

GREEN DEAL

Modern, comfortable, decarbonised and circular buildings

Expectations of the plaster & plasterboard product industry towards the European Green Deal

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Gypsum is a cost-efficient, low carbon, sustainable mineral that has been used for centuries to produce construction materials such as plaster, stucco or plaster-based products. These materials fulfil all requirements to create a sustainable, safe, resilient, comfortable and aesthetically modern living environment for all. Under normal times we spent around 90% of our time inside. The coronavirus outbreak in 2020 and the subsequent lockdown measures, which have been enacted in many countries, make us even more aware of the importance to have healthy, safe and comfortable living environments.

The lightweight gypsum-based construction materials allow a flexible design and forward-looking vertical extensions of buildings, thereby lowering the footprint of construction and developments. Eurogypsum, the European manufacturers association for plaster and plasterboard products, is convinced of the benefits of gypsum for sustainable and comfortable living and working spaces, and promotes its contribution to Europe's built environment.

Due to its significant share in the use of energy (40%) and natural resources (50%)¹, the construction sector has a major potential to make a difference in addressing the unprecedented environmental challenges Europe and the whole world are facing, including emissions and effluents into the air, soil and water, as well as waste increase and biodiversity loss. The growth of world population, the urbanisation trend and the needs of ageing societies are other important factors impacting the future demand for energy and scarce resources in the construction sector.

The European Union has been a frontrunner in recognising the importance of climate and environmental challenges. The new leadership of the European Commission has rightly prioritised these topics and presented a Communication on "The European Green Deal" in December 2019².

Eurogypsum welcomes this initiative, supports the ambition to produce a "bold and comprehensive" policy response to the above-mentioned challenges and underlines the need for *coordination across all policy areas*. A **holistic approach** truly considering the interactions and trade-offs between policy objectives and instruments is the only winning recipe for the Green Deal. More specifically, the **impact of the Covid-19** crisis on achieving the Green Deal's objectives should be properly assessed and factored in when preparing single proposals and

¹ European Commission: "Roadmap to a Resource Efficient Europe" (COM(2011)571), 20 September 2011.

² European Commission: "The European Green Deal" (COM(2019)640), 11 December 2019.

designing economic recovery measures. **The construction sector, which was severely hit by the economic slowdown, is a major driver for Europe's economy and has the potential to actively contribute to the Green Deal's objectives.**

Reducing the climate and energy impact

Gypsum and plaster products can actively contribute to the objectives of reducing greenhouse gas emissions and moving towards climate neutrality:

- Processing gypsum requires lower energy compared with other construction materials; being predominantly domestically produced, transportation needs between the processing facilities and the construction sites are reduced; gypsum-based products are lightweight, which also reduces emissions in the manufacturing process and transportation. Therefore, gypsum and plaster products have a reduced embodied energy and represent a low-carbon option relative to other materials.
- During the use-phase, these products contribute to temperature adjustment, moisture reduction and energy efficiency of buildings. They are indispensable to achieve high energy performance standards in buildings and play a major role in facilitating renovation of existing buildings, by creating new partitions or allowing for vertical extension of buildings, also reducing the demand for land. This in turn contributes to extending the lifespan of houses, offices, commercial and public buildings.

From a climate and energy perspective, the Green Deal can make a difference for us in terms of:

1) Facilitating the decarbonisation of our industry processes

While the energy use in the production and transportation of gypsum-based products is substantially lower than most construction materials, the industry is continuously striving to reduce its carbon footprint, including efforts, throughout the supply chain, supporting the EU's climate neutrality objective. **Access to cheap and available low-carbon energy will be crucial to accompany our industry's efforts on this path, in order to reach the objective enshrined in the proposed Climate Law.**

2) Addressing the international dimension of carbon pricing

The markets for plaster products are predominantly local, but international competition – particularly from Europe's neighbouring countries – is gaining momentum. Hence, we see the importance of addressing the **international dimension of carbon pricing** and we will contribute to the stakeholder discussion around the implementation of a carbon border adjustment mechanism.

3) Delivering a strategic framework for building renovation

Beyond the needed enforcement of existing legislation related to the energy performance of buildings, we welcome the announced 'renovation wave' for public and private buildings, where we note that:

- Given the societal importance and clear benefits for individual citizens of better performing, comfortable, renovated buildings, **post-Covid-19 economic recovery measures should prioritise investment in building renovation;**
- Mobilising the entire value-chain will be instrumental to accelerate renovation rates;
- Long-Term Renovation Strategies should better combine incentives and regulatory initiatives, in a dynamic matter; and
- Above all, consumers should be encouraged to **maximise the opportunities of any renovation** by integrating measures that enhance their health, safety (e.g. fire resistance) and well-being. For example, improving the acoustic performance of multi-family buildings should go hand in hand with energy improvements.

4) Supporting the move towards reducing whole life cycle CO2 emissions

Given the experience gathered under the Level(s) voluntary scheme, the use of products with a lower embodied energy will be boosted when the building's whole life carbon reduction becomes visible and encouraged. This will **support the integration of**

buildings' whole life carbon indicators in the EU policy level, going beyond the current scope of the EPBD.

5) *Promoting sustainable solutions*

Sustainable and low carbon systems and solutions, such as ours, should be incentivised in the policy and regulatory framework, in line with the polluter pays principle.

Moving towards circularity

The gypsum industry has been a pioneer in promoting circular business models. Since the 1980s, the **use of FGD gypsum**, a by-product of the **flue gas desulphurisation** of coal-fired power plants, enabled the industry to reduce the need for primary raw materials considerably. Moreover, the use of this by-product as raw material for the gypsum industry enabled to avoid a yearly 18-20 million tonnes of FGD gypsum being landfilled as waste. This important resource represents today up to 50% or more of the raw materials used in certain European countries for the production of gypsum-based products, as in the case of Germany. FGD gypsum will, however, become less available due to the progressive phase-out of coal-fired power plants in Europe. Therefore, an acceleration of circular practices in the construction sector is a priority for our industry, which will enable to decrease both our resource and carbon footprint.

Gypsum is **fully recyclable and a "closed loop" material**. Our industry has engaged for many years to facilitate and boost the actual recycling of gypsum-based products such as plasterboards. A Life+ project "G to G – Gypsum to Gypsum³", completed in 2015, demonstrated the feasibility of producing plasterboard with up to 30% recycled gypsum content, based on current available technologies and high-quality recycled gypsum. Since then, Eurogypsum and its members have continued cooperating with the whole value chain, to address all obstacles and increase recycling rates. Furthermore, the use of recycled paper layers in plasterboard is approaching 100%.

In circularity matters, the Green Deal can make a difference for us in terms of

➤ ***Prioritising the construction sector when implementing the Circular Economy Action Plan***

Eurogypsum is determined to contribute to **implementing the EU Circular Economy Action Plan** adopted in March 2020. Next to being bolder on **recycling targets for specific, light-weight waste streams**, and to undertaking supplementary efforts to secure the **waste hierarchy** and **limit landfilling** of valuable recyclable waste and harmonisation of national waste and landfilling regulations, we believe that it will be essential to work on policy initiatives to address:

- the **avoidance of dangerous substances** in demolition waste used for recycling, which requires a clear, consistent and supportive framework between chemical and waste legislation, and an engagement and action of all players in this important raw material stream, including the demolition sector;
- the **end-of-waste status** for recycled gypsum, which practically hampers recycling efforts on the ground;
- the acceleration and mainstreaming of **deconstruction** practices, instead of demolition, as well as other circular design practices (e.g. design for deconstruction, modularity, new business models facilitating the leasing of systems);
- the implementation of **building passports** and construction policies that encourage the future separation and reuse of construction materials, enabling better recycling of building materials to boost the circular economy;
- clear Construction & Demolition Waste (C&DW) **recycling goals for different waste streams**; and
- mainstreaming of **life cycle thinking** in the construction sector, on the basis of the work carried out by the industry on the EN 15804+A2 standard.

³ <https://gypsumtogypsum.org/gtog/gtog-project/>

➤ **Having an ambitious and supportive industrial strategy**

We believe that the **ambitious industrial strategy** presented in March 2020 is an important tool for Europe's recovery after the Covid-19 crisis. It should guarantee an **access to strategic resources** for the Green Deal's objectives, such as gypsum, to improve the functioning of Europe's single market, facilitate innovation through **streamlined standardisation processes** and accompany industry's transition to more circular and low-carbon models, as well as to adjust to increased digitalisation. When implementing this strategy, attention should be paid to the needs for **reskilling and upskilling of the workers**. More specifically for our sector, the **implementation and possible review of the Construction Products Regulation**, as well as the related standardisation process, should be conducted in close cooperation with relevant stakeholders, to ensure its contribution to the Green Deal's sustainability and circularity objectives while keeping the regulation's primary purpose of facilitating the marketing of construction products in the European single market.

Maintaining biodiversity

Halting biodiversity loss is another major challenge recognised by the European Green Deal. Our industry, being involved in the extraction of minerals, is **constantly managing the impact of economic activities on ecosystems**. It is an important and integral part of our work. The gypsum industry has an impressive track record in maintaining, restoring and improving biodiversity in quarries during and after extractive activities and will seek to enhance biodiversity, where possible.

In the field of biodiversity, the Green Deal can make a difference to us in terms of:

➤ **Facilitating the understanding of the compatibility of extractive activities and the protection of biodiversity**

Our experience demonstrates the possible **coexistence** of securing the extraction of minerals needed to achieve Europe's policy ambitions and the socio-economic development of European regions on the one hand, and protecting our fauna and flora on the other hand. The **compatibility between Natura 2000 protection areas and extractive activities** is unfortunately often wrongly interpreted on the ground, which results in lengthy and complex permitting procedures. Demonstrating the compatibility between extractive activities and environment protection, under strict but clear conditions, is in our view a prerequisite to considering further extensions of Natura 2000 areas. Tools to align and support national and local authorities, as well as all stakeholders, in **permitting procedures**, would be particularly useful, all the more since the building renovation wave and the reduction of FGD gypsum's availability will increase pressure for the sustainable sourcing of natural gypsum.

Contributing to a healthier environment

Gypsum-based materials are products with extremely low emissions of volatile organic compounds into indoor air. They **contribute to a toxic-free environment** in houses. The processing of gypsum in manufacturing facilities complies with very strict health and safety protection rules for our workers.

In health-related matters, the Green Deal can make a difference to us in terms of:

➤ **Accelerating the implementation of Europe's ambition to move towards a healthier and zero-pollution environment**

When reporting on product hazards, as in the case of poison centre notifications, account should however be taken of the **nature of mineral products**, the exact composition of which can vary depending on the extracted material. Pragmatic solutions should be sought, as long as the safety of all users is adequately guaranteed.

➤ **Supporting more transparency on products and substances**

A European approach for content disclosure would enable a level-playing field in the sector.

Eurogypsum is ready to contribute in more details to the various work streams mentioned above. We also thank the Commission and other EU institutions in advance for taking into account our remarks when developing concrete proposals on the European Green Deal. We look forward to using our expertise and impact on Europe's built environment with a view to contributing to positive changes towards a more sustainable, circular, environment-friendly and healthy society.

Eurogypsum is a European federation of national associations of producers of gypsum products (i.e. plaster and plasterboard). It is one of the few fully integrated industries (from cradle to cradle) within the construction products field. The companies which mine gypsum also process it and manufacture the value-added products and systems used extensively in construction and other industries.

With a turnover of EUR 7 billion, the European gypsum and anhydrite industry operates some 160 factories and 154 quarries and generates employment directly to 28,000 persons and indirectly for 300,000 persons. The Gypsum industry provides jobs to 1,100,000 plasterers and plasterboard installers. It trains around 25,000 persons per year across Europe.

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