

It was announced from "Arcelor Mittal" Mine in Prijedor that inaccurate and misleading information about the status of concession agreement between the mine and the Government of Republika Srpska appeared in some media reports.

In addition, there are incorrect statements related to cooperation with the Government of RS concerning BAM 50 million of unpaid taxes and retained earnings with partner Iron Ore Mine "Ljubija". They find that there is an excessive damage to the mine, the local community, but also to Republika Srpska and Bosnia and Herzegovina.

- It is true that the company has not signed the Concession Agreement, but the text of the contract has been agreed with the relevant ministry, and all necessary documentation has been prepared and submitted, as requested. Therefore, any delay in the conclusion of this agreement is not the result of company failure to fulfill its obligations - it is reported in the statement.

It was added that despite the lack of a concession agreement, Mittal, has been paying from the first day a concession fee for every excavated and sold ton of iron ore, according to the decision of the competent ministry, based on which they have paid over BAM 30 million so far.

They claim that the company regularly settles all tax liabilities and in accordance with the law, including income tax, but that the Tax Administration in 2015 issued a decision that "Arcelor Mittal" Prijedor owes about BAM 50 million of income tax based on transfer prices.

- After our lawsuit, the court passed a verdict in September 2016, taking into account all of our evidence that we submitted during the tax audit, which annulled the decision of the Tax Administration of the Republika Srpska and returned the case for retrial - it is said from the mine. Among other allegations, it is stated that since the establishment it has been paid BAM 125 million for the net salary and other remuneration for 830 employees, for taxes and contributions on personal income tax over BAM 75 million, other fees to the state in accordance with the law over BAM 5 million, income tax BAM 14 million and over BAM 3.5 million for projects to support the local community. When asked about the controversial concessions, "EuroBlic" got a reply from the Ministry of Industry, Energy and Mining of Republika Srpska.

They confirmed that the decision which approved the exploitation of iron ore at Omarska is effective until the final decision of the Government of Republika Srpska on granting the concessions for exploitation.

They added that based on this solution, "Mittal" pays a fee amounting to 3.6 percent of the total income from the sale or the use of mineral resources.

- In respect of the concession agreement, “Mittal” has applied for granting concession, and the process is ongoing. The procedure is carried out in accordance with the provisions of the Concessions Act which was in force at the time of applying for granting concessions - it is claimed from the Ministry.