



**CEMENT INDUSTRY
FEDERATION**



Cement Industry Federation Submission
Joint Standing Committee on Treaties Inquiry
National Interest Analysis - Minamata
Convention on Mercury

July 2021





Thank you for the opportunity to provide comment on the **National Interest Analysis: Category 1 Treaty – Minamata Convention on Mercury**.

1. Summary

The Cement Industry Federation (CIF) has engaged positively in all consultation rounds held since Australia signed the Convention in 2013 and supports Australia's ratification of the Minamata Convention on Mercury (the Convention).

Cement production facilities are listed in Annex D of the Convention due to the various levels of mercury in raw materials used in cement production around the world.

All Australian integrated clinker and cement facilities have a very low mercury emissions profile, especially compared any other international cement manufacturing plant due to the high quality of domestic inputs used.

The Regulation Impact Statement (RIS) supporting ratification of the Convention found that the potential impact of ratification on cement manufacturing would be minimal. This is important as Australia will be required under Article 8 of the Convention to potentially develop a national plan to reduce emissions.

As a result, Australian integrated cement manufacturers should be excluded from any national plan to reduce mercury emissions as the industry is able demonstrate that Australian cement clinker emissions meet Australian existing regulatory standards.

2. CIF Comments on the National Interest Analysis

2.1 Reasons for Australia to take the proposed treaty action

The CIF supports efforts to reduce emissions and releases of mercury to minimise potential impacts on human health and the environment.

As such the CIF supports Australia's ratification of the Minamata Convention and the adoption of a national approach to phase down mercury. This approach will help to identify gaps within the existing regulatory framework and deliver health and environmental benefits.

Ratification of the Minamata Convention is also important in terms of Australia being able to fully engage in or guide the direction of the associated scientific and technical bodies, participate in ongoing negotiations and contribute the future direction of the Convention.

2.2 Obligations – industrial emissions

Mercury is present at very low levels in Australian integrated cement industry mercury emissions¹. This is largely due to the low levels of mercury in source materials and fuels used in the process. Care is also taken in the selection of alternative fuels and raw materials used in the process to minimise the amount of mercury introduced into the system.

The Convention requires Parties to control mercury emissions (to the air) from specific types of existing facilities listed in Annex D of the Convention – including cement production.

¹ Average annual Australian cement industry mercury emissions are around 2% of total reported Australian mercury emissions. Globally, cement production accounts for around 11% of total emissions.



While the National Interest Analysis (NIA) notes that current Australian practice is broadly consistent with Convention obligations – with States and Territories responsible for managing facilities listed in Annex D and relevant sources – it also notes that administrative adjustments to the application of these regulatory frameworks will be necessary to ‘future-proof these frameworks’.

Although the cement production process is consistent across the industry, variations exist in terms of fuel type/source, raw materials and alternative fuel usage. The use of emission limit values imposed under state and territory environmental legislation allows for site specific considerations to be taken into account.

In general, the use of emission limit values is the preferred measure listed under Article 8 of the Convention for controlling and, where feasible, reducing emissions.

Any proposed adjustments to existing regulatory frameworks should be subject to extensive consultation with stakeholders.

2.3 Potential Cost to Industry

The RIS found that there would be no cost to the cement industry associated with Australia’s ratification of the Convention. However, this is contingent on the fact that there are no new plants scheduled to be built in the short-medium term, as well as the finding that existing measures (i.e. licence conditions) will be sufficient for Australia to meet its obligations under the treaty.

The question also remains as to how ‘substantial modifications’ will be defined in Australia, as this has potential cost implications for existing plants. For example, all Australian cement producers are seeking to reduce their reliance on fossil fuels through the increased use of alternative fuels – which, depending on the fuel type, could require modifications of the process.

The RIS acknowledges that during the implementation of the Convention, the Australian Government will consider the definition of substantial modification in consultation with relevant stakeholders, including state and territory governments. This is supported by the CIF.

As mentioned above, emission limit values are the preferred measure listed under Article 8 of the Convention for controlling and, where feasible, reducing emissions.

Other measures proposed for existing sources in the Convention, including: a quantified goal; the use of best available techniques/best available technologies; and multi pollutant control strategies, are likely to result in the imposition of significant additional costs to our industry and are not supported.

The CIF remains of the view that ratification is likely to have minimal impact on existing facilities unless methods other than the use of emission limit values are adopted or a change in emissions standards were to be imposed.

2.4 National Plan and Industries with Air Emissions

As noted in the NIA, according to the Convention, a Party with relevant sources shall take measures to control emissions and releases and may prepare a national plan setting out the measures to be taken to control emissions and releases and its expected targets, goals and outcomes.



The RIS notes that, from a cost perspective, while it is not compulsory for Australia to prepare a national plan, it is likely that the Australian Government would seek the voluntary support of relevant industries to help prepare any plan, rather than mandate participation by legislation.

Any consideration of a national plan and its implementation should not impinge on the flexibility that currently exists for state and territory-based licencing authorities to consider such things as the technical characteristics of a particular manufacturing facility, its geographic location, as well as local environmental conditions.

The CIF considers that Australian integrated cement manufacturers should be excluded from any national plan to reduce emissions as the industry can demonstrate that Australian cement clinker mercury emissions are (1) well within licence existing limits and (2) are also significantly below international standards.

3. Further contact

Thank you for the opportunity to provide the above comments.

Further details about the Cement Industry Federation can be found at www.cement.org.au.

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