

Mining and mineral resources potentials are huge and important for Serbian economic development cycle. Ministry of Mining have high expectations from existing drilling research and exploration projects in Serbia. There are success case stories like UK mining company Mineco operating in Serbia and Bosnia with their lead, zink and copper operational mines and optimistic cases of copper-gold drilling research like Rio Tinto and Freeport McMoRan. Rio Tinto holds the position of a unique mining project because of its lithium project Jadar.

Mineral resources 2015 conference attracted significant attention of domestic and regional mining stakeholders gathering mining investors and companies operating in sector. In the same time the mining sector of Serbia got international level attention coming from financial investors circles from Canada, US and London based financial actors. These interests were followed by a number of Bankwatch and MiningWatch international NGO networks monitoring extraction sector. Considering the fact that Serbia attracted biggest mining companies the interest from Environment-Financial Watch networks is not a surprise.

At the moment Serbia attracted biggest mining companies from Canada, US, UK and other countries. Most of them are Junior Mining companies seeking investors and equity partners abroad, on stock markets of Toronto, London and Frankfurt. There are also more famous big companies from US and Canada which area leading the role of mining exploration research like Rio Tinto and Freeport McMoran. Junior mining companies like Canadian Reservoir Minerals, Erin Ventures, Mundoro, Avala Resources are also active in their mining research projects, in the same time quite active in promoting their results on big investors marketwatch services from US, Canada and UK. Beside our mining desk and stock market brokers and analysts other actors are reaching out seeking informations about all current mining projects which are being promoted throughout investors community in biggest stock market commodities-financial centers.

There are currently 250 drilling research locations which are managed by the biggest US and Canadian mining companies seeking copper, gold, silver explained Mining Minister Aleksandar Antic.

Rio Tinto Jadar Lithium project is important for Serbia explains Minister Antic and he expressed optimism on the research results which may bring new investments of Rio Tinto in opening an exploration mine. Exploration may bring the opening of production of batteries in western areas of Serbia if feasible financing solution is found with investor. Freeport McMoRaN Rakita project Cukaru Peka, a copper gold research project is another case of ministers optimism in mining development potentials waiting to be explored.

Freeport is an institutional investor important for Serbia, but also this project could be important for Freeport shareholders as their Serbia mining project may be one of the last European untapped copper reserves. Remains to be seen if the results will prove the adequate return of investment and feasibility for investor. Also a question of processing needs to be answered, will Freeport export the raw material to some of the neighboring countries or use the domestic Bor copper company facilities. Freeport took over the Rakita Exploration project from Reservoir Minerals which is related to Canada based REV energy company promoting their HPP projects in Brodarevo Prijepolje. REV Brodarevo HPPs could be explained as entrance point of REV Canada but latest NGO

Prijepolje release states that their ESIA is dropped by the court. NGO Prijepolje Against the Dams Brodarevo represents the success case story of civil society mobilization against an energy project and investors late activities to establish partnership with community explain from NGO. After the failed nickel project in central Serbia and vast mobilization of environment and civil societies groups against this project, the importance and knowledge of environment topics in mining sector got appropriate position in Serbian community. As a case of delayed and inappropriate investor strategy toward its stakeholders the failed nickel project holds the first strong place in Serbia. There are also similar cases in region of SEE, Romania and Bulgaria also have their big mining projects and failed investors stakeholder strategies impacting bank lenders and community opposition. Current mining research projects in Serbia are yet in their early phases but considering the current interest both from investors and environmentalists remains to be seen if the project promoters will be proactive in their stakeholder relations covering environment and social impacts. Serbia Energy Mining Desk gets a number of inquiries from both mentioned above stakeholder groups. In the same time we spoke with Environment activists from MiningWatchSEE Balkans ESIASEE project and they confirmed that the SEE mining projects are on the radar of almost all biggest NGO networks from major commodities financial centers. Almost all banks like EBRD, but also most of the commercial banks, have high standards on their Performance Requirements but also on client-beneficiary Reputation Risk Due Diligence process. Extraction mining projects get special attention both from EBRD experts and local-regional Green NGOs. Failure to comply with known standards in Environment Stakeholder relations, including delayed and miss match approach on local ground tactics, usually triggers the media and reputation risk for bank lenders. Partnership cooperation between investor and NGOs are possible and feasible if investors realize that sustainable impact needs to be addressed properly and with proactive approach instead of late reaction activities, explain consultants from SEMC Serbia agency.

A success case example is surely a UK London based commodities company Mineco which is operating with several lead ore zinc mines in Serbia and Bosnia. According to Minister of Mining Antic Mineco fulfilled all its obligations from privatization process and restarted the efficient production process in their mines. Environment issues and risks have been addressed properly stated Antic. Community and environment responsibility of Mineco was also confirmed by local civil association groups which we contacted from Serbia Rudnik and even Bosnia Srebrenica. Therefore we will support the Minister claim with verified informations from the center of Mineco operations. Responsible mining is a reality at least in case of Mineco. Mining stakeholder community in Serbia also have high hopes for perspective promoted projects by Ministry of Mining. New jobs, economic development of local communities are only part of the PR story usually communicated by investors. Deeper engagement and partnership with local communities is required. Sustainable responsible transparent mining exploration is feasible and possible with proactive and sustainable stakeholder relations and partnership community platforms which have to be initiated by investors on time.

Source; MiningWatch SEE Balkans ESIASEE.EU