



20. April 2015

## **Expressions of interest to purchase parts of the project site with white sand at *Tranum Klitplantage***

### **1. Introduction**

*Tranum Klitplantage* (Tranum dune plantation) contains the only known mapped resource of extractable, low-iron-content, white shifting sand in Denmark. The sand resource's low iron content (less than 0.4% Fe<sub>2</sub>O<sub>3</sub>) is a quality requirement in the production of white cement.

### **2. Location of the project site**

The project site is located in Jammerbugt Municipality at *Tranum Klitplantage*, Rødhusvej 361, 9490 Pandrup, and comprises parts of cadastral plots no. 68c Nørre Bratbjerg, Tranum, and no. 95i Hune By, Hune, in Jammerbugt Municipality. The project site is approx. 170ha and is a state-owned dune plantation. The entire area is subject to forestry reserve regulations.

### **3. Description of the project site**

The project site measures 170ha and the extraction of sand is foreseen to take place over a period of approx. 90 years with an expected extraction frequency of 100,000-120,000m<sup>3</sup> per annum. The project site has been divided into three Phases. The Vendsyssel division of the Danish Nature Agency owns the area and has applied to Jammerbugt Municipality for a licence to extract white sand from an area of approx. 80ha of the project site; hereafter Phase 1. With an expected extraction-frequency of 100,000-120,000m<sup>3</sup> per annum, it will be possible to extract sand from Phase 1 for approx. 40 years. The total available resource of white sand within the project site has previously been surveyed to be approx. 9 million m<sup>3</sup>. The subsequent Phases 2 and 3 will require a new environmental assessment to be conducted, and the obtaining of a new raw materials extraction licence etc. neither of which are a part of this expression of interest

Extraction inside the area for which a raw materials extraction licence has been applied must take place in phases, and topsoil and surplus sand must be stored and used for the subsequent ongoing restoration and rebuilding of the site.

The entire site is subject to forest reserve regulations. This requires that prior to commencing excavation of a new phase, a decision must have been taken to establish replacement forest totalling at least 150% of the size of a phase. However, in total no more than 121.4ha of replacement forest have to be established for Phase 1 (and approx. 255ha for the entire site).

The Danish Nature Agency intends for the raw materials resource to be fully exploited, and that the raw materials, cf. section 1 of the Danish Raw Materials Act, shall be used in a manner which reflects their quality, i.e. in products for which e.g. low iron content is required.

#### **4. Expression of interest to purchase the project site at *Tranum Klitplantage***

The Danish Nature Agency wishes to sell approx. 80ha (phase 1) of the project site at *Tranum Klitplantage* so that the sand resource can be fully exploited.

The Danish Nature Agency hereby invites expressions of interest from companies interested in purchasing the project site.

Upon purchase of the project site, the buyer accepts all obligations as an owner with regard to the authorities, including authority approvals and compliance with licence requirements, e.g. establishment of replacement forest, restoration and rebuilding of the site etc.

The Danish Nature Agency shall be able to use the site free of charge for ordinary forestry, hunting, recreational purposes, etc. with the exception of the excavation area.

#### **5. Contract period**

The Danish Nature Agency intends to sell the project site in *Tranum Klitplantage*. The purchase of approx. 80 ha of the site will be for a period approx. 40 years. Upon restoration of the site, the Danish Nature Agency retains the option to buy back the project site.

A contract for the sale of the project site is expected to be concluded in 2015.

#### **6. Reports, licences/permits and authority approvals**

Expressions of interest must take into strict account the reports, licences/permits and authority approvals etc. associated with the extraction of sand at *Tranum Klitplantage*. In the event of inconsistencies between the information about requirements from the authorities etc. in this announcement and the material referred to below, the material referred to below is to be considered valid.

The reports, licences/permits and authority approvals listed below can be downloaded from the Danish Nature Agency's website at:

<http://naturstyrelsen.dk/annonceringer/alle-annonceringer/>

Only available in Danish:

- Geoteknisk rapport (geotechnical report); May 2005
- Skovlovstilladelse til råstofgravning (raw materials excavation licence under the Danish Forest Act); July 2013
- Miljøvurdering indeholdende VVM-redegørelse og miljørapport (environmental assessment including an EIA report and an environmental report); November 2013
- Kommuneplantillæg (supplement to the municipal development plan); April 2014
- Tilladelse til råstofindvinding (licence to extract raw materials); June 2014
- Grave- og efterbehandlingsplan (excavation and restoration/rebuilding plan); Will be available as soon as the final version is available.

- Igangsætningstilladelse (commencement permit); expected to be available in May 2015 and will be available as soon as the permit is available.

## **7. Requirements for the content of an expression of interest**

The Danish Nature Agency has the following requirements for the content of the expression of interest:

1. Company information / information about the legal person
  - Company name / name of legal person
  - Address
  - Tel.
  - E-mail
  - Contact person, tel., e-mail
2. Company financial statements from the past 5 years
3. Description of company
4. Description of what the sand extracted will be used for
  - It is a requirement that the sand, cf. section 1 of the Danish Raw Materials Act, be used appropriately in respect of its quality, i.e. in products for which e.g. low iron content is required.
5. Price
  - Interested companies must submit a non-binding price. The price must be on the basis of the information, licences/permits, authority approvals and reports referred to in this announcement.
  - The price is non-binding and will be considered a minimum price.
  - The price and the more detailed terms and conditions, including planning and organisation of work and terms of the contract, will be subject to subsequent negotiations.
  - After agreement, payment may be in instalments.
6. Confirmation of guarantee
  - The company with which a contract is established must provide a guarantee for subsequent restoration and rebuilding of the site. The size of this guarantee will be determined by the mineral resources authorities on the basis of the excavation and restoration/rebuilding plan and will depend on the size of the largest open area during excavation. The guarantee is expected to be at approx. DKK 100,000-400,000 per hectare.
  - When submitting an expression of interest, the company confirms that it agrees to the provision of a guarantee and that it is able to provide the guarantee.
7. Any further information of relevance

Expressions of interest must be in Danish or English.

## **8. The process moving forward**

The process involves obtaining expressions of interest to purchase approx. 80 ha of the project site at *Tranum Klitplantage* for a period of approx. 40 years.

Interested companies should submit a minimum price.

The Danish Nature Agency expects to enter into negotiations with the two or three companies offering the highest prices.

The subsequent process will therefore be on the basis of these negotiations, and the invited companies can be asked to submit a business case prior to entering into these negotiations.

The Danish Nature Agency will send more detailed guidelines on how the negotiations will be conducted to those companies that are invited to take part in the negotiations.

As a public authority, the Danish Nature Agency is obliged to comply with the principles of equal treatment and transparency when selling the project site at *Tranum Klitplantage*. The Danish Nature Agency reserves the right to make amendments to the process if the expressions of interest received call for amendments in order to comply with the principles of equal treatment and transparency.

The Danish Nature Agency reserves the right to cancel this call for expressions of interest and to refrain from commencing negotiations on the basis of the expressions of interest received.

#### **9. Questions, answers and any new information**

All questions relating to this call for expressions of interest should be sent via e-mail to the contact person stated below. Questions will be answered on an ongoing basis. Questions and answers will be published in an anonymised form on the Danish Nature Agency's website at: <http://naturstyrelsen.dk/annonceringer/alle-annonceringer/>

Any new information will also be published here.

#### **10. Time schedule**

**Monday 18 May 2015, at 12:00 (noon)** is deadline for receipt of expressions of interest. Expressions of interest should be sent by e-mail or post to the contact person stated below.

Week 21-22 we expect to respond to the companies which have submitted an expression of interest.

Week 23-27 we expect the negotiations to be carried out.

A contract for sale of the project site will be entered into during 2015.

#### **11. Contact information**

All questions and inquiries pertaining to this call for expressions of interest should be addressed to:

Ministry of the Environment, Danish Nature Agency  
Haraldsgade 53  
2100 Copenhagen Ø  
Denmark

Att.: Peter Malte Hviid, Special Adviser, [phv@nst.dk](mailto:phv@nst.dk) with copy to Britt Brock Grønne, [brbj@nst.dk](mailto:brbj@nst.dk)