

Companies Eni and Novatek, which were awarded concessions for exploration and exploitation of oil and gas in Montenegrin part of the Adriatic Sea, have paid 109,000 euros to the state budget as the area usage fee for last year, while additional 386,000 euros will be paid soon as fees for 2017.

Following the successful completed negotiations, on 14 September 2016, in accordance with the decision of Montenegrin Parliament, companies Eni and Novatek concluded concession contracts for hydrocarbons production in offshore blocks 4118- 4, 4118-5, 4118-9 and 4118-10.

The statement from the Ministry of Economy said that during 2017 concessionaires will carry out activities related to the preparation of an environmental impact study and obtaining its approval, determining the content for seismic explorations and the development of various types of geological studies, as well as obtaining all the necessary permits and approvals for the start of seismic surveys. Actual exploration activities will start in 2018.

In mid-May 2014, three consortia submitted bids in the tender for awarding the hydrocarbon exploration and production concessions in the Adriatic Sea. Tender referred to 13 concession blocks with overall area of 3,000 km². The bids were submitted by the consortium of Marathon Oil Corporation (USA) and OMV (Austria), consortium of Eni (Italy) and Novatek (Russia) and consortium of Energean Oil and Gas (Greece) and Mediterranean Oil and Gas (England). In early February 2016, the concession contract for oil and gas exploration in the Adriatic Sea has been signed with Italian-Russian consortium consisting of companies Eni and Novatek, which includes two exploration periods that last four plus three years.

The concession will be granted for 30 years, and before the conclusion of the public tender, the Parliament adopted a new law on hydrocarbons tax, which amounts to 59 %, of which 20 % will be allocated to the state budget and 80 % to special hydrocarbons fund.