NEED FOR AGGREGATE PLANNING

Presentation to
Institute of Geologists of Ireland
National Conference, Dublin Castle
15th November 2006
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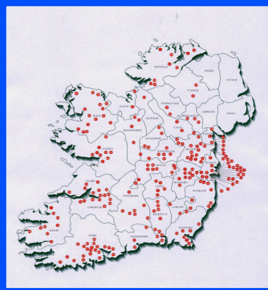
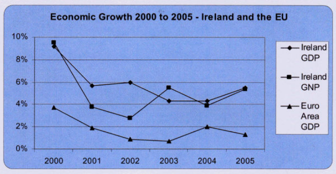
Irish Concrete Federation

Irish Concrete Federation Membership

- National Trade Association
- 270 Main Locations plus satellite sites
- €2.7 Billion Industry Value
- 15,000 People employed



CSO Quarter 1 2006
Quarterly National Accounts data for Q1 show that GDP increased by 5.8% year-on-year, while GNP increased by 7.0%, in Q1. In 2005 as a whole GDP expanded by 5.5%, while GNP increased by 5.4%. The graph below compares Ireland's growth rate with the euro area average over the 2000 to 2005 period.



Various Official Forecasts for 2006

2006	DEPT. FINANCE BUDGET 2006	ESRI JULY 2006	CENTRAL BANK JULY 2006	EU MAY 2006	IMF APRIL 2006	OECD JUNE 2006
GNP	4.6%	5.6%	5 .0%	n.a	n.a	5.0%
GDP	4.8%	5.6%	5 .0%	4.9%	5.0%	5.0%

Table 2.3 Construction output by sector 2000-2005

€ m

	2000	2001	2002	2003	2004	2005[1]
Current prices						
Residential	9,496.5	10,954.3	11,927.8	14,644.5	18,055.2	20,873.0
Non-residential	3,820.3	3,710.2	2,962.4	2,730.5	2,958.4	3,421.6
Productive infrastructure	3,062.7	3,744.5	4,581.0	4,761.8	4,831.3	5,233.8
Social infrastructure	1,207.4	1,517.1	1,822.5	1,683.5	1,750.3	2,027.2
Total output	**17,586.9**	**19,926.1**	**21,293.7**	**23,820.3**	**27,595.2**	**31,555.6**
Share of output						
Residential	54.0	55.0	56.0	61.5	65.4	66.1
Non-residential	21.7	18.6	13.9	11.4	10.7	10.8
Productive infrastructure	17.4	18.8	21.5	20.0	17.5	16.6
Social infrastructure	6.9	7.6	8.6	7.1	6.4	6.5

Source: DKM - DEHLG "Review of the Construction Industry 2004 and Outlook 2005-2007"

[1] Provisional estimate - incorporating upward adjustment by CSO to 2005 housing completions estimate - see chapter 6

Table 2.4 Detail of construction output by sector 2000-2005

€ m

	2000	2001	2002	2003	2004	2005[1]
Residential construction						
Private housing	8,893.8	10,055.0	10,814.2	13,506.2	16,937.4	19,505.2
Public housing	602.7	899.3	1,113.6	1,138.3	1,117.8	1,367.8
Sub-total	**9,496.5**	**10,954.3**	**11,927.8**	**14,644.5**	**18,055.2**	**20,873.0**
Non-residential construction						
Industry	970.0	1,079.2	813.7	750.9	802.0	916.4
Commercial	1,680.3	1,897.7	1,508.1	1,318.1	1,391.2	1,642.1
Agriculture	298.0	222.6	217.9	203.0	250.4	270.4
Tourism	829.9	471.1	361.3	408.1	451.0	519.4
Worship	42.1	39.6	61.4	50.4	63.8	73.3
Sub-total	**3,820.3**	**3,710.2**	**2,962.4**	**2,730.5**	**2,958.4**	**3,421.6**
Productive infrastructure						
Roads	1,060.3	1,387.0	1,618.5	1,697.0	1,709.0	2,019.5
Water services	646.1	719.7	754.2	750.3	738.6	786.5
Airports and seaports	155.7	163.2	217.4	143.3	159.0	200.6
Energy	675.3	840.4	1,263.5	1,237.0	1,495.6	1,566.6
Transport	305.4	389.0	447.2	668.3	449.6	362.6
Communications	219.9	245.2	280.2	265.9	279.5	298.0
Sub-total	**3,062.7**	**3,744.5**	**4,581.0**	**4,761.8**	**4,831.3**	**5,233.8**
Social infrastructure						
Education	541.6	609.0	721.7	562.3	659.2	812.6
Health	306.0	356.2	454.3	459.4	460.0	509.9
Public buildings	291.1	423.4	365.2	450.7	373.4	396.5
Other social	68.7	128.5	281.3	211.1	257.7	308.2
Sub-total	**1,207.4**	**1,517.1**	**1,822.5**	**1,683.5**	**1,750.3**	**2,027.2**
Total	**17,586.9**	**19,926.1**	**21,293.7**	**23,820.3**	**27,595.2**	**31,555.6**

Source: DKM - DEHLG "Review of the Construction Industry 2004 and Outlook 2005-2007"

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Value of Aggregate Based Products as portion of Construction

Stone, Aggregate
Concrete Blocks

Readymix Concrete

Precast Concrete

€2.7Bn

Housing

Commercial

Agriculture

Infrastructure

Contracting

€35Bn
23% GNP

House buyers

Local Authorities

Business

Government

Farming

Public Bodies

Developers

Investors

Aggregate – Basis for all Construction

DEMAND FOR AGGREGATES

- Europe wide 3bn tonnes per annum
- ICF 2005 estimates 134m tonnes nationally
- Euro Ave. 7.5 tonnes per capita per annum
- Irish Ave. 30 tonnes per capita per annum
- Growing further!
- Rapidly reducing landbanks
- Estimated up to 30% of supply from unauthorised sources

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KEY PLANNING ISSUES

- Aggregate Demand versus Aggregate Availability
- Identification & Protection of Resources for National Benefit
- Accelerated Programme of Mapping, 3-5 Years
- Planned and Controlled Extraction
- Maximise Development Opportunities
- Long Duration of Permissions To Enable Investment
- Community Consultation
- Sustainable Development

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GSI MAPPING PROPOSAL

- Donegal, Meath, Wicklow parts of Kildare
- Nothing in last 2 years
- ICF Planning Conference 4th October 2006
- liam.smyth@irishconcrete.ie
- GSI Proposal to Map Entire Country
- Identification of resources fundamental to policy
- Estimated Budget €3.5
- Timescale 4-5 years

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COUNTY DEVELOPMENT PLAN REVIEW PROCESS

- ICF 10 Years of Submissions
- Disappointing, often hostile reception
- Results often aspirational
- Lack of fundamental realisation of importance of aggregates to society
- Politically difficult to achieve
- Some encouraging exceptions, most notable in counties where mapping has occurred
- Need to encourage and protect indigenous industry

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PRESSURES

- NIMBYism Europe wide
- Introduction of Environmental Legislation outpacing Improved Aggregate Planning Policy
- Poor standard of Enforcement in many LAs
- Inappropriate rural development adjacent quarries
- Section 261 fundamentally flawed
- Inconsistent Application/Misapplication
- An Bord Pleanala unduly restrictive on depths
- Need to maximise yield from each footprint

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RESTRICTIONS ON DEPTH

- Apparent General Policy by An Bord Pleanala
- Sufficient Standard Planning Conditions
- Submission to An Bord Pleanala
- Improvement in report writing for quarries
- Follow IGI Guidelines
- Use of P. Geo with Extractive Experience
- Seminar/Workshop for Consultants/Industry
- An Bord Pleanala will participate
- Hydro-geological appeals under S261 should be detailed

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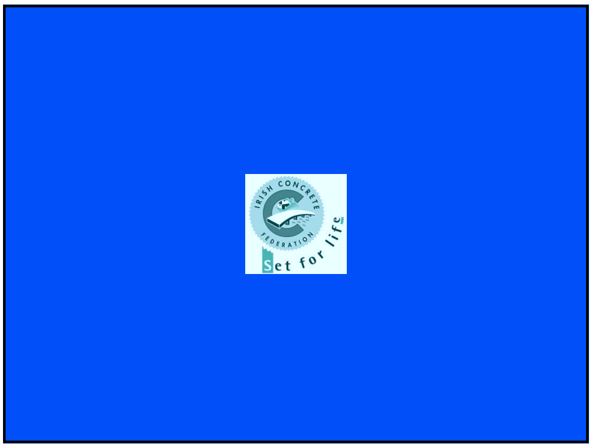
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