

Sofia, Bulgaria

17.10.2014

**MEETING ON ILLEGAL  
EXCAVATION**

**ROMANIA, BULGARIA, GREECE**

**SPAIN**

**UEPG**

# Participants:

- ⦿ Mr Ivan Andreev, Chairman of the Bulgarian Chamber of Mining and Geology (BCMG), who attended the first part of the meeting, until noon;
- ⦿ Mr Nikolai Bitounski, a representative of BNNS OOD, a producer of limestone, marble and granite of the City of Vratsa, who attended the first part of the meeting, until noon;
- ⦿ Mr Emil Braichev, member of the BAPIM Governing Board;
- ⦿ Mr Dirk Fincke, Secretary General of the European Aggregates Association, UEPG;
- ⦿ Ms Tanya Foutekova, Attorney-at-Law;
- ⦿ Mr César Luaces Frades, a representative of the Spanish Aggregates Federation joined via Skype the first part of the meeting, until noon;

# Participants:

- Ms Teodora Ivanova, member of the BAPIM Governing Board ,who attended the first part of the meeting, until noon;
- Ms Irina Koleva, Secretary of the Bulgarian Association of Producers of Aggregates (BAPIM);
- Mr Kostantinos Koumenidis, a representative of Lafarge Greece (online conference call could not be established and he participated with a statement email)
- Mr Stoyan Shterev, legal counsel of the Italcementi Group in Bulgaria;
- Mr Eric Thieulot, representative of the Aggregates Association in Romania;
- Mr Serge Schmidt, Managing Director of Italcementi's companies in Bulgaria and Greece;

# Topics of the meeting:

- ① Illegal extraction of aggregates in the different countries
- ② What actions each country undertook against this illegal quarrying
- ③ Recommendations on UEPG strategy against illegal extraction in Europe

# The situation in Spain:

- One illegal extraction can meet one or more of the following:
  - No mining permit
  - Extraction without permit under the pretext of civil works
  - Extraction under the pretext of agricultural improvement of a field
  - No CE marking for aggregates
  - Overloading of trucks is a common practice
- Illegal aggregates extraction is usually linked to sand/gravel extraction pits as access to explosives for blasting in quarries in Spain is too restrictive.
  - Very different situation according to geology of the regions
  - Where explosives are needed, the percentage of illegal mining is very small, but where extraction is performed from sand and gravel deposits, the illegal portion may reach even 50% of the market;
- Each year the Spanish Associations prepare >150 different complaints based on members' information
  - FdA members are very active on identifying illegal extraction sites;
  - Complaints are sent to Mining + Environment + Police Administrations;
  - 30% of the complaints are solved within ten days;
- Another option is to call upon the Court of Justice if huge problems with illegal extraction persist but this usually takes some years the issue to be resolved;
- Informative Campaigns on illegal materials, to promote CE marked aggregates
  - Leaflet to be sent to construction companies, to architects;
- Lobby construction administration to ask to promote CE marked aggregates
- UEPG can help its members with the information which EU Institution might be competent and to be addressed.

# The situation in Greece:

- ⦿ Temporary licences are given to restore the quarry, which are used even after the granted period;
- ⦿ Illegal operators also handle explosives – quarries are also affected by these operations;
- ⦿ No need of adopting new legislation, but rather strict enforcement of existing laws should be the priority;
- ⦿ The possibility of issuing certificates of the aggregates extracted could be considered, as is the case in Belgium, for example.

# The situation in Greece:

“In relation to Quarrying activities in Greece, there is a very strict legal framework but unfortunately the related Authorities who are obliged to check and control the legality of the operations have not developed the requisite mechanism to do so. A new law for mining and quarrying activities which is supposed to be voted till the end of 2014, will provide the necessary regulations for the operation of the afore mentioned control mechanism”

# The situation in Romania:

- ⦿ An estimated 90% of the lorries are overloaded by up to 15 tonnes;
- ⦿ Weight of resource tax – the price for legally extracted sand & gravel include 50% of tax, royalties etc. Hence it is impossible to compete fairly under these conditions with illegal quarries;
- ⦿ 50% of the projects are financed by the EU – European tax payers money is, therefore, used for illegal activities;
- ⦿ Often operators are signing a legal contract for 15% of the materials supplied and continue to deliver illegally for the remaining 85%;
- ⦿ According to rough estimates, the illegal extraction in Romania amounted to about 1 million euro.
- ⦿ Many operators are obtaining a 1-year permit (instead of a long-term licence) and then enter the grey-market not respecting any other legislation; They are not doing rehabilitation after their one-year permit.
- ⦿ The local decision maker (mayor, governor) is having all the political power to decide on permits and other activities.

# The situation in Bulgaria:

- ⦿ Illegal operations most probably are more than 30% in Plovdiv- this can be judged when comparing the data from the Bulgarian National Statistics Institute and the volume of the projects;
- ⦿ National authorities referring to regional authorities when it comes to fight illegal extraction;
- ⦿ Bulgaria has the law in place and there is no need to change it but to enforce it;
- ⦿ Similar to Greece, quarries are also affected by illegal extraction as the barrier on access to explosives is low;
- ⦿ Overloading of lorries had been solved to a great extent
- ⦿ The more institutions are involved in the permitting procedure, the worse for legal extraction;
- ⦿ Extremely long period for changing the designated land-use and extension of quarries;
- ⦿ BMGK has been submitting information to the relevant authorities but had no result;

# Countries' suggested actions:

- ⦿ Given many of the major road construction projects were implemented with European money, the control of the funding should be strengthened, with involving in it e.g. mining engineers from Europe in the performance of monitoring of the implementation of the projects.
- ⦿ As the local powers do not react, the assistance of the European institutions is needed to exert pressure on them and to undertake infringement procedures for imposing fines on the country until the problem is solved.
- ⦿ The possibility of issuing certificates of the aggregates extracted could be considered, as is the case in Belgium, for example.
- ⦿ UEPG help with information, which EU Institution might be competent and be addressed.

# UEPG Position Paper

The UEPG General Secretariat will draft a Position Paper containing the key recommendations to fight illegal extraction of aggregates. A meeting with the European Commission officials in charge could be arranged to request support, e.g. infringement process. UEPG Members interested in continuing the work on this topic could meet again March/April 2015 to review progress.

# UEPG points and action plan

- ⦿ Focus on 1-2 recommendations at UEPG level and a tool-box
- ⦿ Illegal operators handling explosives are an urgent problem to be addressed
- ⦿ EU Competitiveness is the core part of the EU 2020 Strategy but illegal extraction may put competitiveness at risk
- ⦿ Loss of tax revenue for regional/national authorities;
- ⦿ One-stop-shop, limit the number of authorities and shorten permitting procedures would help avoid 'illegal deals';

# UEPG points and action plan

- Implementing and enforcing existing legislation should be a priority;
- Certificate highlighting the quality of legal products, e.g. 'normalisation française' in France;
- Need to estimate approximately the share of illegal production, the loss of tax revenue, the number of employees without health insurance
- Illegal river-bed extraction could be put under national penal code
- Proposing to the WWF or other environmental NGOs to fight illegal extraction.

THANK YOU!