Carbon Leakage protection for the
European brick and tile industry

Safeguard jobs, foster local value added, protect the environment

The brick and tile industry is a vital member of the European industry and a local economic stimulator. Clay bricks, blocks, roof tiles and pavers are durable, affordable and provide comfortable, safe and healthy homes to millions of people. They combine traditional architectural heritage with innovative as well as future-oriented construction methods and offer valuable solutions to save energy and reduce greenhouse gas emissions in the building sector.

283,000

Is the number of houses that are built with clay building products each year in the European Union.

923,296

Almost a million roofs are annually covered with clay roof tiles.

40%

More than 40% of all residential homes in Europe are built with clay building materials.

>100 years

This is the life span of clay building materials. Longevity, versatility and technical performance – are just three of many advantages.

2,000

The brick and tile industry is part of the NACE 2332 classification which consists of 2,000 firms – SME's (>95%) and large international groups with headquarters in Europe.

630

630 ETS installations – many in economically disadvantaged and rural areas – the industry has a high Gross Added Value.

50,000

The European clay brick and tile industry is labor-intensive and provides 50,000 skilled jobs across Europe.

5.5 bn

The European clay brick and tile industry generates a production value of around € 5.5 bn.

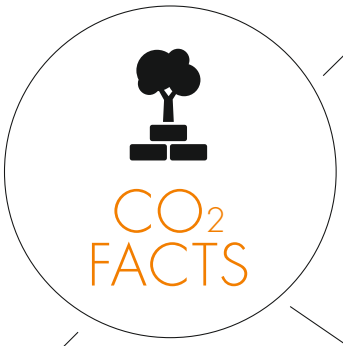
THE EUROPEAN BRICK AND TILE INDUSTRY NEED A STABLE AND RELIABLE FRAMEWORK:

- to further create local value added
- to safeguard local, skilled jobs
- to invest further in the reduction of energy consumption and CO_2 emissions
- to continue to deliver durable, innovative building materials

> The industry needs Carbon Leakage protection in the coming decades and the inclusion of the sector "Manufacture of bricks, tiles and construction products in baked clay" (NACE 23.32) in the Carbon Leakage list.

The European clay brick and tile industry has a high energy and high CO_2 intensity. Around 30% of our emissions stem from raw materials (carbonates in the clay) and are unavoidable. The remaining emissions originate in the high firing temperatures in the manufacturing process.

The European clay brick and tile industry has low transport related emissions. Most of our production sites are close to clay quarries and we are also close to our customers. That is why bricks don't travel long distances and why our products cater to regional building traditions as well as technical norms & standards.



CO_2 FACTS

Since the 1980s, the sector has reduced the specific CO_2 emissions by around 30%. Meaning we have invested heavily in engineering innovations to improve the efficiency of our manufacturing process. Furthermore innovations in product design have delivered modern and energy efficient buildings.

Our industry consists of many, but very small installations, most plants emit less than 25,000 tons CO_2/year. Even though 5 – 10% of all EU ETS installations are clay brick and roof tile manufacturing plants, we are responsible for less than 0,5% of all industrial emissions.

- We face intense competition with other building materials (namely concrete masonry including Calcium Silicate and AAC blocks), which receive Carbon Leakage protection within the EU ETS. This results in the impossibility for our industry to pass through additional costs onto costumer prices without a significant loss of market share to competing building materials. Furthermore, clay building materials show the lowest global warming potential over the whole lifecycle of a building compared to other materials.
- Based on lower labour costs, environmental costs and energy costs, producers from outside of the EU put high pressure on the market. Many plants have been closed in Europe because of low demand during the economic crisis. Despite economic improvements in some European countries, high operating costs continue to limit the profitability of installations. In contrast, during the same period many new plants have been built in neighbouring regions such as the Maghreb, Turkey and Russia.
- The clay brick and roof tile manufacturers would like to continue investing in energy (and in turn CO_2) efficiency. However, breakthrough technologies are required to further reduce CO_2 emissions. Such breakthrough technologies are visible yet but economically not viable: they will need dedicated research, time, high investments and a supportive legal framework to develop, commercialise and deploy.

> **"Although the production volumes of clay bricks and roof tiles has increased in recent years, long-term growth remains uncertain and the economic activity of our sector is low (approximately -50%) compared to pre-2008 levels. Without efficient Carbon Leakage protection, our sector cannot survive the foreseeable increase of costs from ETS in the 4th trading period."**

FOR FURTHER INFORMATION:
Tiles & Bricks Europe AISBL, 12 Rue Belliard, 1040 Brussels, Belgium
+32 (0)2 808 38 80, www.tiles-bricks.eu