

The bank accounts of Copper Investments, the investor in Macedonia's Kazandol mining project via its subsidiary Sardich MC, have been blocked since April 12 and the company's employees are not receiving their salaries, local media reported.

Copper Investments is the owner of Sardich MC company, reportedly set up with British and Ukrainian capital, which started developing the Kazandol mining complex in southern Macedonia. However, the Macedonian government decided on March 27 to annul the concession agreement on the exploration of copper, gold and silver at the site, claiming the concessionaire had breached the agreement.

In an open letter to media, employees of the companies said they will start a protest if the situation with the blocked accounts continues and they do not receive their wages, broadcaster TV21 reported on April 28.

Another 250 people employed in other firms which are subcontractors to the mining project are in the same situation.

Deputy Prime Minister Koco Angjusev was cited as saying that the accounts were blocked as the state is protecting itself in case where the agreement with the government is not respected by the investors.

The investors were supposed to build a factory to produce cathode copper, but they fail to do so, according to Angjusev.

"The state must take care of the rule of law and to treat all economic entities equally in the sense that if economic entities do not respect their obligations, the state should protect itself," Angjusev said.

Copper Investments recently sought an apology from Angjusev for his statement that the project was illegally financed.

According to Angjusev, €18mn has been invested so far in Kazandol, but the real owner of the money has not been identified and he therefore considers the financing was illegal. Sardich MC signed a concession deal on the Kazandol project with the previous VMRO-DPMNE government in 2015. Residents voted against development of the deposit in a referendum last year on environmental grounds, and prosecutors are also probing the process by which the concession was issued.

On April 20 in a TV21 debate show, Angjusev said that authorities launched an investigation to find out how the Kazandol project had been financed. He did not reveal any details, but said that not a single euro came from Ukraine even though the project is believed to be Ukrainian investment, and that investments came from several island states.

Source: intellinews