

## UEPG Position Paper on Ecological Offsets

### 1. Definition

According to the European Commission Guidance Document on NEEI and Natura 2000<sup>1</sup>, Biodiversity offsets are “conservation actions intended to compensate for the residual, unavoidable harm to biodiversity caused by development projects, so as to aspire to no net loss of biodiversity”.

Biodiversity offsets are measurable conservation outcomes resulting from actions designed to compensate for any residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken, after restoration is complete. The goal of biodiversity offsets is **to achieve no net loss** on the ground with respect to species composition, habitat structure, ecosystem function and people’s use and cultural values associated with biodiversity.

### 2. UEPG Biodiversity Policy & Commitments

- UEPG believes that the Aggregates Industry can play a very positive role in fostering Biodiversity in its Quarries and Pits in Europe. Over 130 case studies (available on the UEPG website, [www.uepg.eu](http://www.uepg.eu)) now demonstrate that both active and restored Quarries and Pits, many of which are in or near Natura 2000 or other conservation areas are biodiversity havens.
- UEPG will continue to actively encourage its Member Associations to foster Biodiversity among their member companies, and where appropriate for them to partner with local NGOs, universities, research centres and other interested stakeholders.
- UEPG is continuing its very positive cooperation with IUCN, and was the first industry association to sign up to the B@B Biodiversity Platform.
- UEPG wishes to encourage greater Stakeholder engagement to raise awareness of the real benefits for Biodiversity of extractive activity.
- UEPG will continue to develop and refine its portfolio of case studies, and is seeking, in cooperation with experts, to deepen its scientific knowledge about the Biodiversity species, habitats and ecosystems in its Quarries and Pits.
- UEPG will seek to further develop a database of Good Practice guidance documents for quarry and pit operators so they can further enhance Biodiversity.
- UEPG will continue to have a strong focus on Biodiversity in its triennial Sustainable Development Awards, next in 2013.
- UEPG will provide annual reporting of its progress on Biodiversity (as in its SDI questionnaire).

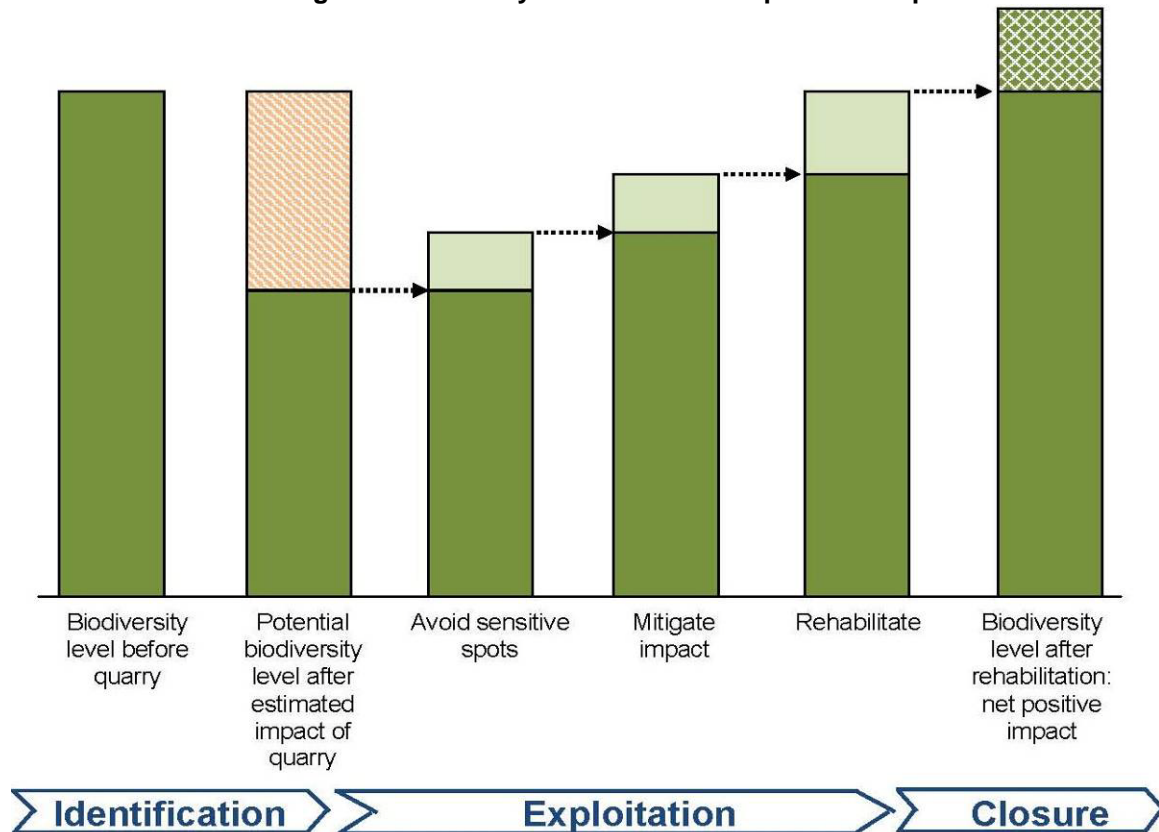
---

<sup>1</sup> EC Guidance on undertaking new non-energy extractive activities in accordance with Natura 2000 requirements, European Commission, July 2010.

### 3. UEPG Positions on Ecological Offsets

For all new and most existing quarries and pits there are requirements to develop a rehabilitation plan which commits the operator to make provisions to restore the quarry or pit in accordance to an agreed restoration plan which takes into account biodiversity. These measures normally ensure to effectively protect biodiversity, as shown in Figure 1 below.

The mitigation hierarchy: Quarries with a positive impact



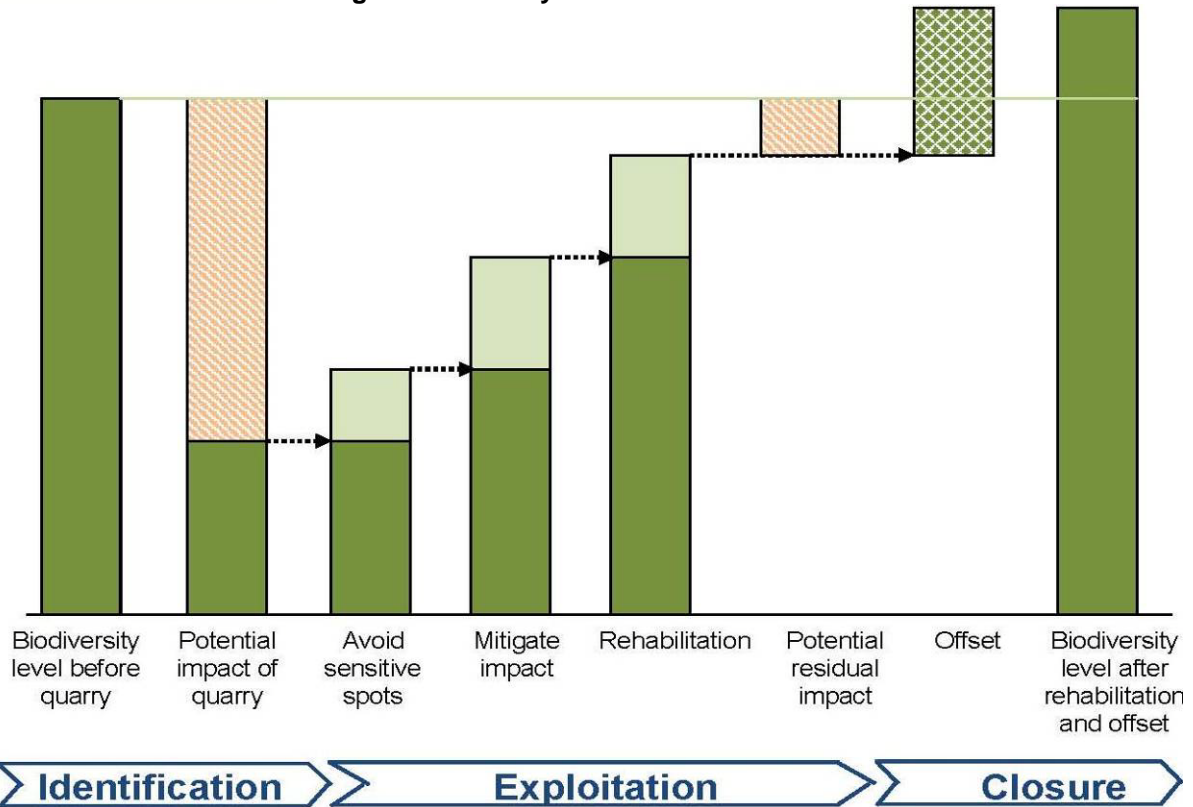
**Rehabilitation to restore Biodiversity is the best methodology for the aggregates industry, and it often enhances it. Only when this is not possible should the concept of “Offsets” be considered for any long-term disturbance of Biodiversity on a site, which should then be based on solid scientific grounds and on a case by case basis. However, in a number of rehabilitation projects, where specific ecosystem services are required (such as flood management), any shortfall in biodiversity may well be offset by the other ecosystem services provided to the community.**

The aggregates industry acknowledges that offsetting may be appropriate for some quarries where it would not be possible to restore biodiversity once restoration is complete, as shown in Figure 2 overleaf. However even for these projects it may be possible to reduce their impact by assisting in the creation of green corridors and interconnectors. Offsetting should then be based on scientific grounds and not on a financial basis.

For UEPG, offsetting practices should remain a voluntary practice, on top of rehabilitation and mitigation measures. Restoration should always be the preferred way of halting the loss of biodiversity, and offsets considered as a last resort to compensate for unavoidable residual impacts.

In view of the upcoming EC initiative on an offsetting scheme, UEPG would like to call for a simple and pragmatic methodology for scoping of any Offsets on a scientific basis that can be used as a reference model by the industry in negotiating with permitting authorities across Europe. Pragmatism and simplicity in approach are particularly important for SMEs, which predominate in the aggregates industry, just as is cost-effectiveness in this highly-competitive, low value-added, recession-hit sector.

### The mitigation hierarchy: Quarries in need of an offset



The main challenge related to offsets is that it is very difficult to measure the impacts. It is difficult to quantify benefits of ecosystem services and conservation values in absolute terms, and different stakeholders assign different values to Biodiversity. Another challenge is the need for an appropriate regulatory framework and evaluation system in order to make offsets beneficial to biodiversity.

Some of the most important principles regarding Offsets are:

- Offsets should be considered only after any impacts have been avoided, minimised and biodiversity restored on-site
- Recognition of the limitations as to what can feasibly be offset
- Implementation in a landscape context, taking into account biological, social, and cultural values
- Design and implementation in an equitable and cost-effective manner
- Documenting the appropriate use of scientific methodology and traditional knowledge in offset design

Previous experience has demonstrated that paying some form of financial offset/tax was both detrimental to the industry and not an efficient tool to protect biodiversity, the revenue being used for general spending instead of biodiversity enhancement. Equally an offset in the form of a land purchase is also not an assured way of maintaining biodiversity as in the future this land maybe re-classified and developed for other purposes.

Therefore, in summary:

- **Rehabilitation is the best method for the aggregates industry to restore biodiversity, therefore UEPG does not support financial offsetting for the aggregates sector.**
- **UEPG supports the principle that there should be no net loss. However, a loss may be acceptable in a situation where additional ecosystem services are being provided to the community and key stakeholders. The approach taken should be decided on a case by case basis.**
- **Restoration of biodiversity should be achieved both through actions of mitigation and progressive restoration during operations and final restoration.**