

Serbia: How Serbia loses billions of dollars because it has become the money mine for foreign mining companies

A group of American and a few multinational corporations (“Atlas Copco”, “Capital Drilling”, “Drillex International”, “Freeport”), which are involved worldwide in robbing the poorest countries of their mineral wealth, arrived in Serbia several years ago. Each of these companies had the task under the contract to drill (explore) mineral deposits and they receive a huge amount of money from the state budget. Instead, the money is sent via fictitious accounts to the so-called off-shore accounts. The above-mentioned companies in Serbia have multimillion dollar profits, do not pay taxes, and are not controlled even when importing outdated machinery as a “temporary import”. Many of the “managers” of these companies are people with criminal records in several countries, and Serbia is losing billions of dollars of net profit because of this “business”.

The Serbian Government has paid to foreign companies more than EUR 50 million for the exploration of mineral deposits near Bor, at a depth of 2,000 meters, and exploration has not been conducted up to now.

Several multinational companies for the exploration and exploitation of mineral deposits, such as “Atlas Copco”, “Capital Drilling”, “Drillex International”, “Freeport”, which have their offices around the world, are involved in the illegal import of machinery for drilling and soil testing in Serbia. However, none of these companies has imported machines that are able to examine the soil at a depth of 2000 meters and deeper, although such activities were envisaged under the agreement with Serbia and for which they regularly received money from the state budget, more precisely, from all the citizens. The money obtained in such an easy way from the budget of Serbia was sent even easier to the accounts of offshore companies, the so-called tax havens, by using fictitious invoices in addition to avoiding paying income tax.

These companies that suck money from the budget are using one more way to steal even more money from the already robbed Serbia. Namely, these hustlers import machinery for drilling ore deposits and use them as vehicles for transporting workers in the mine complex, under “a temporary import”. With temporary license plates, which are used for presentation at fairs according to law, they perform transport of workers and thus deplete the country for VAT and customs that are not paid. All these activities for them are covered by the trucking company “Ekstrasped”.

Companies “Rakita” and “Geops” as well as the Canadian company “Nevsun” are doing business with them. Together, they bring workers from the Philippines and Mongolia, which work in Serbia and Bulgaria undeclared. “Geops” owner Vasil Andreev makes it possible as his father is a police chief in Plovdiv in Bulgaria.

Andreev involved in the business a Bulgarian company “Euromax commences drilling and

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geophysical programs”, and the owner of the company is also Bulgarian, Dimitar Dimitrov. As soon as the company arrived to Serbia it immediately began to violate local regulations from the Labour Act. They brought the Bulgarian workers to work in the vicinity of the airport in Bor, and no one is registered here, all work in the black market. Work Inspector from Bor, who caught them in the illegal activities later ripped the complaint, but she recently became the owner of several apartments in Bor!

All these companies pay neither contributions nor income taxes, and customs inspectors have found out that the machinery for exploration works are not imported but are kept in the books as if they were rented by the Bulgarian companies.

In this way, the company “Capital Drilling” even managed to import machines in Serbia from the South Africa. Different figures of USD 500 a day are mentioned in rental contracts, and for some drilling equipment fictitious rental is paid USD 800 or 1,000 a day. In addition to machinery from South Africa, “Capital Drilling” fictitiously imported machines from Chile, with whom they cooperated in the time of dictator Pinochet and these machines are 15, 20, and some even 30 years old! All are technically obsolete, and it is possible to drill with them up to 1,200 meters, while they have committed to Serbia that the exploration works will be conducted at depths up to 2,000 meters.

Having in mind they are not controlled in Serbia and they operate in an extremely wild manner, this will be another activity in which Serbian citizens are deceived by the local politicians and state authorities in cooperation with foreign companies. The truth is that the mentioned criminal corporations do not pay taxes in Bulgaria too, where all these companies also do business. These companies operate so dishonestly that they even fill up the fuel that the state gives them at preferential prices to a greater extent than they need, and they have a special built-in reservoirs on small trucks. They cover them in trailers, and for 50 euros our workers turn a blind eye and let them fill more fuel than they should. The owner of Drillex International, one of these companies, is an Australian Richard Rose, who escaped from Malaysia, where many of the exploited workers wanted him dead because of the wrong he had caused them. He also owes an enormous amount of money for tax to competent state institutions in Malaysia. The owner of the company Capital, which is similarly involved in the mentioned activities related to explorations of mineral deposits in Serbia is also an Australian Brian Rud, against whom the proceedings for tax evasion are conducted in Australia.

In Serbia, the mentioned company Drillex International earned EUR 40 million in ten years, and has not paid a single euro for tax.

The company Capital has earned two million dollars for one year and paid neither income

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taxes, nor taxes and contributions. Vasil Alexandrov's company Geops had a turnover of EUR 50 million and it also did not pay a dime for taxes in Serbia.

The parent company of all of these fraudulent companies is American company "Freeport McMoRan" linked to Bulgarians, as well as Australians in one way or another. The company has majority ownership and the right to operate in the Lower Zone of the "Cukaru Peki", copper and gold deposit near Bor.

It was recently announced that "Freeport McMoRan" retains the majority ownership and the right to operate in large Lower Zone of the "Cukaru Peki" deposit within the "Timok" project.

This deposit is a part of the joint project "Timok", owned by the company "Rakita Exploration" Bor, in which the American company "Freeport McMoRan" has a 55 percent stake, while 45 percent is owned by Reservoir Minerals from Vancouver in Canada.

According to current explorations, the "Cukaru Peki" deposit next to the airport in Bor, is one of the richest deposits of copper and gold, and Freeport obtained exploitation rights in the greatest silence. In doing so, the state of Serbia has lost billions of dollars in the long run...

In this area, according to classified data, there are 65 million tons of copper with average copper content of 2.6 percent and 1.5 grams of gold per ton, from which it is possible to get 1.7 million tons of copper and 98 tons of gold. At the same time, the state company RTB Bor is in a terrible position, in which it was brought so that it could be later sold at low price. The investment in the smelting plant is a colossal failure, domestic ore is not exploited, import toxic ore is secretly imported and processed under damaging contracts and the citizens of Bor are poisoned. Director of the company Blagoje Spaskovski wants to hide all this from the citizens of Bor and Serbia. Blagoje Spaskovski was general manager of RTB Bor in the period from 1990 till 2000. During that period USD 150 million has been invested in RTB Bor, of which USD 120 million has been invested in RTB or 80 percent. The investment in the mine "Cerovo" in the amount of USD 55 million should be mentioned, as well as the largest failed investment in the history of RTB Bor -transport system for tailings on the open pit mine Veliki Krivelj in the amount of USD 31 million.

These and other investments have not given the expected results and therefore the deterioration of RTB Bor started. If one adds to poor investments in Majdanpek in the amount of about USD 36 million, followed by the investments in Bor pit in the amount of USD 14 million, then we can see the measures of wastefulness and lack of quality vision because all these investments were not successful. Literally, the then governing and management structure pushed RTB Bor to destruction with its reckless and unprofessional

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moves and famous SPS superficiality, arrogance and wastefulness. Why Mladjan Dinkic, Petar Skundric, Boris Tadic and today Aleksandar Vucic allowed that economic killer to lead RTB Bor, and this is a question that is not difficult to answer to: all mineral wealth in Serbia must be handed over below the price to the new colonial governors of Serbia!

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