

Socially and Environmentally Responsible Aggregates (SERA)

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Community Liaison Committee Meeting

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What is the current state of the Aggregate Industry?

- The aggregate industry has seen a number of decisions go against the approval of quarry and pit applications in the last 24 months.
- Headlines in the media recently;
 - ◇ “Province steps in to Carlisle quarry fight”
 - ◇ “The current “business as usual” policies for extraction of stone, sand, gravel and shale in the Province of Ontario are unsustainable”
 - ◇ “Caledon residents score victory in quarry battle”
 - ◇ “First Nation community protest mega quarry plans for Niagara Escarpment”
- For years the licensing of aggregate operations in Ontario has been characterized by conflicts that contribute to a regulatory process that is lengthy, expensive and highly contentious.

What is SERA?

- SERA is a groundbreaking new not-for-profit that aims to reduce years of conflict by developing a world class certification system that recognizes responsibly sourced aggregates.
- The Standards provide a new path forward, satisfying demand for responsibly sourced building materials by certifying aggregate sites that:
 - ◇ Provide a reliable long-term supply of responsibly sourced aggregate materials;
 - ◇ Protect our landscape's most ecologically and hydrologically important natural areas;
 - ◇ Meaningfully engage local communities and First Nations groups before extraction begins and throughout the lifecycle of operations;
 - ◇ Define time limits for extraction and require site-specific phasing plans that incorporate communities' interests;
 - ◇ Offer aggregate purchasers the ability to leverage their purchasing power and request responsibly sourced aggregate materials.

Who is responsible for the development of these standards?

- The Draft SERA Standards are the result of a collaborative effort between Holcim (Canada) Inc., a leading aggregate company in Canada, and Environmental Defence, an NGO with a long history of leadership on environmental issues, often involving the aggregate industry.
- This document is the beginning of a process to establish a voluntary, independently audited, certification system.
- It is intended that from June 2011 to June 2013 the Draft Standards and their implementation will be reviewed and revised by a broader group of stakeholders.
- It is believed that this approach will better resolve current conflicts, and chart a sustainable and responsible course for aggregate extraction and consumption in Ontario.

SERA certification is obtained based on fulfilling the Core Requirements that support the seven SERA Principles

Principle #1: Compliance with laws

Principle #2: Community consultation & involvement

Principle #3: Respect for First Nations rights & culture

Principle #4: Benefits to local communities & workers

Principle #5: Environmental and water impacts & site
stewardship

Principle #6: Resource efficiency

Principle #7: Traceability

The Aggregate Industry observed the success of similar certifications adopted both the lumber and fisheries industries

- SERA certification builds upon a growing movement to use resource management standards such as the Forest Stewardship Council (FSC), RainForest Alliance and Marine Stewardship Council (MSC), to resolve conflicts.
- These successful models strengthened the social license to operate within their sector, reducing conflicts in a working environments that were historically contentious and volatile.
- SERA certification is intended to be similarly transformative for the aggregate industry.



SERA certification offers new aggregate sites the ability to recognize socially and environmentally responsible aggregate practices through their full life cycle.

SERA helps resolve the current state of conflict by:

- Creating market-based incentives for resource efficiency
- Offering purchasers the option of responsibly sourced and traceable construction materials
- Protecting the most important ecological and hydrological areas
- Establishing fixed-term licenses and phase-out plans
- Demanding world-class industry operational practices
- Providing net-gain replacement of ecological and hydrological spaces
- Improving community engagement through Public Advisory Committees



The Regulatory Approval Process required by Aggregate Operations will remain as the same

- SERA certification does not replace or prejudge the outcomes of the government's regulatory planning and permitting process (including but not limited to *Aggregate Resources Act* and *Planning Act*) but is a complimentary process that certifies sites that recognize the social and environmental expectations of the local community.
- Certification program is 100% voluntary and available to any Aggregate Operator who chooses to participate.



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Quotes Regarding Socially and Environmentally Responsible Aggregates

Thomas Mueller, President and CEO, Canada Green Building Council

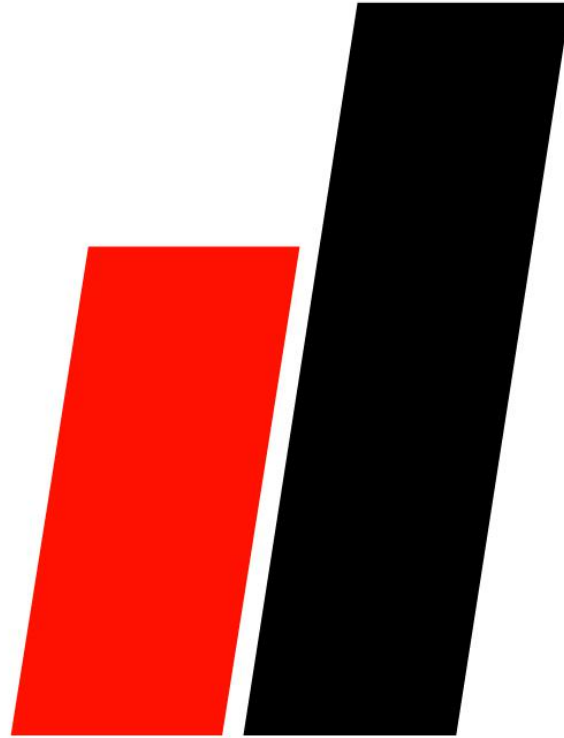
“Reducing the environmental footprint of construction materials is the next important step in sustainable construction. SERA sets a benchmark for how aggregates used in cement production are sourced in a sustainable and environmentally responsible way.”

Tim Gray, Program Manager, Ivey Foundation

"The no-go and net-gain approaches proposed in the Draft SERA Standards provide a huge step forward for both the aggregate industry and other developments in settled landscapes.“

Derek Hughes, Responsible Sourcing Scheme Manager, Building Research Establishment

“A clear and far-sighted initiative such as SERA demonstrates that Canada, through the activities of Holcim (Canada) Inc. and Environmental Defence, intends to be at the forefront of activities to develop an exciting new sustainability tool bringing significant benefits to a wide range of stakeholders within both industry and society.”



Dufferin Aggregates

A division of Holcim (Canada) Inc.