

Lithium is one of the most important links for Europe's "green" future

The European Commission created the first list of critical raw materials in 2011, which is updated every three years (countries such as the United States, Japan and Australia have created similar lists). The original list included 27 raw materials that are considered critical because of their importance to the high-tech and green industries and the risks posed by shortages of these materials or possible supply disruptions. In last year's report, the EU added lithium to this list, which is a necessary factor in the EU's efforts to reduce the environmental impact envisaged by the Green Agreement.

Also, the report of the European Council on Foreign Affairs states that the EU should improve the security of supply of critical raw materials and limit its dependence on other countries – primarily on China.

The European Green Agreement is an EU action plan by which Europe should become the first climate-neutral continent by 2050. This actually means that the goal of this action plan is to use resources efficiently by moving to a clean, circular economy. In addition, this action plan envisages the restoration of biodiversity and the reduction of pollution.

Demand for lithium is on the rise

"Uranium one", which is owned by the Russian Rosatom, plans to enter the lithium extraction sector in the next three years and to take over between 9 and 10% of the market share of lithium by 2030.

The general director of Rosatom's overseas trading agency, Tenex, Sergei Polgorodnik, says that the demand for lithium is increasing and that there is a possibility that it will quadruple.

"Currently, there is strong competition in the market for high-quality lithium deposits around the world, this is a key moment in the lithium production cycle," said Polgorodnik. According to the latest data from the site mining.com, lithium prices have skyrocketed in 2021 by as much as 88%. This requires a huge demand for new mining of this ore.

Serbia has the lowest ore rent in Europe

The deposit near Loznica, where the jadarite ore was discovered 16 years ago, is unique in the world due to the high concentration of lithium and boron and is one of the most important lithium deposits in the world. Rio Tinto plans to build a lithium-mining mine at the site, while locals oppose it, fearing the mine will cause an environmental disaster. However, ecology is not the only puzzle that accompanies the arrival of Rio Tinto in Serbia. The public is not even aware of what exactly Serbia will get for the transfer of this mineral wealth to foreigners.

Serbia gives cheap lithium to Rio Tinto, while the price of ore gets extremely high

According to previously published data, ore rent in Serbia ranges from three to seven percent of income, while in Croatia it is 10 percent, in Hungary and Romania 12 percent, in Slovenia 18 percent, and in Russia 22 percent of income. During last year's visit to Loznica to the "Jadarit" deposit, the President of Serbia said that "ore rent cannot be changed so easily". He explained this attitude by saying that it would spoil the agreements with the Knesk and Russian investors who, as the president says, "saved" us with their investments. Could a change in the price of ore rent break contracts and drive away investors, even though they pay the lowest price of ore rent in Europe?

When asked what benefit Serbia has from the exploitation of lithium, professor of the Faculty of Mining and Geology Vladimir Simić explained for H1 television that lithium is not covered by the existing law.

"They will invest in it, they will pay the state a fee for the use of minerals that is required by law... I don't know about lithium, because it does not appear in the existing laws, it will probably be something similar to other non-metallic minerals, maybe up to five percent of profit - although it is never clear to me from which to get. It is not clear to me, and I have been dealing with mineral raw materials for 30 or so years, "said Simić.

Source: luftika.rs