

The Mining Law will be changed in order to make the legal framework for attraction new foreign investment. It is planned to open five new pits that will bring investment of five billion dollars.

The discovery of some of the largest gold and copper deposits in our country in the past have led Serbia to better consider the utilization of its mineral wealth and attracting heavy investment of five billion dollars. The Ministry of Energy and Mining, amendments to the Mining

Law are in the preparation, which should make a radical turn in this sector of our industry. According to experts, Serbia will, with the new law, "open" for investment because it will greatly facilitate foreigners to obtain use permits and open up to five new mines in our territory. Our country would earn from mining rent, and investors will be able to sell our mineral wealth also beyond the borders of Serbia.

- Serbia uses three percent of the potential mineral wealth, saying estimates - says Aco Ilic, president of the Mining Geological Association of Serbia, who negotiated with the relevant ministries on the amendments of the Mining Act. - It is required a minimum discretionary power of state authorities and a minimum state participation in investors' business. The state should ensure the protection of their interests in a way that will not frustrate the needs of investors, because otherwise serious companies will circumvent Serbia, while the brokerage will flourish. The industry will suffer as it is now, the Government will continue to subsidize mining instead of earning from it.

Ilic adds that the Ministry of Energy accepted to remove from the law the introduction of the obligation to submit semiannual reports as unnecessary increase in administrative procedures, it was increased the allowed amount of mineral raw materials for technological tests. Also it was deleted the proposal that the collected minerals cannot be sold outside Serbia.

The calculation of the National Alliance for Local Economic Development says that in 2013th were 135 active licenses for exploration in Serbia, and investors invested 300 million dollars for ten years. If three percent of permits for exploration would be converted into a use permits for mining, there could have been opened five new mines, which would potentially brought five billion dollars of capital investment.

Although our country could take incomparably more money if it conducted tests by itself, and then mined mineral resources, Serbia has no money for the job.

Of course it would be better to do without the influence of partners on the side - says Ljubinko Savic from the Association of Energy and Mining. - The problem is that these are investments worth billions of dollars, and our mines are already in financial trouble. We

need to open up for the investment, but with strict control and supervision of the state.

### Mining rent

The rental payments for use of mineral resources in Serbia will likely remain item in the Mining Act that will not be significantly changed. Although it was announced that the new legal framework will regulate the exploitation of mineral resources and mining rent in the future, the Law on charges for use of public goods, will not be prepared by the end of the year. Thus the Ministry of Finance is supposed to resolve the problems of illegal exploitation of mineral ore and lack of inspectors.

source: