the latter move seldom cross-border. Mutual agreement should be the way, as innovative products are seldom cross-border at the beginning of their life and mutual recognition is the simplest way when necessary
- Eurogypsum encourages the EU institutions to develop electronic data exchange as the technical documentation is not easy for our products and our customers are now working with internet.

Our messages are clear and our target is to stimulate a competitive European Industry and simplify the work for our customers. In the more difficult market conditions to come, a simple and efficient regulation is key to support growth and sustainable construction.

Do Don't

Health and Safety in Construction: Manual Handling and Work-Related Musculoskeletal Disorders (WMSDS)

The Gypsum Industry is very safe and many companies can demonstrate very good performances and best practices on their own production facilities. In 2007, the Bilbao Agency launched a campaign to lighten the load and encouraged stakeholders to actively participate in this campaign.

In order to tackle health (WMDSs) and safety (falls and other accidents) on the construction site for Gypsum products, the Gypsum Industry thinks that we should strive for a comprehensive approach based on risk assessment for each task, which will determine the solutions. We need to lighten the load, not necessarily by decreasing the product load, but by changing the behaviour of workers via organisational means (job scheduling, project planning, site management that allows sufficient time for the work to be completed, etc.) and engineering risk controls (mechanical aids). More specifically, improvements in tool design, work practices and work environment can assist in the prevention and reduction of injuries (WMSDs and falls)[3].

CONTRIBUTION TO THE "LIGHTEN THE LOAD CAMPAIGN" OF THE BILBAO AGENCY

Within this background, Eurogypsum published a brochure entitled: "Manual Handling of Gypsum Products-Gypsum Products Ergonomics based on Risk Assessment". This brochure was carried out to support the Bilbao Agency campaign on Lighten the Load in 2007 ending with a closing conference in Bilbao in February 2008.

Eurogypsum gave a presentation of its best practices in this field at the campaign closing conference in Bilbao on 26 February 2008.

Eurogypsum presented its experiences at the launch of the Risk Assessments Campaign in Brussels on 10 April 2008.

3 Pictures from "Pristine Condition", entitled "Tool high don't".

Sustainable Construction

The Gypsum Industry contributes to shaping its customers' total quality of life, not merely in the products that it supplies, but also by ensuring that it does not, in the process, degrade other aspects of the customers' life experiences. Through its products, systems and solutions, it helps to create a world that is aesthetically pleasing (including comfort and well-being), biologically stable and economically productive.

Eurogypsum considers that the sustainable assessment should concern the building and that ecolabelling of products is not efficient. In order to support this more toward more sustainable constructions, the Gypsum Industry will supply environmental data based on LCA.

The Gypsum industry believes that environmental and societal objectives can be compatible with continued technological development and wealth creation. By taking this progressive outlook, it is thus aiming at avoiding industrial stress on the built environment. The Gypsum industry also highlights the fact that there are indeed contact points between the industry and the environment. Our vision of the environment is expressed in terms of dynamic processes, whereby we contribute by our actions to the maintenance of the eco-system.

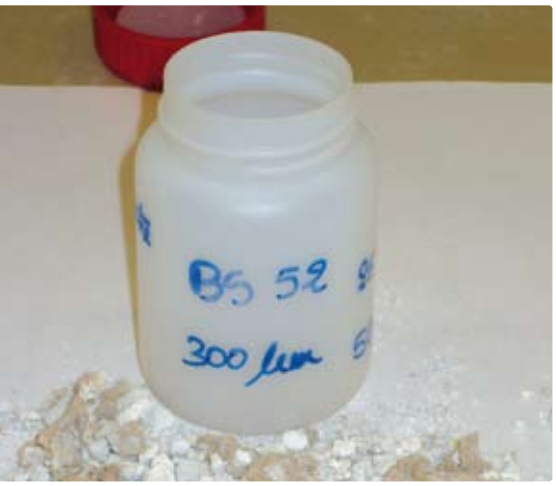
CEN/TC 350: SUSTAINABILITY OF CONSTRUCTION WORKS

The main goal of this CEN/TC whose standard will be voluntary is to produce a tool to assess individually the products in a way that allows the aggregation of the results in order to obtain the assessment of the whole building. The way the tool is defined and used will have a significant impact on how the product is assessed in terms of sustainability.

Eurogypsum supports the work of this Technical Committee as being a good way – although not the sole one – towards sustainability in construction. Eurogypsum thinks that the results of this work – the standards – should remain voluntary with no mandatory inclusion in the mandatory standards of the Construction Products Directive.

OUR CONTRIBUTION TO CEN/TC350

Eurogypsum has a liaison membership with TC 350 and issued a letter supporting the position paper issued by CEPMC in February 2009.



CEN/TC 351: RELEASE OF DANGEROUS SUBSTANCES FROM CONSTRUCTION PRODUCTS

TC 351 has started its work in April 2006. The TC results will be mandatory for the manufacturer of buildings materials as this standard is **an integral part of the Construction Products Directive implementation**.

The aim of the TC is to develop harmonised test methods and scenarios to evaluate the release of dangerous substances during the use of the building.

OUR CONTRIBUTION TO CEN/TC 351

Eurogypsum has a liaison status with CEN/TC 351 and is closely involved in the work of the TC, more specifically in the working group on indoor air quality.

LEAD MARKET INITIATIVE (LMI)

The added-value of the initiative launched by the Commission at the end of 2007 is about developing a prospective, concerted and focused approach of regulatory and other policy instruments to allow a varied set of technologies and of innovative business models to meet rapidly the demand and to benefit from a mobilising effect generated by this initiative.
The construction sector has been identified as a lead market.

Being a driver of innovation in the fields of acoustic, fire resistance, indoor air quality and thermal insulation solutions among others, the Gypsum Industry supports this initiative and will provide a useful contribution via its umbrella association CEPMC (Council of European Producers of Materials for Construction) to the working groups that the Commission has set up during 2008.

SUSTAINABLE PRODUCTION AND CONSUMPTION ACTION PLAN (SCP)

SCP aims to "promote sustainable consumption and production by addressing social and economic development within the carrying capacity of ecosystems and decoupling economic growth from environmental degradation". The Commission proposals aim at increasing the recourse to eco-labelling and eco-design of non-energy related products. It also encourages Life Cycle Assessment (LCAs) for products and green procurement by establishing public procurement criteria for buildings materials. The Commission priority is to set up green procurement criteria for building product, among others, plasterboards. It also promotes energy-efficiency in the existing building stock via the recast of the Energy Efficiency Buildings Directive.

The Gypsum Industry welcomes this action plan and particularly the step towards more energy efficiency in the existing building stock.

However, Eurogypsum sees a real risk of the inadvertent creation of a patchwork of overlapping and sometimes competing national and European legislations, standards and policies. This situation may negatively impact the competitiveness of the construction industry and make an impossible effective contribution to the policy development process.

There is indeed a danger here that a well-intentioned move by the Commission to improve sustainable construction will create confusion through a lack of coherency, focus and understanding of the role of the construction products in the building.

Therefore, we call on the Commission to undertake the necessary action to prioritise initiatives that increase transparency, coordination and coherence in a more logical and concerted approach regarding all different initiatives touching upon the sustainability of the EU building products sector.

OUR CONTRIBUTION TO THE DEVELOPMENT OF THE EU LCA PLATFORM

Eurogypsum is a member of the" European Business Advisory Group" for the development of the "European Platform on Life Cycle Assessment". Eurogypsum contributed to this platform with a European LCA on plasterboards.

Eurogypsum drafted a position paper on Ecolabeling and Construction Products and a position paper on eco-design of non-energy related products.

Annex I: MEP Avril Doyle Written Parliamentary Question and Commissioner Dimas Reply

WRITTEN QUESTION P-3922/08
by Avril Doyle (PPE-DE)
to the Commission

Subject: The Gypsum Industry in the EU ETS

The Gypsum Industry, although a low CO_2 emitter (from fuel oxidisation only), is specifically listed in Annex I of the European Commission proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC[4] so as to improve and extend the greenhouse gas emission allowance trading system of the Community.

At the same time, other building material manufacturing activities, such as the production of autoclaved aerated concrete, processed wood, calcium silicate bricks, lightweight calcium silicate boards and tiles are not included in the proposal despite producing higher CO_2 emissions.

If adopted in its present form, the proposal will lead to unfair competition among materials within the construction sector and undermine effectiveness in reducing emissions.

What scientific criteria and data has the Commission used to distinguish between construction products?

What are the science-based grounds that the Commission has chosen for the differing treatment of construction products?

Why did the Commission not include all construction product manufacturing processes with a thermal input exceeding 20 MW in the proposal?

4 OJ L 275, 25.10.2003, p. 32.

P-3922/08EN
Answer given by Mr Dimas
on behalf of the Commission
(4.9.2008)

There are a wide range of different construction products available, and the Commission's proposal to revise the EU Emission Trading System (EU ETS) ensures a consistent and non-discriminatory approach. The scope covered by the system in Annex I of Directive 2003/87/EC[5] ensures this in two ways. Firstly, the decision on whether or not to include an activity in the Annex is based on the level of greenhouse gas emissions resulting from the activity in question. It includes all major direct emitters and therefore gypsum, whereas the production of many building materials involves lower specific direct emissions. Secondly, contrary to what the last part of the Honourable Member's question would suggest, the Annex covers all combustion installations with a rated thermal input exceeding 20 megawatts (MW). Explicitly mentioning gypsum production provides enhanced clarity in relation to this sector, which has been deemed useful in view of discussions that took place during the preparation of the Commission's proposal. It should also be noted that other building products, while not explicitly mentioned, will be covered through the inclusion of combustion installations.

Moreover, some of the building products mentioned in the Honourable Member's question (autoclaved aerated concrete, calcium silicate bricks, lightweight calcium silicate boards and tiles) make use of raw materials, the production of which is covered by the EU ETS.

The Commission would finally add that this is without prejudice to other European and national legislation also calling for the reduction of greenhouse gas emissions by these sectors.

5 Directive 2003/87/EC of Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (Text with EEA relevance), OJ L 275, 25.10.2003.

Annex II: Directory

Board

President:	**Jean-Pierre Clavel**
Vice-President:	Serge Azaïs
Treasurer:	Bruce Slatton
Directors:	Claudio Airaghi Thomas Bremer Bahattin Daloghu Arnaud de Bérail Carl Hennrich Alexander Knauf Lothar Knauf Klaus Koch Theo Lambrecht Bernard Lekien Konrad Machula Mike Chaldecott Mogens Nielsen Barry Topple Jean-Marie Vaissaire Rob van Groningen Turgan Vargi Juan José Martinez Zamorano

Steering Committee

President:	Jean-Pierre Clavel
Vice-President:	Serge Azaïs
Chairman of the Environment and Raw Material Committee:	René Moretti
Chairman of the Scientific and Technical Committee:	Mike Ward
Chairman of the Marketing and Communication Committee:	Prof. Dr. Hans-Ulrich Hummel
Secretary General:	Christine Marlet

Annex III: Members'List

AUSTRIA

WKO – Fachverband Steine-Keramik

Wiedener Haupstrasse 63
Postfach 329, A-1045 Wien
Tel: (43-590) 900 3531
Fax: (43-1) 505 62 40
steine@wko.at
www.baustoffindustrie.at

BELGIUM AND LUXEMBURG

ABLG – Association Belgo-Luxembourgeoise de Gypse / BLVG – Belgisch Luxemburgse Gips Vereniging

Sint Jansweg 9, BE-91930 Kallo (Belgium)
Tel: (32-3) 360 25 52
Fax: (32-3) 360 25 53
blgv.ablg@gyproc.be

FRANCE

SNIP – Syndicat National des Industries du Plâtre

3, Rue Alfred Roll, F-75017 Paris
Tel: (33-1) 44 01 47 75
Fax: (33-1) 40 54 03 28
jmguihaume@lesindustriesduplatre.org
www.lesindustriesduplatre.org

GERMANY

Bundesverband der Gipsindustrie e.V.

Birkenweg 13, D-64295 Darmstadt
Tel: (49-6151) 366 820
Fax: (49-6151) 366 8222
info@gips.de
www.gips.de

ITALY

CAGEMA – Associazione dell'Industria Italiana delle Calce, del Gesso e delle Malte

Piazza G. Marconi 25,
I-00144 Roma
Tel: (39-06) 5421 0198
Fax: (39-06) 5921 533
rricci@cagema.it
www.cagema.net

NORDIC COUNTRIES (SWEDEN, NORWAY, DENMARK, FINLAND)

NGF – Nordisk Gipspladeforening Confederation of Danish Industries

H.C. Andersens Boulevard 18,
DK-1787 Copenhagen V
Tel: (45-33) 77 33 77
Fax: (45-33) 77 39 80
jn@di.dk

POLAND

PSG – Polskie Stowarzyszenie Gipsu

Ul. Ogrodowa 28/30,
PL-00-896 Warsaw
Tel: (48-22) 654 37 86
Fax: (48-22) 654 37 88
sekretarz@polskigips.org
www.polskigips.org

SPAIN

Atedy – Asociación Técnica y Empresarial del Yeso

C/ San Bernardo 22, 1°,
E-28015 Madrid
Tel: (34-91) 532 63 54
Fax: (34-91) 532 94 78
yesos@atedy.es
www.atedy.es

THE NETHERLANDS

NBVG – Nederlandse Branche-vereniging Gips

Postbus 299, NL-3000 AG Rotterdam
Tel: (31-10) 243 01 76
Fax: (31-10) 243 09 17
h.schinkel@wxs.nl
www.nbvg.nl

TURKEY

Türkiye alçi üreticileri dernegi / Association of Turkish Gypsum Producers

Cinnah Caddesi 71/15
T-Cankaya Ankara
Tel: (90-312) 441 40 97
Fax: (90-312) 442 07 32
alcider@superonline.com

UNITED KINGDOM & IRELAND

GPDA – The Gypsum Products Development Association

PO Box 35084, UK-London NW14XE
Tel: (44-207) 935 85 32
Fax: (44-871) 264 22 64
admin@gpda.com
www.gpda.com

EXTRAORDINARY AND ASSOCIATE MEMBERS

Eteria « 5E » A. E.

Kolokostroni 42, GR-Patras, Greece
Tel: (30-2610) 277 361
Fax: (30-2610) 224 725

Orbond Gypsum Industries Ltd

1C, Yony Netanyahu St.,
Il-Yehuda 60250, Israel
Tel: (972-3) 634 28 53
Fax: (972-3) 634 28 94
jacob@orbond.co.il
www.orbond.co.il

Peletico Ltd

P.O. Box 1326
CY-1506 Nicosia, Cyprus
Tel: (357) 248 22 65
Fax: (357) 248 17 47
peletico@peletico.com
www.peletico.com

Sival

Rua Rodrigues Cordeiro 34,
P-2400 Leira, Portugal
Tel: (351-244) 815 054
Fax: (351-244) 815 063
www.guianet.pt/profile/sival.gessos

United Gypsum Company

P.O. Box 29323, SA-Riyadh
11457 Saudi Arabia
Tel: (966) 1 208 10 08
Fax: (966) 1 208 10 08
newgypsum@hotmail.com

Printed on FSC certified paper - Design by www.inextremis.be

EUROGYPSUM

THE VOICE OF THE EUROPEAN GYPSUM INDUSTRY

www.eurogypsum.org