

Le Figaro: Serbian copper in Chinese hands

Categories : [Mining](#)

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China's acquisition of the Mining and Smelting Combine (RTB) in Bor is just one in the series of Chinese investments in the countries of the former Yugoslavia, under the One Belt, One Road strategy - the renowned French daily, Le Figaro writes.

After 20 years of agony and futile attempts to privatize RTB Bor, Chinese metal-processing giant, Zijin bought 63 per cent of RTB for \$1.46 billion, which was a relief both for the government and the town of Bor, Le Figaro writes.

The economic embargo imposed on Serbia in the 1990s and the lack of investments led to a decline in production in RTB. Zijin, the third largest copper and gold producer in China, undertook to pay the \$200 million worth RTB's debt, saved 5,000 jobs and plans to invest \$1.26 billion, the French newspaper said.

Economic journalist Miša Brkić claims that the purchase of the Serbian copper company was a pre-planned strategy, while research associate Stefan Vladislavljev said that China has become one of the most important foreign stakeholders in Serbia, despite the fact that about 60% of direct investments comes from the European Union (EU).

Although the relations between China and Serbia have been historically good, China's refusal to recognize Kosovo's independence has strengthened the bilateral ties, Le Figaro says.

The Agreement on Cooperation in Infrastructure Projects was signed in Beijing in 2009. The construction of the China Corridor for Roads and Bridges and the Friendship Bridge on the River Danube in Belgrade ensued after that, followed by China's Exim Bank granting Serbia a loan for the implementation of infrastructure projects.

With Aleksandar Vucic coming to power and the 16 + 1 Summit in Belgrade in 2014, the friendship between the two countries became even stronger - Le Figaro writes.

Less restrictive standards

"China's interest in Serbia is also explained by the fact that Serbian standards are less restrictive because the country is not yet an EU member," said the former Serbian Trade Minister, Slobodan Milosavljević.

As an example of these lax standards, Miša Brkic underlines environmental risks in copper exploitation, since certain ore in Bor mines contain more than 20 per cent of arsenic, which is why they are banned from use in the EU.

However, business journalist Mijat Lakićević believes that these deals with the Chinese benefit the current authorities which stand to gain personal benefit from it - Le Figaro claims

and adds that Vucic will go on an official visit to Beijing in late April to sign new contracts as a continuation of cooperation with China.

Le Figaro also mentions the agreements Serbia signed with China at a recent summit in Dubrovnik dedicated to the 16+1 initiative launched in 2012 with the aim of strengthening China's cooperation with the countries of Central and Eastern Europe.

Source: serbianmonitor